

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

August 12, 1997

5:30 PM

Chairman Elise called the meeting to order.

The Clerk called the roll.

Present: Aldermen Elise, Soucy, Shea, Hirschmann

Absent: Alderman Pariseau

Messrs.: Randy Sherman, Tina Parsons, Paul Porter, Steve Tellier, Joan Gardner, Brent Lemire

Chairman Elise addressed item 3 of the agenda:

Ratify and confirm polls conducted July 15, 1997 approving requests from the City Clerk and Tax Collector for funding of attendance at various conference and training sessions scheduled for FY1998.

On motion of Alderman Soucy, duly seconded by Alderman Shea, it was voted to ratify and confirm the polls conducted.

Chairman Elise addressed item 4 of the agenda:

Communication from the Deputy Finance Officer requesting funding estimated in the amount of \$650.00 for one Finance Department employee to attend the annual New York Cash Exchange 1997 Conference from September 3-5, 1997 in New York City.

Alderman Shea asked was this usually in their budget.

Mr. Sherman replied yes. If you'll recall what you did as part of this year's budget was to take everybody's travel out and set aside a travel contingency this year which requested that everyone come back to this Committee for approval, so that is why you are going to be seeing this all year.

Alderman Hirschmann asked would this be driving or flying.

Mr. Sherman replied it would be flying. We go through Fred Testa and get reduced rates.

On motion of Alderman Hirschmann, duly seconded by Alderman Soucy, it was voted to approve the funding request submitted by the Deputy Finance Officer.

Chairman Elise addressed item 5 of the agenda:

Communication from the Industrial Agent requesting funding estimated in the amount of \$820.20 for attendance at the annual conference of the Northeastern Economic Developers Association from October 5-7, 1997 in Cooperstown, New York.

Alderman Soucy moved to approve the request for funding submitted by the Industrial Agent. Alderman Shea duly seconded the motion. The motion carried with Alderman Hirschmann duly recorded in opposition.

Alderman Hirschmann stated it's \$200 a night for his hotel room, that's kind of expensive.

Chairman Elise addressed item 6 of the agenda:

Communication from the Revenue Administrator submitting a listing of uncollectible account receivables and requesting adoption for write-off; and suggesting the adoption of an amendment for any receivables which the Committee may feel justifies additional research.

Alderman Soucy stated I know we've done these before, just refresh my memory. These are not only people who have either gone into bankruptcy or who have refused to pay their bills so that you can't fine, some of this list also includes mistakes on our part or items that were in dispute that we have resolved and as such we are assuming responsibility for, is that part of it.

Ms. Parsons replied it can be. What happens is when I put this list together and send them to the departments asking them to verify if, in fact, these are still outstanding in their departmental record and if there are any modifications. Now, I'm aware of one on this listing in the open amount this American Chemical Works has been in an outstanding bankruptcy since I joined the City. We did, in fact, get a check for settlement, so the amount that is outstanding on this is about \$800 less, however, the majority of that will have to be written off because it is totally uncollectible for bankruptcy. The one at the top Business Express is again a bankruptcy settlement and that \$29,000 will have to be written off because of what we got in that settlement. The rest, the collection fees are that which are still outstanding because they were sent to collection and that is the fee that the agency collects on our behalf. Some actually will pay the agency fee, they're billed it, but by law they are not required to pay it. So, if they pay it it's great and it's a bonus to the City, but if they don't we end up having to write that balance off or forward to collection. These have all been forwarded to collection and unless a department has indicated to me that they can't find them or that they are in fact in error these are what are still outstanding. There are some issues on some of these especially...and Brent can speak on this...the Fire Department issues, but some of these are actually in the City Solicitor's Office for action. The problem comes so far as when you look at the 93's and the 94's, it is my understanding that once they're three years old they are by law uncollectible. So, unless we use some way to enforce this through our ordinances or as Randy and I have discussed we don't have a policy that allows us to put late charges or interest on any of the fees that we bill people for services. So, as long as we don't have some way to motivate people to pay these things timely and it seems to me as Alderman Soucy pointed out my couple of times doing this that it seems to be the same businesses that reappear on this list and perhaps what we need to do is reexamine why it is these businesses are showing up and give department heads a vehicle and a mechanism for enforcement.

Alderman Soucy stated under the invoice numbers, I see some of the departments are marked off like Aviation, Parks & Rec, Fire, etc. what are the other invoice numbers that have just a series of zeros and end numbers.

Ms. Parsons replied they're a reoccurring bill, so it might be an annual bill and the system numbers them automatically.

Alderman Soucy asked what type of service would they have been.

