



*City of Taunton
Municipal Council Meeting Minutes*

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*In the Chester R. Martin Municipal Council Chambers
Minutes, August 11, 2009 at 7:25 O'clock P.M.*

Regular Meeting

Council President Pottier presiding

Prayer was offered by the Council President

*Present at roll call were: Councilor's Barbour, Carr, Croteau, Marshall, Fiore,
Pottier, Costa-Hanlon
Councilors Buffington and Hoye were absent*

At this time a moment of silence was observed for Senator Ted Kennedy and Eunice Shriver Kennedy.

Record of preceding meeting was read by Title and Approved. So Voted.

Motion was made to revert out of the regular order of business to Page 12. So Voted.

Com. from Human Resource Division for the appointment of two (2) permanent full-time Police Lieutenants. On a roll call vote, seven (7) Councilors present, seven (7) Councilors voting in favor of Daniel J. McCarthy with a start date of August 11, 2009 and Peter N. Ferreira with a start date of September 1, 2009. **Motion was made to refer the issue of promoting two (2) Police Sergeants to the Committee on Police and License for two weeks. So Voted.**

Motion was made for the City Clerk to call for one (1) Fire Lieutenant. So Voted.

Motion was made to revert back to the regular order of business. So Voted.

Communications from Mayor:

The Council President read a communication from Dick Shafer, Economic Development Director stating that Agar has revised their amended TIF agreement following the EDIB meeting and would like to meet with the City Council on August 25th. **Motion was made to move approval. So Moved.**

The Council President read an article from the Boston Herald about a statue depicting a soldier, an American flag and USA that a couple created and wanted to donate to Swampscott but the town declined the gift. Councilor Pottier stated he would like Taunton to consider accepting this gift and motioned to refer this matter to the Mayor's Office. So Voted.

The Council President read a communication submitted by Norm Milot regarding land parcels on Greylock Ave., which are now property of the City of Taunton. **Motion was made to refer to the Mayor's Office and the City Solicitor and the Committee on Public Property. So Voted.**

The Council President read a communication submitted by Veterans Service Director/Agent requesting that the City of Taunton accept the provisions of Chapter 182 sections 16, 17, and 117 of the Acts of 2008. This legislation is codified in MGL c. 60A section 1 and section 9 and was approved by the Governor on July 13, 2009. This legislation would allow the City to exempt the automobile excise tax for a resident service member who is on active duty outside of the US for a minimum of 45 days during a calendar year. **Motion was made to refer to the Committee to the Council as a Whole. So Voted.**

Communications:

Com. from City Engineer stating that the Fire Department and Engineering Department request an amendment to Section 13-82, Prohibited Parking places for the proposed development at 34 ½ Briggs Street. **Motion was made to the Committee on Ordinance and Enrolled Bills. So Voted.**

Com. from Executive Director, Economic and Community Development responding that no CDBG grant funds have been expended towards the cost of moving the Dental Clinic from its former location at Taunton High School to its present location on Union Street. He also stated that the city currently has an agreement in the amount of \$25,000.00 for the DOT Ave. Community Service Center, Inc. to provide dental services at the Union St. Location. **Motion was made to receive and place on file. Thank Mr. Shea for this communication. How long is this agreement (term of lease). Did any RFPs go out for the space? Refer to the Committee to the Council as a Whole for discussion, for the 1st or second week in September. What was the 2000,000 be used for?? What could it have been used for? The 400,000 for the dental clinic – where is the money coming from what line item in the budget? Invite the Mayor, Mr. Shea, Mr. Walkden, Mr. Wolk from Gilbane. That the Council receive the letter from Ms. Craven concerning the Dental Clinic. So Voted.**

Com. from General Manager, TMLP requesting approval for the installation of one 70-watt high-pressure sodium streetlight on Pole # 154 ½ Bay Street. **Motion was made to move approval. So Voted.**

Com. from General Manager, TMLP requesting approval to install street lights, 250-watt high-pressure sodium on George Washington Posts at the intersections of Powhattan Drive and Tyasck St., Powhattan Drive and Sakonet Ave., Powhattan Drive and Pocasset Place, two at Powhattan Dr., and Meeshawn Ave., Powhattan Dr., and Wampum Rd., Meeshawn Ave. and Wampum Rd., Pocasset Place and Metacomet St., and Metacomet St., Tyasck St. **Motion was made to refer back to the TMLP, for further clarification. Municipal Council would like a copy of the 40B decision, which states they provide the George Washington Posts lights. So Voted.**

