

Budget Coordinating Group Minutes of January 21, 2010 Meeting Bangs Community Center

Present: Andy Steinberg, Doug Slaughter, Irv Rhodes, Farshid Hajir, Pat Holland, Chris Hoffmann, Gerry Weiss, Stephanie O'Keeffe, John Musante, Alberto Rodriguez, Rob Detweiler, Andy Churchill, Bonnie Isman, Larry Shaffer, Maria Geryk, Mark Jackson, Annie Leonard, Marilyn Blaustein, Marylou Theilman, Scott Merzbach (Press).

Meeting called to order 11:33. Stephanie will stick to strict timeline, 25 minutes each. Farshid assigned as recorder of minutes.

Municipal Budget

Larry Shaffer (LS) described the cuts outlined in his Jan 15 memo distributed to the Selected Board. Meets 3% reduction Finance Committee recommendation. Responsible, reasonable but painful budget. No surprises here, been forecasting this for 3 months. Been meeting for last 12 days with individuals affected; with sensitivity compassion, painful process. Met with all employee groups at least once some twice to evoke sense of confidence in our future, and our organization.

If revenue issues are not resolved, we will be a different organization come July 1, 2010. General Fund continues to be of concern. 11:40 stops to answer any questions: FINCOM and SB saw the presentation last Friday.

Stephanie O'Keeffe (SOK): Budget conformed to guidelines, the priorities may be shuffled around before the 26th; general support is there for the budget.

Gerry Weiss (GW): agrees with that. Necessary discussion of prioritization. Discussion of effects of cuts needed so as to justify possible recommendation of override. That's the work that needs to be done.

SOK: SB Monday night will discuss this.

Rob Detweiler (RD): Prioritized, bottom of the list is first to be restored page 7 number 1.4 mill vs. page 8 1.3 million.

John Musante (JM): FY10 vs. FY11. this is 2nd major round of cuts; FY11 prior cuts total 1.4 mill Shaffer recommends that we make the first 570K in reductions. "Best case" even with override is an increase of 1.9%

SOK: what about colas for non-union employees?

LS: successful negotiation with police union; saved 170K;

non-union cola is 91K

currently in negotiations with firefighter's union, no contract right now. We're very serious and so are they. COLA for FF is in this budget. That may be eliminated.

JM: direct connection union giveback saved 2 police positions

60% of town workforce FF + police controlling wage increase reduce size of override and number of cuts

LS: diff of COLA is 91K under general fund all non-union receive 0 COLA.

Irv Rhodes (IR): how does this relate to the Quinn bill? is that part of the contract, even though state has pulled back funding?

LS: Quinn bill has been around a long time; union has received benefits from town and state. We don't know what would happen if town suspended Quinn bill payment and decided to take a harder route; MMA has suggested past practice may prevail. Town's contributions range from 10-12.5%. If town pulls that back, salary would be reduced 20-25% no such reductions being proposed elsewhere; I vigorously represent that would be unfair. They're giving us 3.5% removed not deferred.

JM: Agreement reached does not call for a pay increase, nor decrease they're held level. No pay decreases. fair, equitable position saved 2 police positions.

LS: we needed to have one union go first. police has set the precedent. one of our major units has given back 3.5%. non-union employees involves personnel committee and then SB. we can't afford 3.5% for non-union employees. I won't be recommending it.

SOK: SB understood no COLAs for non-union; personnel board lack of recommendation is a bit of technicality right now.

DPW has rejected COLA giveback at this point.

LS: had meeting with DPW yesterday, trying to calm the waters. One of the issues in the newspaper article was that some employee actions with regard to scheduling is designed to be punishment for non-rollback. Nothing further from the truth. Too many problems to use this as a way to punish people. We're always respectful of them and their contract and will move forward.

GW: was DPW offered one position for that giveback? They have 3 cuts on their list. LS I wasn't at any of the negotiation sessions. we talked about the total \$ amount.

JM: 26K amount general fund piece is about 22K cola giveback; we can't guarantee a position based on this can't memorialize those salaries and not get the relief

focused on the big colas.

Andy Steinberg (AS): community will need to know: how the safety of public and public works services will be affected if the cuts are implemented

LS: fire: 5500 calls 3/4 are ambulance 1/4 fire one of the highest call volumes per EMT in the state. We're at end of productivity capacity range in terms of EMT/FF available 4 shifts of 10 FF EMTs. With vacations/ sick time etc. we have 7 in a shift for most part. 3 ambulance calls we have on regular basis only 1 FF back to answer calls. we run a tight ship over there. not much time hanging around, busy FF dept.

the two positions are administrative captains positions, created long time ago, moving them back to shifts. difference between previous chief and new chief, that cut will affect an already stressed dept

The number of sworn officers is reducing bureau more on patrol (heart and soul); new chief has new quadrants for coverage; everyone knows the situation we face. in early fall late spring, the demands are

severe, 50 arrests a weekend not unusual. Springfield even doesn't have those #s.

SOK: 25 minutes are over; clear that we can't have same level of safety with fewer people on the job.

12:00 Library Budget

BI: trustees met last night, present cost saving options. distributed list. in line with projections; bottom line would increase by 5% level services. Waiver appears will be voted Feb. 4th. optimistic that we will be certified this year and will receive full cherry sheet amount.

stock market endowment has suffered as have all Stock funds. decline in endowment funds normal distribution. last night board voted to use savings at end of 09 as available unusual move given dire circumstances. annual fund drive looking good. Last year was a banner year for raising money for Fridays. private funding is not keeping up with costs.

Many considerations in proposing cuts list. Looked at actions of reducing colas by LS. tier 2 is what trustees are focused on: keep certification, maintain libraries to meet expectations by community.

tier 3 shaving off almost every dept in terms of staffing, office, reference, children's maintenance, A/V, etc. the farther down the most drastic only full time custodian one night weekend custodian

snow season could be difficult. 14 higher really don't want to make those cuts. closing on Friday afternoons: last year's starting position in FY10 very painful process, it would show up in a continued limiting of services to lib users across the board.

trustees in agreement with this;

Pat Holland (PH): we did vote 4-1 to support; there was 1 absent.

BI: 20 hrs a week Munson and North Amherst 5 days a week, not losing hours but salaries. reorg staff was discussed. cutting back on evening in branches but staffing is \$11 an hour savings negligible. less than a \$100 per branch. disruption not warranted. they come out with least ESL also value for low cost. many volunteers. social benefit effective program.

PH: People may have read in the paper we received bequest of \$283K; request why can't we dip into that for operating expenses: answer is that the friends decide what to do with it; they might be approached for help. money is deposited in our endowment. expect another bequest of a bit more than that, hasn't been settled, same family, not known if it will be available this year or next.

Chris Hoffmann (CH): awaiting more details of terms of bequest; the donor's desires not yet fully articulated.

JM: given that you worked til midnight last night, when do you expect to forward detailed budget proposal to finance committee?

BI: Feb 4th to meet with fin com probably a week from today can forward detailed budget. One thing to point out important to our staff: item 11 is further reduction to new material budget; in 2009 we had almost \$300K for materials. We will have cut our buying power in 1/2 from 2009. People used to seeing shelves filled with material just won't be the same as before; now it's calculated on town appropriation formula only for the new state formula, buying only 1/2 has much as we are used to.

JM: overall increase in budget if town tax support was at minimum level for certification in comparison to

the 3.8% that you have?

BI: yes but not here, will get back to you.

12:18 Move to Elementary Schools Budget.

Alberto Rodriguez (AR): first RD will present the overall picture

RD: reviews memo distributed, including FY12 & 13 projections based on the three different FINcom scenarios, with some assumptions as described in the memo.

AR: Marks Meadow closing already fait accompli. In the middle of the list you see Central Office and school-based cuts. We used zero based budget. We told principals if you were to redesign your schools, what would you do? 3 columns : central office, marks meadow elem school cuts consolidated into one list.

All the principals have agreed to forgo their colas. There are some adds: transition costs . If any of you have ever moved, as I have, you know there are moving costs. Addition of a pre-k classroom over long term will save money. We are spending \$ on them in the form of interventions. Will save \$ down the road. If we go all the way down the list, it will impair our capabilities.

Met with unions with Amherst Pelham Education Association , met with AFSCME, those talks are going on.; those talks are ongoing.

RD; these cuts lists are up to date as of today; final prioritization scheduled for Feb 8th. SC will vote on or otherwise approve final ranking probably close; there may be some movement, because public hearing may suggest more tweaking.

GW: budgeting only appears to be exact science, but it is not an exact science there is always a bit of uncertainly built in.

GW: reverse accumulated list as we look at override, we'll start at bottom and go up the other way.

JM: thank you to the staff. We know this is real people real staff directly affecting students. You've compiled a tremendously long list to meet what we hope is worst case scenario.

MM closure, there will be some one time costs, we understand there is that cost. a tiny part of your budget is a one time cost how do we fund that?

Estimate net savings from closing the school. page 3 summary one amount, and another amount elsewhere. Clarity on that is needed.

Tremendous work on transportation: gone out to bid, favorable bids. In this climate, reducing bus stops, miles per day, impact families but save money redirected to classroom. Not clear from your cuts list that some cuts are efficiencies. Analogous to town efficiencies.

