

**COMMITTEE ON ACCOUNTS,  
ENROLLMENT & REVENUE ADMINISTRATION**

**May 6, 1997**

**6:00 PM**

Chairman Elise called the meeting to order.

The Clerk called the roll.

**PRESENT:** Aldermen Elise, Soucy, Shea, Pariseau, Hirschmann

**MESSRS.:** Kevin Clougherty, Mark Hobson, Tom Nichols, Paul Porter

Chairman Elise addressed the first item on the agenda:

Communication from Mayor Wiczorek requesting the Committee develop recommendations on how to replace the auto registration surcharge revenues in FY98.

Chairman Elise presented two items for the Committee to consider as alternate financing methods or other financing mechanisms. Chairman Elise submitted two finance mechanisms that she felt would assist us now and the other would assist us greatly in the future. One mechanism for financing downtown infrastructure would be a tax increment finance district. Whereby, this is a very simple explanation, to finance business district infrastructure need specifically parking garages. Other Communities have turned to Tax Increment Finance Districts, whereby, Mr. Clougherty could probably explain this a little bit better than I could.

Mr. Clougherty explained that the mechanism is where you build something and you issue debt usually. Then you pay back the debt with the additional money that you would get with from improvements to buildings that occur around it. That is the simple explanation of that, it's a valuation based funding mechanism.

Chairman Elise asked if there was another version were you designate?

Alderman Pariseau said that was fine, but do we send this to the budget thing?

Chairman Elise continued by saying no, it wouldn't be immediate. We wouldn't send it to the budget for this year, it's a long term finance.

Mr. Clougherty said that it was a capital improvement base program. You develop a district based on valuation. It has been done in other towns and the thing you have to look at it works in certain economics cycles. We considered it in the past for different things but our valuation was not growing fast enough in order to justify the project. I know that Mr. John Snow when he was coordinating did quite a bit of searching in terms of using that as an alternate. We can re-examine it again, certainly go back and take a look at it and see if the economics are changing.

Chairman Elise said that this would be a long term finance mechanism. Chairman Elise recognized Alderman Shea.

Alderman Shea asked Mr. Clougherty if this would be predicated upon the valuation of properties around the downtown area?

Mr. Clougherty said the way it usually works Alderman Shea you go into an area where it needs that some work. You lay out a program whether that is improvements or a big redevelopment project. With the idea that if you are going to take that project and with debt. The result of that project is the value of the buildings around would go up and what you say is okay. The value of those buildings are going to be captured and that is going to be used to retire the debt. It is used in a lot of larger cities and inter-city type programs.

Alderman Shea asked if that would be like two , three or five years away or is that difficult to say?

Mr. Clougherty responded that what you do is you take a look at the valuation and a re-capture type of thing. When you issue the debt and when you take the project, if you have cash in advance you may use bond anticipation notes or local cash as a means to float until you see that change. There are different ways of doing it.

Alderman Shea said like \$3.0 million or something and then when it rises above \$3.0 million you.....

Mr. Clougherty said that's right. It's a good program if you see things rising and going in the right direction. The valuation base has to be there to begin with.

Alderman Shea asked if the people who own the property have any say in this or what? How do you work that?

Mr. Clougherty said again we have not spoken about this. I can tell you what I understand about it. Generally, what happens, or the experience that is on us on a particular project or particular area. You do a significant amount of analysis to prove to the IRS when they issue the bonds that it meets all the tax requirements. It's usually, you have a particular project or a particular area that you want to a series of projects and then you work this through and it's a capital improvement type of thing. It is tax based and it is based on the increase value that you think you are going to arrive from undertaking a project like that.

Alderman Soucy said that it definitely sounds like an idea worth exploring. Perhaps we can table it until such time we have more information. We can bring in Mr. Davis and discuss what type of area we would be covering.

Chairman Elise stated that is what she would like to do.

Ms. Shaffer said a central business district.

Alderman Pariseau asked if he missed something. Don't we have a do hickey already or something?

