

FINANCE CONTROL BOARD, March 30, 2007

Present: Thomas Gloster, Alan LeBovidge, Mayor Charles V. Ryan, Jake Jacobson, City Council President Kateri Walsh, City Clerk Wayman Lee.

Public Speak-out

City Clerk Wayman Lee: Good morning, ladies and gentlemen. We have a 30 minute speak-out. We have five speakers this morning. We'll have to ask you to line up so that we can proceed with the 3 minute time period in this order: Lois Smith, Edward Geir, Tim Collins, Alex Nickett, and Frank Buntin. We'll start the three minutes with Lois Smith.

Lois Smith: Thank you. I appreciate being able to speak to you all, to the mayor and the board. This body has the power to control every department in the city of Springfield by its authority to decide upon contracts, salaries, bonuses and all funds. The continued support of our school district by this board, after many years of failure in our schools, is disturbing, more so for the damning \$25,000 report that you authorized from the SUI Jordan-Johnson firm. The board gave Dr. Burke, the schools superintendent, a \$13,000 raise and more. The census reports the age group *not* moving into Springfield are ages 24 through 35. This population is not moving here. This is the age of child-bearing and early child entry. We know why they aren't coming.

There is a path leading out of this mess that affects the entire city. *Newsweek* before you—I have given you the gift, each of you, of a *Newsweek* magazine, just off the stands the past week--that [says it all](#): no matter how much evidence has been amassed before you, we have failed to make changes that are required. Today is the day.

I want to share numbers with you. By the tenth grade all over this school district, here are the percentage of children who are, in English and math, either proficient or not proficient: 19%, a bare 19%, in tenth grade, can proficiently read, write and do math. That means that 81% percent can't read, write and do math proficiently. And that doesn't count the approximate one-third who have already dropped out of school. That 81% will be higher, who cannot function proficiently, once you include the drop-outs.

The double whammy is that these are the children, who are most likely to have been given ADHD drugs to keep them in their seats for six plus hours a day, with no exercise, breaks or physical education. Please read the *Newsweek* [article](#) which I have provided for each of you. It's science. I want you to know that [quoted in this](#) newspaper magazine is [Dr. John Ratey](#). And Dr. John Ratey has taught at the medical school at Harvard for over 20 years.

I brought this information to Dr. Burke, and I want you to understand that it was explained to him that it could be provided to him from Dr. Ratey, which is currently in *Newsweek*, in October of 2006. Nothing happened. He doesn't believe in science. He has added 180 hours of academic instruction time to that which the state requires. And all of

this time is keeping kids in their classes in a situation where they cannot learn. If you read in *Newsweek*, you will see clearly that exercise is a requirement of brain development, and it also speeds up the learning and retention process. So what are we doing continuing to do what we're doing? And as far as the kids who are not functional, at 81%, and that one-third of drop-out kids are the very ones that we're giving ADHD drugs to, and as of two weeks ago, the government has put a...forced a label on this that says it kills kids, it gives them heart attacks, it makes them psychotic.

Time up? Okay, may I just conclude with my very last statement, if I may? Clean out this school district, pay out Dr. Burke's contract, do what you did with the police department, find someone who can do the job. If 16 months of free research, which I have given, with a plan that's a comprehensive plan, can't do the job, then we need to personally see that this task is taken up *now*. We are having a failing school district in which we'd be better off with these kids off the street, at home. Thank you.

Tom Gloster: Mr. Clerk, could we get a copy of that statement?

WL: You want a copy of the statement for the board? Miss Smith...

SEA President Tim Collins: Give them a copy of your statement. They want a copy of your statement.

LS: Oh my God. They couldn't read it if they had it.

Phil Puccia: I think that a member of the public makes a transcript of every session.

LS: If I may, I would like to submit it with the corrections that I made to cut down time. I would like to do that for you.

City Clerk Wayman Lee: Edward Geir?

President of the Police Supervisors Association Edward Geir: Chairman LeBovidge, Mr. Gloster, Mr. Jacobson, Mayor Ryan, City Council President Walsh, good morning. My name is Edward Geier, and I am currently employed as a lieutenant with the city of [Springfield Police Department](#). In addition to those duties, I serve as the elected president of the [Springfield Police Supervisors Association](#), the labor organization established to represent and negotiate benefits, interests and working conditions of the 68 sergeants, lieutenants and captains of the department. Although most of the members are currently hard at work on behalf of the citizens of the city of Springfield, I am joined here today by many of my fellow brother and sister supervisors, each of whom has sacrificed valuable time from their families and personal interests to be here in opposition of the continued unfair and unjust mistreatment perpetuated by this board.

These hard-working men and women represent the first-line supervision and mid-level managers of the department. They are directly responsible for the smooth, orderly and successful running of the department's day-to-day policing operations. As has always

been the case, they will continue to serve this city and its citizens with pride, honor and distinction on a daily basis. Unfortunately, that distinction has now been defined as being the only 68 remaining city employees, amongst thousands, that continue under the provisions of a city-imposed wage freeze: clearly not a very desirous or flattering distinction.

As police officers, we accept this job knowing that injury or death can victimize us at any given moment. We were abruptly reminded of that fact with the shooting and wounding of one of our patrolmen just over two weeks ago. However, what none of us could *ever* have anticipated, expected, or predicted, was that the most grievous mistreatment and victimization possible over the last four years would come at the direction of our employer, and not that of the criminal element. In simple summary terms, the city and the union entered into the provisions of an agreed-upon contract in 2001. In 2003, the city of Springfield breached the terms of that contract by freezing the wages of all city employees, irrespective of contractual language and obligation, an action subsequently deemed to be illegal by a justice of the Superior Court. However, since 2004, the Springfield Finance Control Board has continued to maintain this wage freeze over the objection of its employees.

Contracts are part of the basic fabric of everyday life, and the main root of all business in this community, this state, this country, and all around the entire world. It is truly not believable, and clearly not an accepted practice, for parties to just disregard the terms and provisions contained within them. For example, could any of us call our bank and tell them that we are not going to honor the provisions of the loan contract we signed regarding our mortgages? A very unlikely scenario.

A contract is dual-ownership document. In this case, the men and women of this Association have lived up to, and honored, and continue to complete the terms of the agreement, and the city of Springfield and the Springfield Finance Control Board has failed to act in kind. It is not fair that we should have to negotiate a contract twice, and it defies basic logic and common sense that one would actively negotiate a new contract with someone when they have not fulfilled their obligation under the terms of the first agreement.

In closing, I would like to thank and to commend [City Council](#) President Walsh. Since her arrival on this board, she has been able to accomplish what previous to today had been the impossible: this public speakout forum. Please continue your miracle workings by convincing this board to live up to the terms of our agreement. Until that time, I promise you that I will be here every month updating our situation, three minutes at a time. I thank you for your time and kind attention. [Applause]

WL: Timothy J. Collins?

SEA President Tim Collins: Timothy T. Collins. I'm wearing three hats here today. My first hat is as a member of the [Public Employees Committee](#) relative to the [group insurance](#). We have a signed Schedule 19 agreement with you, but in that agreement,

there was agreement that we would define how the Public Employee Committee operates. I got an extension from your lawyer, Mr. [David] Connelly; I have copies of all three agreements in here. It was signed by all the union presidents on October 27. We had an October 1 deadline. I ask you to sign this agreement, especially since you're talking about insurance rates, and by law, you should be speaking with the Public Employee Committee. That's hat one.

Hat two: as the president of the [Springfield Education Association](#), I want to make you aware of the fact that in over the last three years, due in large part to our failure to negotiate a contract, we have lost nearly 50 percent of our teaching staff. There has been an 85% to 90% turnover in the administration, in the [School Department](#). We are under tremendous pressure. I plead with you to no longer be the lowest community in meeting its obligations from the city side of the budget. We need more than the minimum requirement, and that's all we've been getting.

And now, my third hat, as a citizen: I ask you publicly, as a board, to support Deval Patrick's call for us to have the ability to raise our own revenue. This city cannot afford to provide the services that its citizens and children need off the property tax. We have over 100,000 young people from the age of 25 to 35 who come into our city Thursday, Friday and Saturday night. Raising the cost of a drink by a dime, or the cost of a meal by a couple of dollars, is not going to keep them away, and it will give us the ability to raise some revenue. We also, as reported here last year—78% of our multifamily units were bought by people inside of 495. We need home rule legislation to tax that property at a different rate, and let that tax go above the Proposition 2 1/2 limit. Let's put money in the code enforcement, and stop the deterioration of our neighborhoods. We also have a sludge digestion tank across the river, which is sitting fallow. We could divert some of our sludge into that sludge digestion tank, create methane, burn that methane to create electricity, and sell it back to the power companies, raising revenue for the city.