Ms. Parsons replied Fire Department alarms.

Mr. Sherman stated most of those are the call boxes, Fire and Traffic are the only ones that get the automatic billing.

Alderman Shea stated a School like St. Casimir's or Moore Center would there be fire alarms going off or what.

Mr. Lemire stated I've come here to see if we could, like Randy and Tina have said, get some assistant in trying to collect some of these. There should be no excuse for some of these people appearing on this list and not paying. The problem that we have had is like they say we don't have a vehicle or a mechanism to enforce this. If some of these are charged off these people in here are just turning around and laughing at the rest of the people in this City who are paying that \$480.00 fire alarm box user fee. What we have been attempting to do and we have been working at this for over a year-and-a-half especially the buildings... occupancy permits that people stay or live in them, they need to have fire alarm systems. You'll notice on here that several names appear more than once and we have made every attempt, I have talked to these people, we have sent them second and third notices by hand. I finally went to the City Solicitor several months ago to get his opinion as to how we could remove the box from the building. If we remove the box from the building they cannot operate, they have to close up but we need the Building Commissioner to pull the certificate of occupancy once that happens and we're still attempting to get the Building Commissioner to rule on which ones that he feel that we can do that with and there are several on this list that we can apparently do that with. But, unfortunately, it is taking an inordinate amount of time for us to work through this and we feel strongly that some of this money is collectible if we can go through this process. It's a tedious process of having to pull the certificate of occupancy, but there is a mechanism and we need to be able to do this.

Chairman Elise asked which one would we be able to pull the certificates and which ones not.

Mr. Lemire replied I believe the Building Commissioner has an opinion as to which ones, we're waiting for his reply. He called me today, but I wasn't able to take the call. I had called him a couple of months ago and asked him to go over the list because I don't know that he shares our opinion with all of the buildings that we would like to say okay, we're removing your certificate, close up. I don't know that he shares the opinion as to which ones. Some of them feel that they shouldn't have to pay this fee and sometimes what has happened too is that they have an opportunity to do business at some point with the City and we look in and say wait a minute, you haven't paid a bill here, okay, but then they pay up their

bill sometime and don't want to pay the collection fee and some of them refuse to pay the collection fee and we have that happen more times than we'd care to have. We make a lot of effort in contacting these people because we don't like to see this because this comes out of our revenue account and we certainly believe that the City should be collecting this.

Chairman Elise asked how do other communities handles this type of situation.

Mr. Lemire replied I don't know of many other cities around billing for fire alarm box user fees or some of the things we bill for because we are the largest City. We have the largest plant north of Boston and I don't know that this fee...I know that it's in force in Worcester and several other communities down there. I'm not exactly sure how they handle their notices, but again, certainly a way to get them to pay is to remove that service and once we do that there are some of those that would pay up and if we remove the occupancy permits I bet you you'd get a check forthcoming real quick.

Alderman Shea stated when you speak of the Building Commissioner, do you mean Armand Gaudreault, he alone, right.

Mr. Lemire replied I believe so.

Alderman Shea stated maybe we should have him come to one of the Committee meetings and talk to him about it and see if he has a problem with whatever and see if he has some explanation that we're not aware of, but there are a lot of people here.

Mr. Lemire stated I'm sure he's been busy and maybe he hasn't had a chance to get to the list he has on the ones he was supposed to get back to us on.

Chairman Elise asked, Tina, would you have a recommendation on this.

Ms. Parsons stated where the rest of the departments have gotten back to me verifying their balances and accept what I propose for their departments, I would suggest that we take off anything that is not fire box related to the specific issue of being able to have an enforcement mechanism and modify this to accommodate that and what I can do is meet with Brent at some point and come up with a new balance and let the Committee know exactly what we've written off.

Chairman Elise stated in terms of going forward though...collections...do you have a recommendation on that.

Ms. Parsons stated we have an ordinance in place, correct.

Mr. Lemire stated we have an ordinance, we just need to do this.

Chairman Elise stated we do have an ordinance that says we can remove the box.

Mr. Lemire stated I'm not exactly sure of the wording, but I know we attempted to address that the last time the Board changed the ordinances, the Fire Protection ordinances back a couple of years ago because we did run it by Armand and he had made a couple of provisions in there and so we I think accommodate him with that, but I believe there is a mechanism to do that.

Ms. Parsons stated I would also recommend to run this by the City Solicitor's Office, none of us having any real familiarity with the ordinance and can't be revoked for non-payment, it could be that that's only in place for safety hazard or some other reason and if it wasn't in place for non-payment we probably couldn't be able to pull this off and we want to make sure we touch base with the City Solicitor's Office for that. But, I think in addition, what we need to adopt either as an addition to the revenue policy that we already have is some penalties and interest and late fees into these things and perhaps this would make people pay them.

