

Budget & Finance Committee
Thursday, April 18, 2019 – 4:30 p.m.
1st Fl. Council Conference Room – City Hall
-Minutes-

Present: Chair, Councilor Melissa Cox; Vice Chair, Councilor Scott Memhard (entered the meeting at 4:35 p.m.); Councilor Ken Hecht

Absent: None.

Also Present: Councilor Gilman (entered the meeting at 4:38 p.m.); Kenny Costa; Jim Destino; John Dunn; Mike Hale; Bill Sanborn; Jill Cahill; Dr. Richard Safier, Gary Frisch; Vanessa Krawyck;

The meeting was called to order at 4:30 p.m.

1. *Memorandum from Planning Director re: request acceptance of additional grant funding from Coastal Zone Management to support the ongoing Gloucester High School Flood Mitigation Design Project; \$17,000 increase to grant with a 25% match*

Gregg Cademartori, Planning Director, noted last year the city applied for a Coastal Resilience Grant to look at flood mitigation options for protection of the High School campus; and that work has progressed. There's some additional analyses that GZA, the engineers who are working on the project, have suggested that there was some additional work that should be done to validate the design. He reported that he'd reached out to Coastal Zone Management (CZM) to see if additional funding was available and submitted a request for additional \$17,000 to complete a final validation of the design. He conveyed CZM was able to fund this through their allocation of the FY19 grant the city received. This is a request for the acceptance of the additional funding. There is a match as there was with the base grant, the same ratio of the match is required which will be funded by utilizing available funds for planning work in Community Development. The match component for the base grant came from a DPW line item, he advised.

Councilor Hecht asked for brief update on the design-to-finish timeline. **Mr. Cademartori** explained that the time line for permitting will be in the next month with a number of permits required and will be filed before the grant funds are to be completely utilized by June 30. There'll be additional outreach meetings shortly to see what the design looks like -- a linear design for a barrier that will protect for the longer term. The design engineers have pushed as far as they can within the limitations as far as height and what it would do from a flooding perspective. They will have construction drawings and bid specifications documents by June, he added.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A, a state grant amendment from the Executive Office of Energy and Environmental Affairs, Office of Coastal Zone Management, a Coastal Resilience Grant of \$17,000 for the purpose of better addressing and protecting the Gloucester High School campus from future flooding risk and hazards in addition to previous funding of \$63,345 for a total award of \$80,345. The grant match is 25% of the total project cost on a reimbursement basis. The grant period is through June 30, 2019.

2. *Review of Fiscal Year 2018 Outside Audit/City's FY18 Comprehensive Annual Financial Report (CAFR)*

Kenny Costa, City Auditor noted that there is the Management Letter from Mr. Roselli of Roselli, Senior Partner with Roselli, Clark & Associates, the city's outside auditor; and the Single Audit Report, as well as the Comprehensive Annual Financial Report (CAFR) (all on file), reviewed as follows:

CAFR: The report is a great achievement for the city, as Gloucester is only 1 out of 40 communities to produce this report in a state of 351 municipalities. This is the second time the city participated in this nationally recognized program and is a goal for this to be an annual endeavor as the report tells the story of the city. He highlighted several pages within the report:

- Pg. 6: Unassigned Fund Balances -- In 2015 the city was just under \$4 million because of the Snow & Ice deficit although the city was able to amortize about \$2.6 million of that deficit. The chart pictured shows a gradual increase in Unassigned Fund Balances and now the city is up to \$8 million which brings the city back to 2014 levels.

- Pg. 28: This is page 1 of a 2 page letter from the city's outside auditors which advised of a "clean" report which is the highest opinion possible.
- Pg. 46: Balance Sheet for Governmental Funds -- The discussion focused on the General Fund balances showing restricted of \$221,745 (bond premium money to be amortized); assigned \$2,545,934 (purchase orders); and unassigned of \$8,517,689 (can be used for any municipal purpose) totaling \$11,285,368 versus the previous year of \$10,600,000, an increase of about \$591,000 from FY17 to FY18. This represents about 8% of the city's total operating budget equating to one month of operating expenditures. The sale of Fuller, and the special legislation was noted -- next year the proceeds will show under non-governmental funds; but if the legislation is successful, those proceeds would show under the General Fund and make the city's financial position much better. He acknowledged the Free Cash distribution policy proposed by the Administration and confirmed by vote of the Council as the reason there are financial reserves for the city.

Tony Roselli, Senior Partner with Roselli, Clark & Associates, licensed certified public accountants, and the city's contracted outside auditor, reviewed the city's FY18 Audit, remarked that that the city did a great job on the CAFR. He noted the city staff does a lot of the work on the CAFR to provide all the necessary information and photographs making it a collaborative effort so that it can be done at no extra charge by his firm to the city. Going forward he remarked it shouldn't take as much work as the first CAFR. The transmittal letter comes directly from the Mayor's office, he pointed out, saying it was a nice report. Last year the city received an award for its CAFR report which he advised is a great achievement.

Focusing on the **Management Letter**, **Mr. Roselli** conveyed the following information:

- Page 3: OPEB (Other Post-Employment Benefits): The city's liability has been calculated under GASB-75, the new governmental accounting standards for OPEB, which is \$180 million. At this time, the city is contributing \$50,000 annually but isn't doing much overall to meet the liability. When the Pension Fund is fully funded 10 or 15 years from now, it was indicated then the city can get more aggressive with OPEB contributions starting in 2034. At the request of **Councilor Hecht** who asked if the \$180 million stays level or if it increases as times goes on, **Mr. Roselli** noted the balance will continue to go up. He advised that if the city contributed enough to move the discount rate of 4% to 7% it would knock the liability down by about \$30 to \$40 million. It was pointed out that in the 2030's it will be up; by the city contributing more it will help the discount rate. There will be a plan which will generate plan assets which in turn will reduce the number dramatically starting in 2034. He advised he expected the state to pass a bill about that time mandating the money that was going to fully fund pensions now go to OPEB.
- Single Audit Requirements: The federal government wants municipalities to have a guide to oversee grants. It is a matter of taking what is in place, adding what is missing and codifying it. **Mr. Costa** assured he would take care of this matter. **Mr. Roselli** noted a lot of this has school involvement. The polices are in place, he noted.
- Page 4: Municipal Data Breaches: It may make sense to have a third-party data security audit done although it was pointed out that the city's Information Technology (IT) Department does a good job and does think about cyber security. **John Dunn**, CFO, noted the city now has cyber insurance through its liability insurance provider, MIIA, which was put in place this year. **Mr. Roselli** expressed his approval that the city had that new liability insurance. **Mr. Destino**, CAO, pointed out that the IT Department is well funded due to how they help the city function better businesswise, and that the department does an excellent job, and voiced his complement for the work of the IT Director.
- New SEC regulation: New SEC regulations were briefly touched on.

Observations & Recommendations - Current Year Comments:

- OPEB Contributions: The way in which funds are transferred and the General Ledger balance and bank balance agreement needs improvement, and it was acknowledged that Mr. Costa and Mr. Dunn are addressing this issue.
- Payroll: The third-party report writing software module known as Cube Reports which is supported by MUNIS is not being used at this time but will be used soon. **Mr. Dunn** noted they didn't start using MUNIS for payroll until 14 months ago.

Observations & Recommendations - Current Year Comments:

- Authorized Signer Update: Pursuant to small accounts at the Cape Ann Savings Bank with little activity, the suggestion is to close the accounts or fill out signature cards. **Mr. Dunn** reported that this past summer he did sign the signature cards and took care of this matter.
- Student Activities Accounts: The bank accounts have been set up this past year and **Mr. Roselli** advised they will audit these accounts this year to ensure the accounts are used the way they should be.
- Community Development Office: There is an \$85,000 issue on Community Development Block Grant (CDBG) loans. It was noted that the department is working with the Treasurer's office to resolve the issue and are investigating loan tracking software to eliminate such issues. **Jill Cahill**, Community Development Director, advised they have bought the software used throughout the country for CDBG grants, and before putting it into place, the city's Financial Analyst has reviewed the accounts in depth to assure that the data entered into the new software program will go in clean.
- Betterments and Related Debts: This was acknowledged by Mr. Roselli as a tremendous task to handle saying that this won't be fixed until the end of the debt; at that point the city will have to decide what to do with any funds leftover. It is too much work and the debt should be allowed to run off. The city has fixed the pieces they can -- it is a matter of trying to figure who did what where going back 30 years which is a daunting task. The betterments are now in the Stabilization Fund due to the state's Financial Modernization Act. **Mr. Dunn** noted the time horizon isn't that far out on the bulk of the betterments that date back to the 1990's.
- Trash program: This program needs to have a better reconciliation, it was noted. **Mr. Costa** advised that he and the DPW Director are working on a solution.
- Compensated Absences: To get the Police and Fire data from the TriTech data system to the city system will take some time, but that process has started.
- Fraud Prevention Measures/Risk Assessment: It was pointed out that the necessary number of the Auditor's Department staffing doesn't exist to handle this kind of departmental review.
- Police Department: Left from last year's review: An abatement policy for all outstanding accounts. Those that predate 2014 have about \$35,000 that is still being carried that will likely not be collected. At some point a determination needs to be made. Write-offs are the purview of the Council, it was noted. There was a reconciliation issue between IMC and MUNIS and something will be implemented this year. The Permit Clerk and the City Auditor will discuss how to reconcile internal reports to MUNIS. Stagnant grant balances still exist on the General Ledger and haven't been reviewed, and coding errors are still common. This isn't material to the city, it was pointed out. Capital asset inventories included things like vehicles that have been traded, other old items are still listed, and that should be corrected for 2019. Evidence Room procedures still need to be addressed, although it was noted that Mr. Costa did an unannounced Evidence Room check during the year which showed all items accounted for.

