



CITY CLERK  
GLOUCESTER, MA  
11 JUN 16 AM 10:00

## GLOUCESTER CITY COUNCIL

9 Dale Avenue, Gloucester, MA 01930  
Office (978) 281-9720 Fax (978) 282-3051

### CITY COUNCIL STANDING COMMITTEE

#### Budget & Finance Committee

Thursday, June 23, 2011 – 9:00 A.M.  
1<sup>st</sup> Fl. Council Conference Rm. – City Hall

#### AGENDA

*(Items May be taken out of order at the discretion of the Committee)*

1. *Continued Business: None.*
2. *Memorandum from CFO re: Appropriation Request from the CPA Fund of \$215,000 as Recommended by the Community Preservation Committee to pay for costs of remodeling and Making extraordinary repairs of the Gloucester City Hall*
3. *Memorandum from CFO re: Rescission of Two Bond Authorizations: \$800,000 (I4-C2) and For \$215,000 (CPA-City Hall Restoration)*
4. *Memorandum from Community Development Director re: 2011 Applications for CPA Funding*
5. *Memorandum from Fire Chief re: Permission to pay an invoice without a purchase order in place*
6. *Special Budgetary Transfer Request (#2011-SBT-41) from Fire Department*
7. *Amended Loan Authorization for \$6 million re: Green Repair Project through MSBA (Beeman, East Gloucester, Veteran's Memorial, Plum Cove Elementary Schools and O'Maley Middle School)*
8. *Memorandum from CFO re: Municipal Lien Certificate and Demand Fees*
9. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization And Auditor's Report*

#### COMMITTEE

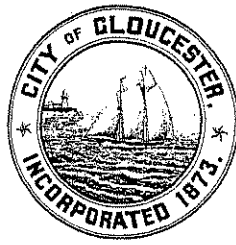
Councilor Steven Curcuru, Chair  
Councilor Paul McGeary, Vice Chair  
Councilor Jacqueline Hardy

Committee members – Please bring relevant documentation

Back-up and Supporting Documentation all on file at the City Clerk's Office, City Hall

CC: Mayor Carolyn Kirk  
Jim Duggan  
Kenny Costa  
Jeffrey Towne  
Sarah Garcia  
Fire Chief Phil Dench

The listing of matters is those reasonably anticipated by the Chair which may be discussed at the meeting. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by law.



**CITY OF GLOUCESTER**  
**OFFICE OF THE CHIEF FINANCE OFFICER**

Memorandum

To: Mayor Kirk  
From: Jeffrey C. Towne, CFO *JCT*  
Re: Appropriation request  
Date: June 6, 2011

**RECEIVED**

**JUN 7 2011**

**Mayor's Office**

The City Council, on February 8, 2011, voted to appropriate \$2,600,000 to pay for the remodeling and making extraordinary repairs to Gloucester City Hall and for the payment of all other costs incidental and related thereto. That same vote authorized the City Treasurer to borrow up to that same amount to fund the appropriation. The plan to fund this \$2,600,000 was to appropriate out of the Community Preservation Act Fund the sum of \$215,000 each year, starting in fiscal year 2011.

The appropriation of the \$215,000 still needs to be done in this fiscal year. This amount will be used, in accordance with the funding plan worked out with the CPC, to pay for a portion of the architect and engineering expenses. Once the appropriation for the \$215,000 is approved the same amount should be rescinded from the original vote of the \$2,600,000 leaving only \$2,385,000 authorized to be borrowed. We will again reduce that amount in FY12 by appropriating an additional \$215,000 from the Community Preservation Act Fund.

Please submit the following motion to the City Council for referral to the Budget and Finance Committee:

Motion: Move to appropriate \$215,000 from the Community Preservation Act funds, as recommended by the Community Preservation Committee, for the purpose to pay costs of remodeling and making extraordinary repairs of the Gloucester City Hall Building, 9 Dale Avenue, Gloucester, MA for the historic preservation purposes under the Community Preservation Program. The appropriation will be allocated to the Historic Preservation category and funded from unrestricted reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Capital Projects - Historical Preservation - Fund #346000.

The same amount of \$215,000 will be rescinded from the loan authorization – see separate memo.

City Hall  
Nine Dale Avenue  
Gloucester, MA 01930



TEL 978-281-9707  
FAX 978-281-8472  
jtowne@gloucester-ma.gov

**CITY OF GLOUCESTER**  
**OFFICE OF THE CHIEF FINANCE OFFICER**

Memorandum

To: Mayor Kirk  
From: Jeffrey C. Towne, CFO *JCT*  
Date: June 6, 2011  
Re: Rescission of bond authorizations

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I recommend that the following two amounts be rescinded prior to June 30, 2011:

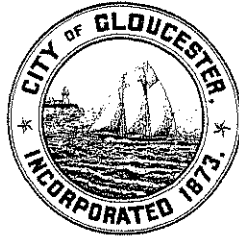
1. The sum of \$800,000 for the purchase of I4-C2 should be rescinded because the City received a grant for that amount from the Seaport Advisory Council to help purchase the property. The City Council authorized \$1,500,000 on April 27, 2010. The City only borrowed \$700,000 as a result of receiving the \$800,000 grant. Therefore the remaining loan authorization which is unissued, \$800,000 should be rescinded. The following is the appropriate motion for the City Council to vote on:

“ORDERED: that the \$800,000 authorized to be borrowed pursuant to an order of this Council approved on April 28, 2010 to pay costs of acquiring the I4-C2 parcel, so-called, is hereby rescinded and of no further force or effect.”

2. The sum of \$215,000 for the remodeling and making extraordinary repairs to Gloucester City Hall should be rescinded if the City Council votes to appropriate the same amount out of available CPA funds. The City Council voted \$2,600,000 for this purpose with the intention that we were going to pay \$215,000 out of available resources for the first several years in order to reduce the amount that was to be borrowed long-term. The following is the appropriate motion for the City Council to vote on:

“ORDERED: that \$215,000 of the \$2,600,000 authorized to be borrowed pursuant to an order of this Council approved on February 10, 2011, for the purpose of paying costs of reconstructing and making extraordinary repairs to City Hall, is hereby rescinded and of no further force or effect.”

City Hall Annex  
Three Pond Road  
Gloucester, MA  
01930



TEL 978-281-9781  
FAX 978-281-9779  
sgarcia@gloucester-ma.gov

CITY OF GLOUCESTER  
COMMUNITY DEVELOPMENT DEPARTMENT

**MEMORANDUM**

**TO:** Mayor Carolyn Kirk  
**FROM:** Sarah Garcia, Community Development Director  
**CC:** Community Preservation Committee  
Matt Lustig, CPA Program Manager  
**RE:** 2011 Applications for CPA Funding  
**DATE:** May 24, 2011

The Community Preservation Committee (CPC) has received 15 applications for the 2011 funding round requesting \$730,758 in Community Preservation Act funds. The applications include projects across each of the three CPA categories: Community Housing, historic Preservation and Open Space. Please see the enclosed chart that provides a summary of the applications.

The CPC will begin their review of the applications on Wednesday, May 25<sup>th</sup>. The Co-Chairpersons would appreciate the opportunity to share the Committee's thoughts with you on the applications following a public comment session that will be held in June. You might like to attend the public comment session as well if your schedule permits. The CPA expects to forward recommendations to you by the end of the summer to be forwarded to the City Council for appropriation.

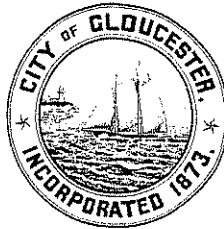
We have conveyed, under separate cover, two sets of applications to the City Clerk's office. Please the City Council for their concurrent review. We found last year that in order to appropriate the funds, the Council wanted to thoroughly understand and support the funded activities. We are hoping to coordinate some of the review of applications and applicant interviews with the B&F Subcommittee.

Thank you.

## 2011 CPA Applications

Applicant	Project	Amount
1 Gloucester Housing Authority	Cape Ann Homeownership	\$20,000
2 Gloucester Housing Authority	Shedy Building roof replacement	\$86,453
	<b>Community Housing Total</b>	<b>\$106,453</b>
3 Cape Ann Museum	Window replacement at 1710 White-Elley House	\$50,000
4 Gloucester Adventure	Purchase and installation of 5 spars for <i>Adventure</i>	\$62,000
5 Phyllis A. Marine Association	Hull and mast restoration of 1925 gill net vessel <i>Phyllis A</i>	\$24,805
6 Committee for the Arts	Preservation of WPA murals inside City Hall	\$15,000
7 Magnolia Historical Society	Digitization of Magnolia Historical Society archives	\$10,000
8 Magnolia Historical Society	Fran Hines Historical Museum restoration	\$33,000
9 Richard Jabba	Assessment of plaques at City's historic sites	\$4,500
10 Sargent House Museum	Restoration Sargent House Museum fence	\$15,000
11 Sawyer Free Library	Landscaping and access improvements	\$100,000
	<b>Historic Preservation Total</b>	<b>\$314,305</b>
12 Community Development Dept.	Little River legal work and conservation acquisition	\$65,000
13 Community Development Dept.	Property appraisal in Dogtown/ North Gloucester Woods	\$15,000
14 Essex County Greenbelt Association	West Gloucester land conservation acquisition	\$170,000
15 Department of Public Works	Update Gloucester Surface Water Supply Protection Plan	\$60,000
	<b>Open Space Total</b>	<b>\$310,000</b>
	<b>2011 Total Submittals</b>	<b>\$730,758</b>

Office of the Fire Chief  
Philip S. Dench  
8 School Street  
Gloucester, MA 01930



TEL 978-281-9780  
FAX 978-281-9822  
pdensch@gloucester-ma.gov

CITY OF GLOUCESTER  
FIRE DEPARTMENT

MEMORANDUM

Date: May 26, 2010  
To: Mayor Carolyn Kirk  
From: Philip S. Dench, Fire Chief *PSD*  
Subject: Request to pay invoice

RECEIVED

MAY 26 2011

Mayor's Office

I respectfully request you forward to the City Council two invoices from Portland North Truck Center in the amount of \$154.23 for payment. The invoices # T271104 and T271251 are attached. Money is in place in the vehicle repair account to cover these repairs.

On or about April 29, 2011, Rescue 1 had to be sent to Portland North Truck Center for a possible coolant leak. This was for emergency repairs on our front line ambulance, the 2009 International/Horton ambulance. On April 29, 2011 we initiated a purchase order to cover the repairs. The coolant leak was taken care of by Portland North and they initiated an invoice on April 29, 2011.

The purchase order was not approved until May 17, 2011. Therefore this request to pay the invoice must go to City Council as there was no Purchase Order in place before the work was performed/invoiced.

Again these were emergency repairs to our front line ambulance which could not wait for the purchase order to go through the system.

**Purchase Order**

**CITY OF GLOUCESTER**

**No. 1103315**

City Hall

9 Dale Avenue

Gloucester MA 01930

Prices as quoted are less any and all federal taxes.  
Please indicate delivery date and any and all discounts.

Invoice/Inquiries to above address  
All invoices must reference PO number  
Sales Tax Exempt #: E-046001390

P.O. Date: 05/17/2011

Questions ? Purchasing (978) 281-9710

Account:

P.O. Issued To :

Ship To:

Reference:

PORTLAND NORTH TRUCK CENTER  
110 GRAY ROAD  
FALMOUTH ME 04105-0000

Fire HQ  
Attn: Susan Mills  
Gloucester Fire Dept  
8 School Street  
Gloucester MA 01930  
(978) 281-9760

Contact: Location: Fire HQ

Phone: Fax: Project: undesignated

Req# 3583

Qty	Unit	Part#	Description	Account Number	Unit Price	Extended	Tax	Freight
160	EA		To replace broken parts from Rescue 1.	101000.10.220.55330.0000.00.000.00.054	1.00	160.00	0.00	0.00

**APPROVAL SIGNATURES:**

The unencumbered balance of the appropriation to be charged is sufficient to liquidate the amount of this order and the amount has been recorded as an encumbrance against said appropriation.

I hereby certify -  
That this order is authorized by a properly executed and approved requisition on file in this office.

Sub-Total: 160.00

Freight: 0.00

Tax: 0.00

Total Amount: 160.00

By \_\_\_\_\_  
Auditor

\_\_\_\_\_  
City Purchasing Agent

- To do business with the City of Gloucester, all vendors should be aware of Mass. Gen. Laws (c. 30B, c. 149, dec. 44 et seq., c30, sec. 39 et seq.)
1. No work, services, or supplies can be received by any City agency without a proper Purchase Order or Contract in place.
  2. All Purchase Orders/Contracts exceeding \$5000 in value will follow the quotation/bid process prior to award. No contracts for Construction-related services subject to MGL Chap. 149, and MGL Chap. 30, sec. 39 will be awarded until all required documentation is received, i.e., Certificate of Eligibility, Update Statement, etc.
  3. All invoices must detail the services performed and/or materials delivered. Any invoices submitted for work, services, or supplies performed or provided after the expiration date of a Purchase Order/Contract, or after the \$\$ limit of a Purchase Order/Contract has been reached will likewise not be honored by the City. All packing slips for delivered goods which are submitted with invoice for payment must be signed by authorized personnel from the contracting City department at the time of delivery.
  4. Any work, services, or supplies provided without following the above mentioned guidelines are not the responsibility or liability of the City, and any invoice that violates these provisions will not be honored for payment.

**NOTES:**

\_\_\_\_\_

Order Via:

RTS

Federal ID No. 01 0236026



# PORTLAND NORTH TRUCK CENTER

DIVISION OF MORRISON & SYLVESTER, INC.

110 GRAY ROAD • FALMOUTH, MAINE 04105 • TEL. (207) 797-8080

1-800-439-7200 FAX (207) 797-7079

www.pntc.net



## PARTS INVOICE

Chief

GLOUCESTER FIRE DEPARTMENT  
8 SCHOOL ST.

GLOUCESTER MA 01930

978 221 9222

INVOICE No. 7271251

PG 1

Date 04/29/11

CUSTOMER No. 1418

PREVIOUS TICKET 271104 04/27/11

S  
O  
L  
O

CORES MUST BE RETURNED WITHIN 100 DAYS.

JMP

Qty.		Unit	Price/Unit	Amount
1	STEVE GRAY PICKED UP RESCUE UNIT FOR SERVICE AND RETURNED IT TO GLOUCESTER	TRANSPORT	13	150.00
				150.00
	SUBTOTAL			150.00
	*SALES TAX			0.00
	TOTAL			150.00
	CHARGE TO ACCOUNT			150.00

Pay + Close

1103315  
10/00.10.290.55330

**RECEIVED**  
MAY 03 2011  
OK STM

### TERMS OF SALE

- (1) All sales cash unless prior arrangements have been made. If charge, all amounts are due and payable net ten prox. (due by the 10th of the month following billing). No discounts permitted.
- (2) All past due amounts are subject to a service charge of 1.5% per month (18% per annum) on all balances thirty (30) or more days past due.
- (3) Any warranties on the item(s) sold above are available only from the manufacturer or rebuilder of said item(s). Portland North Truck Center agrees to pass to customer any available warranties. Portland North Truck Center makes no warranties of merchantability or fitness for a particular purpose of any parts sold and authorizes no person to assume for it any liability in connection with the sale of parts.
- (4) By providing sales tax exemption number customer certifies that he is exempt from any state or occupation tax and agrees to be responsible for tax assessment made by the State of Maine or other taxing authority and agrees to reimburse Portland North Truck Center for any amount now

- due or becoming due including penalties if assessed. In addition, buyer agrees to pay costs of past due collection, including reasonable attorney's fees.
- (5) Parts which appear above may not be made by the original manufacturer; description numbers may be for reference only. All returns must be made within ten days. No refunds without this invoice.
- (6) Returns are subject to 20% handling charge.

