



CITY OF SOMERVILLE, MASSACHUSETTS

CLERK OF COMMITTEES

June 13, 2011

REPORT OF THE FINANCE COMMITTEE

Attendee Name	Title	Status	Arrived
Maryann M. Heuston	Chair	Present	
William A. White Jr.	Vice Chair	Present	
John M Connolly	Alderman At Large	Present	
Rebekah Gewirtz	Ward Six Alderman	Present	
Thomas F. Taylor	Ward Three Alderman	Present	
Bruce M. Desmond	Alderman At Large	Present	
Walter F. Pero	Ward Four Alderman	Present	
Dennis M. Sullivan	Alderman At Large	Present	
William M. Roche	Ward One Alderman	Present	
Sean T. O'Donovan	Ward Five Alderman	Absent	
Robert C. Trane	Ward Seven Alderman	Absent	
Joseph Curtatone	Mayor	Present	
Omar Boukili	Administrative Assistant	Present	
Tara Acker	SomerStat	Present	
Steve Craig	Constituent Services	Present	
Michael Meehan	Communications	Present	
Stephanie Hirsch	SomerPromise	Present	
Elizabeth Craveiro	Treasurer/Collector	Present	
Ed Bean	Auditor	Present	
Angela Allen	Purchasing	Present	
Marc Levye	Assessing	Present	
Kate Ashton	Grants	Present	
John Long	City Clerk	Present	
Gregory Jenkins	Arts Council	Present	
Frank Wright	Law	Present	
Frank Senesi	Veterans Services	Present	
David Lutes	OSE	Present	
Nicholas Salerno	Elections	Present	

- FY-12 Budget

Mayor Curtatone presented an overview of the city's FY-12 Budget and told the members that decisions were made responsibly and in keeping with the core commitments and values that residents have come to expect to continue to make Somerville a great place to live, work, play and raise a family. . Due to the current economic climate, all Massachusetts communities are facing fiscal challenges, brought on by cuts in State aid, an over reliance on property taxes, the high costs of health insurance, energy, and pension costs. Over the past ten years, the financial

burden on the city's residential property tax payers has increased dramatically, from 43% to 60% while State aid has decreased from 38% to 25%.

The proposed General Fund Budget for FY-12 is \$169,732,903 which represents an increase of \$4,225,499 or 2.55% over the FY-11 budget. The largest expenditures in the budget are for Public Works (11%), Public Safety (18%), Pension & Fringe benefits (24%) and the School Department (27%). Even after using all available State aid, the city will still be in the hole for \$9 million in health care costs. The Mayor estimates that if the city moved to the GIC, the savings in health care costs would be \$8.3 million, at an 80/20 split.

Somerville currently has the distinction of spending the least per capita of any city in Massachusetts (\$1,828). Rather than making cuts across the board, the city has continued to find ways to do more with less. By using \$7.5 million of various reserve funds, increasing some fines and fees and implementing departmental efficiencies and reorganizations, the FY-12 budget gap was eliminated. (Enforcement for expired vehicle registrations would bring in \$939,000, increasing the resident permit parking fee from \$20 to \$30 would bring in an additional \$466,000, increasing the late fee for parking tickets would bring in an additional \$200,000.) Sound fiscal responsibility has led to the City of Somerville enjoying the highest bond rating in its history.

While the proposed budget contains new positions for 4 additional Police Officers, a Fire Management analyst, an additional Traffic and Parking clerk and an additional Clerk in the Elections Department, it also eliminates 3 Parking Control Officer positions. In the School Department, the biotech curriculum and music program will be expanded, more computers and smart-boards will be available in classrooms, four new instructional coaches will be added, a high school dropout prevention program will be implemented, the science curriculum in the middle grades will be enhanced, the Healey School will be unified and there will be afterschool programs for foreign language and robotics. While many communities are charging for extracurricular activities, Somerville continues to lead the way by not imposing fees for extracurricular activities or sports.

The following departments presented their budgets for FY-12: Executive Office, SomerStat, Constituent Services, Communications, SomerPromise, Finance, Auditing, Purchasing, Assessing, Grants Management, City Clerk, Council on Aging, Arts Council, Law, Veterans Services, Elections and the Office of Sustainability and Environment. Alderman Pero was recused from the SomerStat discussions.

The following information was requested:

Ald. Gewirtz:

- requested (from the Mayor) to know which positions were new or re-filled
- requested (from David Lutes) to know if Stretch Energy grant funds could be used for Green Roofs

Ald. White:

- requested (from Ed Bean) to know how much \$ was used from the reserves from revenue sources other than the Rainy Day Fund, to balance the budget

- requested (from Ed Bean) figures for employee contributions for FY-10-11-12
- requested (from Marc Levy) to know how much remains in the overlay reserve
- requested (from David Lutes) a cost analysis of going towards recyclables

Ald. Desmond:

- requested (from Angela Allen) to know what equipment the city is renting
- requested (from Angela Allen) to know why the city isn't leasing copiers rather than buying them. (Report back with answer, printers, computers, copiers, etc.)
- requested (from Marc Levy) to know why funds for computer equipment is not listed under Professional & Technical or Property Data Services?

Ald. Pero:

- requested (from Frank Wright) that a copy of the court ruling on the Logan Runway suit be forwarded to BOA members

Ald. Taylor & Heuston:

- requested (from Frank Wright) a breakdown of the salary & increase for the Legal Assistant position