SPECIAL MEETING
COMMITTEE ON ACCOUNTS, ENROLLMENT AND REVENUE ADMINISTRATION
July 1, 2025 at 4:45 PM

Chairman Terrio called the meeting to order.

The Clerk called the roll.

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

Absent: Alderman E. Sapienza

Messrs.: K. LeBlanc, S. Wickens, E. Michaud

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

Kim LeBlanc, Financial Analyst II, stated everything is pretty status quo on this report. There isn't anything alarming that I need to make you aware of.

Chairman Terrio stated I am just curious and it is a minor issue but Item 11, Three Kitchens, they paid us $7.65.

Ms. LeBlanc responded no; that is the balance left in the interest. They paid $1,000.

Chairman Terrio replied it says payment received.

Ms. LeBlanc stated 6/5/25 is the date.

Chairman Terrio asked and what did they pay us.

Ms. LeBlanc answered they paid us $1,000.

Chairman Terrio asked why am I not seeing that. I see $1,545.67 and $7.65.

Ms. LeBlanc stated the current principal amount is $4,587 and the $7.85 is the interest amount. That is the current balance.

*On motion of **Alderman T. Sapienza**, duly seconded by **Alderman Vincent**, 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 I don't have anything to add.

*On motion of **Alderman T. Sapienza**, duly seconded by **Alderman Vincent**, 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 eleven months of FY25.

Sharon Wickens, Finance Officer, stated we are through 11 months and Happy New Year. Today is the new fiscal year. The average unobligated balance percentage after 11 months should be 8.33% as a benchmark. All departments are within 10% of this benchmark with the exception of DPW. The overall unobligated percentage after 11 months is 11.79% compared to 11.07% a year ago so we are doing just a little bit better than last year. Health insurance costs are tracking favorably through May. We will end the year with a surplus. How much that will be I am not quite sure but I am going to guess $500,000. Claims have been coming in pretty steady but nothing alarming so I am hopeful that we end the year with a bit of a surplus. As you can see in the middle of the page is a comparison of retirement payouts. We kind of looked through June to see what we have received and what we anticipate booking. I expect that we will have between $300,000 and $400,000 left in the severance reserve account which will be good because when we funded the fiscal year 26 budget we funded it at the minimum level and what we knew. There are always surprises. This little bit of extra gives me hope that we will get through the fiscal year without being short. Contingency is still $145,000. Revenues through the first 11 months are $290,000 lower than a year ago but we budgeted accordingly. Auto registrations are $656,000 higher and interest income is $310,000 higher than this same period a year ago. Offsetting these increases is less state revenue at $1.1 million and additional funding received by the state for FY24 was definitely lower than what we expected this year and we did budget accordingly. Cable franchise fees are lower and we accounted for that in my budget projections. As I peeked at some of the bigger revenues because I came here, I can see that based on projections I think Tax as a whole will miss their budget by about $100,000 but building permits is going to exceed it by about $100,000. We look pretty good ending the fiscal year. I feel probably better this year than I have in a few years. We have the county tax challenge that will be coming up with the tax rate but I think the city will do better than what we had thought.

Chairman Terrio stated just to clarify, you estimated a $500,000 surplus and you are talking about the fiscal year that just ended on June 30 correct.

Ms. Wickens replied yes that is what I am projecting.

Chairman Terrio asked when will we find out that number.

Ms. Wickens responded probably close to the end of July. We have to get all of the reports so we can wrap up June and make sure there is nothing lagging. We will have a good idea in July.

Alderman O'Neil asked where does interest income fit in the pecking order of say property taxes and auto registration.

Ms. Wickens answered interest income will be up. I am not going to guess that it is going to be huge because interest rates have come up.

Alderman O'Neil asked would you put it in the top five or top ten as far as the amount of money involved annually.

Ms. Wickens stated I would probably put it in the top five right now because interest rates are a little bit better. We should beat budget in FY25 by maybe $200,000-$300,000. Again, we are closing the year pretty well. I expected that the fed would reduce rates quicker than what they have done. We will take advantage of that while we can.