There are things that we can do. I ask you, please, get out of the business of running the day-to-day departments of the city, and concentrate on two things: economic development and community development. You want to solve the problems of this city, we need living wage jobs. It will solve the problem of crime on the street; it will solve the problem of poorly-performing schools; it will solve *all* of our problems. Thank you for this time, and I have one more suggestion for you: when you put aside a half an hour for public speakout, and you only have five people to speak, give them six minutes instead of three minutes, so they can say what they want to say, appropriately. Thank you for your time. [Applause]

WL: Alex Nickett?

Alex Nickett: Gentlemen and madam, my name is Alex Nickett. I've lived in Springfield, and I'm coming here to speak for the libraries. I live in Hungry Hill, and right now, if I went to the library, I would see a sign, "Closed." Imagine that, how would people feel? Now it is time to put the libraries back on a full weekly schedule. Recently, I

read an article in the Springfield paper that Springfield is the center of culture and education. True, we have four colleges in the city, but how about the libraries that are open half-time? How can we claim to be a city of culture when the libraries are only open part-time? What would [Andrew Carnegie](#) say, if he came and saw "Closed" on his libraries? I don't have too much to say, but I only wish that the libraries were put back on a full weekly schedule, as they were before. Thank you. [Applause]

WL: Frank H. Buntin.

Frank Buntin: Good evening, you all. Before, I used to refer to you guys--and you got a lady on there now--as the white big five running the city of Springfield. But I just want to point out to you, the city of Springfield is not going to fly any higher than the school system is going to carry it. And I go to bed every night and I pray that Holyoke and Lawrence, Mass. don't go out of business, because if they did, our school system would be on the bottom. There's also another thing you should understand, and that is that Springfield, for a city of its size, and on the northeast coast, they have the strongest white belt around it.

Also, Springfield has a mayor made a speech the other day talking about the 65,000 jobs in Springfield, well, over half of those jobs go home every night. Right now, for example, in Springfield, the population's about 180,000. Tonight, at 9:00, it'll be down to 144,000. But, those are things you have to look at. And I was in court in regard to the ward representation for the last couple of weeks. The fact is there is a cloud that hangs over Springfield, and that cloud is racism."

People move into the city of Springfield lot of times out of town on safety, good police, and good schools. We don't have either one. We have good policemen but they aren't getting paid. Those are some of the things we have to look at. And I think it's time that you take a hard look at the city of Springfield and what it is. We are now the second largest city, third largest city in Massachusetts, and it happens to have a minority population. Thank you.

AL: Does anyone else want to...I guess those are the five individuals that are signed up. Is there anyone else that wants to speak out?

TC: I just have one other thing to say, and I think it's important. LeBovidge gestures to Collins as though to say, go ahead. Collins gestures to the police supervisors union picketers at the back of the room. My brothers and sisters back here are asking for their contract. They're the last one left. This isn't just about them. Quite frankly, every worker under contract in the city of Springfield is watching what you're doing. If you don't honor their contract, how can we trust that you're going to honor our recently-signed contracts? I don't want the bleeding off of my teachers to surrounding communities to continue. Bringing settlement here not only helps them; it helps every worker in the city of Springfield.

WL: OK, we'll conclude the public speak-out portion of the meeting will reconvene at 11:00.

AL: OK Thank you very much.

[Recess]

AL: [in progress]...and I think that the first thing on the agenda is to indicate that after this public meeting, the control board will be going into executive session to discuss litigation matters and any labor matters that we have before it, and we will not be returning from that executive session. The first item on the agenda is the approval of the minutes of the February 12 meeting. Any comments, changes, etc?

****MOTION APPROVED UNANIMOUSLY.**

AL: With that, I'll turn it over to [looking around the room] we were going to have a presentation by Ed Flynn on some of the things that are going on in crime statistics. He's not here yet, so we'll start with the rest of the agenda. When he comes here, if you don't mind, we'll cut in and then start over [sound goes dead]...-ation which deals with health insurance rates and what's happening since Springfield is leading the Commonwealth in joining the G[roup] I[nurance] C[ommission], I'll turn it over to you guys.

Presentation Regarding Health Insurance Rates – Impact of GIC [Part 1]

PP: Thank you, Mr. Chairman. As you know, one of the biggest challenges that the city as a whole and its employees faced was the rising cost of health insurance over the past couple of years. The board made some difficult decisions and, I think [unintelligible] in the course of trying to maintain the city's costs in this area. There are a number of things that we have done, most importantly—and Mr. Collins spoke of it during his presentation—was come to an agreement to join the state's Group Insurance Commission. The net effect of that is that we are providing the same type of health insurance to our employees and retirees that all state employees have across the state.

Presentation Regarding Crime Statistics

AL: OK, now stop. Ed's here, and...come on down, quickly, I know you have a busy schedule, so I thought we'd interrupt ours and have you...

Police Commissioner Ed Flynn: I'm always happy to interrupt Phil Puccia.

AL: OK, well, here's a chance again...once again. Talk about crime being down in Springfield be good news, it sounds like.

EF: Good morning. I apologize for my tardiness. You have before you, I think, some information. We'll work through this, and, I'll bet that ...somebody will operate this [PowerPoint]. Some of this news is obviously...a lot of this news has been shared with

the community before, but not directly with the control board, so I'd like to walk you through it, provide some context to it, and also give you some information about where we are right now, as of today's date with this year's numbers.

We'll start with the first slide which is the comparison of 2005 and 2006. Obviously, with a crime like murder, which, although the base number is too high, it's nonetheless a small base number in terms of overall numbers, a decrease in three homicides looks like a big percentage decrease, but it's not something we're going to be doing any bragging about.

What's interesting to us, of course, is how, last year, much of the dynamic of our homicide was of a particular type, very concentrated. I believe, 2/3 of them were very much involving people with criminal backgrounds who were having it out with firearms. It's an issue obviously we're trying to develop an array of strategies to deal, working with both community groups as well as trying to focus our resources at the time and places where violence is most likely.

I'll draw your attention to two numbers that are important to us, because they frequently take place on the street, and to the extent that they involve strangers, demand our attention, and that's robbery and aggravated assaults. As you can see, robbery was down by 12%, aggravated assaults down by 19%. It's important to note, generally speaking for this community, that the aggravated assault number really drives our total crime rate in a way that makes this city look more dangerous than it is.

And the reason I say that is, as we try to continue to analyze our data so we can explain Springfield to itself, it looks like pretty generally 40% of our aggravated assaults are domestic violence related. Although each one of it has its own social dynamic, those are not crimes in which police responses generally can prevent the event. I mean we can't help people choose well when it comes to who their partners are, and that does create a challenge for us.

We're also beginning to try to get a better handle on the number of aggravated assaults that involve people already known to each other who are having a dispute. And they don't fall into domestic violence because it's not a domestic relationship, but we're beginning to get a sense that a large number of our domestic violence incidents are driven by that dynamic as well. The reason we're trying to get a handle on this is, again, in a continuing attempt to get the community to understand their relative vulnerability to certain types of fear-producing crimes.

Clearly, aggravated assault is a fear-producing crime. It's looking to us--and this is a *very*, you know, simplistic number right now--that probably on the order, you know, of 1/3 to 40% of our assaults (probably closer to the lower number) are stranger assaults. We can't explain what the event was that caused it. But that closer to 2/3 of them involve people in some kind of prior on-going relationship. That doesn't let anybody off the hook; it doesn't make the violence any less concerning, but it does inform people's vulnerabilities in terms of "Who am I hanging out with?" and "Who am I living with?"

Those seem to be two of the most important decisions anybody can make to reduce their likelihood of violence.

As we continue to look at it, we want to draw your attention to the next slide. It demonstrates graphically the differences between 2005 and 2006. As you know, towards the end of 2006...in the summer of 2006, we did a major summertime intervention using a lot of resources to try to drive down the crime rate during the most violent season, and we had some significant success. When the fall came, we attempted to institutionalize some of the lessons we'd learned over the summer with a plan that broke the city up into geographic divisions and put each division under the command of a deputy chief. That's a very high level of command responsibility, but we really want to organize the city around its neighborhoods. What's also driven that is a commitment to crime analysis which we continue to refine. There's still work to do, but a small unit is generating an enormous amount of productivity for us in helping us analyze crime trends, crime patterns, crime locations, and we'll use that to inform our overtime deployments as well as our deployments of special units like the narcotics squad, the street crime unit and the traffic division.

AL: Can I ask a question? (Sorry to interrupt.)

EF: Sure.

AL: Rapes are up 4%. That's the biggest increase. The question I have is: Is there an analogous situation there with the what you said about aggravated assaults? Is there...is this stranger or is it...

EF: I think that's an important question for you to ask, and I wish I'd mentioned it. I would say well over 90% of our rapes involve people known to each other or other ambiguous circumstances.

Mayor Charles V. Ryan: What was that again?

