

**Special Budget & Finance Committee**  
Monday, June 30, 2014 – 6:00 p.m.  
**1<sup>st</sup> Fl. Council Committee Room – City Hall**  
-Minutes-

**Present: Chair, Councilor Melissa Cox; Vice Chair William Fonvielle; Councilor Paul McGeary**

**Absent: None.**

**Also present: Kenny Costa; John Dunn; Fire Chief Eric Smith**

**The meeting was called to order at 6:00 p.m. Items were taken out of order**

**1. Review and votes to make recommendations by Committee to the City Council re: transfers for FY14 Budget deficits**

Supplemental Appropriations:

**Councilor Cox** said in speaking with CFO, John Dunn, prior to the meeting, she understood that the deficit for the FY07-08 Drug Enforcement Task Force Grant has been an on-going deficit which now needs to be written off by funding the deficit rather than continuing to carry it on the city's books. **Mr. Dunn** suggested the deficit was likely caused by fringe benefits being charged to the grant fund which eventually were deemed ineligible by the state (grantor). This has been carried forward for some time, **Kenny Costa**, City Auditor, expressed his agreement that the deficit should be resolved.

**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 Supplemental Appropriation 2014-SA-74 in the amount of \$2,683.30 (Two Thousand Six Hundred Eighty Three Dollars Thirty Cents) from Account #101000.10.211.51950.0000.00.000.00.051, Police Uniform, Career Incentive to Account #292027.10.991.49700.0000.00.000.00.040, FY07-08 Drug Enforcement Task Force-Transfer in from General Fund for the purpose of removing a permanent deficit in the grant fund for costs charged but deemed ineligible for reimbursement by the grantor.**

**Councilor Cox** noted this transfer corrects a similar grant situation as with 2014-SA-75 for a small sum.

**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 Supplemental Appropriation 2014-SA-75 in the amount of \$68.63 (Sixty Eighty Dollars Sixty Three Cents) from Account #101000.10.211.51950.0000.00.000.00.051, Police Uniform, Career Incentive to Account #292059.10.991.49700.0000.00.000.00.040, Secure Our Schools Grant - Transfer In from General Fund for the purpose of removing a permanent deficit in the grant fund for costs charged but deemed ineligible for reimbursement.**

Special Budgetary Transfers:

**Fire Chief Eric Smith** explained that Special Budgetary Transfers 2014-SBT-66 through -76 are transfers to cover salary/wage overtime incurred in order to keep the outlying stations open which needs a minimum duty firefighting staff of 16 per shift. This minimum staffing policy effective July 1 when the department moves from four firefighting groups to three, it was noted.

**Councilor Cox** said there is \$23,492.77 in transfers and the account will have a positive balance of \$19,000. **Chief Smith** said as there is one day in the next payroll from FY14. As a result, the funding will not quite match up until the year closes out and the charge backs that have been estimated due to St. Peter's Fiesta overtime settle out in the next and last payroll of FY14.

Responding to inquiries by **Councilor McGeary**, **Mr. Costa** noted year to date there is \$632,055.53 spent on Fire Department overtime for FY14 plus the next payroll to come forward which also includes free cash influxes. **Chief Smith** confirmed that only \$100,000 is budgeted for FY15 with the new staffing scheme which moves the department from 18 per firefighting group to 24 per firefighting group on July 1.

After a discussion among the **Committee members** with **Mr. Costa, Mr. Dunn** and **Chief Smith** on processing the transfer paperwork, **Councilor Cox** noted that 2014-SBT-66 through 2014-SBT-76 needed corrections to reflect the motions Mr. Costa prepared amending the account which the funds would be placed prior to the City Council's July 8 meeting.

**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-66 for \$1,566.32 (One Thousand Five Hundred Sixty Six Dollars Thirty Two Cents) from Account #101000.10.220.52001.0000.00.000.00.052 Fire Department, Special Contractual Services to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-67 for \$2,819.38 (Two Thousand Eight Hundred Nineteen Dollars Thirty Eight Cents) from Account #101000.10.220.52100.0000.00.000.00.052 Fire Department, EMS Contracts to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-68 for \$9,119.68 (Nine Thousand One Hundred Nineteen Dollars Sixty Eight Cents) from Account #101000.10.220.52470.0000.00.000.00.052 Fire Department, Vehicle Maintenance to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-69 for \$668.19 (Six Hundred Sixty Eight Dollars Nineteen Cents) from Account #101000.10.220.52690.0000.00.000.00.052 Fire Department, Other Equipment Maintenance to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-70 for \$1,738.73 (One Thousand Seven Hundred Thirty-Eight Dollars Seventy Three Cents) from Account #101000.10.220.53060.0000.00.000.00.052 Fire Department, Training Classes & Tuition to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-71 for \$1,043.32 (One Thousand Forty Three Dollars Thirty Two Cents) from Account #101000.10.220.53065.0000.00.000.00.052 Fire Department, Fire Prevention Class/Seminars to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-72 for \$1,335.00 (One Thousand Three Hundred Thirty Five Dollars) from Account #101000.10.220.53190.0000.00.000.00.052 Fire Department, SP Bill/Collections Service to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-73 for \$2,482.90 (Two Thousand Four Hundred Eighty Two Dollars Ninety Cents) from Account #101000.10.220.53410.0000.00.000.00.052 Fire Department, Telephone Services to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-74 for \$1,173.10 (One Thousand One Hundred Seventy Three Dollars Ten Cents) from Account #101000.10.220.54310.0000.00.000.00.054 Fire Department, Electrical/Signal Maintenance to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-75 for \$638.26 (Six Hundred Thirty Eight Dollars Twenty Six Cents) from Account #101000.10.220.54900.0000.00.000.00.054 Fire Department, Food and Food Service to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-76 for \$907.89 (Nine Hundred Seven Dollars Eighty Nine Cents) from Account #101000.10.220.55330.0000.00.000.00.054 Fire Department, Replacement Machine/Auto Parts to Account #101000.10.220.51300.0000.00.000.00.051, Fire Department, Salary/Wage-Overtime for the purpose of funding a Fire Department Salary/Wage Overtime deficit.**

