

**Budget & Finance Standing Committee**  
**Thursday, April 22, 2021 – 5:30 p.m.**  
**REMOTE MEETING**  
**-Minutes-**

**Present: Chair, Councilor Melissa Cox; Vice Chair, Councilor Scott Memhard; Councilor John McCarthy**

**Also Present: City Clerk, Joanne Senos; Assistant to CAO, Chris Sicuranza; Treasurer, John Dunn; Auditor, Kenny Costa; Community Development Director, Jill Cahill; Grants Administrator, Jaimie Corliss; Clerk of Committees, Sherry Karvelas**

*This meeting was conducted remotely through ZOOM. All votes were by ROLL CALL.*

**Meeting called to order at 5:32 p.m.**

**Chairperson Cox** announced that consistent with the Governor's orders suspending certain provisions of the Open Meeting Law and banning certain gatherings such that an in person meeting of the Budget & Finance is not possible, this meeting will be conducted by remote participation. The public may not physically attend this meeting but every effort will be made to allow the public to view and listen to the meeting in real-time and participate when necessary.

**Matters were taken out of order.**

**Councilor Memhard** joined the meeting at 5:34 p.m.

**1. Memorandum from the Community Development Director re: CPC Off Cycle recommendation for City Hall restoration (Cont. from 4/8/21)**

**Summary of Discussion:** **Co-Chair of the Community Preservation Committee, Pamela Tobey**, stated the CPC recommendation was for \$1.7 million in the form of a 20-year bond with an annual debt service not to exceed \$130,000 for fire and electrical system upgrades to City Hall. **J.J. Bell, City Hall Restoration Commission** stated two studies had been done (one in 2015 and one in 2018/2019) which demonstrated the fire risk to City Hall to be catastrophic due to the age of the building, the wood construction and the chimney-like tower. He stated funding from the State towards this effort had been received in the amount of \$1.5 million, for a total of \$3.2 million excluding the Information Technology piece. He stated that there was broad local support for this project.

**Councilor McCarthy** asked **Treasurer, John Dunn** if he had any concerns that if the CPA was repealed would that turn the loan into an unfunded liability. **Mr. Dunn** stated it would always be a concern but the fact that the CPC had taken a vote to support \$1.7 million in a loan order, or \$130,000 in annual debt service, bound the committee. He stated this would be stronger if set up as a standalone loan order as a piece of the funding for the entirety of the project rather than coming forward with one single loan order for the total cost of the project, but either way would work. He explained that his general understanding was that once CPC had committed to funding a loan order, then that commitment stands out even if the Community Preservation Act was revoked. **Mr. Bell** added that in the unlikely event that the CPA was revoked, it would still be around to the extent of the debt service on the outstanding bonds at that time. **Councilor Cox** asked for further explanation regarding the status of the loan order in case of a revocation of the CPA. **Mr. Dunn** explained the current structure of the CPA as it added 1% to taxes after an exclusion for \$100,000 of residential asset or assessed value. If the CPA was revoked in a City-wide vote, then the only thing that would be added for CPA in years to come would be the \$130,000 in debt service to support the loan order.

**Councilor Memhard** and **Councilor Cox** thanked everyone for the work that has been done to make this project happen.

This matter was for discussion only; no motion offered. **Mr. Dunn** stated there were a number of questions that still needed to be answered and when those questions were reasonably answered he would bring forward two loan orders, one for the CPC portion and one for the balance of the entirety of the project.

**2. Memorandum from the DPW Director, and #2021-SBT-3 in the amount of \$6,842.82 (Cont. from 4/8/21)**

**Summary of Discussion:** **Treasurer, John Dunn** stated due to a number of managers having excessive vacation time carrying from one year to another, the decision was made to buy back up to two weeks' vacation time; whatever was left and could not legitimately be carried forward would be deemed use it or lose it. He stated in most cases the costs were absorbed in departmental operating budgets due to personnel vacancies, with the DPW admin being the exception. He explained the funds were paid out of the appropriate lines and this would backfill that account.