Com. from Attorney Edmund J. Brennan, Jr., One Church Green requesting to discuss land declared as surplus that his clients, Clifford and Marion Hesson would like to purchase. The land is located behind Maximum School on Oak Ave. and is adjacent to the Hesson's property at 22 Oak Ave. **Motion was made to refer to the Law Office and the Committee on Public Property. So Voted.**

Com. from Deana Andrade, Co-Captain, Relay for Life's Team Dominoes requesting use of electronic sign to advertise the Relay for Life's fundraiser on September 12, 2009 from 8:00 AM-3:00 PM. **Motion was made to move approval. So Voted.**

Com. from Linda Rich and Francine Butler, Sherwood Ave. requesting the installation of a streetlight installed in front of 17 Sherwood Ave. **Motion was made to refer to the TMLP and refer back to the Municipal Council with the outcome. So Voted.**

Com. from Executive Director of Retirement notifying of a retirement for Joyce Griffin effective on August 21, 2009. **Motion was made to move approval and refer the staffing issue to the Committee to the Council as a Whole and refer to the Mayor's Office. So Voted.**

Councilor Fiore read an extra communication submitted by R.J. Cinquegrana, Choate Hall & Stewart LLP, Two International Place, Boston stating that the firm withdraws from the representation described in a letter dated May 28, 2009. **Motion was made to receive and place on file. Send a letter of gratitude on this matter. So Voted.**

Councilor Carr read an extra communication submitted by Gene Alger, Chairman, Taunton Christmas Parade Committee requesting permission to hold a Traffic Stop on Thursday, September 17, 2009 from 8:00 AM to 4:30 PM and Saturday, September 19, from 8:00 AM-12:00 Noon. **Motion was made to move approval. So Voted.**

Councilor Carr read an extra communication submitted by David & Pauline Mello, regarding street flooding in front of their home 481 Kingman Street, E. Taunton. **Motion was made to refer to the Committee on the Department of Public Works and the DPW Commissioner. So Voted.**

Petitions and Claims:

Constable application submitted by Manuel D. Massa, 1153 Locust Street, Raynham for a Constable License to perform his duties as Animal Control Officer for the City of Taunton. **Motion was made to refer to the Committee on Police and License and the Police Chief. So Voted.**

Constable application submitted by Charles W. Mosher, 821 West Water Street, Taunton for a Constable License to perform his duties as Assistant Animal Control Officer for the City of Taunton. **Motion was made to refer to the Committee on Police and License and the Police Chief. So Voted.**

Petition submitted by Aurelio Sousa for a renewal of a Billiard Table License -DBA-Bristol Sports Zone, Inc. located at 260 West Water St., Taunton. (2 tables) **Motion was**

made to refer to the Committee on Police and License and the Police Chief. So Voted.

Petition submitted by Brian Platt requesting a renewal of a Billiard Table License –DBA- Italian Naturalization Club located at 46 Wales Street. (2 Tables) **Motion was made to refer to the Committee on Police and License and the Police Chief. So Voted.**

Petition submitted by Antonio Sarantos for a renewal of his Billiard Table License – DBA- Miss Que’s Billiards located at 15 W. Britannia St., Taunton. (7 Pool Tables) **Motion was made to refer to the Committee on Police and License and the Police Chief. So Voted.**

Petition submitted by Timothy Holt requesting renewal of his Billiard Table License, J. McErin, Inc. –DBA- Gaff’s Third Base located at 316 Broadway, Taunton. (1 Table) **Motion was made to refer to the Committee on Police and License and the Police Chief. So Voted.**

Petition submitted by Helder Freitas requesting a renewal of his Billiard Table License – DBA- Ward 5 Athletic Club located at 29 Winter St., Taunton. (2 Tables) **Motion was made to refer to the Committee on Police and License and the Police Chief. So Voted.**

Petition submitted by Lillian Amaro Rocha requesting a new Temporary Fixed Vendors License to be located at 515 Middleboro Ave., East Taunton to sell Christmas trees and wreaths daily from November through December. **Motion was made to refer to the Committee on Police and License and the Police Chief. So Voted.**

