



CITY OF NEW BEDFORD, MASSACHUSETTS

MEETING: COMMITTEE ON FINANCE
DATE: SEPTEMBER 18, 2025
TIME: 7:01 P.M.
PLACE: CITY COUNCIL CHAMBER, ROOM 214

PRESENT: COUNCILLORS LINDA MORAD, CHAIR; DEREK BAPTISTE (7:07); NAOMI CARNEY; LEO CHOQUETTE; MARIA GUESTA (7:25); JOSEPH LOPES; SHAWN OLIVER; RYAN PERERIA

ABSENT: COUNCILLORS IAN ABREU; SHANE BURGO; BRIAN GOMES

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Councillor Morad called the Finance Committee meeting to order, took attendance, and explained that the meeting was being recorded and live-streamed. The Clerk read Communications into the record from Councillors Burgo and Gomes explaining their absence. The Communications were received and placed on file by Councillor Pereira and seconded by Councillor Oliver.

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COMMUNICATION (Matter ID #0861) and AN ORDER (Matter ID #0862), submitted by Mayor Mitchell, that in accordance with Massachusetts General Law Chapter 44, Section 53E ½, the revolving fund under the control of the Health Department, known as the **HEALTH DEPARTMENT COMPLIANCE PROGRAMS REVOLVING FUND**, whose revenues collected, and amount limited to be spent estimated at \$60,000.00 is hereby authorized for **FISCAL YEAR 2026**. (Referred – May 22, 2025.) (June 18, 2025 – tabled)

The Chair invited Stephanie Sloan, Health Department Director, to the podium to provide an overview and explanation for the proposed increase to the Revolving Fund.

Ms. Sloan explained that the main reason behind the \$10,000 proposed increase is that a significant amount of grant funding, which the Health Department traditionally relies on year to year, is uncertain for FY26. For example, the community education programs that they administer for both Smoking and Alcohol abuse are at potential risk this year; and both are deemed critically important to the community.

Councillor Lopes asked Ms. Sloan if she could provide an estimated cost for each of the programs that could possibly receive less/no grant funds this year. Ms. Sloan stated that she would provide that information to the Council Office as soon as possible.

Councillor Pereira asked Ms. Sloan if the Revolving Fund receives its revenue from fines resulting from some of these programs. Ms. Sloan stated that, “Yes – for example, when an establishment is caught violating the tobacco laws, the fines that are levied go directly into the Revolving Fund.”

Robert Ekstrom, CFO, was recognized and informed the Committee that there is a balance of approximately \$105,000 in the Revolving Fund at this time, which has not been spent down; and that it will continue to accrue and roll over year to year. By approving the \$10,000 increase, it allows the Health Department to utilize more of those funds for the programs that Ms. Sloan had mentioned.

Councillor Pereira asked if the CFO and/or Health Director could provide a report to the Council showing a three-year fund balance. Both Mr. Ekstrom and Ms. Sloan stated that they would do so.

On motion by Councillor Pereira and seconded by Councillor Oliver, the Committee VOTED: To recommend to the City Council ADOPTION of the ORDER, submitted by Mayor Mitchell, that in accordance with Massachusetts General Law Chapter 44, Section 53E ½, the revolving fund under the control of the Health Department, known as the **HEALTH DEPARTMENT COMPLIANCE PROGRAMS REVOLVING FUND**, whose revenues collected, and amount limited to be spent estimated at \$60,000.00 is hereby authorized for **FISCAL YEAR 2026**.

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COMMUNICATION, Community Preservation Committee, submitting the CPA annual budget for fiscal year 2026, for Committee administrative expenses and Community Preservation Projects in fiscal year 2026. (Matter ID #1041) (Referred – June 12, 2025.)

The Chair invited Ms. Janine da Silva, Chair of the Community Preservation Committee (CPC), to the podium to provide an overview of the proposed budget and answer any questions that Committee members may have. Ms. da Silva provided a brief breakdown of how the budget is divided up between supplies, administration staff and costs, consultants, etc.

Councillor Lopes asked Ms. da Silva if the State match is truly equal to what the CPC collects through the property tax assessments. She responded that some years it is more and others less, but the two numbers even out.

On motion by Councillor Pereira and seconded by Councillor Lopes, the Committee VOTED: To recommend to the City Council APPROVAL of the CPA ANNUAL BUDGET for fiscal year 2026, for Committee administrative expenses and Community Preservation Projects in fiscal year 2026.

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WRITTEN MOTION, Councillors Lopes and Morad, requesting, that Derek Santos, Executive Director of the New Bedford Economic Development Council, provide to the Committee on Finance the annual program report detailing the status of the City of New Bedford Tax Increment Financing (TIF), Special Tax Assessments (STA) and Tax Increment Exemption (TIE) activity for all active certified projects. (Matter ID #0229) (Referred – February 27, 2025.) (May 12, 2025 – tabled w/ a RELATED MOTION that the Solicitor's Office provide the Committee with an updated SOP on how TIFs/STAs will be processed based on the changes made by the Commonwealth of Massachusetts and the Office of Business Development.)

