



# *Committee on Finance*

November 18, 2015 – 7:32 PM – **Minutes**  
Chambers of the City Council, Room 214

## **NEW BEDFORD, MASSACHUSETTS**

**MEETING: COMMITTEE ON FINANCE**

**DATE: NOVEMBER 18, 2015**

**TIME: 7:32 P.M.**

**PLACE: CITY COUNCIL CHAMBER, ROOM 214, MUNICIPAL BUILDING**

**PRESENT: COUNCILLORS JOSEPH LOPES, CHAIRMAN; JAMES OLIVEIRA, VICE-CHAIRMAN; HENRY BOUSQUET; NAOMI CARNEY; DEBORA COELHO; BRIAN GOMES; STEVEN MARTINS (7:41); LINDA MORAD; DANA REBEIRO(7:41); KERRY WINTERSON**

**ABSENT: COUNCILLOR DAVID ALVES**

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Councillor Lopes called the Finance Committee Meeting to order and took attendance. The Clerk read a communication from Councillor Alves explaining his absence from the meeting, which was received and placed on file by Councillor Morad and seconded by Councillor Winterson.

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Notice, City Clerk of reference of a Written Motion, Councillor Lopes, requesting that the City of New Bedford study the potential cost savings associated with the establishment of an Opt-Out Medical Insurance Program for City Employees (Ref'd 6/11/15, 8/19/15 tabled for 60 days) was removed from the table by Councillor Morad and seconded by Councillor Winterson. (1)

Ari Sky, CFO and Steve Tringale of Tringale Associates were present to give an update to see if it was economically feasible to establish an Opt-Out Medical Insurance Program for city workers.

Mr. Tringale passed out a spread sheet on the number of health insurance claims, participants in the health insurance programs, which was received and placed on file by Councillor Oliveira and seconded by Councillor Carney.

After a review of the figures supplied by Mr. Tringale, he summarized that it would not be beneficial for the city to offer an opt-out program to its employees and that it could be looked at in a few years from now; but at this point in time it is not recommended. Perhaps it could be looked at in 2018.

On motion by Councillor Bousquet and seconded by Councillor Coelho, the Committee VOTED: To take “No Further Action” on this matter at this time. This motion passed on a voice vote.

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Item number four (4) was taken out of order with no objections.

Notice, City Clerk of reference of a Communication, Mayor Mitchell to City Council, submitting a request from Joseph Grivers, Vice-President of MassDevelopment, that the Mayor and City Council request the Agency (MassDevelopment) to assume the role of authority in financing a project for Parallel Products of New England, Inc., located at 50 Duchaine Boulevard, since the city does not have an active Industrial Development Finance Authority that would be available to undertake the financing of the Project

(Ref'd 10/8/15) was received and placed on file by Councillor Morad and seconded by Councillor Winterson. (4)

Mr. Joseph Grivers, Vice-President of MassDevelopment provided the Committee with a review of the proposal and he explained that in order for Parallel Products to enter into a financial agreement with MassDevelopment, they would need to go before the Board established by the city to grant permission to enter into this agreement; unfortunately, the city does have such a Board but it currently does not have any members sitting on it and because of this the City Council is required to grant permission. Parallel Products is seeking funding to move their operation from Fall River to New Bedford.

On motion by Councillor Martins and seconded by Councillor Oliveira, the Committee VOTED: To recommend to the City Council, APPROVAL of the Agency (MassDevelopment) to assume the role of authority in financing a project for Parallel Products of New England, Inc., located at 50 Duchaine Boulevard, since the City does not have an active Industrial Development Finance Authority that would be available to undertake the financing of the Project. This motion passed on a Roll Call of Yeas 10, Nays 0.

