

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, DECEMBER 6, 2010

Present: Ald. Gentile (Chairman), Ciccone, Linsky, Rice, Danberg, and Fuller

Absent: Ald. Salvucci and Freedman

Also present: Maureen Lemieux (Chief Financial Officer), Dolores Hamilton (Director of Human Resources), Lori Burke (Workers' Compensation and Safety Manager), and Maura O'Keefe (Assistant City Solicitor)

#320-10 HIS HONOR THE MAYOR requesting authorization to expend eight thousand five hundred eighty-eight dollars and ninety cents (\$8,588.90) from the Law Department's Judgments and Settlements account as full and final settlement of a civil claim filed against the City as a result of a collision between a City backhoe and a private vehicle. [11/08/10 @ 6:46 PM]

ACTION: **APPROVED 6-0**

NOTE: Assistant City Solicitor Maura O'Keefe explained that this is not a request for an appropriation but an authorization to expend existing funds from the Judgments and Settlements Account. A City backhoe was involved in a collision with a Honda Accord in May of 2009, which resulted in the total loss of the Honda and minor injury to the driver and a passenger. The accident occurred at the intersection of Webster and Waltham Streets. The backhoe was traveling along Webster Street, turned right at the end of Webster Street after stopping at the stop sign, and collided with the Accord, which was traveling south along Waltham Street.

The insurance company, Plymouth Rock Assurance Company, made a claim and filed suit in Suffolk Superior Court seeking \$11,451.86 in damages from the City. The Law Department weighed the risks and determined that the City would likely be liable for the damages. Therefore, the City offered a settlement in the amount of \$8,588.90 or 75% of the damages sought. The insurance company accepted the settlement offer, as full and final settlement of the claim. Ald. Ciccone moved approval of the item, which carried unanimously.

#321-10 HIS HONOR THE MAYOR requesting authorization to expend the sum of forty thousand dollars (\$40,000) from the Workers' Compensation School Lump Sum Account for the purpose of settling a Workers' Compensation claim for an injury sustained by an employee of the Parks and Recreation Department on August 18, 2007. [11/08/10 @ 6:44 PM]

ACTION: **APPROVED 6-0**

NOTE: Director of Human Resources Dolores Hamilton informed the Committee that the expenditure would actually be coming from the City's Workers' Compensation Lump Sum Account, as it was a City and not a School Department employee that was injured. A 59-year old Parks and Recreation Department employee was injured while working in August of 2007. The employee underwent surgery in January 2008. Unfortunately, the surgery was not entirely successful and it was deemed that the employee had reached the end of available surgical

treatment for the injury. The employee worked for the City for over 24 years and at this point is disability retired from the City. The employee also held a second job that paid approximately \$30,000. Under Workers' Compensation, the exposure to the City could be in excess of \$1,000,000, as the City would be responsible for the loss of the wages from the second job over the employee's lifetime.

The City received a request for a lump sum settlement of \$100,000, entered into negotiations with the employee's attorney, and reached an agreement for a \$40,000 settlement. The final settlement amount will cover all payments on the claim. The City deems the settlement just and fair to both the employee and the City. The employee will receive a 72% package and the lump sum settlement of \$40,000 if the Board authorizes the expenditure.

The City will look at each worker's compensation claim on a case-by-case basis and make sure that it is in the City's best interest to settle a claim. With that, Ald. Fuller moved approval, which carried unanimously.

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

#322-10 HIS HONOR THE MAYOR requesting authorization to transfer the sum of forty thousand dollars (\$40,000) from the FY11 Budget Reserve Account to the Department of Veterans Services for the purpose of supplementing the FY11 budget for veterans' benefits. [11/08/10 @ 6:42 PM]

PROGRAMS AND SERVICES APPROVED 7-0 on 11/17/10

ACTION: APPROVED 6-0

NOTE: The docket item is a request for a transfer of funds from Budget Reserve to supplement the veteran benefits account. There was a similar request for \$30,000 in February 2010 and at that time; the Veterans' Agent informed the Committee that additional funds would be required for the next year. There has been an increase in veterans' benefits disbursed this year most likely due to economic times and aggressive identification of veterans who qualify for benefits by both the Veterans' Agent and the Mayor. The City receives a reimbursement from the State for 75% of the payments to veterans for benefits at the end of the year, which is reflected on the Cherry Sheet.

Ms. Lemieux would like to create some type of revolving fund for veterans' benefits, as the money is reimbursed and therefore, should not be included in the operating budget. She has spoken with the Comptroller regarding different possibilities but it is still an ongoing discussion.

After the Committee reviewed the request for the transfer of funds, Ald. Rice made a motion for approval, which carried unanimously.

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

#125-09 THE POST AUDIT & OVERSIGHT COMMITTEE requesting creation of a public tree protection ordinance and amendment of the current tree ordinance as recommended in the Tree Preservation Ordinance Report. [04/17/09 @ 9:14 PM]

PROG & SERV APPROVED 7-0 (Merrill not voting) on 10/6 /10

ACTION: HELD 6-0

NOTE: The item was held, as Alderman Crossley would like to make a change to the proposed tree ordinance. It is likely that the proposed ordinance will be referred back to the Programs and Services Committee for discussion of the proposed change. In addition, the Mayor has questions regarding the impact to residents if the ordinance is established.

The meeting adjourned at 7:45 p.m. and all other items before the Committee were held without discussion. Draft Board Orders for the above items are attached.

Respectfully submitted,

Leonard J. Gentile, Chairman

CITY OF NEWTON

IN BOARD OF ALDERMEN

December 6, 2010

ORDERED:

That in accordance with the recommendation of the Finance Committee through its Chairman, Alderman Leonard J. Gentile, the City Solicitor is hereby authorized to expend the sum of eight thousand, five hundred eighty-eight dollars (\$8,588.90) from the Law Department's Judgments and Settlements Account for the purpose of making full and final settlement of a civil claim filed against the City as a result of a collision between a City owned backhoe and a private vehicle.

Under Suspension of Rules
Readings Waived and Approved
21 yeas, 0 nays, 3 absent (Ald. Freedman, Salvucci, and Sangiolo)

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

CITY OF NEWTON

IN BOARD OF ALDERMEN

December 6, 2010

ORDERED:

That in accordance with the recommendation of the Finance Committee through its Chairman, Alderman Leonard J. Gentile, the Director of Human Resources is hereby authorized to expend the sum of forty thousand dollars (\$40,000) from the Workers' Compensation Trust Fund Account for the purpose of settling a Workers' Compensation claim for a former employee of the Parks and Recreation Department.

Under Suspension of Rules
Readings Waived and Approved
21 yeas, 0 nays, 3 absent (Ald. Freedman, Salvucci, and Sangiolo)

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

CITY OF NEWTON

IN BOARD OF ALDERMEN

December 6, 2010

ORDERED:

That, in accordance with the recommendation of the Programs and Services Committee through its Chairman Amy Mah Sangiolo and Finance Committee through its Chairman Leonard J. Gentile, the sum of forty thousand dollars (\$40,000), be and is hereby transferred from the following fund sources to be expended under the direction and control of the Veterans' Services Agent, for the purpose of supplementing the Veterans' Benefits account:

FROM: Budget Reserve	
(0110498-5790).....	\$40,000
TO: Veteran Benefits	
(0150301-5709).....	\$40,000

Under Suspension of Rules
Readings Waived and Approved
21 yeas, 0 nays, 3 absent (Ald. Freedman, Salvucci, and Sangiolo)

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor