

Local Government Advisory Commission  
November 12, 2014  
State House  
Boston

Minutes of meeting of September 9, 2014 approved.

**Presentation on Fiscal 2014 and 2015 Budgets and the State Economy**

Sec Shor noted that the books are closed for 2014; year ended with a sufficient surplus. Of the \$22.78 million, 1/2 went to 'Life Science Investment Fund' and 1/2 to CPA Trust Fund.

Now in FY '15 tax revenues through October are \$3.2 million below benchmark, "but not very far off benchmark." Looking at \$325 million budget gap for FY '15 (if the financial trend continues, largely due to reduced personal income tax rate likely to be introduced - 5.2 to 5.15% effective 1/1/15), but working toward correcting that anticipated gap. "Following the recent budget-enacted \$80 million economic development Bill which was expected to bring strong growth revenues but does not appear to be the case."

Over the next two weeks looking to target spending reductions "in a manner that's fair and sensible. We will get back to you at the end of this 2-week period to indicate our proposal (mid-year cuts).

Note: Jeff Beckwith strongly advocated that there be no cuts to education. "Two years ago when this happened it especially affected schools. Any similar kind of cuts would create havoc at the overall municipal level."

**Presentation of MassWorks Infrastructure Grant Program and the Community Innovation Challenge Grant**

Larry Field, Executive Office of Housing and Community Development (see handouts)

**Governor Patrick**

When thanked by this Commission for his leadership over his term he responded, "These were OUR initiatives. You have taught me what partnership can and ought to be. I'm proud of what we've been able to do with the Chapter 70 fund.....We are a state composed of 351 personalities and at the same time all of us have had to think about how to do more things together. There's no amount of local aid that can solve all issues. The fact that these debates are hard, doesn't mean that they are not worthy. This may be too much to ask: When you are engaged in the big debates, think about the common good too."

As always, the above reflects my interpretation of portions of this meeting.

Yours in service,  
Mary Jo Rossetti  
MASC Immediate Past President  
Alderman-At-Large, Somerville

Attachments

# Local Government Advisory Commission

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Boston, MA 02110

617-426-7272

## LOCAL GOVERNMENT ADVISORY COMMISSION

Wednesday, November 12, 2014

1:00 to 2:00 p.m.

State House, Room 157, Boston, MA

## EXECUTIVE COMMITTEE OF THE LOCAL GOVERNMENT ADVISORY COMMISSION

Wednesday, November 12, 2014

1:05 p.m.

State House, Room 157, Boston, MA

### MEETING NOTICE AND AGENDA

1. **Call to Order of LGAC, Introductions and Overview** 1:00 p.m.
- 2A. **LGAC Administrative Matters** 1:02 p.m.
  - *Approval of minutes of previous meeting*
- 2B. **Meeting of the Executive Committee** 1:07 p.m.
  - *Approval of minutes of previous meeting*
  - *Ratification of 11/12/2014 agenda*
  - *Adjournment of Executive Committee*
3. **Presentation on Fiscal 2014 and 2015 Budgets and the State Economy** 1:10 p.m.
  - *Presentation by the Administration on the state's fiscal 2014 year-end balance and revenues available for key accounts including the state's CPA match, revenue performance for the 2015 fiscal year, and the state's economic outlook*
4. **Presentation on MassWorks Infrastructure Grant Program and the Community Innovation Challenge Grant Program** 1:20 p.m.
  - *Presentation by the Administration on the MassWorks Infrastructure Grant Program, which consolidated 6 former grant programs under one umbrella, and the Community Innovation Challenge Grant Program, which was initiated in 2012 and has provided over \$10 million for 74 innovative projects*
5. **Appreciation for Successful Local-State Collaborations with the Patrick Administration** 1:40 p.m.
  - *Discussion and appreciation of the major local-state collaborations with Governor Patrick during the past eight years*
6. **Adjournment** 2:00 p.m.

Approved  
11-12-14

DRAFT

MINUTES

Meeting of the Local Government Advisory Commission

September 9, 2014

Room 157, State House, Boston, MA

1:05 p.m.

ATTENDANCE: K. Dumas, D. Dunford, J. McCarthy, J. Gonzales, C. Freda, A. Gornstein, E. Ryan, G. Shor, P. Kocher, R. Nunes, J. Wulfson, J. Oliviera, P. Francomanco, D. Presser, A. Herzog, P. DeRensis, J. McCarthy, J. Boudreau, S. Shaw, L. Blackman, M. Regan J. Fogel, G. Beckwith, G. Koocher

VOTES:

Approve meeting minutes of June 2014 meeting      SO VOTED

DISCUSSION: *State Finances*: Secretary Shor provided an update on the state's revenue picture. For FY14, state collected \$23.369 billion, \$169 billion above revised benchmark. He noted that \$436 billion of this amount was a result of tax settlements above \$10 million. He sees this as driving the increase above the revised benchmark. He characterized withholding, sales, and estimated tax collections as solid, with corporate revenues and payments received with tax returns as below benchmark. The estate tax collections were slightly higher. He also noted that the legislature still must take action on a supplemental budget request (FY14) which includes funds for snow and ice deficiency, and Bridgewater state hospital. For FY15, revenues in the first two months were above benchmark by \$64 million; he also noted that "timing dynamics" re: withholding may influence the future results from this source. He state that the DOR is also gathering the information and analysis to determine if the state's income tax rate will be lowered as of January 1, stating that if it was lowered, the revenue loss was projected to be \$70 million for FY 15, and up to \$145 million for the calendar year. He commented that agencies were now preparing spending plans based on the enacted FY15 budgets and would also be considering ways to bring in more non-tax revenues to the state. Mr. Dunford thanked the Secretary for keeping the LGAC regularly informed on the state's fiscal situation, and thanked the administration for its attention to providing the necessary funding for charter school reimbursement. He did note, however, that the MMA would continue to work with the legislature and the administration to secure the necessary funds for homeless student transportation (McKinney-Vento); this account is estimated to be underfunded by about 50%.