**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-77 for \$13,000 (Thirteen Thousand Dollars) from Account #6200000.10.475.51200.0000.00.000.00.051 Talbot Rink Enterprise Fund – Salary/Wages-Temporary Positions to Account #6200000.10.475.52101.0000.00.000.00.052, Talbot Rink Enterprise Fund – Electricity Services for the purpose of funding a deficit in the account.**

**Councilor McGeary** asked where the funds to pay the police details by the State Police and other local Police Departments were paid for assisting the city's Police Department during Fiesta. They are paid out of this account, **Mr. Dunn** said. Councilor Cox said it was her understanding there was a municipal mutual aid between North Shore emergency services departments which covered such details when needed for crowd control. **Mr. Dunn** said that mutual agreement is only activated in the case of an emergency that would tax the city's emergency services departments beyond their resources and there was a need for immediate assistance.

**Councilor Cox** noted that Police Chief Campanello was not present as he had been at Fiesta continuously during all five days in command.

**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-78 for \$14,968.87 (Fourteen Thousand Nine Hundred Sixty Eight Dollars Eighty Seven Cents) from Account #101000.10.211.51100.0000.00.000.00.051 Police Uniform, Salary/Wages-Permanent Position to Account #101000.10.210.51300.0000.00.000.00.051, Police-Administration, Salary/Wages Overtime for the purpose of funding a Police Department Salary/Wage Overtime deficit incurred due to St. Peter's Fiesta.**

**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-79 for \$7,825.38 (Seven Thousand Eight Hundred Twenty Five Dollars Thirty Eight Cents) from Account #101000.10.211.51450.0000.00.000.00.051 Police Uniform, Salary/Holiday Pay to Account #101000.10.210.51300.0000.00.000.00.051, Police-Administration,**

**Salary/Wages Overtime for the purpose of funding a Police Department Salary/Wage Overtime deficit incurred due to St. Peter's Fiesta.**

**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-80 for \$7,500 (Seven Thousand Five Hundred Dollars) from Account #101000.10.211.51490.0000.00.000.00.051 Police Uniform, Salary/Specialty Position to Account #101000.10.210.51300.0000.00.000.00.051, Police-Administration, Salary/Wages Overtime for the purpose of funding a Police Department Salary/Wage Overtime deficit incurred due to St. Peter's Fiesta.**

**Councilor Cox** pointed out that this matter was brought to light during the FY15 budget review for Shellfish Control, and that this transfer remedies the sick incentive pay not previously funded.

**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-81 for \$465.00 (Four Hundred Sixty Five Dollars) from Account #101000.10.296.54860.0000.00.000.00.054 Shellfish Control-Marine Hardware and Accessories to Account #101000.10.296.51944.0000.00.000.00.051, Shellfish Control-Sick Incentive Pay for the purpose of funding a deficit in the account.**

**Mr. Costa** noted the document placed on file prior to the meeting entitled, "Massachusetts Department of Elementary and Secondary Education, Office of School Finance, FY14 School Choice Tuition." He explained that Hans Baumhauer, Director of Finance and Operations, had projected a deficit in the school choice assessment account that the state Cherry Sheet charge is assessed to the city, which showed a projected school choice estimate of \$1.4 million for the FY14 budget, but it actually came in at \$1.6 million. This created a \$212,900 deficit in that account, he said, and the school district will pick up \$181,322 of that deficit. While time ran out to complete paperwork to file with the Committee, he said that the motion is correct and appropriate.

**Councilor McGeary** suggested that the \$181,322 is the \$212,900 minus the \$31,000 surplus. **Mr. Costa** said observed that Mr. Baumhauer is projecting a surplus in the School Choice Receiving Tuition account. Because revenues and expenses can't be netted in the General Ledger, on the expenditure side approximately \$31,000 will remain as a deficit. When all the accounts close, he said, it will net out the deficit when Free Cash is certified. He added that this deficit would be considered by the Department of Revenue as a free cash reduction but when the books close there will be a net result that will cancel the deficit out.

**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-82 for \$181,322 (One Hundred Eighty One Thousand Three Hundred Twenty Two Dollars) from Account # 101000.21.370.53800.2305.00.270.00.052 School Department, Main Office Contingency to Account # 101000.10.820.56810.0000.00.000.00.056, Other State Assessments: E-1 School Choice Assessment for the purpose of funding the deficit in the account.**

**Mr. Costa** and **Mr. Dunn** discussed with the Committee a spread sheet (on file) showing remaining FY14 ordinary account deficits that the Committee was informed will be resolved by internal transfers.

**Councilor McGeary** asked Mr. Costa to provide the Committee with a summary of the Supplemental Appropriations and Special Budgetary Transfers for FY14 for the Committee's records and subsequent discussion at a future B&F Committee meeting.

**A motion was made, seconded and voted unanimously to adjourn the meeting at 6:26 p.m.**

**Respectfully submitted,**

**Dana C. Jorgenson**  
Clerk of Committees

**DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.**