

**COMMITTEE ON ACCOUNTS, ENROLLMENT,  
AND REVENUE ADMINISTRATION**

**July 23, 1996**

**5:15 PM**  
Executive Conference Room

Chairman Elise calls the meeting to order.

The Clerk calls the roll.

**PRESENT:** Alderman Elise, Alderman Soucy, Alderman Shea, Alderman Pariseau,  
Alderman Hirschmann  
Alderman Reiniger also attended.

**MESSRS.:** Doug Gherlone, Joanne Shaffer, Paul Porter, Randy Sherman

Chairman Elise addressed the first item:

Communication from Alderman Reiniger requesting the reexamination of the City's policy of charging Housing Code inspection fees of \$25.00 per dwelling/room unit to ensure a more equitable result.

Chairman Elise stated that Alderman Reiniger was here to speak to this. Would you like to speak to this?

Alderman Reiniger started by saying that this letter is a result. This is to draw your attention to a problem of, as I view, an inequity on how we access fees on rooming houses versus apartments. One property in particular on Market Street, the owner of the property is here with me. His name is Doug Gherlone. I think this policy should be changed to make it more equitable. I think at this point it would make more sense if we have the property owner address the board with the specific of his situation.

Chairman Elise stated that right now the same \$25 fee per apartment is being charged per room in a rooming house.

Alderman Reiniger answered yes. Each room is charged as if it was an apartment. So consequently if you had 50 rooms it's charges as if it was 50 apartments.

Alderman Shea asked if each apartment or each room receives rent from it. In other words, does he receive rent from each room. If there is an apartment that receives rent from an apartment if it's like 6 rentals that are coming from that apartment. For 52 rooms you get 52 rentals from that, is that correct? Okay.

Chairman Elise asked Mr. Gherlone would you like to speak to this.

Mr. Gherlone introduced himself and continued by saying that he owned 77 Market Street that is a rooming house and it has 52 rooms. Which, coincidentally, is the exact number of rooms in an apartment building I own. You know where St. Marie's Church is, facing it, right next to the rectory. I bought the apartment building there. There are 12 units with a total of 52 rooms. When that building was inspected by the City, and I have no complaints or qualms about the inspection. I understand the necessity and that is perfectly fine. That is what should be. The fee for inspecting that building came to \$300 the gentlemen who did the inspecting were very thorough. They spent probably close to up to 3 hours there at that building. An other individual, also very thorough, from the department came to inspect my rooming house. Spent approximately 1 hour and 45 minutes, the bill for my rooming house came in excess \$1000. As an owner, naturally I pay taxes, I felt that it did not seem fair that for the same number of rooms that actually took less amount of time. I was billed an excess of \$1000 for an hour and a half of an individual from the City to do the work they are supposed to do. I have no complaints for the work there doing or how it is being done, but the money I am asked to be paid for that, frankly to me, seemed quite inequitable. It's base on a per unit basis, claim no great knowledge of whatever have you, because I read it and I got of a copy of it when I received the bill. It said that at the time it was enacted by the Aldermanic Board, it was said that it was on a per unit basis. I do not know what went in to the reasoning or logic as to what determines a unit. Whether or not it was really meant to be a tax on my income that I earned from that building. What the needs of the City were for the cost of maintaining the department and the individual to do that. As I said to spend four times as much money for half the amount of time on the City to do that. Frankly, it hurt financially. I could not see fairness of it that is why I asked Alderman Reiniger if he would perhaps address this in some way to get some litigation.

Chairman Elise stated that she had talked to Mr. Gaudreault. He is in charge of this and he did say that he felt he wanted to make some recommendations on this. Alderman Reiniger did say that he would have this looked at in a timely fashion. Armand Gaudreault said if this was referred to him, he would come back next month with a recommendation regarding the fees. I think we should do that. That would not preclude us from maybe sending him a recommendation for him to consider.

Alderman Pariseau said that he would make that into a motion.

Alderman Soucy said she would second it but she had a question. You need to find currently in the ordinance what constitutes a unit. Does it have to have an individual bathroom?

Ms. Shaffer said that in the copy of our revenue handbook, we do have the source of the ordinance that this comes from. I have enough copies to go around. In the section under rates where it says Inspection fee per dwelling or rooming unit.

Alderman Pariseau said is \$15.

Ms. Shaffer said no, it's the second one down \$25. That is the Inspection fee. So whether it happens to be a dwelling, whether it happens to be a full size apartment or just a single room. I believe the fee is the same exact fee. I also did check with Armand Gaudreault today, regarding what he was planning to do with his structure. He said that within the next 4 to 6 months he is going to bring an ordinance to the table for all of the housing code fees. They are looking at them now, trying to reassess which prices they should be. I think he does agree that this is a little bit inequitable so he is advising low renters' fee. On the same token, what we are trying to establish with the brand new policy here is to figure out what the cost of services that we are providing. If we had that policy approval that is also on the table, then we would be able to do our cost of services. Then you would be able to determine a cost versus the revenue associated with that particular service. Then you could determine what portion of that you wanted to re-coup. As a compromise, when he is going to come forward with this ordinance, not knowing whether or not the revenue policy will be approved at that time. He suggested a sliding scale as maybe an alternative. Instead of bringing it way down to like \$5 or \$10 and determining that maybe in a couple of years that is not really an appropriate amount of money for that particular fee. Maybe assess \$25 like for the first 10 or 20 units and then like \$10 for subsequent units. Same thing, I believe that would have to be brought to the full Board when he does submit this ordinance. Then I presume it will revert again to this Committee and then we could forward at that time.

Chairman Elise recognized Alderman Hirschmann.

Alderman Hirschmann asked if this Committee going to send communication to the Department Head. I want to know what it cost to inspect per hour. If he is doing a three hour inspection, we should bill out for a three hour inspection. The man, the benefits, the gas, we should not be making \$1300 in 90 minutes.

Ms. Shaffer said that she thinks what he says is that people have to be sent out. There is application paperwork in the office and of course there is travel for a building of this sort. Probably in the subsequent buildings that is where you would be recouping your fees.

