



# CITY OF SOMERVILLE, MASSACHUSETTS

## CLERK OF COMMITTEES

June 16, 2010

### REPORT OF THE FINANCE COMMITTEE

Attendee Name	Title	Status	Arrived
Maryann M. Heuston	Chair	Present	
William A. White Jr.	Vice Chair	Present	
Bruce M. Desmond	Alderman At Large	Present	
John M Connolly	Alderman At Large	Present	
Rebekah L. Gewirtz	Ward Six Alderman	Present	
William M. Roche	Ward One Alderman	Present	
Thomas F. Taylor	Ward Three Alderman	Present	
Walter F. Pero	Ward Four Alderman	Present	
Sean T. O'Donovan	Ward Five Alderman	Present	
Robert C. Trane	Ward Seven Alderman	Present	
Dennis M. Sullivan	Alderman At Large	Present	
John Long	City Clerk	Present	
Cindy Hickey	Director, Council on Aging	Present	
Gregory Jenkins	Director, Arts Council	Present	
Karthik Viswanathan	Director of Information Technology	Present	
Frank Wright	City Solicitor	Present	
Frank Senesi	Director of Veterans Services	Present	
David Lutes	Environmental Programs Manager	Present	
Nicolas Salerno	Election Commissioner	Present	
Jessie Baker	Director of Personnel	Present	
Paulette Renault-Caragianes	Director of Health	Present	
Monica Lamboy	Exec. Dir. - OSPCD	Present	
Joseph Curtatone	Mayor	Present	
Stan Koty	Commissioner, DPW	Present	
Ginger Barrett	DPW Administration and Finance	Present	
Rositha Durham	Purchasing Director	Present	
Robert Collins	Law Department	Present	

The Committee met as a Committee of the Whole.

### **189788 - Requesting Approval of an Appropriation of \$165,507,404 to fund the Fiscal Year 2011 Operating Budget for the City of Somerville:**

The following departments appeared this evening to review their budgets:

- **City Clerk**
- **An increase of \$15,040 was included for the new MinuteTraq system.**

- **Council on Aging**
  - The Council on Aging shifted some ordinary maintenance costs to reserves currently in COA revolving funds, resulting in a decrease to FY11 Ordinary Maintenance.
- **Arts Council**
  - A greater portion of ordinary maintenance costs will be paid for out of the Arts Council's revolving funds
- **Information Technology** (Alderman Desmond recused from this discussion)
  - A Web Maintenance Technician and Help Desk Administrator have been eliminated in this budget for a savings of \$31,652.
  - The software maintenance line has been increased by \$160,500 due to the new MUNIS system. Between \$80,000 and \$110,000 can be reduced from this line next year with the elimination of the IDC system and the completion of Kronos.
  - A \$7,600 increase in professional and technical services was made for the Exchange and QED upgrades.
  - The internet maintenance line was increased by \$8,000 to increase the bandwidth from 20 Mbps to 40 Mbps.
- **Law**
  - The vacant Assistant City Solicitor position is being advertised at a starting salary of \$65,000, for a savings of \$13,156 from the former Assistant City Solicitor's salary and \$12,000 from that savings is being applied to the Housing Counsel's salary in the Law Department's budget.
  - A \$15,000 reduction was made to the outside legal services line item.
- **Veterans**
  - There are no significant changes in this year's budget.
- **Office of Sustainability and Environment**
  - \$27,225 reduction in Technical and Professional Services reflects the completed work of the ESCO Commissioning Agent in FY2010 and no further need for this service.
- **Elections**
  - A vacant Principal Clerk position is being reclassified to a Senior Clerk position for a savings of \$8,451.
  - The printing and stationery line is being reduced by \$9,250 because the State will be paying for the printing of election ballots.
- **Personnel**
  - The Benefits Coordinator, Benefits Manager and part-time HRIS Manager will be paid from the Health Claims Trust Fund. Previously the Benefits Coordinator was funded by the general fund and the tasks of the other two positions were funded out of the Health Claims Trust Fund.
  - Ms. Baker spoke about the Health Claims Trust Fund, a reserve started in 1982 for the purpose of establishing a fund to pay excessive health claims. It is expected that the fund will

have a balance of \$3.2 million at end of FY-10. Alderman Gewirtz voiced her concerns regarding the city's reserve fire list and hiring new people when the school custodians are being about to be laid off.

