



Facilitation of Community Choices Committee Summary of 3 Budget Scenarios for Amherst

Hard Choices Ahead...

What will Amherst be like in 5 years?

Like many cities and towns across Massachusetts, Amherst's budget is under stress.
Costs are rising faster than revenues can keep up.

The Facilitation of Community Choices Committee was appointed by the Select Board in May, with the task of reviewing the components of Amherst's budget, formulating alternative scenarios for the next 5 years, and presenting our results to you, the citizens of Amherst, to study, debate, and ultimately decide the future path for our community.

View our full presentation on our website at:

www.amherstchoices.org

Please visit our display at the Jones Library

Amherst Public Libraries \$2.1M budget in FY09

History of changes over past five years

- Closed Jones Library 4 hours on Monday mornings and 4.5 hours on Monday afternoons
- Closed both branch libraries one afternoon a week
- Closed Special Collections 4 hours Saturday mornings.
- Eliminated one full-time position in Circulation and reduced Circulation Supervisor to 30 hours/week
- Cut part-time, hourly professional reference librarians on Saturday and Sunday
- Cut Computer Technician position to 30 hours/week
- Cut teen after school activities
- Eliminated all funding for children's programs
- Reduced English as a Second Language Coordinator to 10 month position
- First reduced and then cut part-time hourly receptionist staff, requiring switch to automated phone answering system and cessation of overdue notices sent by mail
- Cut \$10,000 from budget for new books and AV
- Paid for utilities cost increases from Jones Library, Inc. emergency funds

Scenario 1: Level funding—budget would increase to \$2.3M by FY14

- Five positions cut, many "extra help" workers lost
- Closing main and branch libraries for 36 hours to a state minimum of 63 hours/week
- Potentially cutting both branch libraries
- Cutting Sunday hours
- Public access to historical and research collections limited
- English as a Second Language tutoring eliminated
- Reduced number of new library materials
- Class instruction on computer skills would be suspended

Scenario 2: Level Services—budget would increase to \$2.6M by FY14

- Current services would be maintained at the current level, as much as possible
- Increases in budget would represent only those necessary to maintain services

Scenario 3: Priority Restorations and Additions—budget would increase to \$2.7M by FY14

- Restore 12 hours/week cuts in public services
- Re-open library Monday mornings at the Jones, Thursday afternoons at North Amherst, and Friday afternoons at Munson
- Re-hire "extra help" professional Reference Librarians on an hourly basis
- Position of Computer Technician increased to full-time
- Restore two months funding for the ESL Coordinator
- Allocate 13% of funds to new materials, in compliance with state regulations

Summary of Annual Budget Gap for the Three Library Scenarios						
Scenario	FY09	FY10	FY11	FY12	FY13	FY14
Level funding (cuts)	\$0	\$0	\$0	\$0	\$0	\$0
Level services (no cuts/no additions)	\$0	\$57K	\$127K	\$172K	\$225K	\$270K
Priority Restorations and Additions	\$0	\$66K	\$126K	\$188K	\$256K	\$331K

Amherst Municipal Government

\$18.6M budget in FY09

History of changes over past five years

- Reduced staffing in Finance (by 20%), Town Clerk, Human Resources, Conservation, and Building Departments
- Town Hall closed to public on Thursday mornings
- Invested in technology to increase productivity
- Negotiated employee health benefits savings
- Two Police officers eliminated. Increased response times.
- Fire/EMS manning increase funded partially by federal grant
- Rising cost of materials/fuel negatively affecting street/sidewalk/parks and other infrastructure maintenance
- Senior Center: Rising senior population, but reduced staffing/services
- LSSE: Reduced staff/programming (i.e. Pools); reduced subsidies for special needs and low/moderate income patrons; substantially higher user fees; reduced tax support
- Human Service Agencies: Town tax support reduced by 55%