Claim submitted by Carla L. Gallucci, Law offices of d’Oliveria & Associates, 250 Eddie Dowling Highway, N. Smithfield, RI on behalf of her client Stephen Boynton seeking reimbursement for injuries and damages from an accident with a police cruiser on County Street. **Motion was made to refer to the City Solicitor. So Voted.**

Claim submitted by Stephen Witcomb, Liberty Mutual Insurance Company, P.O. Box 0212, Hingham on behalf of their client Scott Womble seeking reimbursement for damages to his vehicle that occurred at the intersection of Field Street and Prospect Hill Street due to overgrown vegetation and no painted stop line. **Motion was made to refer to the City Solicitor. So Voted.**

Claim submitted by Amanda-Marie Leite seeking reimbursement for damages to her vehicle from hitting a pothole on Briggs Street. **Motion was made to refer to the City Solicitor. So Voted.**

Claim submitted by Ann Marie Heap, 74 Tremont Street, Taunton seeking reimbursement for damages to her automobile from hitting a pothole on Dean Street near #144. **Motion was made to refer to the City Solicitor. So Voted.**

Claim submitted by Brandon Ruggiero, 106 Bay Road, N. Easton seeking reimbursement for damages to his automobile from hitting a pothole on Fourth Street near 391 W. Water Street. **Motion was made to refer to the City Solicitor. So Voted.**

Claim submitted by Elizabeth Horton, 428 School Lane, Dighton seeking reimbursement for damages to her automobile from hitting a pothole on Somerset Avenue at the corner of Fifth Street. **Motion was made to refer to the City Solicitor. So Voted.**

Special Permit/Site Plan Review application submitted by Steve Broeder, General Manager, Smokey Bones Barbeque & Grill located at 1023 County Street requesting to allow live entertainment at the restaurant which is located in the Industrial District. **Motion was made to refer to a public hearing. So Voted.**

Committee Reports:

Motion was made for Committee reports to be read by Title and Approved. So Voted. Recommendations adopted to reflect the votes as recorded in Committee Reports. So Voted.

Unfinished Business:

Councilor Barbour motioned that the DPW Commissioner go to Thrasher Avenue and Thrasher Place to address the pothole and decay so the roadway will be safe for vehicles to travel on. So Voted.

Councilor Croteau motioned that the stop line at Weir Street and the Taunton Green be referred to the Committee on Police and License. *(The City Clerk stated this was sent to the Committee on Police and License and the Safety Officer.)*

Councilor Pottier motioned that the Commissioner of Parks, Cemeteries and Public Grounds report back to the Council on her recommendation concerning the tree to be removed in front of the Portuguese Fire Pit on Weir Street. So Voted. *(The City Clerk spoke with the DPW on this matter.)*

Councilor Pottier motioned that the Committee on Police and License discuss the increasing problem with ATVs and mini-bikes. So Voted.

Councilor Costa-Hanlon motioned that all department heads provide the Municipal Council with an organizational chart for their departments. So Voted.

Orders, Ordinances, and Enrolled Bills

Ordinance for a first reading to be passed to a second reading

AN ORDINANCE

Chapter 13

Sec 13-82. Prohibited parking places.

Be it ordained by the Municipal Council of the City of Taunton as follows:

That Section 13-82 of the Revised Ordinances of the City of Taunton, as amended, be and hereby are further amended by adding thereto the following:

Bay Street, on both sides going north from the intersection of Bay Street and Field Street to the entrance of the Myles Standish Industrial Park.

All ordinances or parts thereof inconsistent herewith are hereby repealed. This Ordinance shall become effective immediately upon passage. **Motion was made to pass to a second reading. So Voted.**

Ordinance for a first reading to be passed to a second reading

AN ORDINANCE

Article XIII. Development Impact Review Board, Section 2-331 Composition

Be it ordained by the Municipal Council of the City of Taunton as follows:

That Section 2-331 of the Revised Ordinances of the City of Taunton, as amended, by and hereby is further amended thereto by adding the following language changes;

(a) The board shall consist of Nine (9) permanent members. The members being the Planning and Conservation Director (who shall serve as chairman), the DPW Director or designee, the City Engineer, the Conservation Agent, the Director of the Board of Health (or designee), and Four Abutter Representatives

(b) The Abutter Representatives shall be appointed by the municipal council for a term to be specified at the time of appointment. Abutter Representatives shall be selected with one member residing in East Taunton, one member residing in North Taunton, one member residing in West Taunton and one member residing in Central/South Taunton

All ordinances or parts thereof inconsistent herewith are hereby repealed. This Ordinance shall become effective immediately upon passage. **Motion was made to pass to a second reading. So Voted.**

Ordinance for a first reading to be passed to a second reading

AN ORDINANCE

Chapter 13

Sec 13-82. Prohibited parking places.

