

Town of Longmeadow Finance Committee

Our Mission, as taken from the town charter. The Finance Committee shall be an advisor to the town meeting...shall have jurisdiction over the reserve fund...shall conduct long range fiscal planning...shall advise on fiscal policy...shall direct the budget review process...and shall advise the town's voters on budget sustainability to meet town service needs.

Minutes of the Finance Committee for November 30, 2010

*Held in the Police Department Meeting Room**

Call to Order: 7:10

Members Present:

Peter Greenberg, *Chairperson*; James Law, *Vice-Chairperson*; Michael Clark, *Clerk*; Richard Liasse; Edward (Ned) Steiger; Roger Wojcik*

Members Absent:

Mark Borowsky

Others in Attendance:

Paul Santaniello (Select Board), Armand Wray (School Committee), Ernie Welker (Audit Committee), Joe Occhutti (Audit Committee), Paul Pasterczyk, Sandra Choquette

A motion was made to accept the minutes of October 7th, 2010 approved 5-0

Discussion of Direct and Indirect Costs with Paul Pasterczyk and Sandra Choquette

The discussion began with Ned asking what the category of "Miscellaneous Revenue" was used for. Paul responded by saying that it was a catch all for fees. Paul also noted that Clerk Fees were due to state and town election related expenses. Admin Fees include water and sewer assessments and Arlene Miller's retirement grant.

Moving on the the School Department budget, Ned directed a question to School Committee Chairperson Armand Wray who was in the audience on whether or not LPS had a plan in place to arrest some growth in the school department, particularly Special Education. Armand indicated that the School Department was recently assessed by District and Community Partners (DCP) which released a report that included various ways to make the Special Education department both cost-effective and more efficient. Richard inquired as to whether LPS can charge students utilizing Special Education who have private insurance, to which Armand responded that LPS can in fact do that. Ned expressed some dissatisfaction with the recent implementation of "late-start days." Ned also inquired as to whether there was any talk of retirement contributions, as FY'11 went up nearly \$14,000, it was said that FY'12 is anticipated to increase 4.5%.

Paul noted that FY'11's budget compromise is explained in unemployment costs.

Discussion of IT Consolidation

In the recap of the proposed consolidation of the IT Departments, it was said that this is a cost-neutral endeavor. Some questions surrounding oversight were raised and directed at Select

Board Member Paul Santeinello who explained that the Select Board will have no direct oversight of the new combined IT Department, as it will fall under the auspices of the School Department, however the Select Board intends to form a Memorandum of Understanding (MOU) to establish a form of oversight. Furthermore, the IT Director will report to the Superintendent who will communicate with the Town Manager. Paul also expressed that this project is equally as important as water and sewer projects for the functioning of the town.

At that time it was suggested by Peter Greenberg that the Finance Committee vote to endorse this project. Michael Clark made the motion as follows, "*I motion that the Finance Committee endorse the town of Longmeadow's proposed IT consolidation.*" At that time Jim Law suggested that the motion should be qualified as to say that in principle it makes economic sense. The motion was made again, as amended. The motion was seconded, and voted 5-1.

Discussion of the conference attended by Richard Liasse

Richard reported on the October 23, 2010 meeting that he attended in Franklin, MA. He said that no one was happy with the news coming from the state, which indicated that we will see massive cuts, and that the state's financial situation is dire. Some recommendations to come forward focused around departmental cooperation in poor economic times. It was said that while towns will react by cutting police and fire, but it is not cost effective due to the costs of paying overtime. It was also said that federal money may not be coming in the same as before. Richard also said that there most likely will not be level funding from the state and to expect cutbacks.

Discussion of the Town of Longmeadow's bond rating and LHS Financing project

Peter discussed the steps that are being taking in bonding for the LHS Building Project. He indicated that since the start of exploring bonding for \$27 million, interest rates have spiked and that we are waiting for them to come down. However, we will be selling the bond by mid-December.

Other Business

Roger expressed some interest in the Select Boards move to paperless government, asking if we could do the same. It was the general consensus that this is not a feasible move for the Finance Committee.

The Finance Committee scheduled the following meetings:

Tuesday December 14th, 2010 at 7:00pm in the Fire Department Meeting Room

Tuesday January 25th, 2011 at 7:00pm in the Police Department Meeting Room

*This meeting was scheduled to be held in the Fire Department Meeting Room, and was posted as such in accordance with the State of Massachusetts Open Meeting Law, however, the Finance Committee's Meeting was double booked with another meeting, and so, at the time of meeting the Finance Committee relocated.

* Roger Wojcik was present but arrived after the meeting was called to order and therefore was unable to vote on the Acceptance of Minutes.