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Notice, City Clerk of reference of a Written Motion, Councillors Lopes and Morad, in light of the Fire Department’s announcement that the Department will not get a renewal of the SAFER Grant, requesting that Fire Chief Michael Gomes and CFO Ari Sky appear before the Committee on Finance, to discuss the 2016 Fire Department Budget and the report of excess to said Budget to cover salaries and wages (Ref'd 9/24/15) was received and placed on file by Councillor Morad and seconded by Councillor Oliveira. (2)

Fire Chief Gomes gave an overview as to why the city was not awarded a Safer Grant this time around, as they still had money left over from the last time the grant was awarded. This affected their receiving a grant this time around. They will apply for the safer grant the next time that it comes around, which he believes is in June 2016. Unfortunately, the way that the funding from the last round of grants fell had left them with money and if there is money available from previous grant counts against you when applying for a new grant. He does believe that there is enough funding for the Safer Grant financed firefighters to last until May 2016. This is just in time for the June 2016 application period.

Councillor Morad asked if they are not successful in securing the Safer Grant in June 2016, what will this do to the firefighters that are currently financed under the Grant. She was told that at that point the city would be required to absorb the 32 positions that are currently paid for under the Safer Grant. The CFO said that the FY16 budget took the 32 positions into consideration should they need to be absorbed into the General Fund.

Councillor Winterson asked how many Safer Grants has the city received over the past years and he was told two Grants and those grants have stretched out to cover the Firefighter approximately 2-1/2 years each and that the grants are basically good for a total of five (5) years until the money is spent. The first Grant they received was for \$12.7 million and the second Grant that they received was for \$11.3 million. The Chief pointed out that is a significant amount of money and very helpful in funding Firefighters rather than having to take this money from the General Fund.

Councillor Bousquet asked what the overall intent of the Safer Grant was for when it was first rolled out. He was told by the Chief that it was created to help fund proper minimum manning of the fire apparatus. The goal was to eventually have those awarded grants with the ability to wean off from the need of grants, but unfortunately it did not turn out that way because of a lack of funding for firefighters countrywide. He went on to say that the Safer Grant has been a blessing for the city and the country. That this is bipartisan interest in Washington which is why the Safer Grant has been refunded as a part of the federal budget over the past few years.

Councillor Lopes asked CFO Sky that come the end of May 2016 how many weeks would the city have to use the General Fund to finance the firefighters that fell under the Safer Grant. He was told anywhere between four (4) to five (5) weeks would need to be funded from the General Fund until such time the Safer Grant was awarded.

CFO Ari Sky went on to explain that the issue is unfortunately, overtime that is being paid out if they were adequately staffed then that would reduce overtime companies. The Chief explained they were currently down twenty-four (24) positions.

Councillor Lopes asked if it would make a difference financially if they merged the Fire Department with EMS and he was told yes because of the funds that EMS brings in, they charge out for each run which equates to approximately five million dollars a year and that would be a substantial help to helping to sustain the Fire Department. He was told that they are currently in discussions to see if it is economically feasible to merge the two departments.

On motion by Councillor Morad and seconded by Councillor Bousquet, the Committee VOTED: To take "No Further Action" on this matter at this time. This motion passed on a voice vote.

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Notice, City Clerk of reference of a Related Motion, Councillor Morad, requesting that the Committee on Finance meet with CFO Ari Sky, Director of Planning and Community Development Patrick Sullivan, Director of the City's Task Force on Neighborhood Quality Attorney John Flor, to discuss the reported \$246,000.00 in revenues acquired from fees and fines generated from the Task Force in Fiscal Year 2015; and to obtain a detailed explanation of the source of and expenditure/allocation of said fees

in the past twelve (12) months (Ref'd 9/24/15) was received and placed on file by Councillor Morad and seconded by Councillor Oliveira. (3)

Attorney John Flor of the City's Task Force was present to answer questions from the Committee. He explained that all of the money generated for fiscal 2015 was the result of fees and fines placed against infractions on problem properties in the city and primarily involved absentee landlords, vacant homes, etc. The ability to collect such fees was granted by the City Council to the Task Force when it was created in 2012. They have collected \$246,000 in the past twelve months less expenses for a net gain of \$190,000. The Attorney provided the Committee with a packet which showed the breakdown of the funds that were taken in.

On motion by Councillor Oliveira and seconded by Councillor Martins, the Committee VOTED: To receive and place on file the packet provided by the Attorney.

Councillor Lopes asked if this would result in the hiring of additional staffing within the building department, such as inspectors and he was told yes it would, that gradually they will look to increase the staff be it full or part-time positions.