Be it ordained by the Municipal Council of the City of Taunton as follows:

That Section 13-82 of the Revised Ordinances of the City of Taunton, as amended, be and hereby are further amended by adding thereto the following:

Waverly Street, north side from the intersection at Washington Street to the intersection with Arthur Street.

All ordinances or parts thereof inconsistent herewith are hereby repealed. This Ordinance shall become effective immediately upon passage. **Motion was made to pass to a second reading. So Voted.**

New Business:

Councilor Costa-Hanlon stated that the Committee on Finance and Salaries met with our Auditors, the City's financial statement (copy of the draft audit/single and recommendation/manager response) was submitted and the Council requested that the Mayor have them placed on the City's website. Additionally, the Council requested that a copy of these statements be made available in the City Clerk's Office and the Library. So Voted.

Councilor Marshall motioned that the DPW Commissioner have the fence repaired at 818 Somerset Avenue near Baker Road and report back to the Municipal Council in two weeks. So Voted. *(The City Clerk spoke with Jackie Lawrence on this matter)*

Councilor Carr motioned that the DPW Commissioner give some attention to Harold Street. If the roadway cannot be resurfaced, please have the potholes filled in. So Voted.

Councilor Barbour motioned that the Zoning Enforcement Officer investigate a claim of a business being run out of 467 South Precinct Street, allegedly without a permit. Additionally, if such a business is present, she is to enforce any violations and report her findings back to the Municipal Council. So Voted.

Councilor Pottier stated that there is a stop sign that is very high on Dunbar Street near a home that has high hedges on the corner of Dunbar Street coming into Fremont Street. The Council wondered if it is legal to have a stop sign so high. Therefore, a motion was made that the DPW Commissioner report his findings back to the Municipal Council. So Voted.

Meeting adjourned at 8:45 P.M.

A true copy:

Attest: 
City Clerk

CITY OF TAUNTON
MUNICIPAL COUNCIL
AUGUST 11, 2009

THE COMMITTEE ON ORDINANCES AND ENROLLED BILLS

PRESENT WERE: COUNCILOR DAVID POTTIER, CHAIRMAN AND COUNCILOR COSTA-HANLON. ALSO PRESENT WAS CITY SOLICITOR STEVEN TORRES

MEETING CALLED TO ORDER AT 6:50 P.M.

1. **MEET WITH THE CITY SOLICITOR TO REVIEW ORDINANCE FOR NO PARKING ON BAY STREET IN THE AREA OF THE TEDESCHI PLAZA**
MOTION: MOVE APPROVAL AND REFER FOR FIRST READING TONIGHT

2. **MEET WITH THE CITY SOLICITOR TO REVIEW ORDINANCE FOR NO PARKING ON NORTH SIDE OF WAVERLY STREET FROM INTERSECTION AT WASHINGTON ST. TO INTERSECTION WITH ARTHUR STREET**
MOTION: MOVE APPROVAL AND REFER FOR FIRST READING TONIGHT

3. **MEET WITH THE CITY SOLICITOR TO REVIEW DRAFT ORDINANCE FOR LAWN SIGNAGE, TELEPHONE POLE SIGNAGE AND ILLUMINATED SIGNS IN DOWNTOWN AREA**
DISCUSSED WAS THE ISSUE OF BOARDED UP WINDOWS IN THE DOWNTOWN AREA. IT WAS NOTED THAT THIS WOULD BE A SEPARATE ORDINANCE THAN THE ONE PROVIDED TONIGHT. THE COMMITTEE REQUESTED THAT THIS MATTER BE CONTINUED FOR ONE WEEK SO THAT THEY MAY REVIEW.
MOTION: CONTINUE THIS MATTER FOR ONE WEEK

4. **MEET WITH THE CITY SOLICITOR TO REVIEW DRAFT ORDINANCE OF PREVIOUSLY APPROVED CHANGES TO THE DIRB ORDINANCE**
MOTION: MOVE APPROVAL AND REFER FOR FIRST READING TONIGHT

