

## Budget Message

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### Board of Finance

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## **City of Bristol Mayor's Budget Message**

Dear Bristol Taxpayer,

Thank you for choosing Bristol as your home.

It's an exciting time to be living in the City of Bristol. The revitalization of downtown is underway – the renovation of City Hall has begun, construction of the KindCare Assisted Living facility has started with a planned opening in the spring of 2023; the Bristol Arts and Innovation Magnet School (BAIMS) will open this fall; and the expansion of the DoubleTree by Hilton Hotel is moving along with a new Bristol Event Center and Home2 Suites hotel scheduled to be open by the beginning of 2023. Finally we are anticipating the construction of three projects to begin at Centre Square – the old Centre Mall site: 1) City Place will be a mixed-use project with 12 apartments over retail space on Main Street; 2) Wheeler Health's headquarters and relocation of its clinics on North Main Street will be on the corner of Hope and North Main; and 3) Phase 1 of the By Carrier mixed-use development, which will ultimately consist of 88 apartments over retail space are all slated to begin construction soon. Eventually all phases of the By-Carrier project will span from McDonalds to Hope Street on North Main Street.

Economic Development is in full swing in Bristol. The Southeast Bristol Business Park is nearly full with the latest business, BHF Logistics, a growing trucking logistics company, building its headquarters on Lot #2. The City will be putting 894 Middle Street, a 17-acre remediated Brownfield property, out for bid for potential developers and businesses. In the last year, 220 new businesses were added to the Grand List and several existing businesses have decided to expand here. In addition, a new workforce development training center called, BristolWORKS! is being planned as a resource for City residents who wish to seek better employment. When fully operational in downtown the center will train up to 80 underemployed applicants each semester that will be able to step into jobs.

There is so much for us to enjoy here in Bristol. From Lake Compounce to our parks, to great restaurants, the Bristol Blues, the seasonal Farmers Market, the annual Mum Festival, museums, and even your own backyard as we look to build a better Bristol by reducing blight and filling empty storefronts. For a complete listing of all the great things to do and see, visit the Bristol All Heart website: [www.bristolallheart.com](http://www.bristolallheart.com).

With the growth of the City's Grand List and the opening of several new businesses this year, we are happy to be able to keep the Mill Rate stable for the 2022-2023 fiscal year. We are looking for continued growth of the Grand List and will continue to work on finding efficiencies in City Hall.

On behalf of the City Council and myself, we thank you for being part of the All Heart community. I encourage you to follow us on social media (@mayorsofficebristolct, @bristolallheart) to stay up to date on all the latest happenings.

Sincerely,

Mayor Jeffrey Caggiano



## **Board of Finance Chairman's Budget Message**

### **To the Mayor, City Council, Citizens and Taxpayers of Bristol:**

On behalf of the members of the Bristol Board of Finance, I present its recommended budget for the 2022-2023 fiscal year for adoption by the Joint Meeting of the City Council and Board of Finance as mandated by Section 25(l) of the Charter of the City of Bristol.

This budget represents a 2.67% increase above the City's 2021-2022 budget with a zero mill tax increase. Expenditure changes from 2021-2022 are as follows:

- General City increased \$1.97 million or 2.56%.
- Debt Service and Capital Transfers increased \$941 thousand or 8.52%
- Education increased \$2.678 million or 2.20%

### **Revenue**

Revenue estimates remain relatively constant with 2021-2022 with the exception of Investment Income, which is estimated to be reduced by \$129,500. In light of current economic conditions resulting from the COVID 19 pandemic, interest rates plummeted the last year and it is highly unlikely the City will be able to invest its cash balances at rates available prior to the pandemic. However, estimated increases in Prior Year Taxes (\$20,000) and Building Permits (\$75,000) help to offset this reduction. In addition, State Grants increased approximately \$3.4 million which represents primarily the Transition Grant for the Motor Vehicle mill rate cap. In addition the City's Grand List increase from \$4.076 billion to \$4.240 billion will generate an estimated \$6.222 million in new tax revenue at the current mill rate.

The November 9, 2021 Joint Meeting set aside \$1.6 million in a Mill Rate Stabilization Fund to be used to offset anticipated increases in future debt service costs as well as other increased expenses. Of this amount \$1,000,000 will be used to help avoid a tax increase.

### **Expenditures**

Department requests addressed both immediate needs as well as future goals and objectives. Having information regarding future expenditure requirements is an absolute necessity from a budgetary and planning perspective. In total, department requests for the 2022-2023 fiscal year represented an increase of \$8.5 million (4.06%) over the existing 2021-2022 budget which would have equated to a tax increase of approximately 4.6%.

Additionally, capital outlay requests totaled \$2.7 million and there was no increase in employee health insurance.

As has been past practice departmental budget requests are scrutinized by the Comptroller's Office as well as the Board of Finance. This effort results in all parties having an understanding of the economic impact of budget requests causing, in most instances, a reduction in projected expenditures. 2020-2021 was driven by varying degrees of the unknown requiring the City to initiate new and different modes of operation. Many of those that were initiated in 2021 continued in 2022 and will do so again in 2023.

Combining the operations of the Water and Sewer Department into one entity has proven to be successful and may continue to develop cost avoidance procedures in the future. The most visible capital project for 2022-2023 will be the complete renovation of Bristol's City Hall. Built in the 1960's the facility has had minor changes to date. The building's infrastructure has exceeded its useful life, the exterior is in need of repair and spacial adjacencies and access make it difficult to navigate for both the public and staff. Work on the project has begun with a scheduled completion date in 2024.

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### **Summary**

The 2022-2023 budget totaling \$215,183,250 is a result of consultation, collaboration, and coordination among the operational and governance sections of the City. The future will mandate that all levels of public sector government function as a cohesive unit. It would appear that we, in Bristol, are continuing to work towards that process.

Additionally, the American Rescue Plan Task Force comprised of municipal leaders and Bristol citizens have approved \$24.7 million worth of transformational projects. Additionally, the Memorial Boulevard School Renovation Project is scheduled for completion in June 2022.

### **Acknowledgements**

The Board wishes to acknowledge those who played a significant role in the budgetary process beginning with City department heads and Board of Education Administrators who were asked to submit not only financial data for 2022-2023 but also goals and objectives for the long term.

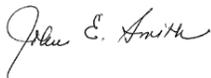
To Diane Waldron, Comptroller, and her staff: Robin Manuele, Assistant Comptroller, Jodi McGrane, Assistant to the Comptroller, Jessica Pilgrim, Senior Accountant and JoAnn Martin, Budget & Accounting Assistant -- Thank you for your leadership, for providing current information, for expressing notes of caution when necessary and for your sage advice and counsel throughout the process.

A personal thank you to the members of the Board of Finance who continue to give freely of their time and talents throughout the entire year attending meetings, listening to and reviewing data, participating in discussions and making difficult decisions regarding the City's finances. Additionally, a thank you to the Mayor's Capital and Strategic Planning Committee for its work reviewing major capital requests, financing alternatives for the development of the Capital Budget, and presenting recommendations to be included in the capital budget.

### **Chairman's Notes**

Just as 2021-2022 was a very good year the expectation is that 2022-2023 will follow a similar course. Operational and fiscal management is intuitive and proactive. The pandemic proved that the City and Board of Education employees are committed to doing what needs to be done. However, a word of caution. Having significant growth in the Grand List may not be a continual occurrence. Grants from the State and Federal Governments may become scarce. To continue to provide the essential services and to initiate new programs will require city leaders to be extremely vigilant of the governance environment to be prepared to change course when necessary as well as to initiate changes that will not only enhance the status quo but also develop new programs to benefit those who live and work here. To continue to be successful, operational silos must be eliminated and communication, cooperation and collaboration must continue to be the order of the day.

Respectfully submitted,



John Smith  
Board of Finance Chairperson

## **Comptroller's Budget Message**

### **To the Citizens, Taxpayers, and Businesses of Bristol, Connecticut,**

It is my pleasure to present this 2022-2023 budget message and budget document. It is the culmination of many months of effort on the part of elected officials, citizens appointed to Boards and Commissions of the City, management and City staff who worked diligently on the development of the budget requests and review as well as preparation of this document in its completed format.

A significant effort was devoted to adopt a 2023 budget that is balanced fiscally, philosophically and meets the demands of the citizens of the City while keeping in mind the uncertainty of the economy, inflation and the best interests of the taxpayers. It is the desire of this administration, through this budget, to advance the quality of life for residents of the City of Bristol.

This budget message provides an overview of the City's approved 2022-2023 budget. This budget, approved by the City Council and Board of Finance on May 16, 2022, totals \$345,714,856 for all funds. The General Fund budget, on which the mill rate is primarily based, is \$215,183,250. The mill rate remains at 38.35 for Real Estate and Personal Property and 32.46 for Motor Vehicle in accordance with the State imposed cap.

### **Budget – Planning and Challenges**

The City's 2022-2023 budget process started in November 2021. The budget process continued to address anticipated long term issues, specifically:

- Completion of a phase in of Debt Service increases as a result of the October 2019 bond issue that started in fiscal year 2020. This approach allowed the City to stay well within acceptable debt service guidelines, its policies and ratios as well as maintain a stable tax rate. In 2022-2023 the Debt Service line increased \$500,000.
- Negotiated union contract wage increases were in place for the Police and Fire employees only. Their salary increases were 2.75% and 2.50%, respectively. All other employee group contracts expire June 30, 2022 and currently are in negotiations
- Mandated costs relating to the recently enacted Police Accountability legislation had a significant impact on the Police Budget.
- Increases in Education spending due to wages and mandated special education costs.
- Continued COVID related challenges as the pandemic continued into the new fiscal year.
- Allocating American Rescue Plan Act (ARPA) funds in accordance with Treasury guidelines to City projects, business and not for profit opportunities in accordance with guiding principles set by the City's 15 member ARPA Task Force.

