

CITY COUNCIL STANDING COMMITTEE
Budget & Finance Committee
Thursday, April 21, 2011 – 5:30 p.m.
1st Fl. Council Conference Rm. – City Hall

-MINUTES-

Present: Vice Chair, Councilor Paul McGeary; Councilor Jacqueline Hardy; Councilor Anne Mulcahey (Alternate)

Absent: Councilor Curcuru

Also Present: Councilor Verga; Linda T. Lowe; Kenny Costa; Jeff Towne; Mike Hale; Sarah Garcia; Sharon DuBois

The meeting was called to order at 5:30 p.m. Items were taken out of order.

1. Continued Business:

- A) Discussion related to \$25,293.00 from free cash to be recommended for a purpose by the Gloucester City Council (Cont'd from 03/01/11)

Councilor Hardy stated in November of 2010 the Mayor offered the \$25,293 to the Council from 'free cash'. A motion came forward from Councilor Tobey for a master plan to be developed for the Fort and the Mayor is interested to tapping this money for that purpose, but it is up to the Council to vote. The Council needs to make a decision for it, encumber the money and get a purchase order started or it falls to the bottom line at the end of the fiscal year. She reiterated this has to be a vote of the City Council. The Committee discussed other ways to spend the money regarding the Council chambers in Kyrouz Auditorium to fix various issues there such as the sound system, lighting, replacement of chairs, all of which have been untouched in many years. **Councilor Hardy** would send a memo to the Council inviting them to attend the next B&F to discuss this matter with the Committee. Time is passing, and they have to have the goods and services here in City Hall by June 30th, **Mr. Costa** informed them. **Councilor McGeary** felt from that meeting a motion would be made for the use of the money which could originate with the Committee and then move forward to the Council. He stated they can as a Committee makes recommendations on the use of the funds without having it being referred in particular on the use. **Jeff Towne, CFO** reminded them the money has to be appropriated for a specific purpose. **Councilor Hardy** noted it could be spent on several different items and gave some examples.

This matter was continued to May 5, 2011.

2. Memorandum from DPW Director re: City Council approval to reprogram a portion of CIP06 CSO Surface Improvements in the amount of \$750,000 to be used in the 2011 spring resurfacing Program

Mike Hale, DPW Director explained that this is not a reprogramming as he initially believed but in actuality is a new authorization. **Mr. Towne** stated they have a loan authorization outstanding for \$2.1 million of which they've only borrowed \$500,000 related to the CSO project. Therefore, they have not borrowed but have an authority to borrow an additional \$1.6 million. Because the funds haven't been borrowed yet, similar to the Fire Station repairs, a situation the Council dealt with the previous year, this will be a new loan authorization; and then the Council will have to rescind the portion of the \$2.1 million loan that is still outstanding. With **Councilor McGeary** noting the authority to borrow remains the same but that borrowing is being reprogrammed in an official sense which **Mr. Towne** confirmed.

Mr. Hale continued the City has 80 miles of public roadway. What they should be doing annually to maintain good roadway system is to pave the big roads systematically on an annual basis as they cost the most; and can pave approximately 2 miles of road with Chapter 90 funds annually. That leaves 3-6 miles

annually that get pushed off. Life expectancy of an asphalt surface ranges; the busier roads can expect 8-10 years of use after repaving; secondary roads can be stretched out perhaps up to 15 years. They don't have enough money annually to maintain a good pavement management program. The \$750,000 they are requesting will give them a large start in getting ahead this season. They have a contract good through September with good pricing this year and are hoping to get as much paved as possible. He can't program the roads to be done until he knows what money he has. The focus, he hoped would be the main arterial streets first which include Washington and East Main Streets and Farrington Avenue. They did a leveling course on the Back Shore last year in preparation of paving as there wasn't enough funding to do the complete job. Left as is it wouldn't last another season or two as it would start to unravel. Once they get the main roads done, the money will go a lot further for the secondary roads. Pointing to the downtown area, he suggested they could do the entire areas cross streets in one paving project: Chestnut, Elm, Center, Hancock, Duncan Streets by bundling them as one unit for paving. Most of these roads do not require reconstruction, just one layer of repaving.

Councilor McGeary added this money would be over and above what they're intending to do this year.

