



CITY OF NEW BEDFORD, MASSACHUSETTS

MEETING: COMMITTEE ON AUDIT
DATE: DECEMBER 09, 2025
TIME: 7:41 P.M.
PLACE: CITY COUNCIL CHAMBER, ROOM 214

PRESENT: COUNCILLORS RYAN PEREIRA, CHAIR; LINDA MORAD; SHAWN OLIVER

ABSENT: COUNCILLORS IAN ABREU; JOSEPH LOPES

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Councillor Pereira called the Committee on Audit meeting to order, took attendance, and explained that the meeting was being recorded and live-streamed. The Clerk reported receiving a text communication from Councillor Lopes indicating that he was unable to attend the meeting due to a work-related commitment.

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WRITTEN MOTION, Councillors Morad and Pereira, requesting that Purchasing Director Molly Gilfeather Rodriguez provide to the Audit Committee monthly – by the 5th of each month – reports detailing the previous month's Request for Proposals issued by the City of New Bedford. (Matter ID #1359) (Referred – August 13, 2024.)

On motion by Councillor Oliver and seconded by Councillor Morad, the Committee VOTED: To Receive and Place on File a hard copy of an email from Molly Gilfeather Rodriguez, Purchasing Director, outlining how to access bidding opportunities and historical bid information on the City's website. This motion passed on a roll call vote of Yeas 3, Nays 0.

The Chair recognized Ms. Molly Gilfeather-Rodriguez, Purchasing Director, who reviewed the procedures for accessing current bidding opportunities and historical bid information on the City's website, including how to locate Request for Proposals (RFPs) and instructions for submitting bids for City projects. Ms. Gilfeather-Rodriguez explained that once bids are posted or awarded, the information remains on the City's website and is not removed. She noted that this practice has been in place since the bidding program was added to the City's website six years ago. She then walked the Committee through the City's website and demonstrated where this information can be found.

Councillor Oliver asked whether there were hyperlinks for each project. Ms. Gilfeather-Rodriguez responded that there were no individual project hyperlinks but confirmed that hyperlinks are available for Invitations for Bids (IFBs), RFPs, and bid results.

The Chair asked the Purchasing Director whether, in addition to being available online, the information was managed internally within the Purchasing Department and what systems were used for the application process. Ms. Gilfeather-Rodriguez stated that the City uses BID NET, while the School Department uses BID DOC. Councillor Pereira asked whether bids are captured through these systems upon receipt, and she confirmed that they are. He also asked whether the Purchasing Department accepts paper bids. She responded that the City does not accept paper bids, noting that the department has been fully digitized for the past five years and that electronic bid submission has been in place for the last three years. She added, however, that in certain circumstances, such as with smaller bids from local businesses that may lack the ability to submit electronically, the department would consider accepting a paper submission.

On motion by Councillor Morad and seconded by Councillor Oliver, the Committee VOTED: To recommend that the City Council take **“NO FURTHER ACTION”** on the WRITTEN MOTION, Councillors Morad and Pereira, requesting that Purchasing Director Molly Gilfeather Rodriguez provide to the Audit Committee monthly – by the 5th of each month – reports detailing the previous month's Request for Proposals issued by the City of New Bedford.

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WRITTEN MOTION, Councillors Pereira, Oliver and Morad, requesting, that the Committee on Audit receive monthly reports for expenditures from every department and account. (To be Referred to the Committee on Audit, CFO Robert Ekstrom, the Auditor and the Administration.) (Matter ID #1155) (Referred – June 27, 2024.) (July 15, 2024 – RETURNED UNSIGNED by the Mayor.) (October 17, 2024 – tabled.) (February 25, 2025 – tabled.) (April 10, 2025 – tabled.)

On motion by Councillor Oliver and seconded by Councillor Morad, the Committee VOTED: to remove the matter from the Table.

On motion by Councillor Morad and seconded by Councillor Oliver, the Committee VOTED: to Receive and Place on File the FY 2025 Expenditures Report – General, Wastewater, and Enterprise Funds.

The Chair recognized Mr. Quillan Lowney, City Auditor, who provided the Committee with an overview of the FY2025 year-end expenditures. Mr. Lowney noted that a significant accomplishment for FY2025 was that no departments closed the year with a deficit.

Councillor Morad asked whether the Enterprise Funds were also in compliance, and she was informed that they were.

The Chair requested clarification regarding accounts that ended with a zero balance, using the snow removal account as an example. Mr. Lowney informed him that such accounts would include expenditures for purchases and employee overtime, and that remaining funds are typically spent as needed, for example, to build up salt reserves for winter use. Councillor Pereira then asked whether any remaining funds were used for capital equipment purchases, and he was told they were not.

The Chair then asked the Auditor how his department handles situations when other departments show a deficit in their accounts. Mr. Lowney explained that once an issue is identified, his office meets with the Chief Financial Officer (CFO) and the Department Head to discuss the situation and develop a plan to address a potential year-end deficit. The Councillor then noted that, based on his review of the State's Cherry Sheet, there appeared to be a \$1.3 million revenue surplus and asked for clarification. Mr. Lowney responded that this question would be better addressed by the CFO.

Councillor Morad asked whether similar discussions take place with departments that have unusually large surpluses. She was told that the Auditor's office reviews expenditures on a monthly basis and also discusses any surplus funds at the end of the fiscal year.

Mr. Robert Ekstrom, Chief Financial Officer, was then recognized and stated that FY2025 was a successful year for the City, resulting in \$13.5 million in excess revenues. He addressed the Cherry Sheet question by explaining that these funds typically come from the education portion of the City's budget. Because the City had fewer pupils than originally projected, it received additional funding that it was able to retain. The CFO also noted that a major accomplishment in FY2025 was paying the City's \$43.7 million pension obligation at the beginning of the year, and he expressed hope that the City would be able to do the same in FY26.

