



CITY OF SOMERVILLE, MASSACHUSETTS CLERK OF COMMITTEES

June 6, 2018
REPORT OF THE FINANCE COMMITTEE

Attendee Name	Title	Status	Arrived
William A. White Jr.	Chair	Present	
Mary Jo Rossetti	Vice Chair	Present	
Ben Ewen-Campen	Ward Three Alderman	Present	
Matthew McLaughlin	Ward One Alderman	Present	
Katjana Ballantyne	Ward Seven Alderman	Present	
Jefferson Thomas ("J.T.") Scott	Ward Two Alderman	Present	
Jesse Clingan	Ward Four Alderman	Present	
Mark Niedergang	Ward Five Alderman	Present	
Lance L. Davis	Ward Six Alderman	Present	
Stephanie Hirsch	Alderman At Large	Present	
Wilfred N. Mbah	Alderman at Large	Present	

Others present: School Superintendent Mary Skipper, School Committee members Andre Green, Carrie Normand, Lee Erica Palmer, Laura Pitone, Paula O'Sullivan and Emily Ackman, Michael Mastrobuoni - Budget Manager, Ed Bean - Finance, Peter Forcellese - Legislative Clerk.

The meeting took place in the Aldermen's Chamber and was called to order at 7:05 PM by Chairman White and adjourned at 11:10 PM.

FY-19 Departmental Budget Review and any associated departmental financial matters.

This was the first of several committee meetings to discuss the proposed FY-19 city budget. The meeting was called to order at 7:05 PM and immediately recessed to allow Mayor Curtatone to present the budget to the Board of Aldermen. During the BOA meeting, Alderman Rossetti asked that the amounts below the levy limit be provided for the past 5 years. President Ballantyne asked for the projection of the commercial/residential real estate tax split and inquired where revenue growth would come from over the next 5 years. Alderman Hirsch expressed her desire to talk with the Administration about things that didn't make the cut for the budget. The Mayor completed his presentation, at which time the BOA meeting was adjourned. The Finance Committee reconvened at 8:18 PM.

The following departments presented their FY-19 budget requests:

SCHOOL DEPARTMENT

School Committee Chairman Andre Green spoke about Title 2 funding being gutted by the federal government and noted that Title 1 funds have been steadily declining. He told the committee that the School Department's budget is aggressive and progressive but fiscally responsible. Superintendent Skipper spoke briefly about the schools and then presented the department's budget request. She reported that student enrollment is up and that the department isn't seeing a drain of students to charter schools. The Pre-K work that is being done is paying off and families are making the choice to keep their children in the public schools. Some new positions were added to the budget to alleviate understaffing in some sections of the department, e.g., payroll operations and grant writing. The part time SomerPromise position is being changed to full time to help build the infrastructure that's needed to run that program efficiently. Alderman Mbah asked for some specific information on the numbers of homelessness in the school system. Alderman Hirsch spoke about the importance of SomerBabies and said it's worth looking at a middle school enrollment model to save money. She also encouraged the School Department to utilize MinuteTraq for transparency and would like a software engineer to link data between the school side and city side.

REVENUE SECTION

Mr. Mastrobuoni reviewed this portion of the proposed budget.

Alderman Rossetti asked for the actual figures for line number 415000 for past 3 years, noting that there is a \$400,000 discrepancy from what was presented to the BOA re: Union Sq. Mr. Bean assured members that all revenues are reviewed by the Dept. of Revenue prior to setting the city's tax rate.

Line number 432046, the medical marijuana fee, is not listed in the general fund but is listed under special revenue and most likely earmarked for specific purposes. Mr. Bean explained that not all of the city's over 500 various funds are listed on website. Alderman Hirsch responded by saying that all sources of revenue should be available for the BOA's review and she requested that information be provided for each of them.

Mr. Mastrobuoni said that line number 448002, building permit fees, will use a projected amount of \$5.5 million each year, going forward. Alderman Rossetti believes that the permit numbers are under projected. Mr. Mastrobuoni explained that numbers come from variable revenue sources and are being estimated conservatively.

Alderman Rossetti asked for a breakdown of where the money comes from for line number 477006, ordinance violations.

Alderman Hirsch requested a list of all special revenue greater than \$10,000.

Alderman Rossetti asked for an update of stabilization funds, free cash and meals taxes.

Handouts:

- FY-19 School Budget Presentation FINAL_051418
- Excess Levy Capacity
- Free Cash Balance_6.7.18

- Motor Vehicle Excise
- Motor Vehicle Excise 2
- Salary Contingency Transfers
- Special Revenue Funds Report_6.7.18
- Stabilization Fund Balance_6.7.18