

City of Beverly
Special City Council Meeting
Public Meeting Minutes
Thursday, June 22, 2023, 6:30pm
City Council Chambers, 191 Cabot St.

Julie Flowers, City Council President, called the meeting to order at 6:30pm. City Clerk, Lisa Kent, took attendance by roll call.

Members Present: Hannah Bowen, Steven Crowley (arrived before Council discussion on Order #144), Kathleen Feldman, Matthew St. Hilaire, Estelle Rand, Brendan Sweeney, Julie Flowers

Members Absent: Scott Houseman, Todd Rotondo

Rand led the pledge of allegiance.

A motion to take the agenda out of order was made and seconded. A vote was taken, and the motion carried (6-0).

Motions and Orders

Order #162-A proposed amendment to Chapter 270 of the Ordinance relative to parking and regulations at various locations in the City

Kent read the proposed ordinance.

A motion to approve was made and seconded. A vote was taken, and the motion carried (6-0). Flowers stated the public hearing and final vote would be on June 26.

Order #164-Councilor Rotondo-Proposed Ordinance Amendment for Article VI, Section 192 regarding Lodging House Licenses

A motion to approve the final passage was made and seconded. A vote was taken, and the motion carried (6-0).

Order #169-Sergeant Henebury-A request to amend a current city ordinance 270-49 by adding a Handicapped Parking Sign and space across from 25 Broadway

A motion to approve the final passage was made and seconded. A vote was taken, and the motion carried (6-0).

Unfinished Business from a Previous Meeting

Order #144-Mayor Cahill's Proposed FY2024 Budget

Flowers opened the floor to general comments from councilors.

St. Hilaire handed out a sheet with some proposed amendments.

Crowley arrived.

St. Hilaire spoke about the importance of the roads and sidewalks work. The budget needs to reflect values and priorities. Level funding is really a decrease considering the cost of materials and labor increasing. St. Hilaire stated he has 17 budget amendments that would collectively save just over \$600,000, which he would recommend putting back into the operating budget for roads and sidewalks. The condition of roads and sidewalks is unacceptable, and something needs to be done to change the way it's prioritized. \$600,000 is less than one half of one percent of the city budget. There are many areas that contain flexibility. These proposed amendments are designed to not impact delivery of core municipal services. They are generally in the following

five areas: repurposing unbudgeted items (items that have been identified as having significant flexibility); reducing or eliminating reliance on outside consultants, especially where there have been increases in staffing levels; taking a one-year pause on city staff attending some conferences, non-required training and industry association meetings; level-funding some areas with proposed increases; and reducing the management salary increases for FY24. Management increases this year approached 7% on average.

Flowers asked if there were any other general statements before the council took up possible amendments.

Bowen shared a few of the things that came up during budget hearings that she is most excited about this year. Bowen stated she is happy to see an increased investment in community services work, such as the health department and veterans' services, and the focus on staffing and programming there that helps connect residents with services. Bowen said she is excited to hear the commitment to a longer strategic plan on roads and sidewalks and getting updates more regularly on what is happening with that money. Bowen spoke about hearing the commitment that there will be more visibility into project management. Bowen expressed her appreciation for the way the city is investing in young people, such as no longer charging for the CIT program and increasing capacity at the McPherson Youth Center.

With no other comments from councilors, Flowers moved the discussion on to proposed amendments.

St. Hilaire moved to cut the following items:

1. Reserve for Appropriation 57820-Reserve for Unforeseen from \$250,000 to \$0
2. Reserve for Appropriation 57811-Reserve for Non-Union Employees from \$200,000 to \$50,000
3. Executive Department 51891-Expenses from \$17,500 to \$0
4. Executive Department 54282-Recognition from \$2,800 to \$0
5. Executive Department 57301-Other Charges and Expenses: Dues from \$17,000 to \$0
6. Accounting Department 57105-Other Charges and Expenses: Meetings from \$5,000 to \$0
7. Accounting Department 53034-Consultant from \$23,000 to \$0
8. Solicitor 53079-Litigation from \$135,000 to \$90,000
9. Planning 53034-Consultant from \$55,000 to \$45,000
10. Planning 57105-Other Charges and Expenses: Meetings from \$2,000 to \$0
11. Engineering 51810-Temp-Help from \$10,000 to \$0
12. Engineering 53853-Engineering Consulting from \$40,000 to \$0
13. Engineering 57105-Other Charges and Expenses: Meetings from \$5,000 to \$0
14. Arborist 54602-Tree Replacement from \$55,000 to \$45,000
15. Arborist 58410-Beautification from \$20,000 to \$15,000
16. Health Department 57100-Other Charges and Expenses: Travel Expenses from \$5,000 to \$0
17. Library 57110-Staff Development from \$3,500 to \$0

In total: \$600,800

The motion was seconded for discussion.

