



CITY OF SOMERVILLE, MASSACHUSETTS
CLERK OF COMMITTEES

March 8, 2022
REPORT OF THE FINANCE COMMITTEE

| Attendee Name | Title | Status | Arrived |
|---------------------------------|---------------------------|---------|---------|
| Jake Wilson | Chair | Present | |
| Jefferson Thomas ("J.T.") Scott | Vice Chair | Present | |
| Beatriz GomezMouakad | Ward Five City Councilor | Present | |
| Judy PinedaNeufeld | Ward Seven City Councilor | Present | |
| Charlotte Kelly | City Councilor At Large | Present | |

Others present: Hannah Carrillo - Mayor's Office, Aneesh Sahni - Mayor's Office, Vanessa Boukili - OSPCD, Benjamin Bloomenthal - DPW, Alan Inacio - OSPCD, Kate Hartke - Grants Development, Jill Lathan - DPW, Charles Femino - SPD, Edward Bean - Auditing, Stephanie Widzowski - Assistant Clerk of Committees

This meeting was held via GoToWebinar and was called to order by Chair Wilson at 6:02 pm and adjourned at 8:02 pm on a unanimous roll call vote.

Approval of the February 22, 2022 Minutes

The minutes were accepted on a unanimous roll call vote.

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| RESULT: | ACCEPTED |
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213174: Requesting approval to transfer \$1,200 from the Police Department Professional & Technical Services account to the Police Special Items Rental-Buildings account to cover the West Substation rental costs.

Chief Femino said he believed this item was to cover East Substation rental costs, not West. The money requested is for a rent increase in the lease that was not completely budgeted for. The transfer from one line to another requires approval from the Council.

Councilor Kelly asked if this was a new or preexisting lease, and if built-in rent increases apply to every station. Chief Femino answered that it was from the FY22 budget - and that the lease was on its 5th year - and that he was not familiar with the terms and conditions of each station. This lease ends on June 30, 2022, so there will be a new lease to sign this year. Councilor Kelly asked if a copy of the lease was submitted with the FY22 budget. She said that when it comes to the future budget cycle, more documentation can be helpful - and that she would like a copy of the next lease to be able to keep that in consideration during budgeting.

Councilor Scott commented that Councilor White had passed an ordinance requiring long-term contracts to go before the Council for approval before the city enters into them. This has been circumvented in a few ways, but Councilor Scott hopes to see future long-term leases in accordance with this ordinance. Chair Wilson asked when the ordinance was passed, to which Councilor Scott answered August 2018.

Dir. Sahni said that the Administration can look to see what documents were provided to the Council for this lease, and if any documents were not shared, that they can work on that issue.

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| RESULT: | APPROVED. [UNANIMOUS] |
| AYES: | Wilson, Scott, GomezMouakad, PinedaNeufeld, Kelly |

213173: Requesting approval to appropriate \$34,685 from the Street Tree Stabilization fund to pay for expenses related to the tree health maintenance program.

Dr. Boukili explained that they are doing maintenance on all the trees in the parks, which has never been done before. Their focus this year is on three parks, including Nathan Tufts. In the last two years, they have done work at 14 parks. Unfortunately, their budget fell short of the work that was actually required.

Councilor Scott asked if this program was part of the Professional and Technical Services budget, to which Dr. Boukili answered yes. Councilor Scott asked if the unexpected costs have to do with the structure of the contract. Dr. Boukili explained that they use factors such as the size of trees to estimate the maintenance needed; then they set up a contract. The contracted arborists assess tree needs around factors such as pruning and soil. Nathan Tufts is the largest park in the city and needs a lot of work.

Councilor Scott asked if there were plans to make the arborist position internal for future years. Dr. Boukili said they have not discussed all the PIRs yet, and that in-house work requires more staffing. Councilor Scott expressed his interest on the issue, and Chair Wilson encouraged his colleagues to consider in-house staffing for their budget priorities.

Councilor Kelly asked how much money would be left in the Tree Stabilization Fund after this appropriation, and how to replenish the fund. Dir. Bean replied that there is over \$124,000 left in the fund, and that the Professional Services account replenishes every year. The Tree Stabilization Fund was set up in 2010 to accept donations and mitigation payments as well, which has brought in about \$94,000 so far this year. Dr. Boukili said that it could vary from year to year, depending on where the payments come from.

Councilor Kelly clarified that tree mitigation is when, for example, a developer cuts down trees on a property and cannot replant - then they would pay the city. She also asked about the size of payments. Dr. Boukili answered that there may have been a few large payments, but there is usually a mix of sizes. Councilor Kelly talked about how trees feed into environmental justice and improve conditions in the city. Knowing who is paying into the Tree Stabilization Fund allows the Committee to know who is cutting down trees in the city.

Councilor Gomez Mouakad expressed her passion for landscape maintenance, and asked why this addition is such a large portion of the original budget. She also asked if complications for bringing the contractor work in-house go beyond staffing. Dr. Boukili responded that there are many large trees that have not been well maintained in the past. There are many stressors for

trees living in the city, including salt, compaction of soil from foot traffic, and climate change. For the second question, it would require investing into equipment and hiring staff with specific expertise, too. The city does own some tree equipment, such as a chipper and stump grinder, but Dr. Boukili thought they might belong to a different department. The trees at Nathan Tufts require specialized equipment that the city does not own. Councilor Gomez Mouakad acknowledged that the first round of maintenance will cost more, but the cost will stabilize in the future with routine care.

Chair Wilson asked about budget plans for next year. Dr. Boukili said they would like more money to accomplish their goals, acknowledging that their budget has increased in the last few years, but they are not sure of their budget for next year yet.

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| RESULT: | APPROVED. [UNANIMOUS] |
| AYES: | Wilson, Scott, GomezMouakad, PinedaNeufeld, Kelly |

213172: Requesting acceptance of a Preservation Restriction for 181 Broadway.

This Preservation Restriction was triggered by a historical preservation CPA project. The Broadway house is a historical asset and serves youth with chronic mental health conditions.

Councilor Kelly asked why this item was in front of Finance, not Land Use. Mr. Inacio said that the city taking an interest in a real property affects the property value and assessment. Because there is a financial influence, it is referred to the Finance Committee. Councilor Scott added that it was a custom to bring it to the Committee to check that restrictions and conditions are correct.

Councilor Kelly asked if the deed restriction creates a financial responsibility for the city or the owner, to which Mr. Inacio said the owner takes responsibility. Any future event that financially affects the property would also be subject to this provision.

Councilor Gomez Mouakad asked if future repairs would also qualify for CPA funds. Mr. Inacio answered that there is not a limit on how many times one can apply as long as there are eligible projects - typically referring to structural work.

Councilor Pineda Neufeld asked if this item went before the Historic Commission as well. Mr. Inacio said that all projects for historical funding do.

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| RESULT: | APPROVED. [UNANIMOUS] |
| AYES: | Wilson, Scott, GomezMouakad, PinedaNeufeld, Kelly |

213175: Requesting approval to pay a prior year invoice totaling \$45,799.57 using available funds in the Department of Public Works Administration, Electric, and Buildings accounts.

Dir. Bloomenthal gave a presentation on the status of unpaid prior invoices. DPW is looking to pay FY21 invoices for the FY22 budget. He referred to figures in the supporting documentation for this item. National Grid does not hold archived copies of bills. Dir. Bloomenthal stressed that finding and paying these past invoices is an iterative process.

The Committee had a discussion on details in the supporting documentation, including an item for removing solar panels, EZ-Pass tolls for city vehicles, and carry forward items from the previous budget. Councilor Kelly asked if it was typical for entities as large as National Grid not

to archive bills. Dir. Bloomenthal replied that it was a standard practice, and that National Grid and Eversource both work off of very antiquated systems.

Councilor Kelly asked for an estimate on when the process of finding and paying past bills may be completed. Dir. Bloomenthal said he was not comfortable assigning an end date for the work given the scope and depth of their findings. They have implemented a robust monitoring system for current billing, which they review monthly, to prevent future missed payments.

Commissioner Lathan added that despite their due diligence, they sometimes have not been receiving bills until the next fiscal year, and sometimes were not even aware of some accounts. She stressed that they need to work with vendors to make sure they send invoices appropriately - sometimes they are sent to other departments, for example.

Councilor Kelly asked Dir. Bloomenthal to speak to the system they moved away from, and the one they moved towards. He answered that the new system uses Excel and other software, involves tracking monthly, and breaking reports down into individual line items. Their long-term goal is to find the relationship between executed contracts and each line item. Commissioner Lathan added that there was a lack of staffing to pay invoices 1.5 years ago, and that despite improvements, they still have two vacancies. DPW pays many invoices for the city, and they are hoping to hire another clerk soon.

Councilor Pineda Neufeld asked if the city has been charged any late fees for these invoices. Dir. Bloomenthal responded that some vendors do require late fees, such as Eversource.

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| RESULT: | APPROVED. [UNANIMOUS] |
| AYES: | Wilson, Scott, GomezMouakad, PinedaNeufeld, Kelly |

212850: That the Administration update this Council on the status of the Police Staffing Study which was included in the FY2022 budget and estimated to take 2-4 months.

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| RESULT: | KEPT IN COMMITTEE |
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212849: That the administration assign staff to support the Wage Theft Advisory Committee.

Councilor Gomez Mouakad reported on her progress with WTAC. She has been working with Dir. Sahni to get a description of their needs. Much of the outreach and education aspect of the work could be done with WTAC and the Welcome Project, but there are other pieces to address, such as enforcement and getting certification from vendors that they are adhering to ordinances.

There was discussion over attendance and whether certain board and commission seats had expired or were vacant. Councilor Scott said seats are usually listed as expired, not vacant, and wondered if it was a documentation issue.

Dir. Sahni said that WTAC had not met yet this year, and that they are looking forward to hearing from them about problems that might arise. The Clerk's Office keeps a list of running appointments, and it may be helpful to follow up with them. Chair Wilson suggested Confirmation of Appointments and Personnel Matters could discuss this topic.

RESULT:

KEPT IN COMMITTEE

213184: That all departments attach guidelines and requirements associated with any grant applications, prior to seeking this Council’s approval.