Mr. Hale stated this money would be used for a portion of the main road paving he'd remarked on earlier. Without this authorization he would not be able to do much more than that this paving season. They got about \$500,000 in Chapter 90 money. After the date of the Chapter 90 award letter they got a new award just under \$700,000, which was statewide a 29% increase; but that is only two miles of road. Five to eight miles a year should be done to maintain City roadways annually – continuously every year – which the City has never done. He stated this money would bring them to the five to eight mile goal this year. By bundling the streets they can save the mobilization charges as opposed to hopscotching around the City and paying a mobilization charge each time the paving projects are moved.

Councilor McGeary asked how much this adds up to for the bottom line in FY12.

Mr. Towne explained for FY12 he would go with short term debt; FY13 the debt would go long term. He has not been in favor of doing this because if done last year they'd only amortize debt over five years according to the law for repavement of municipal roads. With the passage of the Municipal Relief Act, Division of Local Services Guideline effective October 2010, which allow the repavement of roads debt to go out 15 years or their useful life which makes it more affordable on a per year basis in principal and interest. It would be roughly \$100,000/year adding to debt expense when it goes long term; short term would be about \$15,000-20,000 and that is factored into the FY12 budget, just the short term.

Councilor Hardy asked if they could provide a list of the roads to be paved. She would appreciate being able to tell people up front now what the plan is.

Mr. Hale stated they do have a plan. They did two sections of Washington Street two weeks ago which the State approved them to go forward on. He has to get specific approval on all the Chapter 90 money and bundle them all together. Once this authorization is done, they can do a full list of streets. He felt it would not be appropriate to announce all of them in case they have to fall away in the process. On inquiry from **Councilor Hardy** he stated they try to plan around all the public utilities work in roadway as they don't want to wind up ahead of their capital schedule. Reminding the Committee the utilities are federally regulated, they can't force them to do full course repaving feeling the utilities give more back than they need to already. They discussed the utilities repaving of roads and charges surrounding that process.

Councilor Hardy asked when the utilities do the repair jobs what is the warrantee on that work wondering if it was still 18 months. **Mr. Hale** noted that the problem is dependent on what roads they're tying a patch into which makes it hard to do, giving an example of Councilor's Hardy ward with regard to the CSO project.

Councilor Mulcahey recounted when National Grid did the repair work in the Fort. **Mr. Hale** briefly discussed with the Councilor the conditions of roadways there and noted the pavement management program they did in 2003 and 2004 was \$11 million and that they haven't spent nearly that much since.

Councilor Hardy thought a few City Councilors and City staff should come together to create a small committee on the public/private road conversion process to make policies; work with the Assessors' office so the Councilors know what to do. She urged that any suggestions by City staff as to how the Council can help them to get to where they need go would be welcome. **Mr. Hale** noted he and the City Solicitor

were speaking of it recently and that she would draft something for a simple step-by-step process. While it is in the ordinance, it is difficult to follow because they have 170 miles of roadway with only 80 of it public.

Councilor Hardy asked this where the \$750,000 is coming from.

Mr. Towne noted this is a new loan authorization and will need to be followed up with rescinding of \$750,000 of the \$2.1 million authorization. He also advised it would be prudent to advertise for public hearing as soon as possible with **Mr. Hale** adding it is a short season for paving work, and would be needing the public hearing to take place as soon as practical.

Kenny Costa, City Auditor stated they should rescind the \$750,000 portion of the loan also. The Committee would place on the rescinding on their agenda for June 9th.

MOTION: On motion by Councilor Hardy, seconded by Councilor Mulcahey the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the full City Council to authorize a loan order as follows:

Ordered: That up to \$750,000 is to be appropriated for surface improvement and paving in conjunction with the road improvement paving program for the City of Gloucester. To meet this Appropriation, the Treasurer, with the approval of the Mayor, is authorized to borrow up to \$750,000 and to issue bonds or notes therefore pursuant to MGL c. 44, §7(6).

MOTION: On motion by Councilor Hardy, seconded by Councilor Mulcahey the Budget & Finance Committee voted 3 in favor, 0 opposed to ADVERTISE FOR PUBLIC HEARING for a loan authorization of up to \$750,000 for surface improvement and paving in conjunction with the road improvement paving program for the City of Gloucester pursuant to MGL c.44, §7(6).

3. Memorandum from Community Development Director re: City Council acceptance of a Green Community Grant Award in the amount of \$198,200

Sarah Garcia, Community Development Director stated this grant of \$198,000 for the O'Maley School and Dorothy Talbot Rink energy savings upgrade which was for becoming a Green Community. This came forward because they had an energy audit already in place that identified a savings of an estimated \$67,000 per year. After speaking with Mike Hale and Jim Hafey, Facilities Manager they are moving forward with bids.

