

## REPORT OF THE FINANCE COMMITTEE

JUNE 16, 2021

A meeting of the Finance Committee was held on Wednesday, June 16, 2021, at 7:00 p.m. in the Aldermanic Chamber.

Linda Harriott-Gathright, Acting Chairman, presided.

The roll call was taken with 5 members of the Finance Committee present: Alderwoman Elizabeth Lu (in chamber), Alderwoman-at-Large Shoshanna Kelly (via Zoom), Alderman-at-Large Brandon Michael Laws (in chamber), Alderman-at-Large Michael B. O'Brien, Sr. (in chamber), and Alderman Linda Harriott-Gathright (in chamber),

Members not in Attendance: Alderman Patricia Klee was recorded absent.

### Alderman O'Brien

The Clerk does have a question to Alderman Shoshanna Kelly.

### Alderman Kelly

I'm sorry. I'm here, I'm alone, and I can hear you. I'm sorry, I normally say that.

### Alderman O'Brien

Thank you Alderman, appreciate it.

Also in Attendance:

- John Griffin, CFO/Comptroller
- David Fredette, Treasurer/Tax Collector
- Kim Kleiner, Administrative Services Director
- Kelly Parkinson, Purchasing Manager
- Tim Cummings, Economic Development Director
- Steve Bolton, Corporation Counsel
- Amy DeRoche, Hunts Memorial Bldg. & Arts Administrator
- Nick Miseivitch, Deputy Director of IT

---

### Chairman Harriott-Gathright

Is there anyone from the public that wish to have a comment? Please state your name and address.

### PUBLIC COMMENT

#### Laura Colquhoun

Laura Colquhoun – I live at 30 Greenwood Drive. I'm calling in tonight to say that I strongly disagree with the city in charging the tax abatement appeals consulting contract to the general fund account. It appears that the City of Nashua does not want the Nashua residents to know how much money of our tax dollars are going back to both the residential and commercial property owners on abatements. Now the city is trying to put through assessing expenses through the general fund. Talk about hiding expenses from the Nashua residents.

In 2011 there was an account that residents could clearly see to tell them how much money was being returned on abatements. However, the city no longer shows this line item. If a resident wants to get the information, a resident must file a Right-to-Know and we all know that our Legal Department does not like to answer Right-to-Know requests. By chance, a resident found out this year by going through expenditure reports that large sums of tax money was being returned for abatements and now the city is trying to slip through regular expenses into the general fund when this should be charged to assessing.

Also looking over the list attached to the agenda tonight, some of these accounts have already received their abatements. Nashua taxpayers are currently paying Vision and our own assessors to do the job of assessing and now this bill comes up for more help in assessing and the city wants to bury it. I do not object to the bill, however, I object to the fact the city is hiding it from taxpayers. This bill is for assessing and that's where it should be charged. Nashua residents did not know that we've already paid \$20,000 for consulting fee in assessing because the city swept into general funds. This

action is a clear violation of our trust with city officials. Do the right thing and charge this bill to the right account. This bill is for \$150,000 and taxpayers should know about it so do not sweep it under the carpet. Thank you.

Chairman Harriott-Gathright

Is there anyone else for public comments? Seeing none.

COMMUNICATIONS

From: Kelly Parkinson, Purchasing Manager  
Re: Multi-year Contract for Telephone (Landline) Service at the Hunt Memorial Building in the amount not to exceed \$5,411.99 funded from accounts 53628 Contract Services (131 Hunt Building)

**MOTION BY ALDERMAN O'BRIEN TO ACCEPT, PLACE ON FILE, AND APPROVE A MULTI-YEAR CONTRACT FOR TELEPHONE (LANDLINE) SERVICE AT THE HUNT MEMORIAL BUILDING TO COMCAST CABLE IN AN AMOUNT NOT TO EXCEED \$5,411.99. FUNDING WILL BE THROUGH: DEPARTMENT: 131 HUNT BUILDING; FUND: 53628 CONTRACT SERVICES, BY ROLL CALL**

Chairman Harriott-Gathright

Can someone here speak to that? No?

ON THE QUESTION

Amy DeRoche, Hunts Memorial Bldg. & Arts Administrator

I'm on the line.

