

**CITY OF NORWALK  
BOARD OF ESTIMATE AND TAXATION  
SPECIAL MEETING  
FEBRUARY 9, 2009**

**ATTENDANCE:** Friedrich Wilms, Chair: Mayor Richard Moccia, Leo Mellow, Jim Feigenbaum, Michael Kolman, Jim Clark, Mike Lyons

**STAFF:** Mary Roman, City Clerk, Thomas Hamilton, Finance Director; Ossie Lewis, Director of Budget and Management; Atty. Robert Maslan, Corporate Counsel, Atty. Linda Guliuzza, Fire Chief Denis McCarthy, Michael Moccia, Recreation and Parks Director

**CALL TO ORDER**

Mr. Wilms called the meeting to order at 7:35 p.m. Ms. Roman called the roll and announced that a quorum was present.

Mr. Wilms publicly expressed his appreciation to Mr. Wells for his years of service on the Board. He then introduced Mr. Kolman, who was the new member, to the Committee.

Mr. Wilms then recognized Mr. Moccia, who had brought the NCC students who are enrolled in his class to the meeting.

**APPROVAL OF MINUTES**

**January 5, 2009 Regular Meeting**

**\*\* MR. WILMS MOVED THE MINUTES OF JANUARY 5, 2009 REGULAR MEETING.**

The following correction was noted:

Page 2, paragraph 1, line 6: please change the following from:

“Mr. Wilms asked Ms. Doyle Lyons if he was in agreement with Mr. Hamilton’s recommendations with the exception of the \$8,000 dollars to pay for the temporary help to input data.”

To: “Mr. Wilms asked Ms. Doyle Lyons if she was in agreement with Mr. Hamilton’s recommendations with the exception of the \$8,000 dollars to pay for the temporary help to input data. She said yes.”

**\*\* THE MOTION TO APPROVE THE MINUTES OF THE JANUARY 5, 2009 REGULAR MEETING AS CORRECTED PASSED UNANIMOUSLY.**

**January 5, 2009 Joint Meeting of the Board of Estimate and Taxation and the Board of Education.**

**\*\* MR. WILMS MOVED THE MINUTES OF THE JANUARY 5, 2009 JOINT MEETING OF THE BOARD OF ESTIMATE AND TAXATION AND THE BOARD OF EDUCATION.**

A brief discussion followed and it was decided that the Board would wait to approve these minutes pending the next joint meeting with the Board of Education.

**\*\* MAYOR MOCCIA MOVED TO TABLE THE MINUTES OF THE JANUARY 5, 2009 JOINT MEETING OF THE BOARD OF ESTIMATE AND TAXATION AND THE BOARD OF EDUCATION UNTIL THE NEXT JOINT MEETING OF THE BOARD OF ESTIMATE AND TAXATION AND THE BOARD OF EDUCATION.**

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

**SPECIAL APPROPRIATIONS AGENDA (SECTION A)**

**List of Resolutions** – There were none at this time.

**Advertised Items** – There were none at this time.

**Report on Special Appropriations**

Mr. Hamilton reminded everyone that he had expressed concerns about the snow removal and in discussion with Mr. Alvord. DPW will be needing additional funding for snow removal. Mr. Hamilton added that there had been an issue regarding the patching of potholes. Mr. Alvord had been looking at closed out accounts. The Mayor pointed out that almost every snowstorm had fallen on a weekend entailing overtime. He added that the streets would be plowed and would be repaired. Mr. Wilms explained that the budget is a projection and that sometimes they are not enough, but road repair will be taken care of.

**Justification/Back Up Material** – No material was presented as the report on Special Appropriations was an update.

**TRANSFER**

**\*\* MR. WILMS MOVED TO APPROVE THE FOLLOWING TRANSFERS TO COVER THE EMERGENCY HEATING REPAIRS AND SEPTIC CLEANING AT ROOSEVELT SCHOOL BUILDING (SENIOR CENTER):**

**THE SUM OF \$4,000 FROM 01-3055-5267 (PLUMBING HEATING/ELECTRIC) TO 01-4073-5267 (PLUMBING/HGT.&ELECT. SVCS).**

**THE SUM OF \$2,700 FROM 01-3059-5266 (OTHER REPAIRS & MTCS) TO 01-4073-5267 (PLUMBING/HGT.&ELECT. SVCS).**

**THE SUM OF \$2,055 FROM 01-3029-5269 (GROUNDS AND OUTDOOR COURTS) TO 01-4073-5267 (PLUMBING/HGT.&ELECT. SVCS).**

**THE SUM OF \$2,000 FROM 01-4071-5267 (PUMB/HEATING & ELECTRIC) TO 01-4073-5267 (PLUMBING/HGT.&ELECT. SVCS).**

**THE SUM OF \$1,000 FROM 01-4072-5267 (BUILDINGS) TO 01-4073-5267 (PLUMBING/HGT.&ELECT. SVCS).**

**THE SUM OF \$1,407 FROM 01-4072-5269 (OTHER REPAIR & MTCE.) TO 01-4073-5267 (PLUMBING/HGT.&ELECT. SVCS).**

**THE SUM OF \$3,000 FROM 01-4074-5267 (PLUMB./HEATING &ELECTRIC) TO 01-4073-5267 (PLUMBING/HGT.&ELECT. SVCS).**

**THE SUM OF \$1,066 FROM 01-4075-5265 (OTHER REPAIRS & MAINTENANCE) TO 01-4073-5267 (PLUMBING/HGT.&ELECT. SVCS).**

**THE SUM OF \$226 FROM 01-4077-5269 (PUMB/HEATING & ELECTRIC) TO 01-4073-5267 (PLUMBING/HGT.&ELECT. SVCS).**

**FOR A GRAND TOTAL OF \$17,454.**

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

**OTHER BUSINESS**

**\*\* MR. WILMS MOVED TO CONSIDER AGENDA ITEMS 2 THRU 8 TO THE TOP OF THE AGENDA.**

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

**#2 Resolution appropriating \$275,000 for the new police facility and authorizing the issuance of \$275,000 bonds of the City to meet said appropriation and pending the issuance thereof the making of temporary borrowing for such purpose.**

Mr. Hamilton explained that when the new police station was constructed, some of the property was acquired through eminent domain. The property owner contested the taking and the court has rendered a judgment as to the