

BUDGET REVIEW COMMITTEE

SEPTEMBER 6, 2006

A meeting of the Budget Review Committee was held Wednesday, September 06, 2006 at 9:24 p.m. in the Aldermanic Chamber.

Alderman-at-Large David W. Deane, Chair, presided.

Members of Committee present: Alderman-at-Large Fred S. Teeboom, Vice Chair
 Alderman-at-Large James R. Tollner
 Alderman Greg Williams
 Alderman Richard P. Flynn
 Alderman Daniel L. Richardson
 Alderman Mark S. Cookson

Also in attendance: Director Lemieux, Administrative Services Division

COMMUNICATIONS – None

UNFINISHED BUSINESS – None

NEW BUSINESS - RESOLUTIONS

R-06-109

Endorser: Mayor Bernard A. Streeter

**RELATIVE TO THE TRANSFER AND APPROPRIATION OF \$3,500 FROM ACCOUNT
522-12082 "IT DEPARTMENT – PROGRAMMER PART TIME" INTO ACCOUNT 522-57005
"IT DEPARTMENT - COMPUTER CONSULTANT SERVICES"**

MOTION BY ALDERMAN TOLLNER TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Chair Deane

Mrs. Lemieux, we've had a lot of questions on this piece of legislation. Can you explain the premise behind it?

Maureen Lemieux

I would be happy to. Before I begin, I would like everyone to know that John Barker, our new manager of IT would have been here except I told him that I anticipated that the prior meeting was going to go on for several hours. I offered to be the one here to explain this for you.

We had one resignation back in May or June. Since that time, our part-time programmer has given his notice. Now we have just received the resignation of a long time full time employee. We are down 2 ½ programmers in our IT department. We are looking at contracting out some services because we have many programs that need to be written that obviously are not being written at the moment. We were going to contract out the services, but when I looked at the budget I realized I had put forward a budget that had zero in the consulting line. If there was anything in any of the other consulting lines that added up to the two-digit I wouldn't be here. But

because there was no money in a two-digit line item, we cannot just establish a two-digit line. We have the money to cover this. What we are asking to do is to move the money out of salaries and into the consulting line item so we can contract to have several of the different programs written. This is technically considered a supplemental appropriation because there was no money in that line item. There will be no extra money added to the budget. We are simply moving it out of salaries in IT and into this line. It will require ten votes at the full Board. Legal ruled on it and said that because there was no money in the line it's considered a supplemental. We will not be raising the budget at all. If we had a dollar in the line item when the budget passed, we wouldn't be here. It is certainly worthwhile programs that we need written and we're just down staff.

Alderman Flynn

Every time that we transfer from this area – a part-time programmer – you are going to have to get two-thirds vote or just when you create the line?

Maureen Lemieux

It's just because we have to create the line. We may very well transfer more money as time goes on. When we had this drafted last week, we did not know that we were going to receive another resignation. This is just to establish money in the line item. Beyond this, the mayor is the person who can authorize moving money out of payroll and into other commodity codes. Either myself, as division director, and John Barker, assuming that he will be a division director very soon, is able to move money within any of the other commodity codes.

Alderman Flynn

I would have assumed that since it is a supplemental appropriation that you would have to do that each time. I was trying to understand where that number for \$3500 had any affect and I wanted to get an understanding what was going to happen with the part-time position. It was kind of confusing at the budget time what we were going to do with that position. I thought it was going to be a person working six months full time to get this project done that was needed to complete a lot of work that had been done over the 12 – 18 months to assist primarily the fire department and the police department as well. When I looked at that line, I wanted to see what we had left for money in department 522-12082. Realistically if you divide \$21,000 by 26 weeks, it would be \$800 a week that we expected to expend. We really thought we could get that done in six months. I believe Alderman Tollner spoke on that once or twice during the budget process. So far this year every week, except for the first four warrants, we have only expended \$549 a week. Are we ahead of schedule or behind schedule in completing that project?

Maureen Lemieux

We are probably on schedule at the moment, soon to be very much behind schedule beginning September 15. That part-time employee had been working three days a week. The annual salary at three days a week was about \$29,000. The \$21,000 would have bought us 8 months, 3 days a week. In the summer it wasn't his intent to work more days, but once the fall came, we talked about him working four days a week and we would have ran out of money a little bit sooner before the eight months. That employee is one of the employees who have left the city. His last day was a week or two ago. The problem with the fire dispatch project is long time full-time programmer who really was the lead on the fire system has resigned. We had a full time

and a part time working on that project. As of September 15, we will have no one working on that project. I told John Barker that we could look to contract with IMC, which is the firm that we are buying the fire dispatch system from. Our full-time employee who is leaving has at tremendous wealth knowledge of our ADMINS system. We really only have two people who know ADMINS. We may very well end up contracting with ADMINS in the next few months as we are looking for a replacement. We had been spending our money at the rate that we expected to, but you will see – I'm not sure if the person had vacation money in that line item, but I don't believe that we will go out and hire a part-time employee at this time. The fire dispatch project I'm sure will be stalled.

