

Amherst Finance Committee

March 10, 2011 7 P.M.

1st Floor Meeting Room, Town Hall

Members Present: Andy Steinberg (Chair), Kay Moran (Vice Chair), Marylou Theilman, Doug Slaughter, Bob Saul, and Janice Ratner

Also present: Rick Hood, Chair of Regional School Committee; Maria Geryk, School Superintendent; Rob Detweiler, director of finance and operations for the schools; Walter Wolnik; Tevis Kimball, Interim Director of Library Services; Information Technology department director Chris Pacunas; and Library Trustees, Pat Holland, and Sarah McKee. Mr. Pooler, Finance Director.

Mr. Steinberg called the meeting to order at 7:05p.m.

1. **Schools:** Elementary and Region Update (Mr. Slaughter recused himself from the discussion as an employee of the Schools.) The Superintendent started with the Amherst Elementary School budget. The budget “best case” scenario has been approved by the School Committee. The Committee understands that they may have to roll back this budget if numbers don’t turn out better than currently projected. The budget cuts 7.8 FTE’s in best case scenario and most position cuts are based upon declining enrollment projections. All cuts are in classroom teaching positions. Student numbers are declining but special education, broadly defined, including those students who are sub-par on MCAS testing are actually increasing. Also modest additions are included for a math coach, one paraprofessional, and a science coordinator. The schools are looking for additional funding of \$464,000 over the net reduction amount suggested by the Finance Committee. Since the Math recommendations are the hardest to implement with current personnel, the personnel reallocations include the Math Coach and Math Coordinator. Mr. Saul asked if losing 6 teacher positions was part of a consistent trend and if the layoffs were done by seniority. Ms. Geryk answered that it was hard to know because of various factors, and yes, the layoffs were done by seniority. Ms. Theilman asked about relative portion of budget allocated to Special Education, and Ms. Geryk stated that the Special Education percentage of the budget is within the state standards, but she will check to make sure. Mr. Steinberg talked about the allocation of additional money and how to allocate between operations and capital budgets. Ms. Geryk answered that her budget was lean, and that she would have a hard time prioritizing. Ms. Moran seconded this sentiment but reminded the committee that the JCPC and Finance Committee are the only ones advocating for the capital budget. Mr. Steinberg stated that capital will be the highest need if there are extra resources. Ms. Geryk acknowledged that is the case even within the school budget. Mr. Hood said supporting the neediest kids is the priority, and Ms. Geryk said they are looking at a new model to find ways to make meeting these needs more efficient.

2. **Regional School District**-The Region budget is also a “best case” scenario budget per the current Finance Committee recommendations. If additional cuts are necessary, it would take another four town meeting to decide where these cuts would come from. The budget adds (3.3 FTE’s) to address the increase in the proportion of challenged learning populations. Schools are seeing these trends even while there is not a proportional increase in funding. Tracking the number of students qualified to receive reduced school lunch is the best data indicator of increase in challenged students. Rise Coordinators are a valuable resource to keep kids on track. Ms. Theilman asked about outplacement for special education students and the \$1.2 million budget for Special Ed. Ms. Geryk replied that these payments are required for the schools and the circuit breakers have been chronically unfunded. Rarely does the region place special education kids out of district. Financially and educationally it is more efficient to do it in the Region. Keeping kids in house controls costs. Ms. Theilman asked about the kids who can’t stay, and why, and Ms. Geryk said that it is generally a medical or self harming issue.
3. **Library Services:** Ms. Kimball indicated that the Trustees had voted a MAR level budget at their March 8th meeting. MAR level is \$7,672 more than level funding. Big changes in the budget are that \$30,000 less in State Aid will be available to spend in FY 12, with reduction in endowment support of another \$30,000. Endowment support remains at 5.25% of the endowment. \$40,000 was projected for fund raising but this is \$20,000 off. Even with MAR level funding from the Town there is still an \$88,000 deficit. Ms. Kimball noted that the curator of special collections position has not been filled, and there is no librarian at the North Amherst Branch. The Library has hired a new reference librarian and is now trying to hire a new director with a strong financial background.

The five year plan will look at the Library becoming a new kind of institution, closing branches, combining functions, etc. Ms. Theilman suggested that a strong five year plan would help fundraising too. Ms. McKee noted that the Library is generating economic activity, and she mentioned that the Career Center use is up 75%. Mr. Steinberg mentioned that JCPC will be calling for an increase in the capital planning budget, and Ms. Kimball noted that she has an ambitious capital plan. Ms. Ratner asked about the Woodbury Bequest and how that fits into the capital plan. Ms. McKee described the way the money will be used from the Friends. Ms. Moran stated that the money from the Jones Inc. bequest must go into a Jones Inc. asset for capital expenses. Ms. Moran also asked that the actual final budget vote be taken by April 7th prior to Town Meeting and Mr. Steinberg cautioned that there is a long way to go so the Trustees should not necessarily vote until better information comes in from the State. Ms. Moran also pointed out that Annual Town Meeting has to vote a library budget but could not last year because the Trustees did not approve their FY 11 budget until July. Ms. Holland promised that this would not happen this year.
4. **General Government** –Pacunas, described his department as a consolidated department that serves all the technology needs for all town departments. The responsibilities have increased dramatically in recent years but expenses have been kept under control. The department is looking to consolidate technologies wherever possible, and also to deploy new technology as efficiently as possible. Ms. Moran asked about Parking and HVAC upgrades and Mr. Pacunas explained that these systems are connected to the network which with the standardizing and consolidating of all systems into a single type of system

has made personnel allocation much more efficient. The Town was selected to have the latest version of Munis installed as a test case. Mr. Steinberg asked about work with the Library and Mr. Pacunas talked about consolidation of the IT person in the Library into his department. Mr. Steinberg asked about Town and School consolidation, and Mr. Pacunas said that it would not save money to do a complete merger, but consolidation of certain systems does make sense. IT has slowly centralized its services, and there is an IT person on call 24/7.

5. **Fiscal Year 2012 budget development.** Mr. Pooler walked the Committee through the budget add backs and the methodology he used to derive the estimate of \$690,000 in additional State Aid to the Town (this is the less worse than worst case scenario) and then the extra expenditure add backs which would leave a deficit of \$195K. Cuts will still have to be made, he noted. Mr. Steinberg talked about what we think are critical operating and capital needs, and what are we going to do about reserves? Mr. Pooler stated that we won't know any more until we see the House Ways and Means budget in mid April. Mr. Steinberg asked whether we should postpone votes on the budget until then. Ms. Moran suggested that we should. Mr. Pooler wanted to get things wrapped up by BCG meeting at the end of April. Ms. Moran said we are prepared to jump on the budget as soon as we have a figure so people could have it fast. Mr. Steinberg said that we will have to develop a budget on the fly, and he wanted to get a feel about a different timeline but Mr. Slaughter felt it was too early to ask for a different time line. Ms. Moran said we should make the decision within two weeks.
6. **Member reports** – liaisons and committees. None.
7. **Minutes of previous meetings:** March 3rd minutes, already reviewed. Moran moved to approve, Mr. Slaughter seconded. Motion passed, 6-0, 1 absent. Ms. Theilman moved to approve the minutes of 1/31/11, Mr. Saul seconded. Motion passed 6-0, 1 absent. Ms. Theilman moved to approve minutes of February 10th. Ms. Moran seconded and the motion passed 6-0, 1 absent.
8. Next Meeting and Agenda: Mr. Saul motioned that we meet next week, 3/17, and meet with those departments who are furthest along and discuss the issue of reserves. Ms. Theilman seconded. Ms. Moran suggested that the meeting might not be conceptually specific. Mr. Slaughter suggested that the BCG would insist that the tier system should be firmed up. Mr. Steinberg pointed out the issue of reserve policy had already been determined. Mr. Saul withdrew his motion in light of the fact that the reserve policy had been set already.
9. The meeting adjourned at 9:55 pm.

Bob Saul, acting clerk