

Budget & Finance Committee
Thursday, June 5, 2014 – 4:30 p.m.
1st Fl. Council Committee Rm. – City Hall
-Minutes-

Present: Chair, Councilor Melissa Cox; Vice Chair, Councilor William Fonvielle; Councilor Paul McGeary
Absent: None.

Also Present: Kenny Costa; John Dunn; Mark Cole; Noreen Burke; Stephen Winslow

The meeting was called to order at 4:30 p.m. Items were taken out of order.

1. **Letter from Gloucester Fishermen Athletic Association re: Donation in the amount of \$2,500 to be used specifically for providing supervisory/security personnel at Newell Stadium for evening and weekend hours until July 1, 2014.**

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A a gift of \$2,500 from the Gloucester Fishermen Athletic Association (GFAA) for the exclusive purpose of funding supervisory/security personnel at the New Balance Track & Field at Newell Stadium for evening and weekend hours.

2. **Memorandum form Community Development Director & Public Health Director re: City Council acceptance of Get Fit Gloucester! Mass in Motion Year 6 grant award in the amount of \$25,000**

Stephen Winslow, Senior Project Manager-Community Development Department, with Noreen Burke, Public Health Director, said that this \$25,000 grant is the award for Year 6 of the Get Fit Gloucester! Mass In Motion grant from the Mass in Motion Municipal Wellness and Leadership Program. This grant period covers May 13, 2013 through September 30, 2014. The statewide movement promotes opportunities for healthy eating and active living. The ultimate goal of Mass in Motion is to reduce obesity and chronic diseases such as diabetes, heart attack and stroke. He noted that the city has received permission to spend past year Mass in Motion grant funds until December 31, 2014. A proposal is being put forward to create Get Fit Gloucester! Cape Ann to include Manchester, Essex and Rockport because this grant initiative will move to regionalization with the next funding round, **Mr. Winslow** pointed out. It is hoped, he pointed out, that there will be enough bridge funding, plus this grant and .2 FTE in the FY15 budget will fund his position to March – April but that there is a funding gap from April 2015 to June 30, 2015.

Ms. Burke said there is a sense of urgency with funding Mr. Winslow's position from her and Tom Daniel, Community Development Director's perspective. She briefly reviewed some of the accomplishments of Get Fit Gloucester! Mass in Motion 2013 Community Report (placed on file), that had been shepherded by Mr. Winslow, with the support of the Mayor and the Council. She said that the current grant is \$14,000 a year, and that Mr. Winslow is currently funded at \$60,000 a year. The grant is now \$20,000 less and is a regional proposal which means less money but do more with more communities, she noted. The city, she said, is trying to make relationships with Manchester, Essex and Rockport, around issues that have been successful through Get Fit Gloucester! The new state regionalized grant is very competitive, she pointed out. It will be towards the end of the summer that the city will know if a grant is in the offing and it could be an extended grant, he said. There is also the possibility that the other participating communities would fund some of the work by Mr. Winslow, it was noted. **Ms. Burke** said that regionalization is now the trend in Mass. Public Health, and the funding environment will be more challenging.

Councilor Cox clarified that Mr. Winslow's position is 50 percent funded for FY15. If this grant comes in at \$30,000 it would be shared with the other participating communities. **Ms. Burke** said all the funds would be put into Mr. Winslow's FTE as Gloucester would be the sole recipient, but the work plan would include the Cape Ann municipal partners and his time would be shared with the other communities. She also pointed out if this grant comes to the city, there are four two-year options to renew the grant.

Councilor McGeary pointed out that in FY16 there would not be enough money to fully fund Mr. Winslow's position. **Mr. Winslow** said some of his funding comes through the Brownfields program. There was a discussion as to how Mr. Winslow's salary could be fully funded for FY15 but that it still resulted in .8 FTE and salary funding would run out in March-April 2014.

Ms. Burke, in response to **Councilor Fonvielle**, said that the communities have signed on and agreed not to receive the funds and that Mr. Winslow will work to develop plans for their community.

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council under MGL c. 44, §53A accept a \$25,000 grant from the Mass. Department of Public Health and associated funding partners for a Mass in Motion Municipal Wellness and Leadership Program that funds Get Fit Gloucester!

3. Special Budgetary Transfer Request (2014-SBT-36) from the Department of Public Works

A memorandum from Mark Cole, Assistant Public Works Director, dated June 3, 2014, submitted at the request of the B&F Chair, explained the particulars all the DPW transfers was noted as being on file providing explanations for 2014-SBT-36 through -44. **Mr. Cole** answered Councilor questions under 2014-SBT-44 specific to that transfer only (see below).

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-36 for \$1,375 from DPW Solid Waste Permanent Positions, Account #101000.10.403.51100.0000.00.000.00.051 to DPW Administration Salary/Permanent Positions, Account #101000.10.421.51100.0000.00.000.00.051 for the purpose of funds needed to cover payroll costs through the end of FY2014 following the retirement costs of the DPW Confidential Secretary.

4. Special Budgetary Transfer Request (2014-SBT-37) from the Department of Public Works

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-37 for \$6,030.56 from DPW Solid Waste Disposal, Salary/Permanent Positions, Account #101000.10.403.51100.000.00.000.00.051 to DPW Facilities, Heating Oil, Account #101000.10.472.52170.0000.00.000.00.52 for the purpose of purchasing heating oil.

5. Special Budgetary Transfer Request (2014-SBT-38) from the Department of Public Works

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-38 for \$127 from DPW Engineering, Sick Leave Buyback, Account #101000.10.411.51920.000.00.000.00.051 to DPW Facilities, Heating Oil, Account #101000.10.472.52170.0000.00.000.00.52 for the purpose of purchasing heating oil.