Right now, basically, they are probably making money at this point. This \$1300 fee for this apartment.

Alderman Hirschmann stated that there are different applications. If you go to Washington Park Estates it could take you a day to inspect those types of units. This one here.

Alderman Pariseau said those are apartments, though. This is rooming house, one room right? And maybe a bath or you have a common bath?

Mr. Gherlone said that it was a common bath.

Ms. Shaffer said that he has agreed that this could be done on a cheaper basis because there is less involved in the actual inspection of the particular unit.

Alderman Hirschmann asked if they were going to abate some bills.

Chairman Elise asked Ms. Shaffer if we should wait for 6 months or...

Ms. Shaffer said that she thought based on the fact that he is going to come in with an ordinance for all the associated fees for housing code compliance. I would say you should wait for the whole thing and not just change one segment of it. Because there might be others that would go up, depending on what the cost of service is or the particular volume. Some will go down, such as this one. Same thing as an alternate proposal sliding scale.

Chairman Elise stated that she knows that she waited a long time for a lot of things. I am just uncomfortable not having a deadline. Chairman Elise recognized Alderman Shea.

Alderman Shea said that he was just wondering was the fee paid for this year. How long does your fee cover.

Mr. Gherlone responded one year.

Alderman Shea repeated one year.

Mr. Gherlone apologized and said that it covered COC.

Alderman Shea asked in other words when you paid your over \$1000 bill you are covered until ...

Mr. Gherlone responded till next inspection.

Alderman Shea asked which will be?

Mr. Gherlone hesitated then said once every three years.

Alderman Shea repeated once every three years. So, it really would not have really any impact, the 4 to 6 months would not have any impact on you necessarily until...

Mr. Gherlone said that it would have an impact on this one, because I asked not to pay until this meeting was held.

Alderman Shea asked so you have not paid it?

Mr. Gherlone stated that he had not paid it.

Alderman Hirschmann said that was good.

Mr. Gherlone also added that he had the bank pressuring him. I am in default with my loan agreement because I do not have a COC because I have not paid the \$1300.

Chairman Elise said that she understood the premise of the revenue ordinance to examine how much our services cost. In this particular case, there does not appear to be an inequity and I would like to see Armand Gaudreault respond to it in a month.

Ms. Shaffer said that usually when there is an ordinance change that it should be with a period going forward. Anytime that it is done retroactively that means we have to refund all of those other people from whom we have already received payments for the same sort of thing.

Alderman Hirschmann wanted to add that instead of Armand Gaudreault and cropping up a whole ordinance. Could we have some discussion with him so he does not...

Alderman Pariseau said he wants to come in next meeting.

Alderman Hirschmann said okay. Now will it be all done, I mean.

Chairman Elise stated that we will not have all the ordinance fees for housing code inspections updated. I had asked him if we could have a recommendation on that one. He said he could by next month.

Alderman Pariseau responded to let him come in instead of waiting the 6 months. I do not think we ought to wait 6 months.

Alderman Soucy said that Mr. Gherlone needed a resolution to this problem in a little more time and not 6 months.

Alderman Reiniger stated that if Mr. Gaudreault came in next month that would be time.

Alderman Hirschman said with resolution to his problem. If his units were all satisfactory could not the City grant him his certificate and then he pays the fee when we mail him an invoice. Whatever the corrected bill is.

Alderman Pariseau responded by saying that we do not get into that as far as the Committee goes and that's micro-manage. Hands off.

Ms. Shaffer said that your ordinance should be effected forward not going backward. Just for practicality purposes. As I said that would involve other payments that have been made on similar things. If you push back the effective date, then refunds would have to be made.

Alderman Soucy asked how many other rooming houses have the same situation. Maybe that we should include that request from Mr. Gaudreault if we find out how many? If this is the only one, then maybe we can....

Mr. Gherlone answered there were eight in the City.

Alderman Soucy asked if they had all been inspected in the same period of time as your particular facility is my question. Maybe Mr. Gaudreault can address that depending on his..

Alderman Pariseau said that he would forward Alderman Reiniger's letter to Mr. Gaudreault and the rest of the stuff come in at the next meeting.

Alderman Hirschmann asked whether or not we wanted to send him any recommendations?

Alderman Pariseau said and to provide us with the rest of them.

Chairman Elise asked if someone wanted to send something there it does not have the opinion of the Committee but individuals. I do not see why not.

Alderman Soucy said that the second communication should clearly state the instances 12 apartments being charged \$300 and 52 rooming house charge \$1300 perhaps you know time. That's a blatant example of the problem. An inequity in our system.

Chairman Elise then stated that the general consensus would be that the Committee does recognize that the Inspection Fee is definitely to insure that there is safe housing. But, that there seems to be an inequity regarding the fee and we would like a recommendation by next month as to an adjustment in the fee.

Mr. Bergeron asked if that was the motion.

On motion of Alderman Pariseau, duly seconded by Alderman Soucy, it was requested that the Inspection Fee regarding apartment and rooming houses be reviewed and that a recommendation for an adjustment of the fees be presented at next month's meeting.

Chairman Elise addressed the second item of the agenda:

- . Communication from Alderman Pariseau recommending the City exercise its right to review all payments in lieu of tax arrangements currently in place and suggesting that the Board designate the Committee on Accounts, Enrollment, and Revenue Administration as the group to review current arrangements and, if appropriate, re-negotiate and make recommendations back to the Board.

Alderman Pariseau said he could not even remember why that was here. I did not have a chance Madam Chairman to review this agenda. I know it was sent to the full Board and referred to this Committee. But I think that we should review the current arrangements and bring in those people relative to non-profit housing projects. This would be a review of that, and that's all that is requested. Isn't that what it is, Randy? You guys put this together. Yes, I would say that we have reviewed the current arrangements and I would like to renegotiate with, especially, the Housing Authority. Then make, I guess what it is, is scheduling a meeting with the Housing Authority to come in and review their payment to the City in lieu of taxes. They have something in the vicinity of \$48.0 million property value and probably giving to the City in lieu of taxes \$25,000 or something like that or \$121,000.

