COMMITTEE ON ACCOUNTS, ENROLLMENT AND REVENUE ADMINISTRATION

December 17, 2024 at 5:00 PM

Chairman Terrio called the meeting to order.

The Clerk called the roll.

Present: Aldermen Terrio, E. Sapienza, Vincent, O'Neil, T. Sapienza

Messrs.: K. LeBlanc, D. Fleury, S. Wickens

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

Kim LeBlanc, Financial Analyst II, stated I don't have any comments but would be happy to answer any questions.

*On motion of **Alderman O'Neil**, duly seconded by **Alderman T. Sapienza**, it was voted to accept the report.*

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

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

Ms. LeBlanc stated this is all just routine and I don't have any particular comments but would be happy to answer questions.

*On motion of **Alderman Vincent**, duly seconded by **Alderman T. Sapienza**, it was voted to accept the reports.*

3. Communication from Kim LeBlanc requesting authorization to write off the second quarter receivables identified.

Alderman Vincent stated we are writing off a lot here. It is not a million dollars and I get that but some of these we are writing off that have to do with permits or police details, these people should never be allowed to do business with the city again right.

Ms. LeBlanc stated we do put flags on these accounts once we have written them off. If they try to do business with the city, we do try to collect the debt.

Alderman Vincent stated Whiskeys has been on there for quite some time and now after months and months we are writing it off.

Ms. LeBlanc responded yes the statute of limitations have run out and they are no longer in business.

Alderman Vincent asked we are writing them off why. What brings us to that point? I know I have some bills that I would love the city to just write off too so I am not sure how this works.

Ms. LeBlanc stated we try to do some collection efforts through the departments and then they go to a collection agency who holds the account for about a year trying to collect on it as well. Then it comes back to the city and the Solicitor's Office will take it under advisement if it is over $1,000 and work on getting the money.

Alderman O'Neil stated I know we have new financial management software. Will that allow more flag opportunities for departments who are issuing permits?

Ms. LeBlanc replied we are still at the very beginning stages of that implementation but I am hoping so.

Alderman O'Neil asked does the current software flag these.

Ms. LeBlanc responded it does but as you know not all of the city departments use Naviline for their billing processes so it is hard to always catch them.

Alderman O'Neil stated well I hope the new software helps with that.

Alderman E. Sapienza stated it is a little odd when I see companies like CVS and Hertz Corporation on here. They don't have the money to pay us? Can you take me through that?

Ms. LeBlanc stated we usually have the departments show up for particular questions on certain accounts. I don't know if anyone from Fire would be able to speak on that. I don't know the particulars on that one.

Deputy Fire Chief, David Fleury, stated for CVS we made a number of attempts and have billed them throughout the years. Like Kim said, it went to the Solicitor's Office and they decided to write it off. I am with you alderman. I believe a company that large should be able to pay a $135 bill. Hertz would have been a hazardous materials inspection that our rescue does every year. They do Tier II inspections. Again, another large company but other than us sending out continuous bills to them it went to the Solicitor's Office and they informed us that they are writing it off.

Alderman E. Sapienza stated this may sound kind of silly but has anybody actually gone to the CVS store and say you owe us $135.

Deputy Chief Fleury responded no we haven't gone to the store.

Alderman E. Sapienza stated maybe that is the thing to do. I don't want to beleaguer the point. It just seems odd. It is small money but we know that CVS, Hertz and the people at BT Property LLC probably have it.

Alderman O'Neil stated in the case of Hertz, that is probably something you do every year right.

Deputy Chief Fleury answered we do. We have sent out other bills and they have been paid. It is just those bills from 2021.

Alderman O'Neil asked so 2022 and 2023 have been paid.

Deputy Chief Fleury replied to the best of my knowledge they have been paid in full.

Alderman E. Sapienza stated I also see a lot for the Drop Off Center. How does that work? Do people go to the Drop Off Center and say they are supposed to pay $65 do they just drive off?

Ms. LeBlanc responded well yes. The way the weigh station is designed, they can easily skip out on weighing back in after they have used the facility or when they have to be billed we get erroneous addresses. Highway does try to collect on these with 30 and 60 day notices as well and they do go to collections also.

