

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, Merritt and Deputy Mayor Gamble

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.

State of Connecticut – Brief Update of the FY 2015-2016 Approved Budget

Mr. William Hogan, Director of Finance gave a brief status update of the FY 2015-2016 approved budget for the State of Connecticut:

The Town of Bloomfield will receive:

- \$ 8.2M from the State of Connecticut, approx. 10%
- \$ 6.6M General Fund to offset taxes
- \$1.6M Municipal Revenue Sharing Account (MRSA) to finance capital budget
- Increase in MRSA- \$100,000
- Increase in Board of Education Alliance District Grant- \$90,000

Most changes will be effective with the FY 2016-2017 Budget:

1. Beginning October 1, 2015, Motor Vehicle Tax will be capped at 32 mills for the 2015 Grand List and 29.36 mills for each grand list year after that. The Town of Bloomfield is presently at 36 mills. The town would receive a grant to offset revenue lost due to Motor Vehicle Mill Rate (MVMR) in 2016-2017 of approximately \$455,000. The overall concern of all municipalities is will the State have the level of funding to make up the difference.
2. Beginning October 15, 2015, OPM will distribute revenue sharing grants (Sales Tax sharing) to municipalities, which is the MRSG – Municipal Revenue Sharing Grant in FY 16/17 made available beyond general fund (set aside for municipalities) - used to fund PILOT grants - \$630,000.
3. Beginning in FY 18 – OPM will place a cap on municipal spending, 2.5% above previous year or rate of inflation. There are several exemptions to the cap: Debt service, special education expenditures, expenditures for implementing court orders, arbitration awards, major disaster or emergency declaration or special taxing district.
4. OPM will distribute Regional Service Grants in FY 17/18, based on per capita basis. Beginning in FY 18, councils of government will have to submit to a spending plan for the funding to OPM in order to receive a grant.

Additional Municipal Funding

- STEAP Grants will be bond-funded at \$20M in FY 2016, the same as FY 2015.
- Alliance Districts will not be allowed to reduce their Minimum Budget Requirement (MBR).
- Green Municipal Infrastructure
- Open Space Acquisition

There was a brief discussion about the East Coast Greenway and the current gap of connectivity in Bloomfield.

In addition, there was a discussion regarding the timeframe for municipal budgets and state budgets process, effective July 1-June 30.

Mr. Hogan also noted that the town should receive a surplus on the revenue side of \$700,000 - \$800,000 from taxes and on the expenditure side, any excess amount will be invested in the OPEB Trust Fund.

The legislative bill for school reimbursements is still up for discussion and approval based on the proposal to “hold” municipalities harmless for space standards. The committee will request a status update from local State representatives.

Adjournment

It was moved by Councilor Hypolite, seconded by Councilor Merritt and voted unanimously to adjourn the meeting 6:20 p.m.