Scenario 1: Level Funding—budget increases to \$21.3 by FY14

- Reduction of positions in police and fire departments, resulting in delayed safety call responses
- Reduction of multiple personnel in Highway Division, affecting road conditions and snow removal
- Parks/grounds maintenance reduced/eliminated
- Elimination of support for local human service agencies
- Severe cuts to LSSE, including pool closings
- Additional programmatic cuts at Senior Center
- Reduced maintenance of facilities--deterioration of Town assets
- Reductions in Information Technology
- Cuts to non-mandated areas of health and Town Clerk services (passport processing)

Scenario 2: Level Services—budget increases to \$23.7M by FY14

- Current services would be maintained at the current level, as much as possible
- Increases in budget would represent only those necessary to maintain services

Scenario 3: Priority Restorations and Additions—budget increases to \$25.6M by FY14

- Hire Economic Development Director
- Restore 2 Police Officers (for total of 50) and restore \$50k Overtime
- Seasonal help Puffers Pond and 3,000 acres of conservation land
- Hire Procurement Officer/Grant Administrator
- Additional labor and supplies to Public Works
- Facilities PM program (HVAC, energy mgt, pest control, painting, etc.)
- Reopen Central Services Counter Thursday mornings
- Restore Data Entry - Comptroller's Office
- Restore Intern, supplies, and expenses for Planning Department
- Increase Fire/EMS minimum manning to 9 from 7; increase OT by \$100k
- Add Deputy Chief to each shift
- Add contracted "on call" Building Inspector
- Move Nurse to full-time, increase Environmental staff to 3 from 2.5
- Add second Social Worker and increase money to Senior Center
- Increase Program Subsidies to needy families

Summary of Annual Budget Gap for the Three Amherst Municipal Government Scenarios						
Scenario	FY09	FY10	FY11	FY12	FY13	FY14
Level funding (cuts)	\$0	\$0	\$0	\$0	\$0	\$0
Level services (no cuts/no additions)	\$0	\$576K	\$995K	\$1.5M	\$1.9M	\$2.4M
Priority Restorations and Additions	\$0	\$2.1M	\$2.6M	\$3.2M	\$3.7M	\$4.3M

Amherst Elementary Schools \$20.7M budget in FY09

History of changes over past five years

- Class sizes have increased.
- Classroom and library paraprofessionals have been reduced or cut.
- Art, music, computer, and physical education programs have been reduced.
- Expenditures on books and supplies have been dramatically slashed

Scenario 1: Level Funding—budget increases to \$23.7M by FY14

- Reduction in personnel (18 to 22 positions)
 - Higher student to staff ratio
 - Reduction in differentiated instruction (remedial and enrichment)
 - Reduction or elimination of instructional programs

Scenario 2: Level Services—budget increases to \$26.9M by FY14

- Current services would be maintained at the current level, as much as possible
- Class sizes would remain the same, as much as possible given changing demographics

Scenario 3: Priority Restorations and Additions—budget increases to \$28.2M by FY14

- Restore 50% of cuts since FY03 in textbooks, libraries, and supplies
- Reduce class sizes (3 FTE)
- Restore cuts of cost-effective paraprofessionals, to better individualize instruction in reading, research skills, science, and computers (restore 9 FTE)
- Close achievement gaps by restoring Parents as Teachers support program, English Language Learners teacher, and special education team leader and teacher
- Restore recent art, music, PE cuts (1 FTE)
- Restore assistant superintendent position (1 FTE)
- Fund a grants administrator to help bring in more funds (.5 FTE)
- Keep up with increased data and technology demands from the state, parents, etc. (1 FTE coordinator/teacher, data staff training funds)
- Close achievement gaps by restoring/enhancing after-school programs and summer school support
- Maintain facilities and transportation (restore 1 custodian, summer maintenance help, limited overtime for drivers, supplies, contracted services)
- Support distance learning and coordinator to cost-effectively deliver staff training as well as expanded/ enhanced curriculum to students

