

COMMITTEE ON ACCOUNTS, ENROLLMENT AND REVENUE ADMINISTRATION

February 15, 2022 at 4:45 PM

The Chairman called the meeting to order.

The Clerk called the roll.

Present: Aldermen Heath, Long, Cavanaugh, Barry

Absent: Alderman Levasseur

Messrs.: M. Bogardus, S. Wickens

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

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

2. Communication from Michele Bogardus, Deputy Finance Officer, submitting Finance Department reports as follows:
- Accounts Receivable over 90 days
 - Aging Report
 - Outstanding Receivables

Michelle Bogardus, Deputy Finance Officer, stated the FEMA money is starting to come in month by month. I believe the most recent payment received this week is for April.

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

3. Communication from Sharon Wickens, Finance Officer, regarding the City's Monthly Financial Report (unaudited) for the first seven months of fiscal year 2022.

Sharon Wickens, Finance Director, stated the unobligated balance percentage after seven months should be 41.6% as a benchmark. All departments are within this benchmark unless they have had some contracts or something they usually pay early in the year where they pay earlier. Health insurance costs for 2022 continue to trend over budget through January. Actually I should probably say through December. We receive reports on healthcare from our health insurance consultants USI. We just received them through December. December was very high so we have asked for more information to break this down. We expected that our health insurance would remain flat through this fiscal year and that is not what we are seeing. We are seeing quite a bit of an increase. Is that because of COVID? Is it because some of the changes we have made to the plan aren't working? We are doing a deep dive on that and will hopefully have more information on next month's report. A comparison for retirement payouts through January shows that we are doing a little better this year. We are at 22

retirements compared to 28 the previous year. We still have about \$340,000 left in our contingency account. Revenues through the first seven months of the fiscal year are \$4.1 million lower than a year ago. Permits are \$473,000 higher in this same period than a year ago. Auto registrations are \$694,000 lower and interest income is \$222,000 lower than a year ago. At tonight's meeting, you will see that the auto registration projections through January continue to lag. I do have some good news. The first two weeks in February are trending higher than the first two weeks of February last year. It just gives me hope that we may start to rebound in this last quarter. I don't think we will make up a lot of the loss but it may definitely help and that is what we want to see. Digging deep they are probably just shy of \$1 million. State revenues are \$6.2 million lower than a year ago merely from the fact that we didn't get state municipal aid this year. Reimbursements are lower by \$225,000 because of debt refunding. School chargebacks are lower by \$900,000 and this is just less timely billing by the departments. I don't think it is anything more than timing. Everyone believes they will collect what they have in their budgets for chargebacks.

Alderman Long asked are the numbers you are giving us, for example registrations, down compared to the overall year for 2021.

Ms. Wickens replied correct. Keep in mind that the FY21 budget was lower than the FY22 budget. This is why I suggest it is actually closer to down by \$1 million.

Alderman Cavanaugh asked is \$1.6 the total we are down.

Ms. Wickens asked for the auto registrations.

Alderman Cavanaugh replied for the total revenue stream.

Ms. Wickens stated the \$1.6 million you are looking at is strictly parking and interest income. The ARPA funds will make that up. Auto registrations are down about \$950,000. The latest Comcast check came in and its lagging about \$20,000 a quarter so we are making up some of that with ARPA funds. Normally your revenues increase but they are flat if not behind. Covid is a wrench that continues to hurt us, especially for parking. Auto registrations are down because of the chip shortage. People are renewing cars but they are all used cars at lower costs.

Alderman Long asked the state municipal aid was a one-time burst in FY21 right.

Ms. Wickens replied correct. Unfortunately, these reports are comparing us to last year when we got it and it looks like we are down. We are not getting it this year.

Alderman Long asked if we take out the municipal aid where are we.

Ms. Wickens replied I am not sure what you are asking.

Alderman Long asked how much was the municipal aid?

Ms. Wickens stated it was a two-time payment that we got in FY20 and FY21. The state is on a bi-annual budget so we got it those two years.

Alderman Long asked how much was it for FY20?

Ms. Wickens stated I don't put that on my reports.

Alderman Long stated well I am trying to figure where we are at minus those numbers.

Chairman Heath stated I am concerned about the health insurance because that may be a real issue. Is this a red flag and something we should be concerned about or is it something that will work itself out?

Ms. Wickens replied stated I don't think it is something that will work itself out if there is a problem. When I did the projections I did set aside some money in surplus in case we have a shortfall. We also have a reserve in case something odd happens that will help if we are short. We hate to hit the reserve but if we have to we will.

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

4. Chairman Heath advises that ordinances are to be considered for consistency with the rules of the Board and requests the Clerk to make a presentation.
"Amending Section 33.046 (Entrance Pay Rates) of the Code of Ordinances of the City of Manchester by changing the approval process for Steps 2-5."

*On motion by **Alderman Barry**, duly seconded by **Alderman Long**, it was voted to enroll the ordinance.*

*There being no further business on motion by **Alderman Barry**, duly seconded by **Alderman Long**, 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