



**City of Bristol  
Special Board of Finance Meeting  
April 29, 2010**

A special meeting of the Board of Finance was held on Thursday, April 29, 2010 at 5:15 p.m. in the City Hall, Council Chambers, 1<sup>st</sup> floor, 111 North Main Street, Bristol, Connecticut. The following Commissioners were in attendance: Chairman Miecznikowski, Vice Chairman John Smith, Mayor Ward, Commissioners Paul Tonon, Mark Peterson, Robert Casar, Cheryl Thibeault, Janet Moylan, Greg Fradette. Also present from the Comptroller's Office: Glenn Klocko, David Bertnagel and Tina Bunnell.

**April 22, 2010**

**Ladies and Gentlemen:**

There will be a Special Board of Finance Meeting on Thursday, April 29, 2010 at 5:15 pm in City Council Chambers, 111 North Main Street, Bristol, Connecticut.

**Agenda**

1. Chairman Miecznikowski to call the meeting to order.
2. To adopt a single installment tax payment for motor vehicles in the 2010-2011 fiscal year payable July 1, 2010 and to take any action necessary.
3. To adopt a single installment tax payment for property tax due in an amount of \$100 or less payable July 1, 2010 and two installments based on a property tax due in an amount greater than \$100 payable on July 1, 2010 and January 1, 2011 and to take any necessary action.
4. To adopt the budget estimate for the Bristol Water Department Enterprise Fund for fiscal year 2010-2011 and to take any action as necessary.
5. To adopt the budget estimate for the Solid Waste Disposal Fund for fiscal year 2010-2011 and to take any necessary action.
6. To adopt the budget estimate for the Sewer Operating and Assessment Fund for fiscal year 2010-2011 and to take any action as necessary.
7. To adopt the budget estimate for the Community Development Block Grant, appropriate the City's share and the Reprogrammed Funds of the Community Development Operating Budget for fiscal 2010-2011 and to take any action as necessary.
8. To adopt the budget estimate for the Pine Lake Challenge Course Fund for fiscal year 2010-2011 and to take any action as necessary.
9. To adopt the budget estimate for the Internal Service Fund which includes Self Insured Workers' Compensation Funds and the Health Benefits Fund for fiscal year 2010-2011 and to take any action as necessary.
10. To adopt the budget estimate for the School Lunch Program for fiscal year 2010-2011 and to take any action as necessary.

11. To adopt the General Fund Estimated Operating Budget for fiscal year 2010-2011 and to take any necessary action.
12. To adopt the 2010-2011 Capital Budget and to take any necessary action.
13. Adjournment.

PER ORDER OF THE CHAIRMAN  
Richard Miecznikowski

Glenn S. Klocko  
Board of Finance Clerk

1. Chairman Miecznikowski to call the meeting to order.

Chairman Miecznikowski called the meeting to order at 5:23 p.m.

2. To adopt a single installment tax payment for motor vehicles in the 2010-2011 fiscal year payable July 1, 2010 and to take any action necessary.

Commissioner Moylan made a motion seconded by Commissioner Smith.

"In accordance with provision of Section 12-144a of the Connecticut General Statutes, 1965 revision, the City adopts a single installment tax payment for motor vehicles in the 2010-2011 fiscal year to be payable July 1, 2010 and recommend approval of this action to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

3. To adopt a single installment tax payment for property tax due in an amount of \$100 or less payable July 1, 2010 and two installments based on a property tax due in an amount greater than \$100 payable on July 1, 2010 and January 1, 2011 and to take any necessary action.

Commissioner Smith made a motion seconded by Commissioner Casar.

"To adopt a single installment tax payment for property tax due in an amount of \$100 or less payable July 1, 2010 and two installments based on a property tax due in an amount greater than \$100 payable on July 1, 2010 and January 1, 2011 and recommend approval of this action to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

- 4. To adopt the budget estimate for the Bristol Water Department Enterprise Fund for fiscal year 2010-2011 and to take any action as necessary.**

Commissioner Casar made a motion seconded by Commissioner Tonon.

"To adopt the budget estimate for the Bristol Water Department Enterprise Fund for fiscal year 2010-2011 totaling \$7,371,386 and recommend approval of this action to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

- 5. To adopt the budget estimate for the Solid Waste Disposal Fund for fiscal year 2010-2011 and to take any necessary action.**

Commissioner Fradette made a motion seconded by Commissioner Smith.

"To adopt the budget estimate for the Solid Waste Disposal Fund for fiscal year 2010-2011 totaling \$2,670,945 and recommend approval of this action to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

- 6. To adopt the budget estimate for the Sewer Operating and Assessment Fund for fiscal year 2010-2011 and to take any action as necessary.**

Mayor Ward made a motion seconded by Commissioner Smith.

"To adopt the budget estimate for the Sewer Operating and Assessment Fund for fiscal year 2010-2011 totaling \$4,873,000 and recommend approval of this action to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

- 7. To adopt the budget estimate for the Community Development Block Grant, appropriate the City's share and the Reprogrammed Funds of the Community Development Operating Budget for fiscal year 2010-2011 and to take any action as necessary.**

Commissioner Thibeault made a motion seconded by Commissioner Tonon.

