

**CITY OF BRIDGEPORT
BUDGET AND APPROPRIATIONS
REGULAR MEETING
JANUARY 10, 2011**

ATTENDANCE: Robert Curwen, Chairman; Angel de Para; Susan Brannelly, Carlos Silva

OTHERS: Thomas Sherwood, OPM Director; Nestor Nkwo, Finance Deputy Director; Dawn Norton, Finance Director; Council Member Andre Baker; Council Member Yvette Brantley; Ed Lavernoich

CALL TO ORDER

Council Member Curwen called the meeting to order at 6:35 p.m.

Informational Session: City wide Budget Update

Mr. Sherwood introduced Ms. Dawn Norton as the Finance Director.

Mr. Sherwood said that the goal of the department was to produce a monthly budget fact sheet rather than a large report. This will mean that if there is an increase in overtime or other budgets, it will become apparent earlier. Mr. Sherwood said that administrative approval had been given for the new system. This will hopefully reduce the amount of paper and condense the information for the Budget Committee. This will also keep the information current.

Mr. Sherwood said that in the Capital budget, the grants would be required to produce a detailed budget and submit transfers for funds. The agency responsible for the grant will be granting the final approval, but the Budget Committee will be informed.

Mr. Sherwood said that he would like to see a 10 year projected capital plan for equipment and infrastructure plan from MUNIS. He reviewed the details of this and reminded everyone that the City was anticipating 16 million dollars in debt, due to health care cost, state pensions and other obligatory costs. Concerns about what the State would require for pension funding were expressed. Discussion followed.

Council Member Brannelly asked about the difference between cost avoidance and cost increases. Mr. Sherwood reviewed the details of the various health care co-pay contracts with the Committee.

The discussion then moved to the projected funding from the State PILOT payments and the funding from the Pequot casinos.

Council Member Silva left the meeting at 7:15 p.m. A quorum was no longer present.

Council Member Curwen expressed concerns about the unbalanced budget. Mr. Sherwood said that he fully expects to finish the year with a balanced budget. He said that there were various city parcels that could be auctioned, along with the payment for the parking garage at the Arena that should be realized by the year's end. Mr. Sherwood said that he was not sure what the bulk liens sale would yield in terms of purchase amounts on the dollar.

Council Member Baker asked if any payments had been made on Steele Point. Mr. Sherwood said that he would have to check on that.

Mr. Lavernoich came in at 7:25 p.m.

Mr. Sherwood asked Mr. Lavernoich if a payment had been received. He said that there had been a payment made last year and that the entire project had been broken into parcels. The first payment should be around June 1st and would be for the 11 acre parcel north of Stratford Avenue.

Mr. Lavernoich left the meeting at 7:30 p.m.

The discussion then moved to Fund Balance. Ms. Norton distributed copies of a memo from Mr. Feeney dated September 10, 2008 about the Fund Balance. Mr. Sherwood reminded everyone that the information on the Fund Balance is published on the website annually. Council Member Curwen said that he did not believe that the Council should be handcuffed into making a deposit into the Fund Balance if the financial situation is difficult. Wall Street requires a minimum of 5% in the fund balance, but prefers 8% and felt that 10% is the best figure. The bond rating will be set based on this amount. The discussion then moved towards the City's policy of replenishing the fund balance.

Council Member Yvette Brantley joined the meeting at 7:36 p.m.

Mr. Sherwood pointed out that both the WPCA and the Library now are responsible for repayment of their loans, which lightens the City's obligation. Mr. Sherwood said that he was a firm believer in having regular borrowings each year to replace rolling stock so that the City doesn't have to replace a number of vehicles all at once.

Council Member Curwen said that the B&A had been reviewing this quarterly, but it had been cancelled in December. Mr. Sherwood said that the Committee members' questions had been helpful because then the Finance Department knows where the concerns are. The new monthly report will focus on the current areas of concerns.

Mr. Sherwood said that he wanted to track the State assessment on colleges and hospitals, so that he's aware of what the State has assessed the value of these items and what they have been assessed for on the grand list.

Council Member Brantley left the meeting at 7:45 p.m.

Council Member Baker asked about take home vehicles. Mr. Sherwood said that by the end of June, there would only be 3 take home vehicles; the Mayor's; the Police Chief and the Fire Chief's vehicle. However, he stated that he did not believe that the savings would be significant on this item because the employees will still be using the vehicles during the workday.

Council Member Baker asked about the signage at the Arena. Mr. Sherwood said that he did not know the details of the agreement.

Council Member dePara asked about the Public Works budget with all the snow storms. Mr. Sherwood said that there was a plan in place to rotate drivers and that the sand and salt was holding out. If the storms continue on a steady basis, there will be budget problems.

Council Member Brannelly asked how frequently the City could draw on the Fund Balance. Mr. Sherwood said that he would use the reserve and contingency budgets before drawing on the Fund Balance. Mr. Sherwood said that he anticipated a small surplus this year and the current number in the document was from the close of fiscal year 2009.

Council Member dePara asked about the update to department heads. Mr. Sherwood then reviewed the process and reminded everyone that there would be discussions with the department heads regarding any surpluses or overages. He added that the tracking of the budget numbers would be done by Finance. Discussion followed.

ADJOURNMENT

**** COUNCIL MEMBER BRANNELLY MOVED TO ADJOURN.
** COUNCIL MEMBER DEPARA SECONDED.
** THE MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 8:08 p.m.

Respectfully submitted

Sharon L. Soltes
Telesco Secretarial Services

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