Alderman Soucy said yes we do.

Chairman Elise said that district essentially taxes themselves for services and other things they might need. This is another tax mechanism whereby,.....

Alderman Pariseau continued by saying that this is part of what Representative Pepino sent to Concord and no one from the City went to support it.

Chairman Elise said no this was not that. This is another finance mechanism that a lot of other communities have used specifically to finance parking garages.

Alderman Pariseau said that the residents of Ward 9 opposed to that surcharge on their registration bill.

Chairman Elise replied that this was not like a surcharge. Right now would be a good time to look at it where people are investing in downtown and the values of property hopefully will go up. You just take a percentage of the increased value and dedicate to infrastructure.

Alderman Soucy said then they are not paying additional but an increment of what they are paying.

Mr. Clougherty replied that why don't you let us come in and make a presentation on it. What happens here is you may have heard us talk about the garages and when they first started and what the Statute allows for to set two mechanisms. One to collect the rates that allow you to do the operating costs and setting up a reserve fund. The other piece of that was to do taxation to the surrounding districts and that piece never was done. Because people did not want that, it just was not popular. We can come in and talk about that if you want. But you can't go back and reassess for projects that are already completed. There are certain requirements that you have to meet. We have considered, as I said the financing mechanism each year and economics have not really been there for a while. But we will have some people look at it and have finance to look at it.

Alderman Hirschmann asked if he could speak to this, please. Apparently, I am the only one here who would oppose this.

Chairman Elise stated we are just asking Mr. Clougherty to...

Alderman Pariseau remarked that we are not going to do anything now.

Alderman Hirschmann said he did not care when you are going to do it, I want to oppose to it now before you run down the path. This is another tax.

Alderman Pariseau said for businesses downtown.

Chairman Elise said it was not.

Alderman Hirschmann stated that some of his friends just opened up businesses downtown. They do not want to pay another tax.

Chairman Elise said that it was not an extra tax.

Alderman Hirschmann inquired if Chairman Elise had asked anybody about this?

Chairman Elise responded that it was based on increased valuation.

Alderman Hirschmann repeated its not another tax. It says tax increment finance district. That's a tax.

Chairman Elise added whereby your real estate taxes are based on the value of your buildings and as the value of the buildings go up in the area a percent, Mr. Clougherty can explain this. That is why I asked him to look into it and give us a presentation.

Alderman Hirschmann asked if this was her idea?

Chairman Elise responded yes that it was. I didn't dream this up, I read that other Communities have used this very successfully in other areas of the country to finance things like parking garages.

Alderman Hirschmann stated that on principal I have to oppose this because I didn't aggrieve even though the tax district that is in place. The people have opposed this on themselves, I didn't agree with that. If you keep taxing the district with different taxes.

Chairman Elise said that this is not an additional tax, though.

Alderman Hirschmann responded that it was. If there equity increases, you are taxing there equity.

Chairman Elise stated you know how our real estate taxes. As property value goes up your real estate taxes go up to.

Alderman Pariseau said that this is not going to happen tomorrow. Why don't we just table it and get on with the meeting. We do not even want to discuss this. It is good that you propose to bring in Intown management people and finance to discuss at some later date. I have no problem with that. Let's not kill the evening.

Alderman Soucy, moved that the item be tabled pending further information and a presentation that would be provided by Mr. Clougherty and perhaps Mr. Rich Davis as to how exactly the proposal would be. Alderman Shea seconded the motion.

Alderman Hirschmann stated he was in opposition. Alderman Hirschmann added that he felt it should be withdrawn.

Alderman Hirschmann stated that if the Mayor wants an idea he felt that we should take one of the garages like the Victory Garage put it up for sale between now and October and sell it. Take those funds and put them aside to maintain the other garages. We can't afford these garages, we can't afford them.

Alderman Soucy said that nobody wants to buy them.

Alderman Hirschmann said let's offer. We have not offered them to anybody.