Tim Cummings, Economic Development Director

And I am as well.

Chairman Harriott-Gathright

Amy DeRoche, is that right?

Amy DeRoche, Hunts Memorial Bldg. & Arts Administrator

Yes that's correct.

Chairman Harriott-Gathright

Are you going to speak to this?

Amy DeRoche, Hunts Memorial Bldg. & Arts Administrator

Yup so we currently have our landline through Fairpoint but the lines are the old copper lines which are being discontinued so we need to port the line over to Comcast.

Chairman Harriott-Gathright

Anyone have any questions?

Alderwoman Kelly

Thank you. Amy it appeared by the contract that they're picking up the cost of conversion. It's just the monthly cost to us? There's no additional – maybe Director Cummings is the more appropriate here but I looked through it and the only cost that I can see is (inaudible). Miles is talking – sorry guys.

Amy DeRoche, Hunts Memorial Bldg. & Arts Administrator

That's okay. I believe there's a one-time fee of like \$62 and the rest would just be the normal monthly fee.

Alderwoman Kelly

Okay, great, thank you.

Chairman Harriott-Gathright

Any further questions? Mr. Clerk would you call the roll.

A viva voce roll call was taken which resulted as follows:

Yea: Alderwoman Lu, Alderwoman Kelly, Alderman Laws,  
Alderman O'Brien, Alderman Harriott-Gathright 5

Nay: 0

**MOTION CARRIED**

From: Kelly Parkinson, Purchasing Manager  
Re: Software Maintenance for ADMINS in the amount of \$73,740 funded from accounts 54407 Software Maintenance (122 Information Technology)

**MOTION BY ALDERMAN O'BRIEN TO ACCEPT, PLACE ON FILE, AND APPROVE THE ANNUAL RENEWAL FOR ADMINS SOFTWARE MAINTENANCE TO ADMINS, INC., IN THE AMOUNT OF \$73,740. FUNDING WILL BE THROUGH: DEPARTMENT: 122 INFORMATION TECHNOLOGY; FUND: 54407 SOFTWARE MAINTENANCE, BY ROLL CALL**

Chairman Harriott-Gathright

Is there somebody here to speak on that? Okay, Director Kleiner.

ON THE QUESTION

Kim Kleiner, Director of Administrative Services

Good evening Madam Chair and members of the committee. This is for the annual renewal of our legacy admin. system. The city has been working for a number of years to migrate away from this system. As many of you know, we moved a number of our assessing functions off of this to the new AP5 system. The remaining processes that we have on this software is the wastewater billing and we are presently working. We have a team of IT working with our Treasurer and Tax Department to move that to Munis. That will be the last process that we will have on this software so we see no need to renew for Fiscal 2023 but we will need to renew for Fiscal 2022.

Chairman Harriott-Gathright

I'm not sure how to pronounce you – Mr. Nick. Do you have anything you want to add to that?

Nick Miseirvitch, Deputy Director of IT

No Director Kleiner addressed everything regarding this piece.

Chairman Harriott-Gathright

Can you give me the pronunciation of your last name?

Nick Miseirvitch, Deputy Director of IT

Miseirvitch.

Chairman Harriott-Gathright

Miseirvitch. Thank you.

Nick Miseirvitch, Deputy Director of IT

You're welcome.

Chairman Harriott-Gathright

Any questions? Is everyone good? Okay. Will the Clerk call the roll?

A viva voce roll call was taken which resulted as follows:

Yea: Alderwoman Lu, Alderwoman Kelly, Alderman Laws,  
Alderman O'Brien, Alderman Harriott-Gathright 5

Nay: 0

**MOTION CARRIED**

From: Kelly Parkinson, Purchasing Manager

Re: Tax Abatement Appeals Consulting & Appraisal Services Change Order #1 for in the amount not to exceed \$150,000 funded from the General Fund account 11500 Overlay

**MOTION BY ALDERMAN O'BRIEN TO ACCEPT, PLACE ON FILE, AND APPROVE A REVISED CONTRACT – CHANGE ORDER #1 - FOR CONSULTATION AND APPRAISAL SERVICES FOR VARIOUS TAX ABATEMENT APPEALS BETWEEN THE CITY AND BARRY CUNNINGHAM, VALUATION RESEARCH COUNSELING IN AN AMOUNT NOT TO EXCEED \$150,000. FUNDING WILL BE THROUGH: DEPARTMENTS: 132 ASSESSING AND 103 LEGAL; FUND: 11500 OVERLAY ACCOUNT, BY ROLL CALL**

Chairman Harriott-Gathright

Director Kleiner is this yours? I'm not sure.

ON THE QUESTION

Steve Bolton, Corporation Counsel

Well I can probably speak more to it.

Chairman Harriott-Gathright

Okay, thank you.

Steve Bolton, Corporation Counsel

This particular one is for an appraiser that we use on large expensive properties. Things like the big box stores – Best Buy, Lowe's, Kohl's, the anchor stores which are separate parcels at the Pheasant Lane Mall. So it had been Sears for the tax years in question. It won't be Sears going forward. Macy's, Target, and in fact both Target stores the one at the mall and the one up on Amherst Street as well.

So this individual and this firm we've added more parcels to the list that they are doing the appraisals for us. This is to prepare for tax abatement appeals either in Superior Court or at the Board of Tax and Land Appeals. This work is not anything that our in-house staff is prepared or able to do. Significant tax dollars are at stake and our feeling certainly in the Legal Department that this expertise is needed and will ultimately save us money in the long run.

Chairman Harriott-Gathright

Any questions.

Alderman Lu

Yes please. To you through Corporate Counsel.

Could you comment on the callers comments? Specifically have we always put these charges through the overlay account or have they previously been charged elsewhere?

Steve Bolton, Corporation Counsel

Well always is a long time. I would say for at least the last 15 years they've been charged to overlay. No different than what's been going on. No different from what is contemplated here. All funds come out of the general fund. Anything that comes out of the general fund has to be made available by appropriation that the Board of Aldermen passes. Funds over a certain amount and contracts over a certain amount have to be approved by the Finance Committee. Contracts that go on for more than a single year have to be approved by the full Board of Aldermen. There is nothing unusual going on here. There is nothing that hasn't been done this exact same way for more years than I can remember.

Alderman Lu

Can I do a follow up?

Chairman Harriott-Gathright

Yes.

Alderman Lu

So partly I don't understand the overlay. I understand that the State tells us what our overlay contribution is each year.

Steve Bolton, Corporation Counsel

No.

Alderman Lu

Not the State? No? We determine it?

Steve Bolton, Corporation Counsel

Yes.

Alderman Lu

And it's meant for abatements as well as the cost to you know negotiate, etc.?

Steve Bolton, Corporation Counsel

Its primary use is to pay for refunds resulting from successful abatement applications or appeals. It also is available for expenses related to the defects in those type of cases – abatement appeals.

Alderman Lu

And a follow up please?

So one question I have is I didn't see any difference in the list of properties for the change order and the list that was presented with the original contract for \$20,000. I think you said that there was new work added to it?

Steve Bolton, Corporation Counsel

There has been. When we originally entered into the agreement with Mr. Cunningham's firm. We didn't know how much we'd be using him for. We listed a lot of property, asked him to take a look, make sure he thought that they were within

his field of expertise. As we got more involved with him on a few properties, we realized that yes we did want him to do all of the properties we had listed. We may still be adding more.

Alderman Lu

Okay. I have a couple of other questions.

Has he completed anything from the original contract? I know we've paid out about \$24,000.

Steve Bolton, Corporation Counsel

We have had some things that he has done all the work we have asked him to do. In certain cases, we use his expertise up to a point but do not ask him to complete the final report. Typically those cases resolve, we discover we don't need a final report, although we probably have used the expertise he brings to bear on it to guide us in our negotiations.

Alderman Lu

Okay so he has worked on many of these for the \$24,000...just a little confused that both of the work orders are the same. Originally for \$20,000 and currently it's now an additional \$130,000.

Steve Bolton, Corporation Counsel

The \$20,000 was never going to be the total amount. That was sort of a get started situation.