Chairman Elise stated I think we looked into that before and the idea of a penalty or interest and I don't know why we didn't go forward with it.

Mr. Sherman stated some of the ordinances that create the revenues specifically say that there will be a late fee, the City Clerk ones have it or there will be an interest charge. But, unless it is specified for a specific revenue it's not there. In this one it doesn't and maybe what we need to do if we're going to talk to the Solicitor's Office is to have them write a generic ordinance that says unless otherwise specified this is what your late fee and interest will be and as long as we

get it published on the invoice...the problem is, if it is not put out on the invoice and people are billed you can't enforce it, so we need to get it out on the invoices.

Mr. Lemire stated we may want to talk to the Building Commission too because we may need to strengthen or make it a lot easier for these boxes to be removed and the building shut down, the threat of it there because this has been a long process.

Ms. Parsons stated in addition our new HTE system allows for penalty and interest calculations on anything after 30 days.

Alderman Soucy moved all items with the exception of the Fire Department alarm boxes.

Alderman Hirschmann stated the ones that say Fire listed first like Chris Spirou it's the same amount of \$480, is that Fire.

Mr. Lemire stated it's Fire because it's a recurrent amount.

Mr. Sherman stated the system automatically bills him every year.

Alderman Hirschmann asked how do we know what year that it's from.

Mr. Sherman replied the third column in has the invoice date. Fire bills annually for that and usually in January/February for the calendar year. So, I can understand that the motion then is to write-off everything with the exception of the fire boxes for \$480.00. Then what we will do is to get the City's Clerk's Office an amended listing for the Committee report.

Alderman Hirschmann stated just so everybody knows, what Brent is discussing is the Cadillac Motel, if we go ahead with this take the box off the wall and anyone who's living in there is going to have to come out because Armand is going to have to put a seal on the door until they pay, right.

Alderman Hirschmann duly seconded the motion. There being none opposed, the motion carried.

Alderman Elise asked do we want to ask the Building Commissioner to come to our next meeting to discuss this issue or would it be better if we direct you to meet outside of the Committee.

Alderman Hirschmann asked why is the Police Department having such success with their permit and fee collection.

Mr. Lemire replied the Fire Department has great success with all of the other ones because they have a direct ability to not open if they do not pay for their place of assembly permit fees, we have direct responsibility for that. We don't have the direct ability to threaten or pull a box off in this case and I think that it is something that has caused a delay in collection.

On motion of Alderman Soucy, duly seconded by Alderman Shea, it was voted to request that the Fire Department meet with the Building Commissioner regarding this issue and report back to the Committee with the results of the meeting as well as some method of assessing penalties, as well, from the Solicitor's Office in ordinance form.

Chairman Elise addressed item 7 of the agenda:

Review of reports from the Board of Assessors.

Mr. Tellier stated this report is based as a starting date of the last reporting period. On 6/7/97 for the tax base summary the last batch update was 7/15 and that's on the first page of the tax base summary. On the overlay you'll note that budget fiscal year '98 the overlay addition of \$1.2 million and a remaining balance to date and then on the last page on that reporting feature is the evaluation summary and that is where we are with '94, '95 and '96 cases. There's only one outstanding in '94, five left for '95 and we've been whittling down the 96's.

Alderman Hirschmann asked the overlay, is that the same number that Alderman Wihby carried in his budget or is that something different.

Mr. Tellier replied no, I believe that is different. We had requested \$1.4 million and we revised it, I believe it was in June to \$1.2 million. The Mayor had put in \$1 million in his budget.

Mr. Sherman stated I believe the one million was carried forward when the Board was calculating their estimated tax rate for the budget. If we get out to tax rate setting time and the Board of Assessors feel that it should be \$1.2 million, we move it up to \$1.2 million and they have the final say on what that number is.

Alderman Shea stated the balance at the start of the period was \$762,002.50 and that's carried over from the previous year, is that correct. So, then the money that we gave was \$1.2 million.

Mr. Tellier replied that is correct.

Alderman Shea stated according to this there is one outstanding case in '94 that hasn't been adjudicated, five in '95 and 250 in '96, is that correct.

Mr. Tellier replied to be specific for the '96 cases the higher level appeals, in other words the Board of Tax and Land Appeals and/or Superior Court the filing period has not expired yet. So, at this point, they are listed as local appeals at 250.

Alderman Shea asked what do the others look like, out of the five.