Ms. Shaffer corrected that it was \$111,000.

Chairman Elise asked how Alderman Pariseau would suggest we handle this. Inviting them here for a meeting and talk to them in a Committee. This will be at our next meeting.

Alderman Pariseau agreed because it had to be done prior to November.

Chairman Elise said she did not mind if they came in to review it. We will learn a lot.

On motion of Alderman Pariseau, duly seconded by Alderman Soucy, it was voted to invite the Housing Authority to the next meeting to review all payments in lieu of taxes.

Discussion ensued where the clerk was requested to furnish the information to the Housing Suthority and invite them tot he next meeting.

Chairman Elise addressed Item #5 of the agenda:

- . Review of report from the Finance Department relative to draft reports forwarded to the Board of Assessors regarding reporting of tax base and abatements.

Chairman Elise stated that we received some examples of some forms. So the Finance Department is recommending that one of these forms.....

Alderman Pariseau asked whether or not we were becoming Philadelphia lawyers. I mean, I don't think it was the intent of this Committee to do all this stuff. I do not have the time to look at it. I am sure no one else does, nor do I think that the Board of Assessors has time to do it.

Mr. Sherman replied by saying that what they were trying to do, and again, we threw out the reporting is apparent now, I think.. What we were trying to do is to get something out there that you could reconcile from one month to the next. See how the numbers flowed rather than saying yea the assess valuation gone from 3611 to 3607 well, how did it do that? Was it because of the abatements, or was it because property is now tax exempt and it was not tax exempt before. That's what we were trying to do, was to be able to flow from one number to the next. What were the outstanding abatements last month, how many did we settle, what did we settle for and what is the current outstanding. That is the process we were trying to set up. There is something simpler out there we are certainly willing to listen to it.

Alderman Pariseau stated that what he wanted to know why this should come under this Committee for viewing? I have not read the....

Mr. Sherman said that he thought it was the full Board that sent.....

Chairman Elise agreed that the full Board wanted a format of reporting. Chairman Elise recognized Mr. Porter.

Mr. Porter that what he thought that we could simplify this quite a bit. I have to apologize I am substituting for Tom Nichols who is on his way to the Red Sox game. He has put together some figures. This started out a while back when the auditors Greenwood and Melanson were talking to us. They sat down and spent quite a bit of time with us to develop some sort of idea on how to do things better. We have made a number of changes in terms of allocating x number of dollars for overlay on various years. This made sense, it hadn't been done before and we were certainly willing to try and I can see how it makes sense in an accounting point of view. There have been a number of changes made. In the management letter they recommended that a quarterly report be given to this Committee or the Alderman through whatever vehicle and this happens to be the vehicle.

The report is about the status of the overlay, the tax base, and I think to kind of touch on what Mr. Sherman was saying. Mr. Frank Biron has faxed to me today, a basic outline of what we may submit to the Committee that will probably address all of your concerns. We did not get a chance to do this format. The format submitted to us from Finance, and as Mr. Sherman said reporting seems to be a chronic concern with accounts. I can appreciate that, it's like the one question test in school where 8 hours later your filling the blue book and you've gone through 3 blue books. It would require a substantial amount of time on the part of our office and we still have only two people and even if we had another that we are going to Personnel Committee tonight. We are not looking for more money and we would not because we understand the constraints of the budget with the City. What we would like to do is just present this to you and between now and the next meeting we will format it like this. Mr. Biron did indicate that the numbers that we would give you with this would accomplish exactly what it was that he had in mind when he made that suggesting initially. He is the contact that has worked with us from Melanson and Greenwood, the auditors that were hired by the City to audit the whole City. We looked and talked about this and this is what they come up with and they said that this is a simplified form of all the information that you would need to accomplish your goal. Now if there is a question, as far as what you would like to accomplish. I would be glad to make myself available to the Committee as a whole, to the Chairman or any member of the Committee. So, just if you want to review that between now and the next meeting we will submit the numbers in this form and then we can take from there. I think that this will make it quite a bit simpler and allow you to accomplish your task.

Chairman Elise stated that she wanted to make this observation. There is a key difference between this format and this one. The Finance Department format lists each individual transaction and this format just groups them. That's my observation and we have to make the decision whether we want individual transaction listed or in a group. That is my comment.

Mr. Porter said that Mr. Biron did mention that he felt for the Committee purposes to pass on to the Board the summary as it is here. If anybody has a question?

Mr. Porter replied but I guess does it really matter why it was reduced? Because the number, when we go to set the tax rate, we are going to go up there with a number.. That number is going to be a composite number of properties that have been increased, decreased, removed from the roles, tax exempt, a number of reasons. To get done into the minutia of the day to day changes of assessments. I do not know if that's needed and Mr. Biron was surprised that is what you would want. We can do this and give this to you on a .....

Chairman Elise recognized Alderman Soucy.

Alderman Soucy asked Mr. Porter on the 1993 levies on your back page. Is that as far back as we have outstanding?

Mr. Porter answered no.

Alderman Soucy then asked how far back do we go?

Mr. Porter replied that he was glad Alderman Soucy brought this up. It gives us a chance to toot our horn of what we have done in the past couple of years. We have no outstanding cases of the Board of Tax land appeals or Superior Court for 1993. We have no outstanding appeals at Superior Court for 1994. We do have about 77 individual properties that are presently pending at the Board of Tax and Land Appeals for Tax year 1994. A number of those, for example, are in the same condominium units, so we are not dealing with 77 different property owners. We may be dealing with 50 different property owners. We anticipate that within the next 6 months or so, hopefully, we will be able to clear up all of our back log for 1994. Now the 1995 appeal period we do not know yet how many people have appealed because it just ended July 8. Right now, we will be going to the Board of Tax and Land Appeals next week. We will get a print out of what they have so that we can see what we have ahead of us.