St. Hilaire stated regarding the Reserve for Unforeseen that there are other ways in the city budget to pay for unforeseen expenses. There is flexibility in other places. St. Hilaire stated he does not like cutting people's salaries but money is needed in roads and sidewalks. Taking a

raise next year would be important. St. Hilaire stated when he can't get a road paved in his ward, he can't support nonrequired meetings and trainings, while they may be valuable in general. The litigation budget has fluctuated greatly over the years, and there are other mechanisms to pay for it if needed down the road. St. Hilaire stated the city needs to reduce reliance on consultants. There were increases to the arborist programs this year, so this proposal is to reduce it back to level funding to what they were last year.

City Council Budget Analyst Gerry Perry stated he would not advise on amendments #2-17 since those are operational items and policy decisions. Specifically, the proposal to cut \$250,000 from the Reserve for Unforeseen is a bad idea. Every municipality in Massachusetts does something like this. It's something the council needs to do. Things are going to happen that the city has no knowledge of yet. Perry gave examples of the elevator at the library that stopped working, a forestry truck that didn't pass inspection, and not knowing how much snow will fall. It's very wise to have some sort of a reserve. Perry urged the council not to cut that line.

Sweeney agreed more is needed in roads and sidewalks but stated he is leaning towards not supporting this. The concern is that we as councilors don't have the same level of operational knowledge as the department heads and administration that recommended this. Sweeney noted that the council would need to approve transfers from the reserves anyway. Sweeney stated it is important to be thorough and thanked St. Hilaire for the time he spent reviewing these areas.

Rand stated she appreciated the idea behind this but will not be supporting these cuts. Training for staff is sometimes the best way to retain employees, to stay competitive and to reduce the need for outside consultants. Successful cuts have been done by working with department heads and finding that flexibility in the budget.

St. Hilaire stated the \$250,000 in the reserve for unforeseen is less than one tenth of one percent of the city budget. If there is a serious unforeseen issue, \$250,000 won't go very far. The city has a stabilization fund and healthy free cash balances.

Feldman said she also appreciated the close look. Feldman stated just because we as a council have the power to cut it that does not mean we get to choose where that money goes once it goes back into free cash. Feldman said she would rather know where the money is going in advance, rather than have it go back into a pot. It does not seem fair to these department heads, who the councilors have access to work with to find a place to cut the budget, to now cut their budget now when they aren't in the room.

Bowen stated anything that is out of the reserves or free cash will come as a request to the council. That will still happen if no cuts are made tonight. Bowen stated she does not think these cuts are most productive at this point. When we as a council get free cash or transfer requests, we can then be thoughtful about asking that money be put towards roads and sidewalks first.

Crowley agreed there is a lot that needs to be done for roads and sidewalks. Adding a little bit more here is not enough. The city has new schools but has neglected the backroads and access points. Crowley asked that roads and sidewalks be prioritized. Crowley stated he could agree with some of the things in the proposal but not all of them.

Sweeney stated it is important to utilize the role as councilors to work with department heads and administration to make sure priorities are being funded at appropriate levels. Sweeney asked if the proposed amounts for these consultants were carried over from last year or started from zero and calculated based on specific projects.

Ayles stated the consultant lines in the proposed amendments are in accounting, planning, and engineering. For planning, the budgeted staffing has not changed. Vacancies have been filled. A lot of the ad hoc work in that department goes through this particular line. Ms. Wynne was intentional in labeling what those needs are. That ask was very intentional. There hasn't been any staffing adjustment within the full engineering department. There was some restructuring of administration in public services. Engineering may need expertise in a particular area. Although there is a bit more flexibility in that line, it tends to always get used for various projects. The accounting department is the only department of the three that has had a staffing adjustment. We were able to increase our staffing by one. This budget line prepares the city to set the tax rate. There are a series of events that need to occur. This budget is prescribed very carefully by what the amounts are for. We did propose a reduction this year because of Mr. Chhayani coming on board and knowing some aspects will be brought in house. What's left there in the proposal will bring us to certifying the tax rate by the December timeline.

Cahill stated he took issue with the idea that a fully staffed department doesn't need a consulting line. Sometimes it's a question of a particular expertise, and sometimes it's about the scope of work. In certain instances, that work can't be done without outside help.

A vote was taken on the motion to amend, and the motion failed (1-6, St. Hilaire in favor. All others opposed).

A motion to approve Order #144 as proposed by the Mayor inclusive of the enterprise funds and water/sewer rates was made and seconded. A vote was taken, and the motion carried (6-1, St. Hilaire opposed).

A motion to adjourn was made and seconded. A vote was taken, and the motion carried (7-0). The meeting adjourned at 7:43pm.