EF: I'd say well over 90% of them, OK? We get the reports; we have to treat them seriously. Unwanted sexual advances are unwanted sexual advances, but the vast majority of those events involve people known to each other or involved some of our street prostitution community whose services are taken against their will in some kind of ambiguous context, but we have *very few* what I would call "stranger rapes" where out of nowhere a mysterious stranger attacks someone totally unknown to them.

AL: OK. Thanks.

EF: And so, it's why I talk a lot about it. It fluctuates. The reporting rates have much to do with confidence in us and the attitude of the victim. So, I mean, the events occur, but they're not the kinds of events in which average people going about their business or.... You know, if we had a serial rapist, believe, me, we'd be making a really big deal out of it. We haven't had anything like that.

KW: Commissioner, may I also ask a question about robberies. Were bank robberies part of that? I know there's been an increase in that.

EF: Well, bank robberies are lumped into it. Whenever there is one, they get a lot of attention. The vast majority of bank robberies are what we call "note jobs" in which somebody stumbles off the street, passes a note to a teller, and the teller gives them money, because it's corporate bank policy not to refuse any withdrawals authorized or unauthorized. Obviously, last week there was one involved a gun that we caught on camera, so, certainly, that's concerning and we're working on that. There was another one in an adjoining community recently. So, certainly it's got our attention, and we're devoting resources to it, but the overall...bank robberies are rolled into the overall robbery number.

I also want to draw your attention to two other sub-units of the crime rate. We broke out of both the robberies and the assaults the numbers of them committed with firearms, because, clearly, those are the ones that have the greatest potential to turn into a homicide. They're the most dangerous; they're the ones we worry most about. Again, we worked very hard to identify chronic offenders as well as to identify hot spot locations, and, in that context, we saw a 26% decrease in the amount of times guns were used in robberies. We think it's important; we're trying to put an assertive presence out there that deters people a little bit from carrying the fire arm. We've also been working with a very collaborative district attorney who makes sure that bad guys with fire arms do their year. So with that combination, I think you see the 26% decrease in gun robberies and 11% decrease in gun assaults. Those are important, you know, numbers embedded in the larger number.

Now one of the things you may have heard, we decided to do in just the last few months, is one of the goals we have is to remove the anonymity of our street criminals. You know, they're, you know, they thrive on anonymity; we need to remove it from them as much as possible, and so we try to publicize the "who does what" component of our business. Obviously, we have returning offenders coming back to Springfield. And in the last—I guess this is March, so I'd say—in the last four months, we've had a half a dozen returning offenders who've done one year of mandatory prison time for carrying a fire arm.

As they return to the community, I've worked out with Sheriff Ashe a program in which, before they're returned home by the Sheriff's Office, they're taken to 130 Pearl Street, and they're presented to the 4:00 roll call. Now, I usually have between 35 and 40 officers attending that roll call. The person is introduced to the roll call. His offence is explained to them, where he's going to live is told to them. Obviously, he's advised that these 40 officers will only be too happy to help him succeed in his successful transition to society. But at the same token, those 40 officers now have a three-dimensional view of who this person is, and what they've been arrested for, and there's just no substitution for knowing what somebody looks like and what they've done. So it's an officer safety

issue. It's also an issue, I think, in terms of helping us police the community better. And, to the extent that it helps a returning offender make better choices because he knows that the cops know who he is and are looking at him every time he walks down the street, if it helps, great.

AL: Is that a program that is used widely in Massachusetts or unique to Springfield?

EF: As far as I know, we're the only ones that do it, but I haven't tried to find out if anybody else does. But it's just one more thing to try to give our officers better information.

Real quick, that's the statistical graphic version of what I just spoke to you about. The next slide is a seven year trend line for violent crime in Springfield adding up murder, rape, robbery and aggravated assault. And, if you'll see, you'll see that in 2006, we had, certainly, the lowest number in the last seven years. So the bottom of that, you can see, what some of the different changes were. There's been a general and gradual trend down, but I think you'll agree that this past year was a fairly significant drop in the overall trend.

I'm going to try to bring you now up to speed with current events. I do this advisedly, because I've had a very bad luck with reporting encouraging news. It seems the fates are angered whenever Springfield takes note of some progress is being made, so I'm putting 100 police officers on the street this week-end to make sure that no bad things happen. No, but at any rate, we are continuing to work very closely with our officers to try to help guide their deployments and give them information that makes them more effective.

And, if you'll look, this is a month-by-month gun robbery comparisons of 2005, 2006, and 2007. The bottom (lowest) number is how we're doing for January, February and the first three weeks of March. Again, we're moving in a good direction. I'm holding my breath this week-end, but we wanted to share that information with you..

AL: Is there a difference in winter vs. summer?

EF: Yes, yeah, but, again, it can break both ways. In summertime, more people are on the street. It's lighter longer; there's more likelihood that an aggravated assault will last longer in the night and be violent. Wintertime is conducive to robbers, because it's darker sooner; people wear bulky clothes, [it's] easier to conceal a side arm. So when it comes to the gun crimes, it's a little bit of a wash, but we do have historic spikes of certain types of crimes during hot weather.

Moving to the next one which is the month-by-month gun assault string, a three year comparison period, and you'll see again that gun assaults in Springfield for the first three months of this year are down significantly compared to last year and the year before.

You know, I have...it's...sometimes you have to take a moment and really stop and acknowledge the work of your people. I've said this time and time again. You've got a very experienced, mature police department, and, you know, thing in the world I needed to do or that anybody needed to do for them was tell them how to be effective city cops. I think our goals, working with you, have been to provide them appropriate resources to help make them more effective, give them information and intelligence that helps them make quicker decisions in terms of deploying, and also to do our best to make sure that they get the support that they need and the strategic approach to our challenges that they need to take advantage of their knowledge and experience.

I've been very fortunate this last year in dealing with a group of people who could have responded entirely differently to "the outsider" coming from Boston, although I hesitate to add that I had to move from Virginia to be from Boston. (I'll never understand that, but... Believe me, when I was in Boston, nobody thought I was from Boston) But, at any rate, the fact is that there are a lot of ways a police department can respond to somebody coming from outside with some different ideas about how to deal with their core mission.

I felt the strong sense of kinship with this police department based on the fact that I grew up in a department not dissimilar from it. I know what it's like to grow up in a department full of good cops and bad politics. I know what it's like to grow up in a police department that can do good work, but the cars are falling apart, the station houses are condemned, and nobody seems to care about what you do. And it's tough to keep spirits up in an environment like that. And, although like every police department, we've got our conduct issues we need to deal with honestly and genuinely and without apology, we also have an extraordinary talent level, capability level and a consistent desire to do good work.

Given the fact that my junior officers have 12 years on—12 years gets you midnights on this job—and yet night after night, you read the nightlines: they're shaking the bushes, they're shaking the underbrush, they're stopping people, they're interrupting crimes in progress, they're making high quality arrests as they always have. But what I think is always happening is we're engaging the agency in a rational strategy and giving them the support they need, with this board's help financially, to give them the resources they need to do the effective department that they deserve to be.

And I thank you for the resources you gave us in FY 07 to really help make some... You know, we found out coming here, 85% of the cruisers have more than 100,000 miles on them. Trust me, 100,000 miles on a cruiser isn't 100,000 miles on a Saab. All right? I mean it is depressing to drive around with holes in your floor boards and exhaust coming up through the fumes and a milk crate holding up the front seat into a dirty station house. And, again, thanks to your help, we're doing our best to keep the station house decent looking, we've replaced the entire fleet, we continue to upgrade our technology. I think some real improvements can take place, but I do need to bring to your attention the performance of this agency, and the fact that they were willing to

humor me and cooperate with me and help us turn some ideas into, I think, effective strategies.

The last slide I'm going to show you is the year-to-date for our crime rate. I'm going to draw your attention to the bottom number before we drop our teeth over the top number. Year-to-date, crime's down over 10% overall, and that includes a 19% decrease in robbery as well as a 20% decrease in car theft which has been a significant problem for us as well as a decrease in felony assaults. Now this is going to fluctuate over the next year—I mean I remember fondly last October when I had a 33% decrease in homicide working, and we had four homicides in two weeks. So this is going to fluctuate, but what we do is change our deployments in response to fluctuations in the crime rate, and we will continue to do so.

What I am going to do is beg your indulgence and walk you through our seven homicides this year compared to last year so that you've got some sense of the dynamic this year. And what is different this year is that on six of the seven homicides were involved either people in a domestic relationship or who were known to each other.

We really had one homicide that's unsolved that we don't know what the relationship was, and the first homicide was the, obviously, the Kentucky Fried...Kennedy Fried Chicken on New Year's Day in the middle of the night in which two people shot each other. One of them's dead, the other one's under arrest, and that would fit very much last year's trend which is involving people with some significant criminal records in street beefs. But so far, (I'm going to regret saying this, because it'll change) so far this year, that's the only event we have that fits that profile.

