



Committee on Finance and the Northampton City Council

*Councilor David A. Murphy, Chair
Councilor Maureen T. Carney
Councilor Marianne L. LaBarge
Councilor Gina-Louise Sciarra*

**City Council Chambers, 212 Main Street
Wallace J. Puchalski Municipal Building
Northampton, MA**

Meeting Date: September 6, 2018

Note: The Finance Committee Meeting will take place during the City Council Meeting as announced. The City Council Meeting is scheduled to begin at 7:05 pm.

- 1. Meeting Called To Order**
- 2. Roll Call**
- 3. Approval Of Minutes From The Previous Meeting**

A. Minutes Of August 16, 2018

Documents:

[08-16-2018_finance committee minutes.pdf](#)

4. Financial Orders

A. 18.155 An Order To Authorize Intermunicipal Agreement For Greenfield Community College To Use City Fiber Network

Documents:

[18.155 an order to authorize intermunicipal agreement for greenfield community college to use city fiber network.pdf](#)

B. 18.156 An Order To Rescind Borrowing Authorizations For Rail Trail Access And Mineral Hills Land Acquisition

Documents:

[18.156 an order to rescind borrowing authorizations for rail trail access and mineral hills land acquisition.pdf](#)

C. 18.158 An Order To Apply Bond Premium To Installation Of Arcanum Field Play Structure

Documents:

18.158 an order to apply bond premium to installation of arcanum field play structure.pdf

D. 18.159 An Order To Authorize Borrowing And Grant Application For Florence Recreation Fields

Documents:

18.159 an order to authorize borrowing and grant application for florence recreation fields.pdf

5. New Business

-Reserved for topics that the Chair did not reasonably anticipate would be discussed.

6. Adjourn

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Committee on Finance and the Northampton City Council

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**City Council Chambers, 212 Main Street
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Meeting Date: August 16, 2018

Note: The Finance Committee Meeting took place during the City Council Meeting as announced. The City Council Meeting began at 7 p.m.

1. **Meeting Called To Order:** At 7:35 p.m. Councilor Murphy called the meeting to order.
2. **Roll Call:** Present were committee members David Murphy, Maureen Carney and Marianne LaBarge. Ward 4 Councilor Gina-Louise Sciarra was absent. Also present from the City Council were Jim Nash, Ryan O'Donnell, Dennis Bidwell, and Alisa Klein. Councilor William H. Dwight was absent.
3. **Approval Of Minutes From The Previous Meeting**
 - A. Minutes of March 27, 2018, July 12, 2018 and July 24, 2018

Councilor LaBarge moved to approve the minutes of March 27, 2018, July 12, 2018 and July 24, 2018. Councilor Carney seconded. The motion was approved by voice vote with 3 Yes, 0 No and 1 Absent (Councilor Sciarra).

4. **Fourth Quarter Financial Report**

Finance Director Susan Wright presented the fourth quarter financial report. The report is not entirely complete since the auditor is still working to close out the books and there is still some revenue to come in, she noted.

For General Fund revenue, Hotel/Motel receipts were up \$42,000 in 2018, or 6% over the previous year, while Meals Tax receipts were up \$37,000, or 5%, both healthy economic indicators, she indicated. Parking receipts came in at the same level as the year before, which is good given that the city implemented the new kiosk system in July of 2017, resulting in receipts being a little off for the months of July and August. Another highlight is a 15% increase in building department fees, which bodes well for the new growth figure from the Assessor's office. There was no concern about revenue coming in lower than projected, she related.

In terms of expenditures, City departments not including schools turned back \$2.2 million to the General Fund; last year the turn back was \$1.98 million, so the city is \$300,000 ahead of the prior fiscal year, which bodes well for certifying Free Cash. Turn backs are the result of departments not expending their entire budgets. Turn backs from Personnel Services budgets are generally the result of unfilled positions. There was also a turn back from the health insurance account which is primarily a result of all the vacancies.