Dir. Hartke explained that city departments are always the lead on proposals - the Grants Development works with city departments to develop proposals. Some require more preparation and documentation, and requesting the attachment of guidelines and requirements with grant applications could cause a lot of information to come before the Committee.

Councilor Kelly said she wants to balance the Council having access to the proper documents with their ability to read them and make informed decisions in a timely manner. In her opinion, it can take just as long to track down relevant items as it can to read them. Items will continue to be delayed as long as the Council does not have time to give proper thought to items. Councilor Kelly suggested talking about staff capacity during the budget cycle if capacity was an issue, or opening up a larger discussion if each department has difficulties. She acknowledged that this will take work, but looks forward to the opportunity to collaborate. Dir. Hartke said that capacity would be a significant issue that might require a larger policy discussion going forward.

Chair Wilson asked about the portion of grants coming before the Council with specific conditions to be met: for example, a traffic enforcement study that also included a traffic stop quota. Dir. Hartke replied that most grants have conditions and some level of commitment or responsibility.

Dir. Sahni said that this process would look different for each department, depending on their capacity. He added that whenever there is a grant, there will be complex issues, and that he wants to provide the Committee with the information they need while respecting the time constraints of other staff.

Chair Wilson said he hopes that this measure saves time for staff in the future, but that may require a change to procedure. He also expressed his desire for an administrative policy for keeping grant applications on file. Dir. Hartke said that they do keep grant applications archived digitally. There was a discussion about archiving processes.

Councilor Kelly said she would like to put systematic checks in place, and that she will continue to ask for documentation for all grant applications - the budget if available, but at minimum, a copy of what was submitted to the grant organization. Councilor Scott seconded this request.

Councilor Gomez Mouakad said any language requesting documentation should be open-ended, as every grant has different requirements.

RESULT:

PLACED ON FILE

212846: Proposing an ordinance relative to a mid-fiscal year report of municipal finances, with next-fiscal year budget projections.

Councilor Scott said that the question on how to pursue further projects is still open. He added that this is a resubmission of an ordinance proposed by Councilor White and though it has not received much traction, he would like to discuss the purpose and benefits of a mid-year report in future committee meetings. Chair Wilson asked about the flexibility around “mid-year”.

Councilor Scott replied that even though the budget report is not delivered before June, it references data from as early as April. He noted that there is specific language in the ordinance around lag time.

Councilor Kelly spoke to her experience with the state legislature and described their budgeting process. Their process allows space for public intervention at every step in the cycle. For Somerville, even small amounts of information could help tailor the budget to requests made by residents. She was not sure what form the policy should take, though.

There was discussion about when would be the best time to request a mid-year report. One issue is that some data simply is not ready before April, so a report requested before then would not be able to speak to many topics. Dir. Bean said he would be more prepared to speak to the next fiscal year in April than in February. Councilor Gomez Mouakad expressed concern about inaccurate projections that may result from asking for a report too soon. She said that she appreciates the desire for transparency, but that the Committee needs to understand the time involved in preparing data.

Councilor Scott said that this ordinance was written in 2016 and has not been amended since. He added that the benefit of an ordinance for a mid-year update would be to get certain kinds of data, such as building fee collections. They could ensure the ordinance does not ask for information that has not been generated yet. Dir. Bean said that a good topic for a mid-year report would be state aid. The committee could look at the information on Dir. Bean's website and choose topics of interest to discuss.

Councilor Kelly said she would want the mid-year update to be a general status check on the municipality. Different groups have different deadlines, so not all of the information comes out exactly at the mid-year mark.

The next step for this item is for committee members to meet with Dir. Bean to determine the specific information on mid-year reports that would be helpful for councilors and potentially meaningful.

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| RESULT: | KEPT IN COMMITTEE |
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213016: Conveying a request for City Council input on priorities for the Fiscal Year 2023 Budget.

Councilor Kelly asked how the meeting would be structured, and if there were any restrictions to keep in mind. Chair Wilson said that he wants to have similar items grouped together. He also raised a question of restrictions around voting - his preference is for ranked-choice voting on the priorities, but there are constraints. Councilor Kelly said it was a matter of trust - this Committee is entrusted with the ability to make financial decisions for other councilors.

Chair Wilson added that this will be a Committee of the Whole meeting. Councilor Pineda Neufeld asked if this will take place in one meeting, and if Committee of the Whole meetings would be in-person following the lead for City Council meetings. Chair Wilson replied that he hopes to do this in one meeting, and that it will be in the chamber in a hybrid format, so there will be options for remote participation.

Councilor Gomez Mouakad asked for the meeting to either be in-person or fully remote, citing equity issues with hybrid meetings.

Councilor Kelly said that committee meetings remaining virtual facilitates staff attendance. But for this meeting, city staff are not necessarily needed. She expressed a preference for an in-person meeting, with the addition that people who feel sick should stay home.

Chair Wilson said he was uncomfortable requiring people to appear in person because of home factors - some might have children too young for vaccination, for example. He said councilors have until March 24th to get items to the Finance Committee in time.

RESULT:

KEPT IN COMMITTEE