DEPARTMENTAL REVIEW: INSPECTIONAL SERVICES:

Mr. Roselli expressed he was pleased at how the Inspectional Services Department is utilizing the ViewPoint software system, a cloud-based on-line permitting software solution. He touched on some of the highlights of the system. The way ViewPoint works is that it produces the credit card reports and goes directly to the bank. The Treasurer enters the information directly from the bank not from the Inspectional Services Department. The Inspectional Services Department only enters the checks and cash and takes the credit card transactions week to week and isn't doing it at the same cut off as the Treasurer's Department. It is important to do a reconciliation to ensure the Treasurer and the Building Inspector is on the same page. All turnovers should go to the City Auditor's office, it was noted. The Licensing and Zoning Clerk keeps an Excel spreadsheet, and it is recommended that go to ViewPoint, and at a minimum reconcile that spreadsheet on a quarterly basis.

QUESTIONS:

Councilor Cox asked how long the Inspectional Services Department has utilized the ViewPoint software. **Bill Sanborn**, Building Inspector, advised they've had it for two years now.

3. *Gloucester Public School's End of Year Financial Report - Independent Account's Report*

Mr. Costa reviewed the Committee the Gloucester Public School's End of Year Financial Report as submitted by Roselli, Clark & Associates saying that annually this report is prepared by the School Department's CFO along

with himself. There is only one finding on Chapter 70 School Aid (on file). This report was prepared in-house last year and this year, saving the city about \$7,000. It was pointed out that in FY11 there were 12 findings and the report was late. The State can withhold local funding if such reports are submitted late. This year the process went well and all city departments contributed to this successful audit, he reported.

4. Memorandum from Mayor re: request acceptance of donation of 46 WWII Veterans' Framed Portraits with an estimated value of \$34,000 - \$46,000

Judith Hoglander, Chair of the Committee for the Arts, reviewed that Jason Grow, photographer has donated a series of portraits of the city's WWII veterans' which are now galleried in City Hall's first floor. The way in which the photographs are displayed and hung was discussed briefly with **Councilor Cox** and **Ms. Hoglander** to ensure the photographs' safe but aesthetic display.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A ½, a tangible donation from Jason Grow, Photographer, consisting of 46 Gloucester World War II Veterans' Framed Portraits with an estimated total value of \$34,500 to \$46,000.

5. Special Budgetary Transfer Requests 2019-SBT-8 & -9 from Gloucester Public Schools

Gary Frisch, Director of Finance & Operations for the Gloucester Public Schools reviewed 2019-SBT-8 is an annual payment from the Schools to pay for the Gloucester High School Resource Officer.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2019-SBT-8 in the amount of \$60,000 from Account #S1102505-511101, GHS Salaries-Principal Professional to Account #0121151-513000, Police Uniform, Overtime, for the purpose of funding the Gloucester High School Resource Officer.

Mr. Frisch noted that 2019-SBT-9 is for \$349,549 to reimburse the city for school tuition charges for state aid for SPED students that are opting out of the city schools. **Mr. Costa** advised that this is part of the school choice assessment number. DESE (Dept. of Elementary & Secondary Education) has come up with a new system, and as part of the School Choice they're including SPED tuition on the Cherry Sheet charges which he expanded upon briefly. This is an annual transfer, he pointed out, to prevent a large deficit at the end of the fiscal year.

COMMITTEE RECOMMENDATION: On motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2019-SBT-9 in the amount of \$349,549 to Account #0182052-565004, General Fund, School Choice Sending Tuition Assessment from the following General Fund - School accounts:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
S4191992-530100	SPED-Tuition Mass. District Wide Professional & Technical	\$ 73,854
S4193992-530100	SPED-Tuition Non-Public School District Wide Prof. & Tech.	\$164,412
S4194992-530100	SPED-Tuition Collaborative District Wide Professional & Tech.	<u>\$111,283</u>
	TOTAL:	\$349,549

6. Memorandum from School CFO re: request to Pay FY18 expenses with FY19 funds

Mr. Frisch conveyed that there are three items under this heading:

This first item action is \$889.44 for wages owed to a teacher placed in an incorrect step for part of the year last year.

COMMITTEE RECOMMENDATION: On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council in accordance with MGL c. 44, §64 approve payment of prior year wages owed to Carolyn Doolin, a Gloucester Public Schools Teacher from the Veterans School in order to rectify an incorrect step and lane placement in the amount of \$889.44. The Fiscal Year 2018 wages owed in the amount of \$889.44 will be funded with Fiscal Year 2019 School Department General Fund available budgeted funds.

This is for a teacher owed \$1,000 for an incentive payment for early notice of retirement last year and was entitled to the money per contract.

COMMITTEE RECOMMENDATION: On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council in accordance with MGL c. 44, §64 approve payment of prior year wages owed to Ed Touchette, a retired Gloucester Public Schools Teacher from the East Gloucester Elementary School in order to rectify a retirement incentive payment in the amount of \$1,000. The Fiscal Year 2018 wages owed in the amount of \$1,000 will be funded with Fiscal Year 2019 School Department General Fund available budgeted funds.

This payment was for wages owed to a secretary who wasn't been given credit for her seniority which should have been paid in 2018.

COMMITTEE RECOMMENDATION: On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council in accordance with MGL c. 44, §64 approve payment of prior year wages owed to Debbi Biondo, a Gloucester Public Schools Administrative Assistant at the Plum Cove School in order to rectify an incorrect step placement in the amount of \$5,611. The Fiscal Year 2018 wages owed in the amount of \$5,611 will be funded with Fiscal Year 2019 School Department General Fund available budgeted funds.

Councilor Hecht asked how situations like this can be prevented. **Mr. Frisch** noted they'll institute a check and balance system to prevent such future occurrences. **Councilor Cox** commented that she's not seen many of these coming before the Committee and that it is unusual.

7. Memorandum from School CFO re: request that Preschool Revolving Fund expenditure limit to be increased from \$130,000 to \$150,000

Mr. Frisch advised that the request to increase the cap on the Preschool Revolving Fund is due to the increase in enrollment that program. A classroom has been added which had to be outfitted, along with hiring a teacher and teacher's assistant. They are increasing the fees to increase revenues, he reported. Enrollment is in the high 130's and could be in the 140's by the end of the school year, School Superintendent, **Dr. Richard Safier** reported. Responding to an inquiry by **Councilor Cox**, **Mr. Frisch** conveyed that raising the ceiling to \$150,000 would serve their purposes for the rest of this year and next year as well.

COMMITTEE RECOMMENDATION: On motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council accept under MGL c. 44, Sec. 53E ½ an amendment of the expenditure limit of the Preschool Revolving Fund from \$135,000 to \$150,000 in Fund #0308.

8. Supplemental Appropriation-Budgetary Transfer Request 2019-SA-34 from the DPW

Mike Hale, DPW Director, advised this appropriation is from the Highway Force account funded through road opening permits. There is a Complete Streets Project on Reynard Street with a bit on Poplar Street ready to go funded by a MassDOT \$300,000+ grant along with a grant from MassDOT. MassDOT wants this project bid separately from Chapter 90 road paving projects, and so he needs a bid document which the appropriation will fund. He noted this work can't be done until school closes, acknowledging that Councilor Gilman has already knocked on doors passing out flyers to the affected neighborhood to let them know that this work is coming soon.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2019-SA-34 in the amount of \$45,000 (Forty Five Thousand Dollars) from the Highway Force Receipts Reserved for Appropriation, Transfers to the General Fund, Account #32085-596001, to DPW-Public Services, Purchase of Services, Account #0147052-520000 for the purpose of funding engineering services for street completion.

9. Memorandum from CFO re: loan authorization in the amount of \$1,850,000 to abate various asbestos containing materials from the boiler room at Plum Cove School and to fund improvements to the Gloucester High School Field House

Mr. Hale explained that this loan is for the improvement of the GHS Field House to correct the original faulty floor installation under the indoor track and damage done subsequently to the floor through use and other issues. The project needs to be designed and constructed properly; he pointed out, and is anticipating costing about \$1.45 million with a bid alternative for another \$82,000. He reported that the Field House's bleachers are at the end of their lifespan and will be replaced.

He explained the second part of the loan request is for the Plum Cove School saying that they're mandated to report asbestos they find in buildings and have to abate it before plumbing and heating work is done. They have individual reports for each building at the DPW and at the School Administration office; and notify any subcontractors; parents get a notice at the beginning of the school year. This asbestos would never come in contact with the students. The main corridor at the Plum Cove School has asbestos floor tiling which is very common. The abatement is for the floor tiling and the insulation around fittings for the boiler. The boiler will not be replaced which was determined to be in good condition and with routine maintained will last for another 10 years. The abatement work will be done this summer. Mr. Destino reported that these two projects are a high priority in the facilities capital plan saying that they are committed to taking care of the buildings they know they'll be in for some time to come. He added that they had a good initial meeting with the Capital Improvement Advisory Board recently.

There was a brief discussion between Mr. Destino, Mr. Dunn, Mr. Hale and the Committee briefly about the anticipation of the results of the new City Facilities Study.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve the following a loan authorization of \$1,850,000 as follows:

Ordered: That the City of Gloucester appropriates One Million Eight Hundred Fifty Thousand Dollars (\$1,850,000) to pay costs of improvements to the Plum Cove Elementary School and Gloucester High School, including costs incidental or related thereto. To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to M.G.L. Chapter 44, Section 7, or pursuant to any other enabling authority. The Mayor and any other appropriate official of the city are authorized to apply for, accept and expend any grants or gifts that may be available to the City to pay costs of the projects. Any premium received by the City upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

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.

This loan order will be advertised for public hearing for May 14, 2019.

10. Memorandum from CFO re: loan Authorization request in the amount of \$650,000 for improvements to the Stage Fort Park Visitor's Center

Mr. Hale described his request for \$650,000 to make improvements to the Stage Fort Park Visitors' Center as follows: The Visitor Center's porch has had structural issues for several years now. The support beams are a mix of steel I-beams and larger posts. Over a certain amount of money triggers meeting certain codes and adds to the costs for improvements. This is expensive, it was pointed out, but to maintain this city asset, this work has to be done. The porch is integral to the style of the building and covers the building's public restrooms, he noted.

On an inquiry by **Councilor Memhard**, **Mr. Hale** assured that despite the required work, the look and feel of the building will be maintained. This project is slated to begin after Labor Day, with **Mr. Hale** conveying that demolition and framing is quick and trades can work inside in the winter, he noted. The porch is temporarily shored up which has been viewed by the Building Inspector. Large groups won't be allowed on the deck of the Visitor's Center this summer which will be cordoned off and will require coordination with the Center's staff, he advised.

NOTE: A breakdown of costs is on file in a memo from the CFO dated April 3, 2019.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve the following a loan authorization of \$650,000 as follows:

Ordered: That the City of Gloucester appropriates Six Hundred Fifty Thousand Dollars (\$650,000) to pay costs of improvements to the Stage Fort Park Visitors' Center, including costs incidental or related thereto. To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to M.G.L. Chapter 44, Section 7, or pursuant to any other enabling authority. The Mayor and any other appropriate official of the city are authorized to apply for, accept and expend any grants or gifts that may be available to the City to pay costs of the projects. Any premium received by the City upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

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.

This loan order will be advertised for public hearing for May 14, 2019.

11. Addendum to Mayor's Report: Memorandum from DPW Director re: proposed increase in parking fees at Good Harbor Beach

Mr. Destino reviewed that in going over the FY20 budget, and listening to the City Council, they are presenting a proposal to raise certain beach parking fees. He pointed out they hold harmless parking fees for residents. These proposed increases for non-resident parking are mainly up by only \$5.00, he highlighted with a few exceptions.

Councilor Cox questioned the guest voucher fee and asked why it wasn't increased and what purpose that it served. **Mr. Destino** advised it was to promote the visitor-based economy. It was discussed that this discount should be removed, and **Mr. Destino** advised his commitment to speak with innkeepers on it. This voucher is shown at the parking lot gate to the attendant and the holder gets a 10% discount off the parking rate. **Mr. Hale** advised they don't see enough of these vouchers to make a substantial difference. It is recorded by the gate attendant that a guest voucher has been used, and they can get that number from last summer. **Mr. Destino** advised they don't take these fee increases lightly, but pointed out it has been three years since the last increase. He highlighted that they've expanded the ticketing zones around the beaches, and the cost of parking tickets in those zones. The parking fees are higher on Cape Cod, he added. By these increases, he suggested it may lessen demand for beach parking and may bring a better quality of life to the neighbors of city beaches. He added that he really didn't want to raise these fees but it was necessary. **Councilor Cox** highlighted that for the amount of money the city invests in its beaches, the beach-going public should contribute to their upkeep. In response to an inquiry by **Councilor Hecht**, if the Council votes to confirm these increases, it would add about \$250,000 potentially, **Mr. Destino** advised, saying that he budgets conservatively. They will watch through the summer to see how this impacts the city, he conveyed. It was pointed out beach parking is weather dependent as to revenue.

Mr. Hale and **Mr. Destino** briefly addressed a proposal on rental fees for Beaches, Stage Fort Park and Municipal and School Parking Lots. It was acknowledged that such fees are not the Council's purview and would not vote on the matter. However, after a discussion with both **Mr. Destino** and **Mr. Hale** addressing the suggested rental fees that for the most part aren't fees that will affect residents, it was agreed that if the rental fees are to be rolled out in the nearby that will be communicated to the Council when they are going to be put into place.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve proposed changes to the DPW Beach & Stage Fort Park Regulations Appendix A, "Parking and Rental Fees Established" pursuant to the beach parking fees for Stage Fort Park, Good Harbor Beach and Wingersheek Beach to be raised for certain subheadings as noted below to be the new rates and are hereby amended based on the amendments of the Beach & Stage Fort Park regulations Appendix A dated April 26, 2016 and which shall be filed permanently in the City Clerk's Office as DPW Regulations as approved by the City Council and pursuant to Sections 7-16 of the City Charter and to carry a new effective date of April 25, 2019 as follows:

Parking Fees		Current	Proposed	
Stage Fort Park	Passenger car, SW, mini-van, SUV	\$10.00	\$15.00	Weekdays
		\$15.00	\$20.00	Weekends, Holidays
	Motorcycle	\$5.00	\$5.00	Weekdays
		\$0.00	\$10.00	Weekends, Holidays
	Van (8+ seats)	\$15.00	\$20.00	Weekdays (Permit Required)
		\$20.00	\$25.00	Weekends, Holidays
	Bus (13+ seats)	\$20.00	\$25.00	Weekdays (Permit Required)
\$25.00		\$30.00	Weekends, Holidays (Permit Required)	
Bus (26+ seats)	\$25.00	\$30.00	Weekdays (Permit Required)	
	\$30.00	\$35.00	Weekends, Holidays (Permit Required)	
Guest Voucher	\$5.00	\$5.00	discount off the full daily rate	
GHB/WING	Passenger car, SW, mini-van, SUV 8:00am - 3:00pm	\$25.00	\$30.00	Weekdays
		\$30.00	\$35.00	Weekends, Holidays
	3:00pm - 5:00pm	\$15.00	\$20.00	Weekdays
		\$20.00	\$25.00	Weekends, Holidays
Motorcycle	\$5.00	\$5.00	Weekdays	
		\$0.00	\$10.00	Weekends, Holidays
Van (8+ seats)	\$30.00	\$35.00	Weekdays (Permit Required)	
	\$35.00	\$40.00	Weekends, Holidays	
Bus (13+ seats)	\$35.00	\$40.00	Weekdays (Permit Required)	
	\$45.00	\$50.00	Weekends, Holidays (Permit Required)	
Bus (26+ seats)	\$40.00	\$45.00	Weekdays (Permit	

		\$50.00	\$55.00	Required) Weekends, Holidays (Permit Required
	Guest Voucher	\$10.00	\$10.00	discount off the full daily rate

This matter will come before the Council under the B&F Committee Report on April 23, 2019.

12. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization & Auditor's Report and other related business*

Mr. Costa reviewed the previously submitted documentation with the Committee.

A motion was made, seconded and voted unanimously to adjourn the meeting at 7:55 p.m.

Respectfully submitted,

Dana C. Jorgensson

Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- Schedule of Parking and Rental Fees for Agenda Item #11 proposed by the DPW and Administration by Jim Destino, CAO