

# FINANCE DEPARTMENT NEWSLETTER

JULY 2006



## FINANCE DIRECTOR, THOMAS J. MORRISON III

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### 'CITY completes \$70 million Bond Offering'

We in Finance are happy to report the completion of a recent bond issuance that was underwritten by Loop Capital, as senior manager, Siebert Brandford Shank and the Ramirez Group, all minority underwriters, as well as Citigroup. The purpose of the offering includes money for construction at Hartford High School, the new public safety building and multiple public works projects. Finance Director, Thomas Morrison worked closely with the City Treasurer, Kathleen Palm-Devine for months in preparation for the bond offering. The City Financial Advisors were PG Corbin, also a minority and female owned firm...

The VERY unusual aspect of the offering was that 40% of the deal was placed through retail operations vs. 60% sold to institutions. That 40% was sold to the general public in CONNECTICUT alone; buyers had to be turned away from many of the maturities. The outcome showed that the general public has great confidence in Hartford, the recovery of the downtown district and economic development here, as demonstrated by the success of the Convention Center-Hotel Complex. All these reports confirm that there is enough confidence in the Perez Administration to invest tens of millions of dollars in Hartford 20 year general obligation

bonds. The retail response was unique to Hartford and rare in cities for Connecticut and the East Coast. The retail sales effort mounted by The Hartford Financial Team allowed the City to receive rates that were lower than if strictly sold to institutions. The press release and further information can be found on the City website and Mayor's press release listed for June. Congratulations to all on a fine effort....

If you have any questions, regarding Financial matters, please contact the Finance Department at (860) 543-8550, or visit the finance website.



### TRIVIA QUESTION WINNER!

The winner is Darlene Dixon from the Assessment and Collection Division of the Finance Department. She emailed all the trivia answers the same day that the Finance Newsletter was released.

**CONGRATULATIONS DARLENE FOR YOUR PARTICIPATION AND KNOWLEDGE TOWARDS THE HERITAGE OF THE CITY OF HARTFORD.**



### **TRIVIA QUESTION:**

**In the spring of 1981, an organization that would end up having a profound impact on the look of Hartford held its first meeting in the Old State House. What was the name of this organization?**

**RISK MANAGEMENT**

**Government Warning of Medicare Part D Phone Scam**

The Federal Department recently issued the following press release regarding a Medicare Part D phone scam urging Medicare Beneficiaries to be on the Look-out for Phone Scams

The Centers for Medicare & Medicaid Services (CMMS) warns seniors and people with disabilities to be aware of a scheme that asks Medicare beneficiaries for money and checking account information to help them enroll in a Medicare Prescription Drug Plan.



This scheme is called the “\$299

Ring” for the typical amount of money Medicare beneficiaries are talked into withdrawing from their checking accounts to pay for a non-existent prescription drug plan. Consumers can report these cases to their local law enforcement agencies or call 1-877-7SAFERX (1-877-772-3379). Medicare has received complaints from Indiana, Michigan, Pennsylvania, Massachusetts, New Jersey and Georgia.

No Medicare drug plan can ask a person with Medicare for bank account or other personal information over the telephone. No beneficiary should ever provide that kind of information to a caller. They should contact their local police department if they believe someone is trying to take money or information from them illegally.

People with Medicare should also remember that they should be on the lookout for any-

one trying to take advantage of them and take steps to protect themselves by remembering:

1. No one can come into your home uninvited,
2. No one can ask you for personal information during their marketing activities, and
3. Whenever you have a question or concern about any activity regarding Medicare, call 1-800-MEDICARE. In addition, legitimate Medicare drug plans will not ask for payment over the phone, they will mail bills.

If you have any questions, please contact Ms. Annette Gaynor, Risk Manager at (860) 522-4888, ext. 6030, visit the finance website, or call the press contact at CMS Media Affairs 202-690-6145.

**ACCOUNTING & CONTROL**

**Annual Closing**

**City Department, We Need Your Help!**

It is that time of the year again! Once the City’s fiscal year ends, it must go through an annual closing process to prepare the Comprehensive Annual Financial Report (CAFR) and subsequently undergo an audit from external, independent auditors, and prepares fiscal statements. The Accounting division is responsible for ensuring all transactions for the fiscal year, are reported in the proper accounting period to balance correctly. With your help Accounting and Control can close the fiscal year with victory!

There are several steps in the City’s closing process and they all require assistance from all departments:

First, all current year purchase orders and requisitions must be reviewed to determine if they should

remain open or closed. The departments also need to make sure all invoices; payment vouchers, P-card invoices, and transfer vouchers are sent to the Pre-Audit division by June 1<sup>st</sup>. By doing this, the departments are helping to verify that all relevant transactions are processed timely and are charged against the appropriate fiscal year budget.

Second, a complete inventory of fixed assets must be performed by the departments and sent to the Accounting division. This guarantees that all fixed assets purchased throughout the fiscal year are reported in our financial system and in compliance with new reporting guidelines.

