

Budget & Finance Committee
 Thursday, November 17, 2016 – 5:30 p.m.
 1st Fl. Council Committee Room – City Hall
-Minutes-

Present: Chair, Councilor Scott Memhard; Councilor Joseph Ciolino; Councilor Joseph Orlando

Absent: None.

Also Present: Kenny Costa; John Dunn; Nancy Papows; Tim Good; Bethann Brousseau; Gary Johnstone; Tom LaFleur; Mark Cole

The meeting convened at 5:30 p.m.

1. Supplemental Appropriation (2017-SA-10) from DPW to purchase water general supplies

Mark Cole, Public Works Assistant Director, reviewed that the Water Department needs \$100,000 from the reserve account to replenish supplies and swap out older meters and get hydrant markers on all city hydrants. **Councilor Orlando** confirmed with **Mr. Cole** that the account to which the funds are being transferred into is reserved for the specific stated purpose.

COMMITTEE RECOMMENDATION: On a motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-10 in the amount of \$100,000 from Account #6000-328000 Water Enterprise, Special Purpose Fund Balance Reserve, to Account #600052-540000 Water Enterprise Fund, Supplies, for the purpose of funding the purchase of various pipes, fittings, meter supplies, hydrant markers, etc., as used by the DPW Water Department.

2. Special Budgetary Transfer Request (2017-SBT-8) re: transfer of funds for purpose of funding Gloucester High School Resource Officer to the Gloucester Police Dept. for FY17 & permission to pay two invoices from FY16 with FY17 funds

Tom LaFleur, Gloucester Public Schools Director of Finance & Operations, explained that the Special Budgetary Transfer before the Committee for approval is an annual transfer from the School Department to the Police Department to fund the services of the High School Resource Officer, a highly successful placement for the School Department. **Councilor Orlando** noted this is a budgeted personnel expense, and that the Resource Officer has proven to be an asset to the high school community.

COMMITTEE RECOMMENDATION: On a motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2017-SBT-8 in the amount of \$60,000 from Account #S01102505-511101, GHS Salaries-School Leader Professional to Account #0121151-513000, Police Uniform-Overtime, for the purpose of funding the Gloucester High School Resource Officer.

Mr. LaFleur then explained that he was in receipt of two invoices that were submitted late for payment from FY16 that will be paid from FY17 School Department funds. He briefly described that the Gloucester Rental Center invoice represented table rentals for a college fair, and the Home Depot charge was incurred by a teacher for technology items, a situation which he assured has been remedied. He confirmed for **Councilor Ciolino** these funds will come out of the respective school's budgets.

COMMITTEE RECOMMENDATION: On a motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council in accordance with MGL c. 44, §64 approve payment of prior year invoices to be paid with FY2017 budgeted funds from the current FY2017 Gloucester Public Schools budget as follows:

<u>Vendor</u>	<u>Invoice #</u>	<u>Date</u>	<u>Amount</u>
Home Depot	2022669	June 15, 2016	\$ 810.63
Gloucester Rental Center	130819	May 20, 2016	<u>\$1,200.00</u>

Total: \$2,010.63

3. Memorandum from Interim Police Chief re: request for permission to pay FY17 invoices without a purchase order in place with information provided through Addendum to Mayor's Report

Kenny Costa, City Auditor, recounted that the permission to pay invoices without a purchase order in place is a "housekeeping" matter. Going forward, he explained, Accountemps will not be brought back to provide a temporary employee for the Police Department, and advised the department is looking to hire a full-time employee. **Councilor Orlando** confirmed with **Mr. Costa** that these funds for the temporary employee are available due to lag money from the personnel account from the Police Department-Administration's budget.