Summary of Annual Budget Gap for the Three Elementary Schools Scenarios						
Scenario	FY09	FY10	FY11	FY12	FY13	FY14
Level funding (cuts)	\$0	\$0	\$0	\$0	\$0	\$0
Level services (no cuts/no additions)	\$0	\$761K	\$1.2M	\$1.9M	\$2.5M	\$3.2M
Priority Restorations and Additions	\$0	\$1.8M	\$2.3M	\$3.0M	\$3.7M	\$4.5M

Amherst Regional Schools

\$28.1M budget in FY09—Amherst portion \$12.4M in FY09

History of changes over past five years

- Teachers have been eliminated
- Students have mandatory study halls
- Students cannot take multiple math or multiple science courses concurrently
- Electives have been reduced or eliminated
- Physical education requirements have been reduced
- Fees have been increased
- Administrative, clerical, and custodial staffing has been reduced

Scenario 1: Level Funding—budget increases to \$14.2M by FY14

- Reduction in personnel (30 to 34 positions)
 - Higher student to staff ratio
 - Reduction in differentiated instruction (remedial and enrichment)
 - Reduction or elimination of programs (core and elective)
 - Increase in student participation fees

Scenario 2: Level Services—budget increases to \$18.4M by FY14

- Current services would be maintained at the current level, as much as possible
- Current course offerings would be on par with current offerings
- Class sizes would remain the same as possible, given changing demographics and fluctuations in course enrollment each year
- Study hall requirement would remain in place

Scenario 3: Priority Restorations and Additions—budget increases to \$19.5M by FY14

- Restore 50% of cuts since FY03 in textbooks, libraries, and supplies
- High school: eliminate mandatory study halls, reduce classes with 25+ students, allow students to take two math or science courses concurrently, and adequately staff special ed (restore 6 FTE)
- ARMS: reduce class sizes in core courses, restore arts cuts, adequately staff special ed (4 FTE)
- Restore cuts of paraprofessionals (3 FTE library and regular ed, 5 FTE special ed)
- Restore assistant superintendent position (1 FTE)
- Fund a grants administrator to help bring in more funds (.5 FTE)
- Keep up with increased data/technology demands (1 FTE coordinator/teacher, training funds)
- Close achievement gaps by restoring/enhancing after-school programs/summer school support
- Maintain facilities and transportation (restore 1 custodian, summer maintenance help, limited overtime for drivers, supplies, contracted services)
- Support distance learning and coordinator to cost-effectively deliver staff training as well as expanded/enhanced curriculum to students

Summary of Annual Amherst Budget Gap for the Three Regional Schools Scenarios						
Scenario	FY09	FY10	FY11	FY12	FY13	FY14
Level funding (cuts)	\$0	\$0	\$0	\$0	\$0	\$0
Level services (no cuts/no additions)	\$0	\$1.2M	\$1.8M	\$2.6M	\$3.4M	\$4.2M
Priority Restorations and Additions	\$0	\$2.1M	\$2.8M	\$3.6M	\$4.4M	\$5.3M

Amherst Capital Budget

\$2.5M budget in FY09—7.25% of property tax levy

History of changes over past five years

- While a number of critical investments have been funded in recent years...
 - Energy Efficiency & HVAC (Bangs Center, Police Station)
 - School Buildings (Wildwood roof, Crocker Farm renovation/expansion)
 - Town Hall Repainting and Clock Tower (partially funded with CPA funds)
 - Public Safety (police cruisers, ambulances, dispatch equipment)
 - Public Works (heavy equipment, road resurfacing)
 - Recreation Facilities (Plum Brook, Groff Park)
 - Technology (Town, School, Library, and downtown wireless network/applications)
- ...annual funding for the capital plan has been reduced by almost \$300K since FY05, from 9.3% of levy to 7.25%
- A deferred maintenance and new construction backlog is growing

Scenario 1: Level funding—budget would increase to \$3.0M by FY14; 7.25% of tax levy

