

**CITY OF NORWALK
FINANCE/CLAIMS COMMITTEE
REGULAR MEETING
OCTOBER 11, 2012**

ATTENDANCE: Carvin Hilliard, Chair; Douglas Hempstead, Matthew Miklave, Warren Peña, John Igeneri (7:34 p.m.); Nicholas Kydes (7:39 p.m.); David McCarthy (7:40 p.m.)

STAFF: Thomas Hamilton, Finance Director; Fred Gildden, Comptroller

OTHERS: Council Member Bruce Kimmel, Lisa Biagiarelli, Tax Collector; Patricia Williams, Oak Hills Authority; Clyde Mount, Oak Hills Authority; Richard Rudl, NPS Chief Financial Officer; Gerald Foley, Purchasing Agent

CALL TO ORDER

Mr. Hilliard called the meeting to order at 7:32 p.m. A quorum was present.

**APPROVAL THE MINUTES OF THE FOLLOWING FINANCE COMMITTEE
MEETING**

September 13, 2012

**** MR. HEMPSTEAD MOVED THE MINUTES OF SEPTEMBER 13, 2012.**

**** THE MOTION TO APPROVE THE MINUTES OF SEPTEMBER 13, 2012 AS SUBMITTED PASSED WITH TWO IN FAVOR (HILLIARD AND HEMPSTEAD) AND TWO ABSTENTIONS (MIKLAVE AND PEÑA).**

Mr. Igeneri joined the meeting at 7:34 p.m.

Claims Committee: receive the monthly Claims Report; review and approve claims as required for Claims Report dated October 11, 2012.

Narrative on Tax Collections dated October 11, 2012 – Receive Report and Discuss.

Monthly Tax Collector's Report Dated October 11, 2012 – Receive Report and Discuss.

Ms. Biagiarelli presented her report. There were no refunds for approval this month. Delinquent notices were sent out in and now enforcement is underway. The reason that the collection rate is so high is because the City is very aggressive.

Mr. Hamilton stated that the State has not turned over the Supplementary Motor Vehicle list yet because the only staff member who works with the list is out ill. This list involves the vehicles that were purchased after July 1st start of the tax year.

Mr. Kydes joined the meeting at 7:39 p.m.

****MR. HEMPSTEAD MOVED TO APPROVE THE FOLLOWING ITEMS:**

CLAIMS COMMITTEE: RECEIVE THE MONTHLY CLAIMS REPORT; REVIEW AND APPROVE CLAIMS AS REQUIRED FOR CLAIMS REPORT DATED OCTOBER 11, 2012.

NARRATIVE ON TAX COLLECTIONS DATED OCTOBER 11, 2012 – RECEIVE REPORT AND DISCUSS.

MONTHLY TAX COLLECTOR’S REPORT DATED OCTOBER 11, 2012 – RECEIVE REPORT AND DISCUSS.

**** THE MOTION PASSED WITH FIVE IN FAVOR (HILLIARD, HEMPSTEAD, KYDES, PEÑA AND IGNERI) AND ONE ABSTENTION (MIKLAVE).**

Mr. McCarthy joined the meeting at 7:40 p.m.

Oak Hills Authority Financial Status

Mr. Hempstead gave a brief overview of the previous requests by the Authority to refinance their loans.

Ms. Pat Williams directed everyone's attention to the Authority's five year forecast. She said that she was in the process of breaking it out into a five year plan and developing the cash flow. Ms. Williams said that one payment had been made on the debt service in September and then gave a brief overview of the Authority's financial status to the Committee members. Mr. Hamilton pointed out that there had been a major reduction in the number of rounds played at Oak Hills and right across the country. He said that the City was working with the Authority to move them forward. Ms. Williams said that there were a number of outside factors such as the weather.

Mr. Hempstead asked if the five year forecast had been created based on the previous plans. Ms. Williams said that she had created the plan from scratch and used the 2011-2012 fiscal year figures and said that she had also kept the number of rounds flat.

Mr. Hempstead asked what changed to make the numbers work now. Ms. Williams said that the fees had gone up and now that the course was in good shape, it would be possible to have tournaments come back. It was stated that one tournament had already been booked.

Mr. Kydes had some detailed questions about the park maintenance, which Ms. Williams answered.

The Committee thanked the Authority representatives for presenting their report.

Authorize the Mayor, Richard A. Mocciaie [sic], to execute an agreement with Blum, Shapiro & Company, PC to provide consulting services to facilitate a focused operational review of selected areas of the Norwalk Public Schools as City's RFP #3228 for an amount not to exceed \$36,000. Account Number 011310-5253.