COMMITTEE RECOMMENDATION: On a motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve payment of for the services of a temporary administrative Police Department employee through Accountemps, Chicago, IL; invoices to be paid with FY2017 funds from the Police-Administration, Purchase of Services, Account #0121052-520000 for a total of \$1,504.00 without purchase orders in place as follows:

<u>Invoice #</u>	<u>Date</u>	<u>Amount</u>
46638741	09/13/16	\$320.00
46687587	09/20/16	\$320.00
46738368	09/27/16	\$320.00
46773370	10/03/16	\$320.00
46857035	10/12/16	\$224.00
	TOTAL	\$1,504.00

4. Memorandum from Principal Assessor re: Tax Classification Fiscal Year 2017 (Cont'd from 11/03/16)

Nancy Papows, Principal Assessor announced that values and new growth for FY17 were certified by the Department of Revenue on November 14, 2016. Referring to the Tax Classification Information for Fiscal Year 2017 (on file) documentation, she recounted that four options to consider as part of the tax classification process: 1) a residential factor must be adopted which determines the share of the tax levy that will be paid by each property class; 2) consider an Open Space discount; 3) consider a residential; and 4) a small commercial exemption. NOTE: The adoption of different rates does **not** change the total property tax levy, rather, it determines the share to be borne by each class.

Ms. Papows then reviewed the Tax Classification Information for Fiscal Year 2017 (on file) with the Council: Page 4 – A Comparison of Fiscal 2017 Values by Class: The Residential class this year represents 89.80 percent (\$5,325,464,096) of the total value of the City, and Commercial/Industrial/Personal Property (CIP) class represents 10.20 percent (\$5,397,966,264). The taxable value of the city increased this year by 7.11 percent from FY16. Based on sales analysis, the residential class as a whole saw an increase of 7.13 percent. The individual classes within the residential class -- single family class, condominium class, two- and three-family and apartments all saw increases in the range of 7 to 8 percent. The commercial and industrial classes had an increase of about 2 percent this year.

Pages 5 – Fiscal Year Parcel Counts, Values, and percent of Total Taxable City Value: The table on this page shows the parcel counts and the assessed values of each class from 2005 to present.

Page 6 – Previous Classification Factors and Resulting Tax Rate: The table shows the historic shift factors adopted over the years, and the associated residential shift factors. The 1.06 shift factor has been adopted for the last eleven years, shifting a portion of the residential tax burden to the CIP classes.

Page 7 – Calculating the Maximum Allowable Levy: The table shows the calculation of the maximum allowable levy for FY17. It starts with the levy limit from the prior year and added to that is the Prop 2-1/2 increase and new growth from Residential and CIP classes which results in the FY17 levy limit. Added to that is the Pole's Hill debt exclusion (which runs through 2019), the CSO debt, and the water debt shifts, which results in the maximum FY17 allowable levy at \$78,569,866 and the water debt. That figure divided by the total value of all parcels in the city results in the FY17 tax rate at a factor of 1.0 which is a tax rate of \$13.24 (down 47 cents from FY16). The tax rate at a factor of 1.0 would result in all properties paying the same rate for all classes of property. At a factor above 1.0, a portion of the residential tax levy would shift to a different class.

Page 8 – FY17 Tax Rate at a Factor of One = \$13.24, Shift in Tax Rate: This shows approximate tax rates that would result from the various shifts to the CIP class. The maximum shift allowed by the state is 1.5 percent (represented by 150%).

Page 9 – Comparison of Levy by Class at Various Shift Factors: Pages 9 further shows the levy by class and approximate shift of the levy and also shows the approximate excess levy capacity that results which is approximate based on a rounding of the tax rates when the tax recap is completed.

Page 10 – Change in Tax Dollars at Various Shifts: This shows the actual change in tax dollars for properties at different levels in terms of valuations (at various shifts). For instance, a property value at \$500,000 is the closest to the average single family home in Gloucester which is \$528,647 this year. At last year's shift factor of 1.06 that would save the residential taxpayer \$45 per year while the CIP taxpayer would pay an additional \$400. The extreme as shown at the bottom of the page shows that a \$1 million property at a 1.5 shift saves the residential taxpayer would save \$375 annually while the CIP taxpayer would see an increase of \$3,315.

Page 11 – Open Space Discount and Residential Exemptions. This page explains the open space discount. There are no parcels defined as open space in the city at this time.

Page 11 and 12 Residential Exemptions and Page 13 – Small Commercial Exemption: The Mayor has not opted to adopt either the Residential or Small Commercial Exemptions.

COMMITTEE DISCUSSION:

Councilor Memhard highlighted the fact that Pole's Hill is only several years away from being paid for.

Councilor Orlando recounted he had a met with Ms. Papows and her staff that morning and expressed his appreciation for their explanations on the Tax Classification information.

Councilor Ciolino said he made up his mind some years ago that the CIP and residential rate should be the same. He said to have a flat rate of 1.0 would be fair for all property rate payers. The commercial properties are paying more in taxes, but he pointed out most don't have children in city schools; they can't use city trash services or receive other certain city services, but the CIP classes are charged more in taxes. He said that the city has to be more inviting to businesses, and a way to attract new business is through a fair tax rate.

Councilor Orlando said in shifting from a tax classification factor 1.06 to a flat 1.0, he asked for the calculation for the savings to the average commercial business and increase to the average residential rate payers. **Ms. Papows**, referring to page 10 of the Tax Classification Information, said that at a rate of 1.06 at the \$500,000 value of property, if all were paying the same rate, the commercial class would pay same tax rate as the residential class. The residential rate payer wouldn't save \$45. **Councilor Orlando** confirmed with **Ms. Papows** that the average residential rate payer would actually see a \$45 increase for the \$500,000 property, and for commercial rate payers that class would see a decrease of about \$400 at the rate of 1.06. **Ms. Papows** added with a factor of 1.0 they are paying based on their full and fair cash property value -- whatever the assessed value is times the tax rate everyone gets the same rate. **Councilor Orlando** said he had asked for a comparison of similar sized and landscaped cities from the Assessors, Beverly, Salem and Newburyport, and how they handle their tax classification factoring. He advised that Beverly and Salem have a significantly higher rate of 1.65 each and Newburyport is a flat 1.0, two different perspectives. He pointed out that Salem has done a lot of development, and that he would prefer to go in the direction of Newburyport.

Councilor Ciolino said Gloucester is at the end of the line making it not only a difficult comparison to those communities, but it also makes it difficult to attract businesses here. He cautioned the Committee that even with a flat rate, and a \$45 gain on residential taxes per se, that there are the valuations, and the residential class did go up. **Ms. Papows** advised the residential class did rise considerably more than last year, at 7 to 8 percent range for the class -- different properties within that class will see different rates -- some property owners will see something higher than that, some lower. Residential values are more volatile compared to the CIP class, so if the market is increasing they typically increase at a higher rate, she noted, and the same holds true of the market is decreasing. CIP class properties are bought on investor expectations and as a result that market is more stable. This past year saw more increases in the residential class but CIP went up 2 percent which is more than last year as well.

Councilor Ciolino pointed out that no matter what the Council votes as the tax classification factor, there will be property value increases which will increase a property owner's tax bill regardless -- for some it be a lot more or less depending on the property, which was confirmed by **Mr. Costa**.

Councilor Memhard said that it appeared residential development has been tapped out, yet land is opened up and there is new residential construction, and there are some modest increases in the business/commercial base in the city. He highlighted the Beauport property development as a substantial investment and now an economic engine for the city. **Ms. Papows** noted page 7 of the Tax Classification information which shows new growth tax dollars that are realized for Residential versus CIP. It does change year to year, she advised, and there was a slight decrease in the past year in the Residential as there was a slowdown in condominium conversions. She described

several large on-going projects – the Village at West Gloucester (“over 55” development) which had 34 units. As those units come on line that is considered all new growth over the past few years. She noted the starting of a new development on Kennedy Drive in Magnolia which brought some new growth previous but it is currently in between phases and didn’t reflect in new growth last year. Although the residential growth was down slightly last year, residential property owners are doing a lot of renovating, making additions, and tear downs for construction of new homes. Commercial benefitted from the Beauport Hotel and that is only at a 35 percent completion. That was taking an obsolete vacant industrial property that now has a luxury hotel of high value sited directly on the water. The commercial sector was healthier this past year, she conveyed, and such large infusions of value to the CIP in the past were Gloucester Crossing, the NOAA building at the Blackburn Industrial Park. Given the desirability of the community for the waterfront properties and the desirability for residential property, there will always be people that want property on the water or have a view of it, and if they have the means they may rehab, renovate, tear down or build. As to vacant land, there are ways through engineering you can develop almost anything, she pointed out, but there is a limit to what is available for vacant land.

Councilor Ciolino suggested that the CIP had declined over the years. **Ms. Papows** described recent history of the CIP classes for **Councilor Ciolino** in 2014 the growth was \$74,000; in 2015 it was \$56,000; and in 2016 it was \$64,000. This year \$194,000 was gained because of Beauport, but there was a new Dunkin Donuts in Magnolia, a completion of a building on Pond Road. She said it is measuring what happens in the prior calendar year and spikes occur when something big happens in the market and couldn’t frame the history of that sector as declining over time as **Councilor Ciolino** had initially suggested.

Councilor Orlando said there are 11 communities in the state that do utilize a tax classification shift. **Ms. Papows** said she always looks at what other communities are doing that have a similar residential profile versus CIP. She said there are 150 communities that are under 11 percent, and of those communities 11 shift, but shift to widely varying degrees.

Councilor Orlando said while he likes the concept of evening the tax rate out at 1.0, and he suggested rather than shifting all at once to 1.0, that a shift of 1.03 would ease the residential class into a flat rate. **Councilor Ciolino** said the factor should be 1.0. **Councilor Orlando** said that while the city needs the commercial tax base which he emphasized he believes in, he pointed out to his peers that they would be changing a tax rate for almost 90 percent of the rate payers. He added that he agreed he wants to be at a flat rate ultimately but that it may be prudent to change it in two increments and by doing so it still sends a good signal for those who want to do business in the city that they will see the city is willing to work to a flat rate.

Councilor Memhard said an important issue discussed in the most recent campaign was this issue. The fact that the Councilors were elected reflects some of the private sector business background that the Council brings to the table. He noted he has followed this issue in close detail as a residential rate payer and as a commercial/industrial business owner for some time, and this may be the opportunity to make the factor 1.0.

Councilor Orlando reiterated he had no objection to a rate of 1.0 as it is the end result he wants to see, but wanted a discussion of what it would mean to the residential rate payers.

Ruth Pino, 82 Wheeler Street, relayed to the Committee her perspective of her house which is assessed at about \$450,000 and with the FY16 tax rate of \$13.61 her tax bill is slightly over \$6,100, and said that she would be pleased to pay another \$45. She said in the past she’s compared her property to that of Mr. Mondello’s property across from St. Ann’s Church who is assessed at about the same as her property, and that is a small business and has rental income there but is paying an additional \$400 to her \$45. She espoused her support of the level tax factor.

Ms. Papows at the Committee’s request introduced her staff -- Bethann Brousseau and Gary Johnstone, both Assessors who with her comprise the Board of Assessors for the City of Gloucester, and Tim Good, Assistant Assessor. She thanked her staff for their efforts. **Mr. Costa** added his approbation saying that Ms. Papows and her staff are a great team to work with. **Councilor Ciolino** complimented the Assessors saying they make a complicated issue very easy to understand. **Councilor Memhard** also expressed his appreciation for the staff of the Assessors Department and their hard work.

COMMITTEE RECOMMENDATION: On a motion by Councilor Ciolino, seconded by Councilor Orlando, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council adopt a RESIDENTIAL TAX CLASSIFICATION FACTOR OF 1.0 for Fiscal Year 2017.

5. Memorandum from CFO re: allocation of General Fund Free Cash

John Dunn, CFO reported the following to the Committee:

The Mass. Department of Revenue (DOR) of Local Services certified Gloucester's General Fund Free Cash on October 25 in the amount of \$2,269,409. The Enterprise Funds Free Cash results were: Waterways Enterprise Fund -- \$43,421; Talbot Rink -- \$77,191; Water -- \$438,668 and Sewer -- \$555,346. The Administration has committed to use \$460,508 of the General Fund Free Cash to amortize the second year of the of the FY15 Snow & Ice deficit according to the approved amortization schedule. That leaves \$1,808,901 to be allocated according to the Capital Plan Funding and Free Cash Distribution Policy to be distributed as follows:

Capital Projects Stabilization Fund (40 %)	\$823,560
Building Maintenance Stabilization Fund (20%)	\$361,780
General Stabilization Fund (10%)	\$180,891
Remaining as unreserved Free Cash (30%)	\$542,670

There are healthy stabilization funds throughout the city and is the point of the policy to build up those stabilization funds, Mr. Dunn noted. He cautioned that this means that the amount of free cash that will be certified each year will be reduced because it is reserved in the Stabilization Funds, absent of some unforeseen revenue or a snow-free winter.

Councilor Orlando asked can the Stabilization Funds can be used for construction projects. **Mr. Dunn** said if there were enough in the funds, they could, but more likely there would be a debt service stabilization fund created. He discussed how a debt service stabilization fund may be beneficial for the city moving forward. Two stabilization funds are targeted and one is general, he noted.

Councilor Ciolino reviewed past practice for the stabilization funds and keeps the bond rating agency pleased as they feel it is a stabilizing factor for the city's finances. **Mr. Costa** said it is really a rainy day fund. A super majority is needed to appropriate from a Stabilization Fund, **Mr. Dunn** noted.

Councilor Ciolino said the remaining unreserved funds can be used for the "wish list," and that there is an understanding on that issue, and would pursue it with the Administration moving forward. **Mr. Dunn** then briefly advised of an immediate need of the city to remove a beached dragger off of Niles Beach and the associated expenses that will need appropriation of Free Cash into the Waterways Enterprise Fund.

6. Supplemental Appropriation (2017-SA-4) re: reserve funds applied to FY15 Snow & Ice deficits

COMMITTEE RECOMMENDATION: On a motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-4 in the amount of \$460,508.00 (Four Hundred Sixty Thousand Five Hundred Eight Dollars) from General Fund – Undesignated Fund Balance ("Free Cash"), Account #0001-359000, to General Fund-Designated for Authorized Snow & Ice Amortization, Account #0001-359201, for the purpose of funding the second year of a three-year Snow & Ice Amortization Schedule.

7. Supplemental Appropriation (2017-SA-5) re: transfer of funds to Capital Project Stabilization Funds from General Fund Free Cash

COMMITTEE RECOMMENDATION: On motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-5 in the amount of \$723,560.00 (Seven Hundred Twenty Three Thousand Five Hundred Sixty Dollars) from the General Fund, Undesignated Fund Balance ("Free Cash"), Account #0001-359000 to Capital Projects Stabilization Fund, Transfers from the General Fund, Account #760001-497001 per the Capital Plan Funding and Free Cash Distribution Policy.

8. Supplemental Appropriation (2017-SA-6) re: transfer of funds to Building Maintenance Stabilization Fund from General Fund Free Cash

COMMITTEE RECOMMENDATION: On motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-6 in the amount of \$361,780.00 (Three Hundred Sixty One Thousand Seven Hundred Eighty Dollars) from the General Fund, Undesignated Fund Balance ("Free Cash"), Account #0001-359000 to the Building Maintenance Stabilization Fund, Transfers from the General Fund, Account #770001-497001 per the Capital Plan Funding and Free Cash Distribution Policy.

9. Supplemental Appropriation (2017-SA-7) re: transfer of funds to General Stabilization Funds from General Fund Free Cash

COMMITTEE RECOMMENDATION: On motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-7 in the amount of \$180,897.00 (One Hundred Eight Thousand Eight Hundred Ninety-Seven Dollars) from the General Fund, Undesignated Fund Balance (“Free Cash”), Account #0001-359000 to the General Stabilization Fund, Account #75004-497001 per the Capital Plan Funding and Free Cash Distribution Policy.

Mr. Dunn advised that the Capital Projects Stabilization Fund after these transfers will have a balance of about \$1.6 million; the Building Maintenance Stabilization Fund about \$700,000 and the General Stabilization Fund about \$2.4 million, or overall about \$4.7 million.

10. Memorandum from CFO re: allocation of August 2016 General Fund Bond Premium

Mr. Dunn conveyed the following information about a request to allocate August 2016 General Fund Bond Premium:

As a result of the sale of \$13,250,000 of bonds in August 2016, the city recorded \$855,538.59 of unbudgeted Bond Premium revenue, net of issuance costs, in the General Fund. Bond Premium is essentially a marketing strategy used by bidders in which they “overpay” for the bonds to enhance the yield when sold to outside investors. The end result of Bond Premium is that the bidders are able to market bonds with an enhanced coupon rate but the city’s net interest costs reflect market rates at the time of issuance.

Mr. Dunn continued by saying that there are a number of ways in which a municipality can treat Bond Premium revenue. He recounted that in conversation with the city’s Boston-based Bond Counsel, Locke Lord, LLP, they have suggested that appropriate uses for this fairly large Premium amount would be to: 1) fund other capital projects and 2) credit a current capital project, such as the West Parish School project in order to reduce the amount of debt to be issued in the future. As such, he proposed two Supplemental Appropriations (Agenda Items #12 and #13) to use the Premium funds.

