

CITY OF NEWTON
IN BOARD OF ALDERMEN
FINANCE COMMITTEE REPORT
MONDAY, DECEMBER 11, 2001

Present: Ald. Coletti, Chairman; Ald. Gerst, Bullwinkle, Bryson, Parker, Schnipper and Lipof

Absent: Ald. Ciccone

Also Present: David Wilkinson (Comptroller), Dan Funk (City Solicitor), Mike Kruse (Director of Planning and Development), Ed Spellman (Treasurer/Collector), Sandy Pooler (Chief Budget Officer), Mike Rourke (Chief Administrative Officer), Bob McDonald (Acting Police Chief), Jim Powers, Chris Rogers, Stacey Waters

#423-01 COMPTROLLER requesting review and approval of the FY2001 Annual Financial Audit.

ACTION: **APPROVED 7-0**

NOTE: Jim Powers, a principal with the firm of Powers and Sullivan, and Chris Rogers and Stacey Waters joined the Committee this evening. They presented an in-depth report to the Committee regarding the management findings that were part of this year's annual audit. Basically, the financial statements this year are not complete at this time, but the Chairman wanted to have this presentation made to the Committee before the end of this aldermanic term. The City does an annual review of the spending and the receipts for the City for the entire fiscal year when we close the books on June 30th. Typically, Free Cash is certified and the audit is performed and presented in December with the management report, which determines if there are any material weaknesses in the City's financial workings.

During FY01, there was only one finding of any significance, relating to the reconciliation of cash and the closing of the Treasurer's cash to the Comptroller's receipts on a timely basis. This is an ongoing problem. The City has been dealing with this issue for well over five years. We are getting very close to having this issue resolved. Basically, Ed Spellman, the Treasurer, and his assistant are working to bring the city's books from July 1, 2001 current by March of 2002.

The Committee will continue to monitor the progress made by the Treasurer and the Assistant Treasurer. Basically, there are some additional personnel issues which will be taken care of. Most of the other issues are routine (i.e. fixed assets), and the Board will deal with these issues through the Finance Committee over the next three months.

After the presentation (please refer to the handout distributed by the Comptroller on December 7th), with the understanding that this will continue to be reviewed by the Committee, this item was approved 7-0.

#402-01 HIS HONOR THE MAYOR requesting an appropriation in the amount of \$10,504.10 from Budget Reserve for the purpose of paying a judgement against the City of Newton arising out of an accident between a Parks and Recreation Department vehicle and another vehicle.

ACTION: **APPROVED 7-0**

NOTE: Donnalynn Kahn was present this evening and presented the facts surrounding this accident. It was clear that both of these vehicles were totaled. The City's vehicle was worth \$2,500 and the other vehicle was of much greater value. It was determined that the city's driver, in this case, was at fault, therefore, the City has no other recourse but to pay the judgement in the amount of \$10,504.10.

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

#426-01 HIS HONOR THE MAYOR requesting acceptance of and authorization to expend the sum of \$12,000, received as a grant from the Massachusetts Historical Commission. These funds will be used to increase awareness and recognition of the East Parish, West Parish and South Burying Grounds.

ACTION: **APPROVED 7-0**

NOTE: Mike Kruse, Director of Planning and Development, was present this evening. He explained that these funds will be matched by the City to be used for historic landscape preservation and increase awareness and recognition of these burying grounds. This grant is designed to be completed in two parts. The City is in the process of trying to get these locations on the National Register of Historic Places, and in order to do that, we must update the existing master plan (completed in 1990) to reflect the current needs and priorities of each of these locations. This will help to generate a comprehensive plan to restore and maintain these resources. \$6,480 will be reimbursed by the Department of Environmental Management, and the City's matching funds are \$5,520.

The Committee was very much interested in continuing this project. With that, the Committee voted 7-0 to approve this request.

#425-01 HIS HONOR THE MAYOR requesting that the sum of \$6,000 be transferred within the FY02 Planning Department budget in order to allow the Department to pay for temporary clerical services contracted during a period of vacancies in two administrative positions as follows:

FROM:	Administrative Salaries (0111401-511001).....\$6,000
TO:	Clerical Services (0111401-5313).....\$6,000

ACTION: **APPROVED 7-0**

NOTE: The Committee understood that, due to vacancies in the department, there was a requirement to move money from the salary account into the clerical services account. The Committee had no problem with this transfer. The positions covered by this item have now been filled and, therefore, this money is being required to pay the temp bill.

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

#403-01 HIS HONOR THE MAYOR requesting an appropriation in the amount of \$7,600 from Budget Reserve for the purpose of funding payments for new police recruits attending police academy training. These funds are necessary because there are more recruits than was originally anticipated.