5. **MEET WITH THE CITY SOLICITOR TO REVIEW DRAFT NUISANCE ORDINANCE**
THE CLERK WAS ASKED TO PROVIDE COPIES OF THE PROPOSED ORDINANCE TO THE LANDLORD ASSOCIATION AND ASK FOR THEIR COMMENTS. THE ORDINANCE ADDRESSES ISSUES WITH PROPERTIES THAT ARE RENTED AND HAVE PROBLEMS. IT HOLDS THE PROPERTY OWNER RESPONSIBLE. THE CITY SOLICITOR SUGGESTED MEETING AGAIN WITH THE POLICE CHIEF AND THE LANDLORD ASSOCIATION TO FURTHER DISCUSS THIS ORDINANCE.
MOTION: REFER FOR ONE MONTH. LANDLORD ASSOCIATION TO BE INVITED AND POLICE CHIEF TO BE PRESENT

6. **MEET TO REVIEW MATTERS IN FILE**
 - A. THE TIF ORDINANCE WAS DISCUSSED. IT HAD BEEN REQUESTED SOME TIME AGO THAT A MEETING BE HELD WITH KEVIN SHEA TO DISCUSS TIGHTENING UP THE APPLICATION PROCESS FOR TIF'S. ALSO THERE IS A NEED TO DISCUSS

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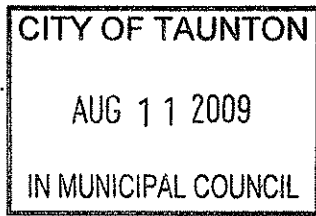
THE COMMITTEE ON ORDINANCES AND ENROLLED BILLS -CONTINUED

AREAS DESIGNATED IN THE ORDINANCE.

MOTION: MEET IN FOUR WEEKS ON THIS ISSUE.

B. DISCUSSED WAS THE FORECLOSURE ORDINANCE AND WHOSE RESPONSIBILITY IT IS TO REGISTER THE PROPERTY WITH THE ASSESSOR'S OFFICE. IT WAS NOTED THAT THE FIRST STEP WOULD BE THAT THE BANK MUST BE NOTIFIED OF THE ORDINANCE. IT WAS REQUESTED THAT THIS MATTER BE PUT ON AS A MATTER IN FILE AT A FUTURE MEETING.

MEETING ADJOURNED AT 7:15 P.M.



RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script that reads "Colleen Ellis".

COLLEEN M. ELLIS
CLERK OF COUNCIL COMMITTEES

REPORTS ACCEPTED, RECOMMENDATIONS ADOPTED.

A handwritten signature in cursive script that reads "Rm Blackwell".

CITY CLERK

CITY OF TAUNTON
MUNICIPAL COUNCIL
AUGUST 11, 2009

THE COMMITTEE ON FINANCE AND SALARIES

PRESENT WERE: COUNCILOR JORDAN FIORE, CHAIRMAN AND COUNCILORS CROTEAU AND POTTIER. ALSO PRESENT WERE BUDGET DIRECTOR GILL ENOS, CITY SOLICITOR STEVEN TORRES, CITY AUDITOR ANN HEBERT, AND BROCK ROMANO, DIANA GALATIAN,, SCOTT WERNESKI AND DOM COPPOLA OF KPMG.

MEETING CALLED TO ORDER AT 5:45 P.M.

1. **MEET TO REVIEW THE WEEKLY VOUCHERS & PAYROLLS FOR CITY DEPARTMENTS**
MOTION: MOVE APPROVAL OF THE VOUCHERS AND PAYROLLS FOR THE WEEK.

