



Lowell City Council

Finance SC/School FSC Minutes

Michael Q. Geary
City Clerk

Date: May 14, 2018
Time: 5:30 PM
Location: James F. Sullivan School
Draper Street, Lowell, MA

PRESENT:

Present on Roll Call were C. Elliott, C. Milinazzo, C. Nuon, SC Nutter, SC Descoteaux and SC Lay. Also present were Conor Baldwin (CFO), City Manager Donoghue, Heather Varney (Asst. CFO), C. Conway, C. Mercier, C. Kennedy, C. Cirillo, Bryan Perry (Auditor), Michael McGovern (Asst. City Manager) M. Samaras, SC Martin, SC Doherty, SC Hoey, Supt. Khelfaoui, and Mr. Frisch (Business Mgr. Schools).

MEETING CALLED TO ORDER:

C. Elliott called the meeting to order.

ORDER OF BUSINESS:

Manager Donoghue commented on the City side of the budget noting the needs of the School Committee and the importance of funding education. Manager Donoghue noted that the Council has not received the proposed budget which will include cuts across many departments and will not have any surplus available. Manager Donoghue noted that there is an increase in tax levy of two percent as well as borrowing from reserves and that labor contracts will need to be resolved at end of fiscal year. Manager Donoghue noted that City took a conservative approach with school money and it was based off of what State would provide them as well. Manager Donoghue noted that there were substantial costs related to school buildings in the current budget and that forty percent of upcoming Capital Budget would involve school buildings. Manager Donoghue commented on process in which State would set funding for the schools. Mr. Baldwin outlined the Charter School cost formula and the costs to the City based on that noting it causes the most cost pressure on budget. C. Elliott noted the conservative approach to budget process and the efforts to maintain reserves to ensure fiscal stability. C. Elliott noted any further increase will increase tax levy. C. Milinazzo questioned calculation of our local share under the State formula. Mr. Baldwin noted the City is following a traditional



process. SC Nutter commented on the calculation of cash contribution by the City and that Adult Education and transportation are factors in that calculation. Supt. Khelfaoui commented on Charter and transportation costs and that current budget were based off House number currently in play. SC Nutter noted grant funding is part of revenue for schools. Supt. Khelfaoui noted cuts to those programs. C. Nutter commented on revolving food account and changes made that affect the budget. Manager Donoghue noted that Chapter 70 money would go directly to schools. C. Nuon questioned if increase money would balance budget on school side. Supt. Khelfaoui noted the deficit would not be erased with increased money from State. Manager Donoghue commented on probability regarding increase in State money noting that there was more of an atmosphere for it this current year than last. C. Nuon noted need to inform delegation of importance of increased funding. Manager Donoghue commented on Medicaid reimbursement to City. Mr. Baldwin outlined that process noting money goes into General Fund. Supt. Khelfaoui commented on nursing program. Manager Donoghue noted agreement reached between schools and City and that they were following that agreement. C. Milinazzo noted that school administration would not be reducing staff and wanted confirmation on that. Supt. Khelfaoui noted that positions and funding would be available. C. Elliott raised special education costs to Supt. Khelfaoui who noted information would be forthcoming regarding special education plan for Lowell. SC Nutter commented on difficulty in crafting budget when numbers are not yet set. Meeting was open to public; SC Doherty addressed the body regarding net school spending, building maintenance and Medicaid reimbursement. C. Elliott noted the need for balance approach in formulating budgets. C. Elliott raised issues surrounding buy backs for sick time and vacation.

Motion by C. Milinazzo, seconded by C. Nuon to accept the report as a report of progress. So voted.

ADJOURNMENT:

Motion to adjourn by C. Nutter, seconded by SC Descoteaux. So voted.

Meeting adjourned at 6:35 PM.

Michael Q. Geary, City Clerk