Chairman Elise said that she had another proposal and she is going to bring it forward. Chairman Elise added that she knew that some people would be opposed to it, but she was going to bring it forward anyway. Chairman Elise stated that this did not help a lot but it can help right now. Employees are parking free in the garages and in the parking lots. In lieu of giving them free parking we could give them a free employee price which would be half the cost. Right now it cost \$45 to park in the garages, if we gave them an employee price of \$22.50 a month it would bring in some revenue. I know it's not much.

Alderman Pariseau stated that we are looking for \$1.6 million. No, received and filed that one.

Chairman Elise said that it was up to the Committee. I brought it forward and it does bring in a little income.

Alderman Shea withdrew his second to the former motion and moved to receive and file this item and forward the information to the budget committee. Alderman Pariseau seconded the motion.

Chairman Elise proposed that employees be charged an employee price of \$22.50 a month to bring in some revenue.

On motion Alderman Shea, duly seconded by Alderman Pariseau, it was moved to receive and file and send this proposal to the Budget Committee. Chairman Elise proposed that employees be charged an employee price of \$22.50 a month to bring in some revenue.

Alderman Hirschmann asked if this was per month.

Chairman Elise replied yes.

Alderman Hirschmann said that is \$7300 a month, that's not poultry.

Chairman Elise said that if we charged them the full rate.

Alderman Hirschmann continued by saying that would be \$3690 a month. It's not bad.

Chairman Elise said that it would help and it would still give the employees reasonable cost for parking.

Chairman Elise called a vote. The motion carried.

Chairman Elise addressed the next item on the agenda.

- . Copy of a communication from Mark Hobson, School Director of Administration, regarding the proposed changes to the Finance Ordinance.

Alderman Shea said that he thought the problem, if I might address it, was resolved when Mr. David Wihby asked Mr. Mark Hobson if he were comfortable when we had the presentation and he said he was.

Mr. Clougherty added that his understanding was that he was fine.

Mr. Hobson said that the only item that I would like to bring to your attention on behalf of Superintendent Tanguay. I discussed this with Mr. Clougherty, in next years audit process we would like to engage the Finance Department and the City Auditors in a more extensive audit program for the School system. In a more expanded and enhanced way that we are doing at this time right now. Mr. Clougherty thought that was certainly a good idea. We will agree to engage at looking at an Auditor or a section of the Audit Company that we choose that is very familiar with school issues. We realize that would be an additional cost that would come out of our budget. We feel at this time that we need some additional audit guidance. Especially with the special education and the SL issues that we keep talking about. I just wanted to bring that to everybody's attention.

Chairman Elise recognized Alderman Hirschmann.

Alderman Hirschmann said that Mr. Clougherty has audit money in his 98 budget could not that be dedicated to the School for an audit. Instead of having more money expended, direct the audit to the School Department.

Mr. Clougherty responded that we had talked about that. It all comes down to the scope of what they want to do and what they are willing to pay for. We are willing to talk about that. I think anytime we can get better coverage we are willing to take a look at that. Again what we have tried to do on those extra dollars is come back to the Board in case there is something the Alderman wanted to have done. We are not going to do something without getting back to you. Yes, those are all things we agreed to explore and I think that is healthy. There is nothing in there that is inconsistent with the ordinance in the proposal.

Mr. Hobson added that they had placed funds in there proposed budget for next year to have a more extensive audit. Just so the Aldermen were aware of that fact,

they figured that if they are going to engage in this kind of thing it would cost a little bit more money.

Alderman Soucy said that it had previously been the policy of this Committee as well to fund both the City audit which we have to do on an annual basis anyway. Then with the balance of that to choose one or two departments so over the course of time all the departments had been gone through.

Alderman Hirschmann stated remember we had gone through Fred Rusczek's department.

Alderman Soucy continued by saying maybe something like that could be done.

Mr. Clougherty stated that what we tried to use those to go through different departments over time. What we are talking about, with Mr. Hobson is an ongoing year to year continuation. That is why he is building into his capacity on there side so that would be undertaken there and it would not be done at the expense of some of the other things that you want to do.

