

**CITY OF NORWALK
BOARD OF ESTIMATE AND TAXATION
REGULAR MEETING
AUGUST 3, 2020**

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The meeting recording and minutes will be posted on the City of Norwalk website within seven (7) days after the meeting.

ATTENDANCE: Edwin Camacho, Chair; Mayor Harry Rilling; Sheri Brown; James Frayer; Troy Jellerette; Artie Kassimis

STAFF: Henry Dachowitz, Chief Financial Officer; Angela Fogel, Director of Management and Budgets; Donna King, City Clerk

OTHERS: Joseph Andrasko, Treasurer, Oak Hills Park Authority; Christine Bradley, Norwalk Library; Alexandra Estrella, Superintendent of Norwalk Public Schools; Sherelle Harris, Norwalk Board of Education; Thomas Hamilton, Norwalk Public Schools, Chief Financial Officer; Barbara Meyer-Mitchell, Norwalk Board of Education

Mr. Camacho called the meeting to order at 6:34 p.m.

Ms. King called the Roll as indicated above. A Quorum was present.

1. APPROVAL OF MINUTES

July 3, 2020 – Regular Meeting

The following corrections were made to the minutes:

August 3, 2020
Board of Estimate and Taxation
Regular Meeting
Via Teleconference
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Correct the spelling of Mr. Kassimis' name
Add Ms. Brown to attendance
Correct Mr. Dachowitz' name

- ** **MR. JELLERETTE MOVED TO APPROVE THE MINUTES AS AMENDED**
- ** **MOTION PASSED UNANIMOUSLY BY VOICE VOTE**

2. **SPECIAL APPROPRIATIONS AGENDA** (Section A) None

3. **TRANSFER AGENDA** (Section B)

Ms. Fogel reviewed the transfer requests.

- ** **MR. KASSIMIS MOVED TO APPROVE THE FOLLOWING TRANSFER OPERATIONS AND PUBLIC WORKS**

FROM	TO	AMOUNT
01-9600-5900 CONTINGENCY	01-4043-5298 RECYCLING	\$48,859

THE RECYCLING ACCOUNT IN OPERATIONS AND PUBLIC WORKS IS A CONTRACTUAL OBLIGATION. DURING THE BUDGET PROCESS THIS LINE ITEM WAS NOT INCREASED TO THE AMOUNT OF THE FYE 2021 CONTRACTUAL OBLIGATION.

- ** **MOTION PASSED UNANIMOUSLY BY VOICE VOTE**

- ** **MR. JELLERETTE MOVED TO APPROVE THE FOLLOWING TRANSFER LIBRARY**

FROM	TO	AMOUNT
01-9600-5900 CONTINGENCY	01-6200-5296 SECURITY SYST	\$38,044

THE SECURITY CONTRACT FOR THE LIBRARY IS HIGHER THAN WAS ORIGINALLY EXPECTED DURING THE FYE 2021 BUDGET PROCESS. THE LIBRARY IS REQUESTING THAT THESE ARE TRANSFERRED FROM CONTINGENCY TO ACCOMMODATE THE SHORTFALL.

- ** **MOTION PASSED UNANIMOUSLY BY VOICE VOTE**

Ms. Bradley noted this is their first step toward re-opening the Library.

4. **OTHER BUSINESS** (Section C)

Oak Hills Financial Status Discussion

Mr. Andrasko said he was still getting up to full speed, especially regarding the restaurant.

Mr. Andrasko reviewed Oak Hill's financials and reported that they had a very strong June. During the month of July, they had 6,100 rounds. The \$2.00 per round payment to the City of Norwalk will begin shortly. Another good source of revenue were the cart rentals. They are pacing well for the month of August.

As of July 6, 2020, their line of credit had a zero balance. There is a covenant in their contract that states the line of credit has to be paid by November; they are ahead of schedule.

Mr. Andrasko said their season passes generated \$108,000. They are going to study their price point. He said there were discussions about making Oak Hills more inclusive.

Mr. Andrasko said they are late on finalizing their budget; however, they are going to vote on it at their August meeting. He said his approach is going to be a little conservative.

Mr. Camacho told Mr. Andrasko that it sounds like good news and that Oak Hills is looking at all the right things. Mayor Rilling added that this was one of the most positive reports he has heard in some time. He said he looks forward to seeing the year end report.

Mr. Frayer asked Mr. Andrasko if he sees any pitfalls in the next couple of months. Mr. Andrasko said his greatest concern is the return of flu season.

Mr. Jellerette noted that it is hard to get a tee-time, which is very good. He noted that the course looks good and credited Brian, Jim and Paul.

