

Minutes of the Four Towns Meeting of January 10, 2026

Amherst-Pelham Regional Middle School

1. Call to order

a. Sarahbess Kenney called the Regional School Committee to order at 8:05 a.m. Chairs of boards and committees called their panels to order if a quorum was present.

2. Representatives to the Fiscal Sustainability Subcommittee-Four Towns Working Group

a. Amherst will choose a delegate when it reorganizes next week.

b. Pelham delegates John Trickey.

c. Leverett delegates Steve Weiss.

d. Shutesbury delegates Ajay Khashu

e. The FSS (an RSC subcommittee) delegates Deb Leonard.

3. Preliminary FY2027 budget outlook

a. Dr. Xi described a document, posted to the agenda, outlining the legal responsibilities of school districts. The laws and regulations generally do not require specific staff positions but require that the specified services and duties be met.

b. Finance Director Shannon Bernacchia presented the financial projections and commentary, also posted to the agenda, and then took clarifying questions:

i. Where are school choice funds applied? They are not shown as a source of revenue but have offset specific projected expenses.

ii. What will be the balance in the E&D account if funds are contributed to the operating budget as proposed? The current balance (not including contingency funds also appearing in the draft budget or the excess E&D of \$151,000 that will be applied to FY27 assessments) is about \$2 million so approximately \$1 million will remain. But the E&D account generally increases every year, so it is not irresponsible to make a sizable contribution to the FY27 operating budget.

iii. What is driving the increase in the Central Administration line? Legal fees are incurred for both employee and student matters.

iv. Given the large increase in anticipated interest revenue, is that revenue currently exceeding the FY26 expectations? Yes. And (in response to a later question) the interest does not come from capital funds but from operating funds.

v. What drives the approximately 7% increase in payroll? Mostly steps and COLA, but also some staff are taken on in the current academic year in response to student needs.

vi. Leverett is advising its departments to assume an increase of 3.5%. Can the schools describe the impact on education of various reductions? Dr. Xi pointed to the slide showing, for perspective, approximately how many educators might need to be cut at each level (no specific proposals yet made). For more comparison, the entire Guidance department is 16 FTE.

c. Town officials then caucused separately to discuss the information received, with RSC members meeting with their respective towns.

4. Feedback

a. Dr. Xi thanked the RSC for its feedback and contributions as the presentations were developed.

b. Leverett, which previously shared its 3.5% guidance, noted that tax bills were significantly increased this year because of the bump in assessment after returning to the statutory method. It will not be reasonable to ask for an 11% increase to maintain level services. Even if the Regional level-services budget is decreased by \$2 million, it will increase by 4% overall.

c. Pelham's guidance is 2.5%. The total increase to its FY25 budget will be \$135,000 and it won't be able to afford an 11% increase in its assessment. An increase for regional schools means a decrease for the elementary school.

d. Shutesbury echoed earlier comments. Tax bills rose 10% this year, prompting protest from residents. A regional level-services budget will not be responsible or sustainable for the town. Its elementary budget must support an out-of-district placement.

e. Amherst reiterated its 3.5% guidance and noted that such a limit will produce deficits across all departments. A level-serves budget for the Region would soak up all the revenue growth for the town. Councilors would also like to hear how various cuts would impact education. Would possible layoffs be fewer if the average loaded compensation were considered, not just average salary? The Region needs to

consider long-term changes, such as (examples only) further regionalization across grades or towns or combining secondary grades into one building.

f. Leverett also suggested that structural fiscal issues be taken to the state and asked Rep. Domb for any updates. Rep. Domb said the legislature is waiting for the Governor's budget, at which point vigorous advocacy can shift the discussion and priorities. The uncertainty surrounding federal funding of many programs makes the state's budget particularly challenging.

g. The FSS-Four Towns Working Group mentioned at the start of the meeting can start exploring some of the issues and actions suggested today.

5. The meeting was adjourned at 9:35 am.

Drafted by Sarah Marshall