Alderman Pariseau asked if he had any for 1995?

Mr. Porter asked locally.

Alderman Pariseau said yes.

Mr. Porter answered they had about 800 for 1995.

Alderman Pariseau continued by asking if these had been addressed.

Mr. Porter replied no, that people have appealed. We have addressed some, but others that we haven't been addressed because of the Statute, if we don't address them within a certain time frame which is Statutory Denial. They then have the opportunity to go Superior Court. We do not anticipate and we have seen, we knew this, that it would decrease over the years. Next year, we anticipate a substantial decrease, because there is some good news that the market itself is improving. So that a person who looks at there assessment and looks at there market value they realize that they are being treated fairly. It's difficult we are in a ratio of 116%, people have a difficult understanding that their assessment can be greater than the market value. But this is set by the Department of Revenue Administration with the equalization ratio. Let me hand out the report that we did make which is basically in the same format and I think you will hopefully be pleasantly be.....

Chairman Elise asked if it was the same format as this?

Mr. Porter answered no that was the old one. We did not get a chance to that one. We just got that one at 11 o'clock this morning from Mr. Biron.

Alderman Soucy asked if Mr. Porter had anything outstanding prior to 1993?

Mr. Porter replied oh, no.

Alderman Soucy stated nothing.

Mr. Porter answered that was right. Absolutely, nothing prior to 1994. If you take a look at this, and one thing that we would like to point out on the tax base you will notice that it went from \$3.670 billion to \$3.673 billion. It has, as we indicated, I know I mentioned this at the last meeting, because we are not (I am not going to say were out of the abatement mode at all). But by the same token, a lot of the hearings that we have been able to have are being held. We are now going to be devoting our time to the picking up of new constructions so you should see an increase of this all the way steadily up through October. We anticipate the initial projection \$9.0 million over last year will prevail, maybe \$1.0 million more or less. It's a little bit hard to define right now because everything, as we mentioned, is still a projection until we finalize everything in October when we go up and set the tax rate. The exemptions are pretty static we add those to qualify as of April 1 and we remove those who have passed away and are no longer eligible obviously for an exemption. That remains fairly static from year to year. I think that after a while you probably will only want quarterly reports. It's totally up to you. The other thing is in certain formats to get a batch update, I would like to take one minute just to explain, so that you do know. Our computer has basically, if you look at it has two sides. One is what they call the varitas side, that's a name I do not know where they

got it, must be a trade name that the software people use. That is the side that we do the appraising and the computer does the actual calculations. The archos, which is the on line billing system, the revenue collection on line system, that is where the totals are generated from any of the transactions that we make during an individual day. In order to do it on a daily basis and to get daily balances would require at least 2 hours additional work from the Info Systems running time on the computer. It would cost us several hours a week to produce that. It would produce a lot of information that quite frankly wouldn't be needed for the purposes that you have in mind. We have always said that if anybody has a particular question in an individual number or property we will make ourselves available to you. I do not mean to minimize it. But I think sometimes checking the tax base of \$3.677 billion on a daily basis is like emptying the ocean with a thimble every day and checking the water level. It really does not have a great impact on a daily basis where on month to month you will see some changes. This point on, you are going to be seeing some changes on the positive side, that does not mean that we are adding everything to it. That means some of them have been reduced and others have been increased. The increases have outweighed the reduction. This has gone on as long as assessing has been done. You have reductions and additions depending on the time of year, don't forget that looking at a particular number at any particular time, is like taking a photograph of that particular situation at that time and it changes daily. I think for simplicity sake we would like to try what the auditors have recommended which was their intention initially when they recommended the management letter that we make a report of this nature.

Chairman Elise asked whether Mr. Sherman had an opinion in regards to the format or do you want to wait and get one.

Mr. Sherman said that actually the only real difference between the two is this is detailed and this is a summary. It depends on what the Committee wants. I would say start with the summary. It's going to be less work for the Assessors initially and see if it gives you the information that you want. Again, our goal is to try to have a starting number and tie to an ending number. That's what you have on these reports. It's pretty much the same thing again we took every one of these years and we put it on a separate sheet of paper because we have more detail.

Mr. Porter stated that what they could also incorporate, every time we do a batch update, we get a report with every transaction that we make. There is a summary of the additions and subtractions and it does show the change on every individual property. We could include that with the format. I think what you are going to find though eventually, we could provide you with enough information you would need Ray the Mover to come down every day to bring it up. The point is to try for us to keep it as simple as possible and yet accomplish your goal. I guess what is the goal of the Committee.

Chairman Elise replied that she thought the goal of the Committee would be to go more towards an individual transaction to see exactly how each of these things got to the numbers that they were. I know some people feel uncomfortable with having residents listed here but I think that was the intent of some of the people who wanted these numbers. They wanted to see how the numbers arrived at, not necessarily, in a grouping but individually.

Mr. Porter said that the auditors themselves had recommended a summary.

Chairman Elise stated that was the next thing she was going to say. The auditors how would they feel if....

Mr. Sherman said that Melanson and Greenwood they are the City's Auditors.

Chairman Elise asked how the rest of the Committee felt about the two formats.

Alderman Shea said that as far as he was concerned, I would say that the purpose of the Assessors reporting to this Committee was if there were any concerns that anyone had. Not just the Committee members but the members of the Board there would be something that would be referable. In other words, there would be some frame of reference. I do not see the need for individual situations if it's going to cause a tremendous amount of work at the Assessor's office. Obviously, if the Finance department and the other members of the Committee are comfortable with this, it's fine with me. I think the intent was to allow the Assessors some forum in which they could report to the Committee so that there would not be any problem in terms where the figures are derived. I concur with Mr. Porter, obviously, that you cannot have a minute to minute assessment of a tax base that's of \$3.0 billion. It's just not possible. I do not know how different this particular form would be compared.

