

BLOOMFIELD TOWN COUNCIL

FINANCE SUBCOMMITTEE

There was a regular meeting of the above referenced subcommittee held on Monday, January 19, 2016 a 5:45 p.m. in Conference Room #5, Bloomfield Town Hall, 800 Bloomfield Avenue, Bloomfield, CT.

Committee members present were: Councilors Hypolite, DeLorenzo and Seldon, Deputy Mayor Schulman

Also present were: Sharron Howe, Assistant to the Town Manager, William Hogan, Director of Finance, Jose Giner, Director of Planning and Economic Development and India Rodgers, Clerk of Council

The meeting was called to order at 5:50 p.m.

Discussion and Possible Action regarding Industrial Tax Abatements

Councilor Hypolite stated that the Council is interested in moving forward to revisit and pursue issues regarding tax abatements; from process, policy and procedurally.

The current town policy on tax incentive options (No. 110.03) is limited in scope in terms of statutory requirements.

In a future joint meeting with the Land Use & Economic Development subcommittee, the Finance subcommittee will clarify the actual intent of issuing a tax abatement and revisit the current policy.

It was recommended by this subcommittee that the town should consider an evaluation on a case by case basis. There is a need to establish parameters to the tax abatement process. This joint meeting of Finance and Land Use & Economic Development subcommittees will shed a light on the different perspectives. This item will also be referred to the Administration & Education subcommittee for discussion regarding timing and procedure for town staff.

Councilor Hypolite referenced branding issues and continued discussion for tax abatements. He is also suggested the development of principles and a checklist for tax abatements with public input and discussion.

Mayor Schulman mentioned the importance of branding for the town.

Review of the Monthly Financial Report

Mr. William Hogan, Director of Finance presented the monthly financial report for December 2015.

Revenues

The revenue side of the budget with a projected net increase of \$517,569. Most of these increases are inclusive of the following categories: Tax Collections, Building Permits and State Aid.

The tax collection rate through December is slightly ahead of prior year for the first six months of the year at 73.4% as compared to 72.2% for fiscal year 2014/2015, up 1.2%. The impact of the October 1st tax sale added an estimated \$100,000 increase in the prior year levies account.

The building permit income has year-to-date revenue of \$1,005,622 in excess of the original estimate of \$800,000. This significant increase is due to the following major projects:

- Brighton Park Apartments
- Deringer Ney
- CREC (old JP Vincent site)

Anticipated permit income include:

- Center Apartments
- Seabury
- CREC Two Rivers
- Niagara Bottling (if they decide to locate in Bloomfield)

Conservatively, an increase of \$450,000 beyond the original estimate to a level of \$1,250,000 is estimated for the remaining 6 months of the year.

The Town received notification of state aid reductions in the amount of \$700,000, due to the Governor's recent budget adjustments to help balance the FY 16 State budget. The largest decrease was to the State owned – PILOT grant for Interfaith Housing was eliminated for a loss of \$50,000. There were other minor cuts to the transportation and ECS grants.

It was also noted an increase of revenue of approximately \$45,000 in the real estate conveyance account.

Expenditures

There were no major variances. It was noted that there may be a request for additional staffing to assist in the Building Department's plan review responsibilities of the new projects coming on line this fiscal year.

The Town Wide contingency of \$200,000 remains intact. Increases in departmental budgets have been relatively minor and are managed from savings in other accounts.

Police overtime is consistent with estimates and is being monitored closely by Police Administration. Overtime for snow and ice has small increments in expenditures due to the mild winter thus far.

The committee had brief discussions regarding the estimated unassigned fund balance at \$15,109,199, approximately 18%. With additional revenues projected, the fund balance will increase by \$517,569, totaling \$15,626,728.

Adjournment

It was moved by Councilor DeLorenzo, seconded by Councilor Seldon and voted unanimously to adjourn the meeting at 6:45 p.m.