Alderman Lu

Okay. Just, I think, one more follow up if I could. I had a question about the budget meeting when Assessing presented to us. I recall that the line item for, I think, other contracted services was lower and we were told that that was because we now have a fully – I think Mr. Vincent is fully qualified to do commercial assessing and so I just wondered about that. That just seems a little bit different than now receiving a proposal to hire someone for commercial assessing.

Steve Bolton, Corporation Counsel

I was not – if I can finish – I was not here for the budget meeting with the Assessing Department but my understanding is you're now talking about two different things. Prior to Mr. Vincent being hired, a man named Rex Norman was doing consulting and in that capacity was essentially operating as the supervising assessor to the other assessors in the office. Also we were using a man named David Cornell on a general consulting basis or his expertise in municipal assessing. He provided some overall guidance in reviewing the operation of the department, the techniques that were being used, and providing guidance in that way. Now that Mr. Vincent is on board, we no longer have the need for Mr. Norman's services so I think that accounts for some and we are probably are making much less use of Mr. Cornell but he's a valuable resource. I wouldn't be surprised if over time we wanted to consult with him again.

But what we're talking about the item that's under consideration now is an independent fee appraiser to use as expert witness in individual cases. That is not something that we would use Mr. Vincent for typically.

Chairman Harriott-Gathright

Thank you Corporate Counsel. Alderman Kelly.

Alderman Kelly

Many of my questions were asked. I was going to ask about our new Chief Assessor and what role he can potentially plan and the other question I had was just the jump in going from \$20,000 to \$150,000. It does sound like there was an answer there but I wouldn't be upset by a little bit of a more thorough explanation. I get it. I'm a consultant but we're jumping almost 6 – 7 times from what our original contract was.

Steve Bolton, Corporation Counsel

The \$20,000 was never an estimate of what the total expense would be for all of these properties.

Alderman Kelly

Can I follow up?

Chairman Harriott-Gathright

Yes, follow up please.

Alderman Kelly

And so do we anticipate that this up to \$150,000 will cover the remainder of the work needed to do or are we going to be facing another change order?

Steve Bolton, Corporation Counsel

Well that depends on what settles and what has to go to trial. So it's not very possible to give a definitive answer today. We hope that \$150,000 will cover it all. It might not.

Alderman Kelly

Thank you.

Chairman Harriott-Gathright

Any more questions?

Alderman Lu

Yes please. I think that Director Kleiner was going to – I know that Director Kleiner presented for the Assessing Department and I thought she was going to clarify my question about what was said at the Budget Committee meeting regarding we won't need to have the hiring out for assessing. Would you...so Ms. Kleiner were you going to explain?

Kim Kleiner, Administrative Services Director

Madam Chair.

Chairman Harriott-Gathright

Yes.

Kim Kleiner, Administrative Services Director

So I was going to explain. I think Corporation Counsel did the best job but he is exactly right. So that line was used for Mr. Norman when we did not have an acting Chief on board. The city is fortunate now to have Mr. Vincent and we would consider if needed hiring David Cornell in some capacity moving forward but that has not been determined as a need as of yet. That was the line that was used for Mr. Norman. That's why you see a reduction.

Chairman Harriott-Gathright

Do you want a follow up?

Alderman Lu

Just a comment – yeah a follow up. Part of my concern is I do feel it would be best but maybe that's for legislation to show these charges in a more clear way I think but I wonder how we're doing whether we're being more contentious than we need to be but that's not for me to – I don't mean to insult anyone. I don't mean that exactly.

Let me – could you tell me how are we doing with the cases that have gone to trial recently. Has there been any settlements and how are we doing with for instance, I know Ms. Ortolano you know her case has been settled.

Steve Bolton, Corporation Counsel

It was not settled.

Alderwoman Lu

Okay.

Steve Bolton, Corporation Counsel

It went to trial – a hearing before the Board of Tax and Land Appeals and we've gotten a decision. It was not settled.

Alderwoman Lu

Oh I'm sorry. The decision – that's what I meant. I guess the legalese is to a settlement is actually an agreement between two parties. What I meant is you received a – okay. So did we prevail?

Steve Bolton, Corporation Counsel

The decision came down between the number we had originally assessed the property for and the number that her expert was contending.

Alderwoman Lu

Okay. The reason I...

