



CITY OF SOMERVILLE, MASSACHUSETTS

CLERK OF COMMITTEES

July 2, 2020
REPORT OF THE FINANCE COMMITTEE

Attendee Name	Title	Status	Arrived
Jefferson Thomas ("J.T.") Scott	Chair	Present	
Katjana Ballantyne	Vice Chair	Present	
William A. White Jr.	City Councilor At Large	Present	
Mary Jo Rossetti	City Councilor at Large	Present	
Wilfred N. Mbah	City Councilor at Large	Present	
Matthew McLaughlin	Ward One City Councilor	Present	
Ben Ewen-Campen	Ward Three City Councilor	Present	
Jesse Clingan	Ward Four City Councilor	Present	
Mark Niedergang	Ward Five City Councilor	Present	
Lance L. Davis	Ward Six City Councilor	Present	
Kristen Strezo	City Councilor at Large	Present	

Others present: Michael Mastrobuoni-SomerStat, Kate Hartke-Grants, Phyllis Shea-Payroll, Elaine O'Sullivan-Personnel, Ellen Schneider-Collins-Personnel, Khushbu Webber-Mayor's Office, Annie Connor-Mayor's Office, Barbara Brown-Personnel, David Fallon-Police, Jim Stanford-Police, Renee Mello-Personnel, Steve Carribino-Police, Frank Golden-Assessing, Ed Bean-Finance, Angela Allen-Purchasing, Rositha Durham - Clerk of Committees..

The meeting was held virtually and was called to order at 6:00 p.m. by Chairperson Scott and adjourned at 10:02 p.m.

Review of the FY-21 Budget

Chair Scott began by resuming Police Department budget. Councilor Niedergang stated he will not propose any cuts in the Personal Services for the police department budget. He asked about weapons of mass destruction, concerning officers. He also suggested that in next year's budget that the name be changed and asked for a full explanation of what that line item refers to. President McLaughlin recused himself from the Police Department Personal Services discussion. Mr. Mastrobuoni stated that this is a stipend that is part of police collective bargaining agreement. Mr. Mastrobuoni will talk to accounting to get name changed. Councilor Niedergang requested information about this training and how it prepares the officers. Chief Fallon stated it's a stipend put in the contract a while ago and is not used for training, just poor choice of language. They will address immediately to make the language changed. Councilor Ballantyne asked what type of training is being done. Chief Fallon, stated it's not for

training, it's a stipend negotiated with the union for \$500 for every police officer. Councilor Ballantyne stated she gets many calls about weapons of mass destruction. She asked Chief Fallon if there are any weapons of mass destruction stored at the police department. Chief stated there no weapons of mass destruction at the police department.

Police Dept presented by Chief Fallon

President McLaughlin rejoined the committee for discussions of the Ordinary Maintenance.
Ordinary Maintenance line

Councilor Rossetti wanted to report in follow up to last meeting to the police dept, grants received by police department greater \$1.6M in grants. She received a report and met with Kate Hartke and several others who explained some of the grants and the purposes of the grants. Councilor Rossetti stated there are several recurring grants received by the police department and felt strongly that there still needed to be some cuts. Councilor Rossetti referenced the FY20 budget and noted their operating budget had 19.7% left in the ordinary maintenance budget. She also noted there was a lot of money transferred and that zero was cut from operating budget last year. Councilor Rossetti recommended cutting the police department's budget by 20% which closely mirrors the amount left in the Ordinary maintenance budget this year. It was stated the police department had already reduced their budget by 13.7%

Councilor Ewen-Campen inquired about a line item for Meditrol which is a 3rd party biller that works with hospitals to get medical bill down. Questions were also asked about Cambridge Health Commission which is drug testing costs for the officers, randomized program. He also inquired about Comtech PSAP which is support for police station E911.

Chief Fallon responding to Councilor Rossetti's funding question about 111F funded for \$125k to pay for officers injured in the line of duty. This funding cannot be removed and funds left over are returned to the city.

Chair Scott reminded everyone that the council can only cut on specific line items.

Councilor Niedergang inquired about the public safety supply line of \$170,000. He stated that FY19 actual was only \$114,000 spent. That year budget line of \$218,000 with \$199,000 spent as of April 30. He supports Councilor Rossetti's recommendation to cut \$117,000.

Chair Scott stated the average surplus remaining in Ordinary Maintenance from FY16-FY19 was \$157,000 each year.

Mr. Mastrobuoni stated line 530001 for medical and dental supplies are used for officers out on injuries received from the job and required to keep \$125,000 for this line.