2. **MEET TO REVIEW REQUESTS FOR FUNDING**
MOTION: MOVE APPROVAL OF REQUEST OF HUMAN RESOURCES TO ENCUMBER \$45.47 TO PAY AN IKON INVOICE.
DISCUSSED WAS REQUEST OF CITY SOLICITOR FOR AN OVERLAY APPROPRIATION TO MAKE A CONTRACTUAL ADJUSTMENT TO THE JORDAN'S FURNITURE TIF REFLECTING AN OVERPAYMENT OVER A PERIOD OF FIVE YEARS IN THE AMOUNT OF \$423,458.63.
THIS AMOUNT IS A REBATE TO JORDAN'S FURNITURE. THE ERROR WAS FOUND WHEN JORDAN'S HAD AN AUDIT ON THE TIF. WHEN THE CHAIRMAN OF THE BOARD OF ASSESSORS REVIEWED THE FIGURES, SHE CAME UP WITH FIGURES SIMILAR TO THOSE OF JORDAN'S AUDITOR. EVERYONE AGREES THERE WAS AN OVERPAYMENT AND THAT THEY ARE OWED THE MONEY AS A MATTER OF CONTRACT.
REQUEST BY THE COMMITTEE WAS MADE TO PROVIDE HOW MUCH THE FULL TIF WAS, HOW THIS ERROR OCCURRED, WHY IT TOOK FIVE YEARS TO FIND THIS ERROR, HOW MUCH IS CURRENTLY IN THE OVERLAY ACCOUNT AND HOW MUCH WILL REMAIN IN THE ACCOUNT AFTER THIS IS PAID.
MOTION: THAT ASSESSOR BARRY COOPERSTIEN BE PRESENT AT MEETING NEXT WEEK TO DISCUSS THIS ISSUE. HE IS TO PROVIDE ORIGINAL TIF AGREEMENT AND WHATEVER OTHER DOCUMENTS THE ASSESSORS HAD WHEN THEY MADE THE DECISION THAT THIS MONEY WAS DUE TO JORDAN'S FURNITURE. THE COMMITTEE REQUESTS AS MUCH DOCUMENTATION AS POSSIBLE REGARDING THE TIF AND THIS PAYMENT.

3. **MEET WITH THE CITY AUDITOR, BUDGET DIRECTOR & REPRESENTATIVES OF KPMG TO DISCUSS THE FY 2008 AUDIT.**
IT WAS REPORTED THAT KPMG IS IN THE PROCESS OF CLEANING UP THE BACKLOG IN CONNECTION WITH THE AUDITS. IT WAS ALSO REPORTED THAT THE CITY IS NOT IN BAD SHAPE AT THE END OF THE 08 AUDIT. IT WAS NOTED AGAIN THAT THE CITY HAS STRUGGLED TO PRODUCE TIMELY AND ACCURATE FINANCIAL INFORMATION FOR SEVERAL YEARS. FOR THE AUDIT PERIOD ENDING JUNE 30, 2008, KPMG NOTED SEVERAL SIGNIFICANT INTERNAL CONTROL

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THE COMMITTEE ON FINANCE AND SALARIES – CONTINUED

WEAKNESSES DEALING DIRECTLY WITH FINANCIAL REPORTING. BECAUSE THERE HAS BEEN LITTLE IF ANY PROGRESS MADE TO RECTIFY THE CAUSES OF THESE DEFICIENCIES, THEY RECOMMENDED THAT THE CITY ADDRESS THREE HIGH LEVEL GOVERNANCE ISSUES THAT THEY BELIEVE WILL BE A REQUIRED FIRST STEP IN RESOLVING CHRONIC FINANCIAL REPORTING DEFICIENCY. (1) ESTABLISH AN AUDIT COMMITTEE, (2) CREATE A CHIEF FINANCIAL OFFICER POSITION AND (3) ESTABLISH AN INTERNAL AUDIT FUNCTION.

ADDITIONALLY, THE CITY HAS IDENTIFIED SIGNIFICANT LEAVE BALANCES FOR MANAGERIAL CONTROL OVER THE RECORD KEEPING OF SICK AND VACATION TIME, INCLUDING THEIR OWN BALANCES. KPMG FEELS THAT THE CITY SHOULD ENSURE THAT PROPER CONTROLS ARE IN PLACE TO MITIGATE ANY ACTUAL OR PERCEIVED SEGREGATION OF DUTIES AND/OR CONFLICT OF INTEREST ISSUES. ALSO ADDRESSED WAS THAT FOR THE YEAR ENDED JUNE 30, 2008, THE CITY HAD APPROXIMATELY \$10.7 MILLION OF SPECIAL REVENUE FUND BALANCES. THE FUND BALANCES WERE CONCENTRATED IN THE CITY AND SCHOOL SPECIAL REVENUE FUNDS. SPECIAL REVENUE FUNDS ARE USED TO ACCOUNT FOR ACTIVITY RELATED TO STATE AND FEDERAL GRANTS AND REVOLVING FUNDS AND ARE DESIGNED TO RECOVER THE COSTS ASSOCIATED WITH RUNNING THESE ACTIVITIES. WHETHER THE REVENUES ARE IN THE FORM OF GRANTS OR USER FEES, THE ACCUMULATION OF FUND BALANCES IN THESE FUNDS IS NOT THE ULTIMATE GOAL OF THESE ACTIVITIES. THE LARGEST FUND BALANCES APPEAR TO BE CONCENTRATED IN ACCOUNTS THAT CHARGE USER FEES. KPMG RECOMMENDS THAT THE CITY UNDERTAKE A STUDY TO ENSURE THAT THE EXISTING BALANCES ARE PROPER.

