

Budget & Finance Committee
January 8, 2015 – 3:30 p.m.
1st Fl. Council Committee Room – City Hall
-Minutes-

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

Also Present: Kenny Costa; Sal DiStefano; John Dunn; Linda T. Lowe; Mark Cole; Police Chief Leonard Campanello; Fire Chief Eric Smith; Gregg Cademartori

The meeting was called to order at 3:33 p.m. Items were taken out of order.

1. *Special Budgetary Requests 2015-SBT-25 and 2015-SBT-27 from Police Department*

Police Chief Leonard Campanello explained that SBT-25 was necessary because the department underfunded an officer's longevity payments. Lag funds are being used from the animal control officer pay due to the hiring after the start of FY2015.

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 approve Special Budgetary Transfer 2015-SBT-25 in the amount of \$271.40 from Account #101000.10.292.51100.0000.00.000.00.051, Animal Control-Salary/Wage Permanent Position to Account #101000.10.218.51400.0000.00.000.00.051 Police-Parking, Salary/Wage-Longevity, for the purpose funding a deficit in the account.

Chief Campanello explained that the department wasn't fully funded for ammunition in FY15. There were a total of eight new recruits who during training expend a large amount of ammunition. Since there were lag funds, available from the late hire of the second animal control officer, they are seeking funding for this line item now.

MOTION: On motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve Special Budgetary Transfer 2015-SBT-27 in the amount of \$9,500 from Account #101000.10.211.51910.0000.00.000.00.051, Police-Uniform Tuition/Training Employee to Account #101000.10.211.55870.0000.00.000.00.054 Police Uniform Police Ammunition, for the purpose of purchasing ammunition for the Gloucester Police Department minimum training of firearms.

2. *Special Budgetary Request 2015-SBT-26 from the City Clerk's Office*

Linda T. Lowe, City Clerk, explained that the blinds in the City Clerk's office are unable to be cleaned and are in very poor condition. The new blinds will be in keeping with what all other departments in the building that are already installed, she noted. She said that funds will come from the Registration Department which was originally allocated for rental of storage space for the city's voting machines in order to remove them from the Fuller School, but as the machines are now stored in a safe location in City Hall, the funds can be used for other purposes.

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 approve Special Budgetary Transfer 2015-SBT-26 in the amount of \$1,500 from Account #101000.10.163.52700.0000.00.000.00.052, City Clerk-Rental of Facilities to Account #101000.10.161.52550.0000.00.000.00.052 City Clerk-Office Furnishings, for the purpose of replacing window blinds.

3. *Supplemental Appropriation-Budgetary Request 2015-SA-9 from DPW*

Mark Cole, Assistant DPW Director, explained that this transfer is for more roadway repairs in the city.

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 approve Supplemental Appropriation 2015-SA-9 in the amount of \$30,000 from Account #294015.10.991.59600.0000.00.000.00.059,

Highway Force, Transfer out to the General Fund to Account #101000.10.470.58415.0000.00.000.00.058, DPW Public Services, Paving for the purpose of funding various city paving projects.

4. Memorandum from Chief Financial Officer requesting City Council approval of Loan Order in the Amount of \$150,000 representing a city match to the Coastal Community Resilience Grant for the Little River Restoration Project

Mr. Dunn explained that the Coastal Community Resilience Grant for the Little River Restoration Project was awarded and accepted by the Council in December for \$310,000. The grant requires a city match in the amount of \$150,000 for a total expected project cost of \$460,000. In order to fund the match he recommended that the Council approve the loan order. Bond Counsel provided the language to the Council, he said. He pointed out the \$150,000 loan will cost about \$7,500 a year to support the debt.

Mr. Dunn highlighted that although the language shows \$460,000, the Bond Counsel language presented also has embedded statements that show funds received in through other resources, such as the grant, would be put towards the project, and therefore the loan would ultimately come to \$150,000.

Councilor Fonvielle expressed his support of the loan order and a worthwhile project but said he did so with reservations that some money may be left on the table, reminding the Committee of his reasoning stated at the B&F meeting of Dec. 11 when the grant was accepted by the Committee.

Councilor Cox questioned the statement, "...the Mayor and any other appropriate official..." **Mr. Dunn** explained the wording would indicate it could be the Council, the Treasurer's office, and not just the CFO.

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 approve the following loan order:

Ordered: That the City of Gloucester appropriates Four Hundred Sixty Thousand Dollars (\$460,000) to pay costs of surface drainage improvement projects at the West Gloucester Water Treatment Plant, including the payment of all costs incidental or related thereto. To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to M.G. L. Chapter 44, Section 7(1), or pursuant to any other enabling authority. The Mayor and another appropriate official of the City are authorized to apply for and accept any and all grants or gifts that may be available to the City to pay costs of the project provided that the amount of the authorized borrowing shall be reduced by the amount of such aid received prior to the issuance of bonds or notes under this order.