"To adopt the budget estimate for the Community Development Block Grant for fiscal year 2010-2011 totaling \$682,478 appropriate \$76,660 in Reprogrammed Funds and \$380,000 to the Bristol Development Authority transferred from the General Fund and recommend approval of this action to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

8. **To adopt the budget estimate for the Pine Lake Challenge Course Fund for fiscal year 2010-2011 and to take any action as necessary.**

Commissioner Peterson made a motion seconded by Commissioner Smith.

"To adopt the budget estimate for the Pine Lake Challenge Course Fund for fiscal year 2010-2011 totaling \$171,750 and recommend approval of this action to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

9. **To adopt the budget estimate for the Internal Service Fund which includes Self-Insured Workers' Compensation Funds and the Health Benefits Fund for fiscal year 2010-2011 and to take any action as necessary.**

Commissioner Smith made a motion seconded by Mayor Ward.

"To adopt the budget estimate for the Internal Service Fund for fiscal year 2010-2011 totaling \$31,776,635; \$2,590,000 for the New Self-Insured Workers' Compensation Fund; \$510,000 for the Old Self-Insured Workers' Compensation Fund; \$28,676,635 for the Health Benefits Fund and recommend approval of this action to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

10. **To adopt the budget estimate for the School Lunch Program for fiscal year 2010-2011 and to take any action as necessary.**

Commissioner Tonon made a motion seconded by Commissioner Smith.

"To adopt the budget estimate for the School Lunch Program for fiscal year 2010-2011 totaling \$3,360,190 and recommend approval of this action to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

**11. To adopt the General Fund Estimated Operating Budget for the City of Bristol for fiscal year 2010-2011 and to take any necessary action.**

Commissioner Casar made a motion seconded by Commissioner Smith.

"To adopt the General Fund budget estimate for fiscal year 2010-2011 totaling \$171,233,260 as presented by Chairman Miecznikowski and have the budget advertised in a local newspaper and recommend approval of this action to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Commissioner Moylan stated in light of information received since the last meeting, it appears over the next couple of years things are not going to get any better, and may get worse. Commissioner Moylan feels there is support to pass this budget the way it is, but would like the Board to consider starting the budget process earlier to possibly downsize government as discussed during the budget hearings. Commissioner Moylan can not support this increase.

Commissioner Fradette agrees that there needs to be some long term action taken to make the government more efficient, but does not feel the Board of Finance is capable of making these decisions. A consulting firm with experience in municipal function should be brought in to make suggestions such as things discussed at the budget meetings.

Mayor Ward entertains the ideas which are expressed, however as a warning the City does not have any idea where the State and Federal government are going with their funding. In regards to trying to streamline efficiency, the City has initiated it and it's a work in progress. In the last two years positions have been eliminated and positions are being consolidated. There has been a reduction of 4.8-5% in City staff. Any position that is vacated goes before the Mayor to evaluate the necessity of it. This budget reflects a .26% increase in expenditures. The problem this year is not expenditures as many departments are bone dry, the problem is driven by the revenues. The revenue problem is a result of the economy and cuts backs in revenues such as grants, conveyance tax and building permits.

Mayor Ward commended the Department Heads and Board of Finance for their astuteness in addressing this budget. Mayor Ward wishes he could sit here and say we

don't need to increase taxes, but the City is delivering the services to the public they have come to expect, even though they were brought down to the bare essentials.

Commissioner Thibeault stated that some of the expenses put in the budget were a result of possible grants drying up and continuing the operation. If the grant monies do come through the money needs to be returned to the General Fund. The Pension Fund is still over funded and everything looks like it can be tapped into legally, which should be done. Also, the City's fees should be looked into. For example, if you compare the rates the City is charging for swimming lessons compared to the rates charged at the YMCA the City is much lower. There is potential to cover the cost of the program and make money. Commissioner Thibeault also feels additional reductions can be made in overtime, especially when the Board sees end of the year transfers using surplus overtime funds.

Mayor Ward extended his gratitude to the Board of Education and Dr. Streifer for their cooperation with the budget. The Board of Education was a greater participant in the budget this year, then seen in the past.

Commissioner Fradette	Yes	Mayor Ward	Yes
Commissioner Moylan	No	Commissioner Thibeault	No
Commissioner Peterson	No	Commissioner Tonon	Yes
Commissioner Smith	Yes	Commissioner Casar	No
		Chairman Miecznikowski	Yes

Following a roll call vote, the Chairman declared the motion carried.

**12. To adopt the 2010-2011 Capital Budget and to take any necessary action.**

Commissioner Moylan made a motion seconded by Commissioner Smith.

"To adopt the Capital Budget for fiscal year 2010-2011 totaling \$8,603,610 and recommend approval of this action to the Planning Commission and to a Joint Meeting of the City Council and Board of Finance subject to the call of the Mayor on or before May 17, 2010."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

Chairman Miecznikowski read his budget message.

**TO THE CITY COUNCIL, CITIZENS AND TAXPAYERS OF BRISTOL:**

As Chairman of the Board of Finance, it is tradition and my privilege to present this 2010-2011 budget message.