Departments were asked to stay within their 2021-2022 budget levels with no significant requested increases or new items unless justified. Departments prepare a budget narrative that outlines their respective goals and accomplishments for the current fiscal year, highlights of the following year budget request as it relates to new initiatives or challenges and short term and long term goals. The departmental budget narrative has been instrumental in assisting the Board of Finance in their reviews of department requests. Having this information in advance of the department's budget hearing encourages a deliberative and meaningful discussion on the level of funding needed by each department to accomplish their goals, objectives and longer term initiatives.

Faced with trailing COVID issues, rising inflation, increased fuel costs, other unanticipated costs and sensitivity to taxpayer needs, City officials were committed to adopting a maintenance budget, maintain Education funding and continue to meet contractual obligations without a tax

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increase. In addition, the allocation of \$28 million in American Rescue Plan Act (ARPA) funds was key to addressing some long term economic and budgetary initiatives.

### Economic Forecast

Annually the City's Purchasing Agent provides guidance on trends in costs for various commodities used by City departments and completes and Economic Forecast that is distributed to City departments and becomes part of the budget instructions. Areas addressed include estimates for fuel, utilities, tires, postage, and office supplies for the upcoming fiscal year. The purpose of the Economic Forecast is to provide consistency throughout department budget requests when estimating these operating costs. If actual costs are higher than estimated, budgetary adjustments may be made as necessary during the fiscal year.

### Major Highlights of the 2022-2023 Budget

Overall department requests totaled \$218,101,660 representing a 4.06% increase. The Chart below highlights the overall requests:

#### Requested 2022-2023 Budget:

	Adopted 2021-2022	Requested 2022-2023	Increase \$	Increase %
General City	\$76,894,190	\$81,457,290	\$4,563,100	5.93%
Debt Service & Capital Transfers	\$11,050,000	\$12,316,370	\$1,266,370	11.46%
Education	\$121,650,000	\$124,328,000	\$2,678,000	2.20%
<b>Total General Fund</b>	<b>\$209,594,190</b>	<b>\$218,101,660</b>	<b>\$8,507,470</b>	<b>4.06%</b>

In addition to an in-depth review of budget requests by the Comptroller's Office, budget hearings were held with the Board of Finance during February and March. In late April the Board of Finance adopted a budget recommendation with final adoption at a Joint Meeting of the Board of Finance and City Council on May 16, 2022. A General Fund budget of \$215,183,250 was approved representing a \$5,589,060 or 2.67% increase over the 2021-22 budget. The General City budget increased 2.56%, Debt Service and Capital Transfers increased 8.52% and Education increased 2.20%, as noted in the chart below.

#### Approved Budget:

Department	Adopted 2021-2022	Adopted 2022-2023	Increase (Decrease) \$	Increase (Decrease) %
General City	\$76,894,190	\$78,863,880	\$1,969,690	2.56%
Debt Service & Capital Transfers	\$11,050,000	\$11,991,370	\$941,370	8.52%
Education	\$121,650,000	\$124,328,000	\$2,678,000	2.20%
<b>Total General Fund</b>	<b>\$209,594,190</b>	<b>\$215,183,250</b>	<b>\$5,589,060</b>	<b>2.67%</b>

The adopted general fund budget incorporated adjustments/reductions totaling \$2,918,410. Adjustments were based on recommendations from the Comptroller's Office identified after budget discussions with Departments, analyzing trends, and projecting needs and costs for the new fiscal year as well as recommendations and priorities from the Mayor, City Council members,

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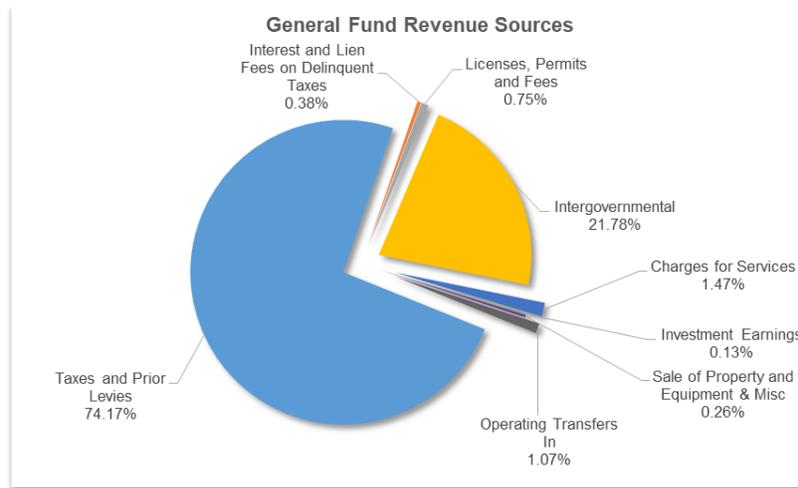
the Board of Finance and Board of Education (BOE). Recognizing significant funding available through the American Rescue Plan Act, a number of initiatives and projects were identified that this funding could be used for. The City and BOE intend to allocate the ARPA funds to one time uses, capital needs or addressing COVID related social and economic impacts.

A discussion of the budget follows.

**General Fund Revenues**

<b>Estimated Revenues:</b>	<b>Adopted 2021-2022</b>	<b>Adopted 2022-2023</b>	<b>Increase/ (Decrease) \$</b>	<b>Increase/ (Decrease) %</b>
Taxes and prior levies	\$156,403,740	\$159,594,495	\$3,190,755	2.04%
Interest and lien fees on delinquent taxes	775,000	810,000	35,000	4.52%
Licenses, permits and fees	1,540,700	1,615,700	75,000	4.87%
Intergovernmental	43,488,920	46,871,120	3,382,200	7.78%
Charges for services	3,150,370	3,164,540	14,170	0.45%
Investment earnings	406,000	\$276,500	(129,500)	-31.90%
Sale of property and equipment	75,000	75,000	0	0%
Miscellaneous	508,460	475,675	(32,785)	-6.44%
Operating transfers in	3,246,000	2,300,220	(945,780)	-29.14%
<b>Total Estimated Revenues</b>	<b>\$209,594,190</b>	<b>\$215,183,250</b>	<b>\$5,589,060</b>	<b>2.67%</b>

Revenues increased \$5,589,060 to balance the adopted appropriations.



*Shown in the graph above are the main categories of revenue in the General Fund and their respective percentages of the budget.*

**Revenues and Forecasting**

Other than Tax and Intergovernmental Revenues, as highlighted below, all other revenues of the City are annually forecasted (estimated) based on revenue type, growth or reduction patterns, underlying historical assumptions, as well as revenue reliability and validity of the estimates. The City’s forecasting uses a combination of three to five year trend analysis, and a review of economic conditions. Underlying assumptions for each major source of revenue are identified and documented. The Comptroller’s office works closely with department heads responsible for

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revenue estimates to identify any changes in local, regional, or national economic conditions, citizen demands, as well as changes in professional associations' guidance relative to revenues, and changes in state and local government programs and policies. Changes in the City's political environment are also considered. All assumptions must be reasonable, valid, and current. Revenue increases in Motor Vehicle Supplement Tax revenues, and Building Permit Revenues were warranted this year based on historical data, trends and reasonable projections of development within the City. All other revenue estimates remained flat or near prior year levels for fiscal 2022-2023 budget estimates.

### **Tax Revenues and Mill Rate: Result of Budget Deliberations**

The 2021-2022 mill rate was 38.35 and remains the same for 2022-2023 for Real Estate and Personal Property. Effective July 1, 2022 the State of Connecticut adopted a mill rate cap of 32.46 on Motor Vehicles. This was done to provide more equity in the motor vehicle taxes paid by Connecticut residents as mill rates vary substantially throughout the State. Approximately 72 municipalities are affected by this legislation for July 1, 2022. The most recent mill rate increase for Bristol was for the 2020-2021 budget which was 0.30 mills or 0.79% over the 2019-2020 fiscal year.

Property taxation is the largest source of the City's revenue. Taxes are levied against real estate, personal property and motor vehicles based on an assessed value which is equivalent to 70% of the market value. As mandated by State Statute the City performs a revaluation of real estate every five years. The last revaluation for the October 1, 2017 Grand List was effective for the 2018-19 fiscal year budget. The next revaluation will be for the October 1, 2022 Grand List for the 2023-2024 budget.

The total of all taxable property less exemptions is the "Net Taxable Grand List". For 2022-2023, the October 1, 2021 Net Taxable Grand List, after Board of Assessment Appeals adjustments, totaled \$4.24 billion representing an increase of \$164.7 million over the prior year grand list of \$4.1 billion. Growth in the grand list helps offset any growth in budgeted expenditures to minimize mill rate increases. The \$164.7 million increase will generate approximately \$6.2 million in new tax revenue at the 2021-2022 mill rate of 38.35.

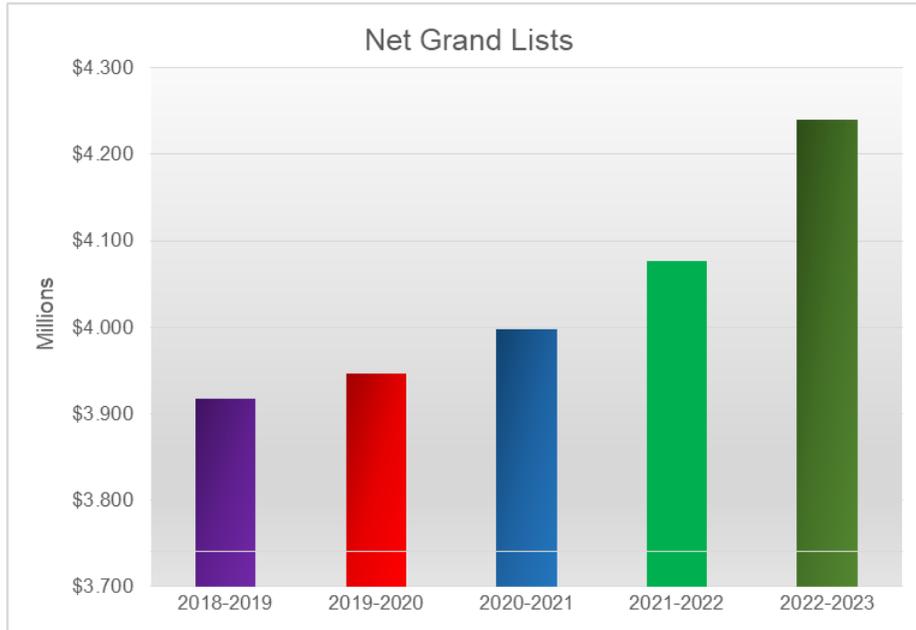
As noted in the chart below, the grand list growth was 4.04% for the current year. This is the most significant Grand List growth the City has experienced in the last twelve years and has almost regained everything it lost since the Great Recession. Personal Property increased \$41.4 million or 11%. The majority of this growth is attributable to technology upgrades and building renovations at ESPN including the addition of Disney Streaming Tech where all equipment is being housed at the ESPN Bristol campus as part of Disney's digital streaming service products. The Disney streaming initiative is approximately half of the \$41 million increase in personal property. The increase in Real Estate of \$14.7 million accounts or 0.45% is attributable to building renovations and as well as phase out of a development tax incentive program at ESPN. The Motor Vehicle portion of the grand list increased \$108 million or 25.6%. This increase is representative of the increase in used car values, due to the high demand and limited supply of vehicles, a result of the current economy.

<b>Category</b>	<b>2020 Grand List</b>	<b>2021 Grand List</b>	<b>\$ Change</b>	<b>% Change</b>
Real Estate	\$3,277,669,641	\$3,292,358,459	14,688,818	0.45%
Personal Property	\$375,056,552	\$416,525,308	41,468,756	11.06%
Motor Vehicle	\$423,223,031	\$531,744,636	108,521,605	25.64%
Total	\$4,075,949,224	\$4,240,628,403	164,679,179	4.04%

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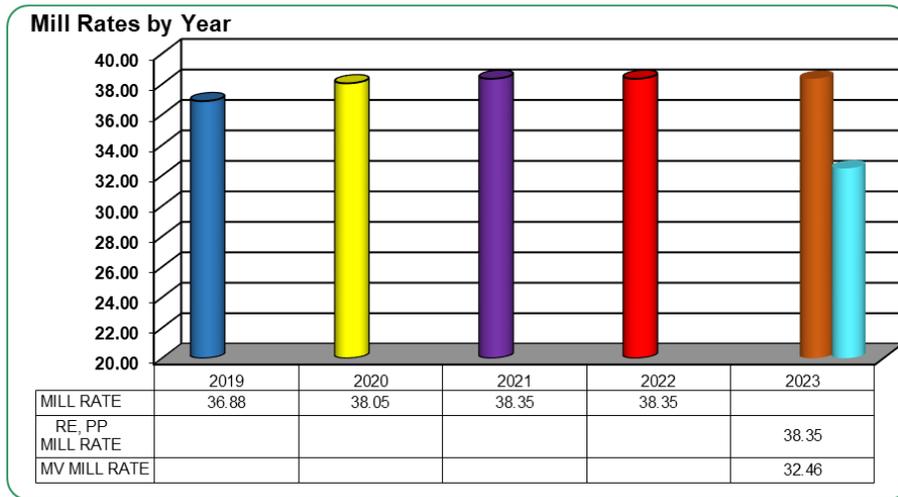
The following chart presents the annual net grand list growth for a five year period.

<b>City of Bristol Net Grand Lists Past Five Years</b>					
<b>Grand List Year</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Budget Year</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>
<b>Net Grand List</b>	<b>\$3.917</b>	<b>\$3.946</b>	<b>\$3.998</b>	<b>\$4.076</b>	<b>\$4.240</b>



**Taxes (75% of all revenues)**

Combined tax revenues increased \$3,190,755 and represents 74% of all revenues. The City uses a collection rate of 98.515% to allow for estimated uncollectible taxes throughout the year. This allowance is approximately \$2.3 million. The actual tax collection rate was 99.2% for the last two fiscal years ending June 30, 2021 and June 30, 2020.



Shown above are the City of Bristol mill rates for the last five budget years

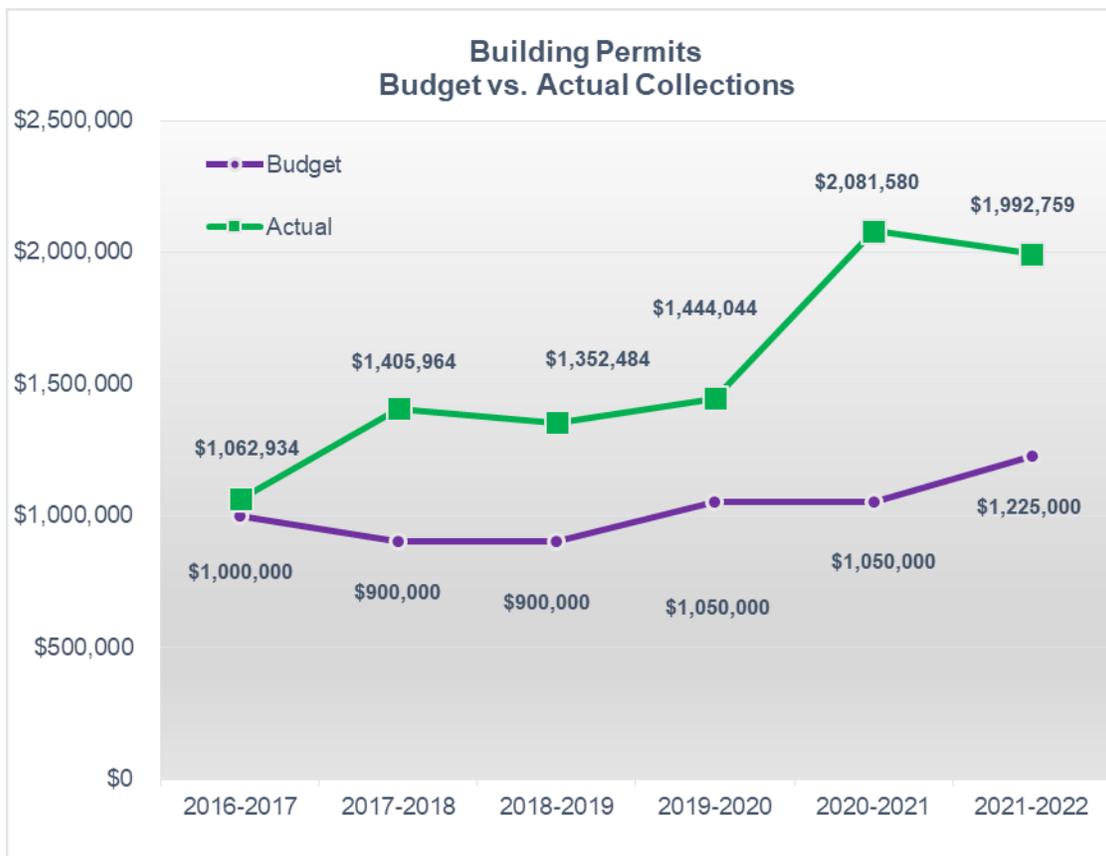
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Several statistical tables are available in the Appendix tab of this document relative to tax levies and collections as well as comparative assessed valuation of taxable property.

### Licenses, Permits and Fees

General Fund Licenses, Permits and Fees are anticipated to increase by \$75 thousand. The City has experienced an increase in Building Permit revenue over the last couple of years specifically with the increase in economic development incentives coming to fruition in the downtown area as well as along the Routes 229 and 6 corridors. Based on this revenue estimate was conservatively increased by \$75 thousand accounting for the majority of the increase in this category.

The following chart is a comparison of the revenue collected vs. budgeted amounts for building permits during the last six budget years.



### Intergovernmental Revenue (22% of all revenues)

Local governments depend on state and federal grants to supplement their property tax and other revenue sources. The city estimates State grants based on the Governor's proposed budget in February and then revises the estimates as more information on the State budget becomes available. The General Fund receives the largest share of state aid. For 2022-2023 the General fund is expected to receive \$46,730,870 in state grants. The Education Cost Sharing grant is the largest with \$41,657,310 anticipated.

