

FINANCE CONTROL BOARD, September 20, 2007

Present: Chairman Christopher Gabrieli, Mayor Charles V. Ryan, Robert Nunes, James Morton, City Council President Kateri Walsh, City Clerk Wayman Lee.

Public Comment

City Clerk Wayman Lee: For those people at the public speak-out: public speak-out is going to be three minutes. At one minute, you will get a bulletin, this sheet of paper to indicate that you have one minute left. At 30 seconds, I will hold up this sheet of paper to denote that you have 30 seconds left. And then at ten seconds, I'll hold up another sheet to indicate that you have ten seconds. There are eight speakers today, if you could keep it to three minutes, we'd appreciate it. We have another forum tonight and you'll have an opportunity to speak again. We'll begin the public speak-out portion. We have eight speakers. You have three minutes. I'll give you a heads up at one minute, thirty seconds and ten seconds. Try to keep your comments [sound skips]. The first speaker will be Miss Lois Smith.

Lois Smith: Good morning, gentlemen and Ms. Walsh. Good parenting means getting out of denial and I want to use that same philosophy here in today and I hope my comments will engender good will. With a 6.8% voter turn-out, it indicates that people in the community don't find our city government relevant. We seem to look only within 100 miles to find solutions, while in this great big world, big things are happening. Before you is an example that I brought today describing a city and when I went there 15 years ago it was a desert wasteland. There were no Barnes and Nobles or Borders. There was no winery. There was no IMAX theatre, there was no PGA golf course, no Robinson II 18 hole golf course, no scientific medi corridor. There was a bad areas, a significantly bad area, there was no Ann Taylor, Home Goods, Hyatt hotel or major malls. Fifteen years later, it's all there. As you will see, it has 6%. It's the sixth safest city in the United States according to the FBI...wasn't always like that. We dealt with that. That FBI statistic is for cities over 100,000 200,000 population.

We started out having almost no film except on Gene Autry Ranch, the cowboy movies with John Wayne. You will see before you on that list, a paper all the credits for film. We worked at that; we worked hard at that and it came true. We need to start looking at the big world for answers and not remain confined to shuffling strategies and ideas within our 100-mile radius. Massachusetts in itself is failing in bringing new people to the state We know that; it's recognized and so we need not look around solutions are. We need to look outside of Massachusetts.

New blood not for leader. You have a highly skilled mayor and a new spirited control board for whom we have great expectations, so we are not talking about people, we're talking about ideas. We need to open up the circle and let the public in. people believe they have insight behind the curtain planning. If they see results for their efforts, the next election will show a huge voter turn-out. I don't know that there's time on this election, but nonetheless, we ought to be working at it.

Dr. Burke was contracted by this board and he works from recommendations of the school committee. Dr. Burke has a pattern of giving jobs to each member of the committee or their relatives. So would you expect, in your wildest dreams, that he doesn't control the school committee votes? And moreover, he controls the votes for anything that he wants to do in our schools, and worst of all, the school committee will then, when Dr. Burke goes, replace him with another insider, who will carry on with the cushy jobs that he hands out. I hope the big world prevails.

Incidentally, in that wondrous city I spoke of to you, I was on the boards of transportation, tourism, youth and more; I was on the committee that initiated renewal grants and the subsequent efforts; I had a daily drive-time radio show; owned a magazine; worked with the developers, the city, film solicitation from studios; I still have contact with LA County sheriff's office in that city; and I do realize that this city needs a boost of outside light. Thank you for letting me speak.

CG: [Unintelligible comment]

LS: I'm sorry; what did you say?

CG: I said, having been out there, and lived in California for five years, they also have the advantage of no winter.

LS: Yes. I do understand. There are various differences, but some things still prevail.

CG: Point well-taken.

WL: Mr. Robert Brown.

Robert Brown: First of all, I'd like to just add a little something: that when we begin these meetings, we should salute the flag and say a prayer. I think it's an honorable thing to do, especially at this kind of control board.

But I'm here to raise your attention to the wrongs the financial control board and this city has shamelessly brought upon the retired police and firefighter veterans. When the financial control board and Retirement Board rejected and voided section two of Chapter 157, it showed what little respect and care it has for the veterans in this city. Over the years, the financial control board has effortlessly doled out millions to some of the less-deserving issues and programs without any thought or mission. Decisions, like the \$300,000 payout to former police chief [Paula] Meara; hiring people from outside the city—and they're still hiring them—to work here, adding thousands of dollars to our budget; indemnities for the public relations Commissioner [Edward] Flynn, and his staff, asking for millions of dollars for overtime, while also looking to add new money for Flynn's three or four new deputies, he's asking for. Money going to the homeless, who have done nothing to support this city. Money founded to [advance] ethnic agendas—and I really can find much more extravagant economic outlays, but still, nothing is there to

aid the retired veterans.

The Retirement Board in this city received from the retirement veterans this past year over \$20 million in dividends, plus millions from last year's investment, but none of it will go to the benefit or help of retired veterans. When this city says it takes care of our veterans, what a gross, shallow statement that is. All the cities and towns in Springfield area--which I passed out to you--passed both section one and two; they really know how to honor and respect their veterans. Springfield retired veterans rightfully deserve the same special recognition and honor. The city along with the retirement board should like to see that the veterans receive this. I urge veteran groups like American Legion, VFW, Amvets, and Korean vets to help fight this wrong.

Once each year on Veterans' Day, this city parades down the city hall steps where many dignitaries praise and honor our veterans. We now know that this is all for show and is really meaningless. Until this city shows how to rightfully honor its retired veterans, many of the aforementioned veteran groups should think about a boycott of future parades. Shame on this city and its government! Shame on the financial control board and retirement board! The Springfield retired disabled police and firefighters veterans deserve a more notable veterans' treatment. God bless our retirees, and God bless our veterans. Thank you.

WL: Domenic J. Sarno.

City Councilor Domenic J. Sarno: Good afternoon and thank you. James, Mayor Nunes, Chairman Gabrieli, Mayor Ryan, City Council President Walsh, Wayman. I want to speak today pertaining to the \$1million request for a police overtime budget. The number one priority of this administration should be getting permanent police on the street. We hear these statistics that have come out, and you can manipulate the statistics all you want, but that's not the right way to fight or combat crime. Being out there every day in the neighborhoods door-to-door, etc., the public feels no safer than it did two years ago. Public safety and crime is hurting the psyche of Springfield not only for resident retention, but for business retention.

Putting \$1million into an overtime account, continuing to expend hundreds of thousands of dollars, millions of dollars, of overtime account. The priority should be to put more permanent police on the streets, number one issue. That will drive confidence in the city of Springfield for the residents to stay and as far as business retention. Not overtime money.

We need to make that commitment. Putting more police on the streets will make people feel more confident, safer, and this is going to jell only to retain business, but for economic development. So my request would be to really review and to make a commitment for monies to go directly to put more permanent police on the streets. Not overtime money. This is just a band-aid approach to a long-term problem that we have here. It has to be made priority, and I suggest that you review putting in the \$1million.

Make the commitment of \$2 to \$3.2million Put the police on the streets, and let me tell you that if you do that, the city will be turn around ten-fold. And when people have confidence in the city of Springfield, you will be able to generate much more money coming into the city coffers. This is a band-aid approach. It will not deal with the situation that is arising right now. And we also need to do this in unison with the root causes of crime which is deriving from youth violence, youth development programs, gang prevention, and drug prevention. But right now, the number one priority must be to make the commitment, not for overtime. Make the commitment to put 50 more additional police officers on the street. Start to make that commitment. Once you do that, things will start to turn around in the city of Springfield. I thank you very much for your time.

WL: Susan Maki.

Susan Maki: My name is Susan Maki and I am a resident of the city of Springfield and have been all my life. I'm a product of the public schools. I'm a homeowner, a taxpayer, and I was one of the 6% that voted yesterday. My children are products of the Springfield public schools and now I have a grandson who is in the school system and I have a concern.

It has to do with the Renaissance School which is in its second year of existence in the city of Springfield. It's a Springfield public magnet school which means that parents were approached and encouraged to consider that school to send their children to. It received a \$1million grant from the Bill and Melinda Gates Foundation, and it's an innovative, new way to teach children.

It is supposed to be a middle/high school which means sixth through twelfth grade. It's a whole new concept, and I have great hopes and expectations for my grandson and every other child that are attending that school. I have never seen such an enthusiastic staff who are dedicated and excited to be at work every single day. I'm just thrilled about this school.

