

Town of Longmeadow
Minutes of the Finance Committee
March 8, 2021 - Teleconference

Finance Committee Members present Andrew Lam-Chair, Maury Garrett Jr.-Vice Chair, Eileen Morin-Clerk, William Welch, Donald E. Griffith, Tom Dignazio and Armand Wray,

Visitors: Paul Pasterczyk-Finance Director, Jason DuCharme-Town Accountant

The meeting was called to order at 7:00 pm.

A motion was made and seconded to accept the minutes of February 10, 2021 as presented, 6-0 in favor. (Maury Garrett Jr. was absent at the time of the vote).

There were no visitor comments.

Discussion FY 22 Budget:

Paul Pasterczyk presented the Committee with the FY22 budget for their review. Mr. Pasterczyk provided the Committee with the following highlights of the budget:

The FY22 budget is balanced without the use of reserves and achieves the goal of increasing taxes only 1.75% of the full 2.50% permitted under Proposition 2 ½.

OPEB was reduced from an original estimate of \$646,985 to \$581,021.

Added employee positions for FY22 consist of an Assistant Town Manager to be split between the Select Board and Planning/Community Development, an addition of a grounds maintenance laborer, building department laborer and custodians for town buildings (replacing contracted cleaning services). Also, there is a reduction of one full-time clerical position for the Treasurer Collector/Town Clerk.

The School Department's budget was reduced by \$90,000 (.25%).

For FY22 the Town's Daycare program will be restarted with seed money to cover the program through December 30, 2021. Additional funds may be requested at the Fall Town meeting.

Health Insurance will increase 5% while the retirement assessment has decreased due in part to the reduction of dispatchers that were moved over to WestComm as well as teacher layoffs in the daycare program.

Water and Sewer Enterprise expenditures will increase due to billing increases from the Springfield Water and Sewer Commission. The Water and Sewer budget increases are driven by the estimated additional costs for the purchasing of our water and the processing of our sewage by the Springfield Water and Sewer Commission

The Storm Water expenses will increase for FY22 due in part to an increase in debt service.

A special warrant article will be presented at the Annual Town meeting to close the Solid Waste/Recycling Enterprise Fund thus transferring costs back over to the General Fund, per request of the Town's audit firm Melanson CPAs as operations are primarily funded by the General Fund taxation rather than by user fees.

The OPEB liability remains technically underfunded but Paul Pasterczyk pointed out that there is, in fact, no state requirement that it be fully funded. Related assets are currently invested in a Pritz trust fund (last year's return was ~ 12%).

Andrew thanked Paul Pasterczyk and Lyn Simmons (Town Manager) for their work on the FY22 Budget and for meeting the Finance Committee's goals.

Other:

Topics that might be raised at the 3/10/21 joint meeting with the Select Board include gaining a better understanding of why the position of Assistant Town Manager is needed at this time and what lessons have been learned during the pandemic emergency that might be applied to addressing future Town expenditures and areas of improved efficiencies.

The Committee agreed that the 2/10/21 letter sent by the Committee to the Select Board and School Committee should be attached to the posted minutes of the 2/10/21 meeting.

Andrew suggested discussing changes to the Finance Committee's web page at the next meeting.

The Committee voted to adjourn at 8:22 pm (7-0 in favor)

Respectfully submitted,

Eileen Morin, Clerk