KPMG ALSO STATED THAT THE CITY TREASURER IS RESPONSIBLE FOR RECONCILING THE CITY'S CASH ACCOUNT TO THE BANK STATEMENTS ON A MONTHLY BASIS. THIS RECONCILIATION IS PERFORMED FOR EACH CASH ACCOUNT THAT IS CONSIDERED A PART OF THE CITY'S CASH. CASH ACCOUNTS WHICH ARE NOT CONSIDERED TO BE A PART OF THE CITY'S CASH ARE NOT A PART OF THIS RECONCILIATION PROCESS BUT ARE MONITORED SEPARATELY. THE RECONCILIATION PROCESS IS COMPLICATED BY THE LARGE NUMBER OF CASH ACCOUNTS HELD IN THE CITY'S NAME AS WELL AS THE HIGH VOLUMES OF TRANSFERS BETWEEN THOSE ACCOUNTS. THE RECONCILIATIONS ARE DOCUMENTED IN SUCH A WAY THAT REVIEW OF THESE RECONCILIATIONS CAN BE CUMBERSOME. KPMG FEELS THAT THE CITY NEEDS TO SIMPLIFY THE RECONCILIATION PROCESS.

IT WAS ALSO NOTED THAT THE SCHOOL DEPARTMENT IS REQUIRED TO SUBMIT IT'S AVERAGE STATE PER PUPIL EXPENDITURE (SPPE) DATA TO THE NATIONAL CENTER FOR EDUCATION STATISTICS. THE SCHOOL DEPARTMENT IS REQUIRED TO REPORT TO THE MASSACHUSETTS DEPARTMENT OF ELEMENTARY & SECONDARY EDUCATION THE PER PUPIL EXPENDITURES ON AN ANNUAL BASIS. THE COMMONWEALTH REQUIRES A SPECIFIC FORMAT FOR THE SPPE INFORMATION. THE REPORT IS CALLED THE END-OF-YEAR PUPIL AND FINANCIAL REPORT (EOYR) IT WAS NOTED THAT THE SCHOOL DISTRICT COMPILED AND SUBMITTED THE EOYR FOR THE SCHOOL YEAR 2005-2006, 2006-2007 AND SCHOOL YEAR 2007-2008. HOWEVER THE SCHOOL DISTRICT DID NOT HAVE ANY OF THE EOYR'S SUBJECTED TO THE REQUIRED AGREED UPON PROCEDURES. IN ORDER FOR THE SCHOOL DISTRICT TO BE IN COMPLIANCE THE DISTRICT IS REQUIRED TO

