

COMMITTEE ON ACCOUNTS, ENROLLMENT AND REVENUE ADMINISTRATION

January 20, 2026 at 5:00 PM

Chairman O'Neil called the meeting to order.

The Clerk called the roll.

Present: Aldermen O'Neil, Burkush, Vincent

Absent: Aldermen Terrio, Goonan

Messrs.: K. LeBlanc, S. Wickens, Mayor Ruais, J. Pelletier

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

Kim LeBlanc, Financial Analyst II: You guys are all familiar with the revolving loan fund, so I don't really have to do a review. I was going to if people wanted me to.

Chairman O'Neil: You're happy where we're at?

K. LeBlanc: I mean, I would be happier, but you can't make everyone pay.

Chairman O'Neil: You've taken it all the way?

K. LeBlanc: I've taken it all the way.

*On motion of **Alderman Burkush**, 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

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

3. Communication from Sharon Wickens, Finance Officer, submitting the City's Monthly Financial Reports (unaudited) for the first six months of FY26.

Sharon Wickens, Finance Officer: So, we're halfway through the year. The unobligated balance percentage for six months should be 50%. All departments are within 10% of this benchmark, with the exception of Public Works. The overall unobligated percentage after six months is 48.37%, compared to 50.52% a year ago. Health insurance costs for 2026 are tracking favorably through December. I do see a slight tick up in claims, but we're still in a really good position, so hopefully when the majority of the winter claims are presented, we still have a really good balance. You can see in the middle of the page is a comparison of retirement payouts in December, between 2026 and 2025. We are doing

much better, although I think a number of people did retire at the end of December. So that ticked up a bit. But not significantly. And we are still doing better than last year. The contingency account has a balance of \$127,000. Revenues for the first six months are doing well. I know it says it's \$3.5 million lower, but these are all things that we anticipated and we budgeted accordingly. So, it's just a comparison between this year and last year. I see no glaring concerns. Our registration is \$1.1 million higher, but so is the budget. So, it's really auto registrations is probably flat through the first six months. The franchise fees out of the Clerk's office is down a little bit. That's been pretty consistent. School chargebacks are \$731,000 lower. Again, that's timing. I'm not concerned about that. And interest income, rates are down. That's \$666,000 lower. I did go through the reports. I don't see anything real concerning. It seems like we're doing okay on all lines, but if you've looked through and have any questions?

Chairman O'Neil: On your report on the retirements, is it possible or is it a big deal to put the number of people associated in retirements in those departments?

S. Wickens: I do. And so, the budget projections that I'm submitting tonight, when you get that little packet from the Clerk's office, you'll see one of the pages is by department, the number of people and the dollar amount by department.

Chairman O'Neil: So, the dollar amount will match up to this report?

S. Wickens: It will not because this report was done two weeks ago. My report is right up until today that I gave you for tonight. So, it's off a little bit. I think retirements are up; about 800 something for tonight.

Chairman O'Neil: I have not talked to Tim, but I was talking to Owen recently. They have been out a lot. I remember a former DPW director used to say it cost as much to treat one inch as it does a foot. We haven't had an active winter, it's been wet and freezing. And so they're still sending all the equipment out, salting streets two times or at least three times. Do we have their back?

S. Wickens: Let's see, as the year goes on. I mean, it's January. So, a lot of the departments don't start reporting a lot of surpluses until late March or April. But even if we don't, our winter weather reserve is fully full. It's right up to the most we can have, a little north of \$850,000. I feel really good that regardless of what happens, this will be sufficiently covered. I'm hopeful we don't have to tap a reserve, but it's there and that's what it's there for.

Chairman O'Neil: I'm sure, Your Honor, I don't want to put you on the spot, I'm sure you've had conversations with the director and the deputy there. They've been out more this year than I recall.

Mayor Ruais: Yes. We have regular conversations anytime a storm is coming. My first question is, are we ready? Are we prepared? They say, of course. And then I say, how are we looking on the budget? So that's always one of the first questions. If you'll recall, last year, one of the things we did in the budget was reduce their annual budget line item for salting and for sand, because they had been \$300, \$400, \$500,000 above every year. They plowed money into the reserve. So, there's plenty in there. But the the rolling

average of what they've spent is what their current annual appropriation is. So, I think we're in good shape.

Chairman O'Neil: This just came out of a casual conversation with Owen.

S. Wickens: I talk to them regularly.

Chairman O'Neil: I don't think they're hesitating to get out there; they are doing a great job treating our streets. But it's been a tough winter, and it's not plowing a foot of powdery snow. There's been a lot of ice.

S. Wickens: You try to manage it as close as you can and they've had such good years. And then this is one year that it's actually a little bit higher. But we are in a really good position. Their reserve is fully funded.

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

4. Communication from Mayor Ruais regarding auditing of the School District and City departments and the revision of related policies.