Third, when analyzing the revenue accounts, departments must review their accounts receivable balances as well. When a customer is billed for City services, the balance remains in accounts receivable until the payment is received. These two areas will

show exactly how much revenue was earned throughout the fiscal year and how much cash the City actually collected. Departments must complete a report of receipt when cash is received in order to identify the direct revenue collected by the city. How can you help? Departments must be cognizant of the deadlines established by the Accounting division. The deadlines are set to reach standard milestones within the closing process such as preparing a draft of the financial statements and undergoing the external audit. Will you help us?

If you have any questions regarding this division, please contact Mr. Christian Johnson at (860)757-9676, or visit the finance website.

**TRIVIA QUESTION:**

**The oldest educational institution in CT and hence one of the oldest in the country was founded in Hartford in 1638, just two years after the Rev. Thomas Hooker and his party founded the city. Name that Institution.**

**REVENUE MANAGEMENT**

**What Are**

**Revenue Management Goals?**

Revenue Management is a vital function for the City. The goal of this office is to provide efficient, effective, and responsible revenue collection services through a customer focused environment to taxpayers and City departments through management, assessment, and application of best practices.

We strive to enhance the City’s ability to fund growing commitments with the development and implementation of innovative revenue sources. This is a conscious effort on our part to update and improve upon some of the ordinances currently in the City of Hartford Municipal Code. Our current revenue initiatives include Garbage

Collection Fees, Police and Fire False Alarm Billing and Receipts, Fire Prevention Standards, and Licensing and Permitting fees.

**Revenue Enhancement**

We introduced a revenue enhancement that was immediately visible to the community. With the catchy phrase “City Is Eyeing Rescue Charge.” a media release followed the adoption of a City ordinance, which allows the Fire Department to charge insurance companies for emergency services. The goal of this effort is to recoup some of the expenses, thus increasing annual revenue estimates by approximately \$300,000. These services include motor vehicle extrications and cleanup of hazardous material spills.

**What’s New?**

**(MUNIS General Billing and Accounts Receivable)**

The MUNIS system is currently operating in the Assessor’s and Collection Division of Finance. This system will enable us to be more efficient, accessible, and responsive to the needs of citizens. The MUNIS Accounts Receivable & Collections system is designed for two major functions: Miscellaneous Cash Receipts and Collection of Billed Receivables. We have completed some of the initial tasks, and training has begun. Having an aggressive schedule in place, we hope to have all departments on “MUNIS live” by the end of fiscal year 2006-2007. You may contact Juliann Butler, Revenue Manager, at (860) 522-4888 extension 6033 or visit the finance website.

**ASSESSMENT & COLLECTIONS**

**ACTS CONCERNING PROPERTY REVALUATIONS**

The 2006 General Assembly passed a new public act (PA 06-183) that allows Hartford to phase out the 15% surtax on businesses and limit the residential property tax increase as a result of revaluation to 3.5% per year for the next five years. The governor signed this into law on June 7, 2006.

Essentially this allows the city to complete the revaluation of all property for October 1, 2006 without the large shift in taxes that would have otherwise occurred. Due to the increase in residential market values over the last five years, the tax burden would have been much

greater on those properties. A revaluation is mandated every five years for all cities and towns in Connecticut. Hartford conducted their last revaluation in 1999. The 2003 revaluation was completed and then postponed for three years to allow the city time to establish a process that would prevent large tax increases on residential property.

This legislation was the result of hard work from both city and state employees as well as members of the business community. All parties submitted many different versions and the final bill is an effective compromise. It fulfills the Mayor's goal of eliminating the business surtax while also limiting the tax increase for home-

owners and other residential property owners.

One additional public act that the General Assembly passed this year deals with the details of the revaluation process. It is Public Act 06-148. The main purpose of this act is to clarify many of the processes that assessors need to follow in order to comply with the State Statutes. It officially sets the revaluation cycle to 5 years (revised from 4) and it outlines the requirements regarding inspections, valuation notices and the penalties for failing to implement a required revaluation.

If you should have any questions, please contact Mr. Lawrence LaBarbera at (860) 757-9645, or visit the finance website.



**PROCUREMENT SERVICES DIVISION**

**TRIVIA QUESTION:**

When was The Travelers tower completed, what year?



Procurement Service's has developed the City's first Procurement Calendar. The calendar is a planning tool that benefits all City and School Using Agencies, Procurement staff as well as the supplier community. One time purchases, term contracts and even leases are scheduled so that lead times and Using Agency delivery needs are accommodated. This is a living document that resides on the Internet at [www.hartford.gov/purchasing/policy.htm](http://www.hartford.gov/purchasing/policy.htm). All personnel as well as vendors have access to planned bid dates and existing contracts. The Calendar will even assist in meeting the City's small and minority purchasing goals by

identifying, in advance, those purchases that can be targeted towards these communities.

