

The Committee on Ways and Means met on Monday, June 5, 2023 at 6:00pm in the City Council Chambers at City Hall.

The meeting was recorded by ECTV and can be viewed on the City of Everett website.

Members present were Councilor John Hanlon, presiding; Councilors Darren Costa, Vivian Nguyen and Stephanie Smith.

The Committee met on an Resolution offered by Councilor Stephanie Smith: That the CFO provides a brief overview and explanation of the tax recap for FY23.

Chief Financial Officer Eric Demas was also present.

Councilor Smith asked Mr. Demas for transparency purposes if he could walk the Committee through the tax rate process. Mr. Demas explained that it all starts with the City budget process, then the City closes its books at end of fiscal year, then reports all this information to State for approval with Free Cash amounts also being approved, then the Assessor's office insures that appraisals are up to date, then the City updates it's revenue estimates, then the Assessor's office holds a tax rate hearing with the City Council in which the Council determines residential shift as well as residential exemption and finally everything is submitted to State for final approval. Councilor Smith inquired to what was shown on the Cherry Sheets from State and Mr. Demas responded that it showed revenues and State Aid to the City. Mr. Demas noted other revenues sources such as the Encore Community Host Agreement, Excise tax, Room and Meal tax, license and permits, in addition to the property tax revenue. Councilor Smith advised everyone to take a look at the tax recap. Councilor Costa asked Mr. Demas how much control does the City Council have in setting tax levy. Mr. Demas responded that the only control the City Council has in the tax process is approving the Annual Budget, approving a residential shift and setting residential exemptions. The Committee continued to discuss the items listed on the Tax Rate Recapitulation with Mr. Demas providing an explanation.

The Committee voted: to report back to the City Council with a recommendation to place File.

Respectfully Submitted,

John W. Burley
Clerk of Committees

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Members present were Councilor John Hanlon, presiding; Councilors Darren Costa, Vivian Nguyen and Stephanie Smith.

The Committee met on an Order offered by Councilor Michael Marchese, as President: An Order recommending the appropriation of \$1,000,000 in ARPA funds to the Everett Initiative Youth Council (EIYC)

Chief Financial Officer Eric Demas, Youth Council Advisor Councilor Stephanie Martins, Youth Council Members Siman Tamang, Kien Lau, Thalia Patino Molano & Shreeya Musyaiv were also present.

Councilor Smith referenced the recent budget process the City Council went through with each department which outlined departmental items and anticipated costs and noted that she was looking for something similar from the Youth Council on exactly what the million dollars would be used for. The EIYC members explained that they narrowed it down to 15 possible projects in which the Youths in grades 5-12 would vote in September on which projects they would like to see done for the million dollar appropriation. They noted that the intent was for the City Council to commit the money to the process not the projects and did not want the Youth voices oppressed by having the City Council object to projects selected. Councilor Smith expressed concern on how the Order was written and remarked that she couldn't vote on appropriation without knowing the projects being supported by the funding. Mr. Demas explained that once the City Council approved the appropriation the Mayor/Administration would work with the Youth Council noting that the appropriation is still City funds in which the City needed to insure compliance with ARPA. Councilor Costa informed the Committee that he had worked with the Youth Council and found that they were very engaged in the process. Councilor Costa referenced Mayor DeMaria's correspondence to the City Council on the appropriation in which he stated that the City Council also needs to vote on how those funds are to be spent and he asked Mr. Demas if the City Council has any other authority once it approved the appropriation. Mr. Demas responded that once the City Council votes to approve the appropriation it would commit those funds to the Youth initiative and the City Council would have no further action on the matter. Councilor Martins explained the process of the Youth Council in obtaining a final project list upon the vote of the Youth. Councilor Smith reiterated her position that she needed to see which projects were selected before approving the appropriation. Chairman Hanlon concurred that the Committee was willing to give them the money but needed to see the bottom line. The EIYC members explained again that a youth vote wouldn't be held until September at which time the projects would be determined. Councilor Smith suggested laying on the table until that time so that the Committee could obtain a cost for each item. Councilor Nguyen requested that the Committee trust the Youth Council with their decisions. She stated that she doesn't think the Committee needed to wait until September and again requested that the decision be left to the Youth Council. Councilor Costa concurred. The EIYC members noted that the City Council appropriating the funds without projects in place was legal and it helped in avoiding the City Council not supporting the decision of the Youth Initiative vote.

The Committee voted 3-1 with Councilor Smith recorded in opposition: to report back to the City Council with a recommendation for Favorable action.

Respectfully Submitted,

John W. Burley
Clerk of Committees