

Budget & Finance Committee
Thursday, March 6, 2014 – 5:00 p.m.
1st Fl. Council Committee Rm. – City Hall
-Minutes-

Present: Chair, Councilor Melissa Cox; Vice Chair, Councilor William Fonvielle; Councilor Paul McGeary
Absent: None.

Also Present: Kenny Costa; John Dunn; Tom Daniel; Hans Baumhauer; Noreen Burke; Mark Cole; Lianne Cook; Police Chief Leonard Campanello; Stephen Winslow

The meeting was called to order at 5:04 p.m. Agenda items were taken out of order.

1. *Memorandum & pertinent materials from the Director of Finance & Operations for the Gloucester Schools re: permission to pay for services/goods procured without a purchase order in place for: \$384, \$195.35 and \$487.36 and permission to raise the spending limit on Revolving Fund #283013 from \$20,000 to \$40,000 (Cont'd from 02/20/14)*

Hans Baumhauer, Director of Finance & Operations for the Gloucester Schools, explained that the first of request for payment without a purchase order in place occurred due to the necessity for procuring a police detail for a high school football game on an immediate basis. He noted this particular invoice is from the Town of Essex Police Department. He noted that using an out-of-town police details for sporting events only happens when the Gloucester Police Department is unable to provide one which is usually a last minute thing. He said an effort is being made to prevent such occurrences in the future.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council authorize payment of outstanding invoice #42413 from the Town of Essex Police Department incurred by the Gloucester School Department for Private Detail services rendered on 11/28/2013, for a total of \$384.00 without a purchase order in place. The invoice will be paid from current FY2014 School Department budget.

Ms. Baumhauer said the following two requests for mileage reimbursements are for two teachers who attended BSRI (Bay State Reading Institute) training. He said for a reason still unclear, the paperwork was late in arriving in his office lost causing a delay and no purchase orders were opened. However, he pointed out that the money is available to reimburse the mileage expenses for the teachers who attended the BSRI training. **Mr. Costa** informed the Committee that a purchase order sets necessary funds aside and is good practice to have them processed in advance of the anticipated expense.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council authorize payment of outstanding travel expenses submitted by Kathleen Foote, a teacher at Veterans Memorial School, Gloucester, MA for travel expenses incurred attending professional development seminars submitted to the Gloucester School Department 11/15/13, for a total of \$195.35 without a purchase order in place. The invoice will be paid from current FY2014 School Department budget.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council authorize payment of outstanding travel expenses submitted by Melanie Stansfield, Beeman Elementary School Literacy Coordinator, Gloucester, MA for travel expenses incurred attending professional development seminars submitted to the Gloucester School Department 12/5/13, for a total of \$487.36 without a purchase order in place. The invoice will be paid from current FY2014 School Department budget.

Mr. Baumhauer explained that the school department is requesting to raise the spending limit on the revolving account for professional development. He said there is a stipend of \$100 set aside for teachers to take the BSRI training which is paid out of the professional development revolving account. He noted the BSRI program is now entering the third year of that program which is in place in all of the district's elementary schools. The department

is at the revolving fund's spending limit now so in order to continue sending the teachers to the training program the limit would have to be raised.

Mr. Costa explained, on inquiry by **Councilor Cox**, that annually when the Council votes to pass the fiscal year budget it also authorizes the city's revolving funds' spending limit. He pointed out when a revolving fund reaches its limit, a request like this can come forward to raise a fund's limit. He noted a vote by the Council on this matter would need to pass by a simple majority.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council authorize under MGL c. 44, §53E-1/2 raising the spending limit on the Gloucester School Department Revolving Fund #283013, for Professional Development, from \$20,000 to \$40,000.

2. Administration's proposed comprehensive plan for free cash (Cont'd from 02/20/14)

Noreen Burke, Public Health Director, asked for support for additional funding for shingles vaccination for Gloucester residents. She said this disease, caused by the reactivation of the chicken pox virus, mostly affects seniors and people who are immune compromised. She noted that this vaccination program has been offered through the Public Health Department for the last several years. The city's free cash allocation last year was \$23,968 and about \$7,000 was generated in third-party insurance reimbursements which resulted in 172 Gloucesterites being vaccinated. The request is for \$20,000 this year to continue this shingles prevention program for Gloucester residents who are eligible

Councilor Cox asked if the Public Health Department's FY14 operating budget had funds allocated for the vaccination program. **Ms. Burke** said no, funding has been from free cash only.

Councilor McGeary asked if the doses are not used up by Gloucester residents, would the program be made available to surrounding Cape Ann communities. **Lianne Cook**, the city's Public Health Nurse, confirmed the city uses up all the purchased doses. She then gave the following information on the vaccine: The vaccine's wholesale cost is \$170 per dose. She noted physicians generally don't cover the vaccine in their offices because it is a vaccine requires freezing and is an expensive inventory which creates an access issue. Many health insurers don't cover the vaccine, so that there are out-of-pocket costs (estimated at \$220 to \$300 per dose). The dose is a one-time only dose annually. The vaccination may produce mild side effects such as soreness at the vaccination site. The vaccine is generally recommended for people 60 years and over. To maximize the return on the investment of the city in this vaccination program, a pharmaceutical company has been found that has a vaccine replacement program which the department will try and utilize for low-income residents, and other possible reimbursement avenues the department could pursue were noted to the Committee briefly. A new immunization registry system with the Mass. Department of Public Health was also touched on briefly. It was pointed out that the shingles vaccine has only been available since 2008.

Councilor Fonvielle asked if there was an estimate of anticipated recaptured funds through insurance. **Ms. Cook** said the \$20,000 would fund vaccinations for 118 residents. With the possible reimbursement scenario, she said she estimated possibly vaccinating 60 to 80 more residents. **Ms. Cook** said there is already a wait list which is indicative of great demand for the program.

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2014-SA-52 in the amount of \$20,000 (Twenty Thousand Dollars) from the General Fund-Undesignated Fund Balance ("Free Cash"), Account #101000.10.000.35900.0000.00.000.00.000 to Public Health, Medical/Surgical Supplies, Account # 101000.10.510.55000.0000.00.000.00.054 for the purpose of purchasing the shingles vaccines for Gloucester residents.

Councilor McGeary said with regard to the remainder of the supplemental appropriations for free cash, he pointed out that the Committee only received the paperwork today, and there was not enough time to review the documentation submitted by the Administration. He said that the Council relies upon the Budget & Finance Committee to have done its due diligence on such matters which is not possible when paperwork is received on the day of the B&F meeting. He asked that the remainder of the free cash supplemental appropriations be continued to the Committee's next regularly scheduled meeting.

Councilor Cox expressed her agreement with Councilor McGeary's request to continue the free cash discussion. She discussed the process on how supplemental appropriations are supposed to be forwarded to the

Committee through the Mayor's Report, and then distributed through the agenda packet by the Clerk of Committees to the Standing Committee. She pointed out there were additions to the free cash appropriations list that were not contained in the Mayor's memo (on file). She noted that the information on Newell Stadium was contained as a whole in the DPW memo explaining that department's requests for free cash. She informed the Committee that she had spoken with the Administration several weeks earlier that she would no longer take up any supplemental appropriations that were not forwarded through the Mayor's Report unless it is an emergency which would be dealt with on a case-by-case basis.

This matter is continued to March 20, 2014.

3. CC2014-001 (Verga/McGeary) Request that B&F Committee in consultation with Police Dept. and local merchants consider adopting certain days as "parking meter holidays" to begin in FY14 (Cont'd from 2/20/14)

Police Chief Campanello said as he had stated at the O&A Committee meeting earlier in the week, a parking meter holiday designated three to five days a year is enforceable, but he also advised that the two-hour parking limit known as the "anti-shuffling ordinance," would still be enforced, he said. However, in a straw pole he took speaking to merchants along Rogers and Main Street there seems to be an ambivalence regarding a parking meter holiday, and was not something merchants are not overly fond of, he said. There was, he added, talk of employees using parking spaces on Main Street and shifting around, and the two-hour rule were all discussed by merchants when he did his stroll through the downtown. He said his department would cover the enforcement as required.

Councilor Cox said as Ward 2 Councilor, and this area being in her ward, the merchants she spoke with were not in favor of a parking meter holiday, or removing the meters, but indicated they were in favor of leaving the anti-shuffling ordinance in place even during a parking meter holiday if it were to be instituted. She asked that Councilors Verga and McGeary, who brought the Council Order forward, hold a meeting with the downtown merchants to find out what they really want. She pointed out that one complainant receiving a parking ticket while shopping during the holidays is not a majority. She expressed concern that a parking meter holiday would add a great deal of pressure on the parking enforcement personnel. She said she doesn't agree with the Council Order at this time. She pointed out that the merchants have expressed to her they want the parking meters enforced even on Sundays. **Councilor Cox** noted there will be a parking summit in April when more information will be brought forward by the Community Development Department to convey the results of a recent downtown parking study and talked to the merchants, and said that the feedback from that summit will be important.

Councilor McGeary asked what the enforcement method currently in place for the anti-shuffling ordinance for the two-hour parking limit. **Police Chief Leonard Campanello** said at this point the department doesn't have the ability to monitor the parking time limit through handheld devices. The method available to the department at this time would be chalking the vehicle tires and marking the time via a ledger-type of activity until a better system is found. He added, on inquiry by **Councilor Cox**, it is more work on the limited parking enforcement staff, however, there is technology available. **Councilor Cox** and **Chief Campanello** discussed the cost factors involved for a tracking system, with the Chief adding at this time a system would be cost prohibitive from a budgetary standpoint, but suggested that the Council may view the investment differently. He said that the way that revenue is generated through parking enforcement is very efficient at this time. He pointed out there is a cost for software and hardware, there is a staff learning curve; and there may be a need to have more people involved. Additionally, **Chief Campanello** questioned what the pay off would be moving forward as it remains to be determined. **Councilor McGeary** asked if tires could start being chalked to see if it works. **Chief Campanello** said it could be done, although it is not the most efficient way to go about it. He said the department could do it as a limited beta test.

Councilor Cox discussed with **Chief Campanello** which city department is responsible to create notice stickers for the parking meters for notification on the anti-shuffling ordinance. **Chief Campanello** said he believed that the DPW was going to create stickers to which **Mark Cole**, Assistant Department of Public Works Director said it was not his department's purview. **Chief Campanello** said he would look into the cost of the stickers cautioning that stickers could fail in bad weather. He suggested possibly posting information on the existing street signs on Main Street where space allows, noting there are a number of options that could be explored.

Councilor Fonvielle said he would not be willing to vote affirmatively until evidence of some kind was presented indicating that the return to merchants of having a parking meter holiday in place would outweigh the cost to the city.

Councilor Cox extended her thanks to Chief Campanello for his input and suggested that a meeting be held by the signers of the Council Order with the downtown merchants before the matter comes back before the Committee.

This matter is continued to April 3, 2014.

4. Memorandum, Grant Application & Checklist from the Community Development Department re: Commonwealth of Massachusetts "Our Common Backyard Grant Program

Stephen Winslow, Project Manager for the Community Development Department, said that their department is seeking authorization to apply for the non-competitive Commonwealth of Massachusetts "Our Common Backyard Grant" Program in the amount of up to \$200,000 for playground improvements. There is a \$50,000 match for both projects. The city would seek \$63,000 in funds to fully complete the Burnham's Field project, and up to \$137,000 to install new playground equipment at the Oval (Pallazola) Playground which is very dated and needs better American with Disabilities Act improvements. **Mr. Winslow** indicated that the grant RFP indicates a preference for improvements in or near Environmental Justice Areas/low-income residents for which in both instances, the city qualifies. The Commonwealth strongly prefers a \$50,000 match. To that end, an application has been submitted to the Community Preservation Committee (CPC) for Community Preservation Act (CPA) funding for additional funding for Burnham's Field; and if successful, it can be used to provide the match. Should the funder choose to only fund the Oval, and then another source of funding would need to be found, possibly Community Development Block Grant (CDBG) funds, **Mr. Winslow** said. He added that the state may fund one project and not the other. If the Oval is the only selected portion of the request, the city would have to provide a match, which he said could be likely done through CDBG funds (about \$27,000). The state also said that the funds are spent by the end of the calendar year, he said. He said that if both projects are funded then the \$50,000 match would be covered.

Councilor McGeary asked if the match could be in kind rather than monetary. **Mr. Winslow** said the state may have some flexibility and that could be possible to utilize in-kind matches to some degree, even utilizing some of the volunteer work by members of the community.

Tom Daniel, Community Development Director pointed out the hard work of Mr. Winslow who he said has done a very creative job seeking out funding sources for the city for projects such as this. **Councilor McGeary** added his thanks for Mr. Winslow's work. **Councilor Cox** said with Get Fit! Gloucester initiatives headed by Mr. Winslow feed one initiative into another, all of which are improving the city. She also thanked him also for his work.

MOTION: On motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council permit the Community Development Department to apply for a non-competitive Commonwealth of Massachusetts "Our Common Backyard Grant" Program in the amount of up to \$200,000.

5. Supplemental Appropriation Request (2014-SA-47) from the Department of Public Works

Mark Cole, Assistant Department of Public Works, noted that the Highway Force Account is funded from road opening permits, and that this transfer out of the account will support the city's spring paving program.

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2014-SA-47 in the amount of \$40,000 (Forty Thousand Dollars) from the Highway Force Account, Transfer Out – General Fund, Account # 294015.10.991.59600.0000.00.000.00.059 to Public Service Paving, Account # 101000.10.470.58415.0000.00.000.00.058 for the purpose of funding various paving projects throughout the city.

6. Memorandum from the Gloucester Committee for the Arts requesting City Council acceptance of a donation in the amount of \$15,000 from the Belinda Fund at the Boston Foundation to be used for restoration of the WPA Murals at City Hall

Dale Brown, Treasurer of the Committee for the Arts, explained that the Committee is in receipt of a \$15,000 donation from the Belinda Fund at the Boston Foundation which is to be used for the restoration of the Work Progress Administration (WPA) murals at City Hall. She said that this donation, in combination with funds awarded by the Bruce J. Anderson Foundation (\$5,000) and also CPA funding (\$35,000), will allow the Committee for the Arts to complete the final phase of restoration work. This will finish the murals on display in City Hall with the

exception of the mural in the anteroom of the Mayor's office due to the shellac over the mural which would be detrimental to it, she said.

The Councilors briefly discussed the murals in storage under the state in Kyrouz Auditorium with **Ms. Brown**.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council to accept under MGL c. 44, §53A a donation from the Belinda Fund at the Boston Foundation in the amount of \$15,000 to be used for the restoration of the Work Progress Administration (WPA) murals at City Hall.

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

Mr. Costa, in addition to reviewing his reports with the Committee, he reviewed the Snow and Ice deficit as follows: The city budgeted \$650,000 for FY14 for Snow & Ice. He noted that he anticipates the city will have spent approximately \$1.3 million for the winter season. As this week is a payroll week, next week will be a vendor payment week. At that time it is anticipated more vendor expenses will be added, partly due to some vendors being slow to submit their invoices.

Assuming there are no more major snow storms, **Mr. Dunn** said he is hoping for some positives on the city's revenue side, and with some expense containment, that free cash may be a likely funding source for the Administration to close out the Snow and Ice deficit for FY14. **Councilor McGeary** and Mr. Dunn concurred it appears that the Snow and Ice deficit will be able to be closed out by the end of the current fiscal year.

Mr. Costa also updated the Committee on the Police Department's State E911 Training Grant deficit as follows: FY12 \$12,361; FY13 \$107,361; FY14 \$39,910. He said there has been no reimbursement from the state for FY13. He suggested that the \$12,361 for FY12 will likely have to be funded by other means; that it is likely a real deficit. **Councilor Cox** suggested that the Police Chief will have to take steps to liaise with state granting authority on these deficits to determine when funds will be released.

Mr. Costa said Chapter 90 reimbursement paperwork for approximately \$452,000 will be submitted by the DPW to the state shortly. **Mr. Dunn** confirmed Chapter 90 funds are handled by the state on a reimbursement basis with the funding allocated by a dollar amount related to a municipality's public road miles. He noted that the Chapter 90 deficit is not a hit on free cash as it is considered a reimbursable grant by the state. **Mr. Costa** added the Department of Revenue likes to see several reimbursement submissions from a municipality a year, but it really prefers one aggregate submission annually.

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:22 p.m.

Respectfully submitted,

Dana C. Jorgenson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.