As all bidding activity must be scheduled on the Calendar we strongly recommend that Using Agencies contact us as soon as they become aware of a procurement need.

If you have any questions regarding this division, please contact Mr. Mark Turcotte at (860) 543-8555, or visit:

[www.hartford.gov/purchasing](http://www.hartford.gov/purchasing).

**ACCOUNTING & CONTROL-PAYROLL**

**Are City Employees Our Customers?**

I would like to focus on customer service for this issue of the Finance Department newsletter. Customer service is a term that we often hear but, in the past, generally not in the context of government. Government should provide good customer service! One must ask, "Who are our customers?" Payroll does not serve the public. We serve our employees. So, our customers are our employees.

In order to provide good customer service, you need to have a goal or objective in mind. An example of a goal might be to *exceed our customer's expectations each and every time*. What are our customer's expectations? Are they just to be paid correctly? If so, can we exceed that expectation? Does payroll, all by itself, produce the employee's paycheck? The answer to that question is no. Payroll processing starts with

the employee being hired. That process is a combination of Human Resources and the hiring department finding and hiring qualified individuals. The information provided by employees must be accurate. Do we have the right Social Security number, address, spelling of the name, and so on? The department timekeeper must enter the time correctly in the timekeeping system. The timekeeper must have the timesheet.

So far, you can see that employees are our customers; all department timekeepers are our customers. Human Resources is our customer. Are there any more customers? Once the payroll is calculated, the checks must be printed. MHIS prints the checks. The system that keeps the HR and payroll data is maintained by MHIS. So, MHIS is one of our customers. The Custody of

Funds Unit of the Treasurer's Office picks up those checks for distribution to Departments. They are also our customers. City payroll provides payroll coordination to the Board of Education, Hartford Public Library and the Pension Unit. So, all those employees and retirees are our customers.

Is it reasonable to think that we can exceed our customer's expectations each and every time? Probably not; everyone does not have realistic expectations. But, we can still strive to meet that goal! And when you think of it, if our employees are happy, they better serve the public. So, maybe, we do serve to public too! If you have any questions, regarding serving our employee's as customers, please contact Mr. Michael Matles at (860) 522-4888, ext. 6027, or visit the finance website.

## CITY OF HARTFORD

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Designed by: Nereida Perez

### ANNOUNCEMENT BOX

#### Free Books for Children

Councilperson, Horton Sheff Announces,

“Keep Them Reading Campaign”

August 25th, 2006

10:00 am – 3:00 pm

City Hall - Ground Floor



### TRIVIA QUESTIONS AND ANSWERS:

Q - Who is the Municipal Building dedicated to? In what year was the Municipal Building built? A – To the people of Hartford. In 1914.

Q - The Festival of Lights has been a holiday tradition in Hartford since the completion of Constitution Plaza. When was the first year? A – In 1964.

Q - The Municipal Building known as City Hall was given to the City of Hartford by who? A - J. Pierpoint Morgan.

Q - What Hartford Institution still very much in existence, had to be moved to make way for the State Capital in 1878? A – Trinity College.

### ABOUT THE TRIVIA QUESTIONS

The first reader who responds with all the answers to the trivia questions will receive a breakfast certificate and their name will be posted on the next finance newsletter. A person will be awarded a breakfast certificate only once a year. **All answers to the Trivia Questions will be posted on the next finance newsletter.**

### The Finance Newsletter

“Building Bridges to our customers!”



Please submit your topics of interest and views for the next finance newsletter to: [nperez@hartford.gov](mailto:nperez@hartford.gov)

## PEOPLE'S EXCITEMENT AND COMMENTS ON THE FINANCE NEWSLETTER!

“I found the Finance Newsletter to be very informative and read the good work that the Finance Director, Tom is doing. The City should distribute more informational materials like this newsletter, which is also very educational.”

“How will this newsletter be distributed in the City of Hartford?” Answer: The Finance Newsletter will be distributed to all City, Metro Hartford, and Board of Education employees, and placed at the City Hall Citizen Services bulletin area located on the ground floor. It will also be posted for the Public's view on the Finance Website.

“It's nice to know that you can depend on the Finance Newsletter to find informative details from the City.”

“It is exciting to know that the Finance Department will be posting what takes place in the department so that employee's may be informed. It is also nice to know who are the division heads, what they have to say, and how to contact them.”

### TRIVIA QUESTION:

What well known restaurant presently occupies a late 19th century building that originally housed the Hartford Brick Carriage Factory, manufacturer of buggies and carriages?

“The Finance Newsletter is a great way to highlight what the City of Hartford is doing. It highlights the City and makes it look good!”

“As a Tax Payer, the Finance Newsletter provides an eye opener of the revenues collected and how the revenues are being allocated. I look forward to the starting of the new Streetscapes project in Hartford.”