

**CITY OF NORWALK
FINANCE/CLAIMS COMMITTEE
PUBLIC HEARING
AND
SPECIAL MEETING
FEBRUARY 22, 2018**

ATTENDANCE: Gregory Burnett, Chair; Douglas Hempstead; John Igneri;
John Kydes; Thomas Livingston; Eloisa Melendez;
Barbara Smyth; Douglas Stern; George Tsiranides;
Chris Yerinides; Faye Bowman (6:58 p.m.)

STAFF: Robert Barron, Finance Director

PUBLIC HEARING

Public Hearing on Fiscal Year 2018-2019 Operating Budget Cap

Mr. Burnett opened the public hearing at 6:33 p.m. He said there were several challenges that had to be undertaken during this budget cycle. The basic principle is to keep the tax increase as low as possible. He said that before the Common Council sets the cap, they want to hear from the public.

Ms. Meaghan Hopkins spoke in support of fully funding the budget and asked the committee members to look at it as an investment. She added that this might be the time to look at the funds in the rainy day fund.

Mr. Drew Todd recommended fully funding the budget. He said there are great things going on in the schools and that good schools bring more tax dollars to the City.

Ms. Lisa Pisano Henderson said that she was here tonight to show support for the Norwalk public schools and the strategic operating plan. She said the Board of Education should be fully funded. She said that the recent comments by Common Council members was unacceptable.

Ms. Donna Smirniotopolous recommended fully funding the budget that was unanimously approved by the Board of Education. She said there was well over \$56 million in the rainy day fund which is more than enough to keep the AAA rating. She said that taxpayers are funding the schools, but are not the direct beneficiaries of the schools. Ms. Smirniotopolous said more transparency and accountability is needed.

Ms. Barbara Meyer-Mitchell said she hoped the Common Council would continue to their investment in Norwalk. She added that 15 of the 20 schools have improved this year.

Mr. Nate Sheldon said he was here to support fully funding the budget.

Mr. James MacDonald asked for the budget to be fully funded. He said the Norwalk public schools have made great strides with the arrival of the current Superintendent.

Mr. Patrick Begos said a high quality school system is important and there is a direct line between good schools and property value. Brien McMahon High School is the most diverse school in the State. The school system is a success story and the Board of Education made an intelligent proposal. He said that more credits are required for graduation, but the biggest problem is population growth; a big part of the budget is to add more teachers.

Mr. Scott Hurwitz spoke about the impact on students at Brien McMahon High School. He said that the students are required to have more credits to graduate and they need to ensure the students are enrolled in as many classes as possible.

Ms. Bowman joined the meeting at 6:58 p.m.

Ms. Jennifer Jefferies said she teaches in another district and can send her children to that district, but chose to send them to Norwalk schools. She said she sees positive growth and progress in the schools. Fully funding the budget would extend the school day and add staff at the high school. She said it is crucial to support the children in the school system.

Ms. Lisa Homson said she was here to advocate for budget reform. The State is broke and State taxes are rising causing people to leave the State. She recommended implementing separate commercial assessments, developing a strategic operating plan, real charter revision and hiring a City Manager.

Ms. Nizihyeth Judia expressed the need for more teachers for the growing student body. She said her son is in Special Education and had his evaluations done, but he is not being given the tools he needs.

Ms. Christine Hatch asked to fully fund the Board of Education's request. She said the achievement gap is starting to close, but all of the improvements come with a cost. She said that fully funding the budget will allow the Board of Education to meet their strategic goals.

Mr. Bryan Meek submitted an analysis of the rainy-day fund and said this is a great opportunity. He said there is a pile of cash that the State is focused on. If it is not used, the State will take it. He said the City has had a rainy-day fund as low as 6% and maintained its AAA designation. He asked the City to invest and use the money wisely.

Ms. April Guilbault said she was here to support the Board of Education budget. She asked that the band at the elementary school level be funded.

Ms. Diane Lauricella said she was here asking the Committee to do their due diligence and to think outside the box. She asked that they not raise the cap by very much, if anything. She said she does not support fully funding the Board of Education. She suggested having robust code enforcement, diversifying the tax base, reforming accurate tax assessment, fully funding the grant writer and move that position to the Fire Department. Ms. Lauricella talked about savings as a result of recycling.

Mr. Bruce Kimmel said that he would respect whatever decision was made. He said Norwalk has the shortest school day in the State and high school students have two – three study halls. Mr. Kimmel said they are trying to rectify those issues.

Mr. Richard Bonenfant asked the Committee to be easy on the taxpayers; not everyone can afford a \$500 increase. He said there are two people on the Common Council with ethical problems. He said the school community is very organized.

Mr. Burnett asked three times if there were any other members of the public who wished to speak.

Mr. Kydes thanked everyone for coming out. He said the Board of Education made major improvements over the last few years and deserves a lot of praise. He said that he believes the cap will be approved and the schools will continue to move forward.

There was no response and Mr. Burnett closed the public hearing at 7:26 p.m.

SPECIAL MEETING

CALL TO ORDER

Mr. Burnett called the special meeting to order at 7:26 p.m.

