

BLOOMFIELD TOWN COUNCIL

FINANCE SUBCOMMITTEE

There was a regular meeting of the above referenced subcommittee held on Monday, September 21, 2015 a 5:30 p.m. in Conference Room #5, Bloomfield Town Hall, 800 Bloomfield Avenue, Bloomfield, CT.

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

Also present were: Philip K. Schenck, 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 regarding Town Financials

Mr. William Hogan, Director of Finance presented updated financials of the August monthly report.

The tax collection rate through August 31st is running slightly ahead of last year for the first two months of the year: 61.3% as compared to 60.6% for FY 2014/2015.

The Building Permit income has year to date revenue of \$401,514 or about 50% of the estimate of \$800,000. As of September 21, 2015, income received is \$750,000, which does not include Bloomfield Apartments. The two major projects that paid permit fees include Brighton Park Apartments (\$210,000) and a partial from Deringer Ney (\$120,000). By June 30th, CREC, Center Apartments and Seabury will make payment.

Mr. Hogan announced Governor Malloy \$15,000,000 in reductions of municipal aid. The cuts in municipal aid were intended to be off-set by savings through the efforts of the Municipal Opportunities for Regional Efficiencies (MORE) Commission. They will now come from previously approved PILOT payments for tax exempt state, college and hospital properties.\ It is estimated that the Town of Bloomfield will receive a reduction in FY 16 grants of approximately \$107,393.

Councilor Hypolite stated that it is not necessary to freeze department budgets. He would also like more information on CIP projects once the RFP is modified and issued.

Councilor Merritt requested to review the Capital Improvement budget and what funds have been to date. He does not believe a bond referendum issue will pass with voters. However, he suggested to increase the capital budget by \$1,000,000 increments and possibly delay to reduce bonding.

Mr. Philip K. Schenck, Jr., Town Manager stated that Mr. Hogan will present alternative debt service scenarios. Option 1: remain flat with \$27,000,000 available and the need to reduce/Option 2: develop scenarios of \$25,000,000, \$20,000,000, \$15,000,000 and \$10,000,000 per debt capita decline, what to add for debt?

Deputy Mayor Gamble stated that the Council would definitely need more information to make an informed decision.

Mr. Schenck, Jr. stated that the financial management is an important aspect under review by bond rating agencies.

Mr. Hogan stated that the “pay as you go” could possibly reduce debt per capita.

Councilor Seldon inquired about reimbursements from the State of Connecticut for the school renovation projects.

Adjournment

It was moved by Councilor Hypolite, seconded by Councilor Merritt and voted unanimously to adjourn the meeting 6:10 p.m.