

Beacon Hill Byline by Mary Rogeness

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Lost Opportunity

Last week the legislature passed on the chance to help our town when both the house and senate held sessions that finally closed the books on the last fiscal year.

Massachusetts had a surplus in excess of \$460 million at the end of June. The surplus is great news for all of us. After fears by both the outgoing Romney and the new Patrick administrations of budget deficits, the state came up aces.

House Republicans proposed that the legislature take advantage of the state's good news by sending significant funds to cities and towns as additional, one-time local aid. This made sense on two levels. First, municipalities received minimal increases in the annual budget. Second, they had suffered from actual reductions in local aid during the recent economic downturn. Local aid comes from lottery receipts and, over three lean years, the state diverted \$450 million to state budgetary purposes.

You might notice a relationship between last year's surplus and the three years' reduction in state aid. Our town suffered from those reductions, which no doubt contributed to the situation we face today. It seemed like a perfect match. But it was not to be. Here's what happened in the legislative session.

Every budget year closes with some underfunded items, and each year the legislature enacts a "final deficiency" budget to settle those accounts. Such items as overdue payment to attorneys were indeed funded, but other items went well beyond the definition of deficiency.

After the Republican alternative was voted down, the ways and means budget came up for approval. The expenditures may be completely appropriate uses of state money, but they should not be considered as unfunded issues from last year. Here are some examples from the budget.

The Governor's Washington D.C. office receives an additional \$453,292, adding three staff members and juggling line items for office funding. He states that the new funds paid for the re-opening of his campaign-promised Western Mass. Office in Springfield. Neither expenditure is a deficiency. The staffers are not on the job, and we know the Springfield office was not opened until this fall.

Salaries are increased for statewide office holders, adding money not only to this year's budget but also to all future budgets. The increases will continue and, because of wording in the bill, they will grow with biennial adjustments.

District Attorneys receive a 23% increase retroactive to the first of this year, with an additional 3% effective July 1. On its face, that is not a deficiency, since it takes place in the new fiscal year. DAs are deserving of an increase, though this single item imposes significant cost on future budgets.

Several labor contracts were funded, a true deficiency –but dollars for the current year are added to the FY 2007 costs.

In sum, the legislature spent \$278 million. And because many of its line items create continuing annual funding requirements, those expenditures add new stress to next year's state budget. Coincidentally, the governor's office has just stated that we face a \$600 million shortfall for next year.

If the state had spent the surplus on one-time distributions to towns, Longmeadow would have as much as \$836,845 to address deferred town needs and Massachusetts would be much closer to meeting the state's future needs.

Maybe next year.