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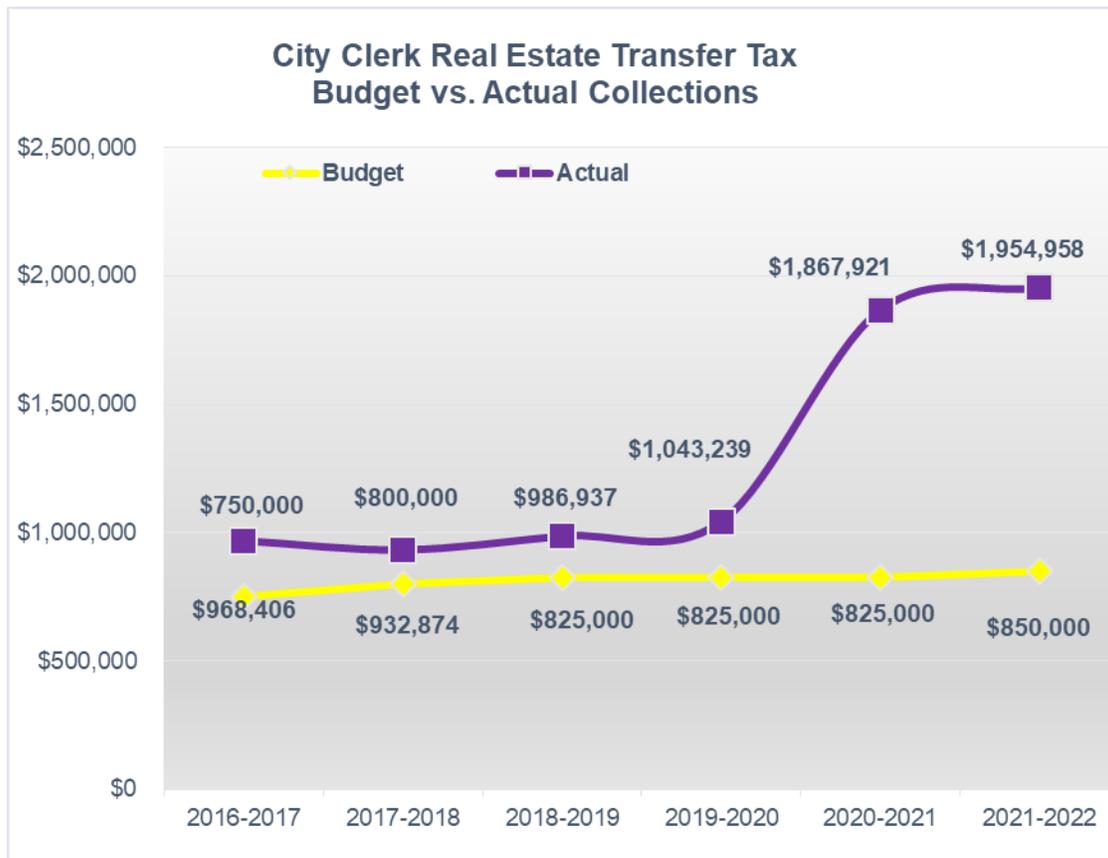
Overall, estimates for State grants increased in total by \$3.3 million due to the \$2.8 million the City is anticipated to receive for the new Municipal Transition Grant designed to make up the revenue loss with the decreased mill rate in Motor Vehicles from 38.35 to 32.46. This grant does not fully cover the revenue lost, approximately \$500K, which was made up with combined revenue and expenditure budget adjustments.

Estimates for Federal grants increased by \$15,250 for the Emergency Management Grant which has corresponding increases in the salary account for the Civil Preparedness Director.

## Charges for Services

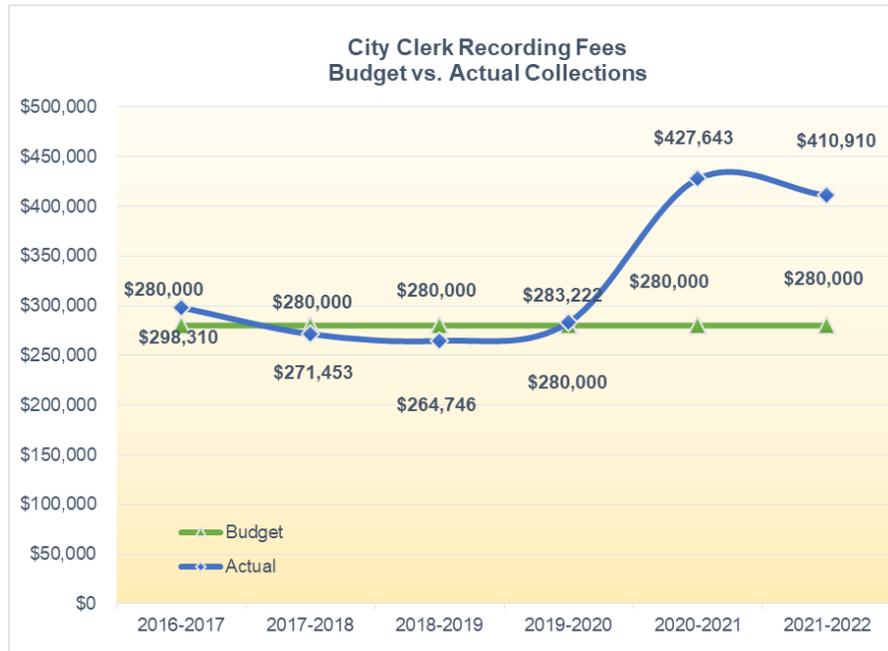
There is an increase in this revenue category of \$14 thousand. The two main General Fund sources within this category are City Clerk Recording Fees and Real Estate Transfer (Conveyance) Fees. While both of these fees have a correlation with Building Permit revenue and have experienced increasing levels of activity over the past few years it was decided to conservatively increase Conveyance Fees \$10,000 and Recording Fees \$5,000.

Below is a revenue trend graph representing six years of budgets and collections for the Real Estate Transfer (Conveyance)

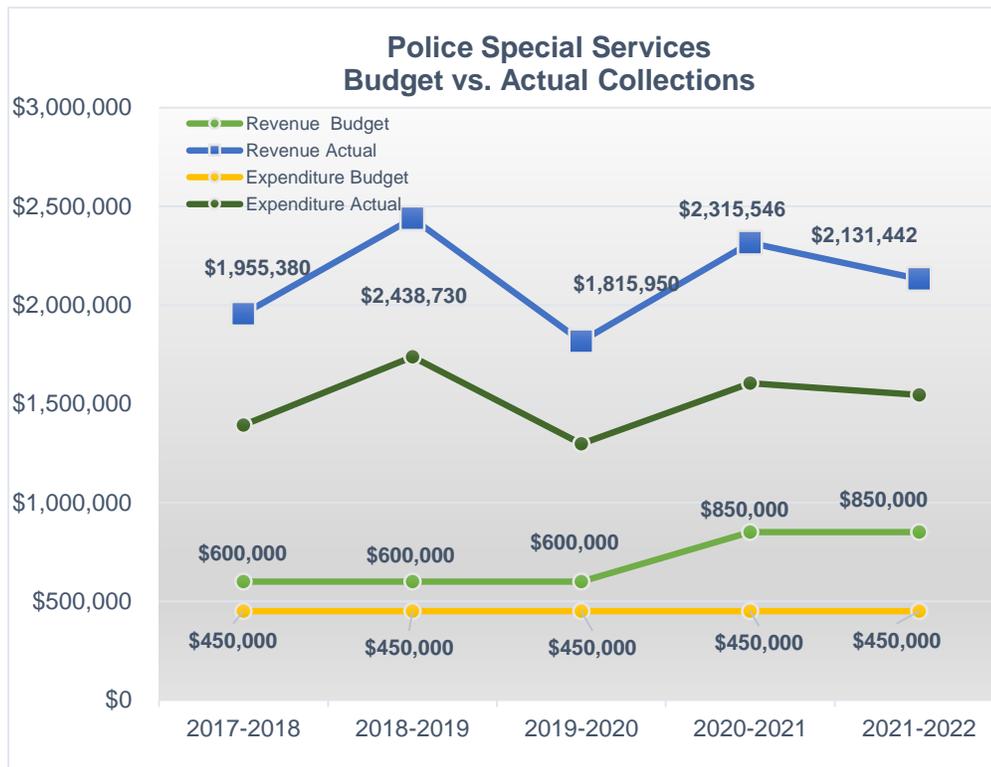


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The City Clerk's Office collects fees for the recording of documents. The fees are charged as set by the State of Connecticut. This revenue source has remained steady over the years and collections have been consistent with budget estimates. Below is a 6 year history of this account:



Police Special Services is also a revenue source for the City. While there are corresponding wage expenses to offset these revenues, the City bills administrative costs for these services and has in the past generated surpluses from these activities. While this revenue is specific to the need for police services, primarily for road construction projects, it was deemed prudent to keep the revenues estimated at current year levels.



**Investment Earnings**

The City has experienced a decrease in Investment Earnings over the last couple of years primarily as a result of the pandemic and the current state of the economy. For the 2021-22 fiscal year the City anticipates it will earn approximately \$150 thousand less than the budget estimate of \$406,000. In light of the significant drop in interest rates, the 2022-2023 year investment income estimate was decreased \$125,000 to a total \$276,500. In anticipation of continued sound cash management practices including the investment of additional idle funds even in this interest rate environment this is an achievable goal.



Investment Earnings revenue is accounted for through the Treasurer's office and is allocated monthly to all City funds. The allocation is determined by each funds average cash balance at month-end.

**Sale of Property and Equipment/Miscellaneous**

This accounts for the disposal of phased-out, old or ineffective City property such as vehicles, equipment and furnishings. Revenue generated usually offsets the cost of replacement items for the departments disposing of assets.

Miscellaneous is a “catch all” classification which primarily includes income generated from Park and Library Trust Funds. Trust fund interest is used to offset or add to Park and Library Appropriations. More information on these Trusts can be found in the “Library” and “Parks and Recreation” sections of this budget document.

There are no significant changes in these revenue source estimates.

### **Operating Transfer In**

In FY2018-2019 the Joint Meeting of the Board of Finance and City Council established a Mill Rate Stabilization Fund primarily to be used to offset anticipated increases in future debt service costs as well as any other increases to stabilize tax increases. The City has been able to supplement this fund with year-end transfers each fiscal year since inception. Funds were allocated in the amount of \$1.6 million for the FY2021-2022 budget and \$1 million will be used to offset the mill rate for FY2022-2023.

Also at June 30, 2021 the Joint Meeting set aside Board of Education surplus funds of approximately \$2.38 million in a reserve. The Board of Education achieved these surpluses primarily due to the closure of the schools, implementation of remote learning and savings on transportation costs due to the pandemic. Per State Statutes, upon approval of the budget making authority, up to 2% of the Board of Education budget may be carried over or held in a reserve for future use. Recognizing the challenges of the 2022-2023 budget the Board of Education agreed to use \$1.3 million of this reserve to offset their budget.

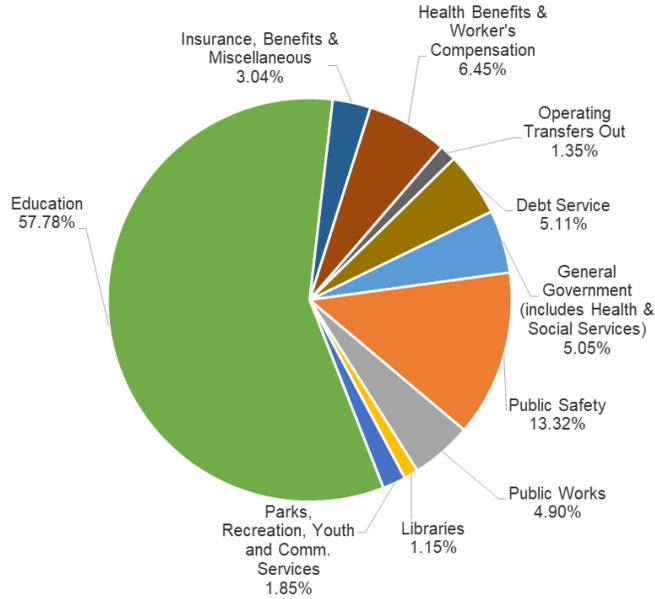
### **Other Financing Sources**

**Use of Fund Balance** is occasionally used to balance the operating budget for a number of reasons, primarily as an alternative to increasing the mill rate. The Board of Finance has a policy not to rely on the use of surplus to balance the General Fund budget. While \$1 million was appropriated to the 2021-2022 budget due to the unprecedented economic challenges related to COVID 19, the Board of Finance opted to eliminate the use of fund balance and increase the use of the MRSF to help balance the 2022-2023 budget. A total of \$1 million of the MRSF is budgeted as a transfer into the General Fund for the 2022-2023 budget. In total, this represents approximately 0.4 of a mill or 1%. The City's total fund balance at the end of June 30, 2021 is \$43 million and unassigned fund balance is \$31 million, representing 19.9% and 14.6% of FY2022-23 budgeted revenues/expenditures, respectively. This is well within the City's policy of 15%-20% of total fund balance and 12%-15% of unassigned fund balance, respectively.

**General Fund Expenditures**

Delivery of public services while maintaining a structural balance to stabilize taxes is the goal of the budget process. Below illustrates the components of the expenditures of the City of Bristol General Fund budget:

**General Fund Expenditure Objects**



**Department Budget Expenditures**

	<b>Adopted 2021-2022</b>	<b>Adopted 2022-2023</b>	<b>\$ Increase (Decrease)</b>	<b>% Increase (Decrease)</b>
General Government	\$6,715,520	\$6,775,325	\$59,805	0.89%
Public Safety	27,674,845	28,666,660	991,815	3.58%
Public Works	10,222,975	10,539,925	316,950	3.10%
Health and Social Services	3,824,750	4,091,470	266,720	6.97%
Libraries	2,469,295	2,478,195	8,900	0.36%
Parks, Recreations, Youth and Community Services	3,933,595	3,990,905	57,310	1.46%
Miscellaneous & Other Uses	33,103,210	34,312,770	1,209,560	3.65%
Education	121,650,000	124,328,000	2,678,000	2.20%
<b>Total General Fund</b>	<b>\$209,594,190</b>	<b>\$215,183,250</b>	<b>\$5,589,060</b>	<b>2.67%</b>

The most significant changes were in the following departments:

- Public Safety increased \$991 thousand or 3.58% due to two factors. Contractual salary increases and implementation of the Police Accountability mandate. In total this mandate accounts for approximately \$503 thousand of this budget. The below chart highlights the mandate requirements.

## Police Accountability Bill Mandates

- Drug Testing for Recertification \$9,000/annually
  - Requires police officers to pass a drug test as a condition of renewing their certification (every three years)
  - Cost per Officer – Approximately \$200
- Behavioral Health Assessment \$8,125/annually\*
  - Requires 20% of a Department’s police officers to receive behavioral health assessments at least every five years. \*Reflects cost for 20% of officers
  - Cost per officer - \$325
- Body Cameras
  - Required for all sworn members who perform police duties
  - \$276,036 annually through FY25
  - Additional 40 Cameras/Hardware purchased FY 2023
    - FY23 \$113,065 Initial Cost (\$50,534 Hardware, \$62,530 Maintenance)
    - \$90,415 annually through FY24
- Dashboard Cameras
  - Requires all law enforcement units use dashboard cameras with a remote recorder in each police patrol vehicle
  - \$70,980 annually through FY26
- Interview Room Cameras
  - \$26,076 Initial Cost (\$17,346 Hardware, \$8,731 maintenance)
  - \$8,731 annually through FY27

FY 23 Cost = \$503,282

*Mandates per CGS §29-6d, as amended by PA 20-1*

- Public Works increased overall 3.10% primarily due to an increase in budgeted Fleet expenditures.
- Health and Social Services increased 6.97% primarily due to an increase to the City’s share of the Bristol/Burlington Health District budget.
- Libraries remained steady with the prior year budget.
- Parks, Recreation, Youth and Community Services increased 1.46% due to a variety of costs, including additional Arts and Culture programs and minimum wage increases for Part Time/Seasonal employees.
- Education increased 2.20% or \$2.67 million. In addition to increases in wages due to union contract settlements and benefit cost increases, the other contributing factor to the BOE increase is the cost to provide Special Education Services. A chart of historical expenditures is shown with the discussion of Education’s budget.
- Debt Service increased \$500 thousand due to increased debt service costs on long term borrowing as a result of bonds issued in October, 2019. While debt service actually increased approximately \$794 thousand or 7.1%, the City is phasing in use of a premium that resulted from the October 2019 bond issue to offset actual debt service increases. The City historically has maintained very low debt service ratios. With many new projects planned in the Capital Improvement Program the City is gradually increasing the debt service appropriation to meet the long term debt service needs. Planned use of the 2019 premium helped the City achieve this. Still, as projected, the City’s debt service ratios will continue to be below Rating Agency medians.
- The Internal Service Fund decreased approximately \$370K. The City’s Health Benefits and Heart & Hypertension estimates remained at FY2021-2022 levels while the City’s Workers’ Compensation estimates decreased \$370K.
- All other City department controllable appropriations remained at prior levels.

**Budget Message**

Capital outlay requests in the General Fund totaled \$2,770,725 excluding Board of Education. This amount included Public Works-Fleet requests of \$1,203,000, of which \$850,000 in funding was approved. Of the remaining \$1,500,030, \$1,385,605 was approved for funding through the Equipment Building Sinking Fund. As in prior years the City anticipates funding this with a transfer of available surplus reserves at June 30, 2022. Items not funded but deemed a priority or essential to the department were funded in 2021-2022 through departmental transfers as funding was available.

On a preliminary basis, the 10-Year Capital Improvement Plan (CIP), which incorporates the Capital Budget, was reviewed with the Capital Improvement and Strategic Planning Committee along with the operating budget, in order to incorporate the full impact of the CIP on the City's finances. The tab labeled 'Capital Budget Summary' contains the Capital Budget and CIP information for 2022-2023.

The City of Bristol's General Fund continues to support the majority of the City's public services including police, fire, public works, general government, parks & recreation, libraries, debt service, and other miscellaneous items. Overall the City budget increased \$1.97 million or 2.56%, Debt Service increased \$500 thousand or 4.52% and Capital Transfers increased \$441 thousand, which includes the expenditure offset to budget the Tax Increment Financing transfer of approximately \$171 thousand. The Board of Education increased \$2,678,000 or 2.20%. This results in a net operating budget increase of \$5,589,060 or, 2.67%, over the 2021-2022 General Fund approved budget.

**Operating Budget: General Fund – City**

Appropriated expenditures presented below have been regrouped in order to better compare significant recurring expenditures. As such, debt service and capital items have been excluded and other transfer out items have been grouped with the type of expenditure to which they relate. For example, the operating transfer out for health insurance and workers' compensation insurance are accounted for in Employees Benefits.

<b>GENERAL FUND - CITY OPERATIONS BY CHARACTER</b>					
	<b>Adopted 2021-2022</b>	<b>Adopted 2022-2023</b>	<b>\$ Change</b>	<b>% Change</b>	<b>% of Increase (Decrease)</b>
<b>Salaries</b>	\$42,230,080	\$43,729,160	\$1,499,080	3.55%	1.94%
<b>Contractual/Professional Services</b>	5,238,535	5,514,975	276,440	5.28%	0.36%
<b>Supplies/Services/Utilities</b>	6,408,365	6,571,975	163,610	2.55%	0.21%
<b>General Insurance</b>	1,106,300	1,202,450	96,150	8.69%	0.13%
<b>Employee Benefits</b>	17,202,760	16,853,500	(349,260)	-2.03%	(0.45%)
<b>Capital Outlay</b>	1,020,820	1,419,520	398,700	39.06%	0.52%
<b>Other/Miscellaneous</b>	1,631,430	1,669,060	37,630	2.31%	0.05%
<b>Operating Transfers Out</b>	2,055,900	1,903,240	(152,660)	-7.43%	(0.20%)
<b>TOTAL</b>	<b>\$76,894,190</b>	<b>\$78,863,880</b>	<b>\$1,969,690</b>	<b>2.56%</b>	<b>2.56%</b>

Salaries increased 3.55% over the prior year salary accounts which represents 1.94% of the overall increase in the City budget. This increase reflects wage increases for settled union contracts. A listing of authorized positions can be found in the Appendix.

## **Budget Message**

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Contractual Services increased 5.28%. This accounts for most professional fees, service and repairs and maintenance. The majority of the increase is attributable to the Board of Finance funding the Bristol Burlington Health District with a \$250,000 increase over the 2021-2022 year.

