

BLOOMFIELD TOWN COUNCIL

FINANCE SUBCOMMITTEE

There was a regular meeting of the above referenced subcommittee held on **Tuesday, September 18, 2012 at 5:30 p.m.** in Conference Room #5, Bloomfield Town Hall, 800 Bloomfield Avenue, Bloomfield, CT.

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

Also present were: Louie Chapman, Jr., Town Manager, William Hogan, Director of Finance and India Rodgers, Clerk of Council.

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

Discussion of Preliminary Unaudited Results for FY 2011-2012

Mr. William Hogan, Finance Director presented these results in good standing. The year end for the Town ended in the positive. Despite the \$3,100,000 expenditure for Storm Alfred taken from the reserves in October, 2011, at year end the bulk of this expense has been replenished back to the fund balance.

On June 30, 2011, the unassigned fund balance was approximately \$11,000,000, about 1.4% of the current year budget of \$79,000,000. In mid-year, the balance decreased by \$3,100,000 (Storm Alfred related expenses), totaling \$7,800,000.

On June 30, 2012, there was a lapsed appropriation of \$1,600,000 not spent, which included \$760,000 from the Board of Education, \$240,000 in Police overtime, \$200,000 in Public Works overtime, \$135,000 in Facilities vacancies and utility accounts.

Approximately \$1,500,000 leftover in revenue from Property taxes (\$1,465,000 – current, prior year and interest related tax).

The Town currently has a 98.7% tax collection rate, which was noted the highest in the last ten years. A second tax sale will occur this fiscal year to handle delinquencies with commercial properties.

Approximately, \$2,300,000 remains outstanding with FEMA for reimbursement from Storm Alfred. The Town has received \$100,000 from the State of Connecticut thus far.

Deputy Mayor Hypolite requested additional documentation on figures of what an adequate fund balance would be for a municipality the size of Bloomfield. The average range has been between 5%-15%.

In regards to Debt Service projections, approximately \$10,000,000 - \$12,000,000 will be sold for schools, opposed to \$7,000,000. This figure may change due to reimbursable and non-reimbursable items and final audit calculations.

The bond debt will peak at \$66,000,000 in FY 2015-2016. The town is currently 8% debt service to budget and \$3,000 debt per capita. Deputy Mayor Hypolite suggested taking a closer look at an equalized tax rate for residents. He requested statistical information from comparable towns regarding mill rate/equalized taxes and Grand List. It was noted that these figures can be found on the State of Connecticut – Office of Policy Management linked to CT Fiscal Indicators.

Review of July 2012 Financial Report

This report was very preliminary due to the beginning of a new fiscal year. There are no variances in the report. A State of Connecticut grant for sales tax was received in the amount of \$170,000. The projections for tax collection for July/August 2012 are on target.

Discussion regarding FY 2012 Capital Budget and future projections

Mr. Louie Chapman, Jr., Town Manager updated the committee regarding the Capital Budget and future projections. Currently, renovations are being completed at 330 Park Avenue in Senior Services and Leisure Services areas. The HVAC unit will be repaired with replacement parts subject to availability. The Town has also replaced some Police and Public Works vehicles.

The biggest challenge area is staying on target with road maintenance and repairs. All internal subdivision roads need blacktop treatments for updated maintenance. Approximately, \$500,000 has been allocated for these repairs this fiscal year. There are no funds available for major construction of roads. Mr. John Lawlor, Director of Public Works completed research for cost surrounding the average amount for length of roads, per mile.

Discussion regarding Status Update on Town Facility Study

Mr. Chapman, Jr., reported that the Town is currently conducting an analysis of the Board of Education – Administration space needs assessment, respective to the Prosser Library site.

Preliminary Discussions regarding Town Manager recommendations on Capital Assessment Needs

Deputy Mayor Hypolite gave a brief overview of a listing of Capital projects that was distributed to Council in July, 2012. This list consisted on town building repairs, roads and recreational facilities. Some of these items could be funded through future bonding and budget.

The purpose of this needs assessment is to strategically plan for future projects. Deputy Mayor Hypolite suggested that this item be placed on the Council agenda for further discussion. In addition, it was also noted that some of these items could be referred to various Council subcommittees.

Mr. Hogan reiterated the current Capital Improvement Project process for a formalized and prioritized review. There is currently \$1,360,000 budgeted for FY 2012/2013.

Adjournment

It was moved by Councilor Washington, seconded by Councilor Rivers and voted unanimously to adjourn the meeting at 6:30 p.m.