Chairman Terrio stated I can weigh in on that. It is my understanding that up until recently the Drop Off only took cash or checks but now they are taking credit cards. I was talking to Sharon and I believe a lot of these people would go and say well I only have a credit card so I can't pay you but I will pay you later if you let me drop my stuff off today.

Alderman O'Neil stated as someone who is up there regularly, you have to have cash or a check but there is also an easy way to just leave. It is the honor system really. I think most people pay but there are a few that will sneak out.

Chairman Terrio stated in talking to Sharon, because there are figures associated with this, a lot of these people say oh I only have a credit card. That being said, it is also my understanding that the police are now getting…before for details they were getting paid after and now they are getting paid before.

Ms. LeBlanc responded that is correct.

Chairman Terrio stated I would like to see that city wide because I hate seeing people not paying their bills. For instance, when I had to get some inspections from the city, I had to pay upfront because they are not going to come out and look at my house until I pay them. Whenever we can, I think the city needs to adopt a policy city wide so that we get paid up front.

Ms. LeBlanc replied the police is a little different. They collect money from the actual police officers and we have a reserve put away. That comes right out of their pocket. They say give $1 for so many weeks. We have about $45,000 in reserves so they can get paid prior to having to run after people for payment.

Chairman Terrio stated I don't want to have the police contribute $1 out of their paychecks for that. If I am going to have a detail come to a party or a business, I should be paying up front. Just chasing our tail after the fact is a disaster. Every year we are writing off tens of thousands of dollars because there is a segment of our population who have no integrity and aren't going to pay their bills. I think whenever the city can get paid ahead of time, we need to.

*On motion of **Alderman O'Neil**, duly seconded by **Alderman Vincent**, it was voted to approve the second quarter write-offs.*

4. Communication from Sharon Wickens, Finance Officer, regarding the City's Monthly Financial Report (unaudited) for the first five months of FY25.

Sharon Wickens, Finance Officer, stated the average unobligated balance percentage after five months should be 58.33% as a benchmark. All departments are within 10% of this benchmark with the exception of departments that enter into contracts like IT and DPW. The Welfare Department has also exceeded some of the budget…if you recall the Mayor had put some funds aside, one-time funds into a CIP account in case this were to happen. There is really no concern with the Welfare Department. Health insurance costs are tracking favorably through November. That is a good thing. A comparison of retirement payouts through November is in the middle of the page. In FY25 we paid out $720,665 and in FY24 it was $709,000. Contingency remains flat at $200,000. Revenues for the first five months are $1.1 million lower than a year ago. Permits are $297,000 lower but their budget is lower this year so they are tracking favorably against budget at this point. Chargebacks are $636,000 lower. Again, that is just the timeliness of billing compared to last year. I don't see any issues there. Facilities, Parks & Recreation and the Department of Public Works. State revenues are about $684,000 lower than this same period a year ago but that is not unexpected. They know what they are going to receive for state revenues so they budgeted accordingly for FY25. Again, this is a comparison between the two fiscal years so you will see that is off. Auto registrations is doing very well. It is about $386,000 higher than this same period a year ago. Going through the budget, I don't see any glaring problem. I noticed a lot of retirements going through recently and I think we will just squeak out this year. I don't think we are going to have any extra money and we may go a little into the red but I am hoping that other surplus will make that up.

*On motion of **Alderman O'Neil**, duly seconded by **Alderman E. Sapienza**, it was voted to accept the report.*

5. Communication from Betty Delisle of 31 Lamonte Street requesting subordination of an existing loan with the City of Manchester.

*On motion of **Alderman E. Sapienza**, duly seconded by **Alderman Vincent**, it was voted to receive and file.*

6. Chairman Terrio advises that ordinances are to be considered for consistency with the rules of the Board and requests the Clerk to make a presentation.

"Amending Chapter 52: Sewers of the Code of Ordinances of the City of Manchester by adding language to Section 52.029 Grease, Oil, and Sand Interceptors; Section 52.122 Separate Connections; Section 52.125 Size and Slope; and Section 52.133 Stormwater Prohibited."

*On motion of **Alderman O'Neil**, duly seconded by **Alderman Vincent**, it was voted that the Ordinance Amendment ought to pass and be Enrolled.*

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

A True Record. Attest.

Matthew Normand

Clerk of Committee