

**CITY OF NORWALK
FINANCE CLAIMS COMMITTEE
PUBLIC HEARING
AND
SPECIAL MEETING
FEBRUARY 20, 2020**

ATTENDANCE: Gregory Burnett, Chair; David Heuvelman; Thomas Keegan;
Thomas Livingston; Kadeem Roberts; George Theodoridis;
Nicholas Sacchinelli (6:46 p.m.)

STAFF: Henry Dachowitz, Chief Financial Officer

OTHERS: Dominique Johnson and Barbara Smyth, Common Council

PUBLIC HEARING

FISCAL YEAR 2020-2021 OPERATING BUDGET CAP

Mr. Burnett opened the public hearing at 6:34 p.m. and welcomed those present. He read an opening statement. He said the goal was to keep the tax rates as low as possible. They plan to draw down from the fund balance to provide tax relief to the residents. It is essential that it will not impact the City's AAA bond rating.

Public participation comments are not verbatim and represent a summarization of statements unless otherwise noted.

Mr. Jim Napoli spoke in support of the entire Board of Education's request. He said that for years Norwalk was known as the poor school, but in the last five years, that has changed. Achievement rates have been growing. A realtor confirmed that families approaching Kindergarten are staying in Norwalk. He asked how cutting the ELL budget will help the diverse district. These students are held to the same standards as their English proficient peers. Cutting services will hinder that goal.

Diana Papadapas read a letter submitted by a Fox Run parent who spoke in support of the Board of Education's budget request. They expressed concerns about the education their child is getting at Fox Run. They said it is the worst performing school in Norwalk because of the lack of resources.

Ms. M.J. Corona shared general information and spoke about mental health funding.

Mr. Sacchinelli joined the meeting at 6:46 p.m.

Ms. Sarah MacIntyre spoke in support of the Board of Education's budget request. As a parent, she said that she was concerned if there is no funding, the schools will go backward and families will choose to go to other communities. She said the schools deserve to be funded.

Ms. Sarah LeMieux, Board of Education Chair said she was here to advocate for almost 12,000 kids in the school. She said that Dr. Adamowski, Mr. Hamilton and the Board of Education has been working diligently and are willing partners.

Mr. Joseph Giandurco, Vice President of the Teacher's Union said the budget must remain student centered. He asked that the Board of Education be reasonably funded and asked to find a balance between the school system and the tax payer.

Mr. Tyler Peter spoke in support of the Board of Education's budget request. He said it was wonderful to have a sizable rainy day fund, but it is penny wise and pound foolish to shortchange the residents.

Mr. Erik Neiderer spoke in support of the Board of Education's budget request. He said the largest service this community provides is public education. He said that Fox Run is a school in need and is the lowest performing school in Norwalk. He noted that it is not a failing school, despite its test scores. It is in need of additional funding. When there was a budget cut, the Paraprofessionals had to leave. He said if the budget was not fully funded, they will see kids not functioning where they need to be and they will turn into criminals and need public support.

Ms. Diane Lauricella said she often attends these meetings and follows the budget. She asked that the Committee not increase the cap, unless or until they turnover every rock and because of issues of waste management and green energy. After several years there has been money squandered. She said she wanted to encourage Mr. Hamilton and Mr. Dachowitz to have transparency and civility. She asked to look at savings on revenue producing streams by increasing the recycling rate. She also asked to fully fund a full-time grants person. Ms. Lauricella said Norwalk is 10 years behind other school districts. She said they need to get a commitment from the Board of Education to look at waste management and energy.

Ms. Diana Revalis said they are experiencing a student population increase and the district is starting programs that may not be sustained and not equitable. She spoke about programs that may be in jeopardy if the Board of Education is not fully funded. She said the Board of Education should be under scrutiny and expressed concern about smoke and mirrors that come before the community gets screwed over.

Mr. Jeff Rosnick said Columbus School went through great changes and this was done on a shoestring budget. He said they have a hyperactive PTA who buys supplies for teachers. He asked to fully fund the Board of Education's budget request.

Mr. Brian Brown said Norwalk parents want better schools, modern buildings, safe schools and the best education money can buy. He said there is a battle over the budget in every city and town because parents always want what is best for their children. He said education impacts us all and is the main deterrent to crimes and racism. He said that education in our city is for everyone of its residents. By raising the quality of life for everyone who lives here is an investment. The budget is reasonable and necessary.

Ms. Noor Tenertatur said she has children in Fox Run and they experienced budget cuts last year. When you give a teacher 18 students without a paraprofessional, they struggle to get through the day. By taking the money away, the students struggle. The teachers come in on Saturdays to get caught up. She said all the teachers care about the students. It is not about the money, it is about the lack of resources.

Mr. Anthony Alison spoke in support of funding the Board of Education's budget request. He said he worked with Norwalk youth for about 20 years. He asked the Committee to remember that each student will be directly impacted by what decision is made.

Ms. Barbara Myer Mitchell said the teachers and students have made Norwalk the highest performing school and noted other honors. The growth in enrollment is of grave concern. She said it is her hope the representatives will help securing funding for ELL. She urged the Committee to consider the budget where surpluses occurred and proposed working collaboratively.

Mr. Colin Hosten said he has 11,700 children in the school system and said they are our responsibility. He said that every single budget decision has an impact on the children. The Norwalk Public Schools has a lot to be proud of. The City has shown a lot of support of the schools and now is not the time to stop.

Ms. Jackie Scrovanic said that in Norwalk the PTA raises about \$1 million a year. If resources are cut there will be more pressure on the PTA to fund raise.

Ms. Michelle Robinson requested proper funding for the Board of Education. She said the students should not have to fight for that. She added that there is talk about needing more space because there are so many students.

Ms. Diana Carpio asked that as a Board of Education member, the Committee think about the children.

Ms. Pat Tinto delivered statements from two students, Georgina and Dawn who spoke about their arrival here and how the Social Workers helped them. They asked for support of the Board of Education budget and support for the ELL students.

There were no other speakers and the public hearing was closed at 7:44 p.m.

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Nicholas Sacchinelli

STAFF: Henry Dachowitz, Chief Financial Officer

CALL TO ORDER

Mr. Burnett called the meeting to order at 7:54 p.m.

ROLL CALL

Mr. Burnett called the Roll as indicated above.

**FISCAL YEAR 2020-2021 OPERATING BUDGET; CAP REVIEW AND DISCUSSION
AND RECOMMENDATION**

Mr. Burnett explained that Mr. Dachowitz was present to assist in the discussion as they move toward the budget recommendation of total expenditures of \$385,630,101 minus intergovernmental of \$16,866,170 for a total of \$368,763,931. This equates to an increase of 4.8% or \$8.1 million for the City and 5% or \$9.9 million for the Board of Education. This equates to an average tax increase of \$329.00 across the various districts.

In response to Mr. Heuvelman's question, Mr. Dachowitz explained that the ratio of the fund balance to the total operating expenses would be 14.5% which is in the bandwidth of the City's policy. He said that the fund balance is used as a cushion in the event of an emergency. He said that it is hard to build up a fund balance. When you have 14 ½%, it means that expenses are covered and there is a cushion. Mr. Dachowitz said he prefers to use the fund balance for a disaster or to pay down a long-term debt.

Mr. Dachowitz said that commitments were made, but the funding was below the required amount. The City is doing very well and the assets set aside to cover pensions is around 80%. The OPEB is a segregated fund and it is at 50%.

Mr. Sacchinelli said that he would like to fully fund the Board of Education, but recently heard information about gift cards and Kindergarten classes without Paraprofessionals. He said he also heard about overweight in the Central Office.

Mr. Sacchinelli suggested allocating a lesser amount than proposed and wait until there is some validation. He recommended covering the increases, but there is the question about responsible spending. He said he wants to know they are not giving out gift cards while they do not have a Paraprofessional in the Kindergarten. Mr. Burnett noted the Board of Education's request is for \$18 million. Mr. Sacchinelli proposed funding the money after there is verification about spending. Mr. Burnett said that by Charter, they have to set the cap by next Tuesday. Mr. Sacchinelli asked if they could set the cap lower and then increase it in a few months. He suggested giving the Board of Education \$5 million now with a reserve of \$5 million. Mr. Dachowitz explained that they would have to set the mill rate assuming \$10 million and keep it in reserves.

Mr. Burnett asked Mr. Sacchinelli what type of information would he want to see to release the additional \$5 million. He said they could give the Board of Education \$9.9 million now and continue to have a dialogue with the new Superintendent as to how the money will be spent.

Mr. Sacchinelli proposed conducting an audit, with the City paying for it. He noted this was his fifth year of doing this. The goal is to support and fully fund the Board of Education, but the Common Council is responsible for controlling taxes. He noted there are redundant roles in the Central Office.

Mr. Dachowitz said Mayor Rilling proposed funding a study conducted by an efficiency expert to analyze both sides of the City. Mr. Burnett said he understands that the Mayor would like to move forward on conducting an audit of the City and the Board of Education's budgets to find efficiencies. He added that they would need approval from both sides. He said he believes there is a commitment from the City side. Mr. Sacchinelli said the parents deserve to get what they are asking for.

Mr. Heuvelman said he understood Mr. Sacchinelli, but was not comfortable going below what the Mayor recommended; however, he said he would love to see the schools get everything.

Mr. Sacchinelli said he was not challenging the Mayor's proposal; he was just challenging how it was spent. He suggested holding \$5 million until they have something that is more tangible. He said that ultimately, the City will give the Board of Education \$10 million if everything is in

order. He said the Common Council sets the cap, but can't allocate how it is spent. He said they were there to protect the residents.

Mr. Keegan noted that Mr. Sacchinelli was only asking for accountability. He agreed that he wants to fully fund the Board of Education, but at this point, has to look at what and how the money is being spent. Mr. Dachowitz said that a lack of supplies is not in the request increase. The increase is for new programs.

Mr. Sacchinelli said he was not comfortable voting on this tonight. Mr. Burnett explained they had to vote on this tonight. This is what will be brought forward to the full Common Council on Tuesday. The full Common Council can make changes on Tuesday.

Mr. Sacchinelli said if this budget was moved forward with the \$10 million, that \$10 million would be there in perpetuity. Mr. Burnett said that by the Charter they have to bring forward a recommendation now to bring it to the full Common Council on Tuesday.

Mr. Burnett read the following resolution:

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: THE MAXIMUM LIMIT ON TOTAL APPROPRIATIONS FOR THE CITY OF NORWALK FOR FISCAL YEAR BEGINNING JULY 1, 2020 SHALL BE NO MORE THAN \$368,763,931. THIS APPROPRIATION CAP REPRESENTS TOTAL EXPENDITURES OF \$385,630,101 LESS ESTIMATED INTERGOVERNMENTAL GRANTS OF \$16,866,170. BE IT FURTHER RESOLVED THAT THE RESULT OF THIS VOTE AND RESOLUTION, TOGETHER WITH THE ATTACHED 2020 BUDGET GUIDE BE FORWARDED BY THE CLERK OF THE CITY OF NORWALK TO THE BOARD OF ESTIMATE AND TAXATION.

Mr. Burnett asked for a motion. There was no motion and a discussion ensued.

**** MR. KEEGAN MOVED THE RESOLUTION
** MOTION FAILED WITH TWO (2) IN FAVOR (MR. BURNETT AND MR. KEEGAN) AND THREE (3) IN OPPOSITION (MR. HEUVELMAN; MR. SACCHINELLI AND MR. THEODORIDIS)**

There was no recommendation to bring to the Common Council as presented.

**** MR. SACCHINELLI MOVED TO APPROVE \$5 MILLION FOR THE BOARD OF EDUCATION AND TO RELEASE THE ADDITIONAL \$5 MILLION WITH A RECORD OF RESPONSIBLE SPENDING FROM THE BOARD OF EDUCATION**

Mr. Burnett asked for the numbers. Mr. Sacchinelli said the cap should remain the same, but is asking for controls. He said he needs to know what fully funded is.