Mr. Hobson replied that the biggest focus is Special Education cost. That is clearly a topic that everyone is concerned about and we want to get even more controls around that, as well.

On motion of Alderman Soucy, duly seconded by Alderman Pariseau, the communication from Mark Hobson, School Director of Administration regarding the proposed changes to the Finance Ordinance was marked received and filed.

Chairman Elise addressed the next item on the agenda.

Communication from Lloyd Basinow relative to the Vehicle Reclamation Trust Fund.

Alderman Pariseau asked if he could make a motion to receive and file. I would like to also mention that I take exception to Mr. Basinow inference that we have crooks working for the City of Manchester. Especially from an individual who has been accused of wrong doing in the past, himself. I do not appreciate these letters suggesting that individuals are doing something wrong. They are not, but I will make the motion receive and file.

Alderman Hirschmann said he had a question for Mr. Clougherty. Do you feel that the way we are doing business now with the trust are we in good shape?

Mr. Clougherty answered that this is the first year that this is running. The way that we structured this, what is happening here so that the Board knows, the money in the Reclamation Trust is not enough to cover all of the eligible expenses. When we've had the situation before and we had it with parking. Were we are taking the money we had to set up a trust fund for parking and the money was not sufficient to cover. We talked to the Attorney General's office, the Charitable Trust Division, Terry Knowles, we do the accounting this way and that is the way we structured it.

Alderman Hirschmann said that we are running a high bridge program where some is funded and some is not.

Mr. Clougherty stated that what you have is a Trust Fund that at the end of year in the report has nothing in because the amount of money you collected is less than what you need to cover all the eligible expenses. But you have to disclose it and you have to go through procedural things. What we are doing and anytime somebody questions something like this, we are going to follow up on it. We have tried to get a hold of Terry Knowles in the Attorney General's office. We were moving, she is out and is supposed to be back tomorrow and we are going to sit down with her. Okay, we are doing this the same way that you told us to do parking we have the same situation are you happy with that. If she is not and she wants it to do it a different way, then we will do it a different way. The fact of the matter is, no matter whether she asks us to do it in some other mechanism as opposed to the way we are. There is an accounting of all the dollars. We know where they are, you know where they are, we are disclosing them to you in your financial statement and we will be happy to comply with however, she wants us to proceed. Once we have an answer to that we will come back to the Board and say all right this is what the Attorney General wants us to do and we will follow their recommendations. It may be the type of thing, again, it is the first year we need to get a track of how the money is going to flow. Do it the way you are doing and then at the end of the year start something different. We are willing to come up with anything and we are going to follow up on it. We can certainly see that the request is legitimate and anytime that anyone reads our financial and they come up with a question, you should follow up on it. That is what we are going to do, we want to comply with the law just as much as everyone else. We will follow and we will let you know.

Alderman Hirschmann said that he knows when someone goes to the drop off center and they are weighed on the scale. You have to have a little sticker on your windshield that comes up on the computer and tells who you are. I do not know if the computer breaks it down whether it's trust fund or whether it's oil, trash. Maybe, we could say something to Mr. Frank Thomas.

Mr. Clougherty replied that he thinks that we do have those bread downs and we do have the sufficient control. It's not a question of whether the dollars are, we have all that. It's just a question do you take all his money and put it in a trust fund and let it set there and have the general fund absorb all the expenses? Do you do some type of transfer or try to open a trust fund that is to be used as a checking account? Which really is not what the Attorney General likes to see you use a trust fund to do. You have one of these situations where the money that is coming in doesn't cover all the eligible expenses. We document the expenses and we will follow whatever the Attorney General's recommendation.

Alderman Hirschmann said that as an operation he thought that we should know at the end of the year how we net out. Whether it is net \$26,000 or if there is a fund balance.

