

**Budget & Finance Standing Committee**  
**Thursday, May 6, 2021 – 5:30 p.m.**  
**REMOTE MEETING**  
**-Minutes-**

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

**Other Councilors Present: Councilor Jamie O’Hara**

**Also Present: Treasurer, John Dunn; Auditor, Kenny Costa; Fire Chief, Eric Smith; Police Chief, Ed Conley; Assistant to CAO, Chris Sicuranza; Clerk of Committees, Sherry Karvelas**

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

**Meeting called to order at 5:30 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 Jamie O’Hara** joined the meeting at 5:41 p.m.

***1. Memorandum from the Fire Chief requesting acceptance of a Firefighter Safety Equipment Grant in the amount of \$15,000***

**Summary of Discussion:** **Fire Chief, Eric Smith** stated this grant was a capped grant, but a competitive grant, based on the City census and would be used to purchase PortaCount Fit Test equipment for the Fire Department’s Respiratory Protection Program. He stated fit testing was required annually under OSHA/DLS. He stated the equipment could also be used by other departments if needed. The **Fire Chief** wished to thank Senator Bruce Tarr and Representative Ann-Margaret Ferrante for their help with this grant.

**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, a FY21 Firefighter Safety Equipment Grant from the Mass. Dept. of Fire Services (DFS) in the amount of \$15,000 for the purpose of purchasing Fit Testing equipment for the Gloucester’s Fire Department’s Respiratory Protection Program. The grant period is through June 30, 2021 and there’s no local match for this grant.**

***2. Memorandum from Police Chief and Special Budgetary Transfer Request (#2021-SBT-4) in the amount of \$12,000***

**Summary of Discussion:** **Police Chief, Ed Conley** stated the funds would be used to refit the new vehicle purchased for the Police Department.

**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-4 in the amount of \$12,000 from the Police-Uniform - Salaries, Account #0121151-511000, to Police-Uniform – Vehicles, Account #0121158-585001, for the purpose of purchasing a new vehicle.

**3. Memorandum from Building Inspector and Special Budgetary Transfer Request (#2021-SBT-5) in the amount of \$1,000**

**Summary of Discussion:** Treasurer, John Dunn stated a retirement generated an overdraft in one account and these funds were being used to fill 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-5 in the amount of \$1,000 from the Inspectional Services – Professional & Technical Services, Account #0124152-530000, to Inspectional Services – Salaries & Wages Temporary, Account #0124151-512000 for the purpose of funding a deficit in the salaries & wages temporary account.

**4. Memorandum from City Auditor re: City's FY20 Comprehensive Annual Financial Report (CAFR)**

**Summary of Discussion:** Auditor, Kenny Costa stated this report continued to be an annual achievement goal of the City's and that it was a nationally recognized report by the Government Finance Office Association. He stated this report had been issued four consecutive years, and he reminded everyone that in FY19 the City received the Certificate of Achievement for Excellence in Financial Reporting. He stated the report was a team approach from the Treasurer's office, Collector's office, Mayor's office and City Council, as well as all departments. The Auditor stated there was a clean opinion of the report, which was the Gold Standard.

Positives for FY20:

- General Fund total fund balance of \$20 million, compared to \$7.2 million in FY11
- Unassigned Fund balance was \$17 million, compared to \$6.2 million in FY11
- FY19-20 the City's Fund balance increased by \$3.2 million with very strong revenues

Challenges for FY20:

- Pension liability of \$117 million
- OPEB liability of \$213 million

**5. Memorandum from City Auditor re: Gloucester Public School's End of Year Financial Report – Independent Accountant's Report**

**Summary of Discussion:** The Auditor reported that over the last ten years the City had worked with the School Department to improve the process and the quality of the report. He stated due to the efforts of his office working in collaboration with the school CFO there were no findings this year (as well as last year).

**6. Memorandum from Public Health Director requesting to increase spending limit on Vaccine Revolving Account**

**Summary of Discussion:** Councilor Cox stated this was an increase to the Vaccine Revolving Fund for the purpose of funding flu vaccine clinics and costs associated with COVID-19 efforts. Councilors

**Cox, McCarthy** and **Memhard** thanked the Public Health Department for all their hard work and dedication to the vaccine efforts.

**COMMITTEE RECOMMENDATION:** On motion by Councilor Cox, seconded by Councilor Memhard, Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed to recommend that the City Council accept under MGL c. 44, §53E-1/2 to increase the spending limit for the Board of Health -Vaccine Revolving Fund #3107, from a spending limit of \$100,000 to a new spending limit of \$175,000 for the purpose of funding flu vaccine clinic, COVID-19 efforts including overtime for police and fire staffing as well as operational and logistical expenses for clinics. The authorized officer of the Fund is the Public Health Director. The fund is credited from fees; the balance is the available balance, and there are no restrictions to the fund.

*7. 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 17 overdrawn accounts, with 2 new accounts including Council on Aging and Harbormaster, with 3 resolved accounts.

**Councilor McCarthy** asked if the snow and ice account increased. The **Auditor** stated that it actually decreased, as well as salt and supplies decreased. The **Auditor** stated he did not see the snow and ice deficit exceeding \$100,000 as winter operations were winding down. **Treasurer, John Dunn** agreed with the **Auditor** that the deficit for snow and ice would be around \$100,000.

**Councilor Cox**, on behalf of a resident, asked the **Auditor** and **Treasurer** what the process would be to revoke an approved loan order that was no longer needed. The **Auditor** stated a rescission would need to be done, which would be done in front of the City Council through the Mayor's Report. The **Treasurer** stated he would need guidance from Legal, but the City had rescinded balances of unneeded loan orders in the past. **Councilor Cox** asked if a rescission could be proposed by someone other than the Mayor. The **Treasurer** stated that question would need to be referred to Legal.

**Councilor McCarthy** asked the **Treasurer** if it would be possible to get continuous updates regarding expenditures for the proposed new combined school. The **Treasurer** agreed to provide an update at the Budget & Finance Standing Committee's request at the last B&F meeting of every month.

**MOTION:** On a motion by Councilor Memhard, seconded by Councilor McCarthy, the Budget and Finance Committee voted by ROLL CALL 3 in favor, 0 opposed to adjourn the meeting at 6:00 p.m.

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

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

**Meeting Recording:** <http://gloucester-ma.gov/1097/Past-Remote-Public-Meetings>