Mayor Ruais: I think what I have outlined here in the letter is pretty self-explanatory. I kind of just go through the eight initiatives that I had discussed in my inaugural address. I think for the purposes of this evening, if Director Wickens and our independent city auditor, Julie Pelletier, if they want to talk through the changes on the the three policies, the gift card, the P-card and the travel policy, I think what's important to note and the reason why I asked for it to be elevated this evening, was because those three policies are ones that came out of Director Pelletier's report last year on OYS. What I had asked of Sharon and Julie last year was that we retrain the department heads on these practices. They said we need to update them first. I said, great. And so, the updated policies are before you. They have a training scheduled for next week for the department heads. So, I thought it was important that we get these approved, elevated to the board so that we can retrain so that we don't have another situation like OYS. Happy to talk through the audit of the school district as well. I know Julie and I have had multiple conversations with Board of School Committee Member Baines and Vice Chairman O'Connell. This passed unanimously on the Finance Committee on the 14th. And now it's before us here on the Board of Mayor and Aldermen side. So, I am happy to answer any questions on that. Julie worked extensively with the administration as well, to come up with the scope of work that is included in this. So happy to answer any questions on that, too. That doesn't need to be elevated. I think that can follow the regular course of action. If we were to take action on it this evening on this committee, then it would just come before the full Board on February 3rd. But it's expected that this will be on the agenda for next Monday, the 26th on the Board of School Committee. So, the school committee would pass it next week, and then the Board of Mayor and Aldermen, if it were to so choose, would pass it on the third. And at that point Julie would begin her work. So that's just a rough outline on the timeline.

Chairman O'Neil: Your intent would be the three policy updates, getting those out tonight? And then at least approve the audit of the school district, subject to the board of School Committee approval.

Mayor Ruais: That's exactly right.

Chairman O'Neil: And the four major city departments we've talked about, that doesn't need to happen tonight.

Mayor Ruais: That does not have to be elevated. So, one of the reasons why I brought that before you is my understanding, and Peter can correct me on this if I'm wrong, but my understanding is that historically, with the independent city auditor, that's been something that this committee has driven that work over the years. So, in my conversations with Julie, these were the ones that she had suggested she begin her work on once the school district is complete. So, what I wanted was to come before the board and have that conversation and have you all approve basically a scope of work for her for the next two years. I don't know that these four departments would take the full term to do, but at the very least, it gives her an outline of where she can begin her work in some direction, as this committee has historically given. But you're correct, chairman, that that does not need to be elevated.

Chairman O'Neil: Julie, did you want to comment on that?

Julianne Pelletier, Independent City Auditor: Probably one year for the four departments and the school district.

Chairman O'Neil: My understanding is the expectation is that Julie would report back on the school audit by March.

Mayor Ruais: Yes, the conversation I think that we've had with the school district is that at a minimum, you think it would take between 90 to 100 days to complete this scope of work and so that the scope of work being right here, this one pager and then in the memorandum of understanding between the school district and the City of Manchester, all of the contents of that report would be made public. Of course, once an audit is complete, it would be made public.

Chairman O'Neil: I know that still needs to work its way through the Board of School Committee. And then back here, the intent would be she would report to the Board of School Committee or both boards? To both?

Mayor Ruais: Yes.

Chairman O'Neil: Leading with the Board of School Committee?

Mayor Ruais: No, I think what we had talked about was providing a letter with your findings to both the Board of Mayor and Aldermen and the Board of School Committee, and then coming and giving a presentation, if it were requested to talk about any of the finer points. But that letter would go out simultaneously to the BOSC and the BMA.

Alderman Vincent: Julie, are you going to give us just the meat and potatoes then of the changes for the purchasing card program and then the business expense policy? Just what significant changes have we made that we're really looking at based on your findings.

J. Pelletier: We added the gift card policy. There were not really requirements in place before. So, we added a structured policy for that. Any department that needs to purchase gift cards needs to get approval by the director of finance. They need to submit a quarterly reconciliation. Departments need to do that. They need to keep a log of any gift cards that are purchased and the purchase and the distribution of those gift cards. We copycatted Welfare's policy because welfare's policy is very secure. And that's what's going to go forward for now, for the gift card policy.

Alderman Vincent: Sharon, is this something that you're going to incorporate? How do we incorporate this once this gets approved? Is this something you're going to lead the way on how this is done in each department?

S. Wickens: It's not over complicated. They shouldn't be issuing gift cards anyway. But we do have a few departments that really can't get around this. Like Welfare will have gift cards for food and things like that. They have a very good track record of how they purchased it, the date, what it was for, the amount, who they gave it to, on what day. Two signatures are constantly reconciling something.

Alderman Vincent: You're going to sit with them then and you're going to just say, hey, this is how it works.