Mr. Clougherty said that if you look at the CAFR this year, Comprehensive Annual Financial Report that the auditors bring in. You will see under the Trust Funds there will be an item that will be zero. You will also see a footnote, and the footnote will say under the provision under such and such law, we are allowed to collect this. There will be the detailed disclosures. How that is done again we will wait and see what the Attorney General wants. We have structured the way they advised us to do these things in the past. If there has been a change in policy or they would like to see us to it differently then we will accommodate.

Alderman Hirschmann responded that he trusted Mr. Clougherty's judgment and what he wants to do with it. He has already been in contact with the Attorney General's office. What I think maybe this letter addressed is that there is some kind of fear, that maybe there is a little bit of money being made and it's accumulating. I can't read minds, I don't know.

Mr. Clougherty said that they did not read anything into that. It's a request for a clarification and we will follow up on it. That is the way we treat it.

Ms. Shaffer asked if she could make one statement, please. You mentioned people that are going to the drop off center, they do not pay for these particular items when they go to the drop off center. This is one of fees that is paid on the auto registration. Just for your information in that regard.

Alderman Hirschmann said that he did not know if the computer logged the drop off the trip.

Ms. Shaffer replied that she thought they were costing out the items that are brought in because for the elimination of those items. They have to cost all of that out in conjunction with the Reclamation Trust.

Mr. Clougherty added that part of this if you want a detail breakdown of what has come in by month. We would be happy to give you that disclosure. The numbers are there and I don't think there is a question of whether it is being accounted for, it's just a question of should there be a different approach and we will see what the Attorney General recommends and we will go with that. That's not uncommon we've done that with Library, we are in communication with them all the time.

Alderman Hirschmann said is it that the expense is in Mr. Thomas' budget and the income is in Joan's Budget is that it?

Mr. Clougherty said no, what happens it's much more expensive to take and set up a mechanism where you are bringing in dollars and accounting from a Trust Fund and Trust Funds are really suppose to be long term investments and you can't factor that in there. They turn around and you cut a check, it's administratively much more expensive to opt one way as opposed to the other and that's what were the Attorney General's coming from when they gave us the advice on parking several years ago. It did not make sense as long as the accounting was there and as long as you did a year end reconciliation, that was satisfactory. We will revisit that and we will ask them and if they have had a change in policy since that time we will change.

On motion of Alderman Pariseau, duly seconded by Alderman Soucy, it was voted to receive and file the communication.

Ordinance amendment to Chapter 13, Article IV, Section 13-214(b) relative to Housing Code Inspection fees submitted by Alderman Reiniger.  
(Note: on 9/17/96 Committee directed Building and Finance to develop preliminary plans and/or fee structures based on cost analysis.)  
(Tabled 2/11/97)

Alderman Hirschmann asked while the reports are being passed out. Has there been any discussion from the Building Commissioner as to Item #7?

Chairman Elise responded that she did not know. She had not gotten to that yet. Maybe Finance has something to say. There was supposed to be something here. It's been many times that he has put us off on this. We are going to have to discuss it, I think.

Alderman Soucy said she would like to make a motion that we send a letter to the Building Commissioner requiring that he be at our next meeting with some type of explanation on how we are going to handle this. If he has made a decision, he can send us a letter and just forward it to the members of the Committee. So, that we know before our next meeting, if we had questions. This issue is just long overdue.

Alderman Pariseau asked what was the motion.

Alderman Hirschmann stated that we had said before at the last meeting that he knows he was supposed to come back.

Chairman Elise said that was right.

Alderman Soucy repeated he was supposed to come back.

Chairman Elise noted that this was a regular occurrence.

Alderman Hirschmann asked if he had been invited?

Chairman Elise said that he told us.

Alderman Hirschmann said that should and put would or will.

Alderman Soucy said how about shall.

Chairman Elise said what about better be.

On motion Alderman Soucy, duly seconded by Alderman Pariseau, a letter should be sent to the Building Commissioner to attend the next meeting with some type of explanation regarding this item:

Chairman Elise noted if the Building Commissioner has made a decision a copy should be sent to each Committee member for them to review and see if they had any questions.

