

BUDGET FISCAL ANALYSIS TASK FORCE
Meeting Notes
January 11, 2010

A. Call to Order: The meeting was opened at 5:05 PM. Present were Task Force members Joe Kask, Tim Sullivan, Lyle Wray, and Yvon Alexandre. Also present were David Panagore, COO, Council members Pedro Segarra, Jim Boucher, and Larry Deutsch, members of the public, including Ms. Jaffe, Vincent Carbone, and Hyacinth Yennie, staff of the Finance Department, Development Services, and Council, and Linda Bayer, scribe. Joe Kask chaired the meeting.

B. Minutes: It was moved and seconded (Alexandre, Sullivan) that the minutes of December 22, 2009 and January 11, 2010 be accepted as presented. The motion passed unanimously.

C. Revenues: Rick Galarza, Director of Management & Budget, took the lead on the presentation on City revenues, assisted by staff from the Finance Department and Development Services. Handouts were distributed. In discussing grants to the City of Hartford, it was noted that the City contracts with Randall to search for and assist with applications for grants from a variety of sources. Randall does not receive payment unless and until the City is awarded a grant. In response to questions about Federal Stimulus Funds (ARRA), the regulations specifically prohibit a city from using such funds to supplant general fund dollars. However, the City secured a \$1.5 million COPS grant which will be used for Police overtime, thus reducing the amount that the General Fund will have to contribute from \$3.2 million to \$1.7 million. This was one-time revenue. ARRA funds have also funded a new Police class, which requires that the City maintain a police force of 460 uniformed officers. It was noted that funds going to the Board of Education are not included. The school system has control of those funds and information is not submitted to the City.

Staff explained that each grant opportunity is analyzed to determine the cost benefit. For instance, if a large match is required or commitments over a number of years, it may be decided not to apply for the grant. City staff have been very aggressive in seeking and applying for grants. Most of these funds are not shown in the General Fund.

The subject of fees was then discussed. Some are regulated by the State. In November of 2008, all fees were reviewed and changes made. Fees will be reviewed regularly. It was noted that increasing fees generates revenue, but higher fees can also impede economic development or public events. Lyle Wray commented that predictability and performance are sometimes more important than price. In addition to recovering costs of processing permits, for instance, a city could charge more for expedited service or for on-line convenience. When asked whether, if departments had

more staff they could generate more revenue, staff replied that there are no departments that don't need more staff; all departments are massively stressed.

Revenues are collected within City departments and sent to the Finance Department for deposit. The Task Force discussed whether a single point of revenue collection, such as the Tax Collector's Office, might be advisable. It was suggested that there are benefits financially to that arrangement, but also some disadvantages to customer service, since City departments are located throughout the city, not in one location.

Marc Nelson, Tax Collector, provided written information and highlighted the increases in collections due to several factors. His office works with as many taxpayers as possible to arrange payment plans, but if taxes are not paid and payment plans are not arranged, overdue taxes are assigned to a collection agency. Additionally, bulk sales of property tax liens have been done in the past two years. Most liens are sold at par; the purchasers make their money on the 18% interest. The process of lien sales has been improved, by eliminating bankruptcies, small balances, and hardship cases, but it is a big administrative burden that takes approximately 90 days. It also pulls attention away from motor vehicle and personal property collections. More attention to these area could generate more revenue.

D. Review: The Task Force briefly discussed their desire to explore HSAs and defined contribution pension plans. Rick Galarza reported that the Administration has contacted Hooker and Holcomb and determined that a study of the pension question would cost between \$12,000 and \$20,000. This will be discussed further.

Linda reported that the Council has, on its agenda for tonight, a resolution asking the Task Force to collaborate with CRCOG in reviewing Public Act 09-60 which allows postponement of property revaluation provided a regional revaluation program is undertaken. Copies of the resolution and public act were provided.

David is working on arranging for the Hartford Public Schools to attend the next meeting. Purchasing staff will attend the following meeting.

E. Public Comments: Comments from the public were welcomed during the meeting.

F. Adjournment: It was moved and seconded (Wray, Alexandre) that the meeting be adjourned at 7:10 PM. The motion passed unanimously.

Respectfully submitted,

Linda A. Bayer
Staff