

FINANCE COMMITTEE MINUTES

Meeting Date: January 26, 2008

CALL TO ORDER

The meeting was called to order at 9:41 a.m. in the library at Amherst Regional Middle School.

COMMITTEE MEMBERS IN ATTENDANCE

Marilyn Blaustein, Brian Morton (chair), Alice Carlozzi, Kay Moran, Andy Steinberg

OTHERS PRESENT

Jere Hochman (Superintendent of Schools); Rob Detweiler (schools Business Manager); John Musante (Assistant Town Manager/Finance Director); State Rep. Ellen Story; members of the Amherst Pelham Regional School Committee; members of the Amherst Select Board; members of the Leverett, Pelham and Shutesbury Finance Committees and Boards of Selectmen; two members of the public.

AGENDA

Overview of Amherst Pelham Regional school budget development

COMMITTEE ACTION

None

DISCUSSION

Story reported that local aid in the Governor's FY 09 budget issued Thursday depends in part on revenue from casinos which are currently illegal in Massachusetts and which the Speaker of the House opposes. She made no predictions at this point about what might be in the final state budget.

Detweiler distributed a handout detailing actual expenses for FY 07 which were \$851,000 under budget estimates. Of that, \$663,000 was spent on needed supplies and equipment, and \$188,000 went into the unreserved and undesignated fund balance (E&D). He noted the difficulty of predicting expenses as much as a year ahead of incurring them, and noted that in some previous years expenses have been over budget.

Hochman distributed a packet of school budget information. He said a recent state comprehensive program review showed great improvement since the last review four years ago, but that improvement is needed in other areas such as professional development. Salary negotiations are underway; he cautioned that salary increases might end up being greater than the 1% agreed to last year, with an unspecified amount to cover it included in the budget's \$825,000 control accounts. The budget he'd like to see — somewhere between "status quo" and "ideal" — would allow for elimination of a required study hall so students could chose a second elective, no classes over 25, enriched

programs for all students, and better teacher monitoring and evaluation.

The “Budget Planning Meeting #2” document included in the packet details current budget assumptions for FY 09. It assumes no fee hikes and maintaining the same class size average. Thus far, estimated expenses exceed estimated revenues by \$598,000.

Marianne Jorgensen, chair of a Regional School Committee subcommittee, reported on the subcommittee’s recommendations for amending the regional school agreement. One amendment would increase the amount of carryover in the unreserved and undesignated fund balance (E&D) from 3.5% of the next year’s expected budget to the maximum permitted by state law, 5.0%. The other amendment would transfer costs of transporting elementary school children from the regional school budget to each of the four towns on a per-mile basis. Detweiler said transportation figures in the draft regional budget do not yet account for this change. Once they do, elementary school budgets would increase to reflect busing costs for their students, while regional assessments to each of the member towns would decrease by approximately as much. The regional budget would still have a \$598,000 gap (decreased transportation costs equaling decreased assessments). The Regional School Committee will discuss these recommendations and vote on whether to recommend adoption by all four towns.

ADJOURNMENT

The meeting adjourned at 11:40 a.m.

Respectfully submitted,

Kay Moran
Acting Clerk