ROLL CALL

At Roll Call the following Committee members were present:
Gregory Burnett, Chair; Faye Bowman; Douglas Hempstead; John Ignieri; John Kydes

FISCAL YEAR 2018-2019 OPERATING BUDGET: CAP REVIEW AND DISCUSSION

Mr. Burnett asked Mr. Barron to provide clarity on the reserve fund. Mr. Barron said that using \$2 million will bring that ratio down to 12.7%; the target is supposed to be between

7 ½ and 15% with a target of the median of all AAA communities. He cautioned against using the fund balance to fund ongoing expenses.

Mr. Hempstead said that so many numbers have been bantered around. He said it is a challenge to figure it out what to do next year or the year after. He said the land value is still not what it was in 2007. He said there is an upcoming revaluation and he does not want to spend a lot of money out of the fund. He said that they have to give more, but have to be prudent.

Mr. Igneri asked Mr. Barron if he was comfortable if the fund balance went from 12.7% to 12.2%. Mr. Barron said the fund balance is the taxpayer's money. He said he has to have a plan to restore it to the target amount. The fund balance only grows if there are less expenses than anticipated or more revenue than expected. He said he did not think any money would be added to the fund balance by the end of the year because the City is short \$2.9 million from the State.

Mr. Igneri asked Mr. Barron if he had any conversations with anyone from the State. Mr. Barron said there are fragments of information and in the end, the information is incorrect. He said no one believes the fund balance is in jeopardy or will be a target for State cuts.

Mr. Barron explained that years ago there was a rule that the City was required to fund the Board of Education at the level funded in the prior year. Then it was changed so that they could lower what was given to the Board of Education if there was a decline in ECS funding and a decline in enrollment except if the districted is designated as an Alliance District. Due to that designation, Norwalk has not been able to lower the funding to the Board of Education.

Mr. Burnett said that as it stands, the request for fiscal year 18-19 was 4% over last year, but was scaled down to 3.1%. Mr. Barron said he recommended a flat budget to fund the Board of Education at a level the taxpayers can afford. Mr. Burnett said the budget request would equate an overall mill rate increase of 3.7% which is a significant increase over last year's mill rate of 1.1%.

Mr. Igneri asked if the 3.7% would include a \$2 million drawdown from the rainy-day fund. Mr. Barron said it would. Mr. Igneri said he could support this and feels it is fair to the residents.

Mr. Hempstead said the Board of Education has made strides and it makes sense to continue on the path of improving scores and improving the services to the students; however, he said while he would support this, he is worried about the taxpayers.

Mr. Burnett said he would like to give the Board of Education what they need, but with so many unknowns, to give it all in one year, would not be prudent. He said the Common

Council is committed to seeing the overall student experience getting better. Mr. Barron said a major goal of the Board of Education is to eliminate study halls.

Ms. Bowman said education is important and understands this is part of the three-year strategic plan. She said she wants to see performance measures, especially since they had funding last year and the students are still in study halls. She said she does not know if giving them funding is doing what it is supposed to do.

Ms. Bowman said that the way to cover the budget is to pull from the rainy-day fund. She said if they pull from the rainy-day fund she would expect a very modest tax increase. She said that 3.7% is on the high side. She asked if the residents feel comfortable with taxes going up. She noted that the average increase was 1% over the last three years. Mr. Barron said the mill rate went up 1% over the last three years and that 3.7% is historically high. In fiscal year 2013-2014 the mill rate went up 3.8%. Ms. Barron asked if the Board of Education was expecting a large increase next year.

Ms. Bowman said they need to be sure the dollars are getting to the classroom and suggested requesting something tangible, like test scores, when they come back for funding.

Mr. Burnett said they did not address the Special Appropriation request for \$1.2 million for the SPED Development Fund.

EXECUTIVE SESSION

An executive session did not take place this evening.

FISCAL YEAR 2018-2019 OPERATING BUDGET CAP RECOMMENDATION

**** MR. IGNERI MOVED TO APPROVE THE FOLLOWING:**

**WHEREAS, SECTION 1-289 OF THE NORWALK CHARTER
REQUIRES THAT A MAJORITY OF THE COMMON COUNCIL VOTE
TO ESTABLISH A SPECIFIC SPENDING LIMITATION ON LOCALLY
FUNDED EXPENDITURES DURING THE PROCESS OF
ESTABLISHING THE NEXT FISCAL YEAR'S OPERATING BUDGET**

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL
OF THE CITY OF NORWALK THAT:**

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL
OF THE CITY OF NORWALK THAT: THE MAXIMUM LIMIT ON
TOTAL APPROPRIATIONS FOR THE CITY OF NORWALK FOR
FISCAL YEAR BEGINNING JULY 1, 2018 SHALL BE NO MORE THAN**

\$336,168,940. THIS APPROPRIATION CAP REPRESENTS TOTAL EXPENDITURES OF \$353,595,360 LESS ESTIMATED INTERGOVERNMENTAL GRANTS OF \$17,426,420.

BE IT FURTHER RESOLVED THAT THE RESULT OF THIS VOTE AND RESOLUTION, TOGETHER WITH THE ATTACHED 2018-19 BUDGET GUIDE, BE FORWARDED BY THE CLERK OF THE CITY OF NORWALK TO THE BOARD OF ESTIMATE AND TAXATION

**** MOTION PASSED UNANIMOUSLY**

ADJOURNMENT

**** MR. IGNERI MOVED TO ADJOURN
** MOTION PASSED UNANIMOUSLY**

There was no further business and the meeting was unanimously adjourned at 8:36 p.m.
Respectfully submitted,

Rosemarie Lombardi
Telesco Secretarial Services