

**CITY OF BRIDGEPORT
BUDGET AND APPROPRIATION COMMITTEE
REGULAR MEETING
MARCH 8, 2010**

ATTENDANCE: Robert Curwen, Co-chair; Angel dePara, Co-chair; Carlos Silva, Lydia Martinez, Howard Austin, Susan Brannelly

OTHERS: Martin McCarthy, Council Member; Thomas McCarthy, Council Member; Andre Baker, Council Member; Nestor Nygo; Michael Feeney, Finance Director; Dawn Norton, Finance Department; AmyMarie Vizzio-Paniccia, Council Member; Robert Walsh, Council Member

CALL TO ORDER

Council Member dePara called the meeting to order at 6:33 p.m. He then introduced those who were present.

A briefing by the Administration on the status of the Current City Budget in preparation for the upcoming 2010-2011 budget process.

Mr. Feeney explained that the City had implemented a new system for financials on July 1, 2009 and a new system for Human Resources on January 1, 2010. Currently the revenues are off by about 2.5 million. Mr. Feeney then distributed copies of the most recent financial report. He reviewed the projected revenues and the realized finances, which was under the projected figure. Up until last year, the City used the Governor's numbers and last year was the first time in many years that the projected numbers came in below the Governor's numbers.

He added that Vital Statistics had come in over budget because they aggressively pursued the new few schedule.

Council Member Walsh asked about the money from the Mashantucket Pequot fund. Mr. Feeney said that he believed that the State would reduce the amount of funds given to the municipalities across the board and anticipated that it would not be increased next year either.

Council Member Walsh asked about the fund balance. Mr. Feeney said that it would be possible to discuss it but that it would also be important to realize that some of the expenses had been reduced by the start of the payroll program.

Council Member Baker had several questions regarding Vital Statistics and the increase in revenues. Mr. Feeney said that Chase Bank was now totally vacated from the Annex and the plan was to move Vital Statistics to the Annex along with the remainder of the offices at Mclevy Hall.

Council Member Brannelly asked about the Mashantucket Pequot funds. Mr. Feeney said that the reduction in the funds was statewide.

Council Member Walsh asked for an update on CRRA, which is now known as Wheelabrator. Last year the thirty year lease expired and the burn plant is now on full tax status. There has been a problem regarding the payment of 6 million dollars which is accumulating interest. Mr. Feeney said that he was expecting to receive a payment from Wheelabrator, with all the appropriate fines and fees in the near future. If the payment does not come in, the City will notify them of intent to lien.

Council Member Curwen asked what the parcel was evaluated at. Mr. Feeney replied that it was appraised at \$258 million. Wheelabrator has filed an appeal. 90% of the value has been paid by Wheelabrator, as required by the law.

Council Member dePara asked about the tax exempt colleges and hospitals. Mr. Feeney reviewed the details of this with the Committee. The funding from the State is currently at 45% which has been continually decreasing from the original 70%.

The expenditures were the next item discussed. Mr. Feeney said that right now the City is on target in terms of bringing in tax revenue. There are some concerns about the arrears taxes, which would be about 1.7 million dollars. One large appeal from AT&T was decided in favor of AT&T. The arrears number will continue to decrease as the City sells off the tax delinquent properties. Motor vehicle tax notices have been mailed.

Fund 620 is a health insurance fund and it is on target as budget. This type of plan insulated the general fund from the increases and decreases of health insurance expenses.

Council Member Walsh asked about some of the figures on page 13. Mr. Feeney reviewed the numbers with the committee and said that he would review the figures

Council Member Walsh asked about Police and Fire overtime. Currently the Police overtime is on target, but the Fire Department is over by 2 million, which is related to minimum manning of shifts and trucks and other issues.

Council Member Curwen said that he had commended Chief Gaudett for being half a million dollars under budget in terms of overtime.

Council Member Curwen asked about the status of the taxes and the final number for last year's collection. Mr. Feeney said that currently, the current taxes are on target but the arrears is tending behind. Discussion followed about the collection percentage.

Council Member Martinez asked if it was too early to determine if there would be a freeze on taxes. The re-evaluation has gone into effect and the grand list has an 87 million increase for the fiscal year 10-11. The timing for the re-evaluation was very good. Council Member dePara asked for more details regarding this increase, which Mr. Feeney reviewed with him. All of the details will be in the full budget presentation.

Council Member Curwen thanked Mayor Finch for being aggressive in terms of foreclosures. Mr. Feeney said that the two organizations that are interested in delinquent liens. However they are not interested in brownfields. Mayor Finch has determined that the City will end up owning those brownfields. Council Member Curwen said that in 1906, Bridgeport was a major industrial city and now it has very large brownfields to rehabilitate.

Council Member Brannelly asked about the Police expenditures. Mr. Feeney reviewed the breakout of the figures. The new system allows the City to know how much is being spent on gas, petrol and other items at any given fire house, or school for greater transparency.

Council Member Baker asked why the CitiStat figure was so low. Mr. Nygo said that there were still some issues with the new payroll program and that these should be resolved soon. CitiStat is fully staffed and there is a new director.

Council Member Baker asked about Sikorsky Airport. Mr. Feeney said that there was a major project regarding the main administration building. He added that the acre and a half has been taken for the relocation of the road. Mr. Feeney said that currently one airport tenant left unexpectedly, which has resulted in an \$80,000 revenue shortfall.

Council Member Walsh asked about the ordinances regarding budget transfers. He said that he did not believe that the Council has seen a budget transfer in over 18 months. Mr. Feeney said that the City is only six months into the new budget year, so there would not be any budget transfers.

Council Member Curwen asked what the contingency account. Mr. Feeney said that he believed that the contingency funds hasn't been touched without Council approval. Council Member Curwen asked Mr. Feeney to find the source of the money for the lawsuit settlements and to provide the co-chairs with a balance of the outside legal fund from the City Attorney's office.

Council Member Walsh asked about the debt service on page 52. Mr. Feeney said that the debt service and pensions have been broken down into the respective departments to show where the debt amounts are incurred. The full debt service for the coming year will be 70 million and Mr. Feeney expects to fully expend all of the 70 million.

Council Member Baker asked where the funds for the payment of lawsuits. Mr. Feeney said that it should come out of the City Attorney's office. Council Member Vizzo-Paniccia said that a number of the settlements were from Worker's Compensation, so that the funds for the payment would come from Fund 62, the Worker's Comp account. Mr. Nygo said that the legal fees associated with the cases would most likely come out of the same fund.

Council Member Silva left the meeting at 7:30 p.m.

Council Member dePara asked about the payroll system and the Fire Department. Mr. Feeney explained that when the transition to the new system was made, the archived payroll records did not transfer. This means that currently there are 14 or so positions that are vacant in the Fire Department.

Council Member dePara asked if the expenses at the Fire Department could be reduced. Mr. Feeney explained that the Fire Department has a minimum manning component and that there is no Fire Department test on the horizon so that the positions that become vacant remain vacant.

Council Member Brannelly asked if there was someone who was looking at the overall picture for savings. Mr. Feeney said that there were a number of items that had been done to increase savings, including regionalization. In the past, bulk purchases have been made and centralization of services has resulted in major savings. The regionalization of the pharmacy program resulted in savings of a quarter of a million dollars. The dispatch office could give additional savings, along with the regionalization of the WPCA duties.

Council Member Curwen asked about the debt service and reminded everyone that the debt service was basically due to the construction of new schools. Currently, the debt service is about 70 million dollars a year.

Council Member Baker asked about CitiStat in terms of their effectiveness in reducing expenditures. Mr. Feeney said that he was not part of it, but that Mr. Sherwood or Mr. Nunn would be able to answer questions about it.

Council Member Baker asked about Fund balance increased by 125 thousand from 10.5 million to 10.6 million.

Mr. Feeney then recapped the information that the Council members had requested.

Council Member Brannelly asked for clarification regarding the new payroll system. Mr. Feeney said that it would be important to check to insure that all the figures were assigned to their proper categories. He said that he believed that the information will be presented in a clearer format and help with the analysis of the data. It will also help with managing and tracking the employees. Mr. Feeney said that the Mayor wants to move toward “green efficiencies”, such as electronic payments and the issuance of 1099 forms electronically. The new system will assist in this.

Council Member Curwen asked if the City’s administration was planning on announcing a deficit. Mr. Feeney said that there was a shortfall and a meeting was scheduled to discuss this and form a plan.

ADJOURNMENT

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

The meeting adjourned at 7:50 p.m.

Respectfully submitted,

Sharon L. Soltes
Telesco Secretarial Services