Councilor Niedergang inquired about line 534007 PSTN usage Verizon which is used for laptops in cruisers.

Councilor Niedergang inquired about the 26 rifles semi-automatic and additionally purchased 20 patrol rifles outside of this program. Chief Fallon stated that these are in the cruisers with a strict policy when can be used such as: hostage situations and bank robberies. Majority of the rifles are locked in the armory for use at the range. Councilor Niedergang asked if these weapons have been fired and when was the last time used. Chief Fallon stated the rifles have not been fired and only used in training. Chief Fallon stated that in 2019, the police department confiscated 11 illegal fire arms which included an oozie with a silencer.

Councilor White asked to make sure that grants are not double dipped. Ms. Hartke stated grants can only be used to supplement their existing budget and cannot use grants for money that has already been appropriated with city dollars. Chief Fallon confirmed this information. It was stated that many grants are very specific and received during a certain time of year.

Councilor Rossetti stated she had conversations with staff today and have seen how some departments who have gotten creative with grants.

Councilor Rossetti also stated the Police department will be receiving new 100 desktops and 10-15 laptops this year. Councilor White stated that grants are for extra things that do not appear on the budget.

Councilor White asked what's left from medical supply line. Chair Scott stated FY16-FY19 the average amount returned was \$157,566, the average return \$73,000 medical and dental services line and the average return from Ordinary Maintenance was \$84,400.

Councilor White asked how much is left in FY20 Ordinary Maintenance total. Mr. Mastrobuoni stated that the Ordinary Maintenance line balance is \$678,700 transferred over \$20,000, leaving all but \$658,000 and all but \$130,000 is expended. The medical and dental line is left with \$22,000 at end of FY20. Mr. Mastrobuoni stated the city has already cut back the budget by what was left in the budget last year.

Chair Scott stated that Ordinary Maintenance spend as July 2 was \$548,825 and that \$585,000 for this year is greater than what was spent last year.

Councilor McLaughlin asked Councilor Rossetti what she is hoping to accomplish with the cuts. Councilor Rossetti stated that she hopes that the Police department seek out grants to assist with loss in funding. Chief Fallon responded about concerns with cuts OM fixed costs that recur every year, drug testing, blood testing, finger printing machines, maintenance of scheduling programs, covers 911 and 2 substations. He also stated that grants are very narrowly focused such as car seats. Grants were used to buy car seats, train officers how to install and give the car seats away to families who could not afford them.

Councilor McLaughlin asked what are public safety supplies for \$170,000. Chief Fallon stated line 558003 are for ammunition and training at the range to be certified, bulletproof vests, 5-year shelf life on bullet proof vests, cameras, card readers throughout the buildings. He also stated that In Service training cover vendor costs for \$35,000 and to bring a content expert training on all policies.

Chair Scott looking over spend OM being returned minus coming from medical dental \$84,000. Chair Scott stated that the Public safety supplies line average return every year has been \$33,000. Chair Scott stated that constituents have asked to reduce the money to police.

Councilor Niedergang suggested to split the difference between \$42,000 and \$117,000 come to \$80,000 come out of public safety supplies line item that has \$170,000.

Councilor Strezo asked Chief Fallon about line items 542005 & 542006 for office furniture and equipment. Chief Fallon stated its for subscription for TIP 411, copy machine and supplies. He also stated that line 542006 was used to build out a new office at the police department and money went to chairs and filing cabinets.

Councilor Rossetti motioned to reduce line 558003 by \$85,000. All members voted in favor of the cut except Councilor White. APPROVED

Councilor Niedergang supports this cut and hopes the funds will go to the Racial and Social Justice fund.

Councilor Strezo motioned to cut \$2,000, 542006 office furniture all in favor of the cut except Councilors Ewen-Campen, Clingan and Ballantyne. APPROVED

Chair Scott motioned to cut 572001 \$2,000 out of state conferences (entire line) 6 in favor. Those not in favor were Councilors White, McLaughlin, Ewen-Campen, Clingan and Ballantyne. APPROVED

Chair Scott 558012 trophies line reduce \$3,000 6 members voted in favor. Those who voted against the cut were Councilors White, Ewen-Campen, Clingan, Ballantyne, Strezo.

Chair Scott 542001 printing and stationery line \$3,000 cut did not pass 6 voted against. Councilors who voted against the cut were: Strezo, White, Ewen-Campen, Clingan, Ballantyne and McLaughlin. This motion was not approved.

