

**Budget Coordinating Group  
Minutes of Feb. 10, 2010 Meeting - DRAFT  
Town Hall Town Room**

**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, Walter Wolnik, Larry Kelly.

The meeting was called to order at 11:36.

**Public Comments:** Walter Wolnik speaks in favor of the use of color to highlight different tiers of cuts as in the Budget Cuts Lists produced by Rob Detweiler for school system and promotes the idea for use by other departments.

Vince O’Connor distributes a letter to the committee and speaks in favor of a menu override and for use of reserves as necessary.

SOK reviews Feb. 4 Summary points. JM distributes updated Municipal cuts list, declaring a gap of \$537,252.

RD reports that the Amherst elementary school committee voted on Feb. 8th to ask the BCG and Select Board to consider adding \$400,000 in support of the elementary schools on the Override Ballot. The Regional School Committee met on Feb. 9th and declared a budget gap of \$950,000 and asked member towns for fiscal support to close that gap. The Amherst assessment portion of that amount of support to the Regional budget is \$739,195.

BI: Library met last night and declared a need for \$88,994 to support their budget.

This brings the total budget gap to \$1,765,441.

SOK: This process began many months ago; much work has gone into creating the cuts lists. We realize that the level of support for going ahead with an override is not 100% from all departments, but we are facing a gap of \$1.8 million after \$2.5 million of cuts. Do we want to cut \$4.3 million of cuts instead of \$2.5 million? What’s the best way forward? In terms of structure, we will need to discuss lump sum versus menu.

GW read in the full the motion from Feb. 8th voted unanimously by the Amherst School Committee.

AC: At the 4-town meeting on Feb. 6, there was very strong support that if Amherst goes ahead with the override, they will do everything they can to support the regional budget at the level Amherst would.

IR: agree with Andy that the other towns are urging us to proceed and will try to follow suit.

SOK: I could not in good conscience recommend to the Select Board to delay. One point is that during our negotiations we promised our employees that we would be going forward with an override to share the pain. It would be unfair to go back on that now. A contingent override, while complicated, is workable. Town Meeting still has that option if this process fails.

IR: Schools in a slightly different situation, since we are still in negotiations with our unions. What if state aid is higher than a 5% cut?

JM: This is not an issue that's any different from any other year. We never know what state aid will be until well into the spring, and even summer. If we have more support from the state, we will not levy the full amount of the override, as determined by Town Meeting.

LS: The Superintendent and I have promised not to restore programs already identified as efficiencies.

GW: I believe IR is emphasizing the importance of communicating all of this coherently to the voters.

FH: It's possible that the local aid resolution will be determined before March 23rd, according to latest information given out by Stan Rosenberg on Feb. 6th.

It was decided by consensus to recommend an override in the amount of \$1,765,441.

There was a discussion of the structure.

FH: I sought the input of the School Committee on the structure issue on Feb. 9th; one of the members of the committee pointed to the recommendation from FCCC to consider a menu override and spoke in favor of the menu override; another member (AC) spoke in favor of lump-sum and he is here so he can report on his views.

AC: Instead of pitting different departments against each other, we should take a unified approach and make a case for preserving a certain level of services across all town departments.

AR: I recommended \$300K gap to the Amherst SC; they raised it to \$400,000. I recommended \$1.1 million gap to the Regional SC, they lowered it to \$950,000. At the risk of going 0 for 3, I support the lump-sum; pitting departments is counterproductive.

GW: I'm in favor of the menu; giving the taxpayers more options and control. I understand the sentimental view of "we're all in it together" but I don't think voters will see it that way. I would still support an override initiative in this amount if it were lump-sum. FCCC recommended it.

SOK: I was SB liaison to FCCC. The recommendation was to consider it; we are doing that.

It was decided by consensus to recommend a lump-sum structure for the override.

There was a discussion regarding use of reserves. JM and DS reviewed the Amherst finance committee guidelines for use of reserves were reviewed; there have been no changes in that. The importance of maintaining reserves for bond rating and for unexpected events was emphasized, including the possibility of 9C cuts in FY10 and in FY11. GW proposed that the use of reserves should not be ruled out.

The committee reviewed the summary points of the meeting; next meeting Feb. 24th, 11:30 am.

Meeting adjourned at 1:30 by consensus.

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**Amherst Budget Coordinating Group  
Summary Points – February 10, 2010**

At our February 10<sup>th</sup> meeting, the members of the Budget Coordinating Group agreed that the following points would be conveyed to our home boards and committees:

- That BCG's recommendation to the Select Board is to put a lump sum override question on the March 23, 2010 Annual Town Election Ballot, allocating dollars to the different budgets as per the following proposed language:

*Shall the Town of Amherst be allowed to assess an additional \$1,765,441 in real estate and personal property taxes for the purposes of funding the following expenses: Town Operating Budget (\$537,252), Elementary Schools Operating Budget (\$400,000), Regional School District Assessment (\$739,195), and Libraries Operating Budget (\$88,994) for the fiscal year beginning July 1, 2010?*

- That this recommendation represents our best estimate of the cost to make key restorations to FY10 programs and services that will otherwise not be funded in FY11, and that this recommendation leaves unfunded about \$2.5 million in reductions from FY10 level services. The total budget shortfall for FY11 is \$4.3 million; the override recommendation is to fill \$1.76 million of that gap, while \$2.5 million will be absorbed through cuts.
- That consideration was again given to the questions of potentially delaying an override and the format of the ballot question. After much discussion, our recommendations for the question to proceed on March 23<sup>rd</sup> as a lump sum amount with allocations were reaffirmed by general but not unanimous consensus on both points.
- That to ensure mutual understanding, we restated and reaffirmed our recommendation that should any of the significant remaining uncertainties (COLA negotiations, State aid, recommended restorations totaling less than current estimates) swing positive, we would not tax to the levy limit allowed by a successful override in those amounts.

- That there is commitment from the professional budget officials to not seek restorations in excess of the current recommended dollar amounts (or such amounts adjusted downward, per the point above,) though the specifics and prioritization of those restorations by the Schools will continue to be determined. The prioritized lists have been a tool to help us determine the size and scope of needed restorations; we recognize the necessity of flexibility to allow for responsible management of Town, School and Library programs and budgets.
- That we need to come up with clear language to explain the two points above.
- That use of Town reserves is not part of the override recommendation, and that this is an issue that remains open to further discussion as necessary.

Respectfully Submitted,

Farshid Hajir