

BLOOMFIELD TOWN COUNCIL

FINANCE SUBCOMMITTEE

There was a regular meeting of the above referenced subcommittee held on Monday, May 18, 2015 a 5:30 p.m. in Conference Room #5, Bloomfield Town Hall, 800 Bloomfield Avenue, Bloomfield, CT.

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

Also present were: William Hogan, Director of Finance and India Rodgers, Clerk of Council

The meeting was called to order at 5:35 p.m.

Discussion regarding Monthly Report

Mr. William Hogan, Director of Finance gave a brief report update regarding the monthly report.

Mr. Hogan stated the following updates:

Revenues

Approximately \$617,000 was received in revenue from the tax collection area.

In addition, approximately 98% of the tax collection rate has been received through April 2015, which has been consistent over years past.

The Tax Sale is scheduled for later this summer. There are 27 properties on list and 7 of those properties have paid their past due taxes.

The building permit fees have increased to approximately \$250,000 above original budgeted estimate for FY 2014-2015.

It was noted that approximately \$2,700,000 was received as a final payment Education Cost Sharing grant.

However, the BVA ambulance revenues are down \$135,000 due to medical billing to Medicare and overall insurance rates in reference to the Affordable Care Act.

Mr. Hogan stated that 4th quarter transfers will be requested at the May Town Council meeting for \$36,000: \$30,000 for Public Works and \$6,000 to the Town Manager's Office for a 3% raise and \$6,000 bonus for Mr. Philip K. Schenck, Jr., Town Manager.

The FY 2014-2015 closeout process has begun for submission of final purchase orders from the Board of Education and town departments.

It was noted that the town wide contingency fund has a balance of approximately \$50,000.

Discussion regarding Year-End Transfers

Mr. Hogan stated that there may be a possibility for no surplus from the Board of Education.

The town currently has \$600,000 + in revenues and \$110,000 in expenditures to carry over as surplus for FY 2015-2016.

All unencumbered balances for FY 2014-2015 will move to the OPEB Trust instead of general fund balance. As of May 18, 2015, the OPEB Trust Fund balance is approximately \$2,745,000. As the OPEB liabilities continue to grow, the budget surplus amount leftover will move to OPEB trust fund.

The General Fund Balance is 17.5%, entering into the FY 2015/2016 budget year.

There were several cash outs and retirements from the Public Works Department (3 employees)

The town audit concerns for total transparency conducted by Blum Shapiro will introduce a new partner and audit team for next year's evaluation.

Councilor Merritt inquired about focusing on department forensic audits regarding cash receipts.

Councilor Hypolite suggested bringing in the audit firm in September to begin discussions about the audit process and request for attention to detail in certain areas of concern.

Mr. William Hogan, Director of Finance stated that the auditors also focus on the internal controls area not just cash received.

Councilor DeLorenzo inquired about the collections of 98.5% tax (real estate) rate, 82% Motor vehicle rate and personal property. Approximately \$1,600,000 is delinquent and there is an attempt of the town to collect with the upcoming property tax sale. It was noted that the #1 delinquent tax payer in town is Gillette Ridge.

Deputy Mayor Gamble inquired about tax paid alternative with a payment plan for those who have difficulties paying taxes.

Adjournment

It was moved by Councilor Seldon, seconded by Councilor Merritt and voted unanimously to adjourn the meeting 6:15 p.m.