Agenda Item 1: Call to Order

Chairman Hamilton convened a regularly scheduled meeting of the Municipal Finance Advisory Commission (the “Commission”) at approximately 10:05 A.M.

Agenda Item 2: Minutes to the May 11, 2011 Commission Meeting

The May 11, 2011 meeting minutes were unanimously approved by all members present with one abstention (Commissioner Waldron, who was not in attendance at the May 11, 2011 meeting).
Agenda Item 3: City of West Haven – Status of Financial Condition

Mr. Plummer indicated that the City of West Haven did submit certain financial information to the Commission, including the City’s 2011-12 adopted budget, a draft of a presentation that the City would be making to the rating agencies as the City would be seeking to refund certain bonds that were currently outstanding, and appraisal information on several properties the City would be seeking to sell.

Commissioner Hamilton noted that he had met with the City’s Finance Director, Joe Mancini, several months earlier in West Haven to go over various financial issues regarding the City’s finances. Commissioner Hamilton indicated that the City was expecting certain one-time revenues from the sale of the WPCA facilities and the sale of other City properties. The WPCA facilities sale was expected to provide the City with approximately $3 million. Commissioner Hamilton indicated that it appeared the WPCA facilities sale would take place shortly, but the sale of other City properties may not occur quickly.

Mr. Plummer stated that the June 30, 2010 audit report disclosed a cumulative General Fund deficit of $10.8 million and a cumulative deficit in the City’s internal service funds of approximately $6.4 million. For FY 2010-11, the City is projecting a General Fund operating surplus of between $200,000 to $600,000. The cumulative internal service fund deficit is expected to remain in the $6 million range. Commission members expressed concerns that if the $3.0 million from the sale of the WPCA facilities was already taken into account in the City’s projection of a $200,000 to $600,000 operating surplus for FY 2010-11, then as this was a one-time revenue source it would make it difficult for the City to come up with additional revenues in future budgets to replace the $3.0 million.

The information provided by the City was reviewed in detail by the Commissioners and a discussion ensued based upon the information reviewed. Based upon information in the 2010 financial audit report and comments made by the auditor in the audit report, Commissioners expressed concerns regarding the City having the available cash flow necessary to meet operating expenses. Commissioners also noted that the City was several years into its 5-year plan for elimination of the cumulative deficit and questioned when and how the City planned to actually eliminate the deficit.

Commissioners expressed appreciation for the information provided by the City and indicated their continued desire to work with the City on improving its fiscal condition. The information provided some indication of a plan on the part of the City to improve its finances. Commissioners indicated, however, that without City representatives attending the Commission meeting various important financial related questions and issues could not be clarified or addressed. Commissioners requested OPM staff follow up with the City on a number of questions.

Commissioner Dakers left the meeting at the end of the discussion of agenda item 3.

Agenda Item 4: Town of East Haven – Status of Financial Condition
Commissioner Hamilton noted that the Town of East Haven had submitted a number of documents in response to the Commission’s request for updated information on the Town’s financial status.

Mr. Plummer indicated that based upon his review of the documents submitted the Town’s cumulative General Fund deficit of approximately $5.2 million that existed as of June 30, 2010 would be eliminated completely by the end of fiscal year 2012 if the Town’s projections of a $4.6 million operating surplus for FY 2010-11 combined with the $1.2 million deficit reduction built into the 2011-12 adopted budget are both realized.

Commissioners expressed some concern regarding the deficits in the internal service fund, for which the information submitted showed no material improvement. The Commissioners expressed hope that the Town would begin to concentrate on reducing/eliminating the internal service fund deficits. The Town submitted cash flow information for the months of September through December of 2011. Commissioners noted that this information projected low cash levels in December and Commissioners indicated that the Town would need to closely monitor its January 2012 cash flow.

**Agenda Item 5: Borough of Jewett City update.**

Mr. Plummer indicated there was nothing new to report regarding the Borough’s finances.

**Agenda Item 6: Other Business.**

Mr. Plummer indicated that the only municipality that had yet to submit its June 30, 2010 audit report was the Town of Winchester and that the delay was primarily due to problems with the Board of Education’s records.

A brief discussion incurred regarding legislation passed in 2010 affecting the City of Bridgeport’s Public Safety Pension Plan A.

**Adjournment:** Meeting was adjourned at approximately 11:29 A.M.