The Chair invited Ramon Silva, Senior Director for the Economic Development Council (EDC), to the podium for questions.

Councillor Lopes asked Mr. Silva to provide an explanation and breakdown of how the EDC was operating with TIF and STA applications, etc. with regards to the new State guidelines. Mr. Silva stated that all active TIF/STA recipients are current with their reports; and that he would be able to provide that information to the Council Office. He further explained that, due to the new State guidelines and policies, the EDC is currently working with the City Solicitor's Office to develop new Standard Operating Procedures (SOP) to reflect those changes.

Councillor Pereira asked Mr. Silva when the EDC began developing its new SOP. Mr. Silva answered that the EDC and the Solicitor's Office began as soon as they were made aware that the changes were coming from the State – estimating that the work began in early March. They've been working on new applications, guidelines, etc. for applicants. Mr. Silva also stated that at this time, there is technically no TIF application process for New Bedford businesses because they cannot accept or process applications while they are going through these internal changes.

Councillor Morad asked if the EDC had any other concerns as a result of the State's new guidelines. Mr. Silva responded that there are no concerns necessarily, just that the EDC and the Solicitor's Office are working together to update their own procedures, policies, etc. in order to comply with the State. He indicated that there have been a few instances of businesses inquiring as to when they could apply for TIFs and/or STAs. Of those, most are small businesses while one or two have been larger companies.

Councillor Lopes asked Atty. Peter Winters, Associate City Solicitor, to provide his perspective on the current status as well. Reiterating what Mr. Silva had stated, Atty. Winters informed the Committee that the Solicitor's Office has been working with the EDC on new operating procedures and forms in order to comply with the State's guidelines and to protect the City. Once in place, the Solicitor's Office will then work with all involved, including the EDC, the CFO's Office and Board of Assessors, in order to ensure full compliance. He indicated that they are close to being complete, and that he does not expect the need to arise for any changes to the City Code of Ordinances.

Councillor Lopes asked Atty. Winters what he meant by 'close' – did he mean that they are on the '5 Yard Line' or the '50 Yard Line'. Atty. Winters answered that they are in the 'Red Zone', (within the 20 yard line).

Councillor Lopes expressed frustration that, when all is said and done, this process will have taken the EDC and the Solicitor's Office approximately one full year, which is a long time to not be able to accept TIF applications from the business community. To this, Atty Winters replied, 'Duly noted'. Councillor Lopes again expressed frustration, stating that many other municipalities were already up and running with their new procedures, which puts New Bedford at a significant disadvantage.

Councillor Pereira asked Atty. Winters specifically for a time estimate to completion. Atty. Winters replied that he expects to be done within a month or two. Councillor Pereira expressed frustration at this as well, stating that he does not feel the Solicitor's Office has made sufficient progress on this at all.

Councillor Oliver asked why they have not looked at what those municipalities who are up and running with their programs are doing. Atty. Winters indicated that they are taking this time to also go through everything 'from soup to nuts' in order to make the process more efficient in general. He also stated that he is not aware of any communities who are up and running at this time.

Councillor Morad stated that she too is aware of several municipalities who have already rolled out their programs in compliance with the State. She stated that this slow progress is effecting the City's revenue, expressing her own displeasure with the lack of progress from the Solicitor's Office in general, not necessarily with Atty. Winters personally. She stated that she hopes to hear that this is complete by the next Finance Committee meeting in October.

On motion by Councillor Lopes and seconded by Councillor Oliver the Committee VOTED: To table the matter for 30 days.

COMMUNICATION (Matter ID #0988) and AN ORDER (Matter ID #0989), submitted by Mayor Mitchell, to accept Massachusetts General Laws Chapter 200A, Section 9A, to provide the City with the tools necessary to dispose of abandoned funds held in the custody of the City. (Referred – June 12, 2025.)

John Taxiarchos, Treasurer/Collector, was called to the podium by the Chair to provide an overview and explanation as to how accepting M.G.L. Chapter 200A, Section 9A, would assist his Office in disposing of abandoned funds in the custody of the City.

Mr. Taxiarchos explained that these ‘abandoned funds’ come into play when the City writes and sends checks that are left un-cashed/not deposited. This mostly happens when City vendors do not properly deposit or cash checks made in payment for services rendered or goods provided. It was also explained that payroll checks are not included in this law or procedure in any way. Mr. Taxiarchos then explained the process by which these funds would be made known publicly and collected, as specified in M.G.L. Chapter 200A, Section 9A.

Councillor Morad inquired as to whether or not the City currently tracks checks that remain outstanding for longer than expected. Mr. Taxiarchos replied that yes, the City does. His department identifies such checks and then the department who issued the check attempts to contact the vendor.

In response to a question from Councillor Lopes, Robert Ekstrom, CFO, informed the Committee members that there are 109 outstanding checks amounting to abandoned funds in the six-figure range. Mr. Ekstrom also said that upon taking the role of Treasurer/Collector, Mr. Taxiarchos discovered that there are many outstanding checks that need to be addressed; and to his credit, he has taken this issue on and is going to resolve it according to the law.

