

**CITY OF BRIDGEPORT
BUDGET AND APPROPRIATIONS
REGULAR MEETING
FEBRUARY 10, 2014**

ATTENDANCE: Susan Brannelly, Co-chair; Michael Marella, Co-chair; Patricia Swain, Denese Taylor-Moye

OTHERS: Council Member Rick Torres, Council Member Richard Salter, Tom Sherwood, OPM Director: Anne Kelly-Lenz, Finance Director; Andy Nunn, Mayor's Office

CALL TO ORDER.

Council Member Brannelly called the meeting to order at 6:08 p.m. A quorum was present.

APPROVAL OF COMMITTEE MINUTES: DECEMBER 9, 2013.

**** COUNCIL MEMBER TAYLOR-MOYE MOVED TO APPROVE THE MINUTES: DECEMBER 9, 2013.**

**** COUNCIL MEMBER SWAIN SECONDED.**

**** THE MOTION PASSED TO APPROVE THE MINUTES: DECEMBER 9, 2013 AS SUBMITTED UNANIMOUSLY.**

APPROVAL OF COMMITTEE MINUTES: JANUARY 13, 2014.

**** COUNCIL MEMBER TAYLOR-MOYE MOVED TO APPROVE THE MINUTES: JANUARY 13, 2014.**

**** COUNCIL MEMBER SWAIN SECONDED.**

**** THE MOTION PASSED TO APPROVE THE MINUTES: JANUARY 13, 2014 AS SUBMITTED UNANIMOUSLY.**

24-13 Approval of Tax Anticipation Notes to Pay Current Expenses and Obligations of the City (\$100,000,000.).

Ms. Kelly-Lenz came forward and greeted the Committee. She explained that the Tax Anticipation Notes (TANs) total was how much the City expected to borrow in total. The borrowing is done in two parts, one in the spring, and again in the fall. This is strictly a cash flow issue. At this time, the City is anticipating having to borrow 20 million. Then the ECS credits will come in. In the fall there will be debt service to pay off. Ms. Kelly-Lenz said that as the budget is tightened and monitored, the City will have to borrow less. Last year, the City expected to have to borrow 25 million in the spring.

Council Member Swain asked about a listing of the grant funding. Ms. Kelly-Lenz explained that this was all contained in the City budget. She then listed a number of various Federal grants that the City receives. She also explained that the State allocates a certain amount to the City,

which are direct entitlements from the State, and the timing of the cash is the issue. Mr. Nunn then gave a quick overview of the competitive grant program.

Council Member Taylor-Moye asked about the details of the cash flows. Ms. Kelly-Lenz reviewed how this State entitlement process works. Mr. Sherwood reminded everyone that the City is not allowed to use Capital funding for the cash shortfall.

Council Member Torres asked about the interest percentage. Ms. Kelly-Lenz said that last year, the rate was 2.5%. If the City went out for the amounts were done individually, the cost would be increased since they would have to pay the bond counsel and other market costs. It has been approximately the same amount for the last five or six years. Mr. Nunn said that the City was working with the State regarding the release date of the entitlement funds. He pointed out that the City was underwriting the State's program by borrowing to cover the shortfall. He said that some of these entitlement release dates were set by statute. Council Member Torres asked what would happen if the State didn't have the money to release to the City. Mr. Nunn said that if the State didn't have the money, they simply would not give the City the money.

Council Member Salter asked where the entitlement funding goes. Mr. Sherwood said that it must go into the general fund and then be disbursed.

**** COUNCIL MEMBER MARELLA MOVED TO APPROVE AGENDA ITEM 24-13 APPROVAL OF TAX ANTICIPATION NOTES TO PAY CURRENT EXPENSES AND OBLIGATIONS OF THE CITY (\$100,000,000.).**

**** COUNCIL MEMBER TAYLOR-MOYE SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

GENERAL DISCUSSION REGARDING THE REVIEW OF THE MONTHLY FINANCIAL REPORT

Ms. Kelly-Lenz said that the budget was still on target and there were currently no major concerns regarding budget.

Council Member Brannelly asked about the June figures in relation to the CAFR. Ms. Kelly-Lenz explained that the reports in the back of the report directly relates to the June figures. There are some variables in the payroll such as an employee who leaves with accrued vacation time, or gets married or has a child.

Council Member Salter asked what would happen to any surplus funds in a department budget. Ms. Kelly-Lenz said that any surpluses would be rolled up to the Fund Balance.

Council Member Torres said that he had previously asked for a better range of the budget figures. He asked what percentage of the budget in the CAFR the Council actually votes on. Mr. Sherwood gave a brief overview of the various organizations that used the CAFR report, such as the Govt. Financial Officers Association (GFOA) and the ICMA. The report is often used to compare the financial budgets of different municipalities. He cautioned everyone that not all towns were alike in that while Bridgeport had snow plows, other municipalities the same size

located in other parts of the country would not. Council Member Torres said that he would like to understand what part of this report that the Council would be voting on. Mr. Sherwood explained that the Council Members would be receiving the budget books with the information that the Council Members will be voting on.

Council Member Torres asked about a line item called "Mayoral Contracts". Mr. Sherwood said that he would need more details and that he would look into that.

Council Member Torres said that he would like to hear more about the Purchasing Department. He pointed out that the City of Denver has a "Checkbook", which was available online for everyone to review. Council Member Brannelly commented that the Council was now receiving more of the purchasing documents that they had in the past. Mr. Sherwood then explained that the City has a standard commodity list that can categorize items from a very general heading such as "Office Supplies" down to the detail of red pens, felt tip pens, or blue pens. Mr. Nunn said that not only the Council had requested this type of information be tracked, but also the Board of Purchasing.

Council Member Brannelly said that Ms. Kelly-Lenz had offered to have small breakout groups that could see how the office works. This was agreeable to all.

Council Member Torres asked what the Board of Public Purchasing did. Mr. Sherwood said that they review the purchases that are sole source or need a bid waiver. The schedule of the meetings should be on the website. A brief discussion followed.

Mr. Sherwood said that the budget process has started and the departments will be submitting their requests. The request period will end next Wednesday. Then the Finance Department will review the request. The Budget book will be compiled and then it will be presented to the Committee members.

ADJOURNMENT

**** COUNCIL MEMBER MARELLA MOVED TO ADJOURN.
** COUNCIL MEMBER TAYLOR-MOYE SECONDED.
** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 6:43 p.m.

Respectfully submitted,

Sharon L. Soltes
Telesco Secretarial Services

City of Bridgeport
Budget and Appropriations
Regular Meeting
February 10, 2014