

**CITY OF NORWALK  
FINANCE/CLAIMS COMMITTEE  
REGULAR MEETING  
JANUARY 12, 2016**

**ATTENDANCE:** Bruce Kimmel, Chair; John Kydes, Shannon O'Toole-Giandurco, Douglas Hempstead; John Igneri; Travis Simms (7:20 p. m.)

**OTHERS:** Lisa Biagiarelli, Tax Collector; Robert Barron, Finance Director, Frederic Gilden, Comptroller

**CALL TO ORDER**

Mr. Kimmel called the meeting to order at 7:08 p. m. A quorum was present.

**1. PUBLIC PARTICIPATION**

No member of the public came forward to comment.

**2. APPROVE THE MINUTES OF THE FOLLOWING FINANCE COMMITTEE MEETING**

November 10, 2016

**\*\* MR. IGNIRI MOVED TO APPROVE THE MINUTES OF THE NOVEMBER 10, 2016 MEETING AS SUBMITTED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

**3. Claims committee: Receive the monthly Claims report; review and approve claims as required for Claims Report dated December 8, 2016 and January 12, 2017**

**4. Narrative on Tax Collections dated January 12, 2017 – Receive Report and discuss.**

**5. MONTHLY TAX COLLECTOR'S REPORTS – RECEIVE REPORTS AND DISCUSS: NOVEMBER 30, 2016 AND DECEMBER 31, 2016**

Ms. Biagiarelli stated that there were no special requests on the December Report. She reported on the SoNo Warf L.L.C. She stated that the item is for land taken that was related to the work on the Walk Bridge. We have to refund the former owner for a portion of the payment made after the DOT took it over.

**\*\* MR. KIMMEL MOVED TO ACCEPT THE REPORT ON THE DECEMBER 8, 2016 MONTHLY CLAIMS REPORT**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

Ms. Biagiarelli stated that there were no special requests in the January Claims Report. She stated that as of the end of December 60.58% of our adjusted tax levy. It is more or less where we need to be.

Ms. Biagiarelli stated that the tax sale redemption period ends next week. We started with 260 properties and are now left with five properties. Mr. Barron stated that, in recent history, we haven't bid on any property with a house or building on it. No one signed up to bid on Dog Island and the city may end up owning it. Ms. Biagiarelli stated that any city assets, if sold, must go out to bid.

## **6. RECEIVE OAK HILLS AUTHORITY MONTHLY FINANCIAL STATEMENTS FOR NOVEMBER 2016**

Mr. Barron stated that for the five month period of July to November, revenues were \$49,000 less than the same period of the previous year. Expenses were up \$21,000 vs. the same period of the previous year.

Mr. Simms arrived at the meeting at 7:20 p. m.

Mr. Barron reviewed Oak Hill's Balance sheet and stated that current assets and accounts receivable need to be compared to current liabilities. They are not at a critical point, are not particularly strong. They currently have a \$100,000 line of credit and Mr. Barron would like to see them not using. He stated that Oak Hills has the ability to borrow against its revenue stream. Mr. Barron stated that Oak Hills Authority reported to him that the money from the restructuring of debt was used to improve the customer experience and that a good long term fiscal position is the objective.

## **7. 2017 SCHEDULE OF FINANCE COMMITTEE MEETINGS**

**\*\* MR. IGNIRI MOVED TO ACCEPT THE 2017 SCHEDULE OF FINANCE COMMITTEE MEETINGS.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

## **8. PRELIMINARY DISCUSSION OF OPERATING BUDGET**

Mr. Barron presented the Operating Budget Calendar. He stated that on January 17, 2017 the Board of Education files its budget request with the Office of Management and Budgets. Then the BOE meets with City Finance on January 18, 2017. He stated that the Finance Department prepares and submits the recommended budget and tax levy in addition to the department requests to the Board of Estimate and Taxation on February 13, 2017. On February 14, 2017, the Finance Department prepares and submits the recommended budget and tax levy in addition to the department requests to the Common Council. On February 17, 2017, the recommended budget, tax levy and Notice of Annual Meeting of the Board of Estimate and Taxation is published in a local newspaper. On February 28, 2017, the Common Council establishes the operating budget cap. On April 21, 2017, the tentative budget and tax levy is published and on May 1, 2017 the Board of Estimate and Taxation sets the final budget and tax levy.

Mr. Barron stated that the Rainy Day Fund has increased by \$6,300,000 than was anticipated due to one-time revenues. Expenses will increase next year and the fund may be needed to cover those expenses. He stated that it is not known yet if there will be cuts by the state to the Municipal Revenue Sharing Grant. Cuts to this grant will need to be covered by the city.

Mr. Barron stated that there was an unexpected million dollar upward swing in investment income during the month of June. That increase was included in last year's numbers, but has since been lost during this fiscal year.

Mr. Barron stated that a tax collection rate of 99.9% was higher than expected. Supplemental auto revenue was planned to be \$2,000,000 but came in at \$2,800,000. He stated that Regular Wages had been lower than expected and that the Department of Public Works had come in as the department most under budget.

Mr. Barron stated that the target for Norwalk's Rainy Day Fund is to be at the median fund balance of the other AAA rated municipalities in the state. In the past, that rate had been between 5 and 7% but the medians have gone up to between 10 and 15%. Norwalk has done well to be at 12.2% this year. He stated that there is a lot of budgetary pressures this year. Cuts to Education Cost Sharing funding from the state and possible cuts to the Municipal Revenue Sharing Grant are contributing to that pressure.

Mr. Kimmel stated that the Board of Education has not asked us to draw down the fund balance, to the extent it has been suggested in the media.

Mr. Barron presented a review of the Municipal Spending Cap. He stated that the spending cap is not a tax cap. It caps "adopted budgeted expenditures" to 2.5% above the previous year or the rate of inflation, whichever is greater. Adopted budget expenditures are defined as expenditures from a municipality's general fund and any non-budgeted funds. Some of the exemptions to the cap are debt service, special education, expenditures for implementing court orders, and arbitration awards. Mr. Barron stated that the Connecticut Conference of Municipalities believes the statute is ambiguous and does not provide clear direction for implementing the spending cap.

### **ADJOURNMENT**

**\*\* MR. IGNIRI MOVED TO ADJOURN.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 8:43 p. m.

Respectfully submitted,

Tom Blaney  
Telesco Secretarial Services