

Budget & Finance Committee
Thursday, April 20, 2017– 5:00 p.m.
1st Fl. Council Committee Room – City Hall
-Minutes-

Present: Chair, Councilor Scott Memhard; Councilor Jamie O’Hara (Alternate); Councilor Sean Nolan (Alternate)

Absent: Councilor Orlando and Councilor Ciolino

Also Present: Councilor Gilman (entered meeting at 5:13 p.m.); Jim Destino; Kenny Costa; Interim Police Chief John McCarthy; Harbormaster T.J. Ciarametaro; Chad Johnson; Tony Gross; Donna Compton; Nancy Papows; Bill Sanborn; Karin Carroll

The meeting convened at 5:05 p.m.

1. Memorandum from City Auditor re: City’s FY16 Basic Financial Statements

Kenny Costa, City Auditor, highlighted the Report on Examination of Basic Financial Statements and Additional Information Year Ended June 30, 2016 noting on page 2 of 66, “Opinions,” said that this is the best opinion that can be given is shown, “Unmodified Opinion.” Page 19 of 66 he noted that the Statement of Revenues, Expenditures & Changes in Fund Balances, shows a “Net Change in Fund Balances” of \$1.4 million is an increase from FY15 to FY16. He noted that in FY15 the net change went down by \$2.6 million due to the Snow & Ice Deficit, and while there is a three year amortization on that particular S&I Deficit, for financial statements all hits in one year despite a three year amortization. **Mr. Costa** spoke to affecting factors to the \$1.4 million – last year \$1.4 million of Free Cash was used to balance the city’s budget; this year \$200,000 and the other factor was the \$2.6 million in S&I; and the Capital Plan Funding and Free Cash Distribution Policy that the Administration proposed and the Council adopted. He said that by developing and sticking to that policy the Council and Administration should be commended as the city benefitted by that action.

The second report submitted is the Single Audit Report page 10 of 18, the Schedule of Expenditures of Federal wards for Year Ended June 30, 2016 was pointed out by **Mr. Costa**. This is the federal audit report; the \$4.5 million is total federal expenditures -- grants that the city has received and expended in FY16. Of that there was about \$2 million related to school federal grant expenditures.

Tony Roselli, Partner in the firm of Roselli, Clarke & Associates, the city’s contracted Outside Auditor, reported to the Budget & Finance Committee in their second year of acting as the city’s contracted Outside Auditor, on the city’s FY2016 Basic Financial Statements. **Mr. Roselli** reiterated that the financial policies and procedures instituted by the city has resulted in good financials and increases in fund balances which he termed as good news. He indicated it was a correct trend which helps the city’s bond rating ability to finance projects, and results in lower borrowing rates

Note: The following text reflects Mr. Roselli’s comments unless otherwise indicated.

MANAGEMENT LETTER YEAR ENDED JUNE 30, 2106:

Page 3 of 16: New OPEB (Other Post-Employment Benefits) Accounting Schedule – There is a new accounting standard which goes into effect in FY18, in that there will be a new liability coming onto the books. OPEB is what the city owes its employees at the time of retirement--health benefits, life insurance, etc. In the past this has just been a footnote disclosure. The city set up a trust fund for OPEB which has \$200,000 but hasn’t yet begun to be materially funded.

Municipal Modernization Act of 2016. Three portions of the Act will likely affect the city: A benefit to the city is under betterments is a “receipt reserve.” This allows the city to use the betterments for debt service which was deemed as more efficient. Overlays can be combined into one account, rather than tracking multiple years in a variety of accounts.

Changes to Single Audit Requirements-Need for Internal Control Framework. New requirements call for a documentation of internal control. While the city has internal control(s), the requirement says there needs to be codification of those internal controls for both the School side and the city side, any department that handles federal grants.

Page 4 of 16: Policy and Procedure Manual. Progress should be made towards the creation of a financial policy and procedure manual as delineated by the Department of Revenue and Mass. General Laws. **Jim Destino**, CAO pointed out that the policies exist; noting the previously mentioned free cash policy already in place, but the comment is that they all need to be in one manual and need to be codified, brought to the Council and brought out as one. **Mr. Roselli** agreed that progress is being made. There is a process, there are MGL's to be followed and it is a matter of making it more efficient.