Chairman Elise addressed the next item on the agenda.

Review of reports from the Board of Assessors.

Mr. Nichols started by saying what you have in front of you is the amount of abatements that were granted and the actual tax base as of April 15, 1997. You

can see where the last page agrees with the first page as far as the tax base is as of today.

Chairman Elise asked if anyone had any questions?

Alderman Hirschmann said he had a question? From 2/11/97 to 5/15/97.

Mr. Nichols said he was sorry that should be 4/15/97.

Alderman Hirschmann said okay that should be 4/15 not 5/15. In that quarter we net out negative \$10.0 million.

Mr. Nichols said roughly.

Alderman Hirschmann repeated negative \$10.0 million. As the base drops \$3,686,889,000 down to \$3,677,851,600, my question is going to be what do you anticipate going on?

Mr. Porter said he would like to address that Alderman. I think typically and if you find that last year at this time. Particularly after the bill goes out until April 1 or shortly after. We are sort of, if you will, be in a review mode where we are dealing with abatements and request for reviews. The new construction hasn't yet been picked up.

Alderman Hirschmann asked when will that be in the Fall?

Mr. Porter responded that would be over the next several months, the new construction. As you see the tax base will increase from here on out until the time when the bill is sent. It's really a nature of the timing of when the assessments are picked up. We have had a lot of reviews, we did have a number of cases at the Board of Tax and Land Appeals had scheduled for our Board to be completed most of them by the third week in May. In doing these reviews we were not able to do any of the new constructions picking up out in the field. That will occur at this point on.

Alderman Hirschmann said that the filings did not bother him, what bothered him was the new construction line, being a negative \$2.5 million. That seemed kind of funny.

Mr. Porter said that they have been wrestling with basically on how to label that. In essence, that has been no formal abatement requests but people who come in and bring evidence and demonstrate to us that their property may in fact be over

assessed. Too late for the filing period for the prior year, and we would be making revisions for the upcoming bill. The other side of that coin is that at any time we have properties that have been removed from the tax roles. In fact, if there a major fire that a building has been torn down and we have had quite a few of these over the last year. We have to remove them before the next bill goes out. That would be included in that figure.

Alderman Hirschmann said that Board decisions plus construction impact.

Mr. Porter replied correct.

Chairman Elise asked if anyone else had any questions? I will accept a motion to refer this on to the rest of the Board.

Alderman Hirschmann asked if he could address one thing. The 1000 Elm Street down here for \$19,500,000.

Mr. Porter replied correct.

Alderman Hirschmann asked if that was settled?

Mr. Porter answered no. We have a hearing date schedule for the May 22, 1997.

Alderman Hirschmann said then that could come up in the next quarter.

Mr. Porter replied that unless the case would be continued it would definitely be resolved by the next quarter.

Alderman Soucy asked if they would still have the opportunity to appeal that, right?

Mr. Porter answered that it's in the Board of Tax and Land Appeal. That case is scheduled to be heard on the 22nd of May. Then it would depend upon if it does get to that point as to how long it takes the BTLA takes to make their decision.

Alderman Hirschmann asked Mr. Porter if his Board represent the City and recommend a number or how does that work?

Mr. Porter stated that they have had an appraisal done on the property and there is a difference between what they feel the properties worth and what we feel it is worth.

Alderman Hirschmann asked if it was an arbitration process?

Mr. Porter said that it was basically a judicial issue comparable to Superior Court.

Alderman Hirschmann said that if you win we will be a few million to the better.

Mr. Porter responded well.

Alderman Hirschmann asked if that was one we had to worry about.