11. Supplemental Appropriation (2017-SA-8) re: transfer of funds to new Capital Fund from General Fund Bond Premium

Mr. Dunn explained that this Supplemental Appropriation would fund the following capital projects at their total estimated costs of \$420,000. Because these are estimated costs, he recommended to the Committee that they appropriate the gross amount to be used to fund the costs of all the combined projects so as to have flexibility should actual costs per project vary from the estimates, and all numbers were rounded up.

\$165,000: For DPW fleet vehicles including two new pick-up trucks and three vans. **Mr. Dunn** explained that the DPW is replacing rolling stock over 20 years old purchasing from the state-wide consortium and old stock may be auctioned and some may be stripped for parts.

\$20,000: For a SUV to be used for Municipal Inspection functions and \$10,000 more will come from the vacant building fund and as such the vehicle will be used one-third of the time by the Vacant Building Inspector.

\$80,000: For internal renovations at Plum Cove School to subdivide classroom space for use as an art room, reading coach space and school psychologist space with associated electric etc., **Mr. LaFleur** conveyed these renovations are necessary in order to be in compliance with state regulations and providing privacy for the school psychologist when providing services for school students. He said this is a low-cost resolution to several issues, which he briefly discussed by **Councilor Orlando**

\$120,000: Replacement of the four exterior doors at City Hall and the addition of card access technology, outdoor lighting. **Mr. Dunn** described the poor condition and the issues with the City Hall doors briefly to the Committee and the need to improve outdoor lighting around City Hall.

\$35,000: Exterior renovations (carpentry and paint) to the Veterans Services building located on Emerson Avenue. **Adam Curcuru**, Veteran’s Agent, said the exterior of the Veterans Services building doesn’t represent the community’s support for its veterans as it doesn’t reflect a welcoming environment. He noted the attached greenhouse was lost during winter storms and has left that side of the building exposed and left the side of the

building there exposed and in poor condition allowing water to seep in and clapboard is falling off. This is very necessary he said. The work therapeutic program run out of the VA in Bedford will oversee the project that will be done by veterans in their program. He said the city pays for the supplies, and pays these veterans a stipend. In turn it allows the veterans to contribute to a community, support fellow veterans, work towards reentering the community/work environment while continuing their counselling.

Councilor Memhard questioned the issue of liability for the city. **Mr. Curcuru** said the liability was a concern of the Purchasing Agent and was discussed with General Counsel as well. He advised that liability is covered by the VA, and **Mr. Dunn** added that the city has no liability as the city isn't employing these veterans. **Councilor Orlando** confirmed the VA would be acting as an independent contractor. He advised this is a first step to renovating the Veterans Center on Emerson Avenue.

NOTE: This Supplemental Appropriation would establish a newly created Capital Project Fund that requires no Council action as it is an internal ledger entry matter.

COMMITTEE RECOMMENDATION: On motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-8 in the amount of \$420,000.00 (Four Hundred Twenty Thousand Dollars) from the General Fund, Premium from Sale of Bonds, Account #00900900-493000, to CIP17 Building Improvements & Departmental Vehicles Capital Project Fund, Transfer in from General Fund, Account #50434-497001 for the purpose of funding various city capital projects.

12. Supplemental Appropriation (2017-SA-9) re: transfer of funds related to the West Parish School Construction Project

Mr. Dunn conveyed that the second Supplemental Appropriation related to use of premium from sale of bond funds, would be to move \$435,538.59 to the West Parish Elementary School construction project fund to reduce the amount of debt that will have to be issued in the future.

COMMITTEE RECOMMENDATION: On motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-9 in the amount of \$435,538.59 (Four Hundred Thirty Five Thousand Five Hundred Thirty Eight Dollars and Fifty Nine Cents) from the General Fund, Premium from Sale of Bonds, Account #00900900-493000, to West Parish School Construction Project-Transfer from General Fund, Account #50334-497001 for the purpose of funding the West Parish School construction project account to reduce the amount of debt issuance in the future.

13. Memo from City Auditor regarding accounts having expenditures which exceed their authorization & Auditor's Report and other related business

Mr. Costa reviewed his reports with the Committee (on file).

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:50 p.m.

Respectfully submitted,
Dana C. Jorgensson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.