6. Special Budgetary Transfer Request (2014-SBT-39) from the Department of Public Works

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-39 for \$913.38 from DPW Facilities, Worker's Compensation Payroll, Account #101000.10.472.51570.000.00.000.00.051 to DPW Facilities, Heating Oil, Account #101000.10.472.52170.0000.00.000.00.52 for the purpose of purchasing heating oil.

7. Special Budgetary Transfer Request (2014-SBT-40) from the Department of Public Works

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-40 for \$258.08 from DPW Facilities, Salary/Wage Longevity, Account #101000.10.472.51400.000.00.000.00.051 to DPW Facilities, Heating Oil, Account #101000.10.472.52170.0000.00.000.00.52 for the purpose of purchasing heating oil.

8. Special Budgetary Transfer Request (2014-SBT-41) from the Department of Public Works

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-41 for \$345.05 from DPW Other, Sick Incentive Pay, Account #101000.10.499.51944.000.00.000.00.051 to DPW Facilities, Heating Oil, Account #101000.10.472.52170.0000.00.000.00.52 for the purpose of purchasing heating oil.

9. Special Budgetary Transfer Request (2014-SBT-42) from the Department of Public Works

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-42 for \$5,000 from DPW Other, Salary/Wage Overtime, Account #101000.10.499.51300.000.00.000.00.051 to DPW Facilities, Heating Oil, Account #101000.10.472.52170.0000.00.000.00.52 for the purpose of purchasing heating oil.

10. Special Budgetary Transfer Request (2014-SBT-43) from the Department of Public Works

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-43 for \$48,000 from Water Enterprise Fund, Employee Health Insurance, Account #610000.10.450.51750.000.00.000.00.051 to Water Enterprise Fund, Contractual Services, Account #610000.10.450.52000.0000.00.000.00.52 for the purpose of funding various water projects related to the Water Enterprise Fund.

11. Special Budgetary Transfer Request (2014-SBT-44) from the Department of Public Works

Councilor McGeary observed that in the FY15 budget there is an increase in the Veolia contract for the purpose of covering change orders such as these, and asked if this was a change order carrying over into FY15 or was it an additional change order. **Mr. Cole** said that this transfer is for an additional change orders. This money wasn't in the FY14 budget. With the renegotiated two-year Veolia contract, additional money was placed in FY15 budget to cover such change orders, he pointed out. He said that this money is for work taking place in FY14 because capital money was lost in the FY14 budget. This change order will fund heavy repairs and capital improvements. He would provide specifics of the work to be done if possible to the Committee before the City Council meeting of June 10. **Councilor McGeary** said he presumed that the money in the health insurance account where funds were being transferred out of was due to the change to the GIC health insurance program which **Mr. Cole** confirmed.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-44 for \$41,560.33 from Water Enterprise Fund, Employee Health Insurance, Account #610000.10.450.51750.000.00.000.00.051 to Water Enterprise Fund, Maintenance Expenses, Account #610000.10.450.52460.0000.00.000.00.52 for the purpose of funding a contract change order with Veolia Water North America NE LLC for the filtration system.

**12. Memo from City Auditor regarding accounts having expenditures which exceed their authorization
And Auditor's Report**

Amendment of Supplemental Appropriation-Budgetary Request (2014-SA-66) from DPW (Sewer Enterprise Fund)

Mr. Costa explained that this past week purchase orders were being reviewed and it was discovered that a correction needs to be made for clarification purposes to the original vote by the City Council on May 13 related to 2014-SA-66 for \$450,000 from Sewer Enterprise Fund Retained Earnings to the Fund's Reserved for Capital Outlay account.

MOTION: On a motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council permit the amendment of

Supplemental Appropriation 2014-SA-66 in the amount of \$450,000 (Four Hundred Fifty Thousand Dollars) from the Sewer Enterprise Fund, Retained Earnings (“Free Cash”), Account #600000.10.000.35900.0000.00.000.00.000 to Sewer Enterprise Fund, Reserved for Capital Outlay, Account #600000.10.440.58000.0000.00.000.00.058 for the purpose of a Department of Environmental Protection required dumping area, sewer pipe replacement and sewer appurtenances, vector pad, Pump Station Upgrades and a Pump Station generator. The original Supplemental Appropriation was approved by the City Council on May 13, 2014.

Mr. Costa reviewed his reports with the Committee. **Mr. Dunn** participated in a discussion with the Committee on some administrative deficits and also spoke about the concerns related to covering the Snow and Ice debt for FY14. He suggested that not all the debt will be resolved in FY14 and that some carryover will be likely into FY15 and will have to wait for an infusion of FY14 certified free cash to resolve the debt.

Mr. Costa renewed his recommendation to the Committee that there be a creation of a Snow & Ice Stabilization fund. **Councilor McGeary** agreed that when FY14 Free Cash is certified by the Department of Revenue and something is left after critical city needs are met through free cash distribution, he would want to see \$100,000 put into a newly created Snow & Ice Stabilization Fund. **Mr. Dunn** offered the suggestion of increasing the Snow & Ice budget by \$200,000, raising the budget to \$850,000. **Councilor McGeary** said the stabilization fund would bank against a bad winter rather than upping the Snow & Ice budget because once the account is raised it can never go down.

A motion was made, seconded and voted unanimously to adjourn the meeting at 5:12 p.m.

Respectfully submitted,

Dana C. Jorgenson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- **Get Fit Gloucester!! Mass in Motion 2013 Community Report**
- **City Auditor’s Reports: Actual Amount Overdrawn FY2014 and Projected Amount Overdrawn Report FY2014.**