

Finance Committee

Meeting Minutes

Meeting Information

Date: February 18, 2020

Time: 6:00 P.M.

Location: City Council Chambers

31 Wakefield Street Rochester, New Hampshire

Committee members present: Mayor McCarley, Deputy Mayor Lauterborn, Councilor Walker, Councilor Gray, Councilor Hamann, Councilor Lachance.

City staff present: City Manager Blaine Cox, Deputy City Manager Katie Ambrose, Deputy Finance Director Mark Sullivan. Chief Assessor Jonathan Rice. Deputy Police Chief Gary Boudreau. Director of Economic Development Mike Scala.

Agenda & Minutes

1. Call to Order

Mayor McCarley called the Finance Committee Meeting to order at 6:01 PM. Deputy City Clerk Cassie Givara took a silent roll call. All Councilors were present except for Councilor Bogan who was excused.

2. Public Input

No Discussion.

3. New Business

3.1 Waiver of Special Plates Fee (Purple Heart recipients)

Councilor Hamann **MOVED** to send to full Council the waiver of special plate fees for Purple Heart Recipients. Councilor Walker seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

3.2 Police Department-Use of FY20 O&M Projected Surplus-DC Boudreau.

Deputy Chief Boudreau stated that the Police Department will be requesting a CIP project in the FY 2021 budget in order to refurbish the detectives division. He stated that when the department was opened in 2004, there was not funding for furnishings at that time so they sourced secondhand workstations, cubicles and furnishings from Cabletron. These furnishings are now failing and not in good shape. The Police Department estimates that they will have a surplus of \$300,000 from the salary and benefits line of the FY 2020 budget. They are proposing to use some of this surplus to refurbish the unit in the current budget year instead of requesting it through CIP in the upcoming budget. Deputy Chief Boudreau stated that he estimates the total will be around \$51,000.

Councilor Lachance **MOVED** to send the request to full council. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

3.3 Assessing Department-Assessing Software-discussion-J. Rice.

Chief Assessor Jonathan Rice addressed the Committee regarding the Assessing Department software upgrade from Patriot AP4 to AP5. Mr. Rice reported that there had been significant issues with the AP5 software and gave a synopsis of several of the issues the department has discovered; new or untrained personnel on the technical support side of the program, frequent crashes resulting in loss of service, serious data sharing problems between the assessing software and the financial software causing missing data and significant delays in billing. He stated that there were also serious flaws with the reporting side of the software and inadequate filters. The software is cumbersome, not user friendly, and there is no ability to customize. He stated that these are only a handful of the problems they have encountered with the upgrade, but there are multiple others.

Mr. Rice stated that a 5-page list of issues has been supplied to the software vendor and multiple contacts have been made; although getting an adequate response has been a difficult and lengthy process. Very few fixes have been completed.

Mr. Rice said that the Assessing Department is requesting a supplemental appropriation of \$100,000 to secure fully functioning software. The initial plan was to add this request as part of the FY21 budget, but the estimated time to get the software up and running would be approximately 2-3 months. If the department were to wait until the budget season is complete, it would interfere with the issuance of the next cycle of tax bills.

Councilor Lauterborn asked for clarification on what the Assessing Department had requested during the last budget season. Chief Assessor Rice clarified that he had previously requested Avitar, but there was no specific vendor requested at this time because the request has not gone out for RFP yet.

Councilor Walker asked if there was an opportunity to recoup some of the money spent on AP5 due to the ongoing issues. Chief Assessor Rice stated that a portion of the cost had been made in 2015. There is an additional \$12,500 remaining due which the department is withholding because the contract states that they would deliver a fully functioning program.

Councilor Lauterborn inquired why it would be so costly to change vendors. Chief Assessor Rice estimated that the cost to purchase a new software would be in the \$55,000 - \$65,000 range. There is also a significant cost associated with re-sketching the illustrations within the program. He stated that Patriot properties protects their sketches, and either purchasing the sketches or having them redone could cost an additional \$30,000. The total cost estimate left some additional room for IT expenses or unforeseen upfront costs.

Councilor Walker asked from where the supplemental appropriation would come. Finance Director Ambrose stated that the recommendation would be that the appropriation come from Unassigned Fund Balance.

Councilor Hamann asked if there would be a selection committee put together to evaluate the new software prior to a decision being made. Chief Assessor Rice stated that he would be open to a selection committee.

Councilor Lauterborn **MOVED** to send the request to full Council for a \$100,000 supplemental appropriation for new assessing software. Councilor Walker seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

3.4 Economic Development-Downtown Revitalization Funds-discussion-M. Scala.

Director of Economic Development Mike Scala spoke to the Committee regarding the Downtown Revitalization fund which had been established to take care of selective demolition, clean-up and repair of the properties on the Scenic/Salinger block. Following the work which has already taken place, there is \$266,400 remaining of the original \$300,000. Mr. Scala stated that the developer which the City has been working with asked if the funds can be repurposed for preconstruction demolition as opposed to roof repair which will no longer be needed.

Councilor Lachance **MOVED** to send to full council the repurposing of the remaining Downtown Revitalization funds. Councilor Walker seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

4. Reports from Finance & Administration

4.1 Monthly Financial Report Summaries January 31, 2020

4.1 (a) January 31, 2020 Revenues

4.1 (b) January 31, 2020 Expenses

No Discussion on finance and administration reports.

4.2 EDA Project General Fund Unassigned Fund Balance Request

Finance Director Ambrose referenced a spreadsheet which had been distributed in November earmarking certain projects for a change in funding source from bond to cash, and stated that this project had originally been on that list. Prior to City Council approval of the funding changes, this project had been removed from the list because Public Works had not been ready to move forward with the project. Finance Director Ambrose stated that the department was ready to move forward; which would require a \$34,000 supplemental appropriation from Unassigned Fund Balance. The alternate would be that this would become a taxable bond.

Councilor Lauterborn **MOVED** to recommend changing the funding source of the EDA Salmon Falls Road Project from bonding to unassigned fund balance. Councilor Walker seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

5. Other

No Discussion.

6. Adjournment

Councilor Walker **MOVED** to **ADJOURN** the Finance Committee meeting at 6:30 PM. Councilor Gray seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk