

# TOWN OF BRIDGEWATER

Town Hall · P.O. Box 216 · Bridgewater, CT 06752

CURTIS S. READ  
FIRST SELECTMAN

TEL: 860-354-5250  
FAX: 860-350-5944

Date: August 8, 2017  
To: Michael Izadi  
From: Curtis Read, First Selectman  
RE: Benjamin Barnes, OPM Request

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## Background:

In a letter dated August 7, 2017 Secretary Barnes of CT OPM requested that we file estimates for FY 2017 and FY 2018 Fund Balances for our Town of Bridgewater. We were also asked to provide “any supplemental information about the potential impact of a continuing state budget impasse.” Please see our response below.

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<u>Year</u>	<u>Total Fund Balance</u>	<u>Unassigned Fund Balance (GASB 54)</u>
FY 17 Estimated	\$ 3,469,000	\$ 1,647,000
FY 18 Projected	\$ 3,544,000	\$ 1,722,000

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## Comments:

- Like many small towns in CT, Bridgewater has already lost significant ECS monies. Four years ago we received over \$152,000. Now it is scheduled to drop to approx. \$10,000 because our town has been judged as “rich” by some convoluted metric.
- Our population has been dropping and so have our property values. Our town infrastructure is old and vulnerable, and we already run a bare bones operation on tight budgets. The tax mill rate has risen accordingly for this upcoming FY 18.
- The Town finances are already vulnerable. Any major expense, like a catastrophic failure of one of the many bridges in Bridgewater, could really impact our fund balance. This is why we value and guard our “State Aid to Highways” and other funds.
- If the state passes along additional fiscal responsibilities, such as a portion of the teacher pensions, we will be further stressed. Taxes will have to go up, making our town less attractive to retirees and young families. The housing market would continue to decline.
- I would suggest you consider taxing defense contractors more since they are paid by a combination of federal tax dollars and deficit spending by the US Gov’t.

Thanks for your consideration.



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

OFFICE OF THE SECRETARY

August 7, 2017

Dear Selectman Read,

On August 2nd, the Governor directed the Office of Policy and Management to produce a series of reports on the fiscal health of municipalities (please see attached).

To that end, I am requesting updated information on your municipality's fund balance. We have historic data already reported to our office, which we have included below. We are looking for estimates of your General Fund's total fund balance and unassigned fund balance for as of June 30, 2017. In addition, we are requesting projections of your municipality's General Fund total fund balance and unassigned fund balance as of June 30, 2018, based on the assumptions from your adopted FY 18 budget.

BRIDGEWATER

General Fund

	<u>Total Fund Balance</u>	<u>Unassigned Fund Balance per GASB 54</u>
FY 15 Actual	3,128,412	1,196,085
FY 16 Actual	3,327,649	1,505,798
FY 17 Estimated	3,469,000	1,647,000
FY 18 Projected (based on adopted municipal budget)	3,544,000	1,722,000

Finally, please provide any supplemental information about the potential impact of a continuing state budget impasse on your community's finances, such as contingency plans to utilize fund balance, issue supplemental taxes or reduce spending.

Please email the requested information to Michael Izadi on my staff at [michael.izadi@ct.gov](mailto:michael.izadi@ct.gov) by August 16, 2017.

Sincerely,

Benjamin Barnes  
Secretary

Cc: Susan Wilcox, Treasurer  
Michael Izadi, Office of Policy and Management  
Kerry Kelley, Office of Policy and Management