- Level funding would not be sufficient to “adequately fund a viable multi-year capital plan to maintain infrastructure, replace worn equipment, and other capital needs of the Town.”
 - Deferred maintenance would continue to grow and more expensive to fix/replace later
 - Roads and sidewalks (estimated at \$15.9 million)
 - Wildwood, Fort River, and Marks Meadow Schools
 - Fire Station(s)
 - Public Works Garage (renovate or replace the 100-year old trolley barn)
 - Conservation, Parks, and Recreation land and facilities

Scenario 2: Level Services—budget would increase to \$3.6M by FY14; 8.5% of tax levy

- Would allow an additional \$1.5M of capital investment over the next five years:
 - Public Works vehicle replacements
 - Kendrick Park improvements (to provide local match for prospective grant funding)
 - Jones Library furnishings and equipment
 - Schools/Town computer technology
 - Fort River School roof replacement
- Deferred maintenance continues to grow, but at a slower rate

Scenario 3: Priority Restorations/Additions—budget increase to \$4.2M by FY14; 10% of tax levy

- Would eventually get most/all equipment on regular replacement schedules and buildings/facilities free from some health and safety problems that have occurred in the past.
- Would also allow a “big ticket” project such as debt service for a new Fire Station to be funded.
- Several major capital needs would still need funding sources to be identified:
 - Roads and Sidewalks
 - Wildwood/Fort River/Marks Meadow Schools
 - Public Works Garage

Summary of Annual Budget Gap for the Three Capital Budget Scenarios						
Scenario	FY09	FY10	FY11	FY12	FY13	FY14
Level funding (cuts)	\$0	\$0	\$0	\$0	\$0	\$0
Level services (no cuts/no additions)	\$0	\$90K	\$187K	\$291K	\$404K	\$525K
Priority Restorations and Additions	\$0	\$269K	\$466K	\$680K	\$910K	\$1.2M

Closing the Gap in Amherst

Current Sources of Revenue

- Taxes=60%
- State Aid=28%
- Other local revenue=7%
- Other sources=5%

Proposition 2 ½ Override

- Potentially high impact
 - Override of \$1M in FY10 would cost average tax payer \$160 in FY10
 - Override of \$2M in FY10 would cost average tax payer \$319 in FY10
 - Override of \$3M in FY10 would cost average tax payer \$470 in FY10
- Override of any amount would make immediate impact on current budget gaps
- Possibility dependent on public support for override measures

Increases to State Aid

- Potentially moderate impact
- Usual increase of 1.5% could increase to 4% increase in FY10
- *Highly unlikely*

Lower impact State Aid revenue increases

- Very likely in next few years
 - Closing the Telecommunications Tax Loopholes could bring in an average of \$230,227 per year
- Somewhat likely in the next few years
 - The proposed 2% Local Option Meals Tax could bring in another \$1.2M per year
- Not likely in the next few years
 - The proposed 1% increase in the Local Option Lodging Tax could bring in another \$25,000 per year

Economic Development

- Potentially moderate impact
- Goal of \$20M in new growth each year for ten years
- Current development projects
 - Lord Jeffrey Inn Renovation/Expansion—November 2008; \$80,100-\$160,200 new revenue
 - New England Environmental—two buildings, one immediately; ~\$64,000 new revenue
 - Veridian Village Residential Community—Highly probable in next few years; \$720,900-\$1.1M new revenue
 - North Amherst Professional Research Park—possible in next few years; \$801,000-\$1.6M new revenue
- Goal likely but impact will not be immediately felt

Payment in Lieu of Taxes (PILOT)

- Potential for agreements with Amherst College, Hampshire College, UMass
- 16.5% of Amherst land is owned by these three institutions and is not subject to property taxes
- Our educational institutions bring many economic benefits to our community
- Strategic plan negotiated with UMass brings in \$425,000
- Potential for much greater cooperation in fostering economic development
- Much more is possible and should be vigorously pursued
- Potential impact unknown; dependent on number and level of agreements reached