Further Ordered: That the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes.

5. CC2014-052 (Verga/Theken) Request that City Council establish "The Ab Khambaty Extraordinary Performance/Service Award"

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 establish "The Ab Khambaty Extraordinary Performance/Service Award."

6. Committee for the Arts' Resolution recommending acceptance of gift of a sculpture by David Black

See Item #7, subsection 1 (2015-SA-10).

7. Administration's supplemental budget requests from free cash

Mr. DiStefano said that the Administration's free cash requests total \$395,000 and that available Free Cash is just over \$2.4 million, he noted. He reminded the Committee that a certain portion of the overall free cash number must be set aside in support of the Fire Department's new contract, totaling \$1.6 million.

1. 2015-SA-10: Funds to support design and installation of David Black sculpture

Mr. DiStefano said that this funding is for the Committee for the Arts for the installation of the David Black sculpture. **Dale Brown**, 34 Old Nugent Farm Road, and Robert Haverkamp, both members of the Committee for the Arts (CFA), informed the Committee that a resolution by the CFA forwarded to the Mayor and referred to the Council that the city accept the gift of a sculpture by Mr. Black. He is willing to donate his commission worth approximately \$50,000, and there will be a private fundraising effort led by Former Councilor and Mayor Bruce Tobey to fabricate, transport and install the sculpture. The CFA determined after a review of possible sites, that the sculpture should be installed at Solomon Jacobs Park (photo-imaging of the sculpture installation was submitted for the record). National Grid, who is remediating the park, will put in the base for the sculpture as their contribution, she said. Total cost is estimated is about \$150,000, **Ms. Brown** said, responding to an inquiry by **Councilor Cox**.

Councilor McGeary said the original estimate was \$150,000 but is now down to \$60,000 to \$70,000 for fabrication and installation, and National Grid's portion would be about \$40,000 to \$50,000. Had this sculpture been installed elsewhere it would have cost more, he pointed out. **Ms. Brown** confirmed that the foundation for the sculpture will be built and funded by National Grid.

Mr. Dunn and **Ms. Brown** explained that this free cash funding was offered as a matching grant, in that if the total cost is raised, the free cash funds would not be used, but this could be used to fill a gap, and is viewed as the last \$30,000 to be utilized. A minimum to be raised will be \$30,000, and the funds will be set aside in a specific account, **Mr. Dunn** said. Disbursement of the funds will be based on the fundraising, he surmised. **Councilor McGeary** said he understood that the group will be raising as much money as possible.

Councilor Fonvielle said that the city is fortunate to get this donation from the artist. He noted most of Mr. Black's sculptures are very large. This particular sculpture will be approximately 25 feet tall, it was noted. **Ms. Brown** and the Committee briefly discussed the potential sites that were considered. **Councilor Cox** commented the sculpture would be a striking sight when entering Gloucester Harbor.

Patti Page, 3 Tidal Cove Way, noted that one of the conditions of the Committee for the Arts resolution was that a part of the process included public comment. **Councilor McGeary** said that Former Councilor and Mayor Tobey will be making a presentation at the City Council's Jan. 13 meeting on the matter. He noted this has been before the Committee for the Arts at their public meetings for months and all notices have been made public. **Councilor Cox** offered to hold a ward meeting as the installation is in her ward which **Ms. Brown** agreed would be helpful.

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 approve Supplemental Appropriation 2015-SA-10 in the amount of \$30,000 (Thirty Thousand Dollars) from the General Fund-Undesignated Fund Balance ("Free Cash"), Account #101000.10.000.35900.0000.00.000.00.000 to Committee for the Arts Fund, Transfer from General Fund, Account # 295031.10.991.49700.0000.00.000.00.040 for the purpose of supporting the design and installation of a David Black sculpture as recommended by the Committee of the Arts.

2. 2015-SA-11: Funds to replenish Mayor's contingency fund

Mr. DiStefano said this request is to replenish the Mayor's contingency fund. The Administration would earmark a portion of the funds for the plaque being installed in Kyrouz Auditorium honoring the late Councilor Jackie Hardy. These funds, he said, is used for special requests by city organizations and departments. **Councilor Cox** inquired if all \$10,000 budgeted from FY15 had been spent. **Mr. DiStefano** said not all was spent, but these additional funds will ensure adequate funds are available. **Councilor McGeary** suggested that this transfer also could be held until the new Mayor takes office. **Councilor Cox** said this account usually isn't funded by free cash mid-year and wished to see an accounting of the disbursements to date.

This matter of 2015-SA-11 is continued to Feb. 5.

3. 2015-SA-12: Funds to allow for the reconfiguration of the server room at Gloucester High School

Mr. DiStefano said this is for the equipment for the GHS server room that was damaged during a storm. **Councilor Cox** said she also spoke with James Pope, IT Director, and knew of the importance of this funding. **Councilor McGeary** said he knew this is an urgent need. **Mr. Dunn** said another piece is coming forward to the

Council where work will have to be done on the physical space. An evaluation of the infrastructure as well as the capacity of the high school generator and other electrical matters related to the room will be assessed. That will be necessary for the equipment to be installed which this transfer supports. The work on the room will be done through a bond as structure will be redone within the building. They also want to change the server room in City Hall as well as the cabling and that it is hoped to be wrapped up in several weeks and come back to the Council at that time. It was noted some of the work can be done during the school year without disturbing the learning environment. **Councilor McGeary** suggested a site visit with someone from facilities and Mr. Pope may be prudent.

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 approve Supplemental Appropriation 2015-SA-12 in the amount of \$60,000 (Sixty Thousand Dollars) from the General Fund-Undesignated Fund Balance (“Free Cash”), Account #101000.10.000.35900.0000.00.000.00.000 to Management Information Systems, Replace Equipment, Account #101000.10.155.58700.0000.00.000.00.058 for the purpose of funding the reconfiguration of the server room at Gloucester High School.

4. 2015-SA-13 and -14: Funds for Community Development to support economic development and other support activities

Mr. DiStefano explained this funding represents support for the ongoing public relations (PR), marketing, job creation by attracting investment in the city (2015-SA-13 at \$24,000), and also supporting the downtown block parties and a continuation of the summer outdoor movies at 65 Rogers Street (2015-SA-14 at \$6,000).

Councilor Cox said she understood some of the funding would come from the Cape Ann Cinema for the summer outdoor movie series and that the city wouldn't need to fund that program. **Gregg Cademartori**, Planning Director, said the city will still be a major sponsor of the outdoor movie series as the Harbor Walk is in large part a feature of the event, but it will be handled by the Cape Ann Cinema. **Mr. DiStefano** noted there is only about \$1,000 assigned to that particular summer event. He also said that included in the transfer for \$6,000 there is a stipend for the downtown block parties for the group that will run it. He suggested the group who ran the event last year is interested, but that an RFP will likely be issued and pointed out nothing has been decided. **Councilor Cox** expressed concern about an issue late in the season with the block party and that roles would need to be defined before the RFP is created. **Mr. DiStefano** said Tom Daniel, Community Development Director, has been putting this together; and he said he'd expressed this concern to Mr. Daniel to make sure things run as smoothly as possible.

The appropriation for \$24,000 to fund the city's ongoing PR and marketing effort run through Mills Public Relations Consultants through the EDIC which **Mr. DiStefano** said has gained very good press for the city. **Councilor Cox** said she would like to see some examples of the PR that was generated pointing out that there was free cash given last year. She said she would want to review any information first before agreeing to fund a continued effort through free cash. **Mr. DiStefano** said a report was available and he would forward it to the Chair. **Councilor Fonvielle**, who said he had seen the report, expressed his agreement with **Councilor Cox** as did **Councilor McGeary**.

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 approve Supplemental Appropriation 2015-SA-14 in the amount of \$6,000 (Six Thousand Dollars) from the General Fund-Undesignated Fund Balance (“Free Cash”), Account #101000.10.000.35900.0000.00.000.00.000 to Community Development-Contractual Services, Account # 101000.10.181.52000.0000.00.000.00.052 for the purpose of financial support of the Downtown Block Parties and Summer Outdoor Movies.

The matter of 2015-SA-13 is continued to Feb. 5.

5. 2015-SA-15: Funds for Exhibit Space at the Seafood Exposition

Mr. DiStefano said the Boston Seafood Exposition this is the biggest exposition in the word and that this is a very worthwhile endeavor and called it “huge.” This would put the city in front of all the companies looking to make investments, and while the booth would be 10 foot x 10 foot, he said it would be worth the money. **Councilor Cox** inquired about the details of the event and who would be representing the city. **Mr. DiStefano** said the event will run from March 15-17 at the Boston Convention Center. It is expected that representing the city would be members

from the Fisheries Commission, City Councilors, the Mayor's Office and Community Development. Simultaneously there are plans for a tour of the city on March 16 for Exposition participants to encourage economic development, with a reception in the city also planned which would be an "all hands on deck" effort. The entire \$10,000 will go not just for the booth but for all aspects of the event – promotional materials, giveaways, refreshments, the reception, transportation, with the booth rental representing \$3,600, **Mr. Dunn** said.

Councilor Fonvielle expressed his endorsement of funding a booth at the Seafood Exposition and ancillary activities as did **Councilor McGeary** who added that the idea was the impetus of Mr. DiStefano because of his experience he brings from working for the city of Boston.

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 approve Supplemental Appropriation 2015-SA-15 in the amount of \$10,000 (Ten Thousand Dollars) from the General Fund-Undesignated Fund Balance ("Free Cash"), Account #101000.10.000.35900.0000.00.000.00.000 to Community Development-Other Charges/Expenses, Account # 101000.10.181.57000.0000.00.000.00.057 for the purpose of covering expenses for exhibit space at the Boston Seafood Exposition.

6. 2015-SA-16: Funds to supplement Fire Department Overtime for station openings

Mr. DiStefano said this is for overtime expenses due to many on-the-job injuries this year -- a total of nine firefighters are out on long-term and some are off the job, which **Fire Chief Eric Smith** confirmed. It is having a major negative impact, **Chief Smith** said. He said the department is fully staffed but that there are upcoming retirements at the end of January and March (3 in total), which is factored into the staffing situation. New hires won't start until the next budget year he noted.

Councilor McGeary asked if these funds would see the department through the end of the fiscal year. **Chief Smith** explained that once the account is re-balanced, noting the minimum staff is 16 and 18 opens Magnolia Station, the remaining funds will be divided through the stations to keep them open in the same way it was handled in the last fiscal year.

Councilor Cox asked that the department do its best to keep all stations open during this particularly difficult time of year due to the extreme winter weather. **Chief Smith** said it would be done to the best of the department's ability with staff and funding. The time of highest risk, he said, is at night and is the time he would want to ensure staffing. Responding to an inquiry by **Councilor McGeary**, **Chief Smith** said that each firefighting group is broken into two shifts which cover a 24 hour schedule, so if a firefighter needs a day shift off, they come back for the evening shift.

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 approve Supplemental Appropriation 2015-SA-16 in the amount of \$100,000 (One Hundred Thousand Dollars) from the General Fund-Undesignated Fund Balance ("Free Cash"), Account #101000.10.000.35900.0000.00.000.00.000 to Fire Department-Salary/Wages, Overtime, Account #101000.10.220.51300.0000.00.000.00.051 for the purpose of funding fire station openings that may incur overtime salary and wages.

7. 2015-SA-17: Funds to purchase new commercial dishwasher for Rose Baker Senior Center

Mr. DiStefano explained this funding is for replacement of a commercial grade dishwasher which leaks. There was a quote given by the Center's director and which he had confirmed by an independent contractor that the price was appropriate. **Councilor McGeary** said he served at the Senior Center's Christmas banquet and attested that the machine needs to be replaced.

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 approve Supplemental Appropriation 2015-SA-17 in the amount of \$5,000 (Five Thousand Dollars) from the General Fund-Undesignated Fund Balance ("Free Cash"), Account #101000.10.000.35900.0000.00.000.00.000 to Council on Aging, Capital Outlay, Account #101000.10.541.58425.0000.00.000.00.058 for the purpose of purchasing a new commercial dishwasher for the Rose Baker Senior Center.

8. 2015-SA-18: Funds to be set aside for future purchases of Chromebooks by the Gloucester School Dept.

Mr. DiStefano said this is a refunding of a successful program for students at Gloucester High School which gives students Chromebooks. The cost to continue the program is \$150,000. **Councilor Cox** said she has concerns because last year was the first year of the program and wanted to hear more about it; how it works, security, liability insurance for the laptops in place, before any more money is allocated. **Mr. Dunn** pointed out that the proposal is to transfer the funds to a project stabilization fund, and that in order for the funds to be removed from the project stabilization fund, the transfer would come back to the Committee for their approval if the Committee chooses to move the funds now to set the money aside. **Councilor Cox** asked for a presentation on the program first before any Committee action.

This matter is continued to Feb. 5.

8. *Overview and Discussion of FY14 Tax Recap by City Auditor and CFO*

This matter is continued to January 22, 2015.

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

Mr. Costa reviewed his reports with the Committee which he said were in excellent shape which he acknowledged was a tribute to his staff, Mr. Dunn, and the high level of cooperation being received from many city departments.

A motion was made, seconded and voted unanimously to adjourn the meeting at 4:45 p.m.

**Respectfully submitted,
Dana C. Jorgenson
Clerk of Committees**

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- **Photo-imagining renderings of David Black Sculpture at Solomon Jacobs Park**
- **Auditor's Reports dated 8-Jan-15**