

A **REGULAR MEETING** of the Board of Finance was held in the City Hall Auditorium on Tuesday, July 18, 2017.

Present were Mayor Elinor Carbone and Board of Finance Members Mark Bushka, Laurene Pesce, JoAnn Fenty, Christopher Anderson and Frank Rubino. Member Joshua Ferreira was absent. Board of Education members and Comptroller Alice Proulx were also present.

Mayor Carbone called the meeting to order at 5:06 p.m. starting with the Pledge of Allegiance.

MINUTES

On a motion by Mr. Anderson, seconded by Mr. Bushka, the Board voted unanimously to accept the minutes of the Regular Meeting held on June 20, 2017.

OPEN TO PUBLIC

On a motion by Mrs. Fenty, seconded by Mrs. Pesce, the Board voted unanimously to open the meeting to the public. There was no one present who wished to speak.

Ken Traub asked if any thought has been put into layoffs of non-essential personnel, or other forms of spending reductions, in light of the lack of revenue information from the State. Mayor Carbone explained that road construction is drawing from previously budgeted capital funds. She added that overtime and hiring are currently frozen and that she is doing everything she can to prepare for the worst.

BRD. OF EDUCATION BUDGET TRANSFERS

The Board discussed the recent transfer of Board of Education Capital Funds to Capital Reserve Funds. Mayor Carbone explained that on June 20th, the Board authorized the Budget Transfers listed in Superintendent Clemons letter dated June 8, 2017 for Board of Education Capital Projects in Fiscal Year 16/17. She said these projects were either mid-stream or not yet started, and remained incomplete as of June 30, 2017.

Mayor Carbone said that upon closer review of the project status, the eligibility for reimbursement, the timing, and anticipated completion dates, it was determined that the transfer of funds to capital reserve would result in the need to report those expenditures in Fiscal Year 17/18, but the reimbursement would not be within the 60-day period allowed for crediting revenue reimbursement to the same fiscal year. This would result in the need to report the reimbursement as a deferral, which would impact our year-end audit. Mayor Carbone noted that she recognizes the importance of completing these capital projects and is eager to ensure that we are budgeting for them appropriately.

Mayor Carbone said that it would be best for Capital Reserve to be used solely for that portion of these projects that is considered the taxpayers' share, which was previously set aside through the budget process. She said she would like to reverse the transfer of those portions of the capital projects that are eligible for reimbursement, leaving in Capital Reserve the portion of the capital projects that are a taxpayer obligation. Mayor Carbone said she is relying on the Board of Education to do its best to project the income and timelines for project completions. She said she is asking the Board of Finance to confirm through a motion its intention to allow for budget amendments up to that amount in the next fiscal year.

Ms. Proulx said that Capital Reserve will be used as the fund for paying expenses, and revenues will be put back in as they are received. The only portion to be moved out of the general fund would be the local or taxpayer portion for this year, she said, so that there is no negative impact on the fund balance for revenues that will not be received in time to record in our current fiscal year.

Mr. Bushka said that this is an effort to match the revenue and expenses, in the fiscal year that they occur. He clarified that the money will still be spent, and the projects will still be done, but they will be accounted for in the fiscal year in which they are happening.

On a motion by Mr. Anderson, seconded by Mr. Rubino, the Board of Finance voted unanimously to authorize the reversal of the transfer of the portion of Capital Projects funds that were transferred into Capital Reserve which are considered eligible for reimbursement, leaving only the taxpayers' portion in Capital Reserve to be used to fund capital projects. The funds being transferred out will be turned over to fund balance.

TABLED: BRD. OF EDUCATION FINANCIAL REPORT

On a motion by Mr. Anderson, seconded by Mr. Rubino, the Board voted unanimously to table acceptance the Board of Education financial report, as no report was provided.

ADD SECTION B TO AGENDA

On a motion by Mrs. Pesce, seconded by Mr. Bushka, the Board voted unanimously to add Section B to the Agenda.

SECTION B

PUBLIC-PRIVATE PARTNERSHIP: FIELD STREET SIDEWALKS

On a motion by Mr. Rubino, seconded by Mrs. Pesce, the Board voted 3 to 2, with Mr. Anderson and Mr. Rubino opposed, to authorize the use of contingency funds for a Public-Private partnership with IRG Realty Advisors for the construction of sidewalks along the property of IRG Realty Advisors and Field Street, and to reimburse IRG Realty Advisors upon completion of the sidewalk construction for one-half of the cost, not to exceed \$44,500.00, as approved by City Council on July 17, 2017. Mayor Carbone noted that the Field Street property is ripe for economic development and not doing the sidewalks there would be a disservice to our taxpayers. Mr. Rubino expressed his discomfort with this, saying that as a property owner he takes full responsibility for what needs to be done on his property.

BUSINESS: Mayor and Members

On a motion by Mr. Anderson, seconded by Mrs. Pesce, the Board voted unanimously to consider business presented by the Mayor and members of the Board of Finance.

Mrs. Pesce asked if there is any revenue coming in from the State, or if we are operating on taxpayer money.

Ms. Proulx replied that we have not received any grant funds yet. Mayor Carbone explained that a recent budget analysis showed that if no revenues came in from the State, using this year's surplus along with the fund balance would carry us for about five weeks. She offered to bring a plan forward to consider what must be done if cash flow becomes an issue.

ADJOURNMENT

On a motion by Mr. Rubino, seconded by Mrs. Fenty, the Board voted unanimously to adjourn at 6:10 p.m.

ATTEST: JOSEPH L. QUARTIERO, CMC
CITY CLERK

Carol L. Anderson, MMC, MCTC
Asst. City Clerk