Supplies and Services increased due to the implementation of the Police Accountability Bill mandates.

General Insurance increased 8.69% or \$96,150 due to increases in property and general liability insurances which is not unique to Bristol as it is the trend being experienced throughout the country.

Employee Benefits decreased \$349,260 or -2.03%. This account is primarily for payroll related costs, FICA and Medicare as well as the transfer to the Health Benefits Fund which actually decreased slightly due to a decrease in projected claims and use of reserve funds to offset medical insurance. Funds for the City's health insurance and workers' compensation estimates are transferred to an Internal Service Fund. The City's contribution to the Other Post Employments Benefits Trust fund is also included budgeted at \$1,200,000 the Water Department will also contribute towards the Actuarial Determined Contribution (ADC) in the amount of approximately \$377 thousand. The total contribution for 2021-2022 will be \$1.3 million or 68% of the net budget impact. There is no required contribution to the City's General Retirement Fund which provides a defined benefit pension to all City employees, certain Board of Education employees, and Police and Fire employees. The City retirement fund is funded at 128.9% at July 1, 2021.

Capital Outlay decreased 39.06% or \$398,700. This accounts for recurring capital expenditures expected to last more than one year and cost more than \$1,000 and generally includes vehicles, maintenance equipment, computers, office furniture, and replacements or enhancements to City buildings and facilities. For all funds department requests totaled \$2,703,000. Of this amount \$850,000 was funded through the General Fund Fleet budget and \$1,385,605 was recommended and approved for funding from the City's Equipment Building Sinking Fund.

Miscellaneous/Other is comprised of all other expenditures not included in other groups. This category increased 2.31% or \$37,630 due to the restoration of the City's contribution to the Mum Festival and Contingency account and an increase in Railroad Upkeep.

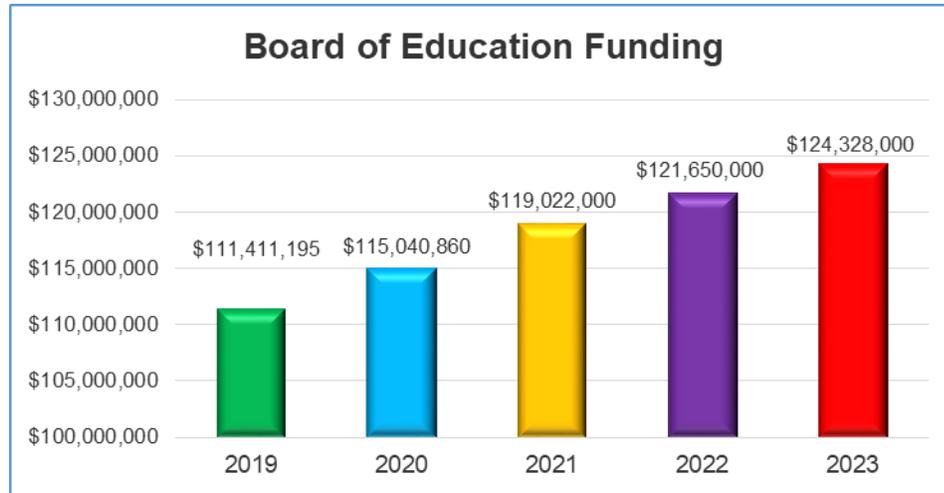
Operating Transfers Out decreased by \$152,660 or -7.43%.

### **Contingency**

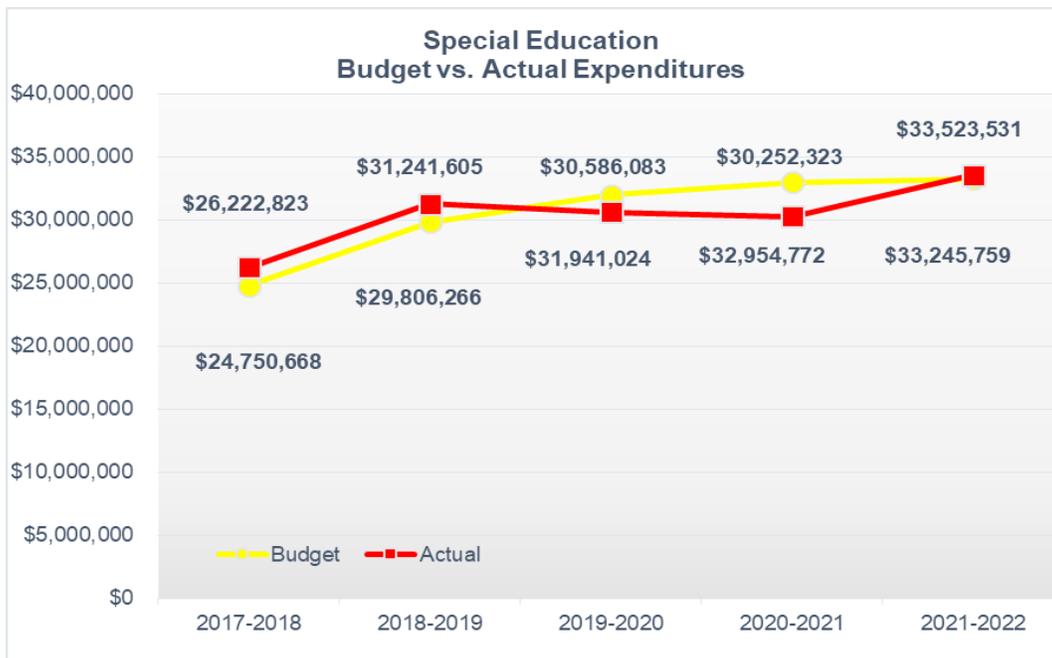
Each fiscal year there is a concern that the funding level for the City's budget may not be sufficient to handle emergency expenditures such as for a bad winter storm year or unforeseen emergencies or opportunities. A Contingency account provides the first line of defense to any potential use of the City's fund balance levels. This account is budgeted at \$1,000,000.

### **Operating Budget: General Fund – Education**

The Board of Education (BOE) adopted budget of \$124,328,000 is an increase of \$2,678,000 or 2.20% over the current year. State statute mandates a BOE budget, which at a minimum must be funded to at least the prior year approved funding level. This is known as the Minimum Budget Requirement, or MBR. The Board of Education anticipates a surplus in FY 2021-2022 primarily as a result of the transition to virtual learning due to COVID 19. While teachers and staff continued to receive their salaries there were reduced operating and maintenance costs during this period. It is expected that surplus funds will be reserved or carried over to the 2023 fiscal year in the event additional funds are needed for Special Education or any other distance learning related costs.



Shown above is the approved funding for the Board of Education for the last five budget years



Other BOE funding sources not affecting the Minimum Budget Requirement (MBR):

Use of Revenue Estimates:	
Tuition Revenue	\$157,979
School Building Revenue	15,000
Medicaid Revenue	400,000
Excess Student Cost Revenue	<u>3,601,565</u>
Total Other Funding Sources	<u>\$4,174,544</u>

## Budget Message

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For further commentary on the Education Department's service efforts, please turn to the 'Board of Education' tab.

The City and the Education elected/appointed Board and respective management teams have agreed to meet on education related funding matters throughout the fiscal year to gain a mutual understanding of financial situations affecting the educational system and the City's ability to pay for proposed increases. This is a new initiative in the interest of mutual cooperation and understanding.

### Other Funds

The City does not budget for all funds in the audited financial statements but there are a number of other funds for which the City approves budgets – the Capital Projects Fund which appropriates funding for the current year of the Capital Improvement Program, the new Road Improvements Fund, seven Special Revenue Funds (Community Development Block Grant (CDBG), Solid Waste Disposal Fund, School Lunch Program, Pine Lake Challenge Course, LoCIP Projects, the new Arts and Culture Fund and the Transfer Station Fund), the Internal Service Fund comprised of two individual funds for Health and Workers' Compensation insurances and two Enterprise Funds – Bristol Water Department and Water Pollution Control. The following is a brief synopsis of each:

**Community Development Block Grant Fund (CDBG)** - This fund accounts for the operations of the Economic and Community Development (ECD). The ECD is responsible for community development including aid to low to moderate-income persons and neighbors, grants administration, legislative liaison activities and economic development. The Bristol Development Authority is funded by two sources; the City share and the Community Development Block Grant (referred to as CDBG). The City share costs are budgeted within the General Fund and can be found as a transfer-out to a special revenue fund. The CDBG grant includes the salary and related costs of the Housing and Project Specialist. The City share pays for an Executive Director, 50% of a Grants Administrator, clerical support and a Marketing and Public Relations Specialist, their benefits and costs for running the office. The 2022-2023 City share is \$444,460 which represents a decrease of \$7,000 over the 2021-2022 budget. Of the remaining budget of \$722,016, 663,594 is funded by the Federal CDBG grant, \$23,422 from Reprogrammed CDBG funds and \$35,000 in program income.

**Solid Waste Disposal Fund** – This special revenue fund accounts for the operations of the City's solid waste disposal program. It is subsidized primarily by a transfer in from the General Fund. Other revenue sources of the fund are disposal permits, hauler charges, the City's host fee, and interest income. The total 2022-2023 budget for this self-balancing fund is \$1,359,240.

**School Lunch Program** - This special revenue fund is used to account for the sale of school lunches in the Bristol School system. This fund has several revenue sources. The two largest revenue sources are state reimbursement budgeted at \$153,350 and federal reimbursement at \$3,553,220. The expenses of the fund include the salaries of the employees needed to operate and supervise the cafeterias, food supplies, and employee benefits. The total budget is \$3,733,570 or an increase of \$63,970 primarily due to an increase in food supplies.

**Pine Lake Adventure Park** - This special revenue fund is used to account for a recreational facility used mainly by outside groups. This budget is one of the City's smaller funds and is generally accepted as presented. This year's budget is \$53,195.

**LoCIP Projects** - This special revenue fund is used to pay for projects approved under the Capital Budget with the yearly state grant allocation of money (entitlements) to the cities and towns in Connecticut under this program. The City is reimbursed after the expenditure is made on approved projects under this State grant. The City of Bristol receives approximately \$450,000-\$600,000 yearly for this program. This year, the City received an entitlement of \$485,500.

## **Budget Message**

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**Transfer Station Fund-** This special revenue fund is used to account for the Pay as You Throw (PAYT) program at the Transfer Station. PAYT is also known as SMART (Save Money and Reduce Trash). The PAYT System seeks to equalize the cost of using the transfer station. This year's budget is \$854,390 an increase of \$14,600.

**Road Improvements Fund -** In 2021-2022 a Road Improvements Fund was established by the Board of Finance to account for various funding sources related to road infrastructure projects and costs. The funding sources include State funding from the Municipal Grant in Aid fund and the Local Capital Improvement Program (LOCIP) as well as a budgeted transfer in from the General Fund. For 2022-2023 the City adopted a formal budget for this fund in the amount of \$4,663,205 allocated to the purchase of various construction equipment, reconstruction of various City building parking lots and road reconstruction improvements that includes regular ongoing road reconstruction as well as projects approved through the Capital Improvement Program planning process.

**Arts and Culture Fund –** The Arts and Culture Fund is new this year. Arts & Culture division of the Parks, Recreation, Youth and Community Services Department is responsible for administering comprehensive year-round arts and culture programs and events for the community as well as collaborating with the Board of Education to manage the Community Theater Program at the newly renovated theater in the Memorial Boulevard Intra-district Arts Magnet School. The Arts & Culture program is designed to be self-sustaining through revenues generated by user fees, ticket sales and other revenue sources. The budget for the first year of operation is \$743,565.

**Internal Service Fund –** The Health Benefit and Workers' Compensation Funds accounts for the activity of the city's self-insurance program for health benefits and workers' compensation claims. The Health Benefits fund decreased slightly as a result of lower than anticipated projected health claims. The Workers' Compensation Fund decreased \$763K primarily due to a projected decrease in Workers' Compensation medical and indemnity benefit payments. The Insurance Committee (a subcommittee of the Board of Finance) is charged with oversight as well as plan design changes within the Health Benefits Fund.

### **Enterprise Funds -**

**Bristol Water Department –** This enterprise fund is used to account for the operations of the Bristol Water Department. The supervision of the Bristol Water Department is entrusted to the Board of Water Commissioners. These operations are financed and operated in a manner similar to that of a private business. It has been an ongoing practice to accept the Water Department's revenue estimates and expense estimates as projected. For the 2022-2023 appropriations for this fund have increased slightly.

**Sewer Operating and Assessment Fund –** This fund, which also falls under the supervision of the Board of Water Commissioners accounts for the operations of the City's Wastewater Treatment Plant. The fund is supported by sewer user charges billed by the Bristol Water Department. Additionally, Water Pollution Control currently bills for assessments on Sewer Capital Projects. The revenues from these assessments are used to pay outstanding debt issued for these capital projects. Water Pollution Control has undertaken several capital projects known as Infiltration/Inflow Studies. These completed studies will result in a reduction of flow into the wastewater treatment plant. This will eventually reduce some of the operating costs associated with the treatment supplies and costs. In anticipation of the wastewater treatment plant upgrades, the City set up a Water Pollution Capital and Non-Recurring Fund several years ago to help defray costs for the taxpayers as well as the users. This fund is currently being used for the repayment of loans and capital project costs associated with the studies taking place. The Sewer Operating and Assessment Fund approved 2022-2023 budget is \$7,290,000, or a \$150,300 increase over the approved 2021-2022 budget. Increases in Contractual Services, Supplies and Materials and Capital Outlay offset contractual salary increases.

## **The Future Outlook**

The unprecedented events of the pandemic which has consumed most of 2020 has the potential to have a very dire long term impact on the economy over the next few years. City officials continued to be mindful of this as budget discussions ensued and they were determined to adopt a responsible and affordable budget for the citizens for fiscal 2023 and beyond.

### **American Rescue Plan Act**

With the enactment of the American Rescue Plan Act (ARPA) on March 3, 2021, the city will be receiving \$17 million as an entitlement community and an additional \$11 million through the State for the county allocation. There is an ARPA Task Force comprised of members from the City Council, Board of Finance, Board of Education, Economic Development and Public Works Commissions as well as various leaders throughout the business community. In total there are 15 members. Staff from the Comptroller's Office, Public Works, Parks, Recreation, Youth and Community Services, Economic Development, Purchasing and Information Technology will be providing assistance to the task force.

The Task Force has worked over the last year to discuss overall goals, guiding principles and how to allocate the funds. The group was divided into three groups: City Use, Non- Profit and Business Recovery. In addition, an outside consultant was hired to assist with the overall management of these funds. During the 2021-2022 fiscal year and 2022-2023 budget process approximately \$24.7 million of the funds were allocated to various City projects; economic recovery for City businesses including incentives to increasing the work force and/or capital improvements to structures to meet new pandemic guidelines; and, public assistance to not for profits that were financially impacted by the pandemic.

### **Capital Improvement Plan**

With its long term financial goals and objectives in mind, the City develops and prepares a 10 year Capital Improvement Program (CIP) plan that identifies capital projects to be funded over the next five to ten years. The Capital budget represents the first year of the CIP. The CIP and Capital Budget also serve as links to the City's planning process in other ways. The CIP is developed in concert with the City's Comprehensive Land Use Plan, its Debt Management strategy, the City's downtown redevelopment plans, and a multi-year plan to refurbish the City's parks. The City reviews the CIP on a quarterly basis and more frequently during the budget process. It is believed that more frequent discussion of the City's long range capital needs in concert with the City Plan of Development will provide a more deliberative discussion to assist the City in achieving its long term goals.

### **Financial Goals and Objectives**

In addition to the formal long term planning process, the City administration from time to time will adopt informal long-term goals as needed.

### **Non-Financial Goals and Objectives**

The City is expected to continue its review of programs and services in light of the rising costs of providing a wide variety of services to the community. More of the City's non-financial goals are highlighted in the Mayor's budget message as well as throughout the individual department summaries.

## **Budget Document**

Much of the format and content of this document changes year-to-year. This is due in part to changing administrations, changes in local fiscal priorities, changes in State grant funding levels, and economic changes on local, regional and national levels.

## **Budget Message**

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In addition, to keep pace with related changes in financial statement requirements, the Government Finance Officers Association (GFOA) Budget Awards Program criteria incorporates annual mandatory changes to the budget document that must be addressed each year by City management and staff and noted on the application for peer review. This is a GFOA Award winning document with regard to the GFOA's criteria. The appropriate changes have been made based on criteria and suggestions from budget award reviewers to match current award standards.

I encourage all City Officials and employees to use this document year-round. This document moves beyond the traditional concept of line item expenditure control, and provides information to managers that can lead to improved program efficiency and effectiveness with its format. Under the criteria established by the GFOA Distinguished Budget Award Program, the document is a staff and citizens' useable policy, objective, and goal-orientated document. It focuses budget decisions on results and outcomes, incorporates a long-term perspective and lastly, it is an easy to read and understand communication device for interested parties.

### **Review and Award Process**

After a preliminary screening, eligible budget documents are sent to three independent reviewers, who are members of GFOA's Budget Review Panel. To receive the award, a budget must be judged proficient in all four major award categories as well as all "mandatory" criteria by two of the three reviewers. Those budgets that are rated "outstanding" by all three reviewers in any of four major award categories, receive special recognition. Budgets are categorized by size and assigned to reviewers based on their experience and familiarity with reviewing documents of a similar size. Reviewers operate independently of GFOA officers and staff. The identities of reviewers to whom particular budgets are assigned for review are kept confidential. We believe this budget document will be favorably judged to continue to receive the GFOA's Budget Award on behalf of the City. Every attempt is made by staff to incorporate all past reviewers' suggestions into the current document.

## **Acknowledgements**

The annual budget process provides the community with the opportunity and means to review past accomplishments and enunciate collective goals and objectives for the future.

It is with great pleasure that I present this completed and City approved budget to the reader. A conscious effort was made by staff to make it a readable and useable document. Suggestions for improvement are always welcome.

Most City officials believe that once our City budget is approved the process is over for another year. This is far from true. It is actually the start of a 90-day document preparation that includes criteria review, rewriting, proofing, and a finalized cross-checking for accuracy process. With that said, I would be remiss if I did not extend a special thank you to Robin Manuele, Assistant Comptroller, Jessica Pilgrim, Senior Accountant, JoAnn Martin, Budget and Accounting Assistant, and Jodi McGrane, Assistant to the Comptroller, all from the Comptroller's office, for their seemingly endless efforts in continuing to contribute to producing this GFOA award-winning document on behalf of the citizens, taxpayers, and elected and appointed officials of the City of Bristol.

Respectfully submitted,



Diane M. Waldron  
Comptroller

## **2023 STRATEGIC PLAN**

A number of processes are in place to assist the City with strategic and long term planning. The current focus is to improve the City's infrastructure, expand economic development throughout the business community including Centre Square in the downtown area, and improve the quality of life and improved services to its citizens.

Recent initiatives include:

- Citizen feedback through surveys
- Master Planning for select departments
- Process improvements and shared services
- Capital Budgeting and ten year financial forecasting for projects
- Long-range operating financial planning
- Integration of various department goals and strategic plans with annual budget process and review by 10-Year CIP and Strategic Planning Committee.
- Continued work with ARPA Task Force to align approved projects with City long term economic development initiatives

Certain elements of the City's Long Term Strategic Plan include:

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### **INFRASTRUCTURE**

- Address City roadways in accordance with needs assessment and prioritize for inclusion in Ten Year Capital Improvement Program.
- Established a Road Improvements Fund to supplement bonding for road improvements utilizing State and Federal grants as well as General Fund appropriations.
- City roads and infrastructure using a pavement management rating system annually evaluate.

