

BUDGET REVIEW COMMITTEE

SEPTEMBER 16, 2019

A meeting of the Budget Review Committee was held Monday, September 16, 2019, at 7:00 p.m. in the Aldermanic Chamber.

Alderman Richard A. Dowd, Chairman, Chairman, presided.

Members of Committee present: Alderman-at-Large Michael B. O'Brien
Alderman Jan Schmidt
Alderman-at-Large David C. Tencza
Alderman-at-Large Lori Wilshire, Vice Chair (arrived after roll call)

Members not in Attendance: Alderwoman-at-Large Shoshanna Kelly
Alderman-at-Large Ben Clemons

Also in Attendance: Mayor James Donchess
Kimberly Kleiner, Director of Administrative Services

Chairman Dowd

I got an e-mail from Alderman Clemons, he is not feeling well this evening; he is out. I think the President Lori Wilshire will be here soon.

PUBLIC COMMENT - None

COMMUNICATIONS - None

UNFINISHED BUSINESS – None

NEW BUSINESS – RESOLUTIONS

Chairman Dowd

Note the record that President Wilshire has arrived.

R-19-174

Endorsers: Mayor Jim Donchess
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Richard A. Dowd
Alderman Ken Gidge
Alderman Linda Harriott-Gathright
Alderman Patricia Klee
Alderman-at-Large Brandon Michael Laws
Alderman Tom Lopez
Alderman June M. Caron
Alderwoman Mary Ann Melizzi-Golja
Alderman-at-Large David C. Tencza
Alderman Jan Schmidt

ESTABLISHING THE USE OF FUND BALANCE FOR TAX RATE

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Chairman Dowd

Would the Mayor, would you like to, for the record, explain exactly what this Resolution is doing?

Mayor Donchess

Yes thank you Mr. Chair. We have a revenue surplus this year, which is something we plan for every year. We are very, and have always have been, very conservative about projecting future revenues. Therefore, as in prior year, we have a revenue surplus and we are recommending here that we devote \$4.5 million of that revenue surplus to supporting or reducing the tax rate.

This is the same amount of surplus that we applied to the tax rate last year. The Board has already approved the use of some or most of the remainder of the surplus to go into, the revenue surplus to go into various reserve accounts saving us property taxes in the future. You may remember, I'm sure you do Mr. Chair, that we the Board voted to allocate \$1.5 million dollar into the Capital Equipment Reserve Fund which saves money for future purchases of machinery and equipment. Also, in addition to that \$1 million dollars into the self-insurance fund, which is the savings account which backs up our health insurance for City Employees as we have talked about, the City is self-insured and we have a reserve account to ensure that there are always enough funds to back up the estimates we have for the cost of health insurance.

We are also putting \$1 million dollars, or we have already allocated \$1 million dollars towards the school project; again a project that we anticipate undertaking in the next, in the coming years that will save taxes for us again.

In any event this, the biggest amount is \$4.5 million dollars as proposed to offset the tax rate.

Chairman Dowd

Just one minor correction, the \$1.5 for the CERF, it is \$1,450,000.00; we took \$50,000.00 for the Fire Department so they could do their comprehensive study.

Mayor Donchess

Correct.

MOTION CARRIED

R-19-175

Endorsers: Mayor Jim Donchess
Alderman-at-Large Lori Wilshire
Alderman Richard A. Dowd
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Ken Gidge
Alderman Mary Ann Melizzi-Golja

RELATIVE TO THE TRANSFER OF \$10,000 FROM DEPARTMENT 194 "CONTINGENCY", ACCOUNT 70100 "GENERAL CONTINGENCY" TO DEPARTMENT 181 "COMMUNITY DEVELOPMENT", ACCOUNTING CLASSIFICATION 55 "OTHER SERVICES" FOR A LANDSCAPING DESIGN PLAN FOR EDGEWOOD CEMETERY

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE

ON THE QUESTIONChairman Dowd

Mayor would you like to address that as well?

Mayor Donchess

Yes Mr. Chair; Edgewood Cemetery is, of course, serves us a cemetery and has for well over 100 years, probably 150 years. But in addition to that it is a beautiful community City asset. It is landscaped very nicely, it's a great place to go walking for anyone in the City and it is open to anyone. Its Mission though is also to provide grave space for people. That grave space is running out. In recent weeks, the cemetery decided to expand the availability, the area that is available for grave space by cutting down all of the trees adjacent to a neighborhood along Ashland Street and another street. Unfortunately no notice was provided to neighbors or to the City; people woke up to find kind of a clear-cutting situation across from their homes. Stumps, logs, it looks like a logging camp.

I think you and I Mr. Chair along with President Wilshire had met with the cemetery board and we held a meeting where we got the Cemetery Board and the neighborhood together, that was I think about two weeks ago. So we are working on trying to develop a landscape plan for the area of the cemetery that has been cut down so that yes there will be room for additional graves, but also that it will continue to be an amenity for the City and the neighborhood. We want to preserve the character of the cemetery which is captured especially down by Amherst Street in the older parts, which is again a very beautifully landscaped cemetery area.

In order to develop this plan, we need a landscape architect and the idea here is to allocate \$10,000.00 for that purpose. We would then work with the Cemetery Board of Trustees and with the neighbors and develop a plan that accommodates everyone's needs.

Alderman O'Brien

Thank you. I too have heard from some of the people, constituents from that area and I take what the Mayor says that the Cemetery Board should announce when they are doing something as radical as that to the people of the community. I am glad that the President of the Board of Aldermen Wilshire worked with the Mayor on that. Because when they came up and told me, I didn't hear anything about it and not traveling in that area, I went up to take a look; I am glad to see. And we should keep the public informed when we do stuff like this because it was a radical change at the time.

Alderman Wilshire

I don't think the Cemetery Board really felt that they needed to come to the City because they have done projects in the past when they didn't come to the City and they've taken down trees. Just thought I'd throw that out there.

Mayor Donchess

Yes and I think they now, if that had it to do it over again, would do it differently. But they really weren't fully' they didn't really anticipate what it might look like and what might happen. But in any event, now we are trying to work together to come up with a solution.

Chairman Dowd

There was some discussion that when they found out that you can't move earth, take stumps out and move earth without having a permit from the City, even though it is City land, they are now under a stop order until we have a plan moving forward. Any other questions?

Alderman Wilshire

Were they given the go-ahead to get rid of the stumps that are there?

Chairman Dowd

Not yet.

Alderman Wilshire

Not yet, OK.

Chairman Dowd

It is being worked on.

Alderman Wilshire

Thank you.

Chairman Dowd

Unless that changed today, then I don't know about that. OK so the motion on the floor is R-19-175 and the motion is to recommend final passage to the Full Board.

MOTION CARRIED

R-19-176

Endorsers: Mayor Jim Donchess
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Ken Gidge
Alderman Richard A. Dowd
Alderman Patricia Klee
Alderman Tom Lopez
Alderwoman Mary Ann Melizzi-Golja
Alderman Jan Schmidt

**RELATIVE TO THE TRANSFER OF \$56,300 FROM DEPARTMENT 194 "CONTINGENCY",
ACCOUNT 70100 "GENERAL CONTINGENCY"**

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Chairman Dowd

Ok the motion on the floor is for final passage for R-19-176 and we've been joined by Director Kleiner.

Mayor Donchess

So Mr. Chair, Ms. Kleiner can give you more of the detail but an overview is that we've had hundreds of Right-to-Know requests which are taking up a lot of time and have been for the last year by the Assessing Department, by the Legal Department, by Ms. Kleiner, by IT. There is work to be done for the 89,000 citizens of Nashua which we cannot fully complete when everybody, all they do is work on these Right-To-Know requests. Or when that is one of their major time, one of the major things that they spend time on. We've got some big work coming up; for example building permits have been filed as example number one.

We need to examine each of those building permits in order to decide how much the value of each of those properties where there has been an improvement should be increased. We've learned I think very clearly that there is not a one-to-one correspondence between the value or the cost of the building permit and the increase in value. But we have a couple hundred million dollars of building permits, Ms. Kleiner has the exact figure. All those properties need to be reviewed.

Number two, we have many abatement requests filed, the residentials are done but we have many abatement requests filed by commercial property owners. This is an annual thing that goes on, there's almost an industry where lawyers and others solicit clients and suggest that they can reduce taxes. So many commercial owners file multiple commercial abatement requests. Those all have to be evaluated and assessed so that they can be prepared for litigation. So there is a lot of work and that means real money for the citizens of Nashua. I mean the residential requests are important to each of our individuals who make the residential abatement requests. But in terms of the actual financial impact, these commercial abatements are much more important because they might be asking for an abatement of \$100,000.00 or \$200,000.00 or \$500,000.00 in taxes.

In any event, those are some of the things that we are facing and so in order to free some people up in Legal and in Assessing to actually do the tasks that are their primary responsibility, we are seeking money from contingency to be able to bring some part time help in, maybe some people who have previously worked for the Department to get documents and do other things necessary to respond to these abatement requests. There has to be redaction and examination of all the documents up in Legal. We have a paralegal up there who is working most of her time on this. We may need to pay her some overtime so she can do her other work as well. I have summarized it but Ms. Kleiner can give you more of the details. But we are requesting and you can see it on the schedule where the money would go. There is \$6,300.00 for equipment; but it is \$50,000.00 for the overtime and additional staff. So that's what we are requesting to enable our Departments to spend more of their time working on their regular duties. With that, I'll give you Ms. Kleiner.

Kim Kleiner, Director of Administrative Services

Good evening, so we have kind of the perfect storm right now. These multiple Right-To-Know requests have put us in a position where now Assessing is trying to catch up. As the Mayor explained, capture these building permits. So normally the date for the MS1, the Evaluation Report to be filed is September 1st. We have already asked for extension to October 1st. Now this is done commonly if the Department is running behind in capturing building permits. I believe we are going to ask for another extension; I don't know if that will be granted but we are going to look for mid-October if we can. We do have 13,000 building permits that we need to capture and we'd like to capture them; for the December tax bill. I don't know if that is possible so I am not going to put that out to you but we are going to try our hardest.

The problem is we have 578 residential, 754 commercial; there is two commercial assessors and two residential assessors. What is happening is when we are faced with these Right-To-Know requests it takes time from not only assessors, because they are looking at the data and helping us to pull the data, but also from the administrative staff, also from myself, also from my administrative assistant and Legal. So we spend approximately two to four hours a week in Legal going over last count I saw was 12 pages of Right-To-Know requests and making sure that we have all the data and that we have pulled it all correctly and submitted it.

With that add on top of that in the next week I have ten hours scheduled in Legal with an Assessor, the Administrative Manager and I working on the BTLA response. So add that on top of it. Then, as the Mayor indicated, we have the abatements that have been filed both at the BTLA and Superior Court. Superior Court we have 16; BTLA we have 58. The positive note in this is we only have 7 residential abatements filed at the BTLA which speaks to the reassessment and the revaluation that KRT did. Because if the revaluation had any real issues, you would expect that number to be a lot higher. But 51 commercial, that is a lot of time preparing those cases for those 2 commercial assessors with Legal again. So we are spending an awful lot of time in Legal and Legal is certainly spending a lot of time with us and we thank them for that.

So what we are doing, what we asked the Mayor for, it is not uncommon for a Department to hire a data collector or an assessor to come in and do it; it is generally on a bi-parcel rate. Generally it is \$20.00 to \$25.00 per parcel and they will come in on a Saturday and they will go out and they will close these building permits and do the assessments and do the inspections. This is not uncommon, you generally see these type of temporary positions listed on the assessor's list serve and then assessors that are willing to do this type of temporary work will contact the City and we will interview them. They will all be certified assessors, generally members of the NHAAO. So that is what we are asking for there.

Also we are asking for overtime for our administrative staff. At the moment they are, one Right-To-Know request we have is for over 500 documents, all of our exemptions and all of our requests that have been signed by an assessor. That is one of the Right-To-Know requests that is out there. So that's pages and pages and pages of documents that will need to be signed and that's just one. Commonly, as the Mayor said, there is many, many, many e-mails and those all have to be reviewed for redaction. You have both the paralegal in Legal and also my administrative assistant that are both in the middle of that process. The \$6,300.00 that you see which is for computer software, that relates to the upgrade that we are doing with AssessPro to AP5. What we found was that AP5 has a very good on-line system. So we want to purchase some tablets and put AP5 on those tablets and the assessors will be able to update directly from the field.

Currently they make a lot of notes on a property record card and they bring all of that information back. Either they spend time updating the information or they give it to administrative staff and they spend the time. We are hoping to really increase our efficiencies and have a lot of this work done right there in the field. So that's what it is, it is 5 tablets, 5 license for the tablet software and we expect that once we have the AP5 upgrade done which right now is looking at mid-October, we can have these tablets ready to go and out into the field.

Chairman Dowd

Just for the record and for the public could you explain what BCLA is?

Ms. Kleiner

Board of Land & Tax Appeals.

Chairman Dowd

OK thank you. Mayor?