ACTION: **APPROVED 7-0**

NOTE: Bob McDonald, Acting Police Chief, was present this evening. He reviewed the status of various personnel accounts and funding accounts in the Department. It was first thought that monies might be able to be transferred from salary accounts in order to pay for this additional cost. Based upon Acting Chief McDonald's comments to the Committee, it was determined that Budget Reserve was appropriate to be used for this funding purpose.

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

#424-01 CITY CLERK requesting authorization for annual holiday disbursement of the sum of \$200 from the Kenrick Fund for holiday gifts to the Newton needy.

ACTION: **APPROVED 7-0**

NOTE: Since this is an annual occurrence and appropriate use of this fund, the Committee, without debate, voted 7-0 to approve this item.

#389-00(VII)2 COMMISSIONER OF PUBLIC WORKS requesting that sidewalk betterment #389-00(VII), approved by the Board of Aldermen on October 2, 2000, be withdrawn. Said betterment was assessed to Mr. Ching-Yun Chen, 120 Prospect Street, in the amount of \$1,908.

ACTION: **APPROVED 7-0**

NOTE: This sidewalk will not be installed, at the request of the property owner, therefore, the Committee voted 7-0 to approve this item.

REFERRED TO PROG. & SERV. AND FINANCE COMMITTEES

#476-97 ALD. SAMUELSON, LIPSITT, PARKER & COHEN requesting that the Board of Aldermen consider options that could be provided to City of Newton employees to provide additional family members, blood relatives, etc. with health benefits.

PROG. & SERV. NAN 7-0 ON 12/5/01

ACTION: **NAN 7-0**

NOTE: Without debate, the Committee voted, in accordance with the recommendation of the Programs and Services Committee, NO ACTION NECESSARY on this item 7-0.

REFERRED TO PROG. & SERV. AND FINANCE COMMITTEES

#132-98 COMPTROLLER recommending that the Board of Aldermen conduct a review of existing state and federal grant programs and how the City and School Department integrate grant programs into ongoing service activities.

PROG. & SERV. NAN 7-0 ON 12/5/01

ACTION: **NAN 7-0**

NOTE: Without debate, the Committee voted, in accordance with the recommendation of the Programs and Services Committee, NO ACTION NECESSARY on this item 7-0.

#362-93(C) FINANCE COMMITTEE proposing that a fee for non compliance be set in order to assist the Fire Department in enforcement of MGL Ch.148, Section 56.

ACTION: **NAN 7-0**

NOTE: This item is no longer required, therefore, without debate, the Committee voted NO ACTION NECESSARY 7-0.

**THE FOLLOWING ITEMS WERE REFERRED TO THE 2002-2003 BOARD BY
A VOTE OF 7-0:**

#233-01(2) ALD. COLETTI respectfully requesting investigation, under Sec. 2-11 of the Newton City Charter, of the circumstances surrounding acceptance of gift and subsequent naming of the proposed Millennium Park and other matters pertaining to Mr. Salvatore Balsamo.

REFERRED TO PROG. & SERV., PUB.FAC. AND FINANCE COMMITTEES

#113-01(6) HIS HONOR THE MAYOR requesting that the FY02 DPW Operating Budget be decreased by the sum of \$150,000 and that said funds be appropriated to the FY02 School Department Operating Budget. It is anticipated that the reduction in the DPW budget will be more than made up by increases in Chapter 90 payments from the State for road and sidewalk work.

**PROG. & SERV. APPROVED 7-0 WITH RESOLUTION ON 11/7/01
PUBFAC HELD ON 11/7/01**

REFERRED TO FINANCE AND APPROPRIATE COMMITTEES

#395-01 HIS HONOR THE MAYOR submitting the FY03-FY07 CAPITAL IMPROVEMENT PROGRAM, pursuant to Section 5-3 of the NEWTON CITY CHARTER, which requires Board of Aldermen approval of a plan to finance new local capital projects totaling \$164,339,428 over the next several years:

SUMMARY

PUBLIC WORKS (GRANT/FEE FUNDED).....	\$ 51,675,171
PUBLIC WORKS (CITY FUNDED).....	\$ 7,215,000
PUBLIC SAFETY.....	\$ 2,296,000
PUBLIC BUILDINGS.....	\$ 2,260,650
PUBLIC EDUCATION.....	\$ 92,243,907
PARKS & RECREATION.....	\$ 3,951,900
OTHER.....	\$ 4,696,800
TOTAL.....	\$164,339,428

REFERRED TO FINANCE, PUBFAC; & PROG&SERV COMMITTEES

#309-01 ALD. PARKER requesting increase in the income eligibility level of the 30% water/sewer discount for low-income senior citizens.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#233-01 HIS HONOR THE MAYOR requesting authorization to expend \$400,000 from various gifts for the purpose of funding design and construction of the Balsamo Millennium Park adjacent to City Hall.