The Chair asked for clarification regarding a \$600,000 credit related to treasury debt. Mr. Ekstrom explained that the City's debt service is budgeted within the Treasurer's account, and while it is a separate function, it is overseen by the Treasurer.

Councillor Morad asked whether declining interest rates might present an opportunity to refinance existing debt at lower terms. Mr. Ekstrom responded that refinancing could be possible in the future, depending on which bonds are eligible. He noted that many bonds include a 10-year non-refinancing provision, and refinancing before that period would result in a financial penalty.

When asked about the City's outlook as it enters FY2026, Mr. Ekstrom stated that the Police Department is currently projecting a \$1 million deficit but emphasized that this figure is very preliminary.

On motion by Councillor Oliver and seconded by Councillor Morad, the Committee VOTED: to Table the matter at this time.

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The following matters were taken up together without objection:

WRITTEN MOTION, Councillors Burgo, Giesta, Gomes, Markey, Morad and Carney, requesting that within the next 30 days, the City Auditor, City Solicitor and Interim Chief Financial Officer provide a detailed accounting of all monies spent to date from the \$250,000 appropriated by the City Council in August 2019 to retain the Boston based municipal law firm KP Law, PC to fund legal expenses in conjunction with the City's opposition to the expansion of Parallel Products; and further that in addition to said detailed accounting the City Council Committee on Finance be provided with copies of all invoices from KP Law, PC, or any other companies, reflecting itemized explanations for services provided. (Matter ID #1383) (Referred to the Committee on Finance – August 18, 2022.) (October 19, 2022 – tabled 90 days) (October 16, 2025 – recommend that the matter be referred to the Committee on Audit) (Referred – October 23, 2025.)

WRITTEN MOTION, Councillors Morad and Markey, requesting that City Solicitor Mikaela McDermott, Environmental Stewardship Director Michele Paul and Chief Financial Officer Ari Sky appear before the Committee on Finance to brief the Committee on the status of outside counsel representing the City of New Bedford in the proposed Parallel Products development in the New Bedford Business Park; and further the Committee on Finance be briefed on the City's plan of action with regard to Final Environmental Impact Report that Parallel Products recently filed with the Massachusetts Secretary of Energy and Environmental Affairs. (Matter ID #0142) (Referred to the Committee on Finance – January 28, 2021.) (February 10, 2021 – tabled) (October 16, 2025 – recommend that the matter be referred to the Committee on Audit) (Referred – October 23, 2025.)

On motion by Councillor Oliver and seconded by Councillor Morad, the Committee VOTED: to Receive and Place on File the requested reports related to the KP Law, P.C. financial breakdown..

The Chair reminded the Committee that these motions were intended to investigate expenses related to Parallel Products' legal costs, which were incurred in presenting the Council's opposition to the proposed project. The Chair also noted that he received a message from Neil Mello, Chief of Staff for the Administration, indicating that he was unable to attend this meeting due to illness. Given this, the Chair expressed his view that it is important for Mr. Mello to attend a future meeting to discuss the motions in detail, particularly since many of these payments would have required approval through the Mayor's office.

The Chair explained that he had the items received and placed on file on file because he intends to request two pieces of information as part of the motions when the items are next considered. He asked CFO Eckstrom to clarify whether the \$250,000 allocated toward legal fees had been properly approved to allow for payment. Mr. Eckstrom confirmed that it had.

The Chair then requested that the Committee be provided with a full report of all expenditures from that appropriation. Mr. Ekstrom noted that the \$250,000 was a supplemental budget item in General Government Unclassified (GGU) for FY2020. The primary vendors were KP LAW and Beverage & Diamond. Of the \$250,000 allocated, approximately \$160,000 was actually spent. However, no purchase order had been issued to encumber any remaining funds, resulting in the supplemental payment approved by the Council lapsing on July 15, 2020. Without a carryforward, only \$132,000 of the appropriation was spent, leaving roughly \$118,000 to lapse. Mr. Eckstrom indicated he would provide the Committee with a detailed breakdown.

Councillor Morad interjected, noting that the Committee had received a memo addressing this matter in October 2022. The Chair indicated he was not aware of the memo, but it was agreed that the memo would address the questions he had raised.

The Chair further requested that, when reviewing the KP LAW and Beverage & Diamond packet, the Committee be shown which expenses from the \$250,000 allocation were specifically for opposing Parallel Products versus other work with the firm. He noted that some costs appeared to be for reaching an agreement with the firm rather than for opposition and requested clarification on which expenses were actually related to the legal fight.

On motion by Councillor Oliver and seconded by Councillor Morad, the Committee VOTED: to Table both matters at this time.

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The Committee followed the Chair's recommendation to Waive the Reading and take NO FURTHER ACTION on the following item:

RELATED MOTION, Councillor Pereira, requesting, that the Committee on Audit investigate the departmental deficit of \$184,291 in the Mayor's Office. (Matter ID #2003) (Referred – November 30, 2023.) (October 17, 2024 – tabled.)

On motion by Councillor Morad and seconded by Councillor Oliver, the Committee VOTED: To recommend that the City Council take **"NO FURTHER ACTION"** on the RELATED MOTION, Councillor Pereira, requesting, that the Committee on Audit investigate the departmental deficit of \$184,291 in the Mayor's Office.

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

This meeting adjourned at 8:31 p.m.

ATTEST:

Denis Lawrence, Jr.
Clerk of Committees