RECEIVED BY





Federal ID No. 01 0236026

# PORTLAND NORTH TRUCK CENTER

DIVISION OF MORRISON & SYLVESTER, INC.

110 GRAY ROAD • FALMOUTH, MAINE 04105 • TEL. (207) 797-8080

1-800-439-7200 FAX (207) 797-7079

RECEIVED OFFICE  
AUDITOR

11 MAY 20 AM 8:48



## PARTS INVOICE

S  
O  
L  
D

GLOUCESTER FIRE DEPARTMENT  
8 SCHOOL ST.

GLOUCESTER MA 01930

INVOICE No. T271104

P6

Date 04/27/11

CUSTOMER No. 1418

CORES MUST BE RETURNED WITHIN 180 DAYS.

PREVIOUS TICKET 256977 05/28/10

R55

Qty.							Unit	Price/Unit	Amount
1	3599154C2	CLIP, SUN VISOR-LT	NGV	16	LIST	4.74	1# EA	4.03	4.03
		PUT INSIDE TRUCK VIA STEVE GRAY							
		SUBTOTAL							4.03
		*SALES TAX							0.20
		TOTAL							4.23
		CHARGE TO ACCOUNT							4.23

1-10 3315  
/01000.10.220.55330

**RECEIVED**  
MAY 03 2011  
BY: OK SJM

**TERMS OF SALE**

All sales cash unless prior arrangements have been made. If charge, all amounts are due and payable net ten prox. (due by the 10th of the month following billing). No discounts permitted. All past due amounts are subject to a service charge of 1.5% per month (18% per annum) on all balances thirty (30) or more days past due. Any warranties on the item(s) sold above are available only from the manufacturer or rebuilder of said item(s). Portland North Truck Center agrees to pass to customer any available warranties. Portland North Truck Center makes no warranties of merchantability or fitness for a particular purpose of any parts sold and authorizes no person to assume for it any liability in connection with the sale of parts. By providing sales tax exemption number customer certifies that he is exempt from any state or occupation tax and agrees to be responsible for tax assessment made by the State of Maine or other taxing authority and agrees to reimburse Portland North Truck Center for any amount now

due or becoming due including penalties if assessed. In addition, buyer agrees to pay costs of past due collection, including reasonable attorney's fees. (5) Parts which appear above may not be made by the original manufacturer; description numbers may be for reference only. All returns must be made within ten days. No refunds without this invoice. (6) Returns are subject to 20% handling charge.

RECEIVED BY

# City of Gloucester Special Budgetary Transfer Request Fiscal Year 2011

INTER-departmental requiring City Council approval - 6 Votes Required  
 INTRA-departmental requiring City Council approval - Majority Vote Required

TRANSFER # 2011-SBT- <u>41</u> <i>Auditor's Use Only</i>
--

DEPARTMENT REQUESTING TRANSFER: Fire Department

DATE: 6/2/2011 BALANCE IN ACCOUNT: \$ 7,257.19

(FROM) PERSONAL SERVICES ACCOUNT # \_\_\_\_\_ *Unifund Account #*

(FROM) ORDINARY EXPENSE ACCOUNT # \_\_\_\_\_ *Unifund Account #*

101000.10.220.53060.0000.00.000.00.052

Fire Department, Pub Safety Program

*Account Description*

DETAILED EXPLANATION OF SURPLUS: Funds were not needed to pay for the programs but were needed to pay for OT to attend the programs

(TO) PERSONAL SERVICES ACCOUNT # \_\_\_\_\_ *Unifund Account #*

1010000.10.220.51315.0000.00.000.00.051

(TO) ORDINARY EXPENSE ACCOUNT # \_\_\_\_\_ *Unifund Account #*

Fire Department, Overtime Training


*Account Description*

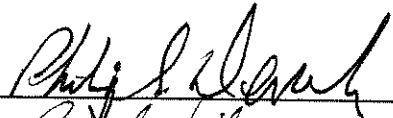
DETAILED ANALYSIS OF NEED(S): To pay for backfill and overtime for a pump operators class. Also, to be used for upcoming training classes through June (Lojack, SCBA instructor)

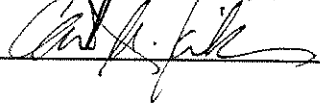
TOTAL TRANSFER AMOUNT: \$ 6,000.00 NEW BALANCE IN ACCOUNTS AFTER TRANSFER

FROM ACCOUNT: \$ 1,257.19

TO ACCOUNT: \$ 1,884.36

APPROVALS: 

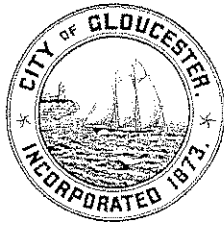
DEPT. HEAD:  DATE: 6/2/11

ADMINISTRATION:  DATE: 6/8/11

BUDGET & FINANCE: \_\_\_\_\_ DATE: \_\_\_\_\_

CITY COUNCIL: \_\_\_\_\_ DATE: \_\_\_\_\_

City Hall  
Nine Dale Ave  
Gloucester, MA 01930



TEL 978-281-9700  
FAX 978-281-9738  
ckirk@gloucester-ma.gov

CITY OF GLOUCESTER  
OFFICE OF THE MAYOR

## *Memorandum*

To: City Council President Hardy and Members of the Gloucester City Council

From: Jim Duggan, Chief Administrative Officer 

Date: June 14, 2011

Re: **Amended Loan Authorization**

Attached for your review is amended language requested of the city's Bond Counsel for the \$6,000,000 loan authorization for the Green Repair Project through the MSBA, to replace the roofs at the Beeman, East Gloucester, Veteran's Memorial and Plum Cove Elementary Schools and the O'Maley Middle School.

An amended loan authorization gives the city the flexibility to include replacing the roof at the Dorothy Talbot Memorial Rink in the RFP with the roofs outlined above.

I respectfully request that this matter be referred to the Budget and Finance Committee for review and discussion.

Thank you

**Ordered:** that the order adopted by the City Council on January 13, 2011, and approved by the Mayor on January 13, 2011, be amended in its entirety to read as follows so as to include a new project to be financed:

Ordered: that the sum of Six Million Dollars (\$6,000,000) is hereby appropriated for (i) roof replacement at the Ralph B. O'Maley Middle School, 32 Cherry Street, Gloucester, excluding that portion above the Dorothy Talbot Memorial Rink which proposed repair project would materially extend the useful life of the school and preserve an asset that otherwise is capable of supporting the required educational program, (ii) roof replacement at the Plum Cove Elementary, 15 Hickory Street, Gloucester, which proposed repair project would materially extend the useful life of the school and preserve an asset that otherwise is capable of supporting the required educational program, (iii) roof replacement at the Veterans' Memorial School, 10 Webster Street, Gloucester, which proposed repair project would materially extend the useful life of the school and preserve an asset that otherwise is capable of supporting the required educational program, (iv) roof replacement at the East Gloucester Elementary School, 8 Davis Street Extension, Gloucester, which proposed repair project would materially extend the useful life of the school and preserve an asset that otherwise is capable of supporting the required educational program, (v) roof replacement at the Beeman Memorial School, 138 Cherry Street, Gloucester, which proposed repair project would materially extend the useful life of the school and preserve an asset that otherwise is capable of supporting the required educational program (collectively, the "MSBA Projects") and (vi) replacement of that portion of the roof above the Dorothy Talbot Memorial Rink at the Ralph P. O'Maley Middle School (the "Rink Project"), said sum to be expended under the direction of the Department of Public Works, and to meet said appropriation the Treasurer with the approval of the Mayor, is authorized to borrow said sum under M.G.L. Chapter 44, or any other enabling authority:

I. MSBA Projects Eligible for Grant Funding: That portion of the total amount authorized to be borrowed by this vote for (i) roof replacement at the Ralph B. O'Maley Middle School, excluding that portion above the Dorothy Talbot Memorial Rink, (ii) roof replacement at the Plum Cove Elementary, (iii) roof replacement at the Veterans' Memorial School, (iv) roof replacement at the East Gloucester Elementary School, (v) roof replacement at the Beeman Memorial School, 138 Cherry Street, Gloucester, is expected to be expended to pay costs of MSBA Projects for which the City may be eligible to receive a grant from the Massachusetts School Building Authority ("MSBA") to pay a portion of such costs, that the City acknowledges that the Massachusetts School Building Authority's ("MSBA") grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any project costs the City incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the City; provided further that any grant that the City may receive from the MSBA for the MSBA Projects shall not exceed the lesser of (1)

CITY OF GLOUCESTER

forty-eight and twenty-seven one hundredths percent (48.27%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA; that the amount of borrowing authorized pursuant to this vote shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the City and the MSBA, and

II. Rink Project Not Eligible for Grant Funding: That portion of the total amount authorized to be borrowed by this vote is expected to be expended to pay costs of the Rink Project not eligible for grant funding, specifically, for replacement of that portion of the roof above the Dorothy Talbot Memorial Rink at the Ralph B. O'Maley Middle School. The City acknowledges that the costs described in this paragraph shall be the sole responsibility of the City, and that the City is not eligible to receive financial assistance from The Commonwealth of Massachusetts or the MSBA to defray any portion of such costs.

Further Ordered: that the proceeds of the \$6,000,000 appropriation authorized by this order shall first be used for the MSBA Projects that are eligible to receive MSBA grant funding.

Further Ordered: that the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes.

City Hall  
Nine Dale Avenue  
Gloucester, MA 01930



TEL 978-281-9707

FAX 978-281-8472

jtowne@gloucester-ma.gov

PRINCIPAL CLERK  
GLOUCESTER, MA

11 JUN 15 AM 11:56

**CITY OF GLOUCESTER**  
**OFFICE OF THE CHIEF FINANCE OFFICER**

Memorandum

To: Mayor Kirk  
From: Jeffrey C. Towne, CFO  
Date: June 7, 2011  
Re: Municipal Lien Certificate and Demand Fees

The Collector's department processes over 1,100 certificates of lien and several thousand demand fees annually. The fees for certificates of liens were last amended on May 28, 2002 by the City Council. The demand fees have been at the same rate of \$5.00 for a considerable length of time. The volume of certificates of liens has increased over the last five years. The volume of demand fees varies from year to year based upon a tax payer or water/sewer user's ability to pay their bills on time.

As a result of recent budget cuts, the Principal Clerk Supervisor's position in the Collector's Department was not funded in FY12. That position is vacant presently as a result of the lay off that took place last month. The position is very important to the operations of the department and I would like you to consider asking the City Council to approve the following fee increases in order to restore the funding for this position as soon as possible.

<b><u>Certificates of liens:</u></b>	<b><u>Current Fee</u></b>	<b><u>Proposed Fee</u></b>
Land less than one acre with no permanent structure	\$25.00	\$50.00
Land with no more than a single family resident and outbuildings	\$25.00	\$50.00
Land with no more than a two-family residence and outbuildings	\$25.00	\$50.00
Land with no more than a three-family residence and outbuildings	\$25.00	\$50.00
Land with residence of four or more families	\$100.00	\$175.00
Land with a commercial, industrial or public utility concern structure	\$150.00	\$250.00
Farms, forest land and all other real property	\$50.00	\$100.00
Land with one acre or more with no permanent structure	\$50.00	\$100.00
Mixed use land (as classified by the Assessors)	\$50.00	\$100.00
<b><u>Demand fees</u></b>	<b>\$5.00</b>	<b>\$10.00</b>

The budget for this revenue source can be increased by \$48,000 in the general fund for a full fiscal year which is enough to restore the position. The demand fees will also add revenue to the water and sewer enterprise funds as well. A significant amount of other communities have already made these changes, in fact some have increased the demand fee to \$30.00. Thank you for your consideration. As always I am available to answer any questions that you may have.