Assumptions on grants, revolving funds etc? how is that related to your budget proposal? Are you hoping to procure pre-k federal grant money?

AR: I myself have personally pursued through the state (and Maria Geryk and JoAnn Smith) dollars for pre-k. We have not been able to tap into those dollars. Usually reserved for districts of high need. We don't fit the profile even though we have the need can't compete with surrounding neighborhoods

RD: can present grants after regional and Amherst budget presentations.

We received the request for information on grants late yesterday.

I want to thank Leah Carver and Maria Geryk for compiling this list for 18 hour request.

12:40 moving to Regional Schools Budget

RD: more complicated because more towns involved.

RD reviewed level services etc. as per fin com recommendations.

Even if we cut 3%, the assessment goes up 2.1% for Amherst because of other funding streams.

assumptions were reviewed.

choice revenue is coming down.

AR: note that some of the lines are blocks that go together: restructuring.

GW: if we study the blocks, they're not about budget, they're about what's best for children. they're not budget related. AR gives long explanation of how the list was merged from different areas. He states that it is "quite frankly, strategic."

Mike Hayes, Senior Assistant Principal, described some of the cuts to the Middle School.

Irv Rhodes: thanks Dr. Rodriguez and the staff for this presentation, HS especially, one of the things the School Committee has pushed for is what FY12 13 will look like that gives a peek to future, we need to be aware of that, and compare to that where we are right now; should inform us on how we being to form to add to revenue streams; they have to be looked at in relation to future years

SOK thanks schools for the work

AR: thank the staff they have done amazing amount of work sometimes have only one day to do it. Mark Jackson, Annie Leonard, Mike Hayes, Maria Geryk. RD of course extremely invaluable. Thanks school committee members also.

1:00 pm SOK let's go into Grants ten minutes on this.

Maria Geryk (MG):

Distributes information on grants: 5 year historical trends, and a picture of this year's projections.

In May when we get a fuller picture; less predictable this year. Some have been cut that were previously stable. Many have been restructured. Criteria are more restricted. We're not high needs based on demographics or AYP status. We have areas to improve but overall we are doing well overall in the state.

FY11 projections: do anticipate decrease (conservative projection)

IDEA e.g. bulk of it is for current supports staffing. we have mandates for providing services, we're not in a position to cut.

If decreased we will still have to provide services, so staff would have to move to appropriations. Grant increases have barely supported increase in benefit raises increases for staff; we have not added staff in recent years.

ARRA funds have been used for building internal capacity; supports some staffing but bulk are initiatives that will not be funded at end of FY11.

difficult to project past next year.

PH: wonders whether private donations can be included for schools and towns.

RD: we could of course. historically they've been very limited, typically goes to each school principals track them. '

LS: gifts to town typically targeted senior center LSSE finance dept doesn't usually get that. this week got 90K unrestricted from amherst college.

RD: we do track it but we don't see it as budget support.

SOK; do you have available where each of these grants are going, what they are supporting?

RD: historically no, but

MG : I do track that information as required by the granting agencies.

SOK It's 1:12 wrap up the presentations now. if we have time we'll have more follow-up questions.

agenda item 5

Andy S hard enough to project for FY12, for FY13 requires a lot of assumptions that have to recognize they are uncertain. work in progress.

JM our own ambitious calendar for BCG today was important to those of working on projections of snapshot . next Tuesday we will be translating what we learned so far into an update projections talk with more detail on choices

now and feb 4th when this group hopes to complete recommendation for select board we will have governors recommendation for state aid.

currently 10% decrease projected; news from Governor on that could have a big effect good or bad.

Will help crystallize thinking of this group what's at state, how may \$ we need to preserve the most important services.

AS: thank you all for your work.

SOK; will propose a process for how to go forward this is unprecedented amount of coordination; it's amazing to have all this information.

The committee identified take away messages.

PH: can we get cuts lists formatted in a comparable way?

SOK: Yes.

JM: We will produce the lists in reverse order.

On the 26th we will start discussion of how we structure an override recommendation based on the cuts lists. figure out where we draw the lines, an amount and a recommendation for a structure.

Thursday the 28th may be needed also.

Tuesday the process will really come together with tough decisions being made. collaborative so far and on Tuesday. committee thanks the chairs.

Adjourn 1:28 by consensus.

**Amherst Budget Coordinating Group
Summary Points – January 21, 2010**

At our January 21st meeting, the members of the Budget Coordinating Group agreed that the following point would be conveyed to our home boards and committees:

- That BCG representatives would provide copies of the prioritized cut lists presented at this meeting to their home committees, in order to share information across budget sectors, and to show the common starting point from which the BCG's recommendation on override size and structure will be created.

Respectfully Submitted,

Farshid Hajir