

**HOLLISTON FINANCE COMMITTEE
MEETING MINUTES
October 1, 2013**

The Committee convened in Room 105 at the Town Hall at 7:35 PM. Present from the Committee were Chairman Ken Szajda, Vice Chairperson Michelle Zeamer, Clerk Charles Kaslow, Dan Alfred, Bill Dowd and Beth Liberty.

1. Minutes – September 24, 2013 - Dan Alfred stated that the reference in the minutes to his objection to the inclusion of the draft letter to legislators should be modified to state that the issue was that, in his opinion, the letter had never been actually taken up by the Committee. It was agreed to make that change. Moved by Michelle Zeamer, Seconded by Bill Dowd to approve the minutes as amended. Five in favor, none opposed, one abstention (Liberty). September 27, 2013 Open Session – Moved by Bill Dowd, Seconded by Dan Alfred to approve the minutes of the September 27, 2013 Open Session. Five in Favor, none opposed, one abstention (Kaslow). September 27, 2013 Executive Session. Moved by Bill Dowd to approve, but not release, the minutes of the Executive Session on September 27, 2013. Five in favor, none opposed, one abstention (Kaslow).
2. Recording Secretary – Ken Szajda reported that the candidate being considered had withdrawn. Another candidate has come forward, but given that the deadline for responding to the initial posting has passed, the position will be reposted.
3. Capital Requests – Mary Bousquet, Treasurer/Collector and David Nalchajian, Accountant came to present their proposals to purchase additional software modules for the Town's accounting and financial management system at a total cost of \$64,200. (Attachment I) Mary explained that the primary purpose of these modules would be to put the system capabilities in the hands of users, whether those users are Town departments accessing data through the Report Writer, citizens accessing data and handling transactions through the Citizen Self Service module or employees accessing pay and benefit information through the Employee Self Service module. In addition to giving all those users easy access to information, and the ability to execute certain transactions on line, current demands on staff would be reduced. Steve Simmons and Karen Grosset from the vendor, MUNIS, were also in attendance and made a system demonstration on the white board screen. In response to questions from the Committee, Mary, Dave, Steven or Karen advised that:
 - a. These modules are not necessary because moving to the Cloud caused a loss of function. These capabilities would have been sought eventually even if the application remained on a local server.
 - b. Savings in staff time can be estimated, but are not necessarily hard savings because some existing staff will need to be retained to perform other tasks.

- c. The Citizen Self Service module would enable residents to access all payments due and make payment through a single cart.
- d. A move to e-billing is a possibility in the future, but additional work is needed before going there.
- e. There is constant tension between public data and privacy concerns. Most other clients have moved in the direction of providing wide public access to these systems. The amount of data accessed and the search criteria needed are up to the Town.
- f. The system would allow for management of non-emergency citizen requests.
- g. The system would also be capable of handling emergency notifications to residents.
- h. The Employee Self Service is a secure system requiring a login id and password for access.
- i. Employees would have access to pay information and history and copies of all documents produced such as pay stubs and W-2's.
- j. The Employee system is also capable of handling health insurance Open Enrollment, although that is not planned for early adoption.
- k. The Content Manager and GoDocs modules make document management, archiving and retrieval a single solution system. Documents required by multiple programs or departments would be retained as a single document accessible to all.
- l. Approximately 24 other MUNIS clients have installed these modules already.
- m. The savings identified on the worksheet Beth Liberty sent to Mary would be hard savings in the Accountant's office, and just time to be spent on other work in the Treasurer/Collector's office.
- n. In addition to the staff savings, using the e-mail capability of the modules could also save about \$5,000 to \$6,000 annually when fully deployed.
- o. The system could handle animal licenses, but it would require another module costing about \$2,500.
- p. The Town is abandoning the Fixed Asset module it purchased with the initial MUNIS cloud implementation because the delivered functionality would not be worth the effort to implement and maintain.
- q. The pricing for the financial modules is based on the Town's operating budget, the employee module on the number of employees and the citizen module on the number of parcels of property.
- r. Today, about 20% of Town bill payers use electronic systems like Unipay or bill payment through their bank. Unipay is better for the Town because the incoming payment data aligns perfectly to the invoice paid. However, the Town pays \$.25 per transaction for Unipay. Bank based bill payment costs the payer and Town nothing, but unless the resident has provided complete and accurate information about

the bill they are paying, there could be significant follow-up work required in the Collector's office.

- s. It would be good to increase the proportion of bills paid electronically, but there are some people for whom paying the old fashioned way will endure.
- t. These new modules will not affect the current lag in the accounting system between commitment to pay, paying the invoice and posting to accounts.

Mary and David were asked to a.) solidify the savings estimate and indicate hard vs. soft, and b.) obtain a positive reference from another MUNIS client that had installed these modules. The Committee took the requests under advisement.

- 4. Capital Requests – Park Commission. Kristin Hedrick, Recreation Director, Margaret Fitzpatrick, Director of Youth and Family Services and Tom Chipman, Park Commissioner came to present their proposal for replacement of the heating system at the Flagg School where their offices and work space are located. They reported that after years of suffering with no heat and repeated breakdowns, the person servicing the boiler and furnace advised them that the system will not last another winter. Their proposal is to replace the current burner/boiler with a new gas burner/boiler sufficient to heat the portions of the building now occupied and used. They have a single quote of \$38,654. In response to questions from the Committee, they advised that:
 - a. Park and Family Services use the building as a tenant of the Schools and that the terms of that use are that the tenants are responsible for all costs of maintaining the building, not the schools.
 - b. The new system would use about half of the gas of the old system.
 - c. They are likely to be at the Flagg School for some time as the discussions about a community center or other municipal facility are in the early stages.

There was a lengthy discussion about the possibility of using the Park Revolving Fund for the replacement. Kristin informed the Committee that the current balance in the fund was about \$134,000 but that about \$56,000 of that was to be used over the next few months for Park programs and expenses. Currently, the Park Revolving Fund pays for the Park portion of the building's utilities, the balance by the Town's Public Buildings budget. It was not clear that the Revolving Fund would be permitted to pay for the heating system even if there were sufficient funds. There was also a discussion about using the Reserve Fund. After trying to get an idea of the Fund's cash flow, Kristin was asked to provide a 24 month history of the Fund Balance. She was also asked to obtain at least two more quotes, which she said she was already doing. The Committee will await the Revolving Fund data and additional quotes before deliberating any further.

- 5. Fall Town Meeting Warrant – Ken Szajda began a review of the draft warrant for Town Meeting. He was identifying the Articles that will require action by

the Finance Committee. He listed Articles 1 -5, 7, 8, 9 and 12. Bill Dowd said 14 and 15 would also require FinCom action. Dan Alfred wasn't convinced that Article 14 on a proposed DPW was a matter for the FinCom. He said it was a proposal by the Selectmen that may not involve spending any more money. Ken Szajda agreed and said until he knows what the Selectmen are proposing, he's not sure the FinCom will have to act. Bill Dowd pointed out that since the departments being combined have a combined annual budget of nearly \$3 million, he couldn't imagine a scenario where the FinCom would not have to take a position. This matter was deferred until receipt of the Selectmen's proposal. Ken suggested that the Committee take up the simpler matters to get as many resolved as possible. Article 1 deals with the payment of late bills. There are late bills for Labor Counsel, Golf Course equipment repair, medical bills and bills from the Water Dept all of which total \$7,879.85. There was a discussion about how late bills happen. Sometimes bills are received after July 15 of a year and therefore can't be paid from the prior year appropriation. Paul LeBeau pointed out that there is an effort to avoid having this happen, but that the total of these bills are an extremely small portion of the Town's annual spend and the vendors need to be paid. Bill Dowd suggested that internal procedures be looked at again to further reduce this occurrence. It was then reported that the Selectmen had not yet acted on this matter. Selectmen Chairman Jay Leary stated that the Board would approve payment of these bills. Bill Dowd asked to note his objection to the FinCom acting before the Selectmen. Moved by Dan Alfred, Seconded by Michelle Zeamer to recommended that the Town pay \$7,879.85 in late bills. Six in favor, none opposed. The motion carries. Ken then moved to Article 12 regarding an increase in the fee for late licensing of a dog. Bill Dowd pointed out that the Committee had not even had a presentation by the Town Clerk on this subject. Jay Leary noted that the Selectmen support the Article, they are sponsoring the Article, and the Town Clerk made a presentation to them about the Article. Both Dan Alfred and Ken Szajda pointed out that the Committee had discussed this issue with the Town Clerk back in the spring and that the Article was just what the FinCom had suggested she do. Ken said it was trivial matter and should be dispensed with by the Committee. Moved by Dan Alfred, Seconded by Michelle Zeamer to recommended that Article 12 be approved as stated in the Warrant. Five in favor, one opposed (Dowd), no abstentions. The remaining articles requiring FinCom action will be dealt with at future meetings.

6. Next Meeting – Ken Szajda will not be present and requested that the Committee defer votes until his return. The Committee will meet on October 8 and will hope to have the Board of Health present for their budget request and will also hear from the Selectmen on the DPW proposal and the Community Preservation Committee on their proposal(s) if they are ready. Given that the next meeting after that is October 15 and the warrant needs to be finalized just a day or two later, the Committee agreed to schedule an additional meeting on October 17 in case it is needed. Selectmen Chairman Leary expressed his view that the FinCom and other boards and committees

should be working collegially together to get things done. He's concerned about creating an atmosphere of intimidation at the FinCom that could impair its ability to get the kind of information it needs to do its job. He said that excessive focus on minor issues of process and procedure could distract the Committee from the big things that need attention. He said that for example, when it comes to the DPW issue, he feels that its less important to have all the facts and figures nailed down than it is to have a commitment to the Town to improve the situation and make things better. He thinks that's what residents are really interested in. He said the process is very difficult as it is and that he hopes there can be a spirit of cooperation and mutual support as we work our way to Town Meeting.

7. Adjournment – At 10:45 PM, Moved by Dan Alfred, Seconded by Michelle Zeamer to adjourn. Six in favor, none opposed, no abstentions.

Approved _10/15/13_____

Software Discounted 50%

	Software	Implementation	Installation	Annual ASP for '15
Tyler Reporting Services TRS	\$3,750	\$2,550		\$3,750
Citizen Self Service CSS	\$6,600	\$1,275		\$2,376
Employee Self Service ESS	\$8,500	\$1,275		\$3,060
Tyler Forms with GoDocs	\$7,500		\$4,500	\$3,000
Tyler Content Manager TCM	\$14,000	\$5,100	\$1,500	\$5,040
Additional Training	\$7,650			
Totals	\$48,000	\$10,200	\$6,000	\$17,226
			Less FA	-\$3,385
				\$13,841

14 Fiscal Year \$64,200

15 Fiscal Year Increase \$13,841

Module	Service	New/ Repl	Benefit	Quantify Expected Use	Quantify Replacement Savings	Employee/ Citizen	New Hardware/ Software Required?	Other Impact/ Integration Required	Comments
Citizen Self Service \$6,600 License \$1275 Impl \$2376 Recur	Pay Taxes	Improve	improved accuracy	5600 Property Tax Bills/Annually, 13,000 MV bills		citizen	Munis is currently hosting our data and the applications. Only the module will be required	Integrate with Town Website	Allows taxpayers to get up-to-date amounts that are due. We currently project interest about for approx. 10 days when we upload the file the UniPay Gold.
	Pay Utility	Improve	improved accuracy	18,900 water bills, 3,000 trash bills		citizen			We will still be using UniPay Gold for the on-line payment piece.
	Motor Vehicle	Improve	improved accuracy			citizen			same as pay taxes
	General Billing	Improve	improved accuracy			citizen			same as pay taxes
	View Bills, Status, Amt Due	New	eliminates 1-3/hours day answering routine queries		Estimated Labor Savings = \$5,720 - \$17,160 annually	citizen			(hours saved x \$22 x 260 avg biz days)
Forms \$7500 License \$1600 Library \$13,575 Forms \$3000 Recur	View Town Documents	Future	Enhanced Search, Repository			citizen			This will be the latest piece if we decide to implement this piece of the module.
	Animal License	n/a							Don't own this module
	Business License	n/a							Don't own this module
	Nonemergency Request	n/a							Don't own this module
	General Billing								This module is required for the Employee Self Service Module
Reporting \$10,050 Initial; \$3750 Recurring	Payroll				\$500/annual for w2 & 1099 forms				
	State Tax 3 forms								
	Utility Billing								
	Document Distribution	New	Email document distribution					Integrate with Fax Service? No	This module is required for the Employee Self Service Module
	Ad Hoc Report Builder	New	Eliminates need to create query each time a needed - queries currently cannot be saved		Labor savings estimated - \$18,304	employees			Reporting queries currently require approx 24 hours/week. Estimated time with reporting tool is 8 hours a week (savings = 16 x \$22 x 52)
Employee Self Service \$8500 Lic \$1250 Impl \$3060 Recurring	Canned Reports	New	Out of the box reports			employees			
	Update Personal Info					employees			
	Request Leave					employees		Tyler Hosted	We will slowly implement some of the modules and work with the
	Email Direct Deposit Advices	new	automation Eliminate 1 to 2 hr/wk printing, stuffing and sorting payroll checks + Cost of postage, printing		Labor Savings approx \$2288. Low-end Postage Savings estimated at \$5520 (if everyone was monthly)	employees			Advices mailed to approximately 1000 addresses, either weekly, bi-weekly or monthly. Minimum savings (1000x 12 x .46)
	Enabling Mandatory Employee Notices	New	automation Eliminate printing, stuffing and sorting payroll checks + Cost of postage, printing		Just postage estimated at \$460 / mailing				1000 piece mailing postage cost estimated at (1000 x .46)
	Compensation Query		self-help			employees			various departments to see what
	HR Inquiry (accruals, pay history, w2/29 1099, policy manuals,		self-help			employees			The first piece we will implement will be direct deposit advices and work toward the W2 piece.
	Online Job Posting & tracking	future				employees			may implement in the future
	Employee Transactions - which functions	future				employees			may implement in the future