Page 5 of 16: Observations and Recommendations:

Parking ticket program. There is a new parking ticket management program but that system no longer allows for an aged receivable report to be produced. The balance is getting steep at \$380,000, it was noted. **Councilor Memhard** noted that liens would be placed on vehicles at the Registry which helps the city to recoup its money.

Police Details. The Police Extra Detail account in Special Revenue has a \$33,238 deficit after the City Auditor already reclassified the entire first 60-days of FY2017 detail revenue as accrued to FY16. That effectively only leaves \$53,158 of the 6/30/16 receivable balance to services performed in early July. **Mr. Costa** reviewed the recent history of this account and some of the accounting methods employed. He said at this point money from the General Fund would need to be transferred to remove the deficit. There is always a lag of 30 days or more for some vendors to pay. It is not just as simple as one item and there is also bad debt being carried that makes up the total deficit.

Community Development Office: Referring to the Community Development Block Grant (CDBG) program which includes various CDBG and HOME program loans (approximately 475 loans) issued to program participants, it was pointed out that they maintain individual loans on an Excel spread sheet which is perpetual and can't be produced retroactively. This process needs to be automated. An investment is needed for a loan management software program specifically designed to monitor and report loans of this nature. **Mr. Destino** expressed his agreement with the need to automate this accounting.

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Capital Project Deficit Spending was noted to remain an issue. The financing process to use BAN proceeds as a source of funds was explained briefly. In 2015 there was \$3.5 million in construction costs that weren't covered by BANs and at end of FY16 that amount was about \$1 million. If this occurs in an Enterprise Fund, the DOR will reduce retained earnings by that amount. If that occurs in the General Fund which these particular findings weren't, it would reduce free cash. It was suggested that it be determined if in May there is such a deficit, then a short-term BAN would be a good solution and prevent DOR issues moving forward.

Betterments and Related Debt. The city built out its infrastructure from 1989 to 2004 -- with so much construction and so many different aspects to those projects in different areas of the city that the process became extremely complicated and challenging for the city to match project debt service to debt service source. In some projects where there was borrowing there is some money left in a number of those accounts which needs to be corrected. Matching what portion of the betterments is General Fund and Sewer Betterments is still unanswered.

Mr. Destino pointed out that most of what Mr. Roselli is referring to is a result of the North Gloucester projects. He confirmed and briefly described that it was a very complicated process. He agreed it is very difficult with all the deals that were made on different roads in some areas at the beginning than those roadways done towards the end of that 15 year period. He said it is still hard to track. It won't be figured out until the betterments reach maturity it is so convoluted.

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Trash Program. The Pay As you Throw (PAYT) program needs better reconciliation and a more accurate process of receivables at year end.

Compensated absences: This is a repeat finding from last year noted that the use of TriTech for time tracking doesn't match the city's payroll system. **Mr. Costa** said that is unused sick and vacation time. **Mr. Destino** commented about the trash program and compensated absences. He is confident they are capturing people who are taking time off. When they get to Jan. 18 and MUNIS is installed and that will solve that problem, and it will be the same for the Trash program. There is a short-term solution with double checking documentation. MUNIS software will correct this problem, and that expressed his confidence after the first of the year that would be solved.

Fraud Prevention Measures/Risk Assessment. It was noted that the Auditor's Office is getting out to the various city departments to look at cash handling and documenting risks. **Mr. Costa** added they are constantly talking to offices as well and reviewing expenditures to be lawful and looking at grants to ensure there are no deficits. Some methods for Fraud Prevention and Risk Assessment were touched upon as well briefly as well as Municipal Data Breaches (page 9 of 16).

Pages 10 through 14 of 16: Departmental Review – Harbormaster:

The period examined for the Harbormaster's Department was ending June 2016. It was pointed out that a new team took over July 1, 2017 that found the same issues that the Outside Auditor did and already were fixing issues

immediately upon their taking over the department. The fixes were termed as trending in a good direction. **Mr. Roselli** voiced his commendation to Harbormaster T.J. Ciamartaro and Assistant Deputy Harbormaster, Chad Johnson for their diligence and attitude.

Cash Handling: Processes were automated immediately. Internet connection from the Harbormaster to City Hall was abysmal and that was fixed and improved. Previously cash was never reconciled with the Auditor's and Treasurer's offices. The Harbormaster's website was improved and made user friendly; the department is using Facebook to increase revenues. Locks on the building were changed. Of note, there needs to be more of a more formalized reconciliation from the Harbormaster's Department to the City Auditor's Department. Of importance was the reduction in the amount of cash handling. The department has gone to a Cloud-based on-line scheduling system for transient mooring reservations allowing payment with a debit card and has reduced 90% of cash. This system automates all transactions and reports are issued once a week is saving the department time and effort.

The city's cost per transaction is \$1.80 per mooring, but **Harbormaster Ciarmetaro** pointed out that last year via paper there were 16 transient mooring reservations booked by April 1 and this year 57 were booked on April 1 nearly a 100% increase in reservations. It is expected to increase revenue by \$10,000 and will be on top of the additional transient moorings. Boat Excise: the Harbormasters are pushing enforcement and it is increasing compliance. Launch fees are a new revenue source implemented in 2014, and that fee is now combined with transient mooring fees by adding \$10 for the service and that too will create more revenues, about \$7,000 as well as making the entire process more efficient. Transient Mooring Fees: All now done on line as previously noted which was expressed as a vast improvement and expected to add \$14,000 in revenue. Mooring Fees: Mooring fees are now tracked on Excel spreadsheets. **Harbormaster Ciarmetaro** touched on the issue with the Lotus program that used to be utilized to track these fees. **Tony Gross**, Chair of the Waterways Board said as a result, vacant moorings were never reassigned and so revenue was lost. Thirty moorings were issued this month, the **Harbormaster Ciarmetaro** reported. Mooring Application Fee: To stay on the annual city mooring wait list is \$10. It was suggested that this fee be increased by \$5 to \$10. Boat Ramp: The city's boat ramp is the second busiest in the state. Due to certain appropriately instituted financial practices recently instituted and ramped up enforcement, the city should see an increase in fines and income. There is a good reconciliation process in place it was reported. Ticket revenue comes in from the state and now goes to the Waterways Enterprise Fund. Rental Income: There are 24 available slips and only 21 that were rented even though there was a wait list and that is now remedied.

Mr. Roselli said that the Harbormaster's have done a spectacular job in the short time they've been employed by the city.

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Student Activities. A review of Student Activities was completed. These are student activities accounts. **Mr. Gross**, in his role as School Committee member and Chair of its Budget & Finance Committee said the School Committee and the School Department's Director of Finance & Operations, Tom LaFleur met with Mr. Roselli in September and the School Committee immediately created policies. All purchases have to go through the School Financial Office and done through Purchase Orders. Food Services program issues were touched upon and noted to have corrective action in place. **Councilor Memhard** asked that when Mr. LaFleur is available that the Committee would like to invite him to discuss some of the new policies and procedures he has worked to put in place. **Mr. Costa** said he was pleased to see Mr. LaFleur has taken immediate action. He assured steps have been taken to implement policies and procedures with Beeman and will move to other schools.

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Single Audit. Within the School Lunch Program there is \$4.5 million in expenses and so the Outside Auditor is required to do a Single Audit by federal regulations when expenses are over \$700,000. There were three findings all related to the School Lunch Program and were discussed. All three issues were pointed out as being addressed and the School Lunch Office expects these three matters to be corrected as of the FY17 Single Audit.

2. Memorandum, Grant Application & Checklist from Interim Police Chief re: request Administration accept FY17 PAARI Transportation Grant funds up to \$5,000 to assist with Angel Program (Cont'd from 04/06/17)

Mr. Destino explained that the grant is now in hand and that there is no match. **Interim Chief McCarthy** explained that when there is an intake for detox, the department uses a service, and there is a co-pay -- PAARI will pay up to \$5,000 for two fiscal years.

COMMITTEE RECOMMENDATION: On a motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council under

MGL c. 44, §53A to accept a private grant from The Police Assisted Addiction and Recovery Initiative (PAARI), a FY17 PAARI Transportation Grant to the Gloucester Police Department for up to \$5,000 for the purpose of providing transportation for the City of Gloucester's Angel Program participants, as well as any other direct program-related expenses incurred from July 1, 2016 through June 30, 2018. This grant has no city match funding requirements.

3. *Memorandum from Public Health Director re: request to accept a grant from MA Opiate Abuse Prevention Collaborative (MOAPC) in the amount of \$73,000*

Karin Carroll, Director of Public Health explained that the Gloucester's Health Department's Healthy Gloucester Collaborative is asking the city to accept a \$73,000 upward amendment to the contract for FY2017 MA Opiate Abuse Prevention Collaborative (MOAPC) Grant (\$100,000 each year for six years). This is a regional grant. With the additional \$73,000, which needs to be spent by June 30, 2017, projects to be worked on are: A police data collection and the Critical Intervention Program; a DPH media campaign will be rolled out on the North Shore; and fund the purchase of Life Skills curriculum for cluster schools, including the city's middle school, along with educational materials, resource guides and applicable trainings. The resource cards at the request of the Mayor will be available to the Police Department when they go on calls. There is no match to this grant amendment, she reported.

COMMITTEE RECOMMENDATION: On a motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council under MGL c. 44, §53A to accept a federal grant amendment to the Mass. Opiate Abuse Prevention Grant from the Substance Abuse and Mental Health Services Administration (SAMHSA) through Mass. Department of Public Health (MDPH) Bureau of Substance Abuse Services (BSAS) to increase the grant contract amount by \$73,000 for a revised maximum obligation of \$173,000 effective through June 30, 2017. There is an in-kind grant match covered by city staffing, materials and equipment.

4. *Memorandum from Public Health Director re: request to accept grant from Blue Cross Blue Shield Foundation through the 2017 Catalyst Fund in the amount of \$5,000*

Ms. Carroll reviewed that this Blue Cross Blue Shield Foundation Grant is for \$5,000 through the 2017 Catalyst Fund will fund a portion of the purchase price of a NOMAD Pro Handheld X-ray System for the city's dental care clinic. This piece of equipment would give the CDC the versatility will provide a more effective level of care to young patients, she noted, and is also partially funded by the dental center revenue as well.

COMMITTEE RECOMMENDATION: On a motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council under MGL c. 44, §53A to accept a private grant from Blue Cross Blue Shield of MA Foundation through the 2017 Catalyst Fund Grant for a total amount of \$5,000. The grant funding will be used to partially fund the purchase a hand-held x-ray system for the city's Children's Dental Center. The length of this grant is for one year, from April 1, 2017 to March 31, 2018.

5. *Supplemental Appropriation-Budgetary Requests 2017-SA-22, -23, -24, -25, -26, -31, -32 and -33 from Harbormaster*

Harbormaster Ciamartaro said that 2017-SA-22 is for \$700 from Waterways Retained Earnings is an appropriation for uniforms as the department is one of the only ones without proper uniforms to be professional on the water.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-22 in the amount of \$700.00 (Seven Hundred Dollars) from the Waterways Enterprise Fund, Undesignated Fund Balance Retained Earnings ("Free Cash"), Account #7000-359000 to the Waterways Enterprise Fund, Uniforms, Account #700052-558006 for the purpose of purchasing a new uniforms for Harbormaster's Department personnel.

Harbormaster Ciamartaro noted that 2017-SA-23 was for the purpose of funding seasonal department salaries and wages. He touched upon the lack of pay raises over six years, saying that people were being grossly underpaid. He conveyed he had to hire two new people at a higher rate. More personnel had to be brought in over the past summer and said these issues are rectified in the FY18 budget. The hourly rate was \$13.26, less than other departments pay for seasonal help. **Mr. Gross** added that the raises are minor, with the highest rate at \$17.00. **Harbormaster Ciamartaro** pointed out that with this seasonal staff a great deal of routine maintenance is able to be done in house.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-23 in the amount of \$4,000.00 (Four Thousand Dollars) from the Waterways Enterprise Fund, Undesignated Fund Balance Retained Earnings ("Free Cash"), Account #7000-359000 to the Waterways Enterprise Fund, Salaries & Wages Temporary, Account #700051-512000, for the purpose of funding seasonal Harbormaster's Department salaries and wages.