Alderman Flynn

I'm surprised that people weren't screaming when it wasn't going to be done in six months. That was the story we were sold. This was an important project, we had to get it done, and we had to find money for it. It was going to be done within six months. Now even with the guy who was on the project it was going to stretch it to eight months. I didn't know anything about that.

Maureen Lemieux

No.

Alderman Flynn

You said you had enough money for eight months.

Maureen Lemieux

There was enough money for eight months. We were planning on going live in October or maybe it was up to November. It was going to go live very soon. What we typically do is run systems in a parallel mode. The intent was it would run parallel with their current dispatch system for probably two or three months. I have not had conversations yet, I'm sure John Barker has, with Chief Hatfield to talk about what the fire department will be done. This is not something that the fire department wants to see, but you can't control when your employees give their notice. We certainly can't plan for that.

Alderman Flynn

But you had no problem taking monies out of this particular account to get this other project done?

Maureen Lemieux

We had to pick one of the accounts. The other one is the SQLI programmer. We chose this one. Because we have the part-time account established, if we needed more money there, the Mayor has the ability to move money from an 11 account to a 12 account. It was just a matter of picking which salary account we were going to move the money from. The work that's being done with this \$3500 we don't have really much of a choice either. A lot of the work is to write a couple of forms for wastewater. They have DES requirements. DES is requiring one or two different new forms that absolutely have to be written. That employee left and we have to get the forms written. I don't know if they would be fined, but we have requirements with DES.

Alderman Cookson

Is the \$3,500 to hire a consultant that has already been identified?

Maureen Lemieux

Yes.

Alderman Cookson

That amount is to pay for their services?

Maureen Lemieux

What we are doing is contracting with our former employee who left in the May, June timeframe. He has been working on these projects. We are contracting with him to complete them. The agreement is for \$50/hour for a not-to-exceed \$3,500. He needs to fix the report defects with wastewater applications. He is going to migrate reports to the report server. He will complete stored procedures and queries for exemption and credit applications for the assessing department. He's going to deploy and train staff on exemption and credit applications for assessing and document all of the development and prior technical support within the limits of this contract.

Alderman Cookson

And he is going to do that in a week and a half? Seventy hours?

Maureen Lemieux

Yes

Alderman Cookson

That sounds like a lot to be able to do in that amount of time, especially training and documenting.

Maureen Lemieux

He's the one who is most familiar with the work. He's the one who told us how much time he needed.

Alderman Cookson

You said a not-to-exceed of \$3,500 but you also said there was the opportunity to come back and ask for additional appropriations in case you needed additional support.

Maureen Lemieux

The contract we have with this particular individual is for \$3,500. If we decide that we need additional support, once the line is established the mayor has the opportunity. I would suspect that our new IT manager will be working closely with the Planning & Economic Development Committee, who has the charge of technology.

Alderman Cookson

Can you speak to the application that this person is writing? Do you have that information?

Maureen Lemieux

No, I do not. It's in SQL, I believe.

Alderman Cookson

It's a database?

Maureen Lemieux

I believe it is for wastewater. For assessing, it's to do with our patriot software that we bought a year and a half ago.

Alderman Cookson

You've indicated that you're 2 ½ people down based on recent turnover. Have you done any sort of exit interview to understand why they are vacating their roles and positions within the city?

Maureen Lemieux

Yes. The first individual left us for several reasons. I tried very hard to keep that person. One was money. Secondly, we did not have our manager in place. There was talk back April, May and June about what we would be hiring for a manager. I think there was just not clear enough direction for that person. The part-time person had a very good opportunity come his way. He had another part-time job and there became openings to move up in that job. His was not related to what he was doing right now, but was related to the fact that we did not have a full year's worth of money in this line item for him which made that opportunity more attractive to him. The third person who will be leaving us September 15th has a very good opportunity here in town with a very well known large employer and views it as an opportunity for expansion.

Alderman Cookson

Do you anticipate any additional turnover within the department?

Maureen Lemieux

I would not be surprised.