Mr. Burnett explained that the Committee is responsible for setting the cap. He asked Mr. Sacchinelli if he is suggesting reducing the \$9.9 million request to \$5 million. He said keeping the total cap expenditures where they are would move \$5 million to the City side.

Mr. Dachowitz suggested funding the \$9.9 million for the Board of Education, which would be partially funded by the \$8 million draw down. They could lower the cap by \$5 million and then draw down \$3 million during the year if they felt they wanted to release the \$5 million. It could be done as a special appropriation and would not impact the mill rate. The draw down from the fund balance could be kept in reserves if they see responsible spending. Up to \$8 million would not impact the mill rate.

Mr. Dachowitz explained that an operational review could take six months and then the parties have to implement the changes. He said he would not expect to see any savings until 2020.

Mr. Heuvelman said that if they only fund the obligations at \$5 million, with a written understand that additional funds would come if they see efficiencies, the Board of Education would start the year with large cuts. He said he was uncomfortable with that. Mr. Heuvelman said he agreed with conducting an efficiency study and understands Mr. Sacchinelli's stand.

Mr. Burnett said there were nine different priorities and \$5 million would create a huge concern based on the numbers presented. Mr. Dachowitz added that the list of goals is \$14 million.

Mr. Burnett said he was struggling with what information they were going to receive in X months and does not know what that will look like or how that will help anyone. Mr. Sacchinelli suggested putting a control in place to support the Norwalk Public Schools to find their efficiencies. If there are no efficiencies, they will have money put aside for that.

Mr. Burnett said he was in support of the \$9.9 million request. He said he understands there will be continuing dialogue to find spending efficiencies on both sides, but that data is not at their disposal at this time. Mr. Sacchinelli said he has these conversations every year with teachers pointing out unnecessary spending. He said that cycle needs to stop. It is not us verses them. He said he feels they should provide the money the Board of Education needs.

Mr. Sacchinelli said this will put controls in place and if they put additional money in, they will know it will not be spent on gift cards. Mr. Burnett said the gift cards was a one off scenario and should never have happened.

**** MOTION AS PRESENTED FAILED**

Mr. Burnett asked for a subsequent motion. Mr. Sacchinelli said if the Board of Education was willing to move forward with the review process, the money will be available. Mr. Heuvelman asked how they could move forward with assurances of efficiencies. He added that if they do an efficiency study, they will see the fruits of the study for years to come. He said that he would like to see a way to get the Common Council and the Board of Education to meet together to have a discussion.

Mr. Sacchinelli said he would like to fund Dr. Adamowski's recommended budget, but asked why they assume the new Superintendent would have the same goals.

Mr. Keegan said he did not want to see the budgeting process get bogged down. He said Mr. Sacchinelli made great points about needing accountability and asked if they could see what they could see what the money is being spent on. Mr. Dachowitz suggested that perhaps a Memorandum of Understanding could be done.

Mr. Burnett said a MOU discussion is a separate item to be discussed with the Board of Education. He said he hoped the members of the Board of Education agree that they need to look deeper. He asked Mr. Sacchinelli to make a recommendation, but noted they were in uncharted territory if they require the Board of Education to sign an MOU.

Mr. Heuvelman said that based on the conversation and on his personal belief that they should fund the schools to the fullest extent they could, he was going to change his vote to yes. He said it was worthy of discussion with the Common Council.

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**** MOTION PASSED WITH THREE (3) IN FAVOR (MR. BURNETT; MR. HEUVELMAN AND MR. KEEGAN) AND TWO (2) IN OPPOSITION (MR. SACCHINELLI AND MR. THEODORIDIS)**

ADJOURNMENT

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

There was no further business and the meeting was unanimously adjourned at 8:58 p.m.

Respectfully submitted,

Rosemarie Lombardi
Telesco Secretarial Services