S. Wickens: Yes. Welfare is already doing that. And we feel really good about it. If OYS were to pick this up, which I don't know what they're going to do, they would be instituting this. We would sit with them and make sure that what they are doing is exactly what's been already approved by Julie, which she went in and looked at the Welfare policy and procedures for that. And it is very, very tight. So, we want everybody to follow that. But at the end of the day, I don't know of any other departments that actually purchase gift cards. So, we'll have to have a conversation about why we are doing it and make sure that they are aware of it, and that I've seen their tracking and so forth. It definitely needs to be tightened up.

Alderman Vincent: You said if they take this up; is this something they're going to have an option of doing?

S. Wickens: I don't know, I think at one point they were having youth basketball tournaments and the top player would get a \$25 gift card.

Alderman Vincent: So, you're saying they might just not do gift cards?

S. Wickens: They may not do it anymore, but if they do, we have a policy in place that they will need to follow. I will say that the interim director is doing a very good job now in providing the detail that we need for anything that's going through there.

Mayor Ruais: Going forward, if any department has gift cards that they're handing out, they will be mandated to follow this policy.

Alderman Vincent: What are the significant changes to the business expense travel policy? What different about that? And do we expect that to be something that, again, you're going to have to incorporate? Because I'm sure this is multiple departments that this will affect. Do we have a plan in place through you to train this as well?

S. Wickens: Yes. Julie has also looked at our business expense and travel policy. And coming from the state, they have a few things in place that she thought would be very beneficial to the city. So, we do have in the policy that all travel will be purchased through Engine and they will be monitored through Finance. So, in other words, if somebody goes on travel, they make sure that it's gone through Engine. There'll be no more food purchasing on P-cards. You'll be reimbursed according to GSA. GSA puts out amounts that they think you would spend on food per day, per city. I mean, obviously, if you're in New York City, you're going to pay a lot more than if you're in Manchester, New Hampshire. So, they have these guidelines out there and we'll make sure that people are following them.

Alderman Vincent: There's a lot more work for you now.

S. Wickens: It will be, but not a ton of people travel. I mean, it's going to be sporadic. There are going to be questions. There are going to be a little bit of give and take at the end of the day. We're trying to tighten this up, so I don't mind working with the departments as long as the end result is that we have a really tightened policy on this.

Alderman Vincent: Sounds like you're going to have to be flexible. We appreciate that.

J. Pelletier: The department should have been using per diem anyway. But this will make it a little bit tighter because the state's travel contractor knows that government employees should be using government rates. So, they negotiate those rates with hotels. They can get the best rates. If by chance it doesn't, they're not getting the best rate, the traveler can book their own. And just put in a justification for it.

Alderman Vincent: Makes sense. Julie, your work on this is above and beyond. I appreciate all you've done. I really do, thank you.

J. Pelletier: We did put a lot of changes in the P-card policy as well. Mostly prohibiting purchases. Things that were not really mentioned should have been common sense.

Alderman Vincent: A lot should have been common sense on that. I agree with that. I think tightening that up, less is more. We don't need 50 people to have something that two can do.

J. Pelletier: So, the P-card also addresses food purchases. There are a couple of exceptions. And that's written out what those exceptions are.

Alderman Vincent: Excellent. Thank you so much.

Chairman O'Neil: So air travel, the intent is to go through the state. What's the name of the program?

J. Pelletier: So, the travel contractor for the state, it's called Engine. If you were to go online it looks like Expedia or something like that, where you can book your flights and your hotel and your car rentals right at that site. You would set up as an employee of the city, you log in, create a login, and you're approved because you're under the city of Manchester. And then the rates, they said that they get really great hotel rates. If there's a conference, we ask the question, are they going to get that conference rate? And she said, possibly, but sometimes our rates are even less than what the conference rates are. So, it might be a little bit of research on behalf of the traveler.

Chairman O'Neil: And if for some reason there's a better rate, they can pay and then be reimbursed?

J. Pelletier: Yes or they could use their P-card.

Chairman O'Neil: We don't want to force use of our own airport, but we certainly want to encourage it.

J. Pelletier: Yes.

Chairman O'Neil: I hope in training that we encourage it.

J. Pelletier: Yes, it needs to be cost effective.

Chairman O'Neil: Even if it requires a connecting flight. And meals are reimbursed, you cannot use the P-card. The use of Manchester-Boston Regional Airport is not in the policy, correct?

J. Pelletier: It is not a must.

Chairman O'Neil: But the message will be to the departments will be to try to use Manchester-Boston Regional Airport.

*On motion of **Alderman Burkush**, duly seconded by **Alderman Vincent**, it was voted to approve.*

*On motion of **Alderman Vincent**, duly seconded by **Alderman Burkush**, it was voted to expedite the committee's report of approved policies to the full Board this evening.*

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

A True Record. Attest.

A handwritten signature in black ink, appearing to read "Matthew Normand". The signature is fluid and cursive, with a long horizontal stroke at the end.

Clerk of Committee

Meeting Start Time: 5:00PM
Meeting End Time: 5:23PM
Minutes Prepared By: Michael Intranuovo