City of Springfield, MA

**A&F Municipal Listening Session**

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New Growth

• Since 2008, the City has lost over $1 Billion in taxable value, resulting in the inability to capture new growth in tax levy. Effects:

• Layoffs

• Wage and hiring freezes

• Little capital and infrastructure investment

• *Solution:* Home rule legislation to allow Springfield to

capture new growth, above the calculated levy ceiling, from

2011 on.

198

**City of Springfield Lost Levy**

193

188

183

178

173

168

**Lost New Growth**

**Lost Levy**

163

158

153

148

FY08 FY09 FY10 FY11 FY12 FY13 FY14 FY15

**Millions**

Levy Ceiling (Actual Levy Limit) Potential Levy Limit Potential Levy Limit with New Growth

Contractual Obligation Threshold

• Chapter 43, §29 – Purchases of $5,000 or more require a written contract containing signatures of the Mayor (in Springfield) and the Department Head.

• State law, special acts and local ordinance require signatures from:

• Vendor

• Requesting Department Head

• Office of Procurement

• City Solicitor

• Comptroller

• Mayor

• CAFO – longer than 1 year

• *Solution:* Please support House Bill 3337: *“An Act Exempting the City of*

*Springfield from Certain Provisions of Section 29 of Chapter 43.”*

• Increase threshold for written contracts from **$5,000** to match:

 M.G.L. Ch.30B, §17 (a) **currently $10,000**

 M.G.L. Ch.30B, §5 (a) **currently $35,000**

M.G.L. c.30, §39M (A) and c.149, §44A (2)

• Thresholds and procedures for advertising, solicitation of quotes, and need to conduct sealed bids are all different:

• M.G.L. c. 30B Goods and services

• M.G.L. c. 30, §39M Horizontal & Public works construction

• M.G.L. c. 149 Public (building) construction

• Effects:

• Unnecessary burden

• Delays in obtaining services

• Presents the risk for errors in understanding between requesting departments and Procurement

• *Solution:* Proposed changes to M.G.L. c. 30, §39M (A)

and M.G.L. c. 149, §44A (2) (B):

 Streamline the method of procurement, advertising requirements and

contractor submission requirements

 Increase threshold from to $10,000 - $35,000

 Provide uniformity

GIC: Utilization Data

• Limited utilization data supplied by the Group Insurance Commission (GIC). Creates the need for additional resources, supplemental information, reconciliation, and assumptions for complete analyses and quotes.

• *Solution:* The City requests the following information in addition to the supplied GIC utilization data:

 Detailed Member Census and "Subscriber" enrollment information

 "Paid" claims and premium/administrative paid information by month by plan

 Hospital, Primary Care Physician, and Specialist utilization data in order

to geographically track insureds

 Prescription drug utilization

GIC: OBRA Pension

• GIC health insurance requires all employees be enrolled in

a formal pension plan, OBRA does not qualify.

• Affordable Care Act (ACA) requires an offer of health insurance for

employees working > 30 hours/week.

• Some employees are OBRA and must be offered insurance

• ACA requires a minimum of 95% offer compliance to eligible employees

• Penalty of $2,000 per employee (less first 30 employees) if not met

• *Solution:*

• Allow the City to offer insurance to all employees, whether or not they were in a formal pension plan.

• The GIC offers a minimal value plan for just employees in OBRA

plans.

GIC: Wet Signature Requirement

• All enrollment and change forms require signed original to

be sent to the GIC.

• Signatures for both applicant and municipality official

required.

• Burdensome to HR

• Time consuming

• Costly for employee processing and mailing

• *Solution:* The GIC accept electronic signatures on enrollment and change forms.

• If, not feasible, the allowance of a copy of the form for scanning and

submission.

Environmental Bond Bill

• The City is working to repair and improve Lower Van

Horn Park Dam.

