

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, APRIL 25, 2005

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

Absent: Ald. Gerst

Also Present: Ald. Johnson; Re Cappoli (Chief Procurement Officer), Dolores Hamilton (Director, Human Resources), Sandy Pooler (Chief Budget Officer), Mike Rourke (Chief Administrative Officer), David Wilkinson (Comptroller), Bob Rooney (DPW Commissioner)

CHAIRMAN'S NOTE: The Committee spent the first two hours of its meeting reviewing the three scheduled FY06 Departmental budgets. These were the Purchasing, Human Resources and Executive Departments.

Re Cappoli, Chief Procurement Officer, was present this evening. The Committee reviewed the entire Purchasing Department budget. There was discussion regarding the policies, expectations, and the work product that the Department anticipates during the upcoming fiscal year. There is a reduction in staffing by a half-time position in the Print Shop. Ms. Cappoli explained that, due to the fact that the Print Shop was able to recently acquire new equipment, this cut would not result in lower productivity in the Print Shop.

THE COMMITTEE VOTE TO APPROVE THE PURCHASING BUDGET, AS PRESENTED, WAS UNANIMOUS.

Dolores Hamilton, Director of Human Resources, then joined the Committee for review of her Department's proposed FY06 budget. Sandy Pooler, Chief Budget Officer, was also present.

The Committee reviewed the budget in detail, including the various insurance funds that are carried for employee benefits. There is an 11% increase in health insurance costs projected for FY06 for Tufts members. There was also discussion regarding co-payments for prescription drugs. Ms. Hamilton informed the Committee that the Canadian prescription drug program has provided the City with over a \$2 million savings.

The Committee reviewed the proposed staffing adjustments. There were no proposed line item fund account cuts. THE COMMITTEE VOTE TO APPROVE THE HUMAN RESOURCES/BENEFITS BUDGET, AS PRESENTED, WAS UNANIMOUS.

Sandy Pooler, Chief Budget Officer, and Mike Rourke, Chief Administrative Officer, then presented the FY06 Executive Department budget. This proposed budget includes the reduction of one part-time position in staffing, which results in a savings in the budget. The Committee noted that the salary for the Mayor included in the actual budget document is the \$97,000 figure, which does not agree with the Ordinance, as recently voted, which increases the salary to \$125,000 on January 1, 2006.

Mr. Pooler and Mr. Rourke reiterated Mayor Cohen's position that he has indicated that, if he is re-elected in November, he will not accept the additional salary money.

The Committee indicated that, even though this fact is true, the department budget will be under-funded. Therefore, the Committee decided that it would be best to hold off on voting this department budget until the Committee of the Whole session, since there is an issue of intentional under-funding. It is anticipated that a RESOLUTION will be sent to the Mayor at that time requesting that the funds be put into this department budget for that reason.

THEREFORE, THE COMMITTEE VOTED 7-0 TO HOLD THE EXECUTIVE DEPARTMENT BUDGET.

The Committee then took up the following items:

#202-03(2) HIS HONOR THE MAYOR requesting authorization to expend the sum of \$10,000 from the Riverside Traffic Mitigation Fund for the purpose of paying a traffic consultant to conduct a traffic and parking study of the streets in the vicinity of the Williams School in Auburndale.

ACTION: **APPROVED 7-0**

NOTE: A letter dated April 12, 2005 was submitted by the Mayor requesting this appropriation. There was also a letter from Mike Kruse, dated April 11, 2005, that indicated that on October 6, 2004 the PS&T Committee gave its support for utilization of these funds in order to conduct a traffic and parking study in the vicinity of the Williams School in Auburndale. This study will focus on developing solutions to on-street parking and school drop-off and pick-up issues in this neighborhood.

The Committee reviewed the attached documentation, which gives the scope of the work to be performed under the proposed contract.

Ald. Stewart indicated his support for this item to move forward, and urged the Committee to approve the appropriation at this time.

With that, the Committee voted 7-0 to approve this item.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#133-05 **HIS HONOR THE MAYOR** requesting that the sum of \$650,000 be appropriated from bonded indebtedness for the purpose of accepting and reconstructing the following three streets: COUNTRYSIDE ROAD; PATTEN CIRCLE; and MOSLEY ROAD.

PUB. FACILITIES APPROVED 4-0 ON 4/20/05

ACTION: APPROVED 7-0

NOTE: The Committee reviewed the backup information that was attached to this evening's agenda. The proposal was submitted by the residents of these streets to accept Countryside Road, Patten Circle and Mosley Road, and the residents will pay for the costs of this construction through the betterment assessment program. The cost of this work will total \$650,000, which will be bonded at this time and then repaid through betterments.

The one concern that Committee members had is that the betterments should be recorded as estimates at the Registry of Deeds in the event that any of these properties are sold prior to the completion of this project. The Committee understood that the Law Department would work this issue out.

The Chairman indicated that an effective way to ensure that these betterment amounts get "flagged" would be to record them in the City's municipal lien database. This way, if a property is to be sold, a search of MLC's would show this betterment amount.

With that understanding, the Executive Department agreed that the Comptroller should request that the Law Department and the Treasurer's office make these notations for the betterment amounts on the affected properties.

The bonding for this project will be sold quickly in BAN's, as all of this work is estimated to be completed by City DPW crews beginning in May of this year. This project should be completed by the end of the construction season.

With that understanding, the Committee voted 7-0 to approve this item.

All other items were held. The Committee adjourned at approximately 9:45 p.m.

Respectfully Submitted,

Paul E. Coletti, Chairman