Norwalk Public Schools Financial Discussion

Mr. Hamilton addressed concerns expressed by the Board of Estimate and Taxation. He reviewed the June 30th financial report and noted that a lot of financial activity is posted after June 30th. He explained that the Norwalk Federation of Teacher's labor contract allows employees to spread their pay over a twelve-month period. This resulted in about \$13 million of pay that were not booked at June 30th. In addition, there were severance

pay outs of \$1.1 million that were not made until July 1st. These two items were very significant.

Mr. Hamilton said there are additional expenses that are not reflected in the June 30th financials. He said the degree level change accounts are in the Labor contract. They budgeted \$60,000, but had degree level changes that exceeded that amount. Up until April, they had very few people on unemployment. Although the District did not lay anyone off, those charges were incurred from former employees due to the look back period from Unemployment.

Mr. Hamilton noted that another concern expressed was that the Board of Education overbudgeted in some areas. He presented last year's audited report and said that the budget surplus on the Board of Education side was a modest and appropriate surplus. He compared it to the City's results for fy 2018/2019 and said the City experienced favorable results of \$9.8 million.

Mr. Hamilton said the Board of Education is spending 98.4% of its budget. He said that they do not have a fund balance and anything that does not get spent goes back to the City. He said he believes they will end this year at just under \$5.8 million, including the \$1.4 million they encumbered. Mr. Hamilton said they will pay back the \$1.4 million they requested for English Language Learners.

Dr. Estrella said she hoped they would be allowed to rollover additional funds to deal with the increased expenditures due to Covid. Mayor Rilling said he did not know if more than 1% of the carry over budget will be allowed. He noted that he and Dr. Estrella have been meeting on a regular basis. She understands there are going to be a lot of challenges. He said they do not know what is coming in the next several months and they need to have these discussions on a regular basis. Ms. Meyer-Mitchell said she believes the Statute allows up to a 2% rollover.

Mr. Jellerette said that on behalf of the Board of Estimate and Taxation, he wanted to welcome Dr. Estrella. He asked if there were any updates on the new Norwalk High School, reimbursements from the State and how they are looking on the ELL side. Mr. Hamilton said that the last he heard was that they were waiting for the State Legislators to come back. When they do, there will be some movement on the new Norwalk High School.

Ms. Meyer-Mitchell said they are all watching to see what is happening at the Federal level. At this point, the school funding is tied up in Congress. Dr. Estrella said that the Commission put out a new form in terms of articulating expenses due to the pandemic to be sure students are provided with a good learning opportunity. Dr. Estrella said that she would have to get back to the Board of Estimate and Taxation regarding September enrollment regarding ELL students. She said she can provide ore information at the next

meeting. Ms. Meyer-Mitchell said that she understood that general immigration is at a standstill.

Dr. Estrella thanked everyone for welcoming her to this first meeting. She said she has been in conversations with the Mayor and Common Council about a number of things and they are progressing. She noted that it is important to have on-going dialogues. Mr. Camacho said this will make the process run more smoothly and expressed his appreciation.

Mayor Rilling said that when he first spoke with Dr. Estrella, it was clear that she wanted to have open discussions. He told Dr. Estrella that she will find that the Board of Estimate is here to be a partner and to do what is best for the students and the City of Norwalk.

Ms. Brown welcomed Dr. Estrella and thanked the staff for the comprehensive presentation. Mr. Camacho thanked the members of the Board of Education for attending this meeting and for being so helpful.

5. **ADDITIONAL INFORMATION** (Section D)

The following items are for informational purposes and are in the meeting packet.

Financial Reports

- Oak Hill Financial Status – May 2020
- Year-to-date Capital Budget Report – FY 2019-20
- Year-to-date Operating Expenditure Report – FY 2019-20
- Year-to-date Operating Revenue Report – FY 2019-20
- Year-to-date BOE Operating Expenditure Report – FY 2019-20
- Tax Collector’s Narrative – May 2020
- Tax Collector’s Report – May 2020

Salary Accounts

Ms. Fogel reported that there should be a surplus in expenditures. She said they did not get all of the rollovers yet and will have more information at next month’s meeting.

- Police
- Fire
- Public Works

Mr. Frayer asked about investments. Mr. Dachowitz explained that they are restricted, but they were able to capture some of the higher investment rates.

Mr. Dachowitz said they are \$5.6 million ahead and is very pleased that this enabled the City to not have to do any furloughs or layoffs. He said that as of today, the City is doing ok financially.

**** MR. JELLERETTE MOVED TO ADJOURN
** MOTION PASSED UNANIMOUSLY BY VOICE VOTE**

There was no further business and the meeting was unanimously adjourned at 7:31 p.m.

Respectfully submitted,

Rosemarie Lombardi
Telesco Secretarial Services