

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, NOVEMBER 27, 2006

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

Also Present: Ald. Baker; Donnalyn Kahn (Assistant City Solicitor), Susan Burstein (Chief Budget Officer), Kathy Glick-Weil (Library Director), David Wilkinson (Comptroller)

#333-06(2) HIS HONOR THE MAYOR requesting that a total of \$21,370.13, recovered as settlement of an insurance claim, be transferred from the Receipts Reserved for Appropriation Fund in order to replenish funds previously expended from the Capital Stabilization Fund and the General Fund for costs associated with an automobile accident that damaged the electrical transformer located in front of Police Headquarters on April 2, 2006.

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

NOTE: There was a letter dated November 16, 2006, from the Mayor and also a letter from David Wilkinson indicating that the City Solicitor's Office has recovered \$21,370.13 in connection with the April 2006 motor vehicle accident. Of this money, there is a recommendation that the \$19,157 from this recovery be appropriated to reimburse the Capital Stabilization Fund and that the balance of \$2,213.13 be transferred to the General Fund to reimburse Fiscal Year 2006 expenditures by the Fire Department and Public Buildings Department.

The Committee reviewed the recommendation of the Comptroller and was pleased that the City did in fact recover the funds for the damage, which was done to the transformer. A motion was made to approve and the item carried seven in favor with none opposed.

#420-04(2) HIS HONOR THE MAYOR requesting an appropriation in the amount of \$10,000 from Budget Reserve for the purpose of making final payment for personal injury resulting from an accident in which a City plow struck a private vehicle on January 12, 2004.

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

NOTE: Donnalyn Kahn was present this evening and went over some of the facts pertaining to the claim for this accident, which happened at the intersection of Auburn Street and Crescent Street on January 12, 2004. The City of Newton Parks and

Recreation Department employee was driving a truck with a plow and misjudged the turn causing extensive damage to a 1998 BMW with personal injuries to the passenger. The City has already paid for the damages to the Carrillo vehicle. The remaining claim issues deals with Mr. Cortes' injuries. He originally sought \$100,000 for his personal injuries, lost work time, pain and suffering. After extensive negotiations, the parties reached a settlement of \$10,000. The \$10,000 includes all of his losses including his legal fees. Therefore, the Law Department is suggesting that we appropriate these funds and close out this lawsuit.

The Committee reviewed the draft Board Order, which was prepared and attached to the agenda and found it to be consistent with the Board's intent. A motion was made to approve and the item carried unanimously.

#425-06 HIS HONOR THE MAYOR requesting an appropriation in the amount of \$14,000 from Free Cash for the purpose of replacing the worn stairway carpeting in the Main Library building.

ACTION: **APPROVED 8-0**

NOTE: Kathy Glick-Weil was present this evening and indicated that the carpeting on the main stairway in the Library has worn out. She is requesting this money at this time to replace the carpet.

The Committee talked briefly about the types of replacement, whether it be terrazzo marble or something else that might be used. The Committee made the decision that carpeting is the effective way of covering this area. Without further discussion, a motion was made to approve and the item carried eight in favor with none opposed.

#426-06 ALD. PARKER requesting discussion with the City Solicitor regarding the feasibility of providing Newton firefighters with a partial payment in advance of the settlement of their contract, given that they have been working without a contract for more than three years.

ACTION: **NO ACTION NECESSARY 8-0**

NOTE: The Committee Chair has made a decision at this point to have a brief discussion on this item and not invite the City Solicitor in for the discussion. The Committee, basically wanted to get some background information. The Solicitor did call the Chairman and explain that according Keith McGowan, our legal counsel, this is something that could be done. It is very unusual and impractical but at the same time there is certainly no legal impediment for the City to do this if we so chose to do it. On the other hand, we would be giving away a tremendous bargaining tool that we would have to encourage a quick settlement of the union contracts that are before the City for settlement.

The City has agreed to set aside these funds, not just for the statutory two years in arrears for payment of these contracts but for the entire period of time in which the Fire Department and the City have been negotiating, which is close to four years. Therefore, it was determined by the Committee that this was not in the best interest at this time for the Board of Aldermen to either propose an item of this nature because it would interfere with the collective bargaining responsibilities of the Mayor, but at the same time that we would reserve doing something like this.

In the event that the Executive Department and the Fire Department reach an agreement, the Board of Aldermen would expeditiously as possible move for the allocation of the funds to pay the back due payments to the firefighters. Therefore, since there was no sentiment to carry this item forward for further discussion a motion of no action necessary was made and the item was voted unanimously.

All other items were held. The Committee adjourned at approximately 8:20 p.m.

Respectfully Submitted,

Paul E. Coletti, Chairman