Alderman O'Neil asked but interest income is important in you managing the finances of the city correct.

Ms. Wickens answered yes absolutely.

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

4. Communication from Elaine Michaud, Deputy Public Health Director, requesting the establishment of a non-lapsing account for Senior Transportation Project Funds.

Alderman T. Sapienza asked are you all set to support this.

Ms. Wickens answered yes but I think anytime we open a non-lapsing account it needs to come before this committee so you understand what we are doing. This is not money the city has to come up with. This is money that they already have and they just don't want it to lapse. They want to be able to use it for this purpose.

Alderman T. Sapienza stated I thought that is why we have CIP accounts. Is this a CIP account?

Ms. Wickens answered this is different. This is a balance sheet account. CIP accounts are projects that we manage and you keep them open for three or four years. Balance sheet accounts, as long as she has money she is putting in for this purpose and spending for this purpose, could be open indefinitely. This is different.

Alderman Vincent stated just to clarify, donations and things of that sort would go into this account. So the purpose of this is to allow ourselves to maintain a holding place for additional funds at any time?

Elaine Michaud, Deputy Public Health Director, answered correct. The $30,000 has already been raised and been earmarked as approved by the mayor for the Senior

Transportation Project which has some short-term and long-term plans. We do not anticipate spending all of this money in the next 12 months so we would like to insure that it does not lapse.

Alderman Vincent asked how do we get updated on this. I understand the process now but going forward does the Board know how much is in there and how it is going and if it took in money? Is this something that would even come to the Board? I would rather it not but I am just curious.

Ms. Wickens answered Finance would monitor it and they wouldn't be allowed to spend it for a purpose that was not identified in what we are setting it up as and if they didn't have the money they couldn't spend it.

Alderman Vincent asked so you are going to have some part in this.

Ms. Wickens replied yes and they will too.

Ms. Michaud stated we have a plan in place to use it and we are going to align the funds with each of the objectives of the plan. Again, we are going to try to be conservative and not spend money unnecessarily and try to stretch this as far as it can go on each of these projects. That is the plan.

Alderman T. Sapienza asked who authorizes spending that money.

Ms. Michaud answered we are working with the Mayor's Office and with MTA. We are the ones spearheading this so to the extent authority is needed, because we are setting this aside it is dedicated to this project so there won't be a formal authorization process but it is the Health Department that will be monitoring and using the funds specifically for the cost of the plan.

Ms. Wickens stated right and they can't just enter anything into accounts payable. Because it is a balance sheet account, it will need to be entered by Finance so we will confirm that it is being used for the purpose intended.

Alderman T. Sapienza asked what if the Mayor wants to spend it on something and the Health Department wants to spend it on something else and the MTA wants to spend it on something else.

Ms. Wickens responded this is under the umbrella of Senior Services.

Alderman T. Sapienza asked so the Senior Services Director has it.

Ms. Michaud answered Senior Services is under the Health Department. Before we actually spend any money, the plan will be created and we will all be in agreement about what steps we are going forward with.

Alderman T. Sapienza replied I am not worried about where the plan comes from. I am worried about who has the final authority to approve it. Is it the Mayor or the head of the Health Department?

Ms. Michaud stated I can certainly tell you that from the Health Department's perspective if we intend to spend money that isn't aligned with a specific objective and a planned cost, we are certainly checking with the Mayor's Office. If you want a review process, we would be happy to provide that.

Alderman T. Sapienza stated I was just wondering who was going to authorize spending the money.

Ms. Wickens stated normally it would come to Finance. It is just like the Arts fund. They come to us first and we make sure they are eligible expenditures based on how it was set up and if it is I am not going to second guess them but if they are doing something that is totally not the purpose of the account, we are going to question it and they are not going to be able to get it through. That is what we do for anything.

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

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

A True Record. Attest.

Matthew Normand

Clerk of Committee