- **Health**

- Several grant-funded positions have had a greater portion of their salary shifted to the general fund resulting in an increase of \$140,846 to the salaries account. The city is no longer able to apply for federal funds for Somerville Cares about Prevention, so funding has been requested in this budget.

- **OSPCD**

- **Administration and Finance**

§ No significant changes in this year's budget.

- **Transportation**

§ A Project Manager position was eliminated resulting in a savings of \$23,000.

§ A Green Infrastructure Planner position was added to the budget adding \$21,721 to the operating cost.

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- **Planning and Zoning**

§ A \$9,000 increase was included to fund the City's Comprehensive Plan.

§ \$3,500 was eliminated from Software and Professional and Technical Services.

- **Housing**

§ Condominium Review Board Salaries were inadvertently omitted in the 2010 budget, they have been reinstated in the 2011 budget.

- **Redevelopment Authority**

§ No significant changes in this year's budget

- **Economic Development**

§ Several positions had a greater portion of their salary shifted to grant funds.

- **Inspectional Services**

§ an Inspectional Coordinator is being eliminated from this year's budget at a savings of \$40,909

§ a Sanitary Code Inspector is being eliminated from the budget for a savings of \$60,960, however that amount has been added to the professional and technical services line to pay a vendor to perform the services.

- **DPW**

- **Administration** (Chairman Heuston and Alderman O'Donovan recused from this discussion)

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§ A Project Manager position was transferred from Capital Projects to DPW Administration

- **Electrical**

- § The budget for Fire Alarm Repairs was reduced by \$10,000.

- § The capital outlay budget was reduced by \$15,000

- **Engineering**

- § An increase of \$2,800 was budgeted for the purchase of CAD and GIS software.

- **Highway** (Alderman Roche recused from this discussion)

- § A vacant SHMEO position and a vacant HMEO position, both street sweepers, are being eliminated for a savings of \$78,436

- § An additional \$315,000 was budgeted in the Professional and Technical Services line for a street sweeping contract.

- § On account of street sweeping services being contracted out, \$20,000 less than FY10 was budgeted in Motor Parts and Accessories.

- § The line item for Ready Mix Concrete was reduced by \$75,000 and will be picked up by the water and sewer enterprise funds.

- § No current positions in this department would be jeopardized.

- **Sanitation**

- § Trash tonnage has been decreasing leading to an estimated \$400,100 reduction in our hauling and transfer costs.

- **Building and Grounds**

- § Due to lower electricity costs, the Electricity budget has been reduced by \$400,000.

- § The Sundry Maintenance Supply budget has been reduced by \$175,000 since school sundry supplies will be provided by the school custodial contractor.

- **School Custodians**

- § (Discussion follows)

The Capital Projects Management Department has been eliminated in the FY-11 Budget. One Project Assistant has been transferred to the Public Works Administration Office and another vacant Project Assistant position has been eliminated. The elimination of the Capital Projects Management Department will result in a \$219,281 savings.

#### **DISCUSSION REGARDING SCHOOL CUSTODIANS:**

Several members of the Administration spoke about the proposal to outsource the schools' janitorial services. The current school custodial services encompass 55 FTE's covering 2 or 3 shifts, depending on the facility. The current employees are represented by the SEIU - Local 3 and their duties include daily cleaning and off-peak deep cleaning of the facilities, grounds work (mowing, shoveling, etc.), playground policing, details (weekends and afterhours) and the opening and closing of buildings. The committee was provided with information about the contractor selected, AM-PM Cleaning Corporation, including references, safety benefits, quality assurance, environmental services and flexible staffing. The projected cost savings in the first

year is \$1,327,624 with a cumulative 3-year savings of \$3,532,269 (based on the original 13 FTE's). At 20 FTE's, the first year savings would be \$1,227,624 with a cumulative 3-year savings of \$3,245,012. The city accepted the bid for 13 FTE's and then negotiated with the vendor for 20 FTE's. The contract has not yet been signed and won't be until funding is in place.

Mr. Collins responded to legal questions surrounding this issue, to the extent possible without going into executive session and said that the current school custodians do not have bumping rights to other positions. Ms. Baker offered assurances that the city would not contest an unemployment claim of a laid off janitor who subsequently refused a job offer from the contractor. Alderman Sullivan stated that he has a problem with people losing their pensions, vacations, etc., and Alderman Gewirtz said that this is not shared sacrifice and she asked how the Administration could talk about hiring more people when the custodians are being laid off. According to Alderman Gewirtz, the union offered \$800,000 in savings to the city and offered to take no raises for 7 years.

Mayor Curtatone disputed the union's cost saving figures and said that the city had calculated the cost savings based on the union's projections and arrived at a lower figure. The mayor said that there are \$1 million of cuts in this budget, adding that people have been suffering right along and suggesting that more hard choices may be coming down the road. The mayor said that he was sorry about the layoffs but pointed out that he was elected to bring forth a balanced budget. He went on to say that an overture was made to those effected school custodians who were close to retiring and that once an outcome is know, he would pass along the information. The mayor also defended the city's plan to hire fire fighters to protect its citizens and told the members that this is a multi-year problem and that the city has a plan to deal with it effectively.

### **Requests for Information**

- Chairman Heuston requested verification of the Information Technology FY-09 and FY-10 expenditure for Line # 53405 - PSTN-Usage and an explanation of why the amounts have increased from year to year.
- Alderman Pero requested that the Mission Statement for the Veteran's Services Department be corrected to reflect a change in the law, (MGL) Chapter 115.
- Alderman Sullivan requested to know how many city employees are on active duty and how many of those are in the National Guard or Reserves.
- Alderman White requested a salary breakdown for the following 6 positions, showing the amounts funded by grants vs. the amounts paid from the general fund: School Nurse Leader, Shape-up-Somerville Director, Grants Administrator, Program Director SCAP, Program Coordinator SUS and Public Health Nurse Interpreter.
- Alderman Gewirtz requested a summary sheet of the reduction of positions in OSPCD.
- Alderman Gewirtz requested an explanation for the increase in line # 57300 - Dues and Memberships in OSPCD - Transportation and Infrastructure
- Chairman Heuston requested that page 110 of the budget book be corrected to include the names of the members of the Condo Review Board and their salaries.

- Alderman White requested that pages 115 and 116 of the budget book be reconciled.
- Chairman Heuston requested information on the amount of revenue brought in by the Inspectional Services Department.
- Alderman White requested information on the number of citations issued by the Inspectional Services Department and the number that were subsequently paid.
- Alderman Gewirtz requested a breakdown for line item # 52915 - Hazardous Waste Removal in DPW Administration and an explanation for the FY-11 request.
- Chairman Heuston requested that the Board of Aldermen be provided with a copy of the street sweeping bid specifications.
- Alderman Gewirtz requested a list of purchase dates and models of the city's street sweepers.
- Alderman Gewirtz requested a breakdown of the wages and union status of the employees working for the successful bidder of the street sweeping contract.
- Alderman White requested a breakdown of line item # 51350 - Overtime - Labor in DPW Highway.
- Alderman White requested a breakdown of line item # 51350 - Overtime - Labor in DPW Buildings and Grounds.
- Alderman Gewirtz requested to know if the school custodians make up 3% of the city's workforce.
- Alderman White requested a copy of the collective bargaining agreement between the city and the NCFO.
- Alderman White requested a copy of the arbitrator's ruling on the BHA case.
- Alderman White requested a copy of the BHA's appeal to the Superior Court.
- Alderman White requested that the City Solicitor be prepared to address contracts that have expired and not been renewed.
- Alderman White requested an opinion from the City Solicitor on what the Administration's options would be if the Board of Aldermen did not fund a particular line item.
- Alderman Gewirtz requested to know the number of times attempts have been made to remove the school custodians from civil service.