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### **PARKS AND RECREATION**

Engaged consultant to assist with a Parks Master Plan:

- Incorporated citizen surveys
- Prioritized projects for improvements to parks and facilities to develop long term plans to meet citizen priorities.
- Create a Plan to fund the new projects in a timely and organized schedule for planning purposes

More detail is available in the Parks department summary section as well as the Capital Budget section.

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### **ECONOMIC DEVELOPMENT**

Downtown Development:

- Due to the City's planning over the last 4 years, the State of CT Dept. of Economic & Community Development Urban Act funded \$4.6 million for infrastructure for the final stage of its downtown revitalization. (City Hall Garage/Public Town Green)
- The City has developed a Route 72 corridor study for Riverside Avenue improvements that meld with the downtown plans and the planned opening of the Memorial Boulevard Magnet School and Rockwell Theater.

## Budget Message

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- Approved plans and sold property for Centre Square development and ARPA approved parking structure (\$5.2M).
- Approved plans for streetscape improvements along Riverside Avenue and North Main Street.
- Approved and started major improvements to City Hall estimated at \$38 million.

### General Economic Development:

- Continue to fill vacant lots in the Southeast Business Park
- Continue to work with the State of CT Land Bank to remediate the former J.H. Sessions & Son building so it can be turned over to a developer
- Sell remediated brownfield property at 894 Middle Street to developer
- Explore new and future industry partners such as:
  - Cannabis Cultivators
  - Technology/Cloud Storage Facilities
  - Biotechnology Companies
  - Other High-Tech Emerging Manufacturing Companies

### Community Development Block Grants:

- More than \$300,000 in funding from U.S. Dept. of Housing and Urban Development (HUD) is expended each year to assist homeowners with Residential Rehabilitation grants. These matching grants enable homeowners to make essential improvements to their homes including new roofs, windows, heating, and electrical as well as for ADA accessibility and abatement when lead paint is discovered.
- Additional CDBG funds are awarded to area non-profits that provide social services to low and moderate income residents. Grants are also provided to non-profits to assist with capital improvements and to reconstruct sidewalks in low-income census tract areas.

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## EDUCATION

Engaged consultant to assist with “Reimagining Bristol Public Schools – Past, Present, and Future”. Plan includes:

- Renovation and updates to old and outdated schools
- Approved funding and plan for a new Northeast Middle School
- Planned Redistricting to create parity in class size and demographics and timed to incorporate the new magnet school coming online in September 2022
- Adopting consistent grade configurations/instructional models across all schools aligned to developmental plane of child
- Increasing access to Universal Pre-K programming
- Updating enrollment and feasibility studies
- Feedback from Community and Board of Education

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## FINANCIAL

In lieu of internal audit staff, the Board of Finance implemented a strategy to hire consultants to perform a review/audit of financial processes within various departments starting in 2017. Since that time the following departments have been reviewed:

- Education
- Youth and Community Services
- Code Enforcement
- Police – specific to the payroll function
- Maintain a 12%-15% unassigned fund balance

## **Budget Message**

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Many of the recommendations were for efficiency and enhanced control improvements and most have been implemented or are in the process of being implemented. It is expected that the Board of Finance will continue with these annual reviews to continually explore more opportunities for increased efficiencies.

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### **POLICE**

The Police Department recently achieved Tier 3 State Accreditation, the highest level afforded to departments by the State of CT Police Officers Standards and Training Council. With this accreditation and new requirements from the Police Accountability Act, the Department will initiate a process to re-tool its philosophy, community policing, and operational issues.

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### **FIRE**

- The Fire Department experienced a period of transition with a large number of anticipated retirements. Planning for these retirements began during contract negotiations in 2019 with the adoption of a Deferred Retirement Option Plan that allowed management to maintain staffing levels as well as hire appropriately to replace retiring firefighters.
- Created an in-house Fire Academy for new recruits in order meet the demand to have fully trained firefighters on board for the retirement wave. Initiated plan to continue with this academy and make available to surrounding communities as needed.
- Coordinated recruitment marketing with the Police Department for their new recruits to increase diversity.

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### **DIVERSITY EQUITY & INCLUSION**

Recognizing that quality of life is a main component for healthy communities, the City supports the following

- Arts & Culture Commission
- Diversity Council
- Youth Cabinet
- Mayor's Task Force on Opioid Prevention
- Senior Tax Relief Committee
- Bristol CARES
- Bristol Task Force on Ending Homelessness
- Bristol Hunger Action Team (HAT)

**LONG RANGE OPERATING AND FINANCIAL PLAN**

For long range operating and financial planning the below financial plan incorporates the following assumptions:

**EXPENDITURE ASSUMPTIONS:**

Wages/Salaries	FY2024	3.50%
	FY2025-2028	3.00%
Professional Services	FY2024-FY2028	4.50%
Fuel	FY2024	15.00%
	FY2025-FY2028	3.00%
Other Supplies	FY2024-FY2028	1.50%
General Insurance	FY2024-FY2028	8.00%
Employee Benefits	FY2024-FY2028	3.00%
Miscellaneous	FY2024-FY2028	2.50%
Transfer to Special Revenue Funds	FY2024-FY2028	2.50%
Education	FY2024-FY2028	3.00%
Debt Service	PER CAPITAL PLANNING PROJECTIONS	
Transfer to Capital Projects	No change	
Fire Truck Reserve	No change	

The above assumptions are based on historical trend, current market conditions (for example Fuel), anticipated expenditures and debt service per capital planning projections as reviewed by the Ten Year CIP and Strategic Planning Committee. Further detail of debt service projections is provided in the Capital Budget section of this document

**REVENUE ASSUMPTIONS:**

- Modest increases in various revenue categories based on trend.
- Grand List assumptions (below) are based on historical trends, current market conditions and anticipated economic development.

<b>Fiscal Year</b>	<b>FY2024*</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>
<b>Grand List Year</b>	<b>10/1/2022</b>	<b>10/1/2023</b>	<b>10/1/2024</b>	<b>10/1/2025</b>	<b>10/1/2026</b>
Real Estate	14.00%	0.50%	0.50%	0.50%	0.50%
Personal Property	4.00%	4.00%	4.00%	4.00%	4.00%
Motor Vehicle	4.00%	4.00%	4.00%	4.00%	4.00%
*Revaluation					

**CITY OF BRISTOL - LONG RANGE OPERATING FINANCIAL PLAN**

	2023	PROJECTIONS				
	ADOPTED	2024	2025	2026	2027	2028
SALARIES	43,729,160	45,259,681	46,617,471	48,015,995	49,456,475	50,940,169
CONTRACTUAL/PROFESSIONAL SERVICE	5,514,975	5,763,149	6,022,491	6,293,503	6,576,710	6,872,662
TOTAL FUELS	891,960	1,025,754	1,056,527	1,088,222	1,120,869	1,154,495
SERVICES/SUPPLIES/UTILITIES	6,571,975	5,765,215	5,851,693	5,939,469	6,028,561	6,118,989
GENERAL INSURANCE	1,202,450	1,262,573	1,325,701	1,391,986	1,461,585	1,534,665
EMPLOYEE BENEFITS	16,853,500	17,359,105	17,879,878	18,416,274	18,968,763	19,537,826
TRANSFER TO SINKING FUND	250,000	300,000	250,000	250,000	250,000	250,000
CAPITAL OUTLAY	1,169,520	1,000,000	1,000,000	750,000	800,000	800,000
MISCELLANEOUS	1,669,060	1,710,787	1,753,556	1,797,395	1,842,330	1,888,388
TRANSFER TO SPECIAL REVENUE	1,903,240	1,950,821	1,999,592	2,049,581	2,100,821	2,153,341
<b>TOTAL GENERAL GOVERNMENT</b>	<b>79,755,840</b>	<b>81,397,084</b>	<b>83,756,909</b>	<b>85,992,426</b>	<b>88,606,114</b>	<b>91,250,536</b>
EDUCATION	124,328,000	128,057,840	131,899,575	135,856,562	139,932,259	144,130,227
CAPITAL AND DEBT SERVICE	11,991,370	13,000,000	13,600,000	14,350,000	14,700,000	15,425,000
<b>TOTAL BUDGET</b>	<b>215,183,250</b>	<b>222,454,924</b>	<b>229,256,484</b>	<b>236,198,989</b>	<b>243,238,374</b>	<b>250,805,763</b>
INCREASE OVER PRIOR YEAR		7,271,674	6,801,560	6,942,505	7,039,385	7,567,389
% INCREASE OVER PRIOR YEAR		3.38%	3.06%	3.03%	2.98%	3.11%
REVENUES OTHER THAN TAXES		57,513,480	58,377,180	58,692,772	58,820,767	59,161,701
REVENUES TO BE RAISED FROM TAXES		164,941,444	170,879,304	177,506,217	184,417,606	191,644,062
MOTOR VEHICLE TAX @ 32.46 mill rate		17,950,848	18,668,882	19,415,637	20,192,263	20,999,953
REVENUES TO BE RAISED - RE & PP		146,990,596	152,210,422	158,090,579	164,225,343	170,644,108
GRAND LIST PROJECTIONS - RE & PP		4,186,191,044	4,222,273,583	4,259,142,598	4,296,826,264	4,335,353,867
PROJECTED MILL RATE	38.35	35.11	36.05	37.12	38.22	39.36
MILL RATE CHANGE		(3.24)	0.94	1.07	1.10	1.14
MILL RATE INCREASE/(DECREASE) %		-8.44%	2.67%	2.96%	2.97%	2.99%