On January 7, we had the tragedy in which the woman on Warner Avenue was doused by gasoline by the ex-boyfriend of her daughter, and she subsequently died. He has, obviously, been arrested for that and been charged with it.

On January 9, we found a woman in her closet who'd been dead for some time. This is an environment in which it appears to be a drug-related crime. We have as yet not developed a suspect, but that's an open case, and so we really can't say what the relationship was.

On February 2, we had a homicide in which two people who knew each other got in a fight and one of them was beaten up and subsequently died. The other fellow's been arrested for that.

On March 5, we had that horrific incident on Cottage Street by Hardey Industries in which the man burned to death himself and his two children in a domestic related issue. It's a double homicide. Horrific. It was a domestic violence issue.

On March 10, we had another homicide where a woman, after having had a dispute with her live-in boyfriend, stabbed him in the chest while he slept, and he subsequently died. She's been arrested for that.

And that's our homicides for this year. We're not minimizing any of them, but, again, in the context of what we're dealing with, this year so far the dynamic is very much acquaintance and domestic related. Clearly these are issues of concern, but we continue to try to focus on street related violence. So having said that, I'd be happy if you have a few minutes—I don't want to take too much of your time here—a few minutes for questions, I'm happy to try to answer them.

Let me bring one more thing to your attention. I just got this in the mail today [hold up a leaflet] Its the Police Executive Research Forum *Subject to Debate* and they just issued a violent crime report based on 2006 and 2005 numbers. So as you look at our overall numbers, study found increases of 20% or more in homicides over the two year period in Baltimore County, Boston, Charleston, Charlotte, Cincinnati, Fairfax County, Hartford CT, Kansas City, Memphis, Nashville, Newark, New Haven, Orlando, Philadelphia, Rochester, San Antonio, San Jose and Seattle, but not us. We were part of the study.

They found increases of more than 30% in robberies over those two years in Arlington TX, Baltimore County MD, Cleveland, Detroit, Fort Wayne IN, Memphis, Milwaukee, Orlando, Prince William County, Rochester NY, Virginia Beach and San Francisco.

An increase of more than 30% in aggravated assaults with firearms were found in Boston, Cincinnati, Cleveland, Las Vegas, Orlando, Rochester NY, Sacramento, St. Louis, and Seattle. Reason I mention that is these are cities not dissimilar to us in terms of their social dynamics and the amount of crime they've historically had, and, yet, at least in 2006, we bucked some pretty significant trends even while achieving some reductions when measured against ourselves.

AL: OK.

Jake Jacobson: Commissioner, you gave us some data on how various categories are trending over time here in Springfield. How do...how does Springfield compare to other cities in Massachusetts, you know?

EF: There are very few comparable cities to us in Massachusetts. Quite frankly, when we did release our data, we certainly tried to choose cities that had some connection to us so we had produced some data that compared us to Lowell, to Boston, to Worcester, to Hartford, New Haven, just to start [unintelligible] never get numbers out so we don't know what their numbers are. We also compared ourselves to Syracuse NY (which is also almost identically sized) as well as Jersey City NJ and Patterson NJ (which again is almost identical in size). Couple of them had ups and downs as we did in different trends; we had the largest decrease in violent crime of any of them. And we had those decreases compared to, say, Boston which was seeing increases in assaults and in homicides.

JJ: If we looked at it--I'm not sure what the right measure is, but if it's a particular category of crime per thousand people, population or something? I'm just trying to get a sense...does Springfield, given the cities that you've mentioned, does Springfield tend to have the same amount of crime for its population, population adjusted or less or more...?

EF: If I was to take a long view of cities say between 100,000 and 300,000 population (which I have), our homicide numbers are kind of in the middle.

Our aggravated assault numbers are high; they're very high, and I can't...I've yet to come up with a simple explanation for it. We're looking at how we categorize them to make sure we're doing it right. But we do have a lot of assaults in this community. And that's a challenge for us continuing, because that's a number that drives everything else. That's what makes us *look* really violent when they do the annual surveys and I break them... A survey doesn't say, "Well, how many were domestic related?" "How many were two nitwits who know each other?" It's just "Here's your aggravated assault data, so that's a challenge for us.

The other thing I want to emphasize for everybody, you know, right up front: we have too much crime, regardless of how much it went down last year. All right? I don't want anybody to think for a nanosecond that we think we won anything last year. What we think we did is we made a down payment on the future that perhaps we're organizing ourselves in a more effective way and using better the talents and abilities of our officers than we might have in the past.

But this is just a beginning. We're still working out the kinks in crime analysis. We're buying two new software packages. We try to make our numbers more accurate and our information at our disposal more rapidly. We're continuing to refine our geographic divisions of the cities in terms of how that works for both problem-solving, quality of life, order maintenance as well as crime control. We're continuing to try to put tools in the hands of our officers to make them more effective.

So, you know, I am pleased that the trend's going the right direction, but I wouldn't try to tell any community member or anybody that I think we've achieved some huge victory by any stretch of the imagination right now. I think we've demonstrated that certain interventions have promise, and we're going to continue to reinforce those and emphasize those going forward.

CVR: Knowing the risk in trying to read the future with sensitivity, [unintelligible] something good today, then something out of our control happens tomorrow, that trend line that you showed has been modest, but it's[unintelligible] been this most recent year, you have a sense based on what you know about this department, based on where you are in your data processing. What is your feeling as to the immediate future? I'm talking about the next year, two or three. All things being equal, do you feel we can continue this downward trend?

EF: Given the size of the problem we're confronting, I think we can make some dramatic improvements in it. I think it's important to just surface that this is going to take work and resources. Resources are in the amount of people I can put on the street and for how long I can sustain that investment. Through a combination of our own budget and the achievement of appropriate grants, we have to create an aura that we look like a bigger police department than we are. By that I'm not trying to say we need 100 permanent more people. I don't mean that at all.

But the challenge to a police department in a community like this in which there are so many relentless demands and calls for service that if I just left the department to its own devices, we could do nothing but answer calls for service all day long and prevent no crime. And so the challenge for us is by judiciously using overtime and our crime analysis units to try to create opportunities for us to prevent a crime by having foot and bicycle patrols, by having directed patrols, by having people not taking calls for some period of time so the public spaces feel safe. OK?

If you come downtown and you don't see any police officers, and you see worrisome conduct, you become afraid whether or not there's any "real" crime. And if you're afraid, you don't use our downtown. So we've got to create that climate, and we recognize that. We also know we need to do a better job on the quality of life stuff that so bedevils many of our neighborhoods, because that's what keeps people *in* the city.

We can't be all things to all people at the same time, but I think if we're judicious on how we manage our resources and, you know, keep that balancing act between the hard core crime control, order maintenance activity and the flexibility to do some preventive policing, we can push these numbers more rapidly in a better direction, but it's going to take some work.

AL: One question, as you may know, some of us come from Eastern Massachusetts, and we reside in Eastern Massachusetts, and one of the issues that's going on in Boston right now is that they're having problems with the community involvement in crime and people stepping forward to, you know, identify who's causing some of the crime. And I was just curious, do we have that similar situation in Springfield or do you feel that the citizens here are more cooperative and will be willing to, you know, stand up and be counted when a crime occurs in a neighborhood.

EF: I think it depends on what segment of crime you're talking about. The crime we're having trouble with is the shootings, the aggravated assaults that occur among people who have criminal backgrounds. That subset of violent crime we don't get much cooperation with. It's the same problem that Boston has.

We're having better luck with our homicides. I think that one reason is that so many of them are perpetrated by offenders that, you know, working with the DA's office again, we're able to provide inducements for people to cooperate with us, because many of them have pending charges against them. So we've had relatively more success in that world in those types of homicides, but the "young tough guy culture" is very similar here

to the young tough guy culture of Boston which puts a premium on not telling us who shot you, so it is a challenge for us.

AL: Any other questions?

CVR: Yeah. From conversations with you, I know the reliance that you put on data, and so that leads to the question of data gathering, and I'm wondering if you could share with us whether or not the capacity of the department for data gathering is greater than it was a year ago when you first came here and whether or not, if it is, whether or not it has reached the maximum of what you want. Or do you still need more support in order to adequately gather all of the data that you feel you need to have a more effective department?

EF: Information technology is a critical component of what we do, because it enables you to make better use of your most expensive and valuable resource which is the time of your people. Having said that, our crime analysis has really been stretched this year, because we inherited a number of legacy systems that didn't talk to each other. So even though we can put together a pretty nice graphic for a PowerPoint, hours and hours are spent *by hand* counting things.

We found for example that our CAD system and our records managements system don't talk to each other even though they belong to the same vendor. So coordinating the records system between what our CAD system tells us has happened and what our reports tell us is extraordinarily laborious. Putting together our crime dot maps, very labor intensive. Now, we have created a situation in which we have on order a new crime analysis program that will enable us to link together the CAD and the RMS; that'll save us tons of time. We have another software system on order that's going to enable us to crime map much more rapidly which I'm very happy to see.

We still have a lot of old legacy systems. We still have a lot of old special unit information stovepipes that people developed for all the best reasons—they didn't have any other way to do it---but there's a little program over here and a little program over here and a little program over here, and we've got to walk to each one of them to connect them together. So, you know, we're doing our best to produce a professional product, but I can't emphasize enough how many individual people have spent hundreds of hours trying to make this happen with technology that's really not up to standard.

CVR: When do you get to the point that you're striving to get to?

EF: I'll let you know.

CVR: OK.

AL: We're not there yet.

EF: No, we're not there yet. One of the things we're happy for is we've just ordered a software package to manage false alarms. We've had an ordinance for years, but no capability to track them or bill people or, you know, keep track of a business process to hold people accountable for the false alarms. That's a huge drain on us every year. 99% of our alarms are false; we're sending people. You know, we've got to get a better grip on that, and this year we'll be able to manage that, I think, for the first time.

AL: Kateri, do you have another question?

KW: Yes I do and first of all I'd like to thank you for mentioning quality and caliber of our police force. I agree with you. I think we're really lucky to have the talent we have and I'd like to congratulate them on their solving the homicides. I think they're...that they do a wonderful job of solving crime once it has happened. But I have a question and it's actually two-part, and I'm wondering...I know that there are like categories that you have to put the information in. Have you changed the way that you report the data to the FBI? And do you think that when that annual report comes out it's going to be a much more positive rating of the city of Springfield?

EF: We went through every aggravated assault that we could last year. Once we got a sense that our aggravated assaults were just remarkably high, we sat down with people from the State Police to try to see if we were classifying them correctly.

We didn't change the number by a lot, but I think we are...we have...we learned from them how to classify simple assaults and aggravated assaults more appropriately. So, going forward, some percentage of the decrease in the number of aggravated assaults, hopefully, will be the result of accurate reporting. And I say that...I can't stress enough, and I know you don't think so...this isn't about "cooking the books." It's about getting the number right for two very important reasons. One, it makes no sense to deploy my people to crime dots that aren't the dots I'm trying to suppress, because that's not the crime that happened. And the other part is the city does have a vested interest in seeing that it's represented accurately to the rest of the world, because everybody wants to compare us pejoratively to other places...or invidiously to other places. So we're going to continue to work on that.

The number that was important to me last year, then, was looking at gun assault decrease, because we know gun assaults are accurately categorized every year; they're always aggravated assaults, and that 12% decrease is a real number no matter what. So I'm confident that some percentage of last year's number was responding to our activities. Going forward, I think the number will respond to more careful reporting as well as our continued attempts to deal with the issue.

KW: Thank you.

AL: Charlie?

CVR: Mr. Chairman, I see Christine Cole in the last row. I believe this is her last day on active duty in the Springfield Police Department. She came here a year ago with Commissioner Flynn, has handled a very, very difficult set of responsibilities as senior administrative official to the department. She's now--and I think it's to the credit of the city--been offered and accepted a challenging position at the Kennedy Institute. On behalf of the city, I'd like to wish her well and thank her for her service.

EF: Can I bring her forward for a minute?

Christine Cole: Thank you very much for that, Mayor. I appreciate the opportunity each and every one of you have given me to be here the last year. I'll echo some of the words that the Commissioner used that it's been an honor to be here and to work with, really a great caliber of people in this department. And I have felt so warmly welcomed from the outset. And it's been just a wonderful opportunity a great learning experience and yet another reason that I think I've been asked to this new position because of the relationships I have with the practitioner community which the Kennedy School really needs to figure out a way to improve those connections between the academy and the working men and women, so thank you very much.

CVR: Thank you.

AL: Good luck in your new position.

CC: Thank you [Applause]

AL: If no one has any other questions, thank you, Commissioner. We're shooting for zero, right, zero crime, right? You'll have to work yourself out of a job.

EF: Phil and I are going to talk about the budgetary ramifications of zero crime.

AL: OK. Thank you.

Presentation Regarding Health Insurance Rates – Impact of GIC [Part2]

AL: I know it's tough to follow Commissioner Flynn.

PP: Yes, it is.

AL: So now, we'll go back to speaking about insurance.

PP: Yes. Wherever I was.... Steve Lisauskas will take you through the particulars of the changes in the city's health insurance plans over the past couple of years most importantly illustrating the potential savings or the savings that we have achieved not only for the city, but, more importantly, for the employees, so thank you, sir.

AL: We're a little behind, so we'll sort of...

PP: We'll move with dispatch.

Control Board Deputy Director Steve Lisauskas: Do my best, Mr. Chairman. The presentation I'm going to do is going to take a look at the city's actual health insurance rates, the impact they have on employees, and compare those to projections based on both Springfield's prior performance, the history of performance, as well as industry trends.

A number of changes have been made over the last few years, culminating with the city's motion toward the GIC, moving its insurance plans to the Group Insurance Commission. A significant amount of credit, actually probably the entirety of the credit, for this initiative belongs to the control board, the Mayor, Mr. Puccia, Marilyn Montagna and Linda Parent from the city. I'm doing this report because it's not at all self-serving. I wasn't involved in it, so all the good ink, all the good work is...does not represent my work, but represents the work of others.

The changes that we're going to present to you literally represent the difference between tens of millions of dollars in savings, in costs that would otherwise have been spent somewhere else. Those savings have been used to avoid layoffs, to make capital investments: as the commissioner mentioned in terms of replacing nearly the entire fleet of police cruisers, maintaining school buildings, doing road paving, any number of other things. I'll first present the information to you graphically and then have some summary information at the end and would be happy to take questions at any point in time.

Just as one note, the reduction in rates has—there is some compensating impact on the co-payment side. Co-payments have increased in some areas for the retirement coverage, excuse me, for the *insurance* coverage. But it should be noted that the “what is known;” the monthly or annual health insurance rate is a known. That does not change based on usage has gone down in some instances quite dramatically.

And, when you think about it, rates have been increasing on average in municipalities 18% per year. I mean if you think of 18% per year—if you have a year of 0 increase, that's outstanding, never mind some of the decreases we're about to show you. And just as one note also, these charts reflect also monthly rates rather than annual rates. If it is annual, I'll note it as such. This first [PowerPoint] chart represents—the top line represents Springfield's trend, the second line representing the Commonwealth's trend in health insurance rates.

In 2005, we started to make changes, so that's the basis for—that's where you can start your evaluation, where you can start looking at the changes you made. So, in 2005, if we continued along our own trend line, we would be at the top, which is about \$700. (\$692. per month) for a single HMO, single coverage HMO. Springfield's rate, annual rate, of growth was 22% which is worse than the 18% that the Commonwealth had. But that's a massive rate of compounding which is why, in many cities and towns, health insurance represents a full 10% to 15% of their budgetary expenditures on an annual basis.

If you look at the bottom two lines, the dotted line represents in 2006, between 2006 and 2007 effective January of 2007, the city moved over to the Group Insurance Commission. A projection based on the existing rates that we had: we would be at \$437.00 in 2007 without going to GIC. But going to GIC in January, our rates dropped to \$381.00.

CVR: You're saying that if we hadn't done anything 2½ years ago we'd be up around \$700....

SL: ...a month. Yes, sir.

CVR: ...a month, and, in reality, it's going to be \$381.00.

SL: That's exactly it, and the difference is \$311.00 per month. The employee share of that is \$78.00 per month or \$933.00 a year just by changing the manner in which we purchased our health insurance.

AL: People couldn't afford to pay it.

SL: I, I...it would be a huge, huge...a much larger portion of peoples' salary.

Thomas Gloster: Can you get me the overall numbers later on? OK.

SL: Yes. In the next slide, we look at family plan. Again, I'm...now that we have this a little bit established, I'm just going to fly through these a little bit more quickly. Had we done nothing, we'd be looking at \$1655.00 per month for the family HMO plans. Now, based on the two sets of changes we made, changes from 2005 and now the GIC changes, we're at \$944.00 per month for a savings of \$711.00 per month, \$178.00 of which is to the benefit of the employees on a monthly basis, so that's a \$2134.00 per year savings on the employee side.

On the POS plans, point of service plans, the GIC does not offer these plans, so moving forward in 2007, there's no basis for analysis. But just for your information, the changes that were made in 2005, for the first half of 2007, we still had the POS plans, resulted in a reduction of rates from \$513.00 per month to \$467.00 per month, about \$50.00 per month in savings on those plans. Same thing happens on the family plans. No longer offer them, but we're looking at about a \$235.00 savings a month there.

Going to the PPO plans, we have best case and worst case, depending on what...and by the way, the worst case is still good. Depending on what health plan people chose when they went over to the GIC, they could have gone to a plan such as this. These are the worst case plans here which represent, on a single family basis, a savings of an additional \$18.00 per month relative...if we didn't do GIC. But in total, a savings of \$171.00 per month from what would have happened had we done nothing at all; \$43.00 to the employees, \$513.00 per year. On a family plan, the change is \$447.00 per month. And, if we look at the best case, depending on what people chose, the rates

would have dropped...the rates have dropped from \$641.00 per month to \$332.00 per month, a savings that inures to the employee is \$77.00 per month. And in the family plan, it's almost \$200.00 per month in savings to the employees, based on almost \$800.00 per month in savings.

So getting into the...just into some of the broader brush issues. Prior to the changes, if you look at the 2002 to 2003 increase, '03 to '04 and '04 to '05 increases, HMO increases were 14%, 31%, and 20% per year. Great if you've invested that money, but unfortunately, that was an expenditure item. On the POS plans, a little bit more muted: 12%, 12% and 31% increase. And on PPO, 8%, 10% and 22%.

The average increases you can see there at the bottom are 22% for HMO, 18% for POS, and 13% for PPO which, when you look at municipal budgets which increase approximately 2 1/2% per year, these costs were simply out of control. The changes that were made in the 2005 and 2006 years actually resulted in a *negative* growth, a reduction: not just a reduction from the 18% down to 9%, but a *reduction* of 7% in the HMO rates, an increase of 15% in the POS rates (lower than trend, but still fairly high) and a reduction of 10% on the PPO side. And the movement of GIC has brought us down in the January to June category of a 13% decrease in HMO rates and a 4% to a 32% decrease on the PPO side. So these are just basi-...these are just changes that the city and the control board made in the manner in which HMO...the health care was structured, at first, and then, most significantly recently, going to the Group Insurance Commission.

And this is just the financial summary, as I talked about a short time ago, of the impact on the 25% employee share. You can multiply this by three to get the city share of savings on an annual basis.

A couple of important points: in FY 08, the rates we're looking at now, the preliminary rates for a commingled rate (and we need to disaggregate it), but a commingled rate for all employees is approximately a 6% to 7% increase on...across all health plans and, for retiree plans, a 4% *decrease* in rates through the GIC.

So again, we're looking at some, some very strong results by having made the changes we made and having gone to the GIC. There was a cost to it, and the cost came on the co-pay side. But these are some very significant, very known savings that, when you look at it relative to an average employee salary, if I have a family and I earn...and I have a family HMO plan and I earn \$50,000. a year, that's a 4% raise, a 4.2% raise. That's a significant amount of money.

And another important note, Medicare supplement plans, we didn't present the Medicare plans here...the city previously artificially reduced the rate on the Medicare supplement plans. When we went to Chapter 32B, Section 18 in the GIC, we no longer subsidized the *rate*; we have a different subsidy. So the rate floats as it should, and the subsidy is still received, but it's not in the rate. So it's not a relevant analysis to look at the rates, because there's an intervening factor of an outside subsidy. I'd be ha---...Yes sir?

CVR: Pardon me. How...you talk about for 08 preliminary figures...When do those become actual figures? Or to ask it differently...

SL: I would defer to...

Marilyn Montagna: [from the audience; unintelligible]

SL: So we anticipate getting...I think...the reason I refer to them as preliminary is I don't know if it's 6.7% or 6.8%...

CVR: But it's that close?

SL: We're within a 6 % to 7% range, yes.

CVR: From a budgetary point of view as we put our budget together, we've got a good figure to use right now, have we, Phil?

PP: Yes, we do.

CVR: Yeah, OK fine.

AL: Is that it?

SL: Unless there are questions.

TG: You say you're going to talk about the aggregate...how much is this translating to saving the city historically on an annual basis and the employees as well if you wish?

SL: It's almost embarrassing to say when you're looking at a \$50million base at an 18% annual increase and then you go to flat lining that or making that negative. I mean if you just eliminate the 18% increase, you've saved yourself \$9million.

PP: We think it's sort of...and there's no scientific...we can calculate a more scientific number, but there are sort of three major components: all the health care changes that have taken place over the past 2 ½ years, one was obviously the changing administration of the plan which saved about \$3million, then there were the significant changes associated with Medicare B which we think over a three year period adds up to---I'm going to say---\$16million, \$18million, and then these changes in growth and decreases, probably another \$10million or \$12million....there's no...you know....

SL: I think on an annual basis, to ballpark it would be \$20million this year...compounding.

PP: Yeah...so that that the...

SL: ...in the future.

CVR: Again, I want to pick up where Tom was that *if* there had been no control board or if the city administration had done nothing except continue on (Blue Cross Blue Shield, same program), we clearly would have run into the inflationary rate you're talking about. And so if you took that, let's say the *status quo*, and ran it forward through 2004, 2005, 2006, 2007 whatever it is, to get us to a point, maybe 2008 and you quantify, you're talking \$30million, \$40million?

PP: We would have eaten the loan fund.

SL: I think we're talking \$90million.

CVR: \$90million?! God help us!

PP: And if you didn't make the changes, in about the end of 2006. Because you would have used \$30million, \$28million in fiscal 05, because you wouldn't have made any of the changes plus you would have used the \$21million...yeah, you would have gone flat in the latter half of 2006.

CVR: Can you set that forth on paper for us some time? Of all the things we've done, that truly...

SL: Sure, absolutely.

PP: That's just a guess, Mayor, maybe it's the end of 2006. When you capture sort of the two major elements of from a cash perspective what has helped the city, there's a million different things. But if I was to boil them down to two items, it would be the changes in health care, it would be in the conservative budgeting of the tax levy and then I should say, thirdly, the collection, the aggressive collection, of taxes. Now those were all supported by hundreds of sort of administrative and management things that, you know, we've been implementing, but those are sort of the big three.

JJ: And is it accurate that if the city saved in the ballpark of \$20million, given the partial payments that retirees and employees make, they saved an additional \$7million this year on the 25/75 split?

SL: Yes, I would say that's fair.

PP: That's correct.

JJ: And am I remembering correctly that, when we did this, there were local elected officials that were presenting us with petitions from employees and all that as to how this should never be done and.... This *is* the topic that we took so much grief about, right?

PP: That was Section...yes...That was...this was one of them. There were Section 18 and then the thing that caused the most anguish was in the changes made in fiscal 2005 to alter the current health plan. Those were...

JJ: And am I remembering correctly that one of Governor Patrick's major initiatives is to get all cities and towns to move to the GIC?

PP: That's correct, sir.

AL: We should put you on the road to the other 350 other cities and towns.

PP: This...hopefully the legislation that's on the table in the statehouse for this will happen soon. I will say that, at the end of the day, it was with the cooperation of the union leaders, in particular Mr. Collins, who helped us craft this agreement that got us into the GIC and...

CVR: That's an enormous breakthrough.

PP: That was an enormous breakthrough for the city.

CVR: I'm glad you acknowledged that [unintelligible] our common goal.

PP: I think...I think Mr. Collins and many of the union leaders, while they might not have seen all of these numbers, understood the long-term impact to their members...so... We were happy for that.

JJ: I think it's useful to note that there are...you know, Springfield often feels like it's neglected and bringing up the rear, but actually there's a number of things that, given this administration's espoused priorities, Springfield can legitimately say that it is actually in the vanguard—it is *leading* the state, and other towns and cities haven't done it yet.

PP: There's another element, I think, Mr. LeBovidge spoke of here this morning is that when the board also moved the city's pension plan to the state managed pension plan, we think, in the first year...15 months, that we earned about \$20million to \$25million that we would not have earned under our own management which means...

AL: ...plus saving fees.

PP: Plus saving fees, so the two thousand retirees who are dependent upon the...a pension check from us have a little more comfort this year...a lot more comfort this year...than they did the year before. *And*, it will impact upon positively the 2009 budget for us, because it will likely decrease the city's required contribution from \$30million. And we went up \$4.5million this year from \$26million to \$30million, based on our track record. And, hopefully, maybe it goes down to \$29million of \$28.5million so we would make a benefit on both ends.

JJ: So this means you saved 400 jobs.

PP: Easily.

JJ: This is 400 city employees (police, firemen, people that are employed) because given this balanced budget is mandatory and given that we would have eaten through the entire loan fund, we couldn't borrow the money like we did for the garbage fee...

PP: That's right

JJ: ...so we would have been resorting to laying people off. So there are 400 employees that have their job because we *did* make this change.

JJ: That's correct.

CVR: When you make that written report, would you also include the element that Mr. Jacobson referred to, and that is: would you quantify the savings of the employees? I know it's on a 25% to 75% ratio, but if the city—and I'm still stunned by your figure of \$90million and I want to see it when it's finally in writing, [laughter] but with savings even anywhere near that then on a one for three basis, the city employees have a savings, this is a *remarkable* amount of money.