Alderman Teeboom

Since this fellow is familiar with the programming, could he not have fixed price that and say \$3,500 I will deliver what you have to get done?

Maureen Lemieux

I don't know. I didn't negotiate it with him.

Alderman Teeboom

It's database programming. If he knew how many forms he had to program, he could tell you exactly how long it would take and he could fix price it. Is that a possibility?

Maureen Lemieux

I do not believe it is. I know we have agreed on the contract contingent upon the money being moved.

Alderman Teeboom

If there were one dollar in this line item, you would not have had to come before us, right?

Maureen Lemieux

Correct.

Alderman Teeboom

John Barker, so far, I have high regards for. He ought to know how to manage this.

MOTION CARRIED

TABLED IN COMMITTEE

Resolutions

R-06-91

Endorser: Mayor Bernard A. Streeter

AMENDING MERIT EMPLOYEE HEALTH INSURANCE BENEFITS

- Tabled 8/14/06

Ordinances

O-06-29

Endorser: Mayor Bernard A. Streeter

AMENDING MERIT PAY PROGRAM

- Tabled 8/14/06

GENERAL DISCUSSION

Discussion ensued regarding the police department's cooling tower. Chair Deane passed out a few pictures of the cooling system. There had been a catastrophic failure of the cooling system. He explained that when they did the HVAC system they had "x" amount of dollars and had to back a few items out. Alderman Deane inspected the system with Lt. Mansfield today. They had estimated costs for replacing just the tubing (\$36,000) and also a new tower and tubing (\$40,000). Chairman Deane spoke with Mrs. Anderson. This is a capital project. He is putting in legislation to take \$40,000 from contingency and will be moving for a first and second reading next Tuesday.

Chair Deane reported that police department returned about \$970,000. The school department, which is still being worked on, is about \$2.1 million. They have to back out the \$532,000 they used during the escrow process. He attended the Board of Education meeting, as did Alderman Teeboom. Alderman Deane received information on the class sizes. He sent a list of questions to Supt. Hottel because he is concerned about 30 – 35 kids in a classroom. Alderman Deane will be meeting with him on Friday regarding the numbers. It appears that there is a small re-districting process going on being driven by the AYP and the variances granted.

Alderman Tollner asked if Alderman Deane had any conversation with the Nashua Police Department to take the \$40,000 out of their budget. He noted that they have a \$15,000,000 budget.

Alderman Deane responded that it is a capital improvement expenditure. He did have a conversation with Mrs. Anderson. Mrs. Anderson's recommendation was to take it out of contingency and then look at what we have for unexpended appropriation from the department.

Alderman Tollner stated that the committee needed to be consistent. If in the future any other department came before them, with the same recommendation from Mrs. Anderson, that this committee would say that it is a capital improvement. This is a totally different fiscal year.

Alderman Flynn recalled that they had gone through \$100,000 contingency so far, assuming the legislation passes.

Alderman Teeboom updated the committee regarding his conversation with Director Hersh wherein she suggested the federal government would pay for it if the agreement was done. He informed her the agreement with the Broad Street Parkway is a non-existing agreement, which is part of the difficulty. He suggested the legislation be amended to make the agreement as it was when Mayor Streeter initially introduced it, and fold into that agreement the amended language. He is of the belief that if that were to pass the City would save \$120,000 as the federal government would pay 80% of the \$150,000. He stated Mrs. Lemieux's opinion that if the desire was to conduct the study before proceeding the study could be made part of the original agreement with the State. Therefore the project would be no further back having done the study first, and allows for a savings of \$120,000.

Alderman Richardson believed it would be a mistake. The first piece of legislation was full of holes. Alderman Richardson stated \$150,000 is a small investment for getting it right, no matter who pays for it.

Discussion ensued regarding a member of the Board of Education's suggestion that they be given autonomy on financial decisions. Alderman Williams wondered how many candidates are going to step up to run for the board of education next election cycle that represent the working class, the retirees – not the people that happen to \$600,000 homes and enjoy a \$10,000 city tax bill. He asked what type of response he might get from the committee if he put forth legislation to entice regular citizens and seniors that have health costs to provide the board of education with a 75-25 health plan so more seniors might be interesting in running. He noted that last election cycle, ward 2, ward 4, ward 5 had no opponents.

PUBLIC COMMENT

ADJOURNMENT

**MOTION BY ALDERMAN TOLLNER TO ADJOURN
MOTION CARRIED**

The meeting was declared closed at 10:00 p.m.

Alderman Daniel Richardson
Committee Clerk