### **BUDGET HIGHLIGHTS, PRIORITIES, AND ISSUES**

The focus 2010-2011 budget was to preserve the current level of City services while maintaining the City's strong financial condition. The Board of Finance had to look at ways to bridge a gap of \$12.8 million between requests and revenues. This was a very difficult task since the State and Federal aid is uncertain and we are in the midst of one of the greatest economic downturns since the Great Depression. Last year we used \$2.5 million of our fund balance to have a 0% increase. We can no longer use this strategy this year which would have a great impact on our excellent bond rating of Aa3. During these difficult economic times, the Mayor, City Council, and Board of Finance made fiscally responsible decisions during the budget process. During the budget process we considered department needs, educational needs and revenues compared to expenditures. Most of our smaller departments came in between zero and two percent. Some of our deeper cuts were felt by the Board of Education who did a fine job managing these cuts with minimal impact to the education of our students. Our Public Works department came in with a large increase, but our Comptroller and his Staff have implemented a plan to increase funding in road improvements and capital in the next five years.

Although, we certainly don't enjoy raising taxes we felt by doing so we have solved a structural problem we had this year, and next year we should be much more solvent. We want to continually foster an environment that supports existing businesses and through our economic development programs attract new business. Therefore, considering increasing expenditures and a large loss of revenues we had to increase our mill rate from 25.99 to 27.34.

#### **Breakdown of Increasing Expenditures and Declining Revenues**

##### **Expenditures**

The Board of Finance had to bridge a gap of \$12.8 million between requests and revenues.

- Requests totaled \$178.3 million from the City side and Board of Education. This is a \$7.6 million increase over the current budget
- General Government increased \$5.8 million or 8.44%
- The Board of Education increase was \$1.8 million or 1.74%
- The largest increase of \$3 million was from Public Works for road maintenance of \$1.6 million, new equipment of \$812,000, and an increase in the snow budget of \$414,000
- Most other small departments came in with a 0-2% increase

##### **Revenue Decline**

The City is estimated to lose approximately \$5.2 million in revenues

- This includes \$2.5 million from the rainy day fund to balance the current budget

- Also, the City will lose \$1 million due to a change in the State's formula from reimbursing Special Education for this program
- Approximately \$900,000 on interest income

Strategies used in balancing the 2010-2011 budget:

- Department Heads were asked to submit a budget between zero and two percent
- The Mayor has frozen all positions and no new hires
- Cost savings by reorganization through attrition
- Minimal bonding of the Five Year Capital Improvement Plan
- Keeping our Contingency at \$900,000
- Only granting capital requests if absolutely necessary
- Use of the Board of Education surplus to pay for needed capital equipment.
- Continue to develop and implement fiscal policies to keep the City's bond rating strong
- Develop a plan to prioritize Capital spending in a way that spread these cost over time to minimize the tax impact
- Regionalization with other towns in the area where there can be cost savings
- Consolidate management to increase efficiency and reduce operational costs in departments
- Mayor Ward and Dr. Streifer again this year have been outspoken advocates to eliminate unfunded mandates which cost Connecticut city's millions of dollars

Summary

Bristol's finances have strong financial management from the Mayor, City Council, Board of Finance, as well as a very dedicated and efficient Comptroller's Office. We also have a very strong reserve which results in favorable ratings by Standard & Poor's for future borrowing. We also have promoted strong economic incentives for business growth to attract more companies to our City which would create jobs and increase our Grand List. In closing, some of the cuts and efficiencies we are trying to achieve will build a stronger foundation for future budgets.

**ACKNOWLEDGEMENTS**

I personally want to recognize every member of this Finance Board for your numerous hours of work on behalf of the citizens of Bristol. Your attendance during evening meetings of public hearings and workshops regarding this budget, in addition to regular meetings shows your enduring voluntary commitment to your City. Also, a special thank you to our Insurance Committee including John Smith, Greg Fradette, Robert Casar, Glenn Klocko and Robin Manuele for their diligence. The City reaped the benefit of over one million dollars by going out to bid with other insurance carriers.

I would be remiss on behalf of the Board if I didn't thank our Comptroller, Glenn Klocko, Assistant Comptroller, Robin Manuele, Chief Accountant, David Bernagel, Accountant, Tina Bunnell, and Assistant to the Comptroller, Jodi McGrane, for guidance and assistance to the Board in this process. Thank you.

**IN CONCLUSION:**

The annual budget process is a dynamic process that provides the City of Bristol with the opportunity and means to review past accomplishments and evaluate goals and objectives for the future. The Mayor, the City Council, and Department Heads came together, as a team, at a number of hearings and workshops to address and meet the challenges of this budget year. We will look forward to the successful implementation of this budget and to the challenges of next year's budgetary process.

**13. Adjournment.**

Commissioner Smith made a motion seconded by Commissioner Thibeault.

"to adjourn at 5:50 p.m."

Following a voice vote in which there was no opposition, the Chairman declared the motion carried.

Attest:



Glenn S. Klocko  
Board of Finance Clerk