COMMITTEE ON ACCOUNTS, ENROLLMENT AND REVENUE ADMINISTRATION

April 15, 2025 at 5:15 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, P. Chiesa, S. Wickens

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

Kim LeBlanc, Financial Analyst II, stated I don't have any comments on the report.

*On motion of **Alderman E. Sapienza**, 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 pretty standard and I don't have anything to highlight.

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

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

Ms. LeBlanc stated these have all passed the statute of limitations so it was advised that we write them off.

Chairman Terrio stated I was looking over the people we are writing off and a lot of them are private citizens and I understand you can't get blood out of a stone but the Red Cross. They must have a lot of assets. It is a few thousand dollars but they are a national organization and financially solvent I believe.

Ms. LeBlanc responded I don't know the specifics on that. It is from the Fire Department. Chief Fleury is here if you want to ask him anything specific.

David Fleury, Assistant Fire Chief, stated they are a national organization. The problem is that we send them bills year after year. Why they aren't paying we don't really know. Our administrative assistant in Communications constantly checks with the city GIS to see if there are any new owners. I guess a lot of our delinquents are from national organizations like Rite Aid and whatnot.

Chairman Terrio stated the weird thing is they actually have an office right here in Manchester over near the observatory. They must do business with the city from time to time. It is just something to think about because they are physically here. I just drove by them the other day and they were having a blood drive.

Chief Fleury stated our records show that they did switch to central alarm in 2023. This is from a bill that was sent to them in 2022.

Chairman Terrio stated I have a question for the Clerk. When people owe us money and come to the city and ask for a permit or something do we say yes but you owe us say $2,000?

Matthew Normand, City Clerk, responded we do that. If they are coming in to get a business license we check the 90-day report and reach out to the department to let them know so and so is here and ask if the balance is still owed. Usually we will either collect that or send them to the department they owe money to. There are only 900 business licenses in the city and the majority of those on the list are not licensed businesses with us.

Alderman T. Sapienza asked can we put a lien on their building.

Peter Chiesa, Deputy Solicitor, responded perhaps for a current existing recoverable loan but these particular items being asked to be written off are older than the statute of limitations would permit you to bring a suit or complaint against.

Alderman T. Sapienza stated the obvious follow-up question is why do we wait this long. Why didn’t we take care of it?

Mr. Chiesa answered I can’t say. We do get several of these and I have filed myself maybe 10 or 12 small claims complaints to collect these types of fees. We have been successful in reimbursing at least half of them to date. We have people calling and trying to resolve these. This particular one with the Red Cross I don’t recall ever crossing my desk.

Alderman T. Sapienza stated another question I have is are we doing all we can to have these people pay in advance or upfront rather than send them an invoice after the fact. We should be doing that across the city. If you go to the dump with a truck and you can’t pay they turn you away right?

Chairman Terrio replied actually I think they let you dump and then you go back and pay. You are right that we should be getting the money upfront so we don’t have to chase people.

Ms. LeBlanc stated I am sure that is something that could be looked at. I don’t know what would have to be involved.

Alderman T. Sapienza asked who should look at that.

Chairman Terrio stated I would like to refer this to the BMA.

Alderman Vincent asked if I may, what is a wired master box. Is that something that is routinely done? The only reason I ask is based on the question from my peers if this is something that is regularly done, it is going to need to be done again soon. This was done in 2022. Is a wired master box something that is routinely done?

Chief Fleury answered the wired master boxes are archaic. The city is trying to get away from those.

Chairman Terrio stated we had a discussion I believe at the last meeting about this. We were going to charge them an arm and a leg if they stay with the old system to get them to move to the new system.

Chief Fleury stated right now we have about 20 left in the city.

Alderman Vincent asked are they one of the companies that needs the new system.

Chief Fleury replied no. They are monitored by central alarm now and have a new system. We sent a second reminder this week to the 20 businesses that have the wired master boxes informing them that January 2026 it will go up to $2,500 and in 2027 it will go up to $5,000.

*On motion of **Alderman O'Neil**, duly seconded by **Alderman Vincent**, it was voted to approve the write off of the third quarter receivables.*

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

Sharon Wickens, Finance Officer, stated you should have before you the information through March on where we are with the budget. The unobligated balance percentage after nine months should be 25%. All departments are within 10% of this benchmark with the exception of the Department of Public Works. The overall unobligated percentage after nine months is 26.81% compared to 23.93% a year ago. We are in a better position this year by a few percentage points. Health insurance costs for 2025 are tracking favorably through March. Health insurance is doing very well. The past few months I have been on pins and needles because anything can sucker punch you but we are doing well and I expect to have a surplus by the end of the year which we haven't had in a long time. I am hopeful that we have finally gotten in front of this. The severance payouts are in the middle of your page. We have had 27 people retire and the same amount in 2024. I think they were higher level positions this year and that is why the amount is higher. We have not used any of the contingency funds yet this year so we are still carrying a balance of $200,000. Revenues for the first nine months are $327,000 lower than a year ago. Auto registrations are up and they are doing pretty well. Interest income is up. The school chargebacks are up but that is strictly because of the timing of the billing. That is offset by the state revenue that is coming in at $1.1 million less than last year. It is just a year to year comparison. We have budgeted accordingly so that is not affecting where we are this year. We are doing very well but when you look at the two years it looks like we are down. On a budget basis, we are not. I don't have any specific items. The only thing that I see is the CGL account, which is your general liability. It is about $100,000 over budget right now through March. I expect that to go higher. How much higher I am not sure. I have a call in to Kevin O'Neil to get a look at the last quarter to see how we think the year is going to end. The other line items are up so I think it is going to be a wash. I am not really concerned. We have a very healthy reserve behind that number. That is the only bogie in there but I really am not too concerned about it.

Chairman Terrio stated so basically in your opinion we are doing well compared to last year.

Ms. Wickens responded yes we are doing much better than prior years I think.

Chairman Terrio stated you mentioned CGL and I believe we discussed this in previous meetings. Is that when we are getting sued because we are self-insured?

Ms. Wickens answered yes. This deals with car accidents and people damaging city property and maybe they didn't have insurance. We are self-insured so you never really know how that is going to end up. This year it is a little high.

Alderman Vincent asked when you say the school chargebacks are lower what does it mean when it says "primarily due to the less timely billing of the Department of Public Works"? Are we to expect that number to correct itself?

Ms. Wickens replied we never really have an issue with school chargebacks. It could be they were working on the city audit so they didn't get a chance to get the invoices over to get them paid. It is just timing. I wouldn't worry about school chargebacks. We always collect them.

Alderman Vincent stated I am fine with that. Is the error on the city side when it comes to Public Works?

Ms. Wickens responded let's use DPW because they have the most, maybe they billed quicker last year then they have this year. When you are looking at a year to year comparison it looks like we are down but we are not. It is just that the billing wasn't done at the same time. There really should be no concern with school chargebacks. We will collect those. We always have.

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

*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