The CFO said that the city was looking to recruit new employees to provide proper staffing for the department.

On motion by Councillor Morad and seconded by Councillor Bousquet, the Committee VOTED: To take "No Further Action" on this matter at this time. This motion passed on a voice vote.

On motion by Councillor Bousquet and seconded by Councillor Martins, the Committee VOTED: To waive the reading and follow the Chair's recommendation to take "No Further Action" on items numbered 5, 6, 6a, 7, 7a, 8, 8a, 9, 9a, 10, 10a. This motion passed on a voice vote. They are as follows:

Notice City Clerk of reference of a Written Motion, Councillor Lopes, requesting that Mayor Mitchell's Assistant Chief of Staff, Christina Connelly, provide the Committee on Finance, with an update on the progress of the Fishermen's Memorial. (Ref'd 2/26/15, 3/18/15-tabled for 45 days) (5)

Notice, City Clerk of reference of a Communication, Mayor Mitchell to City Council, submitting AN ORDER, appropriating \$120,373.00 from ORDINARY REVENUE AND MUNICIPAL RECEIPTS OF FISCAL YEAR 2016, to ASSESSORS, SALARIES & WAGES in the amount of \$5,173.00; AUDITORS, SALARIES & WAGES in the amount of \$11,277.00; CFO, SALARIES & WAGES in the amount of \$7,743.00; COMMUNITY SERVICES, SALARIES & WAGES in the amount of \$13,900.00; DFFM, SALARIES & WAGES in the amount of \$10,455.00; DPI-HIGHWAY, SALARIES & WAGES in the amount of \$5,895.00; EMS, SALARIES & WAGES in the amount of \$507.00; HEALTH, SALARIES & WAGES in the amount of \$1,456.00; INSPECTIONAL SERVICES, SALARIES & WAGES in the amount of \$1,963.00; LIBRARY, SALARIES & WAGES in the amount of \$4,511.00; MIS, SALARIES & WAGES in the amount of \$19,538.00; PARKS/RECREATIONS, SALARIES & WAGES in the amount of \$3,271.00; PERSONNEL, SALARIES & WAGES in the amount of \$5,084.00; PLANNING/COMMUNITY DEVELOPMENT, SALARIES & WAGES in the amount of \$5,957.00; POLICE, SALARIES & WAGES in the amount of \$2,546.00; SOLICITOR, SALARIES & WAGES in the amount of \$10,991.00; TRAFFIC, SALARIES & WAGES in the amount of \$1,386.00; TREASURERS, SALARIES & WAGES in the amount of \$7,354.00 and ZOO, SALARIES & WAGES in the amount of \$1,420.00. (Ref'd 7/16/15, 8/19/15-tabled) (6, 6a)

Notice, City Clerk of reference of a Communication, Mayor Mitchell to City Council, submitting AN ORDER appropriating \$14,224.00 from 12 equal monthly increments from Water Receipts of FY16 to WATER, SALARIES & WAGES. (Ref'd 7/16/15, 8/19/15-tabled) (7, 7a)

Notice, City Clerk of reference of a Communication, Mayor Mitchell to City Council submitting AN ORDER appropriating \$5,626.00 from 12 equal monthly increments, from Wastewater Receipts of FY16 to WASTEWATER, SALARIES & WAGES. (Ref'd 7/16/15, 8/19/15- tabled) (8, 8a)

Notice, City Clerk of reference of a Communication, Mayor Mitchell to City Council submitting AN ORDER appropriating \$3,502.00 from 12 equal monthly increments, from Airport Receipts of FY16 to AIRPORT, SALARIES & WAGES. (Ref'd 7/16/15, 8/19/15- tabled) (9, 9a)

Notice, City Clerk of reference of a Communication, Mayor Mitchell to City Council, submitting AN ORDER appropriating \$1,694.00 from 12 equal monthly increments, from Enterprise Fund Receipts of FY16 to DOWNTOWN PARKING, SALARIES & WAGES. (Ref'd 7/16/15, 8/19/15-tabled) (10, 10a)  
Councillor Martins made a motion to adjourn, which was seconded by Councillor Winterson.

This meeting adjourned @ 8:27 p.m.

ATTEST:

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Clerk of Committees