Mr. Tellier replied these have not been scheduled yet...the Board of Tax and Land Appeals hearing, the one in '94, I believe, is scheduled tentatively this fall.

Alderman Shea asked what does it look like, you don't know.

Mr. Tellier replied it's uncertain anytime you go to an appeal board, but the Board is actively defending a reasonable value estimate.

Alderman Shea asked is that a large case.

Mr. Tellier replied that is a large case comprising of a 76-unit building and it's assessed at \$3.581 million.

Alderman Shea stated they want to be assessed for a lot less.

Mr. Tellier replied yes.

Alderman Shea stated it's 55 River Road.

Mr. Tellier stated it's the luxury apartment buildings.

Alderman Shea stated it's the State's Insurance Commissioner's case.

Mr. Tellier replied yes.

Chairman Elise asked does the elderly exemption reflect any new numbers regarding the requalification.

Mr. Tellier replied no, not at this time. The staff is presently adding all of that data as a result of the requalification process that was done in the month of July at Memorial High School. We're listing all of that data now, going over that information and those that were requalified, those that were denied, also any questions that arose as a result of the requalification process and there are still a number that have not come back to requalify so the Board is making every effort to get in touch with them, so that they are not in limbo and they have been notified.

Alderman Shea asked how does it look in terms of the people that qualified before and now, is it sort of even.

Mr. Tellier replied to my understanding, Assessor Nichols is overseeing that, he's away on vacation now, however, there are a number of people that did not come back. I believe we still hold by our estimate that it would remain approximately the same; that was our offer to the Board in trying to stay at a stable basis, but it's too early to tell what the final numbers were yet and we're in the process of crunching those now.

On motion of Alderman Shea, duly seconded by Alderman Soucy, it was voted to accept the report of the Board of Assessors.

TABLED ITEMS

Review of policies and procedures relative to enactment of zoning ordinance amendments.
(Tabled 9/17/96)

This item remained on the table.

Communication from the Deputy Finance Officer requesting the Board consider establishing a threshold on the amount of inventory a department can carry from one year to the next such as setting an upper limit of 1% of the department's operating budget, exclusive of restricted items or 5% of a department's non-salary line items.

(Tabled 6/10/97)

This item remained on the table.

NEW BUSINESS

Alderman Soucy asked could you just give us an update on the new computer system and how things are working out. I just have a little bit of anecdotal information. I cash my paychecks on Thursdays at the Credit Union and there's always someone inevitably in that line saying, they paid me so much this week, they paid me so much that week and it's been for about a month now and this past Thursday I heard the same thing, so I wondered how we were progressing with working out some of the bugs.

Mr. Sherman stated actually we didn't do too bad. The first payroll that we had on the new system included a teacher payroll and we actually produced less than 29 checks as replacements for what came off the system, so out of 2,200 employees we didn't think we did too bad. At this point we are down to under five or six checks on a weekly basis. We're having some problems trying to do things such as advance pays for vacation. The City Solicitor Tom Clark, we screwed up his check when he took a prepaid vacation and then when we tried to fix it the next week, it took double what we were trying to give back and we've had problems like that where we have to go out and adjust.

Alderman Soucy asked what about outside of payroll.

Mr. Sherman replied they've gone out relatively close to when they were suppose to go out. It's just little glitches in the system that we're having. The problem that we had most of all was the fact that HTE couldn't handle everything we were trying to bring up at one time. As far as trying to get people trained, obviously they have other clients as well and they could spend three days here and sometimes we overlapped them with the modules and couldn't get all of the essential meeting to every module and get them properly trained. So, we're doing a lot of catch up on the training side. We have done billings as far as the account receivables side and the account payables checks are getting out as well.

Alderman Soucy stated we've found most of the problems and are just attempting to work through them at this point.

Mr. Sherman stated it's just a matter of what's the problems now and just knocking them off one at a time. We've gotten some issues on payroll such as people are saying it's not doing this right and we look at it and say it's a four dollar problem. Well, that's alright, I'll take care of the hundred dollar problem first, the four dollar problem may go for a couple of weeks. I know we've had some employees for two, three weeks in a row we just can't get that employee right. We had somebody like Police Chief Driscoll...we were taking every health insurance deduction had out of his pay, just those types of things that we couldn't figure out what we were doing wrong, but for the most part again if we're down under half-a-dozen checks a week our problem area is solved and for the most part at this point it is all down to the School Department where those errors are. So, if you're at the Credit Union ask them if they're a teacher because I think that is where most of the problems are.

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

A True Record. Attest.

Clerk of Committee