Mr. Porter answered that this was more simplified, Alderman, In order to do that, we'd have to do batch up every day. That would require, as I said, additional work for us at any rate, but it would be 2 hours additional computer time. I think if we all recognize that computer time, or any job, there is a cost attendant to it. I guess you end up with a lot of information. Is it important to know the name of the person whose property was adjusted? I do not think so, it makes good reading, but I do not think it has any bearing in the nature of the report that the Committee would want. I think as Alderman Pariseau pointed out earlier unless you get into what is the scope? What is the purpose? Are we doing a minute by minute view of what the Assessors are doing? I think that this gets a little bit of the realm of kind of a micro management situation. I think for the sake of time because our records are public information. We do not dispute that, no dispute whatsoever, but like I said to give you reams and reams of additional information. If it is not useful and able to be used, I think that part of this game as Alderman Shea pointed

out, tax payers often times will ask what's going on? Well, I think this summary, gives you the overview basically of what is happening. The change to change situation you will get that when we produce the batch update. We do it twice a month, anyway. So it's not any extra time either for us or the information system. You will see it list every property that's been changed, the before assessment, the after assessment, the amount of net change, the additions, the deletions and so forth. That would give quite a bit more than you have here and then it comes to the point of how much time you are really going to have to spend. I think with the schedules that you all have you need another 2 hours in a day as it is.

Alderman Shea asked where it said other, describe other.

Mr. Porter said I do not know, Alderman. When I spoke to Mr. Biron, today. I did say that we may have some questions and he told us he'd be glad, this is not costing the city any more money to do with them. That was a question I asked because I wanted to make sure they were not going to charge us if we asked him information. He said no, by no means, because he wants to help us through this and provide you with the information you need. As far as, I think what counts to is this overlay, not a check goes out of here that we don't produce the documentation, the name, the map and lot, address and type to the finance department.

Chairman Elise asked whether or not we want this to run at the next meeting.

Alderman Soucy moved that the Committee accept the summary format that was submitted by Melanson and Greenwood. Alderman Pariseau duly seconded the motion.

Alderman Pariseau said he had a question for Mr. Porter. On your listing of settled, I guess the appeals that were settled. You have the assessment value.

Mr. Porter said that Mr. Nichols would have this right at the top of his head. Which page are we looking at.

Alderman Pariseau said the section where it starts down at the bottom.

Alderman Hirschmann added that it said settled in Docket # column.

Alderman Pariseau said it starts at the bottom of the page. It says cases settled.

Mr. Porter okay I see. Alderman what is your question?

Alderman Pariseau stated that it says assessment. Is that the revised assessment figure or is that what they were appealing. If so, we do not have an amount of money that was rebated.

Mr. Porter answered that you would on another form.

Alderman Pariseau asked on that other one?

Mr. Porter agreed on that other one. Every refund or credit given is list on that form.

Alderman Pariseau continued by asking that would affect the taxes

Mr. Porter said to answer your question Alderman. That is more than likely the assessment that they appealed.

Alderman Pariseau repeated that they appealed.

Mr. Porter answered right. Now that other report the batch update would give you that information. This is now were we start to get into one number for the other and we will provide you with that batch update next week, sorry, I mean next month. I think you will see we can go over what that means.

Alderman Pariseau continued by saying not to pick on any one person. On your last page, map 775, lot 025, 1322 Goffstown Road. Is that a duplicate or does that individual own those two pieces of property? They appear to be the same.

Alderman Hirschmann asked what numbers were they, Leona Dykstra.

Alderman Pariseau repeated 1322 Goffstown Road.

Mr. Porter said that he would have to....? It's possible that this may have been two years or it's possible that it was a duplicate. These are condos.

Alderman Pariseau said that would change that overall figure.

Mr. Porter then said that he saw. These are cases that are the ...

Alderman Pariseau stated that they settled.

Mr. Porter said that had to have been listed twice. She did not get two ...

There being no further discussion, Chairman Elise called for a vote on the motion approving the summary format. The motion carried with none recorded in opposition.

Alderman Hirschmann said that he just had questions. It's good in a way, we are watering down what was sent to us. It's definitely going to make it easier on these fellows. I do not think we need to know each and every little detail. But I think there's some large properties like New England Life Insurance which is listed in here for \$19.0 million at 1000 Elm Street. It's just an open abatement. I think that is the type of thing that the Alderman would want to worry.

Alderman Soucy added that she would like those at the bottom part of what you handed out the narrative summary.

Mr. Porter said that this is now where you get into the, I guess because it's a large appeal, all that means is that someone has appealed and they have a larger assessment. We now get into the nitty gritty of the Assessors function as to who appealed, gee that's a lot. I think the fact that they appealed is basically what you are looking for, when you say highlight.

Alderman Soucy said maybe the largest ones.

Mr. Porter said that there appeal from our perspective is no different than the little house on Gray Street. It's just a larger assessment. The process is the same. The decision that we make, the result that we come up with whether its big or small is going to be based on market value of the property and on appraisal. These obviously take a lot more time. It has no significant whether it's large or small. A couple of years ago you would have seen a tremendous....

Alderman Hirschmann said that the bank wanted to solve everything. I notice that there are still some of those properties listed.

Mr. Porter agreed absolutely, there are. Some of these have filed or will be filing to Board of Tax and Land Appeals. The size of the appeal is really no different to us except that it's a bigger number. It really does not require any more explanation.

Alderman Hirschmann wanted to comment that he thought that some of the other Aldermen that he spoke to, their concern was those large numbers. They worried about the city's exposure on these large abatements. A lot of little residential units, we do not care if they become abated a couple of \$100. But when a big building like this if they get abated \$1.0 or \$2.0 million that's a big impact.

Mr. Porter said not to forget that we have already estimated for that. In the 16 years I have been on the Board of Assessors, we have never put the City into a deficit in the overlay. I think the decision as to what the abatement would be obviously rests with the Board of Assessors and as far as reporting it, of course, it is a concern. One abatement on a large property could be 100 of the smaller kind, we are very well aware of that. As far as knowing that it exists, I guess here again, and I do not mean to be cavalier about this. What is the benefit of knowing it? You know that the Plaza has appealed it, we certainly the assessment function....

Alderman Hirschmann said not to cut you off but the fact that we know. We do not read it in the Union Leader and we are Aldermen we look stupid. That is what I think they are trying to bring to the foreground. Could you give us a list of any property \$20.0 million or more that is being abated.

Mr. Porter said that is what he was going to ask? Absolutely, if you set a figure with a number.

Alderman Hirschmann continued by saying \$10.0 million or some number. That way Central Paper Products is on here 4 properties that is \$4.0 million. There is a lot of big commercials on here. I think that those are the exposures that the Aldermen want to worry.

Alderman Pariseau said that he is not appealing the entire \$2.0 million.

Alderman Hirschmann replied that he did not think that we are necessarily worried about them. It's just you want to see it on a piece of paper. And say, oh yeah, then just put it aside, then just make a mental note of it. So that when you read it in the Union Leader someday that the Dartmouth Bank building is worth \$3.0 million instead of \$9.0 million. Well, that's were our money went.

Alderman Pariseau said tax base.

Alderman Hirschmann continued by saying that he thought the summary would be fine with some kind of a large scale quarterly thing, I do not know.

Mr. Porter said that's fine.

Alderman Shea asked when you fellows sit down and you get a large request like for instance. These people will appeal it and therefore it goes to the State it will be like that process. Is that how you do it sort of through experience, that you know.

Mr. Porter asked that we know they are going to go to the State?

Alderman Shea replied no. That you know a reasonable amount of assessment would be in order.

Mr. Porter responded that we started this a couple of years ago and what we have done to estimate the overlay. I think this addresses that is really key. The large properties are key to what as we as Assessors recommend that we put into overlay in order to protect the City. The potential exposure, obviously on a NYNEX, is much greater than the house on Gray Street. So, we recognize this and there are industry standards, if you will. We have estimated for estimate purposes that the exposure, if successful could be around 17 to 20 percent. So, to be conservative, we would take 20 percent; that does not mean we grant them 20 percent. What we are saying is we would want the city to put away in the overlay 20 percent. Then when the case is settled and we did notice that it added up this year. It came to approximately 15 or 16 percent when we took a sampling of various cases in how the settlements came in. Some settlements, for example, there may be no abatement whatsoever on this. There maybe I think we do not know that till we get to hear a case. A case like this, obviously we are going to go to greater lengths to have them provide more information. Income information, projection, leases and so forth. If you would like to set a particular amount that we could include on a separate sheet. Any appeals over a certain amount that are at Superior Court or Board of Tax and Land Appeals.

Alderman Pariseau said that we get them now, anyway.

Alderman Hirschmann said that these were for 1995 but for 1996, maybe. \$3.0 Million and above something like that.

Mr. Porter said whatever you would like to send.

Chairman Elise said that sounded high.

Alderman Hirschmann added that was commercial. You are not going to care that Mary Jones or Leona Dykstra got an abatement.

Chairman Elise said the total property value.

Alderman Soucy agreed that the abatement might be \$100,000.

Mr. Porter said that would be on the abatement sheet. We would still provide you with these other sheets.

Chairman Elise said okay. That's fine.

Alderman Hirschmann continued by saying that he thought that was the concern. That we really don't want to see figures of \$64,000.

Alderman Shea said that he was not sure that Mr. Porter answered his question. My question was, maybe you did, but I cannot grasp it. When somebody comes in and asks for an abatement, the Assessors sit down together, and you three folks, I think have the power to lower the assessments. Is that correct?

Mr. Porter said that was correct.

Alderman Shea stated that the process you use, would be a process whereby, you would say well this was assessed for \$10.0 million. But because of the Market Value now we know that it's only \$6.0 million. Without them filing an appeal, you can grant that abatement, is that right?

Mr. Porter said that they have to file an appeal.

Alderman Shea said excuse me. They do file an appeal, but once they file the appeal you can grant them that abatement.

Mr. Porter said that was correct.

Alderman Shea continued that if they are not satisfied with that, then they can appeal your particular judgment to go to the State. Is that correct?

Mr. Porter said that our decisions have the weight of law, it's a quasi-judicial board in that the decision we make is legal. Unless and/or until overturned by the Board of Tax & Land Appeals or the Superior Court, which then can be overturned by the Supreme Court.

The decisions of the Board of Assessors make have the weight of law behind it.

Alderman Shea asked whether or not he could appeal their decisions.

Mr. Porter said only on matters of law would you take them to the Supreme Court. Very seldom is an assessment case in the State appealed.

Alderman Shea asked who comprises this BTLA.

Mr. Porter said the Board of Tax & Land Appeals, it's a four member board. Three people who are nominated. There all appointed by the Supreme Court and confirmed by the Executive Council. One must be an Attorney, and they basically are the appeals to

determine assessments in the entire State. They have the power to overturn or direct a lowering of an assessment or an abatement, as does Superior Court.

Chairman Elise stated that we were going with this form and no one was opposed.

Chairman Elise addressed Item #6 of the agenda:

- . Copy of a communication from Joan Gardner, Tax Collector, submitting programming changes which will be required relative to additional fees for auto registrations.

Chairman Elise recognized Alderman Soucy who had something from the Traffic Committee.

Alderman Soucy said that this was the Traffic Committee's recommendation. Basically, we felt that the Veterans exemption, Military exemption, should be continued in relation to the additional fees. Also that we do a dollar fee for special vehicles. There is certain altering vehicles or kit car type vehicles, that right now aren't charge based on the millage rate like regular cars are. There just flat fee. They just pay like \$25 or whatever the dollar amount is and we felt there should be a dollar surcharge on those specials.

Alderman Pariseau said that he had a problem with the Committee coming up with the Military and Veteran exemptions. They ought to be able to pay that fee. I have to pay it. I will tell you that I will not be going....

Mr. Sherman said that this was a different fee.

General discussion followed.

Mr. Sherman said that the Aldermen put on our auto registration. One was the "Reclamation Trust" was for the dump.

Alderman Pariseau said that was \$13.

Mr. Sherman said \$3.50 or something like that.

Alderman Pariseau asked what was the other one?

Mr. Sherman said the other one was going to parking and that one is based on the value of the vehicle. And currently when you pay your base auto registration, Veterans and

Military they get an exemption. That's what Joan Gardner was asking. Do we want that exemption to be extended for this fee? The Traffic Committee said yes they do. They get an exemption now they should get an exemption then. Not for "Reclamation Trust," they still would pay that and they can take there tires to the dump with a tow truck.

Alderman Pariseau asked what about the parking?

Mr. Sherman said they would get the Veterans and Military exemption based on the Traffic Committee's recommendation.

Alderman Soucy said that they are trying to get on their auto registration.

Alderman Pariseau continued by saying that they will not have to pay whatever, that \$13. That's what we are saying.

Mr. Sherman said right.

Alderman Pariseau asked why not? They can be exempted from there car registration but they ought to pay the \$13.

Alderman Soucy said that \$13 was their auto registration.

Alderman Pariseau said that they will be taking care of that parking problem that all of us have to pay. I mean we give them an exemption for their properties that amount to how many thousands of dollars. I have nothing against Veterans and Military but, let's call a spade a spade. I would be opposed to exempting those Veterans and Military from those fees.

Alderman Shea asked what are we talking about here?

Mr. Sherman said were talking about a very small number.

Alderman Shea asked whether it was less than 12 people.

Mr. Sherman said no. I'm not sure, when I talked to Ms. Gardner about it, she said were probably talking about a couple of thousands of dollars. It's not a lot of money, especially when we are talking about just incremental fee. Then again it's based on the vehicle.

Alderman Soucy stated that the number of people that would be eligible for the full \$13 is only the number of Veterans of Military people who have brand new cars.

Alderman Pariseau said I have to pay \$26.

Alderman Soucy answered why not?

Alderman Shea said the way ...

Alderman Pariseau continued by saying in addition to my registration. They do not pay registration nor would they pay the \$26 if they have two cars.

Alderman Shea said excuse me. Are these their own personal vehicles or are these military vehicles.

Alderman Soucy answered no these were personal vehicles.

Alderman Shea continued by asking that these are people that are in the service. Is that correct? Stationed in Manchester.

Alderman Soucy said that was right.

Mr. Sherman stated that they are either 100 percent disabled that's the first one. Or if you are currently in the Military. Again, it's not.

Alderman Shea said that he cannot see somebody that is 100 percent disabled. There is no way I am going to charge them any money. That's a no brainer.

Mr. Sherman said that the second one is station in Manchester. I am not sure how many people qualify under that. It's not a lot of money.

Alderman Pariseau said that's not the issue.

Mr. Sherman said yes, he knows.

Alderman Pariseau continued by saying that the issue is that we have elderly people that are going to have to pay the \$13 plus the \$3. Now, let's be fair. The Veteran's aren't paying a dime for registration, they can pay the \$13 and the \$3.

Mr. Sherman said right.

Alderman Soucy stated that the Veterans are 100 percent disabled. There not just Veterans.

Alderman Hirschmann said that it did not say that.

Alderman Pariseau asked what do you mean there not Veterans? Disabled Veterans?

Mr. Sherman explained that it's a Veteran that is 100 percent disabled that qualifies for the Veterans exemption.

Alderman Hirschmann said and they cannot drive.

Alderman Pariseau added nor do they pay property taxes.

Mr. Sherman said they pay property tax but they get a ....

Alderman Pariseau asked and what is the total \$750,000?

Mr Sherman added the Veterans and elderly.

Alderman Pariseau said not the elderly is \$66.0 million.

Mr. Sherman said no, no. Your right the Veterans, the elderly is \$66.0.

Alderman Shea said there was no way, if a guy is 100 percent disabled that I am going to charge him. No way. If a guy or woman, is willing to go to war and is 100 percent disabled, I think they deserve.

Alderman Pariseau responded that they would not be driving cars.

Alderman Shea said that basically somebody has to drive.

Alderman Pariseau said that is why your handicap plates are abused. Because someone has, you have 40,000 people that have plates that should not have them.

Alderman Shea said Alderman Pariseau if someone is 100 percent disabled they defended our country.

Alderman Pariseau responded with they should not be driving.

Alderman Shea said that they should be entitled to an exemption of a few bucks. They gave their life for....

Alderman Pariseau said that they are not paying any registration.

Alderman Shea said that he would not have wanted to go in the service and be 100 percent disabled and then the community I come back with....

Alderman Pariseau said they are getting a property tax exemption.

Alderman Shea said that they should. They deserve it.

Chairman Elise added they cannot work.

Alderman Shea said they richly deserve it. They may be blind, they've defended there country.

Alderman Hirschmann asked whether or not we could separate these two things and vote on them. The first thing, it's a dollar for the special vehicles and then it would be the Veterans. Separate it in two and then go on, I mean.

The Clerk stated that the way the procedure would be. This is the report that is coming out of the Traffic Committee. It will go to the Board of Mayor and Aldermen at the first meeting in August. If this Committee issues a separate report you have to vote on which report to accept that at the Board level.

Alderman Hirschmann responded with that the way this is worded, Mr. Bergeron. This is real blunt. This is very poor.

The Clerk said that he understood you are wanting to separate the two issues. I just wanted to make it clear.

Alderman Hirschmann said that there are two specific things here. The dollar addition I would be opposed to that, but I would not be opposed, probably to continue the other thing. This is two separate items.

Alderman Soucy said that it was sent to us in one communication. So we addressed one single communication, that's how we address it.

Alderman Hirschmann said he voted no then. You want to make it simple then, No.

The Clerk said that he just wanted to make the Committee understand that if you give a separate recommendation other than what Traffic does. Then the full Board will have to take a vote on it.

Alderman Pariseau asked why did Traffic come in with a recommendation.

Alderman Soucy said because it was sent to us, first.