**PUBFAC APPROVED 3-2 (SALVUCCI, MANSFIELD OPPOSED)
ON 10/17/01**

REFERRED TO FINANCE AND APPROPRIATE COMMITTEES

#276-01 HIS HONOR THE MAYOR requesting that the sum of \$110,000 be appropriated from Overlay Surplus and that the sum of \$95,000 be appropriated from the Capital Stabilization Fund in order to fund the following capital projects:

<u>DEPARTMENT</u>	<u>PROJECT</u>	<u>COST</u>
a) Conservation Commission	Marty Sender Path	\$ 5,000
c) Parks & Recreation	Field Renov/Water Control	\$ 25,000

PROGRAMS & SERVICES HELD 7-0 ON 9/19/01

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

96-01(2) PROGRAMS AND SERVICES COMMITTEE requesting discussion of the budget deficit in the School Department.

REFERRED TO ZONING & PLANNING AND FINANCE COMMITTEES

33-01 ALD. YATES proposing an ordinance to establish a special assessment policy for the substantial rehabilitation of owner-occupied residential properties listed in the State Register of Historic Places (§5J.of MGL Chapter 59).

#158-00 ALD. COLETTI requesting review and discussion of the fifteen items identified in the Powers & Sullivan management letter of December, 1999, including actions taken thus far and the city's status as it prepares for the next financial audit.

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

#295-99 ALD. GENTILE, COLETTI AND SALVUCCI, requesting an ordinance that would require any proposed settlement, which would include any funds from the Liability Trust Fund, must be approved by a majority vote of the Board of Aldermen.

PROG. & SERV. APPROVED 4-0 ON 2/23/00

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#478-99 HIS HONOR THE MAYOR requesting authorization to appropriate and expend \$5,400,000, which funding will be long term debt as authorized by MGL Chapter 44, Section 8(7)(a), for the purpose of replacing water meters throughout the City.

PUBFAC HELD ON 1/5/00

#350-98 ALD. CICCONE requesting discussion regarding the demand for (vs. the current number of) Constables in Newton, and the possibility of creating an ordinance which would require Police background checks on each Constable candidate prior to his/her appointment/reappointment.
NOTE: #350-98(2) RESOL. TO MAYOR REQUESTING POLICY FOR APPOINTMENTS APPROVED BY COMMITTEE ON 9/28/98 AND BOARD OF ALDERMEN ON 10/5/98

#120-98 ALD. PARKER AND COMPTROLLER recommending the appointment of a special subcommittee of the Board to work with the Comptroller in developing a summary level financial report for public information.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#128-98 ALD. PARKER, SANGIOLO, MERRILL, MANSFIELD requesting an adjustment to the water and sewer rate structure to allow rate relief for low-volume water and sewer users.

REFERRED TO PROG. & SERV. AND FINANCE COMMITTEES

#477-97 ALD. SAMUELSON, LIPSITT, PARKER AND COHEN requesting that the Board of Aldermen explore the ways that the City of Newton could provide an umbrella organization that residents could join in order to obtain group health benefits (i.e. self-employed, individual insurance, etc.).

ITEM HELD IN COMMITTEE AT 6/19/00 FULL BOARD:

#206-00(2) HIS HONOR THE MAYOR requesting authorization to expend \$35,000 from Hebrew College pursuant to provisions of Special Permit #66-98(3) and a Traffic Mitigation Agreement between the City and Hebrew College, which funds will be used toward the cost of traffic improvements, studies or transportation programs selected by the City for the purpose of mitigating potential impacts of the Hebrew College project on Herrick and Langley Roads or improving traffic and flow in the Herrick Road area.
NOTE: #206-00, approved 6/5/00, authorized acceptance of these funds; #206-00(3), approved 6/19/00, requested implementation of accounting measures to track future expenditures; #206-00(2), the actual expenditure, was held in Committee on 6/19/00 to allow Board review of proposed mitigation measures and costs on a case-by-case basis.

ITEM RECOMMENDED BY FULL BOARD ON 4/5/99:

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#20-96 ALD. CICCONE requesting discussion with the Director of Utilities regarding the re-implementation of the use of sprinkler/garden meters to measure outside water use for all residences city-wide.

The Committee adjourned at approximately 9:45 p.m.

Respectfully Submitted,

Paul E. Coletti, Chairman