

## **FINANCE COMMITTEE MINUTES**

Meeting Date: January 28, 2008

### CALL TO ORDER

The meeting was called to order at 7:40 p.m. in the Town Room in Town Hall

### COMMITTEE MEMBERS IN ATTENDANCE

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

### OTHERS PRESENT

Jere Hochman (Superintendent of Schools); John Musante (Assistant Town Manager/Finance Director); Larry Shaffer (Town Manager); Andy Churchill (Chair of the Amherst School Committee), Elaine Brighty (Chair of the Amherst-Pelham Regional School Committee); all members of the Amherst Select Board; members of the public.

### AGENDA

Overview of the budget development for the Amherst and Amherst-Pelham Regional schools.

### COMMITTEE ACTION

None

### DISCUSSION

Hochman distributed a packet of school budget information (all of which is available on the schools' web site). He repeated the presentation from the Four Towns meeting of January 26<sup>th</sup> (see Finance Committee minutes of January 26<sup>th</sup>, 2008) for the Regional Schools budget development. He revised the estimated expenses exceeding estimated revenues from \$598,000 to \$508,670. He stated that he felt the Regional School district could manage to reduce expenses sufficiently, and refine revenue estimates, to match the Finance Committee's guidelines for FY09 thus eliminating the \$508,670 gap that currently exists.

Greeney asked if the drop in state aid corresponded to the drop in enrollment and noted that Amherst support for schools is much higher than the state average. Hochman replied that the enrollment drop was a small factor. Musante pointed out that Amherst gross spending on schools has matched the state average over the last few years; thus, Amherst carries more of the burden than in the past since state aid has dropped. Churchill also pointed out that the steep increases in benefits like health insurance can bias how the numbers look so that care must be taken when doing comparisons. Moran noted that

often the basis for such a comparison (e.g., Health Insurance costs) is unknown so a comparison is impossible.

Hochman then presented the current budget for the Amherst Schools. Changes in the Regular and Special Education line items reflect changes in enrollments. Other Programs are increasing due to the influence of the Charter Schools (especially the new elementary Chinese Charter school) and School Choice Tuition assessments. Increases in Utilities and Benefits are also significant in driving up the expenses. Control Accounts, which contain monies set aside for known but not specifiable expenses such as substitutes, maternity leave, other types of leave, payroll changes due to degree changes, and payroll changes due to contract negotiations, are also significant in this year's budget. The increase to maintain a level services budget for FY09 is 8.4%. This leaves a shortfall of revenue of \$1,254,616. The process of identifying cuts is just getting under way. Churchill stated that for reference there are about 70 teachers in the district and that \$1.2 Million represents about 20 of those teachers. He added that while that specific cut is obviously not a realistic one to make it does afford a sense of the scope of the cuts that will have to be considered if no additional revenues are available to the schools.

Hochman stated that we must not only look at the current year's budget but that we must keep in mind the following years' budgets and the expectations we have of our schools.

#### ADJOURNMENT

The meeting adjourned at 9:48 p.m.

Respectfully submitted,

Doug Slaughter  
Acting Clerk