Mr. Hamilton then gave an overview of the situation as to why an audit was required for the Norwalk Public Schools. The focus will be on discovering why the shortfall occurred and submitting recommendations to prevent this from happening this again. An audit committee has been created and interviewed two different agencies. The audit committee recommended Blum, Shapiro. Mr. Foley contacted them regarding their bid and they reduced their price to \$33,000.

Mr. Kimmel asked why the committee did not choose the lowest bidder. Mr. Hamilton reviewed the reasons and said that Blum Shapiro's presentation was on target.

Mr. Hempstead asked about what operational procedures were being examined, which are insurance and special education. Mr. Foley then read the list from the RFP. Mr. Hamilton explained that Blum Shapiro had stated that they would map the "as is" processes and then analyze them. When the deficient processes are identified them, they will make recommendations for correcting. They are familiar with MUNIS and have installed the program for other Boards of Education.

Mr. Hempstead asked what would happen if problems were discovered in areas other than Special Education and Insurance. Mr. Hamilton said that the auditors would come back to the

Mr. Miklave asked for copies of the RFP and the response from Blum Shapiro. Mr. Hamilton said that he would send those to Mr. Miklave. Mr. Miklave asked who was involved in creating the RFP. Mr. Hamilton said that he was involved, Mr. Foley, Mr. Longo, Mr. Wilms, Mr. Yordon, Mr. Colarossi and a few others.

Discussion followed about the Audit Committee and other details of the Audit Committee.

Mr. Miklave asked if there were copies of the Audit Committee minutes available. Mr. Hamilton made a note of this. Mr. Miklave asked if there were copies of the comments made by Mr.

Longo, Mr. Colarossi and others available. Mr. Hamilton said that there were and made a note of it.

Mr. Miklave said that he was concerned about the depth of detail that the Committee was being asked to vote on. He said that he had attended several meeting in May and June that some of the people claimed they "knew where the money went". Mr. Miklave said that he thinks that the public needs to understand what happened.

Mr. Hamilton said that the general ledger is clean, accurate and ties back to all of the financial records. He said the ledger had been audited by outside auditors. It was actually a problem of not having enough money.

Mr. Miklave said that he saw a sum of money that was allocated to insurance but it was spent elsewhere. He said that the Council has a responsibility to make sure that the public understands and has confidence in the Council members. The Council Members need to be able to take this information back to their constituents. Mr. Hilliard said that he had been at an Audit Committee meeting and Mr. Longo had asked many of the same questions that Mr. Miklave was asking.

Mr. Kydes said that he did not think Blum Shapiro would be going beyond what was outlined in the RFP. He said that he did not think that Mr. Miklave's questions would be answered by the review.

Mr. Peña said that he was not comfortable with what was before the Committee because there was not enough details being provided.

Mr. Kimmel pointed out that there had been a previous decision not to have a forensic audit, but only a forensic audit will answer the questions that are being asked. He said that he was hearing a suggestion that there may have been foul play but did not think that there was foul play. A forensic audit would cost a small fortune. He said that what was being offered was an operational review. However, the primary question that the people who were filling the auditorium about this issue wanted to know was how the school would be able to run within the budget.

Mr. Peña said that he would like the record to reflect that he was not insinuating that there was foul play.

Mr. Hempstead asked what the timeline for getting the audit done. Mr. Hamilton said that he had asked for the audit to be completed within 60 days after the notice to proceed was given. Discussion followed about what the auditors would be doing if they found murky areas that needed more analysis.

Mr. McCarthy said that his point would be at a minimum, the operational review needed to be done and that it did not preclude a forensic audit at a later date.

Mr. Miklave said that he rejects the assertions that it was either A or B, and believed that there was a spectrum between someone committing an intentional illegal act and someone else working in good faith and stuff happening. He added that this was an operational review, and not an audit.

He said that he heard from a large number of people who wanted to know exactly what happened and he still did not have the answers. Mr. Miklave said that he wanted to have the scope of the review broadened and do it right.

Mr. Igneri said that there were many questions being raised and that he would like to see the RFP along with the scope of the project.

Mr. Hamilton said that he could send out the documents tomorrow, but pointed out that tabling it would delay forwarding the review to the Council. He suggested that Mr. Hilliard said that he believed that the Committee could use the information from the review to broaden the scope.

Mr. Foley then spoke about the various steps that Purchasing would go through if the scope was expanded. Mr. Kydes said that if there was more information identified during the review.

Mr. Miklave said that he would still like to have this tabled so that the Committee members could review the documentation.

The discussion then moved to the point of information regarding putting items on the Council agenda despite the committee's vote. Mr. Hilliard said that his concern was that this would not be delayed so that nothing gets done.

**** MR. MIKLAVE MOVED TO TABLE THE ITEM FOR A SPECIAL MEETING OF THE FINANCE/CLAIMS TO AT THE DISCRETION OF THE CHAIR NEXT WEEK.**

A brief discussion followed about when the meeting could be held. The Committee came to a consensus that it would be on Wednesday, October 17th.