What I'm not thrilled about is that there's no room for the students coming in next year. I can't believe the short-sightedness of our city. I know that we're in a financial crunch and I understand all of that, but you've got the opportunity to revolutionize education. And let me tell you with our police force, with all of the problems and violence and everything that we have wrong with our city, education is what is going to fix it. You all know that education improves the quality of life; it offers trained, capable people to work in the businesses in our community. It offers a safe environment. You all know that that's the quality of life, and that's what stops the flight from our city is if we had better education.

One of my neighbors is moving out today. I am heartbroken. They have lived in this city for 37 years, and she's leaving, because of this deplorable situation. So back to my issue. These children are going to outgrow their school next September, this coming September. It was designed as a middle/high school. It is imperative that these students

and staff, especially, stay together, that the middle school is not separated from the high school, that's not the model that they're working with.

The principal is unbelievable. He needs to stay the principal and lead the teachers, that group of teachers, *together* with those students. And I am hoping that you are *frantically* searching and looking for a solution for this school. They currently have 450 students. They will be taking on two new grades next year, and they are at capacity, 450 students for the building that they're in. Please, please consider helping this school to go forward, to achieve and to help to change the city of Springfield. Thank you.

WL: Vera O'Connor

Vera O'Connor: Good afternoon, control board members. So good to see you all. I'm here, and I'm asking everyone, "Did you think that the primary election was a waste of taxpayers' money?" Here we are, strapped for cash, and yet we did not have the foresight to cancel it. The Mayor was in favor. City Council was in favor, and yet it was stopped. Boston cancelled their primary, because it was not worth it for one or two candidates.

So I think the control board should have stepped in there, and I'm serious about that. It should not have happened. A very low turn-out, 6%.

Another question: I hope you're in favor of the ward representation. And I don't know if you have any part in that. I know it's going to the legislature.

Casino gambling is supposed to come to Western Mass. I hope Springfield will be part of that board that has some governing power, and will there be any economic benefit from that? I hope so. And that's all I have to say, and have a blessed day.

WL: Darlene Best.

Darlene Best: I'd like to reserve my time until the next meeting.

WL: David Gaby.

David Gaby: My name is David Gaby. I've been involved in preservation in Springfield and in Massachusetts since the early 1970s. I've distributed for your today a copy of a document called "McKnight History; the Whole District" which comes from approximately 1986 when we were in the process of expanding the McKnight Historical District. The National Register District now includes approximately 800 homes.

The interesting thing is that if you'll notice the photograph which has a large Queen Ann house in the middle of it. This handsome residence is one of those which is now targeted for demolition. The reason it's been targeted for demolition and that it is unsafe is because we don't know where the owner is. There's nothing structurally unsound about it that's particularly notable; minor repairs could make it right. I have spoken to the board about that at their first meeting some time ago and have been

working with city officials including the Historical Commission and the Office of Housing to find a way to address this issue which essentially results from the fact that the city has resources for demolition but no resources for anything else.

I'm hoping to get a response to a draft proposal from the Office of Housing in the very near future. I'm just coming in to present this issue to let you know that it's still here, and that it appears that the primary issue is the availability of resources. Mr. Dietz who's the acting director of the Office of Housing recently made a presentation that there's a house, a particular historic house, that could be renovated, but the only resources he has are for demolition, so he's going to put it in the demolition queue. I'd like to look forward to bringing a proposal to the board in the near future where jointly with the housing department we can find a better approach. Thank you.

WL: Our last speaker: Stephen P. Gray.

Stephen P. Gray: Good afternoon, ladies and gentlemen, name is Stephen Gray. I live in McKnight. I came to McKnight after serving overseas for almost three years and raised seven children, I have 15 grandchildren; sad to say that none of them live here. My last daughter who lived next door to me; they broke into her daughter...into her house while she was sleeping, and the next day she moved out of the city, very sad.

I live in McKnight. I was very happy a few weeks ago when I seen a policeman walking on our beat and he said he was going to patrol that area, they were set up to do that. I haven't seen him since. I was dismayed to see that he is no longer walking a beat there, and that's what we need. You've seen my comments about spending millions of dollars on State Street, but until crime is brought under hand, we need something there.

I have had many businesses in the city of Springfield. Some of you are aware of them. I manufactured American Dream Modular Homes in the city, and that is a point. This is a the old Chapman Valve which someone has said it's been closed for 40 years. This [photo] was taken in the late 80s or early 90s. I manufactured thousands of homes there, brought in millions of dollars to the city, one of a number of businesses I had here. I'm now located in Holyoke. The city has to do something to help businesses. It has helped them out of the city, and what we need in the city is *jobs, jobs, jobs*. You're not going to have people, you're not going to have thing; all we have now is crime. We got to take care of that.

I've had a number of properties and newspapers here, number of different businesses. I would like to see the city—I'm getting a little bit past it myself—but I still live in McKnight. I've been in my house for over 30 years; it's one of the original houses. I do hope you get together and do something. Thank you very much for your time.

CG: Why don't we stick with our schedule which is to start at 1:00, so we'll take a couple minutes of break. Thank you very much.

Control Board Meeting

CG: Thank you very much. Before starting the formal part of the session, I do want to emphasize, and actually, this is relevant to the two gentlemen in the back, because you just gave public comments. We have asked the staff of the control board following each meeting to both keep a list of the comments, a summary of the comments that were received and to provide those of us on the control board with feedback on those elements. In certain situations, people bring up very specific issues that some of us know more about and less about. Some of the comments, of course, are more advice than they are questions. Some of them are very much questions, and so I did want to highlight that we will, starting today, be in a position as a control board, to read staff's analysis of each thing brought up at public meeting, and, in some cases, hopefully, be able to take action. So I do, you know, it's not the nature, as you know, of public comment that it's interactive, but I would not want you to think that it is a time for us to tune out and let you speak into the ether. It is very important, there are going to be certainly things brought up that we either don't agree with or can't be done or that, you know, whatever. There may be things brought up that can be acted upon and should absolutely be acted upon. So it's an important piece.

As many of you know, we're also having a two-hour meeting this evening at Scibelli Hall where we will be in a position, unlike these formal meetings, to actually interact with folks. I'm not sure that we'll answer everybody's questions or meet everybody's desires—kind of hard to do that—but this control board is very eager to continue to expand our opportunities to hear from people as well as to take action that needs to happen. So I just wanted to make sure you were all informed that there is follow-up on every item from every speak-out starting from when actually we started as—I believe we have both in June—both since this group became the control board.

So, to the agenda, Mr. Lisauskas, are you going to walk us through it or should I first seek approval of the minutes?

Approval of Minutes

Control Board Executive Director, Steve Lisauskas: If you'd like to seek approval of the minutes, Mr. Chairman.

CG: The so-called--if I read the minutes "30th second meeting was held"—I think it was the 32nd meeting—and the minutes are here. May I have a motion to approve the minutes?

****MOTION APPROVED UNANIMOUSLY.**

Recommendation for Putman Project Architect

SL: Thank you, Mr. Chairman. The next item on the agenda is Item 3, a vote regarding the recommendation of the Putnam project architect. As the control board is aware, the

Putnam project is the city's—or the Putnam School is the city's vocational technical high school. There is a project pending, a \$120million construction project to rebuild the Putman School, probably reuse a piece of the existing facility. It's a very, very significant project. And, statewide, it's also very important project: it's the first project to proceed under the state's new school building funding formula and school building construction management procedures.

As I said, this is the very first project, the first one to go through a designer selection process under the new state regulations which call for a 15 member panel (12 state appointees, three city and school department appointees) who went through the qualifications of approximately 11 design architect firms that were interested in bidding on this work. The committee met, had deliberations, had interviews, and selected DRA, Drummy Rosane Anderson, a firm based in Newton Centre MA, to conduct this work. The order before you, order 092003, would authorize myself as executive director to enter into negotiations with them for a contract to provide these services. As a note, the new state regulations provide that the only manner in which you can go to the second ranked architecture firm is if you are unable to reach a contract with the first. The School Building Commission has also voted in favor of awarding the contract to DRA.

CG: Any discussion?

City Council President Kateri Walsh: I would just like to ask, Mr. Chairman, if the firm that's chosen, have they had special experience with vocational schools, do you know?

