

COMMITTEE ON ACCOUNTS, ENROLLMENT AND REVENUE ADMINISTRATION

May 17, 2022 at 5:00 PM

Chairman Heath called the meeting to order.

The Clerk called the roll.

Present: Aldermen Heath, Long, Cavanaugh, Barry, Levasseur

Messrs.: M. Bogardus, S. Wickens, P. Chiesa

1. Update on the City's Revolving Loan Fund.

*On motion of **Alderman Long**, duly seconded by **Alderman Cavanaugh**, it was voted to accept the report.*

2. Communication from Michele Bogardus, Deputy Finance Officer, submitting Finance Department reports as follows:

- Accounts Receivable over 90 days
- Aging Report
- Outstanding Receivables

Chairman Heath stated Michele thank you for being here this evening.

Michele Bogardus, Deputy Finance Officer, stated I don't have any specific comments on the schedule on page 6 but if you have any questions I would be happy to answer them.

Alderman Long asked with respect to the 90 days over, I know for example that some landlords have five different units and there are five different LLC's. Is there a way we can see...they are coming to us for help with affordable housing or we are second in line for loans that we gave them for the building so is there a way we can be assured that they are not in one entity or another that is on the 90 days' list?

Ms. Bogardus responded we send this report out to every department to look at before they make decisions on loaning additional money or anything of that nature. So they see them. I am not sure what department specifically you are speaking about but all departments receive this report. If there is somebody specific you would like it to go to, I can certainly do that as well.

Alderman Long stated I don't want to bring that name public until I know they are on the 90-day list. Even if you look up their business it is usually an agent that signed up and not the actual owner. I would just hate to do a favor for somebody that owes us back money for whatever. I just want to be reassured that we are doing our due diligence on that.

Chairman Heath asked when an account becomes significantly overdue, you send it to the Solicitor's Office correct.

Ms. Bogardus answered if it is over \$1,000 it goes to the Solicitor's Office. If it is under, it goes to the collection agency that the City uses. Those are all noted in the report. If it has gone to collections it is highlighted in one color and if it goes to the Solicitor it is highlighted in yellow.

*On motion of **Alderman Long**, duly seconded by **Alderman Cavanaugh**, it was voted to accept the reports.*

3. Communication from Sharon Wickens, Finance Officer, regarding the City's Monthly Financial Report (unaudited) for the first ten months of fiscal year 2022.

***Alderman Long** moved to accept the report. **Alderman Cavanaugh** duly seconded the motion.*

Sharon Wickens, Finance Officer, stated before you is the City of Manchester's unaudited monthly financial report for the first 10 months of fiscal year 2022. The average unobligated balance percentage after 10 months should be 16.67%. The only department that doesn't fall in that category is the Department of Public Works and that is because they have contracts. Health insurance continues to trend over budget. Any strides that we made last month, which would be the month of March where we kind of gained a few hundred thousand dollars, well we lost it in April. I don't have specifics behind it because we are only two weeks into May and USI is trying to get that information but I can clearly see that the invoices are higher and we are right back at almost a \$1.9 million shortfall. Also in this report you see a comparison of the retirements paid for FY22 versus FY21. We are doing well. I expect that there will be more retirements. We know of a couple of large ones but I still think there will be anywhere from a \$400,000 to \$500,000 balance that will stay in the severance reserve account which will be very helpful going into next year. Contingency hasn't been touched since December when we pulled some money out. Other than that, it stayed at the \$340,000 balance. Revenues for the first 10 months are about \$3.2 million lower than a year ago. Permits are \$625,000 higher, auto registrations are \$1.1 million lower, interest income is lower at \$439,000 and reimbursements are lower basically due to a refunding that we had done. Motor vehicles continues to lag. It was down this month about \$200,000 but on the flipside, they did a really good job collecting on delinquent taxes and tax liens. So the interest that they have collected on that is just shy of \$400,000 above what they budgeted. That will be very helpful. I don't have any other specific reports. Well I will mention also that CGL...and if you look at this report and let me just pick a page, page 17 in your packet, it is showing CGL is over budget by about \$556,000. That is just through April. Since then, there has been a little bit more so it is closer to about \$725,000. It is trending over budget. We have had some large settlements. Those are the only things I wanted to point out. There will be a little more detail tonight when we do the projections but if anybody has any questions, I would be glad to answer them.

***Chairman Heath** called for a vote. *There being none opposed, the motion carried.**

4. Communication from Peter Chiesa, Deputy City Solicitor, requesting approval of an agreement with Melanson Heath to audit the City's books and accounts for fiscal year 2022 at a cost of \$180,000.

Alderman Barry moved to approve. **Alderman Cavanaugh** duly seconded the motion.

Chairman Heath asked is there somebody who can answer some questions. Is this a new contract to the City of Manchester?

Peter Chiesa, Deputy Solicitor, answered no. This particular contract is being extended for I think the seventh or eighth time. The only thing that is changing are those numbers that I pointed out. It has been flat for the last three or four years. This year they requested an increase.

Chairman Heath asked and you are happy with their services.

Deputy Solicitor Chiesa answered we are yes but I think as you will see with their presentation coming up for FY21, you will be duly impressed.

Alderman Levasseur stated it should have just been written as an increase of \$10,000 because that is about what it amounts to. When I first read it I got the same sticker shock but then when I read the notes behind it, all it was was a couple of increases in a couple of line items. It wasn't as big as a...we already pay about \$170,000 a year. They wanted some price increases for some different accounting that they do in certain departments. That is the reason for that number.

Chairman Heath stated I just know how critically important a good auditor is in terms of finances. I just wanted to make sure that everything was as it should be. I have worked with them before in one of the school districts I worked in in the past and I thought they were wonderful.

Chairman Heath called for a vote. *There being none opposed, the motion carried.*

5. Chairman Heath advised that ordinances are to be considered for consistency with the rules of the Board and requests the Clerk to make a presentation.

"Amending Chapter 97 Streets and Sidewalks of the Code of Ordinances of the City of Manchester by changing the word street to city way in Section 97.03 and adding the Department of Public Works to Section 97.06."

*On motion of **Alderman Long**, duly seconded by **Alderman Barry**, it was voted that the ordinance amendment be Enrolled.*

*There being no further business, on motion of **Alderman Barry**, duly seconded by **Alderman Cavanaugh**, it was voted to adjourn.*

A True Record. Attest.



Clerk of Committee