



Lowell City Council

Finance SC/School FSC Minutes

Michael Q. Geary
City Clerk

Date: May 12, 2020
Time: 5:30 PM
Location: Zoom/Audio Conference

PRESENT:

Present on Roll Call were C. Elliott, C. Conway, C. Nuon, SC Martin, SC Descoteaux and SC Hoey. Also present were Conor Baldwin (CFO), City Manager Donoghue, M. Leahy, Latifah Phillips (School), C. Samaras, SC Doherty, Supt. Boyd, Billie Jo Turner (Asst. Supt. Of Schools), C. Mercier, SC Dillion, Robin Desmond (School), C. Drinkwater, C. Chau, Allison Chambers (Asst. CFO), SC Clark, and Tina Masiello (City Auditor).

MEETING CALLED TO ORDER:

C. Elliott called the meeting to order.

ORDER OF BUSINESS:

C. Elliott provided introductions and commented on prior discussions and tough decisions that are approaching. SC Martin noted the need for information and the budget process shared between school and City side. Manager Donoghue noted that there will be a long lasting financial consequence to the pandemic and the State is working towards the budget and what they will be allocating to the various cities. Manager Donoghue noted that the State cannot cut funds for FY20 but FY21 will be a much tighter budget. Mr. Baldwin provided presentation entitled "City of Lowell, Covid-19 Financial Impact" which outlined variables of impact; General Fund revenue sources; historical local aid trends; Lowell revenue dependent on economy; General Fund shortfalls; impact on City investments; Manager financial initiatives; FY21 changing outlook at State level; and recovery methods. C. Elliott noted the FY20 close-out procedures. Manager Donoghue noted the State has given cities the option to roll-over deficits for three years and that the City will adopt that approach. Mr. Baldwin commented on that procedure and noted the amount was around \$600,000. Manager Donoghue noted that they are tracking expenses for reimbursement from FEMA and the Cares Act. Mr. Baldwin noted the costs that were covered. C. Elliott noted that there would be an anticipated deficit and commented on extensions for tax payments and waiving certain fees. Supt. Boyd commented



on FY 20 noting fiscal controls in place including hiring freezes and that the year would be closed in balance and that they would be doing scenario budget planning which would include reduction in workforce. C. Elliott questioned process of scenario budget planning. Supt. Boyd outlined that budget process and noted that the start of this year will be much different than last year. Supt. Boyd noted certain procedures must be followed if there is a reduction in workforce. Ms. Turner noted that school would have surplus this year due to decreased costs and that the surplus would be used to purchase chrome books for students. C. Elliott questioned recent hiring of school employees. Supt. Boyd noted that hiring freeze since April. C. Nuon noted financial restraints in place to assist with budgeting and that both sides should be communicating to obtain best results. C. Elliott noted that the State will not have a FY21 budget on time. C. Conway noted that City was fortunate to be in a strong financial position before the pandemic hit and questioned procedures for reduction of work force on the school side. Supt. Boyd noted that all time restraints have been met if a work force reduction is needed. SC Doherty commented on the number of people hired during the course of the year and that there is a lack of resources. SC Hoey commented on the State input and the Student Opportunities Act. SC Descoteaux noted the need to be patient and diligent moving forward. C. Elliott commented on going to a 1/12th budget as State will not have their budget finalized and that there will be impact on the process. Manager Donoghue noted restraints on budget with cuts possible toward end of next fiscal year. C. Elliott questioned funding from the MSBA. Manager Donoghue noted that agency has stated that all approved projects are not in jeopardy. C. Samaras noted the need for information and communication between both sides. C. Mercier noted the need for a team effort. C. Chau commented on the importance of joint communication. C. Elliott noted future meetings. SC Martin noted the need to work jointly. SC Descoteaux recognized efforts of financial teams.

ADJOURNMENT:

Motion to adjourn by SC Marin, seconded by C. Nuon. So voted.

Meeting adjourned at 6:29 PM.

Michael Q. Geary, City Clerk