SL: I...yes, actually. Thank you for the question. The schools that were selected for interview and this firm which was selected for the project has some very significant expertise, not only in high school const...not only in *public* school construction...high school construction and vocational construction. So, in all three areas that the committee thought were critical for a firm to have expertise in, Drummy Rosane Anderson had that expertise.

Mayor Charles V. Ryan: Mr. Lisauskas, would you share with the board the identity of the three Springfield members on the panel?

SL: Yes, sir. The three members on the panel were Dan Warwick from the school department, myself as the Mayor's appointee, and Patrick Sullivan, the Director of Parks, Buildings and Recreation Management for the city of Springfield.

CVR: Was the selection of this firm a unanimous selection?

SL: The way the selection was done, it was essentially a weighted, a point-weighted selection, and so everyone put in three points for the first, two for the second, one point for the third. So it was the firm that came head and shoulders above. I can't say that it was not the highest ranked of the 15 people, but it was head and shoulders above the others in terms of rankings.

CG: Are there any other questions or comments?

****MOTION APPROVED UNANIMOUSLY.**

Acceptance of Park Grants

SL: [inaudible] ..grants for the parks department.

CVR: I was wondering you've got kind of a time schedule here, and you're already five minutes ahead of time. And it might be helpful if you could introduce (or Mr. Sullivan could introduce) Rita Coppola because she's going to play a huge part in this project and also other projects, and I'm not sure that the board has really been informed. You've got five minutes to play with.

SL: Thank you. Pat [Sullivan] if you could join me up front, please. The city of Springfield has recently created the Office of Capital Construction Management. It's an office that with the significant capital plan...the significant capital *work* going on in Springfield, the first thing...one of the first things the control board did was the development of in the city a capital improvement plan and as recently as January bonds to fund a significant capital investment in the city of Springfield. It was identified as a need to have professional full-time construction management of approximately \$300million in projects that are either being funded or are proposed and moving forward. So with that as background for the creation of the Office of Capital Construction, I'll hand it off to Mr. Sullivan to talk about the new director of capital construction.

Director of the Department of Park, Buildings and Recreation Management Patrick Sullivan: Well, I've had the pleasure of working with and knowing Rita Copolla for 20 years I've been with the city of Springfield. And when I heard that the control board was creating this department, I had met with the Mayor and Steve and the prior director, Phil Puccia, and had recommended Rita for that...that they should consider her for that position. And I think the quickly realized the impact that she's had on the city of Springfield. With just parks alone, she's overseen over \$30million in upgrades to our parks, a lot of it not visible, because it was infrastructure work, but I think that stands to the depth of her knowledge of the importance of fixing things properly from the ground up. And I'm just excited for the city of Springfield, and I'm thrilled that the control board has agreed that she is the successful candidate for this position, because I think that the city is going to be well served by someone with the capabilities that are necessary for this position.

SL: Thank you.

Commonwealth Director of Municipal Affairs Robert Nunes: Is there a city match?

SL: On these grants? The first three grants that you see (Tree Top, Marshall Roy and Blunt Park), they...I believe they had city match from the bond issuance, the bonds that

were issued on January 26 of 2007. So these grants have been received, but not accepted, and because they obviously haven't been accepted, they haven't been expended either.

And DeBerry and Appleseed...DeBerry has bond money and Appleseed has private money. That's correct. Those two we're waiting to hear, and we felt that we're going to be able to secure through our general fund appropriation of next year, because those projects wouldn't start until next July. We could look towards our general fund appropriation of park improvements for the match for those grants if received.

RN: What are the renovations?

PS: The renovations basically include playscape improvements, general landscaping improvements, sidewalk, basketball courts where necessary and, you know, tree planting and so forth and we'd love to give you a tour some time of our open space. We're just named the fourth largest green city in the country by *Country Home* magazine, so we're very proud of the accomplishments with our open space.

RN: Because I met...before the meeting I had a nice tour of some of the neighborhoods in the city and drove through Forest Park, and I was quite impressed, and you should all be commended. It is a beautiful park.

PS: Thank you.

James Morton: Anytime you make improvements to a park there's the issue of maintaining those improvements. Have we given thought to how we're going to cover those costs moving forward?

PS: Yes. And working with the control board and Mayor Ryan, we've seen an increase in our allocation for maintenance both, not only in parks, but buildings. We are at a point now that where we have had great resources brought forward because of the control board in the maintenance of our open space, so that, at this time, is not an issue.

KW: I would just like to say that I think that our parks are a tremendous asset, and that if these renovations are similar to what happened at Van Horn Park where the Mayor shared at the dedication he used to court his wife, I think it would be an asset for the entire city.

RN: Can you tell me what neighborhoods these are in?

PS: Sure. We have Tree Top Park is in the Outer Belt, and that's an interesting project in that it was land taken when they built the Central High School. They had taken Blunt Park to put Central on. And the Mayor had remembered that promise made 20 years ago and supported the efforts to build a park for that neighborhood. Marshall Roy is in the East Springfield neighborhood, Blunt Park is kind of on the Pine Point—it borders a couple of neighborhoods--and the Bay neighborhood. And then DeBerry playground is in up by the Six Corners/Old Hill neighborhood, and Johnny Appleseed Park is on the line of Six Corners and the Forest Park neighborhood.

SL: And so the order before you is to accept the first three grants which have been awarded. The cash has been received though the grant has not been accepted, so that once that money is accepted, it can be expended. The last two grants, the DeBerry and the Johnny Appleseed Park, those are grant applications that are currently in. We would accept the money—the request is to accept the money if it's awarded and be authorized to expend it pursuant to the grant application.

****MOTION PASSES UNANIMOUSLY.**

SL: ...point out Rita Coppola to the board [unintelligible] to stand up and say hello, wave and say hello.

Rita Coppola: Thank you very much [unintelligible]

Approval of Bills from Prior Year

SL: The next item on the agenda is acceptance of...approval of payment for bills of the prior year. Under Mass[achusetts] General Law, if you don't pay a bill in a certain period of time after the expiration of the fiscal year, the legislative body, in this instance, the control board acting on behalf of the city, is required to accept, required to approve the bills for payment. We have for you the order that would allow by 2/3 majority payment of these bills. These bills are for costs already incurred.

In some instances, there was an error on the vendor's part and they failed to get us the bill on time. In other instances, for instance the police canine bill, that was the animal shelter is closing, and in fixing up its books in anticipation of its closing, it realized there were prior year outstanding balances for the city that we were not aware of previously. So on the attachment you have the bills being requested for payment from the prior year. The money would come out of FY2008 budget, and the auditor's office has determined there is sufficient money to pay for those in the budget of the individual departments.

****MOTION PASSES UNANIMOUSLY.**

CG: I'm inexperienced in municipal finance, to put it mildly, but \$100,000 of late bills on a \$500million budget strikes me as...good.

SL: I think it will be even better next year, Mr. Chairman.

CG: Zero is better.

SL: That's right.

CG: Finding money that is owed us is even better.

Acceleration of Retirement Funding

SL: The next item on the agenda is an executive order to accelerate the funding schedule for the Springfield retirement system. The...many cities and towns have adopted as a funding schedule we're seeking to adopt in this executive order. Basically what happened when the city was experiencing the financial difficulties that we experienced, it needed to be very, very careful about its cash flow. So instead of giving its annual appropriation to the retirement system every year, the state requires that you give, in our instance, about \$32million a year to the retirement system. Instead of giving that all at once and allowing that to be invested up front, the city divided that into 1/12 increments and paid it out a little bit each month. So what you end up with is money not being invested for as long a period of time as it would be if you did it all in January. So basically, what you're looking at is, if you want an analogy for it, it's essentially like prepaying your mortgage. If you're able to pay your mortgage ahead of time, you're able to save interest. In this instance, if we're able to put the money in July 1, we're able to *earn* additional interest in the retirement system.

The...the looking at the effect of this, it would have an approximately \$11million cost saving to the city of Springfield between now and 2028, which is when the system has to be fully funded. So, if you...that's approximately 6% of the amount of money that is owed to the retirement system. So it's a fairly substantial reduction in the amount of money that the city will owe the retirement system.

What we do is by accelerating the payment, by doing it in July 1 rather than the first day of each month, you earn that additional money; that reduces your appropriation every year approximately on average \$500,000. savings a year for the taxpayers which we have an order coming up next which is about \$1million a year, so helps provide some cushion for some additional spending.

CVR: I'd like to call to the board's attention and to the public that's here the fact that this problem of an unfunded pension plan is one of the serious problems that confronts this city going down through the years. Also the unfunded problem of health insurance. But looking just at the pension plan, the prior control board at least probably two or two and a half years ago did something that I think is profound in its implications. We're underfunded...well, let me put it this way: we're about 45% funded, 55% unfunded, and we've got to catch up. We have a fund of about \$250million plus or minus, and the history as compiled by PRIM in reevaluating all cities and towns—[to RN], as you know, this is part of the governor's package for relief to cities and towns—indicated that we were one of the gross underachievers.

And the history of the previous five years was we were having a rate of return of maybe 6% on our \$250million. We voted to put the investment responsibility into the state retirement plan. Our earnings in FY06 were almost 17%. It gave us an extra \$24million in one year, and we're now almost completing the second year, and we're having exactly the same result. And so it's almost a \$50million gain in two years. And so I can remember several years ago looking at this saying "We're going under. We're

never going to be able to do this. And what are they going to do in 2025, 26, 27 when the bell rings?" But at this rate, I'm not sure...I haven't measured that foot race, but these are enormous gains, and then the gain that you're talking about, Mr. Lisauskas, of another \$11million if we pay on the first day of the fiscal year indicates a...not only the fact that we can quickly close the gap, but I would think from the rating agencies point of view, too, this would be something they'd be very, very happy with. So I'm delighted at the progress that we're making, and I think what you're recommending here is one more giant step in that journey.

JM: Mr. Lisauskas, as I look at our analysis, it says that for year 2009, if we continue to pay it on a monthly basis, it would be \$34,347,000., yet it's a smaller amount if we pay it in a lump sum. Why is there a difference?

SL: When the...the amount that you pay every year is based on a number of factors. It's based on the number of employees that you have, what section...what part of the retirement system they're in (whether the police, fire or general) and it's also based on the assumed rate of return. so they look at 2028 as being the date you have to be 100% funded. So some of it is a back calculation to figure out how much you have to spend in 2029 to get you to full funding in 2028. So, if we're depositing the money earlier, some of it 11 months, 10 months (working its way back), we have greater investment earnings which allows you to deposit less into the retirement system.

CG: As I understand it, because I, I think that's...it took me a little bit, too, and I'm allegedly a money guy, you know, what I think that the way this chart works is by being at the beginning of the year, you assume certain interest that third column says that "saved." So \$1,250,000. It's really not saved, it would be assumed higher earnings, because you had all of the money at work for the whole year. There would be lost interest, because we would be moving money that would otherwise earn *some* interest (our cash, Springfield's cash) that's \$896,000. So the net difference is this benefit of \$355,000.

And, I think, you know, if I could comment, there's two points I'd make. One of them, and I think it's obvious this is only possible because the tough decisions the control board has made and the sacrifices of people in Springfield have taken on means that the city has cash that it can put in advance. The reason the city was stretching out the time it was putting in is that it didn't have the cash. So this is, I think, the beginnings of real *fruit* of that effort. And I also want to say, I think it's, you know, terrific work sometimes to talk about the work of the control board--I'm talking about the big picture, the things we try to do, and we are trying to do them.

This is a small thing in the sense of it's the minutia of how and when money switches from which account to which account, but considering that we're about to talk about how to put more police presence on the street and how to come up with the money, having \$355,000. next year is a meaningful amount of money, and I think it's the kind of day-in-day-out work that I want to praise you, Steve, and your staff for doing, because it's certainly not something that we as members of the control board are doing, it's the

staff that's doing it working with the city. I think this is a prudent thing to do. I agree with you, Mayor, over the long haul, the faster we can work number down, the more the receipts of the city can be spent on the needs of the city, not the unfunded retirement benefits. They've got to be funded. This is a good move, and I want to, you know, I hope you can keep it.... I don't want to hold you to this standard, but I hope you keep coming up with these things. This is sort of slightly magical to be able to....

CVR: It's a big ticket item.

CG: It is a big ticket item...big number. Any other questions? Any other pontificating speeches? Just me? Just mine? Not on this issue?

****MOTION PASSES UNANIMOUSLY.**

Transfer to Police Overtime

SL: Thank you very much. The next item on the agenda 022007 is a transfer, a requested transfer of \$1million to police overtime. I have...we have with us today Commissioner Ed Flynn from the police department who will, in a moment, speak about this transfer. We can handle the financial piece first and then however you want to handle the financial piece and justification and visa versa or the Mayor may have a comment as well.

CVR: Mr. Chairman.

CG: Absolutely. I think we should talk about the situations and justification before the actual money.

CVR: I would like to set the stage a little by reminding the audience that...and, of course, informing the board...that in February of 2003, exactly 4 1/2 years ago, the then city government eliminated 105 jobs from the Springfield Police Department, 70 officers and 35 civilian employees. It was an emasculation of virtually 25% of the department. And the reason was it had no money in the bank. There hadn't been \$1.00 in the free cash fund of Springfield since 1989. And so they had no alternative when the state government made a cut-back on aid to cities and towns other than to fire 353 people with a disproportionately high burden being paid by the police department of 105 men and women.

We have fought our way back, and, as you know, in the last two years, there has been an increase in the police department budget of \$8million in a city that 2 1/2 years ago was insolvent. The \$8million is to make up for a lot of inexcusable things that happened because of really the collapse of the city government. Within that \$8million is funding for forty new positions. So, whereas I said, we lost 105, we now have redeemed that by 40 people. We have for the first time in nine years a class of recruits half way through their six months training with 19 men and women, and I'm just waiting 'til Thanksgiving

when we can greet them on the streets of Springfield. So these are enormous steps forward.

By the same token, there isn't any question that this is a fundamental and probably the most important area of the city's recovery, the whole issue of public safety. And I hope that, and I know, that Mr. Flynn can speak to that in a couple of minutes. We had two horrific murders here a couple weeks ago, and in each one of those cases, women were murdered either in front of their home or in the second floor coming out of the bedroom in a...what was otherwise a robbery, probably drug-related robbery that didn't involve the women.

Because of our understanding that this is something that we have not yet fought our way back to full staffing, I asked in the company of the chairman, Mr. Gabrieli and Commissioner Flynn to meet with Governor Patrick. And we met ten days or so ago in Boston with the Secretary of Administration and Finance, the Secretary of Public Safety and the governor and his staff people. And I told him that we were recommending to the control board that we add to the city's budget for this year \$1million for further overtime.

It's not that there isn't overtime money in there already; there is. But one thing that the Commissioner says so well is "We've got to play offense, not defense." And we've got to put men on the street right now. I'm all for new classes and new recruits, and if the state would help us out financially, we could do more than we're doing which I think is enormous considering where we have come from and where we're trying to go. But I think that right now we're looking at a situation where, if the commissioner wants immediate resources rather than trying to recruit and logistics and civil service and everything like that for new classes, further new classes, that this way, he's going to have the financial resources to apply his men and women to the sections of the city or the neighborhoods or whatever it may be so that we can fight today the criminal situation.

I'm hoping and expecting some sort of assistance in this whole venture of further public safety from the Commonwealth, and I expect that we'll hear the governor's decision in the very near future. But, in the meantime, we're meeting, we have a responsibility and I think it's the intelligent and the prudent thing to do to ask for a further transfer into this year's budget of \$1million. That's my thinking behind this motion. I'm not sure, will you want to hear from Commissioner Flynn?

CG: I think so. I think that would be sensible. I know that...I think everybody on the control board has questions and comments. Having heard your comments, I think you initiated this request, I think hearing from the police commissioner would be very sensible before we either ask him questions or you or get into the dialogue, so [gesturing towards Commissioner Flynn] please...

Police Commissioner Ed Flynn: Thank you. Obviously, when I was first hired, the issues of crime, fear and disorder were brought to my attention as key issues to be addressed in order to make the city a viable place to live, work and do business and that

those three issues are related but not identical. Some of the things that cause fear are not necessarily directly correlated with crime statistics, but nonetheless need to be addressed. Quality of life issues don't necessarily track with either crime or fear, but if they're not addressed, that can have a negative impact on your stable renters and homeowner community, and you certainly want to retain both in order to remain a viable city. Certainly our reputation can have an effect on our perceived viability for additional economic investments.

So we've been wrestling with this for the last year and a half, trying to create an environment in which our strategies support our mission. We see our mission as really tri-fold: dealing with crime, fear and disorder, we need to create an environment downtown in the business community that's stable and secure in appearance and effect. We need to be responsive to our middle class neighborhoods so that they feel they have a police department that pays attention to its issues and that remains a stable presence in their lives. And we have a moral obligation to intervene in those neighborhoods that are characterized by extreme poverty and violence to have an effect on the crime rate and the violence rate in those communities. And so to do that, we have created our strategy which I previously described as community-based and problem-oriented and data-driven.

Now data is an important component of what we try to do and the data isn't just crime numbers. The data has to do with resources. The data has to do with organizational capacity. And some of that organizational capacity can sometimes best be judged compared to something. Now we can compare it to ourselves. It's fair to say that we had 150 more officers working for this police department four years ago. Clearly, not having that asset now is going to have an effect on our ability to deal with crime, fear and disorder.

But another comparison is other jurisdictions. The conversation the Mayor and I commenced probably around last April was when Boston had a crime hiccup that lasted about six weeks, but generated a circulation war between the newspapers there, and then generated money to hire 70 police officers provided by the state. And when I saw that incredible infusion of new officers in Boston, I went to the data. And I looked at how many officers they had. (Not so much in total, certainly they're a larger city.)

But their ratio of police officers per thousand citizens to give us an idea of what we're like. And as I looked at it, and I saw that even before they hired that new class, they had 3.8 officers per thousand, and we had about 2.4. And when you added the class that they were going to add and then you added the class that we had in the pipeline, I realized that if I were going to have the same ratio of officers to citizens as Boston would have, which would now be over 4 per thousand, that this city would have 165 more police officers than it does. Now that's a stunning number, and obviously, it wouldn't be responsible of me to come before this body or the city and say "We need 165 more permanent officers to deal with our challenges." Number one, we recognize our fiscal obligations in recognition of our past as well as to try to project forward in the future.

This city and this department never want to lay anybody off again. I'll be quite honest with you, we had a number of former police officers from Springfield trying to come back to us in the spring, and when the judge temporarily vacated the trash fee, every single one of them pulled back, and said "I don't want to go through that again." I'm not speaking to the merits of that issue, but there was a notion that there was some financial uncertainty literally drove away trained veterans who were familiar with the streets of Springfield.

Now we've hired a new class: enthusiastic young people. Some of you have probably met them or seen them. They were on the streets part time last summer. But hiring new officers takes time. When we accessed the list last spring, we graduate them in November, it will be about nine months between "Let's access the list" and "Let's hire somebody." That's not something that'll help us now.

The reason that I'm asking for this overtime infusion, as the Mayor indicates to try to retain some offensive capability, is that, you know, overtime can be adjusted budget year to budget year in light of your current realities. It's not a permanent commitment of people immediately. And secondarily, it's a commitment *now* that can result in deployments *now*. This last summer, we were pretty assertive with our overtime spending, because we recognize that not only were we trying to engage in crime control, we're trying to engage in fear reduction. And a lot of people in the community noticed additional foot patrols and additional bicycle patrols.

I can't produce those with straight time, simply because we're the social agency of first resort for the poor. We have an *extraordinary* number of calls for service separate and apart from our crime load. So, at any given night, the ability to generate what I would call "preventive policing capacity" which is tactical and visible and stable is difficult for us. And consequently, we do an awful lot of overtime deployments precisely to target hot spots as well as to produce a stable police presence in public spaces.

Just two years ago, the fiscal year 2006 budget could only generate \$330,000. in overtime for the police department. That coupled with the extraordinary lay-offs lost us a lot of traction. It's fair to say that a lot of problems spun out of control through nobody doing anything bad, it's just the financial reality of the city at that particular time. A reduction in force and a reduction in overtime commitment, the department was running as fast as it could just to stay in the same place, and, I think, had a difficult even doing that.

Last year there was a significant increase in our overtime budget. We worked closely with the financial control board, Phil Puccia and Steve [Lisauskas] to demonstrate carefully how we were spending it, what we were spending it for and to track our expenditures with our interventions. We continue to do that with the enhancement that we got this year. I mean our overtime budget this year is a healthy budget compared to years past. But, again, the challenge for us is with the base number of officers we have and the extraordinary need of this community, if we're going to project an assertive and

stable presence in our neighborhoods, it requires more assets than we can generate through our current fiscal year budget.

So this infusion certainly, you know, will be well and carefully spent, and again, will be in support of our data driven strategies as well as our fear reduction strategies which means hot spots, data analysis, but also foot and bicycle patrols for those public spaces where people really need reassurance. So I certainly thank the Mayor.

I was at that meeting with the governor, with the Mayor and you Mr. Gabrieli, and I think they certainly *heard us*. They certainly were made aware of our situation. They were made aware of our comparisons to Boston. I...none of us know what the outcome of that will be, but certainly nobody could refute both our need as well as our good intentions and our careful stewardship to date. We're not asking anybody to bail us out of a financial problem we're in. What we're asking the state to do is recognize the same level of duty to Springfield that it has recognized with the city of Boston and to provide us some level of equivalent...equivalent attention that would be in the best interests of this community.

JM: I have a question. How much is in the budget for overtime for the next fiscal year?

EF: The 2008 fiscal year budget has in it \$1.6million right now.

JM: For overtime.

EF: That's correct.

JM: And at what rate have you been spending overtime dollars currently?

EF: Well, I can't break it down for you for the week. So far to date we've expended \$475,000 out of our \$1.6million allotment, and that was primarily driven by our self-consciously enhanced summer deployments which we engaged in last summer as well. Normally, we play it like an accordion. There are certain times of the year in which we're going to expand the use of overtime because it's warmer out, it's daylight longer, people are using their public spaces; we try to project ourselves into that environment. And we kind of push the accordion back in for a couple of months and get ready to expand it again between Thanksgiving and Christmas, because there's always an up tick, particularly in property crimes, during that period of time. And then we push the accordion back in for a couple of months and then start to expand it again in the spring. This will enable us not to have to do quite so much pressing and pulling on that accordion.

JM: And, if I may, one last question along the same lines, how much of the overtime is spent on putting officers actually in the street as opposed to overtime in the police station doing various other activities?

EF: This is...all the overtime that we're talking about is aimed at putting people out on the street. I mean there's some occasional back-fills in the station because of sick time or injury time. One of the things people don't realize, that even with our reduced numbers from the past, in any given time, we've got 20 to 25 officers on injured-on-duty. So that reduces us even more in terms of the available number of people to work that have to be both backfilled routinely as well as providing a pool for us to draw from for our overtime assignments. Now we're managing the IOD [injured-on-duty] fairly aggressively, and I think people on the retirement board will certainly verify that we have been paying very close attention to how long people are out and for what reason. But the fact remains that that's an additional drain on us and has an effect on our routine overtime separate and apart from our tactical interventions.

RN: Mr. Chairman, how much of that \$1.6million is for court overtime? Or do you have a separate line item for court overtime?

EF: [turns to a staffer in the audience for an answer] I think it's 10-15%.

RN: \$1.6million in overtime for the fiscal year and that includes court time.

EF: I beg your pardon?

RN: And that includes court time, the \$1.6million.

EF: That's right. And this is a fairly assertive police department. There's a *lot* of court time and that obviously has an effect on us....

RN: You have swaps? Can you swap?

EF: You mean people work for each other?

RN: Yeah.

EF: Yeah.

RN: You can. How long do you think that \$1million will last?

EF: Well, I mean if we...I mean if we...we can...you know, the \$1million is an extraordinary help to us, because as we play that accordion, it just allows us to keep the accordion extended longer, for longer periods of time than it does normally. We also have some opportunities in grants; some of our grants are very specific as to what type of overtime that they will permit. So, for example, in the Shannon grant last year and this year, there's some amount of money we can spend on overtime for anti-gang work, and we do that; it's a separate pot. We're able to keep that going on things that are very specific and related to anti-gang work. And the same token, we've got the city money available to us, particularly for those...focused patrols that are more general in nature.

RN: Can you get to us a monthly report on how that \$1million is being spent?

EF: Oh sure. That won't be a problem.

RN: Thank you.

KW: I have a question. Commissioner Flynn, what do you hope will be the result of the meeting with the governor? Did you get a sense before you went there that he knew what was going on here or how concerned he was or...?"

EF: I would defer to my seniors here as to how that went over. I mean I would say certainly he represented that he was listening, interested and engaged. I mean the governor doesn't show up for a meeting unless he's pre-disposed to try to do something, so just his presence was certainly a positive sign. I mean in my experience, you don't bring in the top guy unless there's going to be good news somewhere in the pipeline. But having said that, they did not make any specific commitments to us while we were there.

CVR: He asked a lot of questions. He was very much involved in the discussion. He had his, really his two top cabinet members there that would be responsible for advising him on this issue. I don't think we could have asked for anything more. Mr. Chairman, what was your reaction?

CG: I think the fact that you called him, Mayor, personally and made, proposed commitments (that you had discussed with me), that this control board would take action, that you weren't just saying "You should do something" but "Here's what the city's going to do. Is there an opportunity for the state to do more?"

The governor clearly carved time out of his schedule to come to that meeting. I would agree, you know, with your characterization of the meeting. He asked very specific questions Secretary of Administration and Finance and Secretary Burke of Public Safety. You know, wasn't polite listening. It was interactive idea-generation, and I'm definitely under the impression that they're very eager to work with the city—within the limits of what they have possible—to both address the short-term tactical kind of things and they also took great interest in the issues that you, Mayor, and you, Chief, Flynn are talking about in terms of how they continue to expand out beyond this first class of 19, the permanent force.

So, you know, we would have loved to have had an answer. We suggested we would appreciate having an answer for this meeting. That was only a week ago. I have had communication with the administration since then. I know they're working diligently on it, and I would expect in short order we will have some feedback, and, I hope, some help.

KW: I did want to ask you a question about the overtime and, you know...is it overtime on all shifts or is it ...is that how it all works...I mean.... I'm pretty sure this will pass

today, so what happens then with this \$1million? And where does it put people? Are there some shifts worse than others or...how does that all work?

EF: You know, I've...I have established a base number to try to keep on duty at all times. And certainly depending on sick, vacation and injuries, there's some routine overtime generated to fill that. I don't have an obligation to do it contractually, and obviously we would oppose that for the obvious reasons we have to have that to manage our resources. But I also recognize it seems we need a base number to produce the base level of policing services people routinely expect given the volume of calls for service. So I work hard to keep that number going. And then working with the deputy chiefs in charge of the various areas, we, based on our various crime patterns and trends, will put out different overtime deployments.

For example, you know, in the South End recently, we had a rash of robberies, and we put a plain clothes detail out there. It's very targeted, very specific. It's aiming at about five square blocks, you know. We've had some, you know, short term gains there. It's that type of thing we want to be able to do. And, as I say, this summer we certainly invested in a lot of additional foot patrols, more so than we normally do. And that was a *very conscious* attempt on us to try to stabilize some neighborhoods and get that sense of, you know, "There's a stable police presence in our public spaces and I can take some level of comfort from that." That's an important thing to do. Whether or not it effects the crime numbers or not; it does have an effect on community morale.

KW: So, say you didn't get this \$1million transfer, what would be the impact of that would you say?

EF: Well, it's worth about 20,000 hours of overtime to us. I mean that's minus 20,000 hours worth of people being on the street doing something.

KW: Do our officers...now I mean this doesn't mean that if someone's...if there's a crime and they're pursuing somebody, they stop because their shift is over, correct?

EF: No, no. I mean we're always pay that overtime one way or the other. But this is much more trying to use our data to drive our decisions and to develop specific responses to those trends that we identify.

SL: And I think, as the commissioner said, part of this is also trying to get ahead of the game and trying to make gains playing offense rather than just defense. So if the department does not have the additional 20,000 hours, it limits the department's ability to play offense and get ahead and to reestablish additional control where it's felt it's necessary to establish that control.

CG: I might add that the context of sitting in the Secretary of Public Safety's office was a very useful reminder to me that there is, I think, a consensus kind of around what's the most modern approaches to these things. And Commissioner Flynn has held clearly in high esteem by them. They weren't necessarily as interested in some of the points about

the relative fairness between Springfield and other cities, because that is in part a political issue, but I think there was *no question* in my mind that the administration take is that the city has the statistics and management in place to be able to deploy things well. So there was no sense in the meeting that “Well, do you have a good use?” Just the other, you know, that there was an assumption that based on knowing the people, but also looking at the data, that the city’s actually very *good* at that.

State Police have extra patrols here, so the state has a direct sense of how well that’s being...how well the city’s operated. So one thing I can say that is good news to report is that there was *high confidence* that the city knows how to use resources well. And they were *quite impressed* with the degree to which every job that could possibly be civilianized, I believe, has been. So that as many officers as can be deployed—and I think there are many other police staffs that don’t have that situation—so they also understood that there’s nothing...you’ve squeezed what can be squeezed out of what you have. So I mention that only because I believed it going in felt more reassured afterwards that these resources are the only resources available and that they will be immediately deployed according to the cutting edge of understanding how to use statistics and decide what to do. Can’t assure outcomes, but can assure whether it’s smartly done.

KW: I was going to say, Mr. Chairman, that I am going to support this transfer. I think you’ve heard today at the public speak, and I’m sure you will hear tonight at the open session (which I congratulate you for having it at a time when more citizens might be able to come) that, as the Mayor said, public safety is the number one concern of our citizens. When you do have two mothers that are murdered in their homes and it sends a chill through the entire community to be able to do something positive to impact that problem, I’m very happy to make a positive vote on this issue.

RN: Mr. Chairman, a follow-up on Council President Walsh.. So you do not have minimum manning language in the contract.

EF: No.

RN: What is the ideal number of police officers patrolling the neighborhoods?

EF: We generally try to put out at least 30 officers, sometimes more depending on the shift, but we have a base number of 30-some officers. I wouldn’t call it ideal, but it’s the base number.

RN: [unintelligible] officers and supervisors.

EF: That’s patrol officers.

RN: How many supervisors?

EF: That depends. There’s generally three assigned to the field at any one time, but we’ll run with two if needs be.

RN: Do you go below the 30...much?

EF: We authorize to fill to the 30, OK? Occasionally we run below because they can't fill it, but we authorize to 30.

RN: ...but it's nothing drastic... nothing dramatically below the 30.

EF: No, and that also doesn't count sometimes units that are working, traffic unit may be working or street crime unit may be working. They may be working, you know, so those aren't added in.

RN: Thank you.

JM: Mr. Chairman, the only question I might have is: it appears that we're spending at the rate of \$500,000 in a 2 ½ month period of time, and admittedly the commissioner has indicated that during the summer, there were more activity going on than there might ordinarily be. I'm wondering if it might not be in our best interest to make a commitment of \$1million in additional overtime at this time while we're still trying to negotiate additional resources coming from the Commonwealth. Is it...does it behoove us to further discuss this matter with the governor before we make this particular kind of a commitment, because it is a lot of money? While I agree 1000% that public safety is one of the most important issues that we have to figure out how to address, I want to make sure the Commonwealth is doing its job to provide us with the resources that we need in order to create the kind of police force that can get the job done not only this year, but as we move into the future.

So I would wonder if we might want to hold off on making a determination like the one that's before us.

CG: I mean it's always a judgment call, you know, as to...in a situation where you're going to go in to somebody else to help you. Is it better...do you reduce the incentive if you take direct action yourself? I would say...I would recommend proceeding for this reason: we went into that meeting telling the governor that we were going to vote on it at this meeting, that the Mayor had recommended it, that I supported it, so I don't believe at this point that the administration were we just thinking of sort of negotiating tactics has any doubt to that commitment. And in fact, I think that it is a *positive* in their view that the city is taking its own direct action. I think they're impressed that we're not just saying, you know, "We'd like more money for schools. We'd like more money for police. We'd like more money for everything." I think they were very impressed that this was a priority, and it was very important for them to understand that this was a priority that the control board is willing to take from our *own* cash.

So I would tell you that...I mean met with the governor and others yesterday, I'm pretty confident that our message.... I think it's a very important question that you ask. "Are we discouraging the Commonwealth in effect," I hear you saying, "from feeling that

they should do it?” I think just the reverse. I would tell you I feel quite confident both from yesterday’s meeting and the meeting we had ten days ago that this move is actually accelerated attention in a way that I think is likely to get us some benefit and that, if we step back, I actually think that would appear to be renegeing on what we.... We were trying to show we were dead serious and we weren’t just posturing for political help, we were going to take action, and we needed them to do everything they could to join us. So I would urge you to...you know...to go that way.

CVR: Mr. Chairman, my own feeling is that when I called the governor on the phone and then set up the meeting and then you and Commissioner Flynn and I all met with the governor and his advisors that I did not intend to convey to the governor the idea that this would be a conditional situation, that we wouldn’t do anything unless they did, because I don’t think that really is our relationship with the state.

This is primarily our responsibility. I wasn’t embarrassed to go to the state government. One reason is the tremendous imbalance that’s manifested dramatically when you look at what Boston gets vis a vis what we get. But we have a clear and present need right now. And if I thought that we could not afford it, you know, if this was kind of the difference between being in business or not being in business, I never would recommend it. But I really think that this is one of the dividends of where we’ve come from in the last couple of years. Rather than four years ago when they didn’t have \$0.15 to buy a newspaper, we do have some reserves right now, and I think it’s a prudent and intelligent way to take care of what is primarily *our* responsibility. And, again, it’s the most important thing we do, so if we wait for the governor to see what he’s going to do—first of all, I think it’s a bad signal to him—but I don’t really think that’s the way to approach it. I think if we do what we should do to carry out our responsibility, that’s going to enlarge the chances that the governor will reciprocate as best he can. He’s got his own set of financial problems, and we have to be respectful of that.

So I really would hope that we could make an unconditional transfer here, and then, you know, this is a long road in our relationship with the state government, and we’re lucky to have a man in there heading the government now who really cares, who has invested himself in Springfield, and he’s got to make his own independent judgment based on facts that you and I don’t know about. And I’m content. Those are decent and responsible ground rules, and I would hope that we could really vote this up or down...at this time.

JM: With all due respect, I think that this highlights another issue that we probably need to address as we move forward—that if we are two months into the fiscal year looking for an additional \$1million for overtime, then, as we do our budget next year, we need to take that into account. Because we shouldn’t (I don’t think) be at this point in time looking for an additional contribution to a budget that has basically just been approved. So I...I just...I’m...

EF: In keeping with the thought, I mean, our expenditures to date aren’t simply because we’ve ramped up our deployments in the summer. When we engage in our various

responses, we are dipping into different buckets. There's the city bucket. There's the Shannon grant bucket. There's the Weed and Seed bucket. You know, there's a few other grants that help us do the same thing. And so at any given time, we may be putting more pressure on the city bucket; then we'll ease off and take out of one of the other buckets.

So I don't want you to think that I'm here asking for overtime to get me over my normal course of doing business, and we underbudgeted. No, you budgeted very well for us, and we appreciate it, and we used a lot of the city money in the first, you know, quarter of the year, but that's not to say, we used it and now "Oh my God, we're going to be out of money." No. We're thinking thoughtfully about how to use some of the other grant-funded buckets to provide these services, but this was a very specific type of deployment, so I don't see this as an emergency appropriation. OK? I see this as an enhancement to continue to do pro-active things. If I had to live with the city budget, we'd be able to live with the city budget; we wouldn't come back to you saying "Please give us some more money so we're not in deficit."

JM: Don't get me wrong. I mean, I commend you for your efforts and the strategies you're trying to employ. I'm just suggesting that as we move forward as a city, we probably want to include those enhancements and those strategies in the budget itself, so that it's not necessary for us to come back and try to supplement what we need, because in the future, we may not have a reserve that we can depend on for that purpose. That's my only thought in that regard.

CG: I agree with you entirely, and I think that part of the—as I see the circumstance here and one of the reasons I'm supportive is for three years the control board worked to get to the point where there wasn't literally a deficit.

And I think in every way, you know, every belt that could be tightened has been tightened. I think it is a sign that we're really moving in the other direction that the first class of 20 in nine years, 19 [police cadets] is being trained. I agree with you entirely as we get *our* first budget cycle, I think one of our challenges will be to balance between the admirable desire to show a balanced budget, even a bit of a surplus, and the need to take action right now. I feel like, given the disappointment of the two murders and the fear factor, in addition to the pure crime factor, that, despite the gains that have clearly been made on the overall statistics, that the idea of saying, "Look there's some more he could do right now and that we can afford it..." And, you know, my first question to our executive director was basically "Can we really afford this?" And I think the answer is really pretty clear from the way he laid it out for me. We're not taking this from reserves; we continue to have reserves. We are taking this from the better budgeting that allows a little more flexibility during the course of the year.

So I'm...but I do agree with you that as we go to the next budget cycle, I hope that we will feel comfortable switching from a kind of conservative and "all the good news will be good news" mode that we've been trying to be in for good reason to saying whether it's for police or other good issues in the city, you know, we need to be willing to

make the investments that are going to...to yield the gains. And so, I think at least in the police, I'm confident that we have....if we asked the commissioner to make such proposals, we may....be careful what you ask for, you may get it. I imagine you'll have quite a few good ideas about how to advance both the permanent force as well as other actions to reduce crime.

KW: I would like to say, Mr. Chairman, I would not like to see the vote delayed, because you picked up on the fear factor, and, you know, there are many...you've categorized a lot of different kinds of crime, but I mean the recent crimes, the incident in Forest Park and...but two mothers murdered in their homes really creates a fear that I haven't felt in a long time, Mayor, and I'm sure that you've heard from your constituents that all throughout the city, people would really like to feel that this could be one of police presence, so I hope we vote on this today.

CG: So, unless there's a different motion or any more questions...Mr. Nunes.

RN: How much does the city receive in Shannon grants?

EF: We just had that discussion, and I'm afraid the number is not in my head right now. We have the largest per capita grant. We've got the second largest one that is offered after Boston.

CVR: \$1.4million

EF: \$1.4million—there it is. Thanks.

CVR: As a matter of face, Mr. Morton was my representative in the first year coordinating not only with the city police department, but also with probably 12 different social welfare agencies. And, of the \$1.4million, \$500,000. went to the police department and \$900,000. was split up between all of these social agencies. And we will pretty much hold that the same way in the second year, because we did get another \$1.4million, and there's an ambiguity as to whether or not the district attorney and the sheriff's department will be included. Last year they were not, but they got Byrne grant money. They've applied for Byrne grant money again, and I don't know whether they're going to get it, but I talked with the sheriff after the meeting I had with Commissioner Flynn this morning to assure him that we would somehow hold him harmless, because we want him and the district attorney participating in this team which was, I think, did a great job in the first Shannon year, and I think we'll do a great job again. So I've indicated to both of those gentlemen that come hell or high water they will still be a part of the Shannon grant team.

RN: So \$500,000 is directed toward the police?

CVR: To the police department, yes.

CG: Any other questions? I'd like to move the...whatever the proper number is, Mr. Lisauskas. Thank you very much. Which would transfer \$1million—well, I'll let you to...do you want to give us the technicality?

SL: Sure. The motion before you would move \$1million from “special revenue account for a particular project that is going better than expected” to “police overtime” in the amount of \$1million.

RN: Can we specify for additional police patrols?

SL: Sure. Don't see any reason to limit that you can't.

RN: No problem with that.

CG: Not at all.

RN: \$1million for additional police patrols? Would you have a problem with that?

CVR: I'm not sure from a...I don't know that we have that... We call it “police overtime... You [SL] know, you're the budget man.

SL: I think as a...

CVR: comfortable with that nomenclature?

SL: Yes. Can...[turns to EF]?

EF: Fine.

CVR: OK. Fine

SL: Administratively it is additional police patrols. Clearly, we'll state that to you...we'll track that for you in the monthly reports.

RN: Great.

****MOTION PASSES UNANIMOUSLY.**

Eminent Domain Taking: White Street

SL: The next item on the agenda is an eminent domain taking for property on White Street. Before we get into that, I just have to ask for the board's indulgence just as Commissioner Cassinelli joins me at the microphone. One of the initiatives that we're working on in the city of Springfield is to improve the reporting capabilities of the city, both in terms of finances and in terms of operations. And the commissioner has an

annual report to present to you and just wanted to introduce the team of folks who were instrumental in putting it together.

Fire Chief Gary Cassanelli: Are we going to do that first? [SL distributes the report to board members.] Thank you very much for allowing the fire department some equal time in front of the board. I'm going to go out and buy an accordion. [laughter] I really thank you for your time and attention to this...one of the...I've got two documents in front of you I know you haven't seen yet, but I think we submitted our annual report last year to the board. In fact, we submitted the original 1934 copy, I believe, to the board last year as well. There're still some unsettled issues from 1934, but address those later.

Any rate, I'm a big believer in recognizing people's work and some of the creative energy that's now being displayed in the city of Springfield, and I think the...if I can say, the control board and the Mayor have been very supportive and Mr. Lisauskas in allowing us to do these kinds of creative things. First of all, two documents, you have the 2006 annual report in front of you. Two of the people I'd like to recognize I'd like to recognize them, have them stand up: Firefighter Dennis Ledger who's our public information officer and Kathy Collins who's our principal clerk in our training division who spent long and countless hours trying to get everybody to make sure they contributed to this report. And it is really a work in progress. It has evolved. They've done a tremendous amount of work, and I would like to thank them for their efforts. And I can tell you it's a...it's kind of a labor of love, and we're very proud to put it in front of the board today. Thank you very much. Thank you. [turning to the staff members he just recognized]

The other report you have in front of you, is something that, I think, with the advent of the control board, something we...we really obviously take the city...these financial conditions seriously and we...we're big believers...I'm a very strong believer in "If you don't understand what you've done in the past, you're never going to be able to look at finances in the future." And this is the first year that we've been able to produce this...obviously, you see the young lady's name on here, Lisa Willis, our financial analyst in the fire department. Lisa, will you please stand up? Lisa put a...came to me and said, "Chief, I'd like to do a financial analysis of the prior fiscal year." And I said, "Sure. Go ahead." And she... this is her...this is the work product that is in front of you. I think if, you know...if you look through and you take the time to look through it, you'll get a really good concept of where the fire department stood last fiscal year, but she's also did a year-to-year comparison and did some multi-year comparisons that will give you a real good financial sense of where the Springfield fire department has stood in five years, ten years and in the past and what we are today. So I'd just like to thank you for your time and your attention to these, and I'd again like to thank the people for their hard work.

CG: Thank you for presenting this report, and I look forward to reading it. I certainly see some interesting statistics here and some real improvement on some important looking metrics to both performance and efficiency, so...

GC: That's one year, Mr. Chairman, you'll see a next year's report...we're going to...obviously the emphasis in Springfield is on performance measures, and you'll see a...in next year's report a break...a more of an explanation on our performance measures and what they really mean to the city. Thank you very much. Appreciate it.

SL: And if I could ask Deputy Shea to join us here for orders 08A and 08B, and I do have one amendment with...with my apologies to the board [unintelligible] The two orders before you for the taking of a piece of property, two pieces of property, on White Street for the construction of a fire station. During the...as part of the 2007 bond issuance included funding for the acquisition of property for the construction of a new fire station as well as the design of that new fire station. The orders before you would take \$280,000. which is the appraised value of the two pieces of property together...they...to be funded from the proceeds of the bond issuance. So order 08A would effectuate the appropriation to fund the taking of \$280,000., and 08B as amended by the sheet, the page 2 I just provided you (and provided the clerk as well)...would fund \$280,000. (\$160,000 for the named piece of property at 382 to 384 White Street and \$120,000. for the unnamed piece of property, the adjacent piece that does not have an address [it's just listed as "south side" on the city's property records which is sufficient for the taking]). So order B would effectuate that taking as described.

CVR: Mr. Chairman, I was wondering if I could offer a couple of remarks to set the stage for the consideration of this taking order. And that is that when we had the Buracker report 2 ½ years ago on both the police and fire stations, one of the things that the Buracker report hit on with respect to the fire department did not come as a surprise to anybody, but it gave it a certain status that probably the issue hadn't had before that time. And that is that in the southern part of the city, we have two fire stations, one at Oakland Street and one at Sumner Avenue, probably a mile and a half apart. The Oakland Street fire station is probably the oldest fire station in the building [sic] if not the lower valley. And it's antiquated and structurally unsound, and right in the middle of a very, very bad traffic situation. The Sumner Avenue station for a variety of reasons has not been staffed in four or five years, because, again, the department ran out of money. And so we have an area of the city that really has not been serviced. The recommendation was that we close both of those stations, put them up for sale or whatever dispose of them properly, but build one new station in a location clearly somewhere between the two stations, so that, out of this new station, you could serve the entire geographic areas which in the past had been served by each of the two stations, bearing in mind that one of those stations really wasn't active any more.

And so that made sense to us, the control board, to Mr. Puccia, your predecessors. And so we set about with the help of the professional leadership of the department to find the best spot (and Deputy O'Shea actually can talk to this). But when you're looking for fire engines, you really want response time. I mean, where can you get there to the greatest area the quickest? And this location really won all of the competition between the four or five lots that were studied. But we think it's time to move forward. There's a great lack in this, and when we floated our \$33million bond issue in January of this year, we provided in that bond issue, \$500,000. for land-taking and let the rest of it go as far as

it can towards the selection of an architect, realizing that the capital cost of the issue or we're going to be something we're going to have to do in an encore. But this would enable us to the \$500,000. that was in that bond, that's designated in the bond specifically for this new fire station allows us to make an award for the property, and then also, in this case, have \$220,000. left over as the down payment on what we're going to have to spend in order to hire an architect.

We see it, really, as a two bay station with two pieces of equipment which the chief can speak to far more ably than I can, but it will very dramatically serve a very, very large geographic area.

GC: [unintelligible]...Deputy Chief John O'Shea, deputy of operations of the Springfield fire department. If you'd like to give him...like to have him give a quick address as to how we handle tit...this issue or would you like specific questions.

CG: Feel fairly well-briefed in the...about the process and I've heard...I think we've heard in prior executive session about the specifics, so, not meaning as short shrift, but rather as a statement of confidence that a lot has gone into this recommendation, I'd just rather go to questions, if you're all right with that. Any...are there any questions?

KW: I'd like to ask if this is going to e a new fire station...is there going to be anything new with the design or any new technology or hazmat or anything like that?

Deputy Chief John O'Shea: Yes, Councilor Walsh, there's going to be increased capacity for decon-ing, because our firefighters now are routinely going to medical runs, and there's a possibility that they could, you know, be exposed to some sort of contamination to be able to clean themselves up more effectively than the facilities we have in general.

GC: That's critically important. The majority of our runs now are emergency medical service runs, and firefighters are becoming exposed to more and more problems related to that, so we thought this was a critical part of every new station we build.

CVR: The next move after today would be to move forward with a project engineer, and within a year we feel we can get that internally. And then we would then start the process and the designation of an architect. That hasn't even begun. I have no idea who that will be.

CG: Any other questions or comments? Is there a motion?

SL: 08A would be the appropriation of \$280,000. for the purposes of taking the property. It requires a 2/3 vote.

****MOTION PASSES UNANIMOUSLY.**

SL: 08B as amended by the new page 2 would execute the order...would authorize the order of taking for the property listed, the two properties listed on White Street.

****MOTION PASSES UNANIMOUSLY.**

Update: Study Retirement System

SL: The last item on the agenda, Mr. Chairman, is just an update. The Springfield retirement system has requested the assistance of the Springfield Finance Control Board in studying its operations. The...they have asked that the control board issue a request for proposal to study the, the...what they do and how they do it, and how effectively they do it. And I just...if I, if they can get the acclimation of the board, the sense of the board as to whether you would support working with the retirement system on that, why we conduct the study and they pay for it.

CG: Do you have a recommendation?

SL: My recommend-...I have a strong recommendation in favor of supporting their work in that regard.

CG: The opportunity to find efficiencies and improvements?

SL: We'll look for another \$11million, Mr. Chairman. Absolutely.

CG: You and I have had a chance to discuss this a bit. I ...you know, the continuing work, as I said earlier in the meeting, might seem mundane or prosaic, but strengthening every bit of fiscal and operating aspects of the city you can in conjunction with the department...I think it's wonderful the department's sought this out. It's not our *fiat*, and I would encourage us to do it. Any questions?

CVR: You don't need a vote. You're looking for a sense of the board?

SL: Just looking for a sense of the board, Mr. Mayor.

CG: Do you want a vote just for fun?

SL: That's OK.

CG: OK. Thank you very much for the update.

SL: And we have one item in executive session on strategy with regard to litigation.

****MOTION TO GO INTO EXECUTIVE SESSION AND NOT RETURN PASSES UNANIMOUSLY.**