

**BOARD OF ESTIMATE & TAXATION MEETING ACTIONS**

**APRIL 4, 2005**

PRESENT: Mayor Alex Knopp  
Ron Coley  
Randall Avery  
Gregory Burnett  
James Clark  
Tanya Court (7:50)

Also present were Pam Stark, City Clerk; Thomas Hamilton, Finance Director.

The meeting was called to order at 7:40 p.m. by Mayor Knopp.

**OTHER BUSINESS**

**RESOLUTION APPROPRIATING \$200,000 FOR IMPROVEMENTS TO THE WEBSTER PARKING LOT**

Mr. Hamilton said this request is to put in a second ticket booth and exit on the Washington Street parking entrance and exit and to reconfigure the parking lot. The City had planned to fund it in next year's Capital budget, but Mayor Knopp requested that this be expedited.

Mayor Knopp said that the Parking Authority had approved a new rate structure recommended by the SONO Merchants' Association, and he cited the hard work done by Mr. Alvord and Mrs. Hebert, through extensive consultation with the property owners around the lot. They are trying to reconfigure the lot to make it work more efficiently. As part of the City's anti-litter initiative, they have had problems with certain lots in terms of private garbage collection on City property. It is a better procedure regarding storage of garbage. Certain areas will be where dumpsters will be stored.

Mr. Clark asked about lighting on Washington Street. Mr. Alvord said this issue was raised by property owners and they are looking into it. He did not think there would be a large additional cost.

Mr. Avery asked where the new booths would go. Mr. Alvord said there is a booth at the Martin Luther King exit which will stay in place, although the spitter machine at the entrance will be moved. At the Washington Street exit, they only have a machine. During intense queues they will be able to direct this traffic out of the Washington Street exit. They are looking into an easy pass – they are looking into smart cards.

At 7:50, Ms. Court arrived at the meeting.

Mr. Avery said this would end much of the delay. Mayor Knopp said that smart cards can be used for meters and can be purchased by employers. A wireless system has been approved to gather data for many of the South Norwalk lots.

Mr. Burnett asked for the projected revenue of this parking lot. Mr. Hamilton said it is \$290,000 for the next year, not including violation revenue.

Mr. Avery asked if a traffic analysis had been conducted. Mr. Alvord said that the big problem is that seven lanes are queuing up at the same time. The new design will help this problem. They have not yet done a study of the southern part of the lot, where Mr. Avery pointed out problems in the spots where parking goes against the building. Mr. Avery recommended eliminating these spaces. Mr. Alvord said this is not a change from what is there now; Mr. Avery disagreed, saying that two of the four ways out have been eliminated.

Mr. Coley asked which formula had been used to come up with the number of handicapped spaces. Mr. Alvord said they used the ADA formula. There will be 12 spaces.

**\*\* MR. BURNETT MOVED THE RESOLUTION APPROPRIATING \$200,000 FOR IMPROVEMENTS TO THE WEBSTER PARKING LOT (PROJECT ACCOUNT NO. 09054095-5777-CO303).**

**\*\* MOTION PASSED UNANIMOUSLY BY VOICE VOTE.**

#### **APPROVE FY2005-06 PARKING AUTHORITY BUDGET**

Mr. Hamilton reviewed the request of \$3,625,517, of which \$367,883 is repayment of the principal portion of debt service and \$3,257,000 is expenses. It is a balanced budget. Total debt service is approximately \$818,000.

Mayor Knopp said that the finances of the Parking Authority are in the start-up stage, noting that they have not yet been in operating for a full fiscal year. This was done so that the debt of the Authority would not count against the City's debt in terms of its impact on school debt.

Mr. Burnett asked, in light of the projected renovations of \$200,000 just approved, if expenses would remain the same. Mr. Hamilton said it would affect debt services in years after 2005-06.

**\*\* MR. CLARK MOVED TO APPROVE THE FY 2005-06 PARKING AUTHORITY BUDGET AS PRESENTED.**

**\*\* MOTION PASSED UNANIMOUSLY BY VOICE VOTE.**

#### **APPROVE FY 2005-06 WPCA BUDGET**

Mr. Hamilton reviewed the proposed budget. The increase was 4.1%, of which \$244,000 is related to increases in operation and maintenance fees, engineering, consulting and the GIS. Rates have been set at \$195 for residential (\$10 increase) and commercial rates of \$2.75 (flat) and \$4.95 for consumption.

Mayor Knopp said that as costs go up, fees also go up. Increases in property tax payments for the treatment plant went up every year more than the fee has gone up. If there were no fees, the cost of the plant on the residential taxpayer would have been \$338.

\*\* MR. COLEY MOVED TO APPROVE THE FY 2005-06 WPCA BUDGET AS PRESENTED.

\*\* MOTION PASSED UNANIMOUSLY BY VOICE VOTE.

APPROVE AND ADOPT FY 2005-06 OPERATING BUDGET & TAX RATES

Mr. Hamilton reviewed the proposed operating budget.

Mayor Knopp reviewed his memo:

OFFICE OF THE MAYOR ALEX A. KNOPP

MEMORANDUM

Date: April 4, 2005

To:

The Members of the Board of Estimate and Taxation

From: Alex Knopp, Mayor

Re: Proposed Budget Adjustments:

Since our last meeting when the Board of Estimate and Taxation set the tentative budget for FY 2005-06, I have asked the Finance Department to review two additional changes to lower the budget expenditures for the new fiscal year starting July 1, 2005 and therefore lower the property tax levy below the tentative level.

In addition, the Finance Department has been performing a final analytical review of the budget to determine if any budget numbers needed to be updated at the final budget meeting tonight.

I am pleased to recommend overall changes for next year's operating budget that will reduce expenditures in the tentative budget by \$415,546. As a result, the anticipated tax levy would be reduced from 4.6% in the tentative budget to 4.38% in the final budget, a reduction of 4.7%.

This is a positive action for Norwalk homeowners because it will reduce the average property tax burden for the new fiscal year. I am attempting to leave no stone unturned to hold expenditures and tax changes down for the new year even though it becomes increasingly difficult as the budget process concludes to identify and make such significant changes.

The reductions in expenditures result from the following changes:

First, I am recommending that a reduction of \$140,000 be made to the Health Department, in anticipation that a regional health district will be formed, which will reduce costs for Norwalk taxpayers. The bi-partisan task force of representatives from Norwalk and New Canaan that was created by myself and New Canaan First Selectman Judy Neville recently endorsed this Smart Government reform unanimously.

The Task Force recommended unanimously that a regional health district be formed by merging the health department operations in both municipalities, in part to take advantage of the higher level of per capita reimbursement from the state to regional districts above that given to single-town districts. The Finance Department has estimated that the cost savings to Norwalk could exceed \$160,000 annually.

A public hearing on this proposal will be held later this month, followed by actions in May of the Norwalk Common Council and the New Canaan Town Council to decide whether to establish the regional district.

In light of the bi-partisan unanimous support in the multi-town Task Force for creating a new regional Norwalk-New Canaan Health District, I am recommending that the new budget anticipate the savings that will result from the district being established on or before July 1, 2000: so that Norwalk residents will not be overtaxed to pay for the current system.

Second, I am recommending that the purchase of police cars and Parks vehicles that are funded in the tentative new operating budget be purchased instead from surplus funds in the current year's budget generated from real estate conveyance taxes. This means that the new cars and vehicles will be purchased from the existing surplus rather than from the new taxes in next year's operating budget.

The revenue generated by the Real Estate Conveyance tax represents the major unanticipated positive surplus for FY 2004-05. The Finance Department now projects that the City will collect \$2.2 million more than budgeted from conveyance taxes.

Approximately \$1.2 million of this surplus revenue is due to the fact that the State Legislature approved the higher conveyance tax rate last year after the City budget had been adopted.

Approximately \$1.0 million of the surplus performance is due to remarkably strong real estate sales, including some large commercial property transactions that exceeded the predicted revenue estimate.

Earlier, the Board of Estimate and Taxation took into account part of this revenue by proposing to appropriate \$1.5 million from the surplus or fund balance to fund next year's operating budget and thereby reduce the level of new taxation needed.

In light of continued strong revenue performance and favorable results of operation expected for FY 2004-05, I am now proposing that the City pre-fund certain one-time procurements in the operating budget out of the excess conveyance tax revenues anticipated in FY 2004-05, so that these amounts can be deducted from the FY 2005-06 budget.

Specifically, I am proposing that \$235,798 planned for the purchase of seven police patrol cars and \$96,000 for the purchase of Recreation and Parks vehicles/equipment (Box Truck, Beach Cleaner and Toro Workmen) be deducted from the FY 2006 tentative operating budget, and that these items be funded instead from the excess conveyance tax revenues that are available in the current year's projected surplus.

In addition to these two major changes, I am also recommending the following minor adjustments to the tentative budget.

In order to enhance the City's Traffic Bureau, I am recommending that we accept the request from the Director of Public Works to substitute a new Traffic Engineer position in lieu of the proposed new Traffic Maintainer II position that was already funded in the tentative budget. In addition, I am recommending that a modest amount be added to the tentatively approved budget for the hiring of five, rather than two, summer DPW interns. These interns are needed to oversee the management of the paving and line painting programs this summer.

And finally, I am recommending an increase of \$3,662 to the grant for the Fair Housing Office to cover basic operational expenses.

In total, these changes will reduce the tentatively approved budget by \$415,546. As a result, the tax levy would increase by 4.38%, rather than the 4.6% under the tentative budget. The district mill rates would also be reduced further.

For the median single-family residential taxpayer in the Fourth District, the impact of the budget on their property taxes equates to an increase of \$150/year, or 3.18%. Of this amount, \$80 (1.7%) relates to the Board of Education budget, and \$70 (1.5%) relates to the City budget.

In addition to the impact of the budget, the phase-in of the 2003 revaluation also affects property tax payments that will be due in FY 2005-06. Although the results vary by property, for the median single-family homeowner in the Fourth District, the impact of revaluation equates to an additional cost of \$104/year, or 2.16%.

The combined, total tax impact in the median single-family homeowner in the Fourth District, therefore, equates to \$258/year, an increase of 5.3%. This amount is offset by reductions in the motor vehicle tax rate. For a typical homeowner with a single-family house assessed at the median and two cars at the average assessment, the combined real estate and motor vehicle bill would increase from \$5,227 in FY 2004-05 to \$5,455 in FY 2005-06, an increase of \$228/year, or 4.36%.

In closing, Mayor Knopp said that the Board of Estimate & Taxation had done a fantastic job. They found a reasonable middle ground through a bipartisan process.

**\*\* MR. CLARK MOVED TO APPROVE AND ADOPT THE FY 2005-06 OPERATING BUDGET & TAX RATES AS PRESENTED.  
\*\* MOTION PASSED UNANIMOUSLY BY VOICE VOTE.**

#### SPECIAL APPROPRIATIONS AGENDA

##### \$50,000 FROM CONTINGENCY TO THE FIRE DEPARTMENT FOR AN EXPECTED SHORTFALL DUE TO A SEVERANCE PAYMENT

Mayor Knopp said that Chief Anderson's last day is Thursday; this severance payment will conclude his work with the City. A new chief will be hired on May 2nd.

Mr. Hamilton said that Finance recommends that this amount be reduced to \$47,846.

Mayor Knopp noted that Chief Anderson is the City's longest ranking employee, having served since 1959.

**\*\* MR. BURNETT MOVED:**

**RESOLVED THAT A SUM NOT TO EXCEED \$47,846 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO THE FIRE DEPARTMENT TO PAY FOR AN EXPECTED SHORTFALL DUE TO A SEVERANCE PAYMENT (ACCOUNT NO. 01-3110-5110).**

**\*\* MOTION PASSED UNANIMOUSLY BY VOICE VOTE.**

Mr. Burnett said that Chief Anderson's accomplishments have been outstanding.

##### \$37,259 FROM CONTINGENCY TO THE FIRE DEPARTMENT FOR OTHER OPERATING SUPPLIES AND MOTOR VEHICLE PARTS

**\*\* MR. AVERY MOVED TO REMOVE THIS ITEM FROM THE TABLE.**

Mr. Hamilton recommended that this appropriation be reduced to \$15,000 to cover discretionary repairs and maintenance of \$5,000 and \$10,000 for the mechanic division.

**\*\* MR. CLARK MOVED:**

RESOLVED THAT A SUM NOT TO EXCEED \$15,000 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO THE FIRE DEPARTMENT TO PAY FOR OTHER OPERATING SUPPLIES AND MOTOR VEHICLE PARTS (ACCOUNT NO. VARIOUS).

\*\* MOTION PASSED UNANIMOUSLY BY VOICE VOTE.

Mr. Avery commented that he appreciated the level of effort that Mr. Hamilton, Ms. Twomey and staff took to review these requests so thoroughly.

#### TRANSFER AGENDA

##### DPW:

\$28,865 FROM 01-4080-5110 TO 01-4030-5130

\$ 8,628 FROM 01-4030-5110 TO 01-4030-5130

\$37,493

\*\* MR. AVERY MOVED APPROVAL.

\*\* MOTION PASSED UNANIMOUSLY BY VOICE VOTE.

\$10,750 FROM 01-4080-5272 TO 01-4080-5741

\*\* MR. AVERY MOVED APPROVAL.

\*\* MOTION PASSED UNANIMOUSLY BY VOICE VOTE.

#### APPROVAL OF MINUTES

##### MARCH 2, 2005 PUBLIC HEARING

The following corrections were made: On page 3, the spelling of the names of Bruce Mellion and Donna Ridell were corrected.

\*\* MR. BURNETT MOVED TO APPROVE THE MINUTES AS CORRECTED.

\*\* MOTION PASSED WITH ONE ABSTENTION (MR. AVERY).

##### MARCH 3, 2005 SPECIAL BET MEETING

The following correction was made: On page 3, the motion to budget a full year of the Youth Services budget was corrected to read that it failed with 3 votes in favor (Coley, Court and Burnett) and 4 in opposition (Clark, Buzzee, Avery, Knopp).

\*\* MR. AVERY MOVED TO APPROVE THE MINUTES AS CORRECTED.

\*\* MOTION PASSED UNANIMOUSLY.

##### MARCH 16, 2005 SPECIAL BET MEETING

\*\* MR. AVERY MOVED TO APPROVE THE MINUTES AS SUBMITTED.  
\*\* MOTION PASSED UNANIMOUSLY.

\*\* MR. BURNETT MOVED TO ADJOURN.  
\*\* MOTION PASSED UNANIMOUSLY.

The meeting was adjourned at 9 p.m.

ATTEST: \_\_\_\_\_  
Pam Stark, City Clerk

/ct

