



City of Somerville, Massachusetts

City Council

Meeting Minutes

Wednesday, April 16, 2025

7:00 PM

Special Meeting, Joint Meeting with the School Committee

NOTICE: This is NOT the official version of the City Council's minutes. While reasonable efforts have been made to assure the accuracy of the data provided, do not rely on this information without first checking with the City Clerk.

1. OPENING CEREMONIES

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|-----------------|--|
| Present: | City Councilor At Large Wilfred N. Mbah City Councilor At Large Jake Wilson Ward Three City Councilor Ben Ewen-Campen Ward Two City Councilor Jefferson Thomas (J.T.) Scott City Councilor At Large Willie Burnley Jr. Ward Five City Councilor Naima Sait City Councilor At Large Kristen Strezo Ward Six City Councilor Lance L. Davis Ward Seven City Councilor Judy Pineda Neufeld |
| Absent: | Ward One City Councilor Matthew McLaughlin Ward Four City Councilor Jesse Clingan |

The meeting was called to order at 7:10 PM by Ward Seven City Councilor Judy Pineda Neufeld.

The City Council entered recess at 7:12 PM on a roll call vote of 9 in favor (Mbah, Wilson, Ewen-Campen, Scott, Burnley, Sait, Strezo, Davis, Pineda Neufeld), 0 opposed, 2 absent (McLaughlin, Clingan) and returned at 7:14 PM.

The City Council entered recess on a roll call vote of 9 in favor (Mbah, Wilson, Ewen-Campen, Scott, Burnley, Sait, Strezo, Davis, Pineda Neufeld), 0 opposed, 2 absent (McLaughlin, Clingan) at 8:24 PM and returned at 8:25 PM.

- 1.1. Roll Call Call of the Roll.
(ID # [25-0778](#))

RESULT: PLACED ON FILE

2. RECESS FOR THE OPENING OF THE SCHOOL COMMITTEE MEETING
3. PUBLIC HEARINGS
4. ORDERS, ORDINANCES, RESOLUTIONS AND MOTIONS OF MEMBERS
5. UNFINISHED BUSINESS
6. REPORTS OF COMMITTEES

7. COMMUNICATIONS OF THE MAYOR**8. COMMUNICATIONS OF CITY OFFICERS****8.1. Officer's
Communication
(ID # [25-0777](#))**

Finance Director, pursuant to Ordinance 2-47, reviewing the financial condition of the City, with revenue and expenditure forecasts, prior to the commencement of the FY 2026 budget process.

Mayor Ballantyne spoke about the budget for the school saying that in the last 3 years, since long-term budget planning began, school funding increased 27%. She noted that the moderation in city growth equates to lower revenue growth, requiring the city to identify where priorities and needs intersect. Departments have been asked to submit level service budgets for Fiscal Year (FY) 2026 and the mayor said that the city will be disciplined in achieving more with less by applying strategic thinking and collaboration.

Director Bean presented the city's macro-economic environment, touching on several key areas and stressed that the city is nowhere near a final budget presentation. Historical trends have shown unprecedented city growth in recent years at twice the rate of the CPI since FY 2015. Schools are the city's largest investment and since FY 2020, the school budget has increased 6.99% annually on average, and the FY 2024 expenses for schools were \$36,351,926. A review of FY 2025 revenue shows that 76% of the city's revenue came from property, excise and other taxes while 16% came from state aid.

Mr. Bean noted that, due to state law, the city is limited in its ability to raise revenue. He noted that the new growth seen since FY 2020 began to slow during FY 2025 and that the projected property tax levy for FY 2026 will be lower than the current fiscal year's. The FY 2026 new commercial growth is projected to be \$9,000,000, a reduction of \$5,139,848 from the current fiscal year due to a slowdown of development, vacancies in commercial real estate, and there being 7 vacant lab buildings in the city (which are taxed at 60% of their potential value). Building permits remain a core revenue source and excise taxes are a valuable part of the revenue stream, however, growth in both of these areas is moderating. The city will pursue the adoption of a 3% community impact fee on short-term rentals and will look to increase the excise tax rate on vehicles.