The source of Free Cash is revenue in excess of projections and expenditures less than appropriations, so it looks like Free Cash will be in line with last year's total, she presented.

All four enterprise funds brought in 100% of the revenue expected, she continued. The Sewer Enterprise Fund came in about \$100,000 higher than the prior year. Water Enterprise came in slightly lower but still above the amount projected. (She attributed this partly to some of the water bans last summer.) Stormwater and Solid Waste were pretty much the same as the prior year and turn backs from all enterprise accounts followed the same track as last year.

All in all, there were no big surprises but she was happy to see that parking, hotel/motel taxes, meals tax and permit fees – all healthy economic indicators - are trending positively.

The City collection rate was excellent, Councilor Murphy noted.

Councilor Klein asked about garage fees, which the revenue report showed as only receiving 70% of revenue projected.

Ms. Wright explained the difference in the five different types of parking revenue. Parking Revenue (10004-424010) is strictly meter revenue from on-street parking, she clarified. In July, the city implemented parking kiosks. Money from kiosks is now being deposited into a new line item. Before it would have gone into Parking Lot Revenue; now it goes somewhere else.

Every year, financial officers estimate the amount to be received from parking revenue. Anything over the estimate is deposited into receipts reserved for parking. This year, the city actually brought in \$2 million but the amount over \$1.8 million (\$200,000) was moved to the receipts reserved account.

Councilor Klein drew attention to two departments whose receipts were lower than expected: the Police Department and Treasurer's office.

Police Department revenue is Northampton's share of fines paid to the state, such as speeding tickets, Ms. Wright explained. Receipts were probably \$65,000 last year. She would ask the chief why it is lower, she volunteered. She could also check on the reason for the decrease in miscellaneous receipts to Treasurer.

5. Financial Orders

A. 18.141 An Order to Award Contract For FY2019 Audit To Scanlon And Associates

The charter requires the City Council to award a contract for auditing services by September 15th, Councilor Murphy reminded. The Finance Committee met July 24, 2018 to discuss the award. Scanlon and Associates, who is doing the FY2018 audit, agreed to maintain its price for FY2019. The recommendation from the Finance Committee would be to accept this proposal.

Councilor Murphy read the text of the order with the phrase "at the prices and rates quoted in the company's FY2019 letter of engagement" substituted for the phrase "at the agreed-upon contract price of \$66,400."

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Carney seconded.

City Council Committee on Finance Meeting Minutes for August 16, 2018

Mr. Scanlon himself acknowledged that, at some point in time, it's good to bring in a different auditor, Councilor Nash observed. He asked if the Finance Committee discussed when that turnover might be.

This was discussed, Councilor Murphy confirmed. The subject of contract renewal came up in July with a deadline of September 15th, he reminded. With such a short timeframe, the committee didn't have the opportunity to solicit proposals from other auditors, review them and make a recommendation, he explained. If they had tried to do a faster process, Scanlon would have had an advantage because of his greater knowledge of the city and so would have had a sharper pencil, giving him a competitive benefit, he suggested.

The Finance Committee talked about beginning in March to develop/issue a Request for Proposals (RFP) for a multi-year contract for subsequent years.

Councilor O'Donnell pointed out that Councilor Murphy had read an amended version of the order from the one included in the packet.

Councilor Murphy confirmed that the order was amended to omit the second Whereas clause and change the wording of the 'Now Therefore Be It Ordered' clause to read "That the City Council hereby awards the contract for auditing services for FY2019 to Scanlon and Associates, LLC at the prices and rates quoted in the company's FY2019 engagement letter."

Councilor Carney moved to amend the order as presented. Councilor LaBarge seconded.

Councilor Bidwell expressed his understanding that the \$66,400 figure cited is a 'not to exceed' figure since the cost could actually be less if the number of days required to complete the federal audits are fewer than estimated.

Councilor Murphy confirmed that the total cost includes several components: an audit of the city's basic financial statements, the end of year audit for the schools and audits of the federal grants.

Councilor Bidwell said he too was going to raise the question of the benefit of a fresh set of eyes. He appreciates the compromise of proposing a planning process for an RFP in the spring.

The motion to amend was approved by voice vote of 3 Yes, 0 No, 1 Absent (Councilor Sciarra).

Councilor Murphy called the motion to forward the order to the full council with a positive recommendation to a vote, and it passed 3:0.

B. 18.144 Order To Enter Intermunicipal Agreements To Provide Sealer Of Weights And Measures Services To South Hadley And Easthampton

Councilor Murphy read the text of the order.

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Carney seconded.

Northampton already provides services to Granby, Amherst and Hadley, Ms. Wright confirmed. City officials have been approached by South Hadley and Easthampton to serve them as well. They came up with a price based on the number of devices the Sealer of Weights and Measures has to measure. The new contracts will bring in about \$11,000.

Councilor Murphy called the motion to a vote, and it was approved by voice vote with 3 Yes, 0 No and 1 Absent (Councilor Sciarra).

C. 18.147 An Order To Transfer Money From City Clerk OM To City Clerk PS For Election Workers

Councilor Murphy read the text of the order.

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Carney seconded.

Councilor LaBarge thanked the Finance Director for her phone explanation earlier today as to why election workers have been paid from Ordinary Maintenance (OM) in the past.

The change is to comply with Internal Revenue Service (IRS) requirements, Ms. Wright explained. Poll workers are employees and so really should be paid through payroll. They have historically been paid through accounts payable. It came to the attention of local treasurers that Chicopee was audited by the federal government and corrected for paying its election workers through OM, so the city adjusted its process to conform to this directive.

Councilor Murphy called the motion to a vote, and it was approved by voice vote with 3 Yes, 0 No and 1 Absent (Councilor Sciarra).

D. 18.148 An Order To Authorize Compensation For City Election Workers

Councilor Murphy read the text of the order.

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Carney seconded.

Councilor Klein pointed out a scrivener's error in the Inspector's pay rate as it is shown as \$11.00 instead of \$11.00/hr.

Councilor LaBarge moved to amend the order to correct the rate. Councilor Carney seconded. The motion passed by voice vote with 3 Yes, 0 No and 1 Absent (Councilor Sciarra).

Councilor Murphy called the motion to a vote, and it was approved by voice vote with 3 Yes, 0 No and 1 Absent (Councilor Sciarra).

6. New Business

-Reserved for topics that the Chair did not reasonably anticipate would be discussed.

7. **Adjourn:** At 8:02 p.m., Councilor Carney moved to adjourn; Councilor LaBarge seconded. The motion was approved on a voice vote of 3 Yes, 0 No, 1 Absent (Councilor Sciarra).

Contact: D. Murphy @ david.murphy8@comcast.net
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City of Northampton

MASSACHUSETTS

In City Council

September 6, 2018

Upon recommendation of the Mayor

18.155 An Order to Authorize Intermunicipal Agreement for Greenfield Community College to Use
City's Fiber Network

Ordered, that

Whereas MGL C.40 s. 4A allows for joint operation of public activities among governmental units, and

Whereas, MGL c. 40, s. 4A requires that such inter-governmental agreements be approved, in a city, by the City Council and the Mayor, and;

Whereas the City of Northampton provides services to and shares services with other municipalities and entities;

Whereas, the Greenfield Community College Nursing Program leases office space at Smith Vocational and Agricultural School with a lease term extending to June of 2022 and as such, is a user of the city's fiber network;

Therefore pursuant to MGL C. 40 s. 4A the City Council hereby authorizes the City of Northampton to enter into an agreement with Greenfield Community College (GCC) to permit GCC to use one fiber strand of City's fiber network which is supplied under separate agreement with the Five College Net, LLC for an annual fee, per the agreement for Fiscal Years 2019 – 2022.

City of Northampton
MASSACHUSETTS

In City Council

September 6, 2018

Upon recommendation of the Mayor

18.156 An Order

to Rescind Borrowing Authorizations for Rail Trail Access and Mineral Hills Land Acquisition

Ordered, that

the City Council rescind the following orders because such borrowing authority is no longer necessary:

Order 17.333: \$600,000 of borrowing authority authorized under the loan order approved on June 15, 2017 for Rail Trail Access to Look Memorial Park and Leeds to Williamsburg, be rescinded, as the City did not receive a grant from the Parklands Acquisitions and Renovations for Communities Grant (PARC).

Order 17.332: \$200,000 of borrowing authority authorized under the loan order approved June 15, 2017 for the acquisition of eight acres north of Route 66 in the Mineral Hills area as the City did not receive a LAND/Self-Help Act Grant.

CITY OF NORTHAMPTON
MASSACHUSETTS

In City Council,

September 6, 2018

upon the recommendation of the Mayor

18.158 An Order to Apply Bond Premium to Installation of Arcanum Field Play Structure

Ordered, that

the City appropriate \$5,013.40, representing the aggregate remaining net premium paid to the City upon the sale of bonds issued on May 1, 2018, to be used toward the installation of a new play structure at Arcanum Field; such funds to be used in conjunction with the insurance proceeds and a gift to the city previously appropriated for the new play structure in June of 2017, including any costs incidental and related thereto, and reduce any amount authorized to be borrowed therefor by a like amount; and that the Mayor is authorized to take any other action necessary to carry out such capital project.

City of Northampton
Massachusetts

In City Council, September 6, 2018

Upon the recommendation of Mayor David Narkewicz, the Parks & Recreation Commission and the Parks and Recreation Department

18.159 An Order to Authorize Borrowing and Grant Application for Florence Recreation Fields

Ordered, that

WHEREAS, Florence Recreation Fields is a popular community-wide asset and The Open Space, Recreation and Multiuse Plan: 2018-2025 recommends improving parks and recreation areas and implementing the next phases of Florence Recreation Fields; and

WHEREAS, Florence Recreation Fields is dedicated to park and recreation purposes under M.G.L. Section 45, Section 3; and

WHEREAS, This phase will complete the Florence Recreation Fields project and enhance the facility with additional play structures, field improvements, plantings and accessible benches and play areas; and

WHEREAS, The Executive Office of Energy and Environmental Affairs (EEA) is offering reimbursable grants to cities and towns to support the preservation and restoration of urban parks through the Parkland Acquisitions and Renovations for Communities grant program (301 CMR 5.00); the PARC is a reimbursable program which requires that the City demonstrate that it has all of the funds necessary to improve park properties prior to state reimbursement; and

WHEREAS, The Florence Recreation Fields final phase will cost an estimated \$625,000

NOW, THEREFORE BE IT ORDERED,

That City Council appropriates and authorizes the City Treasurer, with the approval of the Mayor, to borrow \$625,000, over 15 years, under M.G.L. c.44B, §11, M.G.L. c.44 §8C, or any other enabling authority, for the purpose of improvement of public parks and playgrounds on said property, and the Mayor be authorized to file on behalf of the City of Northampton any and all applications deemed necessary for grants and/or reimbursements from the Commonwealth of Massachusetts Executive Office of Energy and Environmental Affairs and/or any others in any way connected with the scope of this Article, and to take such other actions as are necessary to carry out the terms, purposes and conditions of this grant, and the Northampton Parks and Recreation Department and/or Parks and Recreation Commission be authorized to enter into all agreements and execute any and all instruments as may be necessary on behalf of the City of Northampton.

And that the Mayor be and is hereby authorized to take such other actions as are necessary to carry out the terms, purposes, and conditions of this grant to be administered by the Parks and Recreation Department.