Secretary Shor also announced the development of a Municipal Grant Finder to help municipalities identify sources of state grant funding for local projects. [www.mass.gov/municipalgrants](http://www.mass.gov/municipalgrants). He identified Pam Kocher as the municipal contact for this effort. A press release was distributed to attendees.

*Gun Safety Law*: Elizabeth Ryan, Assistant Counsel for the Executive Office of Public Safety and Security reviewed the features of the new gun safety law of particular interest to cities and towns. She noted changes to firearms and ammunition dealers being able to sell self-defense sprays (e.g., mace); the buyer is no longer required to have a Firearms Identification Card (FID) for this purchase. Dealers must also now perform CORI checks on potential and current employees. Changes to firearms licensing by

police departments is seen as likely leading to increased litigation. A "suitability determination" is now required for both License to Carry (LTC) and FID cards. It is expected that denials may result in challenges. Also, revocations of current licenses, given new requirements, may also be challenged in court. The new law allows police departments to sell various surplus arms; revenues received from such sales are directed to specific uses in the law. Also, police officers may now buy assault weapons and high capacity magazines without going under the aegis of the police department, although EOPSS still encourages departments to manage this process. Departments will also have to enter into agreements with the federal ATF re: tracing all weapons used in crimes in the city or town. Ms. Blackman asked about the potential mandate ramifications re: cost of school resource officers, and cost of certain mental health planning requirements. While Ms. Ryan noted that these issues would fall under the purview of the DESE, Associate DESE Commissioner Wulfson stepped forward to respond to the concerns raised – he said that the DESE view is that a "school resource officer" is a local option, not a uniform mandate and that he expected plans schools already have in place re: crisis intervention will likely fulfill a large part of the mental health planning provisions in the gun safety law. He characterized the two provisions as "not terribly problematic" re: requiring new costs from school districts.

PARCC: Commissioner Wulfson went on to address the PARCC testing regimen for language arts and mathematics which may replace the MCAS in the next few years. He said the impetus for PARCC was driven by: (1) adoption of new curriculum standards in 2010; (2) need for tests that provide feedback to teachers re: student progress; and (3) a test that could be administered on-line would provide faster feedback. He noted that the PARCC undertaking is not in the test phase; and school departments and districts are now determining whether they will move to the PARCC test or continue with MCAS; at present, about 60% of the departments/districts plan to move to PARCC, with 40% remaining with MCAS. Concerns raised by both local and school committee officials included inadequate technology to allow for on-line test taking, lack of flexibility in local budgets to support technology upgrades, with little ability to reallocate funds from one budget need to another; concern if PARCC is not determined to be as valuable an evaluative tool as anticipated; need to assure PARCC can respond to needs of higher education re: better predictor of college success (replace Accuplacer)

In response to these concerns, Deputy Commissioner Wulfson noted the following:

1. The convening of the Foundation Budget Review commission – where costs of technology would be considered, as it is anticipated that classrooms in the next five years will be much more reliant on technology (e.g., use of tablets, laptops) in the student learning experience;
2. The technology needs and priorities of school systems are "high on the agenda" of DESE – working with both the IT units at Administration and Finance and within DESE re: how to coordinate increasing broadband access for school systems.
3. PARCC would likely serve to replace Accuplacer and be a better indicator than the 10<sup>th</sup> grade MCAS test. DESE has engaged the state's Higher Education commissioner on this issue.

Deputy Commissioner Wulfson also stated that MCAS would likely still be in use in some school systems through 2019.

COMMBUYS: Pam Kocher of Administration and Finance spoke to the roll-out of COMMBUYS and the intent of the A & F Operational Services Division to work with municipalities, including increased outreach, training, and education for municipal purchasing officials to make COMMBUYS a successful

procurement vehicle for efficient and cost-effective group purchasing. She noted the commitment of Operational Services to working through the issues communities have with using COMMBUYS, including software and other technology concerns. A Local Government Team has been formed with several aims, including the integration of software at the local level (e.g., MUNIS finance system) with the COMBUYS program. She said that 7 communities have been identified to take part in a pilot program, and it is hoped that lessons from that effort will have application to improving the experience going forward. She also noted that there would also be outreach efforts with school business officials.

Other than as noted above, there were no other votes taken or decisions made.

Meeting adjourned, 2:05 p.m.

Materials distributed:

Executive Office of Administration and Finance Press Release – “Patrick Administration Unveils One-Stop-Shop Web Portal for Municipal Grants” September 9, 2014