Appropriations Committee

Chairman Brodeur, Tramontozzi, Boisselle, Buonopane, Conn, Forbes, Heavey, Infurna, Seaboyer, Wright, Mortimer
In attendance: Mayor Dolan, City Auditor Patrick Dello Russo

Appropriations Committee called to order by Chairman Brodeur at 9:45 p.m. Order No. 07-147, Requesting that the Mayor and the Chief Financial Officer provide the Board with an analysis of Local Aid provided to Melrose in the Governor's FY2008 budget proposal. (AL-1)

Mayor Dolan says that the packet before the Aldermen contains the Department of Revenue's FY2008 Local Aid and Assessment Estimates (Cherry Sheet) and the Governor's FY2008 Governor's Budget Proposal. When all is said and done, the net increase in Local Aid is $33,061, or 2% over last year, and the assessments increase by $291,228, or 11.7% over last year. There is a deep structural problem in the state with local aid. There can not be an increase in aid of 2% and an increase in assessments of 11.7%. It is not that Melrose wants large amounts of local aid. If the City relied on the state for funding there would be no creativity to make fundamental changes to ensure Melrose's survival. There are a number of issues to deal with. If Melrose is ever going to move forward it must stay on the path that it is on. If the state is not going to improve its formulas Melrose needs to have consistent and secure revenues including the trash fee. The need for conservative management of revenues and stabilization funds are essential. The School Department needs to take responsibility for losing 50 to 80 students per year to private and charter schools. Its top priority is to identify why they are leaving. Melrose public schools have to become competitive from pre-K through 12th grade. The City loses $10,000 per child that leaves the school system. One thought is to become a school choice community, but that yields only $5000 per student. The Charter school is addressing parent's concerns better than the City, but he believes Superintendent Casey can turn that around despite the fact that Melrose schools can't compete with longer school days and a longer school year because of the union environment.

City Auditor Patrick Dello Russo says there are three key areas that the City has focused on over the last three years: reserves, health care and labor contracts. Together they have the opportunity to take the City down. The state is not in the position to provide the kind of relief to change the financial position of the City. The City can offer only 0-2% in contractual increases in order to sustain the level of service in the City. The continuation of building the Contractual Stabilization Fund sets a provision to address and fund those obligations. The City is making gains in expanding the tax base and needs to continue using the same approach. Melrose does not have a vote for the MWRA assessments or the Voke and Charter School assessments but is obligated to make payment. The percentage increases they are realizing can not continue. It is a great concern for Melrose, and he hopes that here will be movement at the State House to address these increases.

Chairman Brodeur says the City has to recapture the kids going to the Charter School. He believes the all day kindergarten fee is a significant barrier to entry to the public

school system. Once they enter kindergarten in the Charter School the City loses them for the next 12 years. It's a competitive situation.

Mayor Dolan says the Superintendent has to identify those families contemplating sending their children to the Charter School and get a commitment from them to enter Melrose schools before the City can pay for all day kindergarten.

Alderman Conn asks Mayor Dolan what last year's budget was; Mayor Dolan says it was $55 million. Alderman Conn says that this order is important so that people receive accurate information. Last year the City had a $55 million budget and when the state aid and assessments are boiled down, the increase is $39,000. That is south of 1%. The increase of local aid to Melrose is less than 1%.

Alderman Wright the MBTA assessment is over $1/2 million. He says that the T's fares were just raised considerably, and asks how the state came to assess this amount. Mr. Dello Russo says there is a formula that is using a percentage breakdown of the general charge spread over member communities. The assessment comes right off the top of the Cherry Sheet. The City has no control over it. Alderman Wright asks if the formula is based on population, the number of buses, the number of commuter rail stations. He asks if Wakefield or Stoneham is paying $1/2 million. Mr. Dello Russo says he will find that out.

Alderman Buonopane asks how, despite the small increase in local aid, the Mayor is able to hire additional public safety personnel. Mayor Dolan says they are replacement personnel. Alderman Buonopane says regarding the Schools, that the Middle School is recognized by the state as being on the top. He asks if work is not getting out. Mayor Dolan says that no one has ever asked the Charter School parents why they left.

Alderman Forbes says with the Middle School coming online in the fall there will be three school buildings available. He asks if it is possible to say goodbye to the Voke and have the City set up its own. Mayor Dolan says he is not qualified to answer that question, but the City is looking at an Early Childhood Program.

Alderman Buonopane motions that the matter be Placed on File, 2nd by Alderman Infurna. All in favor.

Order No. 07-027A, Amending Melrose Zoning Ordinance, Article V Use Regulations, Section 235-17 Table of Use and Parking Regulations, 4. Townhouse, by replacing the "P" in the UR-B District with "S", so that the updated table entry for Townhouse developments reads as follows:

Article V Use Regulations §235-17. Table of Use and Parking Regulations

Principal Use:	SR	SRA	SRB	URA	URB	URC/D	BA/BA1	BB/BB1	BC	BD	I	Parking
Residential												
4. Townhouse	-	-	-	S	S	P	-	-	-	P	-	B

Alderman Boisselle asks if this has been before the Planning Board for review. Chairman Brodeur says this is their recommendation.

President Mortimer moves to recommend, 2nd by Alderman Heavey. All in favor.

President Mortimer motions to adjourn, 2nd by Alderman Heavey. All in favor.

Appropriations adjourns at 10:35 p.m.

Maribeth Harrington
Clerk of Committees