

Minutes of the Longmeadow Finance Committee
Monday, April 24, 2005 – 7:00 Storrs Library Meeting Room

Members Present:	<u>Y</u>	<u>N</u>
Judd Peskin, Chairperson	x	
Paul Santaniello, Vice Chairperson	x	
Mark Barowsky	x	
Carla Gunn	x	
Steven Marantz	x	
Jerry Nolet		x
Suresh Samant		x

Public Hearing on the Select Board's proposed FY06 budget:

Finance Committee (FC) Chairperson Judd Peskin recited opening remarks concerning the budget, prefacing the process with the difficulty created by Prop 2-1/2, although also stating that occasional overrides are acceptable. Mr. Peskin expressed his displeasure over current collective bargaining agreements and their strain on Longmeadow's finances. He felt a "happy medium" had to be found by the new Town Manager and School Committee to balance labor demands and Prop 2-1/2. Mr. Peskin highlighted areas where increased funding was recommended: Building Maintenance, Forestry and the Library. The major opposition expressed on the proposed budget was the stipends allowed to Select Board members, the Town Moderator, and the Assessors. While the stipends were not necessarily the main issue it was the potential health insurance benefits (potential average of \$5K/elected official) that went along with the stipend. Mr. Peskin spoke of the School budget and its increased maintenance funding. Mr. Peskin stated the FC voted to take no position on the lowest level of override and that the FC was against the higher levels. Mr. Peskin felt it was important for the Town to send the School Committee a message regarding the impact their most recent collective bargaining agreement had on the School budget. Mr. Peskin opened the floor for questions and comments. Select Board member Kathy Grady and Town Moderator Ron Hastie expressed their opposition to the FC's position regarding elected officials right (as allowed by Law) to Health Insurance benefits. Fire Chief Madison expressed his disagreement with some of Mr. Peskin's comments regarding the current Fire Collective bargaining agreement. It was noted by Mr. Barowsky, taxes have increased by 25% over the last 5 years and the taxpayers were not happy. Mr. Pasterczyk explained that the 25% increase in taxes or approximately \$5 million was not all expenditure side related and what was expenditure side related was mainly employee benefits. Approximately half of the tax increase was to supplement the loss of other sources of funding: in FY02 the Town utilized \$1.675 million to balance its budget, in FY06 \$0.236 million is proposed. Over the same time frame the Town had also lost \$1 million in State Aid.

The Public Hearing was closed

The FC voted to adjourn at 8:10pm

Respectfully Submitted,

Paul J. Pasterczyk
Town Accountant