COMMITTEE ON ACCOUNTS, ENROLLMENT AND REVENUE ADMINISTRATION

October 18, 2022 at 5:00 PM

Chairman Heath called the meeting to order.

The Clerk called the roll.

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

Messrs.: M. Bogardus, P. Chiesa

1. Communication from Mark Gomez, Chief of Parks, Recreation & Cemetery, providing information on changes to public skate rentals at JFK Coliseum.
(Note: Provided for informational purposes only; no action is required.)

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

Michele Bogardus, Deputy Finance Officer, stated I am filling in for Kim LeBlanc who is under the weather this afternoon. I can answer any questions you have on the report. There wasn't much of an update.

Chairman Heath stated there are some that are continually in the same place and no action is happening.

Ms. Bogardus replied these are loans that we have been working on for quite some time and they are making very small payments; some of them.

Chairman Heath responded some of them aren't though.

Ms. Bogardus stated those have been looked at.

Peter Chiesa, Deputy Solicitor, stated we have judgements in each and every one of these cases and there are orders on periodic payments that are pending with the courts. What happens typically is the debtor won't pay when they are supposed to. We wait a few times and then bring a motion for contempt which we will probably end up doing on these final three and it wouldn't be the first time. What they will do is come in and pay three or four months' worth just before the hearing and then the judge will either say don't do that again or change the payment schedule. All of these are in suit, we do have judgements and there are periodic payment orders on all of them.

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

3. Communication from Kim LeBlanc, Financial Analyst II, submitting Finance Department reports as follows:

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

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

4. Communication from Sharon Wickens, Finance Officer, regarding the City's Monthly Financial Report (unaudited) for the first three months of fiscal year 2023.

Sharon Wickens, Finance Officer, stated we are through the first quarter of the fiscal year and in a much better place than we were last year. The overall unobligated balance for the three months should be at a 75% benchmark. All departments are there with the exception of Information Systems but that is because they enter into contracts. Auto registrations are doing very well against budget. I know in my memo it says it is $695,000 higher than it was last year. Last year it was under budget. They are probably trending, through the first quarter, a couple of hundred thousand higher. There were a lot of fleets that came in to pay. We are just being cautious but we are hopeful that they continue to maintain budget. I think when all was said and done they were done about $1.5 million and that was above and beyond the $1 million we had taken when we set the tax rate. Healthcare is also doing relatively well. It is trending above budget slightly. My only concern with that is it is the beginning of the year and everybody is using their deductibles so does that play into it. We are watching it very closely because anything we can do we want to do it quickly. Interest income is doing great. The only revenue that is not performing well is parking. Any slight gains, and if you compare what we collected in parking last year in the same quarter, the difference is $30,000 more. That is not much. We have a long way to go. It is just not coming back. It is a slow recovery.

Chairman Heath stated that is funny because I can never find a parking space downtown.

Ms. Wickens replied I know and it has come back a little bit since the pandemic but we really thought it would be doing better than this and it is on pace to be down at least $1 million again this year. This is it for ARPA. ARPA funds can kick in to help out but this is the last year. It is also the only revenue source that we continue to budget at FY19 levels hoping that it comes back. Everybody else's budgets are what we expect to collect. Those are my comments. In the middle of the page it shows you what we paid in severance and what we paid out the prior year. We are doing a little bit better but it is pretty similar. We have $709,000 in contingency. When we settled the contracts and moved the money to the departments, we noticed that the administrative people that were under there, of which there were a few, were enterprise funded and they take care of themselves so we did not transfer that over and left it in contingency. There is one line item that bears watching and that is CGL. We have a $1 million budget and we are at $600,000. We were over budget last year to. There is a reserve and if we have to hit the reserve we will but there have been a lot of cases coming through. I spoke with the Risk Manager today and there were some settlements that came through and we also had to pay the deductible for the water damage because of the sprinkler system. I am hoping it levels off a little bit but I expect to be over budget.

Alderman Long stated CGL was one of my questions. Were some of these pay-offs from prior years?

Ms. Wickens answered no. Everything is for this year. In reality, they are not huge settlements but there is a number of them. The big ticket item was the deductible for the water damage. It is a premium that was paid and won't be paid again.

Alderman Long asked what is the $600,000.

Ms. Wickens replied that is the total accumulated of everything that has been paid out of CGL.

Alderman Long asked and the water damage is under $200,000 or…

Ms. Wickens interjected I should have asked what that dollar amount was. I just know that it was the largest hit to the account. I don't have that but I can get it for you.

Alderman Long asked and as for the severance pay, at what time of the year historically do we get hit with the retirements. Have we already surpassed that? Is it June and July?

Ms. Wickens responded I don't have my numbers with me but a lot of times people retire in the July/August timeframe. There were 14 retirements last year but only 7 this year. We expect more as the end of the year comes up. It is usually the end of December and the end of June. Those are when the bigger numbers are.

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

<u>TABLED ITEM</u>

5. Communication from DISH Wireless, LLC requesting approval of a Site Lease Agreement on Hackett Hill Road.
(Note: Tabled on 9/6/22 pending further review by City staff.)

This item remained on the table.

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

A True Record. Attest.

Matthew Normand

Clerk of Committee