

Budget & Finance Standing Committee
Thursday, July 8, 2021 – 5:30 p.m.
REMOTE MEETING
-Minutes-

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

Also Present: Public Health Director, Karin Carroll; Auditor, Kenny Costa; CFO, John Dunn; Clerk of Committees, Sherry Karvelas; Assistant to the CAO, Chris Sicuranza

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 Standing Committee 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.

1. Memorandum from Public Health Director requesting acceptance of a one-year grant extension for the Mass in Motion Grant in the amount of \$40,000 for FY22

Summary of Discussion: **Public Health Director, Karin Carroll** stated this grant was a renewal of the Mass in Motion Grant in the amount of \$40,000 which would predominantly cover the half-time salary of the Program Coordinator.

Members of the Committee thanked the **Public Health Director** for her years of service and wished her well in her future endeavors.

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 accept under MGL c. 44, §53A, a pass-through grant from the Centers for Disease Control and Prevention Office to the Massachusetts Department of Public Health Bureau of Community Health and Prevention, Mass in Motion Municipal Wellness and Leadership Initiative Grant for \$40,000 (FY22: \$40,000) to support an environment on Cape Ann that supports physical activity and provides access to healthy foods. The Federal portion of the grant is \$20,000 and the State portion is \$20,000. The grant period is from July 1, 2021 through June 30, 2022 and there is no local match requirements.

2. Memorandum from City Auditor regarding accounts having expenditures which exceed their authorization & Auditors Report and other related business

Summary of Discussion: **Auditor, Kenny Costa** stated there were 20 accounts on the final overdrawn report for FY21 with one large transfer, 2021-SBT-13, for a total of \$539,500 that would cover all the deficits in the General Fund and Enterprise Funds.

There was a discussion regarding the deficit in the City's liability insurance funds. The **CFO** explained that the liability insurance included all the City's buildings, vehicles and stated the liability that came forward was based on history. He explained MIIA would bill for the totality of what it costs to insure a particular municipality based on that municipality's specific coverage. He then explained that each

year MIIA gave back credits, in which last year's credits were not as much as in previous years. He stated the City did get very good coverage from MIIA and recommended staying with MIIA for insurance coverage. There was a discussion about the transfers to cover certain wages/salaries accounts. The **CFO** also explained he was transferring in more money than what was actually needed for the deficits to cover for any potential eventualities.

There was a discussion regarding the City's contracts for FY22. The **CFO** stated the City was in negotiations with AFSCME A currently and there were reserves to fund the contracts if necessary.

Councilor Cox offered a motion for 2021-SBT-13. The **Members of the Committee** agreed to waive the reading of the associated accounts.

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 approve the following Special Budgetary Transfer (2021-SBT-13) for the purpose of funding and making whole Fiscal Year 2021 account deficits totaling \$539,500 in the following accounts:

FROM ACCOUNT			TO ACCOUNT			Amount
ORG	OBJ	Account Name	ORG	OBJ	Account Name	
0116151	511000	City Clerk - Salaries	0116351	511000	Registration - Salaries	\$ 2,500
0121151	511000	Police Uniform - Salaries	0121651	513000	Police Harbor - Overtime	\$ 7,500
0147252	521001	DPW Facilities - Electricity	0124151	519011	IS - RMT Sick Leave Buyback	\$ 30,000
0129152	520000	Emergency Mgmt - POS	0129651	513000	Shellfish - Overtime	\$ 2,500
0142152	530008	DPW Admin - Emp Train	0142151	511000	DPW Admin - Salaries	\$ 2,500
0115152	576000	Law - Settlement of claims	0115151	511300	Law - Wages	\$ 7,500
0147251	511000	DPW Facilities - Salaries	0142352	529014	DPW Snow & Ice - Plow & Salt	\$ 80,000
0147251	511000	DPW Facilities - Salaries	0151051	511000	Board of Health - Salaries	\$ 30,000
0154352	577001	Veterans - Benefits - Medical	0154351	511000	Veterans - Salaries	\$ 15,000
0114551	511000	Treasurer/Collector - Salaries	0170059	591000	Debt Service - Principal LTD	\$ 12,000
0114151	511000	Assessors - Salaries	0190351	517008	Medicare Insurance	\$ 50,000
0114559	530027	T/C - Bond Issuance	0190351	517008	Medicare Insurance	\$ 10,000
0115551	511000	MIS - Salaries	0190351	517008	Medicare Insurance	\$ 50,000
0115552	524033	MIS - R&M Software Maint.	0190351	517008	Medicare Insurance	\$ 25,000
0115552	530000	MIS - Prof & Tech Services	0194552	574001	Liability Ins. - Building Insurance	\$ 25,000
0118151	511000	Community Dev. - Salaries	0194552	574001	Liability Ins. - Building Insurance	\$ 25,000
0191051	517001	W/C - Workers Compensation	0194552	574001	Liability Ins. - Building Insurance	\$ 60,000
0194252	569001	Reg. Sch. - Voc. Assessment	0194552	574001	Liability Ins. - Building Insurance	\$ 25,000
0190151	517003	Health Insurance	0194552	574001	Liability Ins. - Building Insurance	\$ 15,000
0122051	511000	Fire - Salaries	0194552	574001	Liability Ins. - Building Insurance	\$ 60,000
690058	584000	Rink EF - Site Improvements	690051	511000	Rink EF - Salaries	\$ 5,000

There was discussion regarding expenditures to date for the East Gloucester/Veteran's Memorial School project (see chart below). The **CFO** confirmed that the expenditures under Fund 5050/Feasibility Study included the feasibility studies conducted for the other final sites as well.

EGES/Vet's Elementary School Building Project		
30-Jun-21		
Feasibility Study - Fund 5050		
Appropriation		\$ 1,000,000
Expended		\$ 985,203
MSBA Reimbursement		\$ 522,238
EGES/Vet's - Non-MSBA - Fund 5073		
Appropriation		\$ 4,200,000
Expended		
Tetratech Ball Field Design		\$ 5,330
Holy Family Parish Rent		\$ 38,000
Total Expended		\$ 43,330
Encumbered		
Construction Manager		\$ 155,789
Peer Review		\$ 10,985
Tech Cabling		\$ 42,358
Moving & Storage		\$ 30,635
Rent		\$ 190,000
Total Encumbered		\$ 429,767
TOTAL AVAILABLE		\$ 3,726,903
EGES/Vet's - MSBA - Fund 2074		
Appropriation		\$ 66,700,000
Expended		
OPM		\$ 288,578
Design		\$ 1,259,098
Construction Manager		\$ 109,760
Total Expended		\$ 1,657,436
Encumbered		
OPM		\$ 1,898,429
Design		\$ 4,195,202
Construction Manager		\$ 6,808,004
Total Encumbered		\$ 12,901,635
TOTAL AVAILABLE		\$ 52,140,929

Councilor McCarthy asked **Chris Sicuranza, Assistant to the CAO** if the Administration could provide the status of the project moving forward and the schedule of the project. The **Assistant to the CAO** stated the Administration would be ready and able to provide a status update either in response to a request to the mayor or in a formal presentation.

Councilor Cox requested a monthly update moving forward for the expenditures for this project. It was determined that the CFO would bring the report forward each month once the previous month's expenditures were closed out.

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 **6:03 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>