

**BOARD OF ESTIMATE & TAXATION MEETING ACTIONS**

**MAY 1, 2006**

ATTENDANCE: Mayor Richard A. Moccia; Fred Wilms, Chairman; Jim Clark; Ron Coley;  
Stuart Wells; Michael Lyons

STAFF: Thomas Hamilton, Finance Director; Donna Castracane; Mary Roman, City Clerk

OTHER: Hal Alvord; Stuart Opdahl

CALL TO ORDER

Chairman Wilms called the meeting to order at 7:35 p.m. Ms. Roman read the roll call.

ADOPTION OF THE FY 2006-07 OPERATING BUDGET & SET TAX RATES

Mr. Hamilton presented some last minute changes. There were three extra pages distributed, as well as one page for the Board of Education.

He explained that the legislature has now adopted the State budget for next year. The Senate passed the budget late this afternoon. There are some significant changes to the recommendations that he provided everyone last Friday. The changes are on both the revenue side of the budget, as well as the expense side of the budget.

The adjustment he recommended Friday which related to the new State grant that was expected to support energy costs for the Board of Education was not in the final budget package. Instead, the Legislature added two grants, one of which would come to the city. It is the property tax relief grant, funded Statewide for \$33M, of which Norwalk is getting \$287,928. The Legislature added \$20M to the Special Education Excess Cost Grant. He understood that Norwalk could expect to receive an additional \$324,000 from that grant. The recommendation from the school is to treat the grant as State law provides. He recommends making a \$932,000 reduction on the revenue side of the budget, and a \$932,000 reduction on the expenditure side of the budget, under the Board of Education. It was decided to not increase the contingency fund, so that is back to the original number. He is recommending that the \$448,000 payment to the insurance fund for workmen's compensation, property insurance, and general liability insurance be made on behalf of the Board of Education.

He said that back-up documentation is provided on the status of the insurance fund. The balance of the insurance fund projected for June 30, 2006 is \$311,846, and he recommended that it be applied against the premium of \$760,000 that the Risk Manager

tabulated relating to the Board of Education. He recommended that the payment of \$448,000 be made, which is the net amount needed to keep the insurance fund in balance.

Mr. Hamilton said the recommendation is to treat this the same way in which they currently treat the pension fund contributions. The pension funds are contained entirely in the city budget.

He noted the increase of \$120,000 in the cleaning contract. He said they have gone out to bid for janitorial and HVAC maintenance services for City Hall, as well as the Police Station, the DPW garage, and various other facilities. The low bid is \$120,000 more than what they have in the Capital budget. He is recommending the cost increase.

He said they added \$75,000 to the Summer Youth Employment program, which is the same as the original back-up material. The Mayor has long supported this program, and the Mayor's office is actively seeking donations. To date, they have received about \$104,000 in donations. The total program is about \$179,000.

Mayor Moccia added that Norwalk, the sixth largest city in the State, received \$287,928 for property tax relief. Hartford received \$4.9M, Bridgeport received \$4.2M, Waterbury received \$2.7M, New Haven received \$3.2M, and New Britain received \$1.8M. He went on to list other towns and cities of various sizes that received varying amounts of tax relief. He said that if Norwalk had received anything near what other cities received, they would not have had a tax increase this year.

It was agreed that they would vote first on the budget adjustments, then on the budget as a whole, and then on the mill rates.

**\*\* MR. LYONS MOVED TO APPROVE THE BUDGET ADJUSTMENTS.  
\*\* MOTION PASSED UNANIMOUSLY.**

**\*\* MR. CLARK MOVED TO APPROVE THE 2006-07 FISCAL YEAR OPERATING BUDGET AS ADJUSTED.**

Mayor Moccia stated for the record that the budget amount is \$136,373,394.00.

Chairman Wilms made some observations related to the budget approval process. He said he echoed Mayor Moccia's comments about Norwalk being severely shortchanged with State aid grants. The average tax increase would be approximately 3.6%. On the spending side, the annual debt service was \$10M years ago. It is now about \$20M. In the next three years, it will peak at \$27M. The schools are being renovated as a result of that, which is positive. On the Board of Education side, the increase was 2.74%, which is low. He complimented them for doing a few things differently.

There were areas of increased spending, but they would bring in revenue, such as the Grants Coordinator.

\*\* MOTION PASSED UNANIMOUSLY.

\*\* MR. LYONS MOVED TO APPROVE THE MILL RATES AS ITEMIZED ON THE BACK-UP MATERIAL.

\*\* MOTION PASSED UNANIMOUSLY.

Mr. Wilms proposed a resolution for the Board of Estimate & Taxation's consideration. It relates to the budget for next year.

\*\* MR. WILMS MOVED THE FOLLOWING:

WHEREAS, the Board of Education expenditure plan for FY 2006-7 is predicated upon the use of various one-time revenues and the appropriation of anticipated surplus money from FY 2005-06 for use in FY 2006-07, and;

WHEREAS, when these additional one-time resources are added to the City appropriation to the Board of Education for FY 2006-07, the real increase in the Board of Education spending plan for FY 2006-07 exceeds 7%.

WHEREAS, sound financial management dictates that the use of one-time resources be carefully matched with non-recurring expenses, and;

WHEREAS, the Board of Education has complete discretion under State law to determine how to spend the budget appropriation provided by the City through the annual budget process, and;

WHEREAS, the Superintendent of Schools projected that his FY 2006-07 budget plan which relies on these one-time revenues, would cause the Board of Education's budget in FY 2007-08 to increase to \$150,952,014, an increase of \$14.3 million, or 10.5%, and;

WHEREAS, an expenditure increase of this magnitude in the Board of Education budget for FY 2007-08 would cause a projected increase in the tax levy that year of 10.5%, and;

WHEREAS, the taxpayers of Norwalk will be unable to afford a tax increase of this magnitude in FY 2007-08, and the Board of Estimate and Taxation will be unable to support a tax increase of this magnitude in FY 2007-08;

WHEREAS, the Board of Education has the ability during the process of reconciling its final FY 2006-07 budget to mitigate the need for an inordinately large budget increase for FY 2007-08 through thoughtful budget planning;

NOW, therefore, be it resolved by the Board of Estimate and Taxation that it urges the Board of Education, as it reconciles its FY 2006-07 final budget, to take appropriate and necessary steps to ensure that its budget for FY 2007-08 is not adversely and unduly affected by expenditure decisions made in FY 2006-07. The Board of Estimate and Taxation further believes that in order for the Board of Education to develop multi-year

financial plans, it is helpful to the City's budget process to provide early budget guidance to facilitate budget planning. In the spirit of providing such guidance, the Board of Estimate and Taxation anticipates that a realistic Board of Education budget increase for FY 2007-08 would be in the range of 4-5% over the FY 2006-07 appropriation. The Board of Estimate and Taxation urges the Board of Education to take this subsequent year budget guidance into consideration as it reconciles the FY 2006-07 budget.

Some discussion followed regarding the proposed resolution.

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

#### APPROVAL OF MINUTES

March 29, 2006 – Public Hearing

**\*\* MR. LYONS MOVED APPROVAL OF THE MINUTES OF MARCH 29, 2006.**

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

April 3, 2006 – Regular Meeting

**\*\* MR. COLEY MOVED APPROVAL OF THE MINUTES OF APRIL 3, 2006 AS AMENDED.**

The corrections to the minutes are as follows:

On page 2, 8th paragraph, it should read **\*\* THE MOTION PASSED WITH FIVE IN FAVOR (MOCCIA, CLARK, COLEY, WELLS, LYONS) ONE VOTE AGAINST (AVERY).**

On page 5, 3rd paragraph, it should read **\*\* THE MOTION PASSED WITH SIX IN FAVOR (MOCCIA, CLARK, COLEY, WELLS, LYONS, WILMS) AND ONE VOTE AGAINST (AVERY).**

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

#### SPECIAL APPROPRIATIONS AGENDA (Section A)

List of Resolutions

Advertised Items – 4

#### FISCAL YEAR 2005-06

1. RESOLVED, that a sum not to exceed \$431,920 be and the same is hereby transferred from Contingency to the Fire Department to pay for contract settlement of the Local 830 International Association of Firefighters Union. (Account No. Various).

2. RESOLVED, that a sum not to exceed \$1,867,920 be and the same is hereby transferred from designated Fund Balance to the Fire Department to pay contract settlement of the Local 830 International Association of Firefighters Union. (Account No. Various).

Mr. Hamilton pointed out that a correction on the 2nd resolution has been made. The word “undesigned” has been changed to “designated”. The backup material provided shows a total cost of wages, overtime, and premium pay and a small amount for certification pay, firewatch and uniforms is \$2,832,929. Of that amount, \$533,089 is in reserve and has previously been appropriated by the Board of Estimate and Taxation and Common Council. The two remaining pieces that have been set aside for the contract purpose have not yet gone through the Appropriation process.

**\*\* MAYOR MOCCIA MOVED TO APPROVE THAT A SUM NOT TO EXCEED \$431,920 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO THE FIRE DEPARTMENT TO PAY FOR CONTRACT SETTLEMENT OF THE LOCAL 830 INTERNATIONAL ASSOCIATION OF FIREFIGHTERS UNION. (ACCOUNT NO. VARIOUS).**

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

**\*\* MAYOR MOCCIA MOVED TO APPROVE THAT A SUM NOT TO EXCEED \$1,867,920 BE AND THE SAME IS HEREBY TRANSFERRED FROM DESIGNATED FUND BALANCE TO THE FIRE DEPARTMENT TO PAY CONTRACT SETTLEMENT OF THE LOCAL 830 INTERNATIONAL ASSOCIATION OF FIREFIGHTERS UNION (ACCOUNT NO. VARIOUS).**

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

3. RESOLVED, that a sum not to exceed \$35,000 be and the same is hereby transferred from Contingency to the Police Department to pay for a shortfall in the Fleet Services repair account due to higher than expected repair costs to Police Vehicles. (Account No. 01-3053-5462).

Mr. Hamilton said this is for additional appropriations to cover the repair costs on police vehicles.

Chief Rilling said the police car fleet is getting older and needs more frequent repairs and service. He said they are pleased to get an additional 10 cars this year. In working with the fleet department over the last few years, there were times when they were shortstaffed. At one point, they had three mechanics designated specifically to police vehicles. It is important to keep the police cars operational and safe in order to respond to emergencies. The cars are driven 7 days a week, 24 hours a day. The repairs were starting to fall behind. There were some meetings planned between Mayor Moccia, Chief Rilling, and Mr. Alvord. Lt. Resnick is the Fleet Manager from the Police Department side, and Chief Rilling said that he has done a remarkable job in working with the Fleet Department to make sure the vehicles are safe. It was noted that the vehicle repair records are kept at the Fleet Department as well as the Police Department.

**\*\* MR. WELLS MOVED THAT A SUM NOT TO EXCEED \$35,000 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO THE POLICE DEPARTMENT TO PAY FOR A SHORTFALL IN THE FLEET SERVICES REPAIR ACCOUNT DUE TO HIGHER THAN EXPECTED REPAIR COSTS TO POLICE VEHICLES. (ACCOUNT NO. 01-3053-5462).**

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

4. RESOLVED, that a sum not to exceed \$65,000 be and the same is hereby transferred from Contingency to the Public Works Department to pay for an anticipated shortfall in the Fleet Services repair account due to unanticipated repair costs to City Vehicles. (Account No.01-4045-5462).

Mr. Hamilton said that the back-up material provided information requesting the amount be reduced to \$54,500. Mr. Alvord said that after these reduced numbers were provided to Mr. Hamilton, their second bucket loader broke down late on Friday, so they are looking at a significant amount of repairs. It was Mr. Alvord's recommendation that they leave the original amount of \$65,000 intact.

**\*\* CHAIRMAN WILMS MOVED THAT A SUM NOT TO EXCEED \$65,000 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO THE PUBLIC WORKS DEPARTMENT TO PAY FOR AN ANTICIPATED SHORTFALL IN THE FLEET SERVICES REPAIR ACCOUNT DUE TO UNANTICIPATED REPAIR COSTS TO CITY VEHICLES. (ACCOUNT NO. 01-4045-5462).**

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

Report on Special Appropriations

Justification/Back-up material

TRANSFER AGENDA (Section B)

Mr. Hamilton said that the first two items are related to heating fuel. The last transfer is for fleet maintenance. There is a temporary fleet manager that DPW hired, and this covers the salary for the position through the end of the year.

**\*\* MR. LYONS MOVED TO APPROVE THE TRANSFER OF \$25,000 FROM ACCT 01-4025-5110 (REGULAR WAGES) TO ACCT 01-4044-5246 (HEATING FUELS) TO COVER A SHORTFALL IN THE HEATING FUELS ACCOUNT DUE TO INCREASED COSTS.**

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

**\*\* MR. LYONS MOVED TO APPROVE THE TRANSFER OF \$10,000 FROM ACCT 01-3055-5241 (ELECTRIC) TO ACCT 01-4073-5246 (HEATING FUELS), AND THE TRANSFER OF \$20,000 FROM ACCT 01-4025-5110 (REGULAR WAGES) TO 01-4073-5246 (HEATING FUELS) TO COVER A SHORTFALL IN THE HEATING**

FUELS ACCOUNT DUE TO INCREASED COSTS.

\*\* MOTION PASSED UNANIMOUSLY.

\*\* MR. CLARK MOVED TO APPROVE THE TRANSFER OF \$13,300 FROM ACCT 01-4021-5110 (REGULAR WAGES) TO ACCT 01-4045-5462 (CENTR. FLEET MTCE.) TO COVER THE WAGES OF A TEMPORARY FLEET MANAGER FOR THE REST OF THE YEAR.

\*\* MOTION PASSED UNANIMOUSLY.

#### OTHER BUSINESS (Section C)

1. RESOLUTION, making Appropriations aggregating \$11,390,500 for the 2006-07 Capital Budget and Authorizing the issuance of \$8,105,299 General Obligation Bonds of the City to meet certain appropriations in the 2006-07 Capital Budget.

Mr. Hamilton said this was resolution is as prepared by the Bond Council. They are gearing up to sell bonds in June. This resolution is necessary in order to sell bonds related to the 2006-07 Capital Budget. The amount to be bonded is \$8.1M. The remaining amount is financed from grants. The amount that is bonded and paid from the general fund is approximately \$6M, the difference between what would be paid by the Water Pollution Control Authority.

\*\* MR. WELLS MOVED THE FOLLOWING:

RESOLUTION, MAKING APPROPRIATIONS AGGREGATING \$11,390,500 FOR THE 2006-07 CAPITAL BUDGET AND AUTHORIZING THE ISSUANCE OF \$8,105,299 GENERAL OBLIGATION BONDS OF THE CITY TO MEET CERTAIN APPROPRIATIONS IN THE 2006-07 CAPITAL BUDGET.

Mr. Coley wished to clarify that this is under Public Works. Mr. Hamilton said the 2nd set of numbers include those projects that will be funded from grants. The 1st set of numbers totals \$11,390,500, which is the gross amount of the Capital Budget. The 2nd set totals \$8,105,299, which is the amount that they are giving authorization to bond for.

\*\* MOTION PASSED UNANIMOUSLY.

2. RESOLUTION, appropriating \$190,000 for the Police Department as final settlement related to the acquisition of property at 7 Monroe Street.

\*\* MAYOR MOCCIA MOVED THE FOLLOWING:

RESOLUTION, APPROPRIATING \$190,000 FOR THE POLICE DEPARTMENT AS FINAL SETTLEMENT RELATED TO THE ACQUISITION OF PROPERTY AT 7 MONROE STREET.

Mr. Hamilton explained that this is the Police Station project, and it is the second one like this. There is one more property that is in litigation. The claim has been settled and the Council has approved the settlement. The original value of the property as determined by the City was \$0.00 because of the environmental issues. The Judge recommended \$190,000, and that was accepted by both parties.

\*\* MOTION PASSED UNANIMOUSLY.

ADDITIONAL INFORMATION (Section D)

Oak Hills Park Financial Status – March, 2006  
Summary of Special Appropriation – FY 205-06  
Status of Contingency – FY 2005-06  
Registrar of Voters Memo  
Financial Reports  
Year-to-date Capital Budget Report (FY 2005-06)  
Year-to-date Operating Budget Report (FY 2005-06)  
Board of Education Budget Report (FY 2005-06)  
Salary Accounts  
Dispatch Overtime  
Police Overtime

\*\* MR. LYONS MOVED TO ADJOURN.

\*\* MOTION PASSED UNANIMOUSLY.

The meeting was adjourned at 8:50 p.m.

Respectfully submitted,

Carolyn Marr  
Telesco Secretarial Services