Steve Bolton, Corporation Counsel

Like most of these, it comes out somewhere in between.

Alderwoman Lu

The reason I ask is I'm concerned about the money we put into – I'm surprised, not concerned. I didn't realize it came as a surprise to me that we spent this much money outside of what we see in the budget amounts for assessing and legal. But no further questions.

Kim Kleiner, Administrative Services Director

Madam Chair?

Chairman Harriott-Gathright

Yes.

Kim Kleiner, Administrator Services Director

CFO Griffin and I have been speaking about this today and certainly Corporation Counsel is correct for the number of years that I can speak of that I've been with the city, this is where you've seen these charges charged is the overlay account. We certainly understand that there seems to be some interest in seeing the charges and the action within the overlay account. CFO Griffin and I can work to put something together to prepare for probably most likely it will go to the Board of Assessors and certainly then any members of the public that would like to see it. Both CFO Griffin and I watch this account very closely. Assessing does a lot of calculation. Once we have received all the abatements in any given year to calculate our exposure for how those abatements may be settled and what may be refunded to taxpayers, so certainly we can provide more information and we will work to put something together to do that.

Chairman Harriott-Gathright

Thank you. Any other questions?

Alderman Lu

May I just follow up?

Chairman Harriott-Gathright

Yes.

Alderman Lu

Thank you. I wanted to clarify that – yeah at the budget meeting when we were told that we’ve reduced our consulting services partly because we now have a very qualified Chief Assessor, it’s partly my unfamiliarity with where these costs get charged in our budget. So I apologize for that. I took that to mean that we wouldn’t need to hire outside help for anything for assessing. That is where I – you know – my confusion and inquiries began. So now I know where to look for it so that makes a difference. Thank you.

Chairman Harriott-Gathright

Okay moving on – Unfinished Business.

Alderman O'Brien

Excuse me Madam Chair. You have to call the roll.

Chairman Harriott-Gathright

Sorry, yes. Call the roll.

Alderman O'Brien

Thank you Madam Chair.

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Lu, Alderman Kelly, Alderman Laws, Alderman O'Brien, Alderman Harriott-Gathright	5
Nay:	0

**MOTION CARRIED**

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS - None

NEW BUSINESS – ORDINANCES - None

RECORD OF EXPENDITURES

**MOTION BY ALDERMAN O'BRIEN THAT THE FINANCE COMMITTEE HAS COMPLIED WITH THE CITY CHARTER AND ORDINANCES PERTAINING TO THE RECORD OF EXPENDITURES FOR THE PERIOD FROM MAY 28, 2021 TO JUNE 10, 2021, BY ROLL CALL**

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Lu, Alderman Kelly, Alderman Laws, Alderman O'Brien, Alderman Harriott-Gathright	5
Nay:	0

**MOTION CARRIED**

GENERAL DISCUSSION - None

PUBLIC COMMENT

Alderman Kelly

Alderman Gathright, can you just make sure we're still live. It looks like CTV put up the end of the meeting perhaps accidentally.

Chairman Harriott-Gathright

I'm not sure what's happening.

Alderman Kelly

Yeah you guys are black but we definitely got that this has been a presentation. That's why I wanted to make sure we were still live before we...

Alderman O'Brien

Yeah Brandon you're going to check to make sure Jim didn't keel over.

Alderman Kelly

We're back.

Alderman Laws

He's alive.

Laura Colquhoun

Can I ask my question?

Chairman Harriott-Gathright

One second please. Are you good? Okay yes you may speak now.

Laura Colquhoun

I'd like to ask the Finance Committee where on the general fund appropriation detail does the overlay account show up for the residents so that they can see. I've gone through the whole budget and I haven't come up with anything that says an overlay account. So why is the city hiding these figures from us? If they're going to be paying out all this money to commercial and residential people, plus paying expenses through it. It should somewhere be on the budget so that we can see how much we're paying. If anybody could answer me, I would really appreciate that.

Chairman Harriott-Gathright

This period of time is for comments Ma'am.

Laura Colquhoun

Well does anybody every answer a question?

Chairman Harriott-Gathright

We're not here to answers questions right now. If you have comments, please make them.

