

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE BUDGET REPORT

MONDAY, APRIL 27, 2009

Present: Ald. Coletti (Chair), Salvucci, Schnipper, Parker, Johnson, Lennon, Gentile and Freedman

City Staff: Ann Cornaro (Director of Information Technology), Dolores Hamilton (Director of Human Resources) and Susan Burstein (Chief Budget Officer)

**BUDGET**

**INFORMATIONAL TECHNOLOGY DEPARTMENT**

**HUMAN RESOURCES DEPARTMENT**

**EXECUTIVE DEPARTMENT**

**CIP**

**REFERRED TO FINANCE AND APPROPRIATE COMMITTEES**

#70-09 HIS HONOR THE MAYOR submitting the FY10-14 Capital Improvement Program, totaling \$192,908,572, and the FY09 Supplemental Capital budget, which require Board of Aldermen approval to finance new capital projects over the next five years.

**REFERRED TO FINANCE AND APPROPRIATE COMMITTEES**

#70-09(3) HIS HONOR THE MAYOR submitting in accordance with Section 5-1 of the City of Newton Charter the FY10 Budget totaling \$333,411,747, passage of which shall be concurrent with the FY10-FY14 Capital Improvement Program. Effective date of submission: 4/21/09; last day to pass budget: 6/5/09)

**INFORMATIONAL TECHNOLOGY DEPARTMENT**

**ACTION:** **APPROVED 4-0-2 (Ald. Johnson and Parker abstaining; Ald. Freedman not voting) on 05-11-09**

**NOTE:** Summary of Informational Technology (IT) Department FY10 Budget:

**PERSONNEL:**

1. 8.40 FTEs. - same number as FY2009.
2. As of budget presentation - 2 vacancies.
  - a) Lead Programmer / Supervisor of Operations - vacant for over a year, last job posting fall of 2008.
  - b) Data Control Clerk / Sec (.40) - vacant since Jan 20, 2009 – job will be posted when request to fill position is approved.
3. 6 of the 8.40 FTEs are H-grade positions and have step increases included in the FY10 budget.

CAPITAL OUTLAY:

1. Same funding as FY09 - \$8,000.00 for all departments excluding Police, Library, and DPW.
  - a) \$5,200.00 for hardware equipment upgrades
  - b) \$2,800.00 for software upgrades

EXPENSES:

1. Expenses for software and hardware maintenance continue to increase:
  - a) 01-111-02-52401 Citywide annual printer maintenance increased by \$1,500.00.
  - b) 01-111-03-52405 Financial software used citywide maintenance increased by \$16,000.00.
  - c) 01-111-03-52410 Hardware maintenance increased by \$8,800.00, as servers come off of a 3-year warranty pack we need to add them to an annual maintenance plan.
  - d) 01-111-03-53404 Internet access increased by \$2,000.00.

RESPONSE TO CITIZEN ADVISORY GROUP (CAG) COMMENTS:

1. CAG recommends converting weekly payroll cycle to biweekly and eventually converting the semi-monthly cycle to biweekly for an annual savings of \$140,000.

Ann Cornaro, IT Department Director agrees that converting the weekly payroll and eventually the semi-monthly payroll cycles to biweekly will save time and money, but not to the extent of \$140,000.00 per year.

2. CAG recommends a “continuous investment into information systems and technologies” and to “bring all IT personnel and departmental appropriations under the direct supervision of the IT department”.

Capital money in the IT operating budget for computer hardware and software has decreased rather than increase over the past few years. In FY07 \$14,200 was allocated for hardware and \$7,200.00 for software, decreasing to \$12,100 and \$5,100 in FY08 and in FY09 and FY10 decreased to \$5,200 and \$2,800.

These funds do not replace equipment or software in the Police, Library or DPW departments. Those departments have their own funding for equipment and software. The present level of funding does not allow us to be proactive but rather we are always scrambling to piece together equipment to meet end-user needs. The last time the IT Department received CIP money for equipment and upgrades to the network infrastructure was in FY04 in the amount of \$90,836.00. IT Department Director, Ann Cornaro agrees whole-heartedly with the CAG findings that there needs to be a dedication to invest in technology on an annual basis and doing so will create an efficient work environment and allow us to utilize software that will create even further efficiencies and better customer service.

Ms. Cornaro also agrees that all IT monies and support personnel should come under one department. She wrote, although we require a citywide standard for equipment that other departments purchase, sometimes departments will purchase specific software that may not be

compatible with the equipment they currently have. Personnel in the IT department has been cut in recent years. Ms. Cornaro indicated she has lost 3.6 FTEs in the past 6 years, whereas IT personnel in other departments remain constant. The departments that have IT personnel still rely on the IT Department to set up log-ins to the network, e-mail accounts, access rights to the City's financial software, training in the Microsoft Office Suite, maintenance of the City's network infrastructure, and annual printer maintenance. If all IT funds and personnel were consolidated in one department it would provide for a more consistent and equitable replacement of equipment and provide for more efficient end-user support.

**ADDITIONAL COST CUTTING OR EFFICIENCY IMPROVEMENTS TO BE UNDERTAKEN IN THE NEXT FISCAL YEAR BEYOND THE CITIZEN ADVISORY GROUP'S (CAG) RECOMMENDATIONS.**

In the coming fiscal year the IT Department plans to:

- implement upgrades to the City's financial software, which will allow for a better interface between our billing and receivables package, and upgrades to our permitting and code enforcement software, which will make greater use of web-based functions.
- continue to install a web-based group calendar throughout the City to enable posting of calendar events automatically to better serve departments and the public.
- Assist Utilities division to select and implement AMR system and interface that system to Munis software billing module.
- Assist DPW to implement Employee Timesheet software that will coordinate with time-clock device installation.

**HUMAN RESOURCES DEPARTMENT**

**ACTION: APPROVED 6-0-1 (Ald. Johnson abstaining) on 05-11-09**

**NOTE:** Summary of Human Resources Department FY10 Budget:

The Human Resources budget was level funded for FY 2010. The two areas with significant changes were severance and unemployment. The City did not have significant layoffs this year and therefore, the unemployment costs for FY 10 are expected to be significantly less than those in FY 09. As we discussed, legal expenses were higher in FY 2009, primarily due to multiple day arbitrations. Ms. Hamilton does not foresee any similar arbitrator costs for FY 2010 at this time.

As mentioned in the budget meeting, Human Resources is in the process of developing a Policy and Procedure manual for the department

The Human Resources Department will continue working to support the City's strategic plan by assisting the City departments in providing training and development opportunities for staff. In addition, utilize training programs to assist with implementation of performance management program in coordination with the position recommended by the CAG, the PerformanceStat Officer/Manager.

The Human Resources Department will continue to work with the Unions to look at alternative ways to decrease benefit costs.

**EXECUTIVE DEPARTMENT**

**ACTION: APPROVED 3-1-3 (Ald. Parker opposed, Lennon, Johnson and Freedman abstaining) on 05-11-09**

**NOTE:** Summary of Executive Department FY10 Budget:

The Executive Office budget for FY10 contains two major changes. In accordance with the recommendations of the Citizen's Advisory Group (CAG), the Mayor is including two new positions: Performance Analyst and a Budget Analyst. The Performance Analyst will report directly to the Mayor and the Budget Analyst will work under the supervision of the Chief Budget Officer. The Executive Office is preparing job descriptions for these two positions.

The remainder of the budget is unchanged. Expenses are the same as the previous year.

At approximately, 10:40 pm Ald. Salvucci moved for adjournment, which was approved 8-0.

Respectfully Submitted,

Paul E. Coletti, Chairman