

BLOOMFIELD TOWN COUNCIL

FINANCE SUBCOMMITTEE

There was a regular meeting of the above referenced subcommittee held on Monday, September 17, 2013 at 5:00 p.m. in Conference Room #5, Bloomfield Town Hall, 800 Bloomfield Avenue, Bloomfield, CT.

Committee members present were: Deputy Mayor Hypolite, Councilors DeLorenzo, Rivers and Merritt

Also present were: William Hogan, Director of Finance, Philip K. Schenck, Jr., Town Manager and India Rodgers, Clerk of Council.

The meeting was called to order at 5:25 p.m.

Consideration and Take Action Regarding Capital Non-Recurring Expenditures (CNRE) Fund Transfers

Mr. William Hogan, Director of Finance presented a resolution transferring unexpended appropriations from six previously approved capital improvements projects in the CNRE Fund to three, new or existing projects. The transfers, which total \$114,530, will rectify some older projects with unexpended balances that are either completed or not going forward.

It was moved by Councilor Merritt, seconded by Councilor Rivers and voted unanimously to approve the resolution for Capital Non-Recurring Expenditure Fund Transfers:

RESOLVED, that the Bloomfield Town Council authorizes the transfer of the unencumbered balances from previously approved capital improvement projects in the Town's Capital Non-Recurring Fund to those projects outlined below per the attached memorandum from the Town Manager dated September 6, 2013:

From:	Amount	To:	Amount
Site Remediation – 71 Hoskins	\$50,000	FilleyPark Improvements	\$2,271
Site Remediation- 73 Rockwell Avenue	\$25,000	DrainageSystem (M&R)	\$37,259
DrainageWork-E. Harold	\$14,780	Demolition of Town Properties	\$75,000
Jerome, Gabb, Turkey Hill	\$11,892		
Clean Water Contract Services	\$10,587		
Bloomfield Center Improvements	\$2,271		
TOTAL	\$114,530	TOTAL	\$114,530

OLD BUSINESS

The FY 2013 budget is currently unaudited. There will be a surplus of \$1,900,000. The sale of J.P. Vincent School was not included in this surplus. The closing documents state that funding should be approximately \$2,800,000 received by the Town in July 2014.

Mr. Philip K. Schenck, Jr., Town Manager stated that this fund balance is a huge boost to the town. He also indicated that the town may receive more funds than initially budgeted.

Deputy Mayor Hypolite inquired about the appropriate level of fund balance. He also suggested further discussions on what the fund balance level should be regarding policies moving forward. The town is currently operating at 15%; however the amount has increased to 18% (ratio of fund balance to FY 2013/2014 town budget).

Mr. Schenck stated that there is no written recommendation for municipalities that state the approximate figure appropriate for fund balance. He suggested developing certain factors on a financial matrix to determine what it would take to increase the bond rating to an AAA community. He further elaborated on how bond ratings are determined within a given community.

Mr. Schenck stated that he will obtain Municipal Fiscal Indicators and will work with Mr. Hogan to develop statistics. It was also suggested to schedule meeting with the rating agencies.

Deputy Mayor Hypolite inquired about pension post medical benefits and other post-employment benefits (OPEB) in addressing increasing contribution and liability in a responsible manner.

There was a brief discussion among committee members regarding establishment of a trust fund to build up liability and the use of excess in fund balance.

Mr. Schenck explained that actuaries are in support of reducing assumptions and having a balanced approach. These assumptions have already been reduced by $\frac{1}{4}$. The town's defined benefit plan has been discontinued and the town now has a defined contribution plan.

ADJOURNMENT

It was moved by Councilor Rivers, seconded by Councilor DeLorenzo to adjourn the meeting at 6:08 p.m.