I notice when you were going through that, you were talking about a whole series of plans where you were showing, in some cases on an annual basis, there'd been a \$2000. a year benefit to the *employee*.

SL: That's correct.

CVR: What would...on a percentage of pay raise...a \$2000. What's that a 2% or 3% on an average employee?

SL: I think on a...if the average salary were, say, \$50,000, the HMO family plan would represent a 4.2% raise.

CVR: For a \$50,000. How about a \$35,000.?

SL: Then you're looking at 8%, 9%.

PP: And if you ask us any more questions, we might need a calculator. [laughter]

JJ: Yeah, all of a sudden, you're not in such a rush, I did notice.

AL: All right, any other questions?

KW: You know, I would certainly like to make a comment that I think it's wonderful that you were able to resolve the problem of the retirees and save them that money. And I think that Steve Lisauskas did a lot of work on that, and I don't believe he has been publicly recognized and, I guess I can say it, that the chair also did a wonderful job. And I think everybody in the city appreciates that effort, particularly our retirees.

SL: Thank you.

CVR: Was this something that you did all by yourself, Mr. Lisauskas, did you say that?
[laughter]

SL: No.

KW: Well, I heard it was your charts that did the trick.

SL: A very good team.

AL: We should acknowledge it was a good effort by people on the control board, but we do have to give the credit also to the Internal Revenue Service, and the fact that they were willing to work with us, and you know...

PP: ...the retirees thing.

AL: We knew...we've had some dealings with them from the state level, and we were able to get to the right people who were willing to step up and understand the situation and the kind of craziness that would have occurred trying to go after 3000 retirees. And they were very cooperative, and I've expressed my appreciation to them for helping out in that regard, so it was a win-win all around. Sorry it happened, but it happened in 1993 or something.

CVR: I would appreciate it if you would, because you work more closely with them, talk a little bit about the contributions of Marilyn and Linda. I mean this is a big deal.

PP: ...on the health insurance.

CVR: An awful lot of people did some good things on the administration of this entire... There've have been a lot of changes. It's not been an easy time in the insurance department in the city of Springfield.

PP: The insurance folks really have been on the receiving end of most of the confusion, complaints and anger in the changes that we've made in the health plan. And they have dealt with it remarkably well.

I will tell you that the effort required to move the city from its own managed plan into the GIC in less than three months for 20,000 covered lives took a Herculean effort not only by the GIC, but, most importantly, by Marilyn, Linda and their staffs who worked countless nights and week-ends to make it happen. (There were a few bumps in the road. We're still...and there are still a few to go.) But it was a very successful transition. And this July, we'll have, during the open enrollment period, we have a lot more time to do it a little more slowly, a little more carefully. But they did a very fine job.

CVR: I hate to think where we'd be without all this.

PP: Yes. I don't know where we'd be.

CVR: We'd be under water.

AL: You know that sludge plant that Mr. Collins referred to? We'd be in it.

Consideration of Two Executive Orders Concerning Donations to the Parks Department

PP: Mr. Lisauskas will also walk us through if we're through, if any of the members are done, Item Number V.

AL: Which is the...executive orders?

SL: Yes, two executive orders, two executive orders, Mr. Chairman, continued from last month's agenda, both of which are accepting or creating donation accounts for the Parks Department. We have a \$75,000. grant waiting to be accepted and anticipate possible total of up to \$200,000. The second of the two orders refers to the \$75,000. gift from Peoples Bank. And the first of the two orders, 02-12-02, would create a central holding account for grants so we don't have to create a separate account every time.

TG: Is this...the interest on these funds is...

SL: ...would remain in the accounts.

TG: ...and be spent for the purposes of the grant.

SL: ...and be spent for purposes of the grant, yes, sir.

*MOTIONS PASS UNANIMOUSLY.

AL: Never refuse a gift. If someone wants to give us money, we'll take it. OK. Thank you. Next item?

Consideration of an Executive Order Authorizing the City to Lay Out and Construct/Reconstruct Sidewalks

SL: The next item, Mr. Chairman, Item Number 3-30-01 is an executive order to authorize the construction of some sidewalks. The process that has been followed: The control board, as you may recall, a few months ago authorized the issuance of \$38.5million of bonds. Some of that money, I believe \$1million worth of that money was appropriated for the purposes of construction of sidewalks. The...this order would effectuate that by taking the money and applying it to the sidewalks as you see here with one caveat which I'll get to in just a second.

The Department of Public Works issued a procurement to build these sidewalks in the winter which is the best practice (That's when constructing companies are hungriest and they're doing their planning.) We received a really, really favorable price to do these sidewalks. These sidewalks need to move as a group, because it is a single contract, but there has been some discussion and some concern raised about the sidewalks on Plumtree Road. To that end, because we need to award a contract and it has to be...

AL: ...all of them?

SL: You can't just excise them. It has to be all of them together. What we would propose, working with President Walsh, is that we would like to have a public hearing, and what we've discussed it with the Mayor and he's in approval as well: have a public hearing to make sure that the public has a chance to comment on the sidewalk on Plumtree Road. There are a whole host of solutions that are possible.

AL: Is this a tree issue, of cutting down trees?

SL: I believe the issue is more of ...has the potential of impacting trees, also has impact on front lawns and the depth of lawns and where you are going to build the sidewalks. So we'd like the opportunity to address that with the public, but if we forestall approval of this executive order, none of the sidewalks can get done. So we'd like to have the public process, secure the great price we have and then have a hearing.

CVR: I would also like to point out that virtually all of these sidewalks are the suggestion of the school department that ties in with our decision a year or so ago on the busing, and we talked then about the responsibility we had to make sure that there was safe walking areas for children on their way to and from school, so this is a furtherance of that program.

SL: Thank you, Mayor.

AL: Any questions?

JJ: What is the...these sidewalks...the *city* is electing to pay for these sidewalks, is that correct?

CVR: Right.

SL: In full, yes, sir.

JJ: [emphatically] And what is the standard procedure of every other city and town in the United States when it relates to sidewalks that must be built for public safety, for the safety of the school children?

SL: My experience in three other municipalities is, the percentage varies, but there is a payment from the effected resident or business. So if you're paving in front of my house,

in the town of Natick, I pay 50%. In the town of Newburyport, I paid 80%. Whether I want the sidewalk build or not, it's not necessarily the case.

JJ: It's not your decision.

SL: That's right..

JJ: It just gets added to your tax bill.

SL: There is a betterment process, and if I vote against it or I vote for it, it happens. In this instance, these are sidewalks that the city has said "We want to build them and we'll pay the entire rate."

JJ: Right. So I think that in the public hearing process, it should be stressed that this is for the safety of the school children. It's unprecedented that somebody pays in full for an improvement to a private land owner's property. And that, in the alternative, if they don't like it, perhaps we could adopt a more *prudent* fiscal policy and cause them to pay for the sidewalks that are required for the safety of our children. So, in the alternative, they could do that.

SL: Thank you.

KW: Well, I would like to share with the board that I think it's unclear at this point what the sentiment is of the majority of people that live on Plumtree Road. But that that particular road, Plumtree Road, is the only one that I have gotten feedback from any.... And I don't believe any of the other counselors have gotten feedback from any of the other streets that are effected. And people have lived there for 30 or 40 years and feel that they should have some...at least the opportunity to have a voice on what's going on. And I can support this as long as there is going to be a public meeting.

SL: We have already scheduled it. for Thursday of this coming week.

TG: This will go forward with respect to the other streets.

SL: Yes, sir.

TG: And then Plumtree may or may not be in, but the contract will go forward...

SL: That's right.

TG: ...subject to the one...

SL: And there will be a separate decision point on that contract, that piece.

TG: All right.

****MOTION PASSES UNANIMOUSLY.**

Consideration of an Executive Order Approving Certain Agreements with the Springfield Library and Museums Association

PP: Item VII, Mr. Chairman. The Mayor is most familiar with this particular item.

AL: Thank you, Steve.

CVR: This item, Executive Order 3-30-02, is really the culmination of at least two years of negotiation. It was intense negotiation for probably the last part of my first year here, and then it broke off for a year or so. And then we picked it up about six to nine months ago and got to the end of what is now a global agreement, because there was a significant number of disputed areas with the Springfield Library and Museums Association which has a 150 year role in this community as the owners and stewards of both the libraries and museums. That relationship with respect to libraries came to an end about June or July of 2003. And it followed upon a decision of the trustees of that association to close three branch libraries, sell a fourth and publicly indicate that in three months, they were going to close three more libraries. The city, with the urging of a committee that I ended up being chairman of when I was...before I became mayor, was able to work out a situation where the running of the libraries moved from the association to the city. And the city has operated the library system since July 1, 2003.

I might say that, as the gentleman who spoke earlier about libraries is gone, when we took over, we had this emasculated system left to us, and it was only those who were operating were operating one day a week. We're operating four days a week, and we're running the entire library system at significantly less cost than the association was doing on one day a week. (Interestingly enough, I first met Ann-Marie Mahnken in that role, because she was active in the union of the library workers.)

I think that this agreement is an excellent agreement. What we've done is formed a basis to go forward. One of the things that we have done, and this board has left up until now on an annual basis, since the fiscal year 2004 is to pay a stipend or a subsidy to the association in view of the fact that they continue to run the museums. And we feel...I think any intelligent person would feel...that museums, especially museums of the caliber that we have in Springfield, are a key part of the quality of life of this city, and really part of our heritage and, I think, part of the city's responsibility.

And so, building upon that, we have created a series of agreements which essentially provide for the ending of a dispute as to the Mason Square library which is the library that they sold. They're going to contribute several hundred thousand dollars to the building of a new library. The city is not going to pay any cost for the new library. That will come from a trust fund that's being turned over to us. There's about \$8million in trusts and endowment funds being turned over to a new 501c(3) non-profit foundation which will administer those kinds of endowments going forward.

It provides for a guarantee that the city will be able to continue in its main library for as long as the leaders of the city wish to have that happen, whether it's 20 years, 80 years, whether it's a week and a half. But it's the call of the city. The ownership, the legal title of the branches will be conveyed over to the city for \$1.00. There is some books in a so-called rare book collection which some of them we ceded to the association as part of the agreement. Others are going to be sold, and when they're sold, the city will get 50% of the proceeds of that.

One of the key things going forward is that in this day and age...I'm not sure about the museums in the Boston area...but here, there has been for at least 10 or 15 years, ever increasing and significant charges to go to the museums for adults and children alike. And part of the agreement is that, henceforth, any resident of the city of Springfield has free admission to the museums at all times.

Last, but not least, that the \$1.2million that we have been paying under this kind of "stand still" agreement without anything in writing would go to \$1,320,000. and it would be for a 25 year period. That would be a fixed amount annually for 25 years going forward.

AL: Going to whom?

CVR: Going to the museum association, and that's instead of the \$1.1million which we have been paying over the last three years. And in order to have a contract of that length, 25 years, we really need the approval of the legislature. So there would have to be home rule legislation. And so several bodies have to sign off on this, beginning with the control board and then to the city council for city council approval and then, assuming that we get that, then there'd be the petition signed by mayor and the action of the city council to go to the legislature to ask for the ability to enter into this "Granddaddy" agreement which would be for a 25 year period of time.

So I think, all in all, it's a major step forward. It ends a very difficult dispute, and I think it ends it advantageously for all parties. I think we have a great asset here in our libraries and in our museums. And I think like anything else, even though you have disputes and you have antagonisms, that once you've settled them that you then build upon peace and you go forward. These are central parts of the life of this community, and we can build upon this now. And I think it will be a better day for everybody in the future.

TG: Sounds great.

AL: Any questions or comments? My only question would be is your sense and Kateri's sense that the city council will support this both in their vote and in their working with the legislative delegation to push forward a home rule petition?

KW: Absolutely. I mean as the Mayor said, everyone is very happy, not only that this is settled, particularly the location of the Mason Square branch and the trust involved with

that that they'll be very supportive. And members of the council are on the commission I believe you created, Mayor, to find a new location for that library.

AL: Because, you know, I just don't want to be in a position where the council supports it, we support it, and it dies on the vine in the legislature, because no one supports it.

CVR: I would think...

KW: Well, that free admission is fabulous for the city.

CVR: Absolutely. That's unprecedented.

KW: Believe it or not, members of the city council do like to read.

[Unknown member] I believe that.

KW: They take out books.

*MOTION PASSES UNANIMOUSLY.

Pay Increase for Anne-Marie Mahnken

PP: Mr. Chairman, I have one item of new business.

AL: OK. What is the item of new business?

PP: I've spoken, I think, to all of you individually, but I'm here to ask you for a rate of increased pay for Ms. Ann-Marie Mahnken who has been the executive administrative assistant for the control board since her hiring in February 2005. She has done more than an admirable job. She is somebody that myself David and Steve Lisauskas, two...three very type A personalities...that she...

AL: Others A+.

PP: Well, there's sort of A+, A, and A-. The interesting news is I'm the A-. [laughter].

AL: I'm worried now.

PP: But, seriously, she has done a remarkable job. She has met every deadline, managed our relationship with the city government, the city council, state government, all of our constituents here in Springfield, and her work continues to improve. I am recommending her raise \$6275. which is consistent with her position with state employees of a similar hiring date and position, which is really the two 3% raises that they received in that time period.

AL: Plus there's been no raise since she's been hired.

PP: No raise, but should she../had she been treated as a non-confidential employee, she would have received those raises. So I'd like your favorable vote.

AL: Nominate her for the Nobel Peace Prize.

PP: Your vote needs to be sent along to the Secretary of A and F consistent with Chapter 169.

AL: Any questions?

KW: No, but I'd just like to say that sitting in on the budget hearings so far, the other employees will also be getting raises, correct? From just the budget meetings that I've attended so far.

PP: On the city side? Yes. Just to be clear, Ms. Mahnken is actually an employee of the Commonwealth.

KW: Right, but she will not be the only one getting a raise; that's my point

PP: Yes.

JJ: But Phil's going to get a raise, too.

KW: I'm not sure about that one. [laughter]

PP: But the city employees, as you know, I've laid out sort of a schedule for all of them, and we have settled almost all the contracts as you heard earlier today.

KW: Right.

PP: So they'll be getting their raise consistent with that.

KW: Thank you.

****MOTION PASSES UNANIMOUSLY.**

Discussion of Internal Revenue Service Settlement

CVR: I just want to congratulate Phil and with the help of the chairman and certainly Congressman Neal for the settlement of the retirees tax issue. That was a tremendous accomplishment. And it was well-done and well-executed--some tense moments, but we got to an excellent settlement. I just hate to think of what would have happened had the retirees had to somehow move heaven and hell to do their old tax returns. I mean, it's just crazy, let alone the cost of the whole thing, so to put this to bed for \$250,000. was a master stroke.

AL: OK, well, we've got.... Yes?

Proposed Vehicle for Settling Police Supervisors Association Contract

JJ: Just one comment. I had not ever encountered Lt. Geir before, but I thought he made a very thoughtful presentation of the situation, and obviously heartfelt presentation, clearly laying out the position of the senior officers.

And it occurs to me upon listening to him that the essence of the disagreement is that, from their position, they had a contract with the prior administration, the administration which finally bankrupted Springfield, and that their position is that that contract be honored. And once that contract is honored, they are prepared to—I take it, although he did not say that explicitly—to enter into a new contract approximately along the guidelines that 28 of the other 29 bargaining units have accepted.

And from our perspective, the issue is that the combination of those two things creates a settlement which is substantially *higher* than any other bargaining unit has gotten and is not necessarily, from our position either affordable or appropriate. And, rather than continuing to butt heads in this matter, I'm just wondering...luckily enough for policemen and firemen, there is the Joint Labor Management Committee which is a statutory entity in Massachusetts for resolving precisely this kind of a dispute.

And I think we saw today from the Commissioner how important it is that everyone in the police department be able to focus on their very important job of insuring public safety here. And so, does it not make sense, given that the heartfelt nature that we heard from Lt. Geir and our responsibilities as we see them from the statute that created us, should we not just have this thing go to the JLMC and it's their job to be...to make rulings to settle these kind of matters?

And I would think in a very short period of time, we could get a ruling out of the JLMC, and these guys would have a contract and we'd all move forward with, you know, other matters. Doesn't that seem like a sensible approach?

AL: Yes...no.... That's fine with me; I'd like to have stability and finality.

CVR: Sometimes you need a third party to make a decision.

AL: Right. I certainly wouldn't be opposed to it.

JJ: For some bargaining units, there is no clearly laid out statutory approach, but there is for policemen and firemen. It seems like, since there's a mechanism for resolving these disputes, rather than, you know, negotiating... It seems like we're at an impasse in this negotiation, and thank goodness we have an opportunity, we have the JLMC, and we should just get to it and let them decide it. And let's get on with things.

AL: I ... From a process point of view, I don't know if they have to agree to do that, or what.

PP: I don't think so. We have the right, just as they do, to petition the JLMC. I do have a bargaining session scheduled, I think, April 4, with the state appointed mediator, and I think maybe if we don't make any real progress at that meeting, that's probably the most sound course of action. You know, this will be our 14th or 15th meeting on the April 4, so...yeah, I would agree.

AL: Put it on the table. OK, because if we ...

KW: I'd like to say that I'm really happy that comment came out of the public speak.

PP: Yeah.

CVR: That what?

KW: That that comment and your [JJ's] reaction to it came from Lt. Geir being able to come forward and being able to speak.

AL: Yeah, it's fine with us, sounds like.

MEETING ADJOURNED TO EXECUTIVE SESSION.