

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, JANUARY 23, 2006

Present: Ald. Coletti (Chair), Lennon, Linsky, Salvucci, Gentile, Parker, Schnipper and Lipof

Also Present: Ald. Danberg; David Wilkinson (Comptroller), Sandy Pooler (Chief Administrative Officer), Bob DeRubeis (Deputy Commissioner of Parks/Recreation), Bob Rooney (DPW Commissioner)

FIRST CALL ITEM:

38-06 HIS HONOR THE MAYOR requesting an appropriation in the amount of \$9,092 from the Capital Stabilization Fund for the purpose of repairing conference room chairs in on the second floor of City Hall as well as replacing carpets in rooms 222 and 202.

ACTION: **APPROVED 5-0 (Ald. Linsky, Gentile and Parker not voting)**

NOTE: This appropriation is intended to repair worn and torn meeting room chairs in rooms 202 and 222, as well as replace the carpeting in those conference rooms. This project will be financed through funds from general purpose funds within the Capital Stabilization Fund (which currently holds a balance of \$284,423).

Given the fact that this work is needed, and the appropriate funding source has been identified, the Committee voted 5-0 (with Ald. Linsky, Gentile and Parker not voting), without debate, to approve this item.

FIRST CALL ITEM:

#133-05(2) HIS HONOR THE MAYOR requesting that Board Order #133-05 (acceptance and reconstruction of Countryside Road, Patten Circle and Mosley Road) be amended by reducing the amount of authorized debt from \$650,000 to ***\$524,000*** (the actual cost of the completed project).

ACTION: **APPROVED AS AMENDED 5-0 (Ald. Linsky, Gentile and Parker not voting) – SUBJECT TO SECOND CALL**

NOTE: This improvement project has been completed with a final cost of \$524,000. The bond to finance this project will be sold as part of the City's bond sale in February. The Engineering division of the Public Works Department is in the process of determining the final figures for the actual betterment assessments to each property

owner affected by this project. In the meantime, it is requested that the Board Order be amended, by rescinding the unused portion of the debt, to reflect the actual cost of the project for the bond sale.

Without debate, the Committee voted 5-0 (with Ald. Linsky, Gentile and Parker not voting) to approve this item.

CLERK'S NOTE: Please refer to attached letter, dated January 24, 2006 (received in Clerk's office on 1/26/06), from Ropes & Gray (bond counsel) regarding the proposed timing of action on this item; it is requested that it be held until after the bond sale (2/15/06) is completed. This item will be placed on Second Call on the floor of the Board on 2/6 in order to move that the item be postponed to a date certain of 2/21/06.

#28-06 HIS HONOR THE MAYOR requesting an appropriation in the amount of \$1,201,930 from Salary Reserve (***additional funds - \$168,532 from Sewer Fund Wage Reserve and \$191,555 from Water Fund Wage Reserve are available in the FY06 operating budget, for a total of \$1,562,017***) in order to fund the cost items set forth in the labor contract agreed upon with the Newton Municipal Employees' Association.

ACTION: APPROVED 7-0 (Ald. Parker not voting)

NOTE: The letter received from the Mayor indicated that a settlement has been reached on this outstanding contract. The Newton Municipal Employees' Association is comprised of employees from the Public Works (including the Water and Sewer divisions), Public Buildings and Parks and Recreation departments. The wage adjustment is for 2% for FY04, and a new pay scale for FY05 and FY06, along with some benefits changes. This settlement is consistent with other collective bargaining agreements. The amount of the settlement was reviewed by the Comptroller and was found to be appropriate.

A subsequent letter was received from the Mayor (dated 1/23/06), which requested that this appropriation be amended to include funding from the Sewer Wage Reserve Fund (\$168,532) and the Water Wage Reserve Fund (191,555). However, the Comptroller has pointed out that, as part of the FY06 budget process, this Board voted to set those funds aside for this purpose, therefore, an amendment to the item is not necessary.

A copy of the memorandum of agreement for the contract was attached to this evening's agenda. The Committee reviewed this information, as far as proposed changes were concerned, and found it to be consistent with similar contract settlements. It is important to note that this contract will expire on June 30, 2006, therefore, this group will go back to the negotiating table for its next 3-year contract shortly.

Ultimately, the Committee voted 7-0 (with Ald. Parker not voting) to approve this item.

37-06 PRES. BAKER, ALD. SANGIOLO AND COLETTI, pursuant to Sec. 2-7 of the City Charter, recommending re-appointment of DAVID C. WILKINSON as COMPTROLLER OF ACCOUNTS; said term will be two years or until a successor is duly qualified.

ACTION: **APPROVED 8-0**

NOTE: The Committee had a brief discussion through which it expressed the Board's appreciation to David Wilkinson for his consistent assistance and sound professional advice in dealing with the City's financial matters in his role as Comptroller of Accounts. He has carefully and efficiently administered to the Retirement Fund, Insurance Fund, Audit Committee, and preparation of the Comprehensive Financial Report (the document that the City sends out to all bond rating agencies and investment companies that handle its finances). The Committee thanked David for his work in helping to ensure that the City has maintained one of the highest financial ratings in the Commonwealth. The Committee also thanked him for deciding to stay on with the City of Newton as Comptroller (as he was offered the position of Financial Director for the Town of Wellesley).

Chair Coletti wished to thank David for being one of the most consummate professionals that he has had the pleasure to work with. David has been someone that all members of the Board can turn to when they need financial information regarding City issues as part of carrying out their jobs as public officials.

The Committee was pleased to move approval of David's re-appointment as Comptroller of Accounts. That motion carried by a vote of 8-0.

REFERRED TO PROG. & SERVICES AND FINANCE COMMITTEES

#30-06 HIS HONOR THE MAYOR requesting an appropriation in the amount of **\$236,180** from Budget Reserve for the purpose of funding current and future snow and ice and tree emergency expenses in the Parks and Recreation Department.

PROG. & SERV. APPROVED AS AMENDED 5-0 (Parker not voting) on 1/18/06

ACTION: **APPROVED 8-0 AS AMENDED**

NOTE: A letter dated January 10, 2006 was submitted, with a supplemental request seeking to amend the appropriation amount from the original \$145,400 to \$236,180 to cover snow-related expenses for the Parks and Recreation Department. The amount expended for snow equipment rental was \$216,161; tree overtime expenses were \$917; and tree equipment rental was \$19,102.

Some of the tree expenses date back to October 15, 2005. The request letter was accompanied by an up-to-date breakdown of costs for each of these accounts (that

information was attached to this evening's agenda). The Programs and Services Committee approved this item at its meeting on January 18th.

After reviewing the request and determining that the funding source was appropriate, the Committee voted 8-0 to approve this request, as amended for the amount of \$236,180.

REFERRED TO PROGRAMS AND SERVICES AND FINANCE COMMITTEES

#17-06 HIS HONOR THE MAYOR requesting that the sum of \$29,000 be appropriated from the Newton 2000 Committee gift fund in order to establish an account for the purpose of providing maintenance to Balsamo Millennium Park. Said maintenance would fall under the jurisdiction of the Commissioner of Parks and Recreation.

PROG. & SERV APPROVED 5-0 (Parker not voting) on 1/18/06

SUBJECT TO SECOND CALL

ACTION: **APPROVED 8-0**

NOTE: A letter dated November 17, 2005 was submitted by Leonard Goldberg, Treasurer of the Board of Trustees of Newton 2000. This letter indicates that the amount of \$29,000 is being contributed by Newton 2000 to be used to fund an endowment for the maintenance of the Balsamo Millennium Park. These funds were surplus from that Committee, and it wished to make this donation for maintenance before the Committee was to voluntarily dissolve.

Accordingly, the Mayor submitted a letter dated December 23, 2005, requesting that the funds received be appropriated from the gift fund to establish an account for maintenance of Millennium Park. The letter indicates that this fund will be operated under the direction of the Commissioner of Parks and Recreation.

The Committee was in support of this action at this time. It is understood that the City will continue (to the best of its ability) to make contributions to this maintenance account. The Committee voted 8-0 to approve this item.

CLERK'S NOTE: On January 18, the Programs and Services Committee voted to approve this item subject to second call. The reason for that vote was that draft language was not available at that time for the Committee's review. Draft language was, in fact, received by the Clerk's office on January 20th and was distributed to all Board members as an attachment to this evening's agenda. Said language was approved by the Finance Committee and is attached to this report.

All other items were held. The Committee adjourned at approximately 8:35 p.m.

Respectfully Submitted,

Paul E. Coletti, Chairman