Mayor Donchess

Just to give you, in terms of handling these building permits, I think the number was \$200,000,000.00 but again there is not a one-to-one correspondence but even if the value of the and we have no idea how much this will actually add to the value of properties. But if it was were 25% of the cost or the estimated cost of these permits, \$50,000,000.00; that's a \$1 million annual dollars of taxes or even if it is 10% that being \$20 million dollars, now we are talking \$400,000 some thousand dollars of taxes. So this is real money here and we need to get this job done. We can't, it is just not cost productive for the citizens of Nashua to have to pull our assessors off of the vital work that they need to do in order to be working on the Right-To-Know requests all the time. So we need this extra help to make sure that we can meet our obligation to do the building permits and also try to respond to the Right-To-Know requests as quickly as it can be processed.

Alderman O'Brien

The least of my intentions is not to limit access to the Right-To-Know but then I look at the Right-To-Know is it the right to be free, because there is processing fees involved evidently from what you are bringing up. I look at and I think if somebody wanted the insurance people or something like that wanted a fire report, I think the Fire Marshall's Office does generate per se a fee to administer that to get that particular report. So my

question is have we looked into that because this now adding to extra costs. I don't want to deny the public's right to the information but when it starts costing the general tax payers to the tune of this dollar amount, kind of takes away from the efficiency of the office, again not to deny but have we considered looking at you can get your assessment for nothing. But if you are going to start looking around it may cost you a nominal fee for others. That way it would kind of help to fund this particular position that you are saying to hire or something like that in the future.

Ms. Kleiner

So normally if someone files a Right-To-Know request and that requires copies, we are allowed to charge for the copies for the paper and the copies that are made. A lot of these requests are asking for their answer in an e-mail and it does not give us the right to charge for a response that is done via e-mail.

Chairman Dowd

Follow up?

Alderman O'Brien

Alright, yeah. That's a horse of a different color, then I understand yes.

Chairman Dowd

One question I have is it sounds like we are going to hire someone. Can you tell me which department or which group it is going to ultimately land in, is it Legal, Assessing? Where would they work?

Ms. Kleiner

So there's overtime that is asked for Legal for the paralegal and there's overtime that's asked for the Assessing Administrative Staff and then there is the temporary, the \$20,000.00 for a temporary worker. That would be the temporary assessor that would be hired in Assessing.

Chairman Dowd

OK, good. Any other questions?

Alderman Schmidt

Thank you. This seems really frugal compared to what you are talking about. When you are pulling 500 documents for one request, how much time does that take. If you were to take a person who was doing this singly, how long would that take?

Ms. Kleiner

So each request is different and it's hard to give it an overall but when you are asking for redactions and things of that sort? It can take four hours for them to go through 100 documents for redaction and to review. So right now, at least our Administrative Manager, I estimate half of her time each week is dealing with Right-To-Know requests.

Alderman Schmidt

And all of this is happening while the department is undergoing big changes. Big changes are happening down there, in how it is processing, that you are moving forward into the 21 Century; new systems, new everything. All of this is happening at the same time.

Ms. Kleiner

So if you had asked me in May if we thought we would get through all of the abatements that had been filed on top of the improvement plan I would have said, "We are going to try our best". And when we got over that hurdle, I thought there where was a little bit of a sigh of relief. This staff has given it their all. I don't think we can ask them to work any harder than they are but you are right. So we are in the middle of the upgrade, which means training on the new system. So they are training, they are out in the field, they are in Legal, it is the perfect storm. You know, we want to move ahead with the Improvement Plan, there's things that we promised we were going to get done and we want to meet those deadlines. I know that's very important to the staff but then there's these requests and we have to fulfill them.

Alderman Schmidt

Thank you.

MOTION CARRIEDNEW BUSINESS – ORDINANCES – NoneGENERAL DISCUSSIONAlderman Wilshire

I just think at this point to take \$50,000.00 to pay for additional work seems unfair to the tax payers of this City. And it's not like we are getting requests from you know 100 different people and they are all different things, it is more or less one person who is putting a strain on a department that is trying to improve itself and serve the citizens better. It just not the right thing; I wish there was a way we could, I don't know. I think it is unfortunate to the tax payers of the City. That's all.

Alderman Schmidt

I think it's also unfortunate for the people who work in the department. If you've gone down there at all, they are working hard. They are working hard to get through this and the stress must be horrible. And if we were to ask Ms. Kleiner how many hours she works a week, I think most people would not believe there are that many hours in a week. Thank you.

PUBLIC COMMENT - NoneREMARKS BY THE ALDERMEN - NonePOSSIBLE NON-PUBLIC SESSIONADJOURNMENT**MOTION BY ALDERMAN O'BRIEN TO ADJOURN
MOTION CARRIED**

The meeting was declared closed at 7:31 p.m.

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