Councilor Hardy asked if this money was originally proposed for another project.

Ms. Garcia stated it was originally proposed for Beeman School boiler replacements but that this was not feasible.

Mr. Hale stated Beeman would have required a complete change as all the internal plumbing would have had to been modified adding that all the City schools need HVAC system upgrading.

Councilor Hardy noted Beeman needed the upgrading the most. She asked if this was the same \$198,000 use for a wind turbine study. **Ms. Garcia** stated this is not; it is for gaining State designation as a Green Community.

Councilor Hardy believed that as the result of the MOU they are able to move forward with this work.

Mr. Hale stated it is all facilities related. It includes doors, windows, egresses, etc. A low suspended ceiling for the rink will see a tremendous improvement. It is very specific what has been called out from the audit done in 2002 and to which nothing has changed.

Councilor Verga asked when this work will be done.

Mr. Hale stated the timing is difficult. They've worked on the mechanical rooms and not in common areas where workers would interact when school is in session. The rink itself, other than the outside they can do that during school hours. They have to do the majority of work in the summer. It is a very tight timeframe. They have to work with the principals and school department to ensure the buildings are

accessible when they need. The rink is on the same campus and they want to be sure the deliveries are well coordinated. They want to do the rink work in the off season, not the shoulder season.

Ms. Garcia stated there is no match required.

Councilor Hardy asked if the neighborhood would be affected.

Mr. Hale didn't think it would. It was limited to the school campus.

MOTION: On motion by Councilor Hardy, seconded by Councilor Mulcahey, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council under MGL c. 44, §53A to accept the Green Community's Grant Award of \$198,200 from the Massachusetts Department of Energy Resources to be used for energy upgrades at the O'Maley School and the Dorothy Talbot Skating Rink.

Councilor Hardy departed the meeting at 5:57 p.m.

4. Memorandum from Community Development Director re: City Council acceptance of a Seaport Advisory Council Grant for an OAWRS study in the amount of \$200,000

Ms. Garcia explained to the Committee that Ocean Acoustic Wave Study which she explained (see packet on file). They're hoping to line up federal funding of a complete system. This is a pilot program. **Councilor Mulcahey** noted other programs have looked at schools of fish and could tell there was a sizable group or small. The technology Northeastern used was from the Navy that they can detect what the boat is, the plane is. They developed this program that when it sees a school of fish it knows what kind of fish it is no matter the size of the school, many other things as well. It brings a closer focus of fish stocks.

Councilor McGeary asked what the City's role is.

Ms. Garcia stated the City is hosting meetings and is part of her job which is paid for through the Seaport Bond Council and she is a facilitator. There is no match.

Councilor McGeary felt Councilor Mulcahey has summed up the matter well and agreed with her.

MOTION: On motion by Councilor Mulcahey, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council under MGL c. 44, §53A to accept the Seaport Advisory Council grant for an OARWS of \$200,000 for the purpose of conducting a ground fish study.

5. Memorandum from Grants Administrator re: Program year 2011 CDBG & HOME grants – City Council acceptance of the anticipated CDGB grant in the amount of \$805,289 and \$5,000 Of Program Income and anticipated allocation of the HOME Grant in the amount of \$138,848

Sharon Dubois, Grants Administrator recounted for the Committee noted there was a change in grant funding award amounts since the matter went through the Mayor's Report. There was a reduction from the Federal Government. They were estimating a 7% reduction but what came through was a 16% reduction for the CDBG grant of 16.5% and 12% percent reduction for the HOME grant which an economic specialist at HUD confirmed these reductions were correct.

Ms. Garcia handed the Committee a memo confirming this information (document submitted and on file). The first time home buying grant is included. She noted the uses of the money and that it was for public services. Applicants for these funds had been warned of the reductions; and there were fewer applicants this year so they can fund more. They only made a reduction of less than \$1,000 per applicant this year however. This funding included Action, Inc., for youth, job training assistance for the mentally challenged, some is for housing providing for first and last month rental deposits. One hundred percent goes to helping people. Groups like Cape Ann Business Incubator (CABI) help with business development whom they partner with to help applicants develop business plans. Wellspring House is

helping with computer education. For housing rehabilitation a smaller program for lead removal was through Action, Inc. If someone doesn't have the means to replace a boiler or roof, there are loans, like deferrals with zero interest. **Ms. Garcia** added some are set up as regular repayment loans. They are reexamining that program of monthly installments versus annual installments. They would like to see these be deferred loans as they get the repayment at closings. They've always done the small public service grants. They've focused as well on the Clean City and the paving project on Main Street to get it to groups that didn't have any resources otherwise. **Ms. DuBois** continued the Community Health Program is supported through these funds; and they are also talking about parks and sidewalk accessibility. **Ms. Garcia** expanded on that for the Committee, highlighting the partnership with the DPW during repaving work to do handicapped accessible ramps which make the CDBG money go further. This came from the Mass In Motion partnership.