• Environmental Bond Bill

• Acts of 2014 c. 286, §2A (2000-7028), state that $1,700,000 shall be provided for improvements to the Lower Van Horn Dam in the city of Springfield.

• *Solution:* Please advise on when the funding for this bill

will be released to the City of Springfield.

Education: Charter School

Transportation

• Total of 56 Buses for charter schools = $3.6M in FY15

• Lottery system - Not bound by Boundary Plan

• Charters approved by DESE, therefore calendars and schedules do not follow the Springfield Public School (SPS) calendar.

• Tiering bus start times can save money

• Allow for increased efficiency in scheduling

• *Solution:*

• Inclusion of revenue as part of Ch. 70

• Work with City on tiered start times

Education: McKinney-Vento

• Register for school in Springfield & attend for 1 day

• Special busing for students housed in surrounding areas

• Cost has grown to $1M

• *Solution:*

• Residency requirement where the student must have been a permanent resident in the City for at least forty- five days, before qualifying to continue their education in their school of origin after being displaced.

• Full reimbursement from the Department of Elementary and Secondary Education (DESE).

Education:

Chapter 70 Reform

SPS supports the Foundation Budget Review Committee’s

recommendations, and is mostly focused on:

English Language Learners (ELL)

• ELL services provided has doubled. Funding remains the same.

• *Solution:* Increase the foundation’s budget for ELL pupils to reflect this

new mandate.

• Current formula for ELL is not equitable across the foundation pupil categories.

• *Solution:* Funding for ELL pupils be moved from the “Base Foundation Components” section to the “Incremental Costs above the Base” in order to ensure that all pupils are funded equally.

Low-Income Pupils

• Current funding doesn’t adequately address issues unique to SPS

Students.

• *Solution:* Funding for each Low-Income pupil be increased by $500.

Education: Teacher Summer

Unemployment Collection

• Teachers and other school employees collect for the summer months even though they have collected their yearly salary, and will return to work the following school year.

• *Solution:* Please support Senate Bill 961: *“An Act relative to Municipal Unemployment Insurance Reform.”*

**Barbershops and Nail Salon Regulation**

• Licensed at State level.

• No mechanism for collection of personal property bills

• *Solution:* City jurisdiction over licensing and inspecting

cosmetology and barber shops.

• The City would have the ability to withhold a license for failure to pay personal property taxes or other City obligations.

**North Riverfront Park Lease**

• Lease renewal every three years with Pioneer Valley Riverfront

Club, Inc. (PVRC)

• Long term plans for development and operation difficult

• *Solution:* Please support House Bill 3818: *“An Act Exempting the City of Springfield from Certain Provisions of the General Laws and authorizing it to Lease Certain Park Land.”*

• Allows City and PVRC to enter into a 20 year lease

**Neighborhood Homes with Educational Components**

• Dover Amendment (M.G.L. c. 40, §3) trumps City zoning ordinances.

• Inspected and certified through state, overriding City regulations

• Large rise in number of group homes

• *Solution:* Establish a limit within a location (radius)

• Increase City authority to control where group homes are established

in order to stay in compliance with city zoning regulations.

**Underground Storage Tank (UST) Removal**

• State requires tanks no longer in use to be removed within 12 months.

The City needs to remove at least 53 tanks by August 7, 2017

• The City must also investigate and mitigate releases under the

Massachusetts Contingency Plan (MCP)

• Extremely costly and long reiterative process

• *Solution:* Financial and technical assistance to comply with these

regulations.

**DA Appeals of Low Bond Bail**

• Under M.G.L, the right to appeal a bail decision by a District Court judge lies solely with the defendant. The District Attorney does not have the right to petition a judge’s bail decision that they feel is too low, or conditions which are insufficient to protect the victim and the public, and to ensure the defendant's return to court.

• *Solution:* The City of Springfield puts forth House Bill 3830: *“An Act relative to the Commonwealth’s right to appeal bail decisions.”*

**Questions and Answers**