**COMMITTEE RECOMMENDATION:** On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed to recommend that the City Council approve Special Budgetary Transfer 2021-SBT-3 in the amount of \$6,842.82 from the DPW – Public Services - Salaries, Account #0147051-511000, to DPW –Admin. – Salaries, Account #0142151-511000 for the purpose of funding a deficit in the salaries account.

**3. Memorandum from the Cape Ann Veterans Services Director requesting acceptance of a donation in the amount of \$200**

**Summary of Discussion:** **Treasurer, John Dunn** stated these were donations received by the Director of Veterans Services which was a wonderful extra source of revenue.

**COMMITTEE RECOMMENDATION:** On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed to recommend that the City Council accept a cash donation under MGL c. 44, §53A, to support Cape Ann Veterans Services in the amount of \$200 from the following member within our community:

Ronald and Beverly Teixeira	<u>\$200.00</u>
<b>Total</b>	<b>\$200.00</b>

**4. Memorandum from the Cape Ann Veterans Services Director requesting acceptance of donations in the amount of \$45**

**COMMITTEE RECOMMENDATION:** On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed to recommend that the City Council accept a cash donation under MGL c. 44, §53A, to support Cape Ann Veterans Services in the amount of \$45 from the following members within our community:

Janet and Gregory Lemnah	\$ 25.00
John and Randi Pata	<u>20.00</u>
<b>Total</b>	<b>\$ 45.00</b>

5. *Memorandum from the Public Health Director requesting acceptance of a COVID-19 Response award in the amount of \$14,705.88*

**Summary of Discussion:** The **Public Health Director** was unable to attend this meeting, but **Councilors Cox, Memhard** and **McCarthy** agreed that the packet of information provided to the Council clearly outlined the purpose of the funds.

**COMMITTEE RECOMMENDATION:** On a motion by **Councilor Cox**, seconded by **Councilor Memhard**, the **Budget & Finance Committee** voted by **ROLL CALL 3** in favor, **0** opposed to recommend that the **City Council** accept under **MGL c. 44, §53A**, a state grant from the **Metropolitan Area Planning Council (MAPC)** on behalf of the **Commonwealth of Massachusetts** and the **Department of Public Health (DPH)**, in the amount of **\$14,705.88** for the purpose in responding to the **COVID-19 outbreak**, including vaccination efforts, to cover expenses incurred after **January 1, 2021** to **June 30, 2021**. There is no local match for this grant.

6. *Memorandum from the Community Development Director requesting acceptance of two Mass Cultural Council Grants: Rocky Neck Cultural District in the amount of \$7,500, and Downtown “Harbortown” Cultural District in the amount of \$7,500*

**Summary of Discussion:** **Community Development Director, Jill Cahill**, stated Gloucester was the only local community with two cultural districts. This year, the annual grant would be used to fund creative initiatives to help the cultural economy recover from the pandemic. In partnership with **Maritime Gloucester, Discover Gloucester** and **Cape Ann Museum**, the event would be called **Culture Splash**, which would be eight Thursdays throughout the summer starting **July 8** where the focus would be on the cultural districts. She stated there would be free public transportation running from **4 p.m.** until **8 p.m.** to bring guests back and forth to both cultural districts that would each be using a digital map to highlight each week’s performers, artisans and painters. **Courtney Richardson of the Rocky Neck Art Colony** stated the idea was to not have people just in one district; they could spread out between the two districts using the free transportation.

**Councilor Cox** reiterated that the grant would be used towards salaries, artists, **Discover Gloucester** and transportation and thanked **Mass Cultural Council** for the funding. She stated having both districts working together was amazing. She conveyed that she was a member of the **Rocky Neck Art Colony**, as well as **Local Colors downtown**, and was grateful for the support. **Ms. Cahill** conveyed that the **City Council** and the **Mayor’s office** funds the cultural districts each year at **\$4,000** each and these funds would be put towards this event. **Councilors Memhard** and **McCarthy** thanked everyone involved.