A roll call vote was requested.

**** THE MOTION TO TABLE PASSED WITH SIX IN FAVOR (KYDES, HEMPSTEAD, MCCARTHY, MIKLAVE, PEÑA, AND IGNERI) AND ONE AGAINST (HILLIARD).**

Emergency Medical Dispatch pre-arrival software

Authorize the Purchasing Agent to issue purchase orders to Priority Dispatch Corporation, a sole source provider, for the purchase of ProQA Medical software, installation, training and 1 year annual maintenance per quotation dated 9/17/2012,

for an amount not to exceed \$70,821.00, accounts 09110600-5777-C0375 & 09130600-5777-C0375 (approved IT capital project; not special appropriation needed).

Telephone and Voice Mail System Annual Maintenance Renewal.

Authorize the Purchasing Agent to issue purchase orders to Total Communications for the annual renewal for technical support and maintenance services for the telephone and voice mail system for City Hall, Board of Education Central Office, High Schools, Middle Schools, Libraries, Police Department, Animal Control, Marine base, Public Works Center and Fire Stations for the period October 25, 2012-October 24, 2013 for an amount not to exceed \$79,381.83, City account 010600-5245 (\$39,942.04) and Board of Education account 15725100-350 (\$39,439.79). Budgeted operating expense, no special appropriation needed.

MUNIS feature enhancement modules

Authorize the Purchasing Agent to issue purchase orders to Tyler Technologies for the purchase of the Employee Self Service and Dashboard modules for the existing City Finance system, including unlimited CAL license upgrade, training, installation, and consulting services per quotation #44728, dated 9/20/2012, for an amount not to exceed \$38,888.00, account 09120600-5777-C0375 (approve IT capital, no special appropriation required).

**** MR. MCCARTHY MOVED THE FOLLOWING ITEMS:**

EMERGENCY MEDICAL DISPATCH PRE-ARRIVAL SOFTWARE

AUTHORIZE THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS TO PRIORITY DISPATCH CORPORATION, A SOLE SOURCE PROVIDER, FOR THE PURCHASE OF PROQA MEDICAL SOFTWARE, INSTALLATION, TRAINING AND 1 YEAR ANNUAL MAINTENANCE PER QUOTATION DATED 9/17/2012, FOR AN AMOUNT NOT TO EXCEED \$70,821.00, ACCOUNTS 09110600-5777-C0375 & 09130600-5777-C0375 (APPROVED IT CAPITAL PROJECT; NOT SPECIAL APPROPRIATION NEEDED).

TELEPHONE AND VOICE MAIL SYSTEM ANNUAL MAINTENANCE RENEWAL.

AUTHORIZE THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS TO TOTAL COMMUNICATIONS FOR THE ANNUAL RENEWAL FOR TECHNICAL SUPPORT AND MAINTENANCE SERVICES FOR THE TELEPHONE AND VOICE MAIL SYSTEM FOR CITY HALL, BOARD OF

EDUCATION CENTRAL OFFICE, HIGH SCHOOLS, MIDDLE SCHOOLS, LIBRARIES, POLICE DEPARTMENT, ANIMAL CONTROL, MARINE BASE, PUBLIC WORKS CENTER AND FIRE STATIONS FOR THE PERIOD OCTOBER 25, 2012-OCTOBER 24, 2013 FOR AN AMOUNT NOT TO EXCEED \$79,381.83, CITY ACCOUNT 010600-5245 (\$39,942.04) AND BOARD OF EDUCATION ACCOUNT 15725100-350 (\$39.439.79). BUDGETED OPERATING EXPENSE, NO SPECIAL APPROPRIATION NEEDED.

MUNIS FEATURE ENHANCEMENT MODULES

AUTHORIZE THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS TO TYLER TECHNOLOGIES FOR THE PURCHASE OF THE EMPLOYEE SELF SERVICE AND DASHBOARD MODULES FOR THE EXISTING CITY FINANCE SYSTEM, INCLUDING UNLIMITED CAL LICENSE UPGRADE, TRAINING, INSTALLATION, AND CONSULTING SERVICES PER QUOTATION #44728, DATED 9/20/2012, FOR AN AMOUNT NOT TO EXCEED \$38,888.00, ACCOUNT 09120600-5777-C0375 (APPROVE IT CAPITAL, NO SPECIAL APPROPRIATION REQUIRED).

**** THE MOTION TO APPROVE THE AGENDA ITEMS PASSED UNANIMOUSLY.**

ADJOURNMENT

**** MR.IGNERI MOVED TO ADJOURN.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:50 p.m.

Respectfully submitted,

Sharon L. Soltes
Telesco Secretarial Services