Mr. Ekstrom stressed that the goal of this is to ensure that the City’s vendors are paid appropriately; and that this is in no way a ‘money grab’. The City is simply doing the right and legal thing by addressing something that has gone on for too long.

Councillor Morad commended both Mr. Taxiarchos and Mr. Ekstrom for this effort and for bringing the Treasurer’s Office into the 21st Century under their stewardship.

On motion by Councillor Pereira and seconded by Councillor Giesta, the Committee VOTED: To recommend to the City Council ADOPTION of the ORDER, submitted by Mayor Mitchell, to accept Massachusetts General Laws Chapter 200A, Section 9A, to provide the City with the tools necessary to dispose of abandoned funds held in the custody of the City.

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WRITTEN MOTION, Council President Carney, requesting, that the Treasurer’s Office provide a report identifying all tax-exempt properties, including churches, listing their value, property status as active or vacant, and number of years vacant if applicable. (Matter ID #2090) (Referred to the Special Committee on Pilot (Payment In Lieu Of Taxes) Program – December 12, 2024.) (Discharged from Special Committee on Pilot Program and Referred – January 23, 2025.) (May 12, 2025 – Remain in Committee)

With Sherie Pinzino, Administrative Assistant to the Board of Assessors, at the podium, Councillor Carney stated that she is aware that churches are expected to pay taxes on property if/when their property has been left vacant for two years; and she asked Ms. Pinzino how many of such properties exist at the moment. Ms. Pinzino responded that there are four properties in that category that are not currently on the tax rolls.

Councillor Carney asked if she knew how much tax revenue would be generated from those four properties. Ms. Pinzino stated that she would provide that information to her as soon as possible.

Ms. Pinzino further stated that, due to the extensive research she has been doing since being appointed to this position, she foresees a significant number of properties being re-classified as taxable once November 1st arrives.

Robert Ekstrom, CFO, added that there is currently over \$2 billion in assessed value held in 555 tax-exempt properties, but this also includes City-owned properties. He also stressed that this will not generate or increase City revenue, but rather ‘spread out’ the tax burden onto additional properties as they are removed from the ‘exempt’ category onto the actual tax rolls.

Mr. Ekstrom also indicated that there are five or six major parcels of property that make payments in lieu of taxes to the City. Ms. Pinzino reiterated that she is working on identifying certain properties that will be taxable in the coming year, and she expects to have an update for the Council by early November.

On motion by Councillor Carney and seconded by Councillor Giesta the Committee VOTED: To table the matter for 90 days.

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On motion by Councillor Pereira and seconded by Councillor Lopes, the Committee VOTED: To recommend that the City Council take “**NO FURTHER ACTION**” on the following matters:

COMMUNICATION, Mayor Mitchell, to City Council, submitting AN ORDER for the TRANSFER of \$45,000.00 from FREE CASH to TOURISM PURCHASE OF SERVICES. (Matter ID #0435) (Referred – March 27, 2025.) (April 16, 2025 – Remain in Committee)

AN ORDER, (Matter ID #0436) (Referred – March 27, 2025.) (April 16, 2025 – VOTE for ADOPTION – FAILS; Remain in Committee)

COMMUNICATION, Mayor Mitchell, to City Council, submitting AN ORDER for the TRANSFER of \$28,000.00 from FREE CASH to FACILITIES AND FLEET MANAGEMENT PURCHASE OF SERVICES. (Matter ID #0441) (Referred – March 27, 2025.) (April 16, 2025 – Remain in Committee)

AN ORDER, (Matter ID #0442) (Referred – March 27, 2025.) (April 16, 2025 – VOTE for ADOPTION – FAILS; Remain in Committee)

COMMUNICATION, Mayor Mitchell, to City Council, submitting AN ORDER for the TRANSFER of \$20,500.00 from FREE CASH to RESILIENCE AND ENVIRONMENTAL STEWARDSHIP PURCHASE OF SERVICES. (Matter ID #0443) (Referred – March 27, 2025.) (April 16, 2025 – Remain in Committee)

AN ORDER, (Matter ID #0444) (Referred – March 27, 2025.) (April 16, 2025 – VOTE for ADOPTION – FAILS; Remain in Committee)

RELATED MOTION, Councillor Morad, in conjunction with the \$3,290,458.00 Charter Ruled item, that the Administration, the School Department and the CFO submit to the Committee on Finance the formula by which they are calculating the FY2026 School Department's net school spending appropriation, said information shall be submitted to the Committee on Finance within the next 7 days. (Matter ID #1267) (Referred – July 17, 2025.)

COMMUNICATION, Robert Ekstrom, Chief Financial Officer, to Linda M. Morad, Finance Committee Chairperson, regarding the FY26 School Department Budget and revised supplemental budget request. (Received – July 25, 2025.)

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Councillor Oliver made a motion to adjourn, which was seconded by Councillor Pereira.

The meeting adjourned at 8:14 p.m.

ATTEST:

Dennis W. Farias
City Clerk / Clerk of the City Council