The city's projected state aid was discussed and Mr. Bean noted that the legislature is proposing to double Chapter 70 allotments and that the MA Municipal Association is fighting for an increase in unrestricted aid to 3%. As for state assessments, Mr. Bean stated that assessments for Charter Schools and the MBTA are the costliest for the city, and he noted that the figures for Charter Schools can change during the year.

The city's revenue projections for FY 2026 were presented and Mr. Bean explained that the city is considering raising the estimates for Fines and Forfeits, Citation Revenue, Parking Revenue, and Penalties and Interest on

Taxes, to bring the total revenue to \$18,853,022. Regarding expenditures, several fixed costs come from the general fund, including employee wages (51.0%), health insurance (9.3%), and retirement contributions (4.8%). These fixed costs eat up capacity over time and become part of the city's base budget. Mr. Bean stated that health insurance is a major cost driver, and he noted the 11.4% increased (\$3,000,000) cost for FY 2026 - the highest since the 2012 conversion to the Group Insurance Commission (GIC) and encouraged employees to opt out of coverage or move to lower cost plans. FY 2026 Personal Services will be increased by \$2 million due to labor and employee staffing, including the settlements of several contracts with more on the horizon. The pension appropriation unfunded liability stands at \$138.8 million and should be paid off in 2033. The city's debt service will go out to market in May and Mr. Bean noted that interest rates on long-term borrowing are at 3.8%. The estimated debt service for these projects to be borrowed in May and paid in FY 2026 is \$3,394,886. The appropriation increase in FY 2026 is expected to total \$ 2,304,107, factoring in pay-downs and debt drop downs. Because of the threat of possible federal cutbacks, city departments have been asked to submit level service budgets. Funds may be appropriated from free cash, reserves and rainy-day funds to act as a bridge until the uncertainty passes. The city is collaborating with the School Department and awaiting final state numbers and needs to lobby federal and state authorities for more funding flexibility.

Councilor Strezo asked about PILOT projections and Mr. Bean noted that the largest PILOT funds come from Mass General Brigham and Tufts and he pointed out that PILOTs are voluntary contributions. Councilor Mbah asked how school lunches are funded and Mayor Ballantyne said that Speaker Mariano wants to fully fund those from the state. Councilor Burnley asked if a 7% increase for the schools would amount to level funding and Mr. Bean commented that the School Department would have to determine that. Councilor Burnley asked about Charter School reimbursement year-to-date for FY 2025 and Mr. Bean stated that his department will put that information together and use it for lobbying. Councilor Burnley also spoke about suspended licensing fees for smaller businesses, e.g., tattoo parlors, and he would like to bring fees in line with other communities to which Mr. Bean stated that department heads have been asked to adjust fees where possible. Dr. Philips asked about the balances in rainy-day and stabilization funds and Mr. Bean directed her to the Auditing website, where data are updated monthly.

RESULT: **PLACED ON FILE**

AYE: City Councilor At Large Mbah, City Councilor At Large Wilson, Ward Three City Councilor Ewen-Campen, Ward Two City Councilor Scott, City Councilor At Large Burnley Jr., Ward Five City Councilor Sait, City Councilor At Large Strezo, Ward Six City Councilor Davis, and Ward Seven City Councilor Pineda Neufeld

ABSENT: Ward One City Councilor McLaughlin, and Ward Four City Councilor Clingan

9. NEW BUSINESS**10. SUPPLEMENTAL ITEMS****11. RECESS FOR THE ADJOURNMENT OF THE SCHOOL COMMITTEE MEETING****12. ADJOURNMENT**

The meeting was Adjourned at 8:26 PM on a roll call vote of 9 in favor (Mbah, Wilson, Ewen-Campen, Scott, Burnley, Sait, Strezo, Davis, Pineda Neufeld), 0 opposed, 2 absent (McLaughlin, Clingan).