Councilor McGeary asked about the \$152,000 for streets and sidewalks.

Ms. Dubois stated it is now \$115,000 with the reduction of funds.

The Committee discussed the Burnham's Field and the Green Street projects with Ms. Garcia and Ms. DuBois. They noted the application of the Open Door Food Pantry asking for an emergency generator because if the electricity goes out they lose much of their contributed food.

Mr. Towne asked if they give the quote first.

Ms. DuBois confirmed they get that and the backup documentation. Applicants do not they get any money without the reports and documentation.

Councilor McGeary asked if the money rolls over to the next year.

Ms. Garcia stated the money can be repurposed, but they have to go through an advertising process.

Ms. DuBois touched upon economic development with CABI whom they partner. She explained American Development Fund which is a grant or loan fund for economic development; and would be working with the Loan Advisory Committee. They have an application developed. They are looking at a water shuttle business which looks like it may move forward and three other applications are under consideration. This is a direct grant program; however, it could be a loan program under HUD regulations should this program become more popular.

MOTION: On motion by Councilor Mulcahey, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council under MGL c. 44, §53A the acceptance of \$731,936.00 for the Community Development Block Grant Program from the U.S. Department of Housing and Urban Development for PY2011 and the anticipated HOME grant from the North Shore HOME Consortium in the amount of \$121,601.00.

Councilor Hardy returned to the meeting at 6:25 p.m.

Councilor Mulcahey excused herself at 6:25 p.m. Councilor Verga was asked to step in as Alternate until Councilor Mulcahey returned.

6. Special Budgetary Transfer Request (#2011-SBT-16) from Treasurer and Auditor Departments

Mr. Towne stated this money will be used to fund an OPEB Actuarial Study that the Auditor conducts. When they first did the OPEB it was valued as of 1/1/08. They should be doing this on a June 30 cycle as the City closes its fiscal year on that date. The outside auditor also agrees with this scheduling. They would do a study for 2009 and another one in 2011; and they'll then move forward doing it every two years which is a GASB requirement. For FY11 they need a new actuarial study and can't issue the financial statements without it.

Councilor McGeary thought it would be a gently rising curve but wondered if it changes much.

Mr. Costa thought it would increase. When there are major changes with allocations it will be reflected in the numbers. Changes to placing people on Medicare or removing a lot of people or cutting employees and not retiring them has an effect on it. Moody's wants to know this information as well.

Councilor McGeary felt they need to know what the target is and was a good plan.

MOTION: On motion by Councilor Hardy, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the transfer (#2011-SBT-16) of \$15,000.00 from Treasurer/Collector, Fin Serv-Bond Counsel, Unifund Account #101000.10.145.53170.0000.00.000.00.052 to Auditor, Contractual Services, Unifund Account #101000.10.135.52000.0000.00.000.00.052 to fund an OPEB Actuarial Study.

7. Special Budgetary Transfer Request (#2011-SBT-17 and #2011-SBT-18) from City Clerk's Office

Linda T. Lowe, City Clerk explained this money is coming from an account for election poll workers not available to work on the State Primary Election Day and will be used for a substitute recorder for the FY12 budget meetings and/or any other special meetings which the Clerk of Committees may not be available to record and transcribe the minutes. They intend to use this for Anne Marchand, a highly experienced recording clerk and a former Clerk of Committees who has agreed to fill in on whatever basis is needed. The rate of pay is \$25.00 per hour; and they want to be sure there is enough money in the account. **Councilor Hardy** stated the two transfers are drawing it all together in one account. If not needed it would fall to the bottom line. **Ms. Lowe** added the money budgeted at the beginning year would not have likely been enough.

MOTION: On motion by Councilor Hardy, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the transfer (#2011-SBT-17) for \$3,718.49 from Registration, Sal/Wage – Temp Pos, Unifund Account #101000.10.163.51200.0000.00.000.00.051 to City Clerk, Sal/Wage – Temp Pos, Unifund Account #101000.10.161.51200.0000.00.000.00.051.

MOTION: On motion by Councilor Hardy, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the full City Council the transfer (#2011-SBT-18) for \$1,285.68 from Registration, Sal/Wage Overtime, Unifund Account #101000.10.163.51300.0000.00.000.00.051 to City Clerk, Sal/Wage – Temp Pos, Unifund Account #101000.10.161.51200.0000.00.000.00.051.

8. Special Budgetary Transfer Request (#2011-SBT-19) from Assessors Office

Councilor Mulcahey returned to the meeting at 6:35 p.m. and Councilor Verga stepped away as Alternate at that same time.

Mr. Towne explained the revaluation program for the triennial evaluation is over and would put this money forward to help pay for the Veteran Services fuel overage. The next three transfers have to do with the Veteran's underfunded budget and noted he will come back soon with more transfers. Even with these transfers that budget will be over. He will need more resources and has set aside those funds. This would be about \$60,000-\$70,000 under-budgeted for the year between medical and ordinary benefits and fuel. This includes potential burials. Those kinds of transfers are the last at the end of the year. **Councilor McGeary** was pleased they could do this for the veterans. **Mr. Towne** noted this is all done electronically. Jeff Williams, the City's Veteran's Agent enters the details and Mr. Towne sends it to the State from whom they get reimbursed. They pay it first and it becomes part of what comes from the State annually. They might not see a portion of the reimbursement until the next year, much of it will come back in the next fiscal year. The revenue comes to the Cherry Sheet. They'll budget a bit extra for them, but will likely take a similar approach next year. They did increase the revenues knowing what will come back. **Councilor Hardy** asked about reporting by this Veteran's Agent. **Mr. Towne** confirmed Mr. Williams has done an amazing job.

MOTION: On motion by Councilor Hardy, seconded by Councilor Mulcahey, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the transfer (#2011-SBT-19) for \$10,900.00 from Assessors, Re-valuation Program, Unifund Account #101000.10.141.57840.0000.00.000.00.057 to Veterans Services, Fuel, Unifund Account #101000.10.543.57740.0000.00.000.00.057.

9. Special Budgetary Transfer Request (#2011-SBT-20) from Treasurer's Office

MOTION: On motion by Councilor Hardy, seconded by Councilor Mulcahey, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the transfer (#2011-SBT-20) for \$6,706.85 from Treas/Collector, Debt Service, Interest Temp, Unifund Account #101000.10.145.59250.0000.00.000.00.059 to Veterans Services, Medical, Unifund Account #101000.10.543.57720.0000.00.000.00.057.

10. Special Budgetary Transfer Request (#2011-SBT-21) from Treasurer's Office

MOTION: On motion by Councilor Hardy, seconded by Councilor Mulcahey, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the transfer (#2011-SBT-21) for \$21,222.38 from Treas/Collector, Debt Service, Interest Temp, Unifund Account #101000.10.145.59250.0000.00.000.00.059 to Veteran Services, OB, Unifund Account #101000.10.543.57710.0000.00.000.00.057.

11. Special Budgetary Transfer Request (#2011-SBT-22) from Treasurer's Office

Mr. Towne stated he described this at previous B&F meetings; and that this transfer is to complete the budgeting issue for the Legal Department which has been on-going. This will zero it out for the rest of the fiscal year.

MOTION: On motion by Councilor Hardy, seconded by Councilor Mulcahey, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the transfer (#2011-SBT-22) for \$265.24 from Treas/Collector, Salary Wages, Temporary, Unifund Account #101000.10.145.51200.0000.00.000.00.051 to City Legal Dept, Sal/Wage-Perm Position, Unifund Account #101000.10.151.51100.0000.00.000.00.051.

12. Memorandum from Community Development Director re: proposed amendment to GCO §12, Art. II "Wetlands"

This matter was erroneously placed on the B&F agenda and was, in fact, a matter to be taken up by the Ordinances & Administration Committee on Monday, May 2, 2011. No action was deemed necessary by the B&F Committee.

13. Communication from Gloucester Contributory Retirement System Board re: Cost of Living Adjustment

Councilor Hardy noted this came to the Council through the Mayor acknowledged the receipt of a letter from the Gloucester Contributory Retirement System Board (GCRSB) regarding the Cost of Living Adjustment (COLA). Mr. Towne explained the purpose of this letter from the GCRSB was to inform the Council that the Social Security Administration would not be providing a COLA next year. The Council had voted to increase the COLA by \$2,000 recently. The plan was to take it from \$12,000 to \$14,000 and then vote the percentage. This letter is informing them that the GCRSB will vote the percentage; and they

will hold a public hearing at their level and then the process is complete. The Council has no further action to take on this matter.

Councilor Hardy disclosed under MGL c.268A in order to avoid any appearance of impropriety and for transparency purposes she stated her husband is a member of the Board of the Gloucester Contributory Retirement System which did not affect her one way or another as far as monetary issues were concerned and felt it appropriate to discuss this matter and that there will be no vote.

Councilor McGeary stated the GCRSB could do 0-3% which **Mr. Towne** and **Mr. Costa** confirmed and asked if this would have an affect on the actuarial study. **Mr. Costa** and **Mr. Towne** confirmed it would but would be small in terms of dollars. On inquiry by the Committee **Mr. Towne** noted there are approximately 300+ retirees. This number does not include teachers.

MOTION: On motion by Councilor Hardy, seconded by Councilor Mulcahey the Budget & Finance Committee voted 3 in favor, 0 opposed that on the matter of the Communication from Gloucester Contributory Retirement System Board re: Cost of Living Adjustment is to be placed on file.

14. Snow & Ice Deficit

Mr. Costa expressed his concern to the Committee that the last time they asked for \$900,000 in authorizations. As they are still seeing bills coming through his office; to be conservative they would prefer to do an additional \$150,000 so they don't come back for more. They have \$927,727.09 on the ledger and with encumbrances and pending invoices believed the cap will be \$950,000. **Mr. Towne** had them (DPW) de-encumbered whatever they think they didn't need. They brought it down \$30,000 from the last time they spoke on this matter. He reminded the Committee that they came twice also last year to do this as well; **Mr. Costa** added this was simply a legal requirement. **Councilor McGeary** stated some MEMA money was coming in but not until FY12. **Mr. Costa** noted if it comes in FY11 they can transfer the expenditures out of these accounts into a grant fund to offset the reimbursement for expenditures. **Mr. Towne** added it is \$163,000 of reimbursable expenses, but they've added more to that since they turned the original paperwork in. After expenditures, less the MEMA money it will leave them with an \$800,000 deficit remaining. He believes they can get it down to \$300,000 this year and only carry that amount to the following year. On inquiry by **Councilor Mulcahey**, **Mr. Costa** noted they've spent \$1.5 million this year and more bills are coming through. **Councilor Hardy** asked why they are still getting bills. **Mr. Towne** thought it was just because they are just working though the process. **Councilor Hardy** wondered if there is a deadline for bills to be received; and if not, asked they consider doing that for FY12. **Mr. Towne** stated \$300,000 will be in FY12 which goes to how to erase that; as well as working on the recap adding \$300,000 to fund the snow and ice deficit. But he wants to leave room for Veterans and utility accounts of the DPW. He can't carry over those deficits but can for snow and ice.

MOTION: On motion by Councilor Hardy, seconded by Councilor Mulcahey the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the full City Council to accept the provisions of M.G.L. Chapter 44, §31D snow and ice removal, emergency expenditures not to exceed an additional \$150,000 in addition to the \$900,000 previously authorized.

15. Ongoing City Financial Review

Mr. Towne did not have information for the Committee this evening. He would try to give a water and sewer FY11 analysis at the next B&F meeting.

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

Mr. Costa reviewed his documentation previously submitted (on file) to the Committee on projected and actual memorandums. He made note that his office is taking a closer look at these numbers now as they grow closer to the budget season. **Mr. Towne** also discussed with the Committee some aspects of Mr. Costa's report.

Councilor Hardy noted for the record that the action by the Budget & Finance Committee on 4/11/11, a vote regarding created the Personnel Early Separation Incentive program, with a Unifund Account number beginning in 10100.10.1052 and ending in .057, that the account does not exist as the motion failed at the City Council on 4/12/11 and no money was appropriated.

A motion was made, seconded and voted unanimously to adjourn the meeting at 7:26 p.m.

Respectfully submitted,

Dana C. Jorgensson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- **Memo from Sarah Garcia re: CDBG and HOME Grant PY11/FY12 dated April 21, 2011 re: final CDBG grant allocation.**