**Rocky Neck Cultural District in the amount of \$7,500**

**COMMITTEE RECOMMENDATION:** On a motion by **Councilor Cox**, seconded by **Councilor Memhard**, the **Budget & Finance Committee** voted by **ROLL CALL 3** in favor, **0** opposed to recommend that the **City Council** accept a state grant under **MGL c. 44, §53A**, from the **Massachusetts Cultural Council** for a **FY21 Cultural District Initiative Grant** in the amount of **\$7,500** for the purpose of supporting the **Rocky Neck Cultural District** and financial assistance to support personnel, marketing, artist stipends and free public transportation for summer **Thursday evening cultural experiences** located in the **Rocky Neck Cultural District** and **Downtown Harbortown Cultural District**. The grant period of the grant is from **July 1, 2020** through **June 30, 2021** and there’s no local match for this grant.

**Downtown “Harbortown” Cultural District in the amount of \$7,500**

**COMMITTEE RECOMMENDATION:** On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed to recommend that the City Council accept a state grant under MGL c. 44, §53A, from the Massachusetts Cultural Council for a FY21 Cultural District Initiative Grant in the amount of \$7,500 for the purpose of supporting the Gloucester’s Downtown Harbortown Cultural District and financial assistance to partner with the Rocky Neck Cultural District to plan and market Thursday evening cultural experiences this summer highlighting the numerous cultural assets in the Downtown Harbortown Cultural District and the Rocky Neck Cultural District. The grant period of the grant is from July 1, 2020 through June 30, 2021 and there’s no local match for this grant.

**7. Memorandum from the Stage Fort Park Advisory Committee Chair re: Fort area restoration and Lucy Davis Pathway extension funding (Info Only)**

**Summary of Discussion:** Councilor Cox stated she forwarded the memo received from the Stage Fort Park Advisory Committee to the Director of Public Works as she felt it was a conflict for the City Council to intervene in this matter. Councilors Memhard and McCarthy concurred with Councilor Cox that the matter should be handled by the Mayor’s office, DPW and CPC.

**8. Memorandum from City Auditor regarding accounts having expenditures which exceed their authorization & Auditor’s Report and other related business**

**Summary of Discussion:** Auditor, Kenny Costa stated there were 18 items on the report with 1 new item related to fire overtime callbacks, 3 resolved items, with all the other items being repeats.

Councilor McCarthy asked if the item related to fire overtime callbacks would continue to grow through the budget cycle. Mr. Costa stated this was actually due to vaccine efforts and his office just received a journal entry to move those expenses over to the vaccine revolving fund.

Councilor McCarthy stated at the City Council meeting of April 13, 2021 he asked for an update on the marijuana licenses and funding. After the budget cycle, Councilor McCarthy asked if Mr. Dunn could make a presentation regarding this matter. Mr. Dunn stated he would be happy to do so, probably by midsummer. Councilor Cox asked about other communities’ impact fees and community donations and the court proceedings regarding coercion. Mr. Dunn stated his understanding of the issues that arose, particularly the charitable donations, were because the local municipality was directing the applicant as to where to send the charitable donation and making that a requirement of the HCA. In the City’s case, those charitable donations had been volunteered by the folks asking for the permit; the City did not ask for the donations.

**MOTION:** On a motion by Councilor Cox, seconded by Councilor McCarthy, the Budget and Finance Committee voted by ROLL CALL 3 in favor, 0 opposed to adjourn the meeting at 6:24 p.m.

**Submitted by:** Sherry Karvelas, Clerk of Committees

**Documents submitted at the meeting:** None.

**Meeting Recording:** <http://gloucester-ma.gov/1077/Remote-Public-Meetings>