Total cuts proposed in the amount of \$92,000.

Animal Control Budget presented by Chief Fallon

Chair Scott asked about kennel for \$4,000 and if this to fund offsite kennel animals that are found, picked up or adopted.

No motions made.

E911 Budget presented by Chief Fallon

Chief Fallon stated the increase in the overtime line by 5.2% for collected bargaining agreement. Councilor Niedergang inquired about E911 operators and fire alarms operators who are mostly men and the disparaging pay E911 operators \$50,000-\$60,000 fire alarm \$80,000-\$109,000. Chief Fallon stated negotiations with E911 operators are in process and making great progress. No motions made, no cuts.

Auditing presented by Ed Bean

Mr. Bean stated Personal Services line is up 2.6% due to collective bargaining agreements for units A, B & D. He has dropped the overtime by \$1,100. Auditing overtime spent in months June-August for close out of fiscal year. Accounting is in the office 4 days a week.

No motions made, no cuts.

Debt Services presented by Ed Bean

Mr. Bean stated the need to use debt exclusion for high school this year, due to loss of revenue at levy limit. Additionally, \$3,566M property tax is raised above the levy limits.

Mr. Bean stated that legally required to pay out this debt. He stated that the city sold general operations bond, final 2.79% market stabilized 2% rate on bond and participation notes. After consulting with financial advisors existing rates are 2.5%, have a decision to make in October financing of the high school that near completion. Will be borrowing \$130,000,000 for construction for high school. Estimated conservatively in 2016, 5% interest rate, now can probably get 2.5% rate which reduces the debt burden against the high school. Borrow at 2.5% could be over \$80,000,000 savings. Mr. Bean stated the city can reduce debt service projections, save money and can reconfigure in the fall while improving financial situation going forward. Rates typically go up after a presidential election.

Councilor Rossetti asked about debt exclusion reflected on 3rd quarter debt bill. She asked if there will be an explanation on the bill to explain to show residents the impact. Mr. Bean will work with Mr. Golden for an insert to go out to the community.

Councilor Ballantyne asked Mr. Bean about proposed debt service will be \$15M for FY21. If the city takes on another \$130M in October, what will that do for FY22? Mr. Bean stated the annual total number probably adding \$4,000,000 and \$5,000,000. He will ask Southwest to evaluate the numbers.

Purchasing Dept Angela Allen

Ms. Allen stated there is a long-term vacancy to fill key position deputy director. She stated there is a cut in this position of 25% and will be starting next week to recruit for this position and line someone up for October 1st.

Ms. Allen stated other cuts were made to office supplies for the purchase copier paper for other departments. There has been less paper use since staff are not in City Hall. Staff training budgeted has been reduced. Bidding activities has been quiet and pay for advertising which is a requirement for contracts over \$50,000 and this has been trimmed.

Councilor Ewen-Campen asked about implementing a study to address racial disparity in spending. It was supported by the Welcome Committee, the Black Economic Council and city committee. Councilor Ewen-Campen asked if work has begun to find a consultant for this study. Ms. Allen is focusing to proactively market the opportunities to a diverse market.

Councilor Rossetti asked the status of the wage theft advisory committee was supposed to be in place June 1. She asked if Ms. Allen be assisting with this committee. Ms. Allen stated that as of now, have not heard that she will have a role in this and have talked with the law department. Ms. Allen will follow up an answer on who from the city staff will be working with the wage theft advisory council.

Councilor Mbah asked Ms. Allen about recent contracts and role in making sure women and people of color are awarded contracts. Ms. Allen stated it's a challenge to get businesses who are certified. She also stated that the city needs to adhere to the bid law awarding to lowest bidder. Additionally, there is challenge tracking the diversity of vendor pool.

Councilor White asked Ms. Allen if she reached out to minority contractors association. Ms. Allen has met with a number of different minority organizations.

Councilor Clingan asked Ms. Allen about larger contracts such as trash which is exempt from procurement law. She stated that other large contracts are advertised. Councilor Clingan asked for a list of all no bid contracts from the city. Ms. Allen stated the city always has an option to bid, even exempt contracts.

Councilor Ballantyne asked purchasing department if they collected data last year and where in the process minority and women business got the contract. Ms. Allen 73-75 contracts valued at over \$50,000, how many included certified women and minority business by state, which contracts were awarded to supplier diversity business tracked this year.

Councilor Clingan asked if there is a certification for businesses that employ a certain percentage of minorities. Ms. Allen is not aware of any.

No motions, no cuts.

Grants presented by Kate Hartke

Summary for changes from last year. This year eliminated out of state travel reducing \$8,700 to \$6,200. Salaries and other lines remain the same. Ms. Hartke stated they will use webinars, online courses. There was also a 29% cut in Ordinary Maintenance budget.

No cuts

Assessing presented by Frank Golden

Mr. Golden stated that in Personal Services for FY21 Administrative Assistant vacant since February will be cut 50% of \$59k and for FY21 the chief assessor as been absorbing most of the responsibilities.

Councilor Rossetti asked Mr. Golden on OM line overall descriptions to re-evaluate all personal property. Mr. Golden stated no change in their procedural, re-valuation going into 5 year cycle. On schedule to submit by August 25. Just finished the sales analysis new growth increases. Increase OM line with real estate software and can handle most of the work without the assistant. Mr. Golden stated that in 2017 the last re-valuation was the same price, 2026 should be able to do the work for less.

Councilor White asked Mr. Golden what the evaluation were based on. Mr. Golden stated that

FY19 was a very strong year. Councilor White stated there are concerns about the use of office space with more people working from home.

No motions, no cuts

Personnel presented by Ellen Schneider-Collins deputy director, have acting director Elaine O’Sullivan

Ms. Schneider-Collins stated Ms. O’Sullivan is acting director working part-time and they are actively searching for a director. The Talent Asset Manager is still vacant.

Ms. Schneider-Collins stated changes from FY20 personal services down 3% due to vacant position. The Operating budget is down 5% and reduced any discrepancy spending. Personnel has cut several items: nonunion gym reimbursement, employee award, training, wellness program. They have increases in other lines such as arbitration services, professional and technical services employing an executive search for Police Department Chief.

Councilor Rossetti asked a question on talent asset manager vacant at end of 2019. Ms. Schneider-Collin stated they did a search then went into hiring freeze with COVID. They negotiation with fire contract and personnel handles education incentives. The search for the Chief of Police will be starting up in FY21, once the budget has been approved.

Chair Scott asked about Talent acquisition position that has been vacant for a while, asked about the mission critical, why is this left unfunded. Ms. Schneider-Collin stated that COVID hit and went into hiring freeze.

Chair Scott made a Resolution encouraging the mayor to allocate full funding for this position when the mayor provides full FY21 budget. All members voted in favor, Niedergang was absent.

It was stated that the Talent acquisition position is to address racial inequities in hiring practice to get more diversity in city staff.

Councilor McLaughlin stated the mayor proposed another position that sounds similar to the Talent Asset Manager and inquired about the difference between the two positions and why one is funded and the other is not. Ms. Schneider-Collin stated that one is in the executive dept and the other is in the personnel dept.

Health Insurance, Life Insurance and Medicare and Workman’s comp presented by Ellen Schneider-Collins

The city participates in the GIC for health insurance for city, school and retirees. Chair Scott asked why Medicare line is low this year? Ms. Brown benefits manager stated there are Medicare penalties that the city has been paying for some years. There were discussions about Part B by age 65 and that the city is absorbing the cost of that penalty. The city has been budgeting \$257,000 for several years and now bringing down to more realistic number.

Life insurance line no cuts

Medicare no cuts

Workman’s Comp presented by Ellen Schneider

Chair Scott asked about deferred employee training line, decrease safety training city offers. Ms. Schneider-Collins brought this line down to historic levels.

No cuts

Arts Council was shifted to following night.

Councilor Rossetti stated she received communication from Ms. Connor on Tuesday suggested some minor changes that do not appear to be up on the website yet. Mr. Mastrobuoni will post which departments will be reviewed for public hearings.

July 6, 7, 8 finance committee and 9th committee of the whole.

Councilor Ballantyne requested a running tally of the cuts. Mr. Mastrobuoni is trying to track the cuts. Councilor Ballantyne would like an email with cuts, nothing really formal. Mr.

Mastrobuoni will connect with Mr. Forcellese tomorrow.

Interested councilors will send Chair Scott an email with their suggestions on whether committee vs. full councilor meeting.

Unfinished Business

Motion by Councilor Rossetti to reduce line number 571001 (In State Conferences) in the City Council Budget by \$1,199.00 The motion was tabled by the Finance Committee on June 22, 2020. This item remained on the table.

Motion by Councilor Rossetti to reduce line number 572000 (Out of State Travel) in the Health and Human Services Department's budget by \$1,350. The motion was tabled by the Finance Committee on July 1, 2020. This item remained on the table.