Harbormaster Ciamartaro conveyed that 2017-SA-24 is to purchase new equipment and a monitor that will track all transient boaters coming into the city.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-24 in the amount of \$2,500.00 (Two Thousand Five Hundred Dollars) from the Waterways Enterprise Fund, Undesignated Fund Balance Retained Earnings ("Free Cash"), Account #7000-359000 to the Waterways Enterprise Fund, Computer Equipment not Capitalized, Account #700052-542007 for the purpose of upgrading Harbormaster Department computer equipment.

Harbormaster Ciamartaro explained that 2017-SA-25 is to fund repairs to docks at Harbor Cove, a commercial marina. The marina is in a unique spot that takes a lot of swell and that pile guides are always needing replacements, with five needing to be done now and five pile guides will be on hand for future repairs, he advised. The work will be done in house, it was noted.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-25 in the amount of \$2,000.00 (Two Thousand Dollars) from the Harbor Cove Stabilization Fund, Transfer to Enterprise Fund, Account #71025-596005 to Waterways Enterprise Fund, Infrastructure-Boat Facilities, Account #700058-588008, for the purpose of funding repairs to docks at Harbor Cove.

Harbormaster Ciamartaro conveyed that 2017-SA-26 is to upgrade the department's boat and trailer maintenance. Most of the equipment was in a very bad state of repair, he said. He pointed out that the two main patrol boats will be the nicest they've been since they were purchased and be reliable all the time. By Memorial Day there will be two good public safety assets for the city, he said.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-26 in the amount of \$5,000.00 (Five Thousand Dollars) from the Waterways Enterprise Fund, Undesignated Fund Balance Retained Earnings ("Free Cash"), Account #7000-359000 to the Waterways Enterprise Fund, Repairs & Maintenance - Boat & Marine Maintenance, Account #700052-524037 for the purpose of upgrading Harbormaster Department boat and marine maintenance.

Harbormaster Ciamartaro said 2017-SA-31, -32 and -33 all are related. It was assumed all money was accounted for and all funds were taken and put into one account but that wasn't the case and so the department was short on funds to finish the project at Solomon Jacob's Park for the city's new docking system. This is a much needed Harbormaster/Transient/Pump-Out Dock and 60 foot dinghy dock. The total deficit was \$36,000 to complete the project and will come from Waterways Enterprise Fund Undesignated Fund Balance, the Capital Projects Stabilization Fund; the Dun Fudgin Boat Ramp and Municipal Waterways Improvement & Maintenance Fund, Transfer to Enterprise Fund a fund which is intended to create more public access to the waterfront.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-31 in the amount of \$8,700.00 (Eight Thousand Seven Hundred Dollars) from the Waterways Enterprise Fund, Undesignated Fund Balance Retained Earnings ("Free Cash"), Account #7000-359000 to CIP-Solomon Jacobs Park Improvement-Infrastructure-Boating Facilities, Account #70055-588008 for the purpose of completing dock systems at Solomon Jacobs Pier Project.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-32 in the amount of \$11,000.00 (Eleven Thousand Dollars) from the Capital Projects Stabilization Fund-Dun Fudgin Boat Ramp, Account #71005-596005 to CIP-Solomon Jacobs Park Improvement-Infrastructure-Boating Facilities, Account #70055-588008 for the purpose of completing dock systems at Solomon Jacobs Pier Project.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-33 in the amount of \$8,000.00 (Eight Thousand Dollars) from the Municipal Waterways Improvement & Maintenance Fund, Transfer to Enterprise Fund, Account #32125-596005 to CIP-Solomon Jacobs Park Improvement-Infrastructure-Boating Facilities, Account #70055-588008 for the purpose of completing dock systems at Solomon Jacobs Pier.

6. *Supplemental Appropriation-Budgetary Requests 2017-SA-29 & -30 from Building Inspector (changed to Special Budgetary Transfers 2017-SBT-19 and -20)*

Mr. Destino explained that his FY17 budget held a shortfall due to the need for coverage of a temporary electrical inspector upon the retirement of Charlie Mahoney in FY17. A new electrical inspector has been hired, he advised.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2017-SBT-19 in the amount of \$800.00 (Eight Hundred Dollars) from Inspectional Services, Dues & Membership, Account #0124152-573000, to Inspectional Services, Salaries & Wages Temporary, Account #0124151-512000 for the purpose of covering an account shortfall to pay for the services of a temporary electrical inspector.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2017-SBT-20 in the amount of \$800.00 (Eight Hundred Dollars) from Inspectional Services, Printing & Stationery, Account #0124152-542001, to Inspectional Services, Salaries & Wages Temporary, Account #0124151-512000 for the purpose of covering an account shortfall to pay for the services of a temporary electrical inspector.

7. *Memorandum from City Solicitor & Purchasing Agent re: Request for Proposal for the purchase of city-owned land & building located at 120 Maplewood Avenue (formerly known as Maplewood Avenue School*

Mr. Destino addressed the proposed RFP for the city-owned land and building located at 120 Maplewood Avenue (formerly known as the Maplewood Avenue School for the eighth time since 2004. This is going back out to bid, he said. This is for the B&F Committee to set the minimum bid recommended at \$250,000. He reviewed the history of the minimum bids for the previous RFP's briefly. He added that the last time, that there was a neighborhood petition asking that the previous developer be allowed to move forward, but that the Gloucester Development team couldn't get financing because of the restriction of 12 units on the property -- restrictions placed on the development at the request of the neighbors. Those same restrictions are not held with the new RFP, he said. He highlighted that it is time to get the taxpayers what this property is worth and it will go through any permitting process to the highest bidder. If the city doesn't like the bids, they don't have to accept it, he pointed out. Because

some of the restrictions have been taken off, \$250,000 is a fair amount to set as the minimum bid price which is the purview of the Council, he said. This is a well-known property and it is believed they will get action on it, he added.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve the Request for Proposal #17095 Disposition by Sale of Maplewood Avenue, #120 also known as the Maplewood School pursuant to the terms and conditions as stated therein as submitted by the Administration and as submitted to the City Council, and that the minimum bid is set at \$250,000.

8. *Supplemental Appropriation-Budgetary Request (2017-SA-34) from the CFO*

Mr. Destino said that this transfer would complete the funding of the Solomon Jacobs Boating Facilities Project. This is from the city side, not the Waterways Enterprise Fund. This is the port maintenance and mitigation money. This brings the funding up to the \$38,000. This fund can only be used for work done within the DPA, which this work qualifies for, he said.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-34 in the amount of \$12,000.00 (Twelve Thousand Dollars) from the Stabilization-Port Maintenance & Mitigation, Undesignated Fund Balance, Account #7800-359000 to CIP-Solomon Jacobs Park Improvement, Infrastructure-Boating Facilities, Account #70055-588008 for the purpose of completing dock systems at Solomon Jacobs Pier Project.

9. *Special Budgetary Transfer Request (2017-SBT-18) from the Auditor's Office*

Mr. Costa explained that this transfer is for the additional services provided by the Outside Auditor and had lag funds from the transition of the new Assistant City Auditor. He assured that by FY19 that the Assistant Auditor will be in a position to provide this service to the department. He said that this shortfall amount is being funded through his department.

COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve Special Budgetary Transfer 2017-SBT-18 in the amount of \$1,000.00 from Account #0113551-511000, Auditor's Office, Salaries, to Account #0113552-530009, Auditor's Office, Accounting & Auditing, for the purpose of funding a portion of additional services provided by the outside audit firm related to fixed assets for the FY2016 Financial Statement Report.

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

City Auditor, Kenny Costa, briefly reviewed his report with the Committee (on file).

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:40 p.m.

Respectfully submitted,
Dana C. Jorgensson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.