Mr. Porter answered yes. We have approximately 12 or 13 cases left from 1995 and if I may I realize just beyond this issue. We have one case pending from 1994 at the Board of Tax and Land Appeals at the present time we have no cases pending before Superior Court. The 1995 cases we have approximately a dozen cases pending but haven't yet been scheduled necessarily and of course the 1996 appeal period for Superior Court in Board of Tax and Land Appeal hasn't yet begun. That will not start until July. This is the first year that will occur because they changed the filing date locally to March 1. Last year, it was in January that the filing deadline occurred. So, we are kind of in a situation where it is both a good and a bad picture. The good picture is that we have very few cases back logged. This is attributable to a tremendous amount of effort on the part of the Board of Assessors and the cooperation of the tax payers. I have said it many times before, the tax payers by large have been extremely patient and understanding of the problems that have occurred over the past 5 and 6 years with the economy. The thing that is a little bit of concern is the fact that the Board of Tax and Land Appeals and Superior Court filing date will not occur till July 1. So, we really have no way of knowing how many people are going to pursue beyond the local board so it is really up in the air right now. We are very pleased to tell you that we have only about a dozen cases back logged as opposed to 300 or 400 just a few years ago. Which is one of the reasons why the decrease in the overlay account is continuing to occur.

Alderman Hirschmann asked what month will your number be used to set the tax rate?

Mr. Porter replied that the rate will be set in October and a lot of the work that we do. We did give a projection as to what we anticipated a range of value to be. The Mayor did choose a number right in between for his budget message, as you recall, the \$3,650,000,000 and we are certainly hoping that we reach that and hope to exceed that amount. But we are being a little bit conservative and somewhat cautious and it is somewhat predicting the future type of thing.

Alderman Hirschmann said we are over that now.

Mr. Porter answered that was a gross figure, Alderman Hirschmann. The figure we gave the Mayor and the Board was a net figure after elderly and blind exemptions.

Alderman Hirschmann said that he was looking at this with a smile.

Mr. Porter responded that would be nice. That would be golden, but that is a gross figure.

Alderman Soucy said she had one quick question. When we do the re-certification for the new elderly exemption schedule that will be following. Is there an appeal beyond your Board if you deny them or if there are changes as a result of the re-classification.

Mr. Porter said that if we deny them, they have the same prerogative as a tax payer and namely that they can file to the Board of Tax and Land Appeal or Superior Court for relief, that is correct. We have not had that in 16 1/2 years, thankfully.

Alderman Shea said that he wanted to commend the Board of Assessors coming in with an excellent report at all our meetings on a monthly basis. They should be commended for the excellent work.

Mr. Porter replied thank you Alderman.

Mr. Clougherty said that he was handing out an updated Revenue Forecast for the current year. If you take a look at the bottom line on the last page you see that we are forecasting that revenues are going to come in just about on target. We are showing about \$24,000 to \$25,000 to the good. We have highlighted a couple of items there for your concern just so you can look at. The reason we have highlighted the Auto Registration because of the issue that we are probably taking back some of those dollars. We have factored those back in.

Alderman Soucy said that Mechanical Devices looked good.

Mr. Clougherty responded that we highlighted that because it has been a topic of conversation. If you look on the third page, Kindergarten. We're not certain we are going to receive that we are optimistic if that money comes in and that has a good effect on our bottom line but we are not sure how that is going to come and whether we will be able to accrue it to the current tax year. If we are not then we are \$24,000 and if it comes in then that is terrific and we are better than we are

better than expected. At this point we are trying to take a conservative role and alert you to those areas where we think there are things of concern. The drop off center figures are on the next page so you can take a look at those. We have tried to do is highlight those revenues where there has been some discussions. We would be happy to answer any questions that you might have, but we wanted to get this to you so you can have an idea where we are going month to month with these things and how we are calculating them. It looks like we are right on track and that revenues will come in pretty close to where we thought they would be.

Alderman Shea asked if the Room and Meals Tax you have an estimate of \$654,927 for Fiscal Year 96.

Mr. Clougherty said Fiscal Year 97.

Alderman Shea said Fiscal Year 97, is that what we projected?

Mr. Clougherty responded that he thinks we will get that.

Ms. Shaffer stated that there might be a variation depending on the population.

Alderman Shea said that the revenues are coming in from the State.

Mr. Clougherty said that was a good sign because we only get certain increments of it.

Alderman Hirschmann said he had a question for Mr. Hobson.

Mr. Clougherty asked what revenue source number he was looking at?

Alderman Hirschmann said that he was looking at item #0678 Lunch Monies are off \$210.0 thousand in revenue. Last night, in your presentation you are increasing that budget. We are not tracking this year but next year it's going to go up.

General discussion followed where Alderman Hirschmann added that if you look at it they are estimating if they are going to be over or under at year end. They are estimated they are going to be don \$210.0 thousand.

Mr. Hobson responded that he thinks from a pragmatic standpoint. I am seeing this for the first time right now.

Alderman Hirschmann said that he did not mean to attack him, he just wanted to know.

Mr. Hobson continued by saying just so you know this is the first time I have seen this. From our assessment it will be going up, what we are showing on Thursday on our Finance Committee meeting is that we are showing right now that particular School Food Fund because of open purchase orders and inventory. We are right now behind approximately \$85,000 where we want to be. This is a traditional thing that happens just about this time of year because of inventory and because of purchasing of goods and particularly expendable. We are going to be decreasing our inventory down to about \$40.0 or \$45.0 thousand and we will as far as I am concerned we will be meeting our revenue budget for this year. I think we have a discrepancy with Mr. Clougherty or Ms. Parson's numbers. I think it is something that we can try to talk about between departments and work out. I am just caught a little short sided at this second.

Alderman Hirschmann asked Mr. Clougherty if this was up to April?

Ms. Shaffer said that she wanted to make a statement. The School has not interfaced with the City yet for April. This is actually a nine month figure for collections.

Alderman Hirschmann said so he has not sent his figures over to you for the month of April.

Ms. Shaffer said that was correct. This is only for nine months were the rest of them is for ten months. We projected approximately \$100,000 a month going forward. It still leaves them short.

Alderman Hirschmann said that he was just concerned about over estimating revenues if we are not tracking this fiscal year.

Mr. Hobson said that their estimation is that they are going to meet their revenues both in the school food side and exceed our revenues on the tuition side.

Mr. Clougherty added that if Mr. Hobson had a better ten month number then that is going to increase the base and we can project forward. Until we get we take a conservative view of what is in to date and that is the way we go forward with it. But if you want we can come back the next meeting and tell you what the difference is.

Mr. Hobson stated as a final comment is that in defense of the system. Our Finance Committee does not meet until this Thursday and then Mr. Clougherty does not see the numbers till next week so we are off a little bit.

Chairman Elise stated that she was asked to ask Mr. Hobson this, and she has been very curious about it also. After last nights' discussion regarding the million dollar figure that couldn't be tracked on paper regarding Medicare.

Mr. Hobson said yes, Medicaid reimbursement.

Chairman Elise asked if that had been found or resolved yet?

Mr. Hobson responded that he felt very comfortable that they will be able to meet the point that Chairman Wihby was bringing up. How can we show procedurally the \$950,000 on the base of the Civic City revenue side? As I shared with both Mr. Clougherty and Chairman Wihby today, we show on the City side \$200,000 in Medicaid that goes into the General Fund of the City. We are projecting that we will hit another \$950,000 in Medicaid for next year on top of that \$200,000. So now you are looking at \$1.1 million as opposed to \$200,000. So, those revenues are for the last 3 years or 2 1/2 years those revenues from a procedural side have shown up on our reporting structure. What I brought to you last night, those revenues, we are trying to show you those revenues up front that we can use those to base where our budget needs to be. I am telling you that our budget needs to be a \$57.2 million for next year.

Alderman Pariseau said that is not part of this Committee now is it? Why don't we make a motion to adjourn.

This item remained on the table.

Review of policies and procedures relative to enactment of zoning ordinance amendments.  
(Tabled 9/17/96)

There being no further business to come before the Committee, on motion of Alderman Pariseau, duly seconded by Alderman Soucy, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee