

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, MARCH 11, 2013

Present: Ald. Fuller (Acting Chairman), Ciccone, Linsky, Salvucci, Rice, Blazar, Lappin

Absent: Ald. Gentile

Also present: David Olson (City Clerk/Clerk of the Board), David Koses (Transportation Planner), David Turocy (Commissioner of Public Works), James Reardon (Treasurer/Collector), Maureen Lemieux (Chief Financial Officer), and David Wilkinson (Comptroller)

**REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES**

#74-13 HIS HONOR THE MAYOR requesting authorization to transfer the sum of one hundred thirty six thousand dollars (\$136,000) from current year salary savings from attrition in various departments' salary accounts to the Elections Department. One hundred twenty eight thousand dollars (\$128,000) would be used to fund the cost of a special primary and special election to fill the vacancy resulting from the resignation of Senator John Kerry and eight thousand dollars (\$8,000) would be used to fund temporary staffing for the Elections Department. [02/11/13 @ 5:14 PM]

**PROGRAMS & SERVICES APPROVED AS AMENDED 5-0 on 03/06/13**

**ACTION: APPROVED AS AMENDED 6-0 (Ciccone not voting)**

**NOTE:** City Clerk/Clerk of the Board David Olson and Chief Financial Officer Maureen Lemieux presented the request for a transfer of funds to hold a primary on April 30, 2013 and an election on June 25, 2013 for United States Senator. The Mayor submitted a letter on March 1, 2013 requesting that the item be amended to include an appropriation of \$35,000 from Free Cash to fund a possible special election for Ward One Alderman at-Large on the same date as the senate election. The request also includes funding for temporary and interim employees for the Election Department.

Ms. Lemieux explained that the estimated cost for the preliminary and election for senate is between \$60,000 and \$65,000 for each, which would be funded through salary savings from attrition in various departments. If the City piggybacks the special election for Ward One Alderman at-Large onto the senate election on June 25, 2013, the estimated cost is \$31,000 versus \$85,000 if it is held as a separate election. The Mayor is requesting an appropriation of \$35,000 from Free Cash, which will leave a small cushion for any cost overruns. The attached breakdown provides details on how the funds would be allocated.

Ald. Lappin moved approval as amended to include an appropriation of \$35,000 from Free Cash to fund the aldermanic election. The Committee voted unanimously in favor of the motion.

#101-13      HIS HONOR THE MAYOR requesting authorization to transfer and expend the sum of one thousand five hundred fifty three dollars (\$1,553.12) as follows:

FROM: Receipts Reserved Fund  
      (14K101IV-5901) .....\$509.92  
      Federal Grant Fund  
      19V1142013-5901 .....\$1,043.20

TO:     Bicycle Racks  
      (C114015-58529).....\$1,553.12

[02/25/13 @ 6:32 PM]

**ACTION:**    **APPROVED 5-0 (Cicccone, Lappin not voting)**

**NOTE:**       Transportation Planner David Koses presented the request for a transfer of funds in order to purchase a bicycle corral. The bicycle corral would be located in Newton Centre on Langley Road in front of JP Licks and would provide parking for ten bicycles. The Traffic Council has approved the installation of the bicycle corral at this location. (Traffic Council voted to remove the first parking space on the north/east side of Langley Road, just west of Sumner Street for the bicycle corral. Because Traffic Council also voted to add a new metered parking space across the street, no parking spaces will be lost.) The funds are available to transfer from the B Street special permit mitigation fund and the reimbursement revenue from the Metropolitan Planning Area Council (MAPC) account from past purchases of bicycle racks. Ald. Blazar moved approval, which carried unanimously.

**REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES**

#104-13      HIS HONOR THE MAYOR requesting authorization to appropriate the sum of two hundred fifty thousand dollars (\$250,000) from Free Cash to the Public Works Snow/Ice Removal Account. [02/25/13 @ 6:32 PM]

**PUBLIC FACILITIES APPROVED 5-0 on 03/06/13**

**ACTION:**    **APPROVED 4-0 (Cicccone, Lappin, Linsky not voting)**

**NOTE:**       Commissioner of Public Works David Turocy presented the request for \$250,000 from Free Cash to supplement the snow and ice removal accounts in the Department of Public Works (DPW). The Public Facilities Committee reviewed and approved the request. The DPW has spent just over \$3.5 million on snow and ice control this winter. The Public Works Department's began this fiscal year with \$1 million dollars in the DPW budget. In addition, the City began this fiscal year with \$1.5 million dollars in a Snow and Ice Account in the Comptroller's line item, which was transferred to the DPW snow and ice budget. An additional \$600,000 was provided for snow and ice control over the course of this winter from salary savings and the Inclement Weather Reserve. With the requested appropriation, the Public Works Department will have received \$3.35 million for snow and ice control, leaving \$150,000 of the expenditures unfunded. The Administration will look to make the snow ice accounts whole through salary savings due to attrition in the DPW Department. If that is not possible, the Administration will be requesting an amendment to increase the dollar amount of the above item before the next Board of Aldermen meeting.

There was a question regarding how the Administration determines whether to use Free Cash or the Reserve for Inclement Weather Account. Ms. Lemieux explained that the Inclement Weather Account is used when it is expected that the City will receive a reimbursement from the

Massachusetts Emergency Management Agency for a weather event, as those reimbursements go back into the Inclement Weather Reserve. It is the Administration's goal to grow the Inclement Weather Reserve through reimbursements and not the budget or from Free Cash. In addition, the Administration is also working to increase the snow and ice budget by \$250,000 each year until it reaches at least \$5,000,000 (including funds in the Inclement Weather Reserve). The Committee had no further questions or comments and Ald. Rice moved approval, which carried unanimously.

#102-13      HIS HONOR THE MAYOR requesting authorization to transfer the sum of ten thousand dollars (\$10,000) from the Sewer Fund Expenses account to the Sewer Fund Debt account in order to rectify an error in the preparation of the Fiscal Year 2013 Sewer Fund Budget. [02/25/13 @ 6:32 PM]

**ACTION:**      **APPROVED 4-0 (Ciccone, Lappin, Linsky not voting)**

**NOTE:**      Chief Financial Officer Maureen Lemieux and Comptroller David Wilkinson explained that there was a clerical error in the preparation of the Sewer Fund Debt line item in the Fiscal Year 2013 budget, which left the account short \$10,000 for an interest payment on a 2001 loan from the Massachusetts Water Pollution Abatement Trust. A transfer of \$10,000 from the Sewer Fund Expenses account would rectify the error. The Committee understood the need for the transfer and voted unanimously in favor of a motion for approval.

#100-13      HIS HONOR THE MAYOR requesting authorization to award a contract term exceeding three years, including any renewal, extension, or option pursuant to Mass General Law Chapter 30B, Section 12 in order to issue a request for proposals for fund management services for the John C. Chaffin Fund with a contract term of three years and an option to renew for two additional three year terms. [02/25/13 @ 6:32 PM]

**ACTION:**      **APPROVED 4-0 (Ciccone, Lappin, Linsky not voting)**

**NOTE:**      Treasurer Jim Reardon presented the request to enter into a three-year contract with an option to renew by the City for two additional three-year terms for fund management services for the John C. Chaffin Fund. The contract would also contain language allowing the City to cancel the contract with due notice. The terms related to escalation of costs for management are still being negotiated.

The Chaffin Fund fund balance runs between \$4.5 million and \$5 million and its income is used to fund college scholarships for graduates of the City's high schools. The Chaffin Fund has expended approximately \$148,000 for scholarships in the past year. The scholarship awards are usually between \$1,000 and \$2,000. It was pointed out that it appears that the fund is underfunding scholarship awards, as they are not meeting the goal of using 4% of the fund's assets to provide scholarships. Comptroller David Wilkinson believes that assets have recently risen due to unanticipated gains.

The City awarded the Bank of America a five-year contract for management services in 2008 with the option to renew for an additional 5 years. The Bank of America has decided to no longer offer municipal trust management services; therefore, the City must contract with a new investment manager. With that, Ald. Salvucci moved approval, which carried unanimously.

#103-13      HIS HONOR THE MAYOR requesting authorization to appropriate the sum of six hundred twenty thousand dollars (\$620,000) from 2012 Free Cash to the School Department for the purpose of funding additional appropriations in the School Department. The request reflects the amount the City received in Fiscal Year 2012 Net Unanticipated Revenue as a result of a change in the Medicaid Direct Services reimbursements. [02/25/13 @ 6:32 PM]

**ACTION:**      **APPROVED 4-0 (Cicccone, Lappin, Linsky not voting)**

**NOTE:**      Chief Financial Officer Maureen Lemieux explained that the State created a new type of Medicaid Direct Services reimbursement for municipalities in Fiscal Year 2011. The reimbursements are for health related services provided to students enrolled in special education who are also enrolled in the Medicaid program. The City received \$620,000 in reimbursement in June 2012. Due to the close of the fiscal year, the funds were posted to Free Cash instead of directly to the School Department. Per the Administration's commitment to appropriate excess education revenue to the schools, the intention was to transfer the funds to the School Department once Free Cash was certified.

The Administration intends to change the process for the next fiscal year. The budget will include an expected \$750,000 in Medicaid Direct Services reimbursements directly in the Fiscal Year 2014 School Department Budget, rather than to wait for the reimbursement. If the City does not realize the \$750,000 reimbursement, the municipal budget will be adjusted. The Administration would inform the Board of Aldermen if there were any change in the reimbursement. By putting the reimbursement in the School budget at the beginning of the fiscal year, it will allow the School Department to plan the use of the money.. With that, Ald. Rice moved approval, which carried unanimously.

**Chairman's note:** The Committee met jointly with the Zoning and Planning Committee for a presentation on the creation of an Affordable Housing Trust at the conclusion of the above discussions. Please see the Zoning and Planning Committee Report for the details of the presentation.

The Committee adjourned at 9 PM and all other items before the Committee were held without discussion. Draft Board Orders for the above items that are recommended for Board of Aldermen action are attached.

Respectfully submitted,

Ruthanne Fuller, Acting Chairman

CITY OF NEWTON

IN BOARD OF ALDERMEN

2013

ORDERED:

That, in accordance with the recommendation of the Programs and Services Committee through its Chairman Amy Mah Sangiolo and the Finance Committee through its Chairman Leonard J. Gentile, the sum of thirty-five thousand dollars (\$35,000) to be appropriated from Free Cash, be and is hereby appropriated, granted, and expenditure authorized and a transfer of funds in the amount of one hundred thirty-six thousand dollars (\$136,000) from current year salary savings for the purpose of funding the cost of a state special election, a municipal special election and temporary staffing for the Elections Department; be and is hereby approved as follows:

FROM: Free Cash  
(01-3497).....\$35,000

TO: Alderman Special Election  
(C1120130-5795).....\$35,000

And

FROM: Salary Accounts  
(0110301-511001).....\$30,000  
(0110498-5197).....\$36,000  
(0110501-511001).....\$20,000  
(0110601-511001).....\$25,000  
(0140105-511002).....\$25,000

TO: Elections Expenses  
(C1120130-5795).....\$11,000  
Senate Special Election  
(C112013D-5795).....\$125,000

Under Suspension of Rules  
Readings Waived and Approved





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Office of the Mayor

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[swarren@newtonma.gov](mailto:swarren@newtonma.gov)

SETTI D. WARREN  
MAYOR

March 1, 2013

Honorable Board of Aldermen  
Newton City Hall  
1000 Commonwealth Avenue  
Newton, MA 02459

Re: Amendment to Docket Item #74-13: appropriation for Special Election funding

Ladies and Gentlemen:

I write to request that your Honorable Board amend Docket #74-13 *HIS HONOR THE MAYOR requesting authorization to transfer the sum of one hundred thirty six thousand dollars (\$136,000) from current year salary savings from attrition in various departments' salary accounts to the Elections Department. One hundred twenty eight thousand dollars (\$128,000) would be used to fund the cost of a special primary and special election to fill the vacancy resulting from the resignation of Senator John Kerry and eight thousand dollars (\$8,000) would be used to fund temporary staffing for the Elections Department. [02/11/13 @ 5:14 ]*by adding an additional appropriation of \$35,000 from June 30, 2012 Free Cash to fund the Special Election for the Alderman at Large seat in Ward 1.

Thank you for your consideration of this matter.

Sincerely,

Setti D. Warren  
Mayor

RECEIVED  
Newton City Clerk  
2013 MAR - 1 PM 12:48  
David A. Olson, CMC  
Newton, MA 02459

Cc: Maureen Lemieux, Chief Financial Officer  
Peter Koutoujian, Sr., Interim Executive Secretary for the Elections Commission  
Donnalyn Kahn, City Solicitor



1 March 2013

**City of Newton, Massachusetts**  
**Special Primary/Election Costs**  
**April 30, 2013 & June 25, 2013**

- Poll workers, Police Details, Ballots for Primary \$62,500
- Poll workers, Police Details, Ballots for Election \$62,500
- Ballots, Add'l workers, Postage - Alderman-at-Large \$35,000
- Salary for temporary and interim employees \$11,000

**Total Cost: \$171,000**

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RECEIVED  
Newton City Clerk  
2013 MAR - 1 PM 12:48  
David A. Oison, CMC  
Newton, MA 02459

Enclosure A

CITY OF NEWTON  
IN BOARD OF ALDERMEN

2013

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chairman Alderman Leonard J. Gentile, the transfer of the sum of one thousand five hundred fifty-three dollars and twelve cents (\$1,553.12) from the B Street Bicycle Rack Receipts Reserved for Appropriation and the MAPC Regional Bicycle Parking Program Revenue for the purpose of buying a bicycle corral to be placed on Langley Road in Newton Centre is hereby approved as follows:

|       |  |
|-------|--|
| FROM: | Receipts Reserved<br>(14K101IV-5901) .....\$509.92<br>Federal Grant Fund<br>(19V1142013-5901 .....\$1,043.20 |
| TO:   | Bicycle Racks<br>(C114015-58529).....\$1,553.12  |

Under Suspension of Rules  
Readings Waived and Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_



CITY OF NEWTON

IN BOARD OF ALDERMEN

2013

ORDERED:

That, in accordance with the recommendation of the Public Facilities Committee through its Chairman Anthony J. Salvucci and Finance Committee through its Chairman Leonard J. Gentile, the sum of two hundred fifty thousand dollars (\$250,000), be and is hereby appropriated from Free Cash to be expended under the direction and control of the Commissioner of Public Works for the purpose of supplementing the snow and ice removal account:

|       |                                     |           |
|-------|-------------------------------------|-----------|
| FROM: | Free Cash<br>(01-3497).....         | \$250,000 |
| TO:   | DPW Expenses<br>(0140110-5273)..... | \$250,000 |

Under Suspension of Rules  
Readings Waived and Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date \_\_\_\_\_

CITY OF NEWTON

IN BOARD OF ALDERMEN

2013

ORDERED:

That, in accordance with the recommendation of the Public Facilities Committee through its Chairman Anthony J. Salvucci and Finance Committee through its Chairman Leonard J. Gentile, the sum of two hundred fifty thousand dollars (\$250,000), be and is hereby appropriated from Free Cash to be expended under the direction and control of the Commissioner of Public Works for the purpose of supplementing the snow and ice removal account:

|       |                     |           |
|-------|---------------------|-----------|
| FROM: | Free Cash           |           |
|       | (01-3497).....      | \$250,000 |
| TO:   | DPW Expenses        |           |
|       | (0140110-5273)..... | \$250,000 |

Under Suspension of Rules  
Readings Waived and Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date \_\_\_\_\_

CITY OF NEWTON  
IN BOARD OF ALDERMEN

2013

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chairman Leonard J. Gentile, the transfer of the sum of ten thousand dollars (\$10,000) from the Sewer Fund Expenses Account to the Sewer Fund Debt Account to correct an error that occurred during the preparation of the Fiscal Year 2013 Sewer Fund Budget is hereby approved as follows:

|       |   |          |
|-------|---|----------|
| FROM: | Sewer Expenses<br>(27A401L1-5316) .....       | \$10,000 |
| TO:   | Sewer Capital/Debt<br>(27A10772-592F15) ..... | \$10,000 |

Under Suspension of Rules  
Readings Waived and Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON  
IN BOARD OF ALDERMEN

2013

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chairman, Alderman Leonard J. Gentile, His Honor the Mayor is hereby authorized to solicit bids and enter into a contract for fund management services for the John C. Chaffin Fund for a period of three years (3) years with the option to renew for two additional three-year terms in accordance with Massachusetts General Law Chapter 30B, Section 12.

Under Suspension of Rules  
Readings Waived and Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON

IN BOARD OF ALDERMEN

2013

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chairman Leonard J. Gentile, the sum of six hundred twenty thousand dollars (\$620,000), be and is hereby appropriated from Free Cash to be expended under the direction and control of the of the Superintendent of Schools to supplement the FY13 School Budget

|       |  |           |
|-------|--|-----------|
| FROM: | Free Cash<br>(01-3497).....                    | \$620,000 |
| TO:   | Newton Public Schools<br>(C301057-532202)..... | \$620,000 |

Under Suspension of Rules  
Readings Waived and Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date \_\_\_\_\_