

NEW BEDFORD, MASSACHUSETTS

MEETING: COMMITTEE ON BUDGET REVIEW
DATE: JUNE 17, 2020
TIME: 6:31 P.M.
PLACE: HELD REMOTELY IN ACCORDANCE WITH THE GOVERNOR OF MASSACHUSETTS' MARCH 12, 2020 ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW G. L. C. 30A, SECTION 20 AND THE CITY COUNCIL'S VOTE TO WAIVE RULE 21A

PRESENT: COUNCILLORS SCOTT LIMA, CHAIRMAN; IAN ABREU, VICE CHAIRMAN; DEREK BAPTISTE; MARIA GIESTA; WILLIAM BRAD MARKEY

ABSENT: NO ONE

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Councillor Lima called the Budget Review Committee Meeting to order and took attendance, everyone was present. Councillors Dunn and Lopes were also present; but they are not members of this Committee.

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Notice, City Clerk of reference of a WRITTEN MOTION, Councillor Lima, Council President Lopes and Councillor Abreu requesting, that, City Planner Tabitha Harkin and Community Preservation Committee Chairperson Janine da Silva and Jessica Bailey, appear before the Special Committee on Budget Review, to provide a written report detailing in aggregate to date all monetary funds that have been awarded to Community Preservation Act applicants with an individual breakdown of funds that have been spent by the awardees and funds that remain unspent by the awardees (To be Referred to the Special Committee on Budget Review.) (Ref'd 6/11/2020) was received and placed on file by Councillor Abreu and seconded by Councillor Markey. (1)

On motion by Councillor Abreu and second by Councillor Markey the Committee VOTED: To receive and place on file the Community Preservation Act Funding FY18 and FY19 presentation by the Community Preservation Committee. This motion passed on a voice vote.

Jessica Bailey, CPC Coordinator gave an overview of FY18 and FY19 and she explained what monies were approved, what monies have been spent to date and what projects have been put on hold due to COVID-19; 67% of the awards allocated have been spent. Some of the COVID-19 delays have resulted in the approved projects being bumped to September 2020.

Councillor Lima asked about projects that have been submitted for 2020. He was told that the Committee has not yet made their presentation to the City Council yet so the funding for any 2020 submissions has not taken place yet. Ms. Bailey said that she has been in contact with Councillor Morad, the Finance Committee Chair and that she planned on hearing the CPC items in July. It was submitted back in March, but then COVID-19 prevented meetings. She stated the Finance Committee would need to vote on the items presented by July and they would begin to issue Grants in the Fall.

Janine Da Silva told the Committee that some of the projects could have been completed by June; but the pandemic has slowed things down.

Councillor Giesta asked when will projects begin again, and she was told the vast majority will be completed this Fall; some will most likely roll into January 2021. She was also told not all the FY21 proposed projects are construction projects, though three (3) of them are roofing requests.

Councillor Abreu asked if the Committee was considering funding for rental assistance for housing? He was told that there are other CPC's (e.g. Boston) that are dealing with this same question. Ms. Bailey felt that if there was a demonstrated need, their Committee would consider it; but it would come from the FY21 budget.

On motion by Councillor Abreu and seconded by Councillor Giesta, the Committee VOTED: To recommend to the City Council to take "No Further Action" on the WRITTEN MOTION, Councillor Lima, Council President Lopes and Councillor Abreu requesting, that, City Planner Tabitha Harkin and Community Preservation Committee Chairperson Janine da Silva and Jessica Bailey, appear before the Special Committee on Budget Review, to provide a written report detailing in aggregate to date all monetary funds that have been awarded to Community Preservation Act applicants with an individual breakdown of funds that have been spent by the awardees and funds that remain unspent by the awardees. This motion passed on a voice vote.

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Notice, City Clerk of reference of a WRITTEN MOTION, Councillors Lima, Abreu, Council President Lopes and Councillors Markey and Giesta requesting, that CFO Ari Sky and City Auditor Robert Ekstrom attend the initial Special Committee on Budget Review meeting to discuss the City's proposed FY2021 Budget (Ref'd 02/13/2020)(Tabled 4/27/2020) was removed from the table by Councillor Abreu and seconded by Councillor Giesta. (2)

Councillor Lima explained that the Finance Committee scheduled for July 20, 2020 would deal with the 1/12th budget, but he wanted to review it ahead of time in the Budget Committee and opened it up to all Councillors to sit in on this meeting if they wished.

Ari Sky, Chief Financial Officer, gave an overview of where the city's finances are now in the wake of COVID-19. The State has allowed municipalities three (3) interim budgets to be submitted. The city will issue one for the month of July and August; but does not believe they will need one for September. This will allow the city to move forward in covering its expenses. It is hoped that as late as July 15th that they will know more about the State and Federal revenue that will be allocated to the city. He explained that medical claims are down. They were above average up until COVID-19 hit. They were down 20% in April and 40% in May. This will likely help the FY20. Mr. Sky also noted that building permits are up in the city.

Councillor Lopes asked if there was a projected deficit due to COVID-19 and he was told by City Auditor Bob Ekstrom that the city is neutral in its expenses and he is not forecasting anything that will affect the tax rate. They expect to receive 75% reimbursed funding from FEMA and 25% reimbursement from the CARES Act; (100% reimbursement) as it relates to COVID-19 Expenses.

CFO Sky added that COVID-19 expenses were currently \$1.5 million, which has been spent. He projects a figure of \$2 million. The city has received \$375,000 from FEMA so far. He believes the State is waiting to see what the Federal Government will do. He went on to explain that the administration will present a budget; but the Mayor is concerned with sustainability, that the city may have a problem moving forward. The city is looking at expenses and personnel across the board. He does not predict that the city will see any growth in Chapter 70 funding. He also stated that the city will be required to have a budget completed and in place before the State has budget.

Councillor Abreu asked about sales tax, hotel and meals tax will that help our budget. He was told that once Phase 2, Part 2 is executed, this will allow restaurants to allow inside dining, it may help a little.

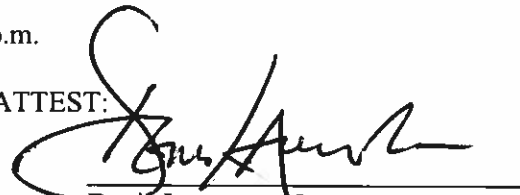
CFO Sky assured the Committee that the approach in creating the FY21 Budget will be very conservative. Lots of the have nots and would like, (dream sheet) will not be considered for FY21.

On motion by Councillor Abreu and seconded by Councillor Giesta, the Committee VOTED: To Table this matter at this time. This motion passed on a voice vote.

Councillor Abreu made a motion to adjourn, which was seconded by Councillor Giesta.

This meeting adjourned @ 8:24 p.m.

ATTEST:



Denis Lawrence, Jr.,
Clerk of Committees