Laura Colquhoun

Mr. Bolton seems to say so much, why can't he answer me?

Chairman Harriott-Gathright

Do you want to provide comments?

Laura Colquhoun

That is my comment. You people are wasting my time and every other resident's time. Thank you.

Chairman Harriott-Gathright

You're welcome.

Laurie Ortolano

Laurie Ortolano – 41 Berkeley Street. First of all I want to give you a heads up. You know Attorney Bolton did some nice soft shoe bull crap for you. The order did come down from the BTLA and when he said it's usually somewhere in between, he backed an appraiser who went up to the BTLA and set the market value for 2019 at \$800,000. They wanted the assessment on my house at \$710,000 when equalized. The Board of Tax and Land Appeals set it at 577. The city would have upped my tax bill a couple grand. The Board of Tax and Land Appeal basically dropped my tax bill a couple grand. So it was a very big difference. Not so much an in between and I'll tell you, it was a total waste of money and time with a vindictive legal office and Mayor that had to pick a fight. You probably spent \$100,000 on that.

As far as your overlay budget, it's secretive, sneaky and not transparent. Fix it and make it transparent because right now all of these settlements are handled in nonpublic session and not put out for the public to hear, or see, or get a copy of. We don't even know when to ask for them. I'm going to start submitting a revolving every two week Right-to-Know to get those settlements and anyone who wants to complain that the 24 Right-to-Knows I file a year can stick it where the sun don't shine because this is the way you want it. Create some transparency for us.

The other thing is that sheet is not updated and every one of you should be asking why are we doing 2018 appraisals in 2021. You are now hiring an appraisal guy who has to go back and try to create a market value from three years ago. Why doesn't that sheet show 2020 appraisals that need to be done for all these abatements that have been filed in 2020? I think Attorney Bolton is not laying out truthfully to you. I think there's going to be a lot more money to spend. I think you should know that right now. You know this is not really right and that list is not updated. Some of those have already settled. Give us updated material because it's the only way the public can follow. Thank you.

Excuse me was I heard or was I off the air. I can't even tell?

Chairman Harriott-Gathright

You were heard very clearly.

Laurie Ortolano

Thank you, okay.

REMARKS BY THE ALDERMEN

Alderman Lu

Thank you. I would just like to say I know the overlay is not in the budget book but it is an asset account and the charges to the overlay are found in the record of expenditures every two weeks when they come out. It's usually the first item on the record of expenditures but it's not a budgeted...

Steve Bolton, Corporation Counsel

I can clarify this if you wish Madam Chair.

Chairman Harriott-Gathright

Yes thank you Corporate Counsel.

Steve Bolton, Corporation Counsel

The overlay amount is determined by the Mayor and approved by the Board of Aldermen. Typically in August or September it's not approved at the same time as the annual budget but it is as was just stated always the expenditures from that line are always included in the record of expenditures that is approved by this Finance Committee twice a month. The backup for that is always available. Invoices are submitted. Any settlements have to be approved by the Board of Assessors, decisions ordered by the court, or the Board of Tax and Land Appeals processed and can be found in the record of expenditures.

Mrs. Ortolano's appeal cost nowhere near \$100,000 for the city. I don't know what she paid her attorney or the consultant expert that she used.

There is nothing being hidden. This is being done the same way it has been done for many, many years before Mrs. Ortolano ever became interested in the process. Nothing was changed in order to hide it from her or anyone else. In spite of accusations from all sides, I have never said anything untrue to this body, the Board of Aldermen as a whole, any court, any tribunal. It is not fun to be continually accused of that.

Chairman Harriott-Gathright

Thank you Corporate Counsel.

NON-PUBLIC SESSION – None

ADJOURNMENT

**MOTION BY ALDERMAN O'BRIEN TO ADJOURN BY ROLL CALL**

A viva voce roll call was taken which resulted as follows:

Yea: Alderwoman Lu, Alderwoman Kelly, Alderman Laws, Alderman O'Brien, Alderman Harriott-Gathright	5
Nay:	0

**MOTION CARRIED**

The Finance Committee meeting was adjourned at 7:38 p.m.

Alderman-at-Large Michael B. O'Brien, Sr.  
Committee Clerk