The Clerk said it was sent to both Committees.

Alderman Soucy repeated that it was sent to both Committees and we met before this one chose to or scheduled to.

Chairman Elise asked Alderman Hirschmann if he would have a different vote for each item.

Alderman Hirschmann said that he did not believe in the mil rate. I did not vote for those mil rates anyway. I am not going to vote to add a dollar to any registrations. If this could be separated, I could give the Veterans their exemption, that's what I was saying. If you do not want to do that, I was voting no on the whole thing.

Alderman Soucy moved to the report of the Committee on Traffic. Alderman Shea duly seconded the motion. Alderman's Pariseau and Hirschmann were opposed.

The Clerk stated it could be turned back to the Board without recommendation.

Chairman Elise stated we would go with the recommendation of Traffic as it did not go here.

Alderman Pariseau stated if you support it, vote yes and then we can go on to the next item. That would be our same recommendation, and the report to the Board would be both Traffic and Accounts, make that recommendation.

Chairman Elise stated I didn't vote for the millage rate, so I'll have to vote against it because I didn't vote for the whole concept. So, it is a two to three to deny, but it will go to the full Board.

Alderman Soucy stated you now needed a motion to deny, the current motion was defeated so there's no motion in existence if you vote.

Alderman Pariseau asked which way did you go? You did not support the Traffic Committee report.

Alderman Hirschmann said the nays took it.

The Clerk said that Alderman Soucy was right, we need a motion to deny or to take no action. You need something, you have to vote on something.

Mr. Sherman said you have to dispose of the item somehow.

Alderman Hirschmann motion that we dispose the item. How is that?

Alderman Pariseau motion that we table and check with Ms. Joan Gardener to see how many 100 percent Disabled Veterans drive vehicles.

Alderman Soucy stated that the total revenue from, if we deny the exemption, the total revenue would be less than \$2,000.

Alderman Pariseau said that he did not know that.

Alderman Soucy said that Mr. Sherman just told you that.

Alderman Pariseau said he did not say the amount.

Alderman Soucy said yes he did. He said less than \$2000 when he talked to Ms. Gardener.

Mr. Sherman said the specialty brought in vehicles were talking about is those kit cars that make look like an MT.

Alderman Pariseau said he did not hear that, less than \$2000.

Chairman Elise announced that Alderman Pariseau was changing his vote.

General discussion followed where Chairman Elise advised that she would again call for a vote on the motion to accept and support the Traffic Committee Report

Alderman Pariseau noted that it was not work the aggravation it was less than \$2,000.

Chairman Elise called for a vote. The motion carried with none recorded in opposition..

Chairman Elise advised that Item #8 would remain on the table.

Chairman Elise addressed item #7 on the agenda:

. Communication from Tina Parsons, Revenue Administrator,

submitting a listing from the City's Police and Aviation Departments of uncollectible account receivables for the Committee's consideration.

Chairman Elise continued by saying that these were actual services rendered that were thought to be paid by State or Federal Agencies for the street sweeper.

Mr. Sherman stated that the police ones that they thought they were going to be reimbursed.

Alderman Pariseau asked how much money do they have in their drug account.

Mr. Sherman responded the City. City has probably about \$40,000 or \$50,000 in the account.

Alderman Soucy said but they cannot use it.

Mr. Sherman said that the City is going to have to pick up these bills. They thought they were going to be reimbursed from the State Agency. The Agency is not going to reimburse them for the full amount.

Alderman Pariseau asked why it wasn't deducted from that.

Mr. Sherman and Ms. Parson both said It will be.

Mr. Sherman said that when you write these off it will be.

Alderman Pariseau asked on aviation, why is that here?

Mr. Sherman responded that most of those are billing errors.

Chairman Elise surprised asked billing errors?

Mr. Sherman said yes, that they bill people for a year and they should have billed them only for 6 months.

Alderman Pariseau said that does not affect the City revenue.

Mr. Sherman responded no.

Chairman Elise stated that we had to adjust our 1996 line item. What line item are we going to have to adjust?

Mr. Sherman said that it's going to have to come out of the Narcotics Fund for the policemen's.

Alderman Pariseau stated that it was not going to affect the police departments funeral fund.

Alderman Hirschmann said that the way the paragraph is worded that it's almost a temporary policy because of the low fund balance. Should they get a good fund balance or will the Attorney General change his mind and pay some of our invoices in the future.

Alderman Pariseau replied that if we get the money it will go back into that Drug Fund.

Alderman Hirschmann asked whether or not we are going to bill them in the future.

Mr. Sherman replied that even when you get into the State's fiscal year, which you are currently in.

Alderman Hirschmann said that's what he is asking.

Mr. Sherman responded that he did not know if he is going to pay for the back but you will be able to pay for future ones.

Alderman Hirschmann said that some of these invoices generated in the second quarter 4/2, 4/2 and 5/9 what if we send those up again. Do we want to just write off everything or do you want to extract a little money out of the State?

General Discussion followed.

Alderman Hirschmann noted that some of these invoices are...

Alderman Pariseau asked where the police or the airport?

Alderman Shea said April of 1996 is the last one.

Alderman Soucy said that the State was in deficit now. It's doubtful.

Alderman Hirschmann said that your recommending full write off and then just rebuild future ones.

On motion of Alderman Pariseau, duly seconded by Alderman Shea, it was voted to recommend that the invoices from the City's Police and Aviation Departments of uncollectible account receivables be written off.

Chairman Elise addressed item 8 of the agenda:

Discussion relative to the Recodification of City Ordinances  
relative to Chapter 8 "Finances".

On motion of Alderman Soucy, duly seconded by Alderman Pariseau, it was voted to  
table item 8 at this time due to the lateness of the meeting.

**TABLED ITEM**

Discussion with representatives of the Finance Department  
relative to the revenue policy.  
(Tabled 3/26/96)

This item remained on the table pending further update requested for next meeting.

There being no further business to come before the Committee, on motion of Alderman Hirschmann, duly seconded by Alderman Soucy, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee