



Finance Committee

April 6, 2021 2:00 p.m.

Virtual Meeting

Minutes

Pursuant to Governor Baker's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §18, this meeting of the Finance Committee is being conducted via remote participation.

Members participating remotely: De Angelis, Griesemer, Steinberg, Schoen, Pam

Members absent: None

Non-voting members participating remotely: Hegner, Kubiak, Sheffler

Non-voting members absent: None

Others participating remotely: Finance Director Sean Mangano, Finance Director Doug Slaughter, Comptroller Sonia Aldrich, Superintendent Michael Morris

1. Call to order

Steinberg declared the presence of a quorum, called the meeting to order at 2:02 p.m., confirmed all participants can hear and be heard, and announced audio and video recording.

2. Budget review: Amherst-Pelham Regional School District FY22 Budget

The Committee reviewed the proposed budget documents that had been presented to the Council and approved by the School Committee.

Schoen asked about the following:

- Is there a place where we can see the student population & FTEs for both middle and high school projected for next year and trend line?
- If the reserves go up by 50% from the prior year (as projected), is that the total available or is there another amount from prior years and if it isn't draw on can it be available for next year?

Slaughter replied:

- State limits on excess and deficiency is 3-5% each year. Once the E & D is certified each year then they can appropriate from that money. It has to be appropriated before June 30 or the certification expires.

- FTE is line by line and they can show the overall FTE

Steinberg disconnected at 2:10 p.m. Schoen took over as Chair while Steinberg was disconnected.

Morris added that they expect enrollment to increase this year, as students who had been homeschooled or privately schooled have communicated their plans to return in the fall. He said they expect to be back in school 5 days per week in the fall and students at the regional school may be eligible to be vaccinated by the fall which will be reassuring for families.

Steinberg reconnected at 2:18 p.m.

Kubiak asked how much is a one-off and how much is an actual reduction. Kubiak also asked about retirements and if there is potential savings from bringing in new people? He acknowledged that there are concerns about bringing teachers in mid-year next year. Slaughter said in listing reductions, some are more temporary and some are more permanent in nature.

Kubiak spoke about sustaining the school at a reasonable level with declining enrollments.

Pam asked if the reserves money disappears if it is not spent. Slaughter said it does not disappear, when it is certified it is available to be used. He said after the certification expires it is not available until next certification.

Pam asked for clarification on the health insurance premium holiday, specifically if the school district owes anything this year? Slaughter said the rate is going up 1.1%; and if the trust fund starts to get to a high level, they will periodically allow members to not pay rates for a period of time. The holiday is a premium reduction due to the lower than projected use.

Pam asked if CARES funds can be used to repair athletic fields. Slaughter said that is unlikely to be eligible unless the field repairs are more directly related to COVID-19.

Sheffler asked about the decrease on the payroll for special education. Slaughter said besides the payroll, the additional costs will not be in the special education expense line and when they have more staff in special education, they use less contracted services outside the district.

Griesemer asked if there has been any discussion of a reexamination of the Chapter 70 funds based on the October enrollment figures given the unusual year. Morris said his organization has been advocating for using the fall 2019 numbers as proxy for enrollment. He added that districts are in worse shape than Amherst's district that are more dependent on Chapter 70 funds.

Griesemer asked about the CARES money, specifically what it has been spent on and where Morris sees the new three-year funds going.

Morris said they have used CARES for the following:

- Small construction projects such as splitting classrooms that had been quads into two classrooms.

- PPE, cleaning supplies, and equipment
- Additional staffing of certified nurse assistants
- Technology products and increased WIFI networks.

Morris said they are planning to spend on the following:

- Ventilation improvements for larger spaces
- Restocking PPE
- Rebolster staffing to address the concern about mental health needs of students
- Readjustment of curriculum.
- Adding more robust summer programming

Morris said there has been no formal guidance from DESE yet about specific uses or amounts of additional funding.

Griesemer asked Morris to discuss the readjustments of the curriculum. Morris said due to COVID moving to a block schedule, students take four courses per term which means that teachers are teaching 80-90 minute courses rather than 50-60 so courses will need to be adjusted.

Slaughter said they have traditionally directly applied school choice money to math teachers' payroll line because it's a department that virtually every student is required to take classes in.

Pam said she is interested in the possibility of a robust summer program and it should be paid for with state and federal money. Morris said they still don't have guidance on the stimulus and they have limited funding for summer programming.

Schoen asked about the 6th grade moving to the middle school and she said costs can be spread more generally. Morris agreed that this would help. Morris said they have some summer support roles and have identified students that would benefit from that experience.

3. Public Comment

Councilor Hanneke – Hanneke said pg. 2 shows a payroll account expense line and pg. 48 says where they are going to cut that money. She said there are inconsistencies in FTE and paraprofessional numbers and the presentation makes it difficult to analyze what is being cut and what programming changes will happen. Hanneke said the \$100,000+ was added to the math department expense line and it is actually an income so it seems like that would prop up expenses to claim that there are a lot of cuts to services.

Morris responded that the line-item piece was just voted on by the school committee last week and he would recommend the date be pushed back on the regional school budget. He said their timeline is way faster than other towns and the challenge is with three other towns and Town Meetings.

Slaughter said school choice is a revenue source, and when it is applied to an expense line it shrinks it. He said it could be shown as a revenue source on its own and they are trying to be consistent representing the needs of a department.

Hanneke asked if the funds from the American Rescue Plan will be used to hire staff and if so, will that hiring take place in FY22 and when that funding runs out will it show up as a “cut” to services in FY24. Morris said the district is not trying to portray cuts that are not actually cuts as cuts.

Hanneke asked in the FY21 budget, did any negotiations happen or were any contractual COLA increases renegotiated between the FY20 and FY21 year such that the FY21 current budget has to account for that sudden down. Slaughter said there were not any changes to negotiated COLAs.

Hanneke said staffing costs increased 6% according to the budget presented yesterday and 87% of the increase came from special education services. She asked as enrollment is declining by 5% why is staffing increasing and why so much in the special education categories.

Morris said they had a 6th grade class go to 7th grade with a larger number of students who required para-educators. He said they have to legally and ethically educate those students with special needs. Morris said they do have added staff on the professional side that was not in the budget five years ago.

Hanneke said over the past few years, the regional school committee has been gradually moving toward statutory method. She asked if it is true that the decision or move from regional agreement to state assessment method, while trying to abide by all four towns’ various financial guidelines, cause the strain on the budget.

Morris said in his opinion this is the greatest long-term risk. He said they stop talking about students and needs and the conversation is very different in municipal districts. He said this is an additional variable contributes to fiscal and education challenges.

Steinberg spoke about leadership of all four towns getting together to have a conversation and he said they need to get back to that conversation. Steinberg stated that what is happening for most of our towns is that state money has been stagnant and costs have increased; the burden of the increase has been falling on the towns and plays out in the tension that takes place in the assessment method discussion.

Morris agreed with Steinberg. He said he is a little worried about the future and how the four towns can work together. He said it would be good to get together because there has been some change in leadership in some of the towns. He added that when the district has been involved at the front end, it has not worked well.

Pam asked about cuts to the arts program. Morris said it is not at this funding level and there are budget pressures.

Steinberg asked why the budget is presented as level services and then cuts and additions, noting that this makes it seem like the Town Council is squeezing the schools. Mangano said a lot of it is for the school committee and after the budget is voted on, the starting point for the next budget

includes all of those allocations and cuts. Mangano said most school committees want to see what level services cost from year to year.

Morris spoke more about the challenges of the format the Regional School budget is presented and how the information is organized.

Members discussed the assessment method, other models that have been studied, DESE preferences in assessment method and requirements for regional agreements. Steinberg said there should be updates to the regional agreement to reflect Amherst's new form of government, which was brought up at yesterday's Council meeting.

Members discussed the need for a follow up meeting with the other towns with a focus on the total budget, not the allocation method. Perhaps during the summer.

4. Future meetings and FY22 budget calendar

Members discussed the timing of upcoming agenda items.

5. Topics not anticipated by the Chair 48 hours before the meeting: None

6. Adjourn

Steinberg declared the meeting adjourned at 3:50 p.m.

*To join the Council meeting via Zoom teleconferencing: Go to <https://amherstma.zoom.us/j/99279237103>. To indicate you wish to make a comment click "raise hand". To join the meeting via telephone: Call (646) 876-9923 or (301) 715-8592; Enter webinar ID when prompted: 992 7923 7103. When prompted to enter your participant number press #; To indicate you wish to make a comment, press *9 on your telephone. During the public comment period, the Chair will recognize members of the public. When called on, please identify yourself by stating your full name and address.*

Record of Agenda Packet Materials and Documents Presented:

CO FY22 – 01- 02 03 REGION – Assessment Method, Budget and Capital
Finance Committee Agenda 04.06.2021