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THE COMMITTEE ON FINANCE AND SALARIES – CONTINUED

HAVE AN EXTERNAL AUDITING FIRM REVIEW THE EOYR IN ACCORDANCE WITH THE COMPLIANCE SUPPLEMENT FOR MASSACHUSETTS SCHOOL DISTRICTS AGREED UPON PROCEDURES. KPMG RECOMMENDS THAT THE SCHOOL DISTRICT HAVE THE 2006, 2007 AND 2008 EOYR'S REVIEWED IN ACCORDANCE WITH THE STATE REGULATIONS AND THAT THE SCHOOL DISTRICT REVIEW THE CURRENT POLICIES AND PROCEDURES AND DEVELOP CONTROL TO ENSURE THAT EOYR SUBMITTED TO THE MASS. DEPARTMENT OF ELEMENTARY & SECONDARY EDUCATION IS PREPARED AND REVIEWED IN ACCORDANCE WITH THE STATE'S REGULATIONS. IT WAS ALSO NOTED THAT THE SCHOOL DEPARTMENT IS NOT IN COMPLIANCE WITH REQUIREMENTS WHERE EMPLOYEES ARE EXPECTED TO WORK SOLELY ON A SINGLE FEDERAL AWARD OR COST OBJECTIVE, CHARGES FOR THEIR SALARIES AND WAGES WILL BE SUPPORTED BY PERIODIC CERTIFICATIONS THAT THE EMPLOYEES WORKED SOLELY ON THAT PROGRAM FOR THE PERIOD COVERED BY THE CERTIFICATIONS. THE CERTIFICATIONS ARE TO BE PREPARED AT LEAST SEMI-ANNUALLY AND ARE TO BE SIGNED BY THE EMPLOYEE OR SUPERVISORY OFFICIAL HAVING FIRST HAND KNOWLEDGE OF THE WORK PERFORMED BY THE EMPLOYEE. KPMG RECOMMENDS THAT THE CITY ESTABLISH POLICIES AND PROCEDURES TO ENSURE COMPLIANCE WITH THE ABOVE REQUIREMENT AND WHERE PROCEDURES HAVE BEEN IMPLEMENTED, ENSURE THAT THEY ARE FUNCTIONING EFFECTIVELY. FURTHER, THE CITY SHOULD EVALUATE ALL OF THEIR GRANTS WHERE PAYROLL COSTS ARE CHARGED AND ENSURE THAT THEY ARE IN COMPLIANCE WITH THE REQUIREMENTS NOTED ABOVE. THEY ALSO RECOMMEND THAT THE SCHOOL DEPARTMENT MAINTAIN APPROPRIATE SUPPORTING DOCUMENTATION FOR ALL CHARGES, INCLUDING ALL TRANSFERS, TO FEDERAL PROGRAMS. IT WAS FURTHER NOTED THAT THE SCHOOL DEPARTMENT MAINTAINS A SEPARATE MANUAL LEDGER OF FEDERAL PROGRAM EXPENDITURES THAT IS USED TO PREPARE THE FINAL FINANCIAL REPORT REQUIRED BY VARIOUS FEDERAL PROGRAMS. THE MANUAL LEDGER IS RECONCILED TO THE CITY'S GENERAL LEDGER PERIODICALLY TO ENSURE COMPLETENESS AND ACCURACY OF EXPENDITURES. DURING KPMG'S TESTING OF THE REPORTING REQUIREMENT, THEY NOTED DEFICIENCIES WITH THE CURRENT RECONCILIATION PROCESS AS FOLLOWS: (1) RECONCILIATIONS WERE PERFORMED LESS THAN MONTHLY AND WERE NOT PERFORMED AT THE END OF THE GRANT YEAR (2) RECONCILIATIONS WERE NOT PERFORMED AT ACCOUNT LEVEL AND, AS A RESULT, FAILED TO IDENTIFY SEVERAL EXPENDITURES POSTED TO AN INCORRECT ACCOUNT (3) RECONCILIATIONS FAILED TO IDENTIFY SEVERAL EXPENDITURES POSTED TO AN INCORRECT GRANT YEAR AND (4) RECONCILIATIONS WERE NOT REVIEWED BY SOMEONE OTHER THAN THE PREPARER. SEVERAL OTHER ISSUES WERE NOTED IN THE DRAFT AUDIT SINGLE AUDIT FINDINGS FOR YEAR ENDED JUNE 30, 2008.

MOTION: TO PROVIDE A COPY OF THE DRAFT AUDIT SINGLE AUDIT FINDINGS YEAR ENDED JUNE 30, 2008 TO THE SUPERINTENDENT OF SCHOOLS.

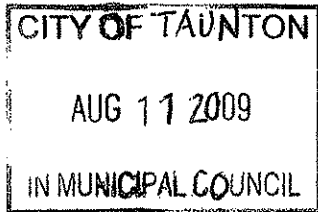
MOTION: THAT IN SEPTEMBER OR EARLY OCTOBER A MEETING BE SCHEDULED TO FURTHER REVIEW THE AUDIT.

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THE COMMITTEE ON FINANCE AND SALARIES - CONTINUED

MEETING ADJOURNED AT 6:43 P.M.



RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script that reads "Colleen M. Ellis".

COLLEEN M. ELLIS
CLERK OF COUNCIL COMMITTEES

REPORTS ACCEPTED, RECOMMENDATIONS ADOPTED.

A handwritten signature in cursive script that reads "Rm Blackwell".
CITY CLERK