



Finance Committee Report

City of Newton In City Council

Monday, May 8, 2023

Present: Councilors Grossman (Chair), Kalis, Humphrey, Oliver, Gentile and Malakie

Absent: Councilors Noel and Norton

City staff present: Chief Financial Officer Maureen Lemieux, Comptroller Steve Curley, Treasurer Ron Mendes, Manager of Financial Planning & Analysis Perry Rosenfield, Senior Financial Analyst Connor Roach, Director of Purchasing Nick Read, Deputy Commissioner of Public Works Shawna Sullivan, Commissioner of Parks, Recreation & Culture Nicole Banks, Director of Cultural Development Paula Gannon, City Clerk Carol Moore

For more information regarding this meeting, a video recording can be found at the following link:

<https://newtv.org/recent-video/107-committee-meetings-and-public-hearings/8048-finance-committee-may-8-2023>

#161-23 Acceptance of \$2,500 grant from the Mass Cultural Council

HER HONOR THE MAYOR requesting authorization to accept and expend the sum of two thousand five hundred dollars (\$2,500) from the Mass Cultural Council for the purpose of supporting the Family FunFEST event scheduled for May 13 and 14, 2023.

Action: Finance Approved 5-0 (Councilor Oliver not voting)

Note: The Chair introduced item #161-23 and Commissioner Nicole Banks. Commissioner Banks thanked the Massachusetts Cultural Council for their yearly support and invited Director of Cultural Development Paula Gannon to present an overview of the grant. Director Gannon announced the award has increased from previous years to \$2,500 to support Newton's Family Funfest, being held this weekend. The festival will include a public art exhibition from Newton school students along with live performances and vendor booths. 30 tickets for the musical, Pirates of Penzance, will be purchased using the grant monies to go to the community for those in financial need.

Councilor Kalis motioned to approve which passed unanimously.

#162-23 Acceptance of \$15,830 grant from the Mass Cultural Council

HER HONOR THE MAYOR requesting authorization to accept and expend the sum of fifteen thousand eight hundred thirty dollars (\$15,830) from Mass Cultural Council for the purpose of supporting Cultural Development's recovery efforts due to negative impact from the COVID-19 pandemic.

Action: Finance Approved 5-0 (Councilor Oliver not voting)

Note: The Chair introduced item #162-23. Director of Cultural Development Paula Gannon explained that this funding was a one-time grant for organizations. They are unrestricted funds, and the amount is determined by the Mass Cultural Council based on financials with the purpose to assist cultural organizations in recovering from the COVID pandemic.

Director Gannon identified that this money would focus on visual arts and updating gallery spaces within City Hall. The grant will also help market Newton's toddler art and music program which had shut down during the pandemic.

With no questions from the Committee, Councilor Malakie made a motion to approve which passed unanimously.

#156-23 Transfer \$1,500,000 to improve the City's roadways, sidewalks and ramps

HER HONOR THE MAYOR requesting authorization to transfer the sum of one million five hundred thousand dollars (\$1,500,000) from DPW Admin-Full Time Salaries (0140121-511001 to DPW Admin-Paving Supplies (0140121-553300) to allow DPW to reach the target spending of \$9.5 million for FY23, with the goal of continuing to improve the city's roadways, sidewalks, and ramps.

Public Facilities Approved 5-0 on 05/04/23

Finance Approved 6-0

Note: The Chair announced the next item on the agenda, item #156-23. She introduced Deputy Commissioner of Public Works Shawna Sullivan to discuss the request for Committee authorization to transfer \$1,500,000 from their department's Full-Time Salaries to Paving Supplies. This transfer will allow the Department of Public Works to reach their target spending of \$9,500,000 on improving roadways, sidewalks, and ramps.

Councilors asked the following questions:

Q: Requested confirmation that the funds came from attrition over the course of the year?

A: CFO Lemieux confirmed that the Department of Public Works suffered from labor shortages like many municipalities across the country. At times during the year, there were as many as 50 vacancies, which would account for a 25% vacancy rate. This transfer will allow the department to hire contractors to complete work that would otherwise not be finished.

Q: In a follow up question, the Chair asked how many positions are open now?

A: Deputy Commissioner Sullivan stated the department is down 44 employees as of now, mostly in the utilities and streets divisions and mechanics.

Q: The Chair also asked if there is a plan to address the shortages?

A: Deputy Commissioner Sullivan said that they have been working with the Human Resources department for outreach ideas like new flyers and job fairs held at the high schools.

Q: In a follow up question, the Chair asked how much of the problem is due to our pay and benefits?

A: Deputy Commissioner Sullivan said they updated their wage study and that Newton falls in the middle in most cases. CFO Lemieux expanded upon Ms. Sullivan’s statement to include that there was an increase in the lowest level of pay but the city cannot compete with private sector pay for mechanics. Ms. Lemieux felt that Newton’s wages are in line with other communities.

Q: The Chair asked, that with this transfer, what is the total amount budgeted for transportation network improvements and what are the highlights of those improvements?

A: Deputy Commissioner Sullivan stated that Ward and Waverly will be paved, and sidewalks repaired. Commonwealth Avenue Carriageway from Beaumont Avenue to right before Ash Street will be paved. There will be a total of 44 neighborhood roads completed this year. To answer the first part of the question, this transfer will bring the total amount for improvements to \$9,500,000.

Q: The Councilor asked if contractors are also facing labor shortages?

A: CFO Lemieux stated that some contractors also have staffing issues but that contractors do not plan on signing contracts without proper staffing.

Q: The Councilor followed up with a request to explain from CFO Lemieux’s answer, what it means to “extend our per unit costs.”

A: CFO Lemieux explained that if an agreed contract is set by linear foot, you can add more feet at the contracted price, if needed.

With no other questions from the Committee, Councilor Gentile made a motion to approve which passed unanimously.

#157-23 Appropriate \$1,000,000 to DPW’s Vehicle Equipment Account

HER HONOR THE MAYOR requesting authorization to appropriate and expend the sum of one million dollars (\$1,000,000) from June 30, 2022 Certified Free Cash to the Department of Public Works Vehicle Equipment Account to fund the vehicle replacements per the City’s Vehicle Replacement Schedule as detailed in the FY24-FY28 C.I.P

Public Facilities Approved 5-0 on 05/04/23

Action: Finance Approved 2 yeas 1 nay (Councilor Gentile) – 3 abstaining (Councilors Grossman, Malakie, Oliver)

Note: The Chair announced the next item on the agenda, item #138-23. Public Works Deputy Commissioner Sullivan requested for Committee approval for the purchase of 6 vehicles: 2 street sweepers, a utility truck, 2 asphalt rollers and a backhoe using free cash. The current vehicles are at the end of their useful life and this purchase would be in line with the vehicle replacement plan.

Councilors asked the following question:

Q: The Chair asked for a recap of all the current vehicles to be replaced and their age?

A: Ms. Sullivan noted that the vehicles are from 2009 and 2012.

A Councilor remarked about the Council's request for the administration to provide a list of proposed free cash appropriations and is reluctant to approve any requests until they see the whole picture. The Chair agreed and stated her hesitation to move forward as well.

CFO Lemieux stated that she did send out a list of docket items slated for this fiscal year and reminded the committee that free cash requests need full Council approval before the end of June. Deputy Commissioner Sullivan said there is some time sensitivity to these purchases due to supply chain issues.

A Councilor opined his reluctance to move this forward tonight and wanted time to discuss all free cash requests. A discussion was held on scheduling free cash docket items for council approval on June 20.

Councilor Kalis made a motion to approve which passed 2 yeas, 1 nay and 3 abstentions.

#160-23 Transfer \$21,950 for an Online Code Management Program

HER HONOR THE MAYOR requesting authorization to transfer the sum of twenty-one thousand nine hundred and fifty dollars (\$21,950) from Acct # 0110111-511001 City Council-Full Time Salaries to Acct # 0110111-524100 City Council-Software Maintenance to fund the purchase of an Online Code Management program.

Action: **Finance Approved 6-0**

Note: City Clerk Moore explained this request comes from a need to upgrade our technology concerning codification and web hosting of our city code. She described ways this online code management program will benefit other city departments as well as residents.

Councilors asked the following question:

Q: Because this money is coming from salaries due to vacancies, the Chair inquired into the turnover within the Clerk's office and how is the City Clerk managing it?

A: City Clerk Moore recognized the possibility of turnover due to burnout and explained that she is reviewing workflows, especially with the elections process. The Clerk said she is looking for ways to

automate tasks and use technology to benefit the office, to alleviate pressure, like this request for an online code management program. She is also keeping an eye out for signs of burnout within the current staff.

Q: The Chair followed up to ask about the salary savings and whether our open positions are due to non-competitive wages?

A: Clerk Moore responded that researching positions and comparing salaries among other municipalities is needed and she believed some positions have low salaries.

Councilor Gentile made a motion to approve which passed unanimously.

#151-23 **Appropriate \$55,000 for the full and final settlement of Alison Larkin v City of Newton**
HER HONOR THE MAYOR requesting authorization to appropriate and expend the sum of fifty-five thousand dollars from June 30,2022 Certified Free Cash for the full and final settlement of Alison Larkin v. City of Newton et al (C.A. No 2085-CV-00283).

Action: **Finance Approved 6-0**

#152-23 **Appropriate \$525,000 for the full and final settlement of John Doe, Jane Doe and David Doe v Newton Public Schools**
HER HONOR THE MAYOR requesting authorization to appropriate and expend the sum of five hundred twenty-five thousand dollars (\$525,000) from June 20, 2022 Certified Free Cash, for full and final settlement of John Doe, Jane Doe, and David Doe v Newton Public Schools et al (C.A. No. 19-CV-12293-PBS)

Action: **Finance Approved 6-0**

Note: Chair Grossman announced the next two items may be heard through an execution session. The purpose of the executive session is to discuss strategy with respect to litigation matters, the first being Alison Larkin, against the city of Newton, pending in Worcester Superior Court, and the second being John DOE, Jane DOE, and David DOE, against Newton Public Schools, pending in the United States District Court, in accordance with the provisions of Mass General Laws Chapter 38 sections 21(3) to discuss strategy with respect to collective bargaining or litigation if an open meeting may have a detrimental effect on the bargaining or litigating position of the public body.

Executive sessions are closed to the public and the committee will not reconvene in an open session.

The Clerk completed the roll call vote 6-0 to enter into an executive session.

The Committee adjourned at 11:14 pm.

Respectfully submitted,

Rebecca Walker Grossman, Chair