

May 5, 2003

I. CALL TO ORDER

Finance Chairperson, Katrina Murray, called a Finance and Facilities Committee of the Whole Meeting of the School Committee to order in the committee room at city hall at 6:35 p.m., to discuss the FY04 budget.

II. ROLL CALL

Present were Ms. Cardoso, Ms. Harris, Ms. Bauer, Mr. Sullivan, Ms. Taylor, Mr. Murray, Ms. Rossetti, Mayor Gay, and Alderman O'Donovan.

Dr. Albert F. Argenziano, Superintendent of Schools, Ms. Marie B. Ferrari, Assistant Superintendent for Finance and Administration, and Mr. Anthony C. Caliri, Human Resources Manager were also present, along with approximately thirty members of the audience.

Present from the Mayor's office was Mr. John McGinn, Chief Financial Officer.

III. FY04 Budget Discussion

Mayor Gay and Chief Financial Officer, Mr. John McGinn, were present this evening to discuss the financial situation of the city of Somerville for the FY2004 and to clarify the city's position on state aid issues around the reductions of Chapter 70 funds. Mr. McGinn provided some background history and put into context the overall city's current finance situation in a four page handout which he provided to the committee and members of the audience. Mr. McGinn presented an overview as follows:

➤ Education related state aid reductions for Somerville

State aid category – total State aid used to fund the school budget
Total State education grant funds

Mr. McGinn explained what has happened in the various categories of state aid to education to the city, both in the Government budget and in the House Budget that was recently released.

➤ Somerville school spending, funding structure

Mr. McGinn provided a background on Net School Spending requirements over a span of four years from FY2000 to FY2003. He discussed the way educational funding has worked in the city in terms of school appropriations and related indirect city spending, primarily health care for teachers and other school department employees, and the maintenance of school buildings.

➤ House's recommended local aid cuts for FY04
Budget Impact - FY04 House budget

➤ Health Insurance:
Overall Increase FY03 to FY04
School Department portion of increase

III. FY04 Budget Discussion (cont.)

When complete with his presentation, discussion followed and Mr. McGinn responded to questions asked by school committee members.

Dr. Argenziano briefly reviewed, for Mr. McGinn, discussion that took place at last week's Finance meeting regarding the FY04 budget analysis, the projected cuts for 2003-2004 budget, and the impact the reduction options would have on the school department.

Before adjourning, Ms. Murray reminded the community there is a Board of Aldermen's Finance Meeting (Public Hearing on State Budget) scheduled for Tuesday, May 13, 2003 at 7:00 p.m. in the Board of Aldermen Chambers at City Hall.

IV. ADJOURNMENT

The meeting was adjourned at 7:55 p.m., by voice vote.

Dr. Albert F. Argenziano
Secretary