



**City of Bristol
Office of the Comptroller**

August 16, 2017

Secretary Benjamin Barnes
State of Connecticut
Office of Policy and Management

via email - Michael.izadi@ct.gov

Dear Secretary Barnes,

Please find below the information requested in your letter dated August 7, 2017 regarding updated fund balance information for the City of Bristol General Fund:

	Total Fund Balance	Unassigned Fund Balance per GASB 54
FY15 Actual	\$31,716,983	\$26,605,958
FY16 Actual	\$36,156,832	\$28,737,167
FY17 Estimated	\$37,631,000	\$28,951,000
FY18 Projected (based on municipal budget)*	\$37,631,000	\$28,951,000

**Note the City of Bristol did not anticipate use of fund balance to offset/balance the FY2018 General Fund operating budget.*

A few additional comments regarding the 2018 budget.

- The City of Bristol adopted its 2017/18 budget estimating ECS, PILOT and Mashantucket/Pequot funding at current year levels; as a result proposed reductions would significantly influence revenues to balance the 2017/18 budget.
- The City did assume the mill rate cap on motor vehicles at 32 mills with corresponding grant revenue of \$1,095,290 anticipated.
- The City did not budget for the State Teachers Retirement contribution.

The City of Bristol adopted a budget with a zero percent tax increase. There is no formal plan in place in the event of substantial reductions in adopted State Aid, however the City of Bristol Joint Board has discussed the possibility of issuing supplemental tax bills and/or expenditure reductions if needed. The tax increase in this case is estimated between 5% and 10% depending on the magnitude of the impact of the adopted State budget.

The City of Bristol has worked very hard to follow prudent financial practices, develop sound financial policies and budget conservatively as evidenced by recent comments from all three rating agencies and the Aa2, AA+ and AAA reaffirmed by Moody's, Standard and Poor's and Fitch. Looking ahead the City anticipates continuing with these sound financial practices as it plans for significant increases over the next few years in its debt service payments, pension and OPEB costs all as a result of maintaining the City's buildings and infrastructure and phasing in more sound and realistic actuarial assumptions for its long term liabilities.

If you have any further questions or need additional information, please do not hesitate to contact me at dianewaldron@bristolct.gov.

Sincerely,

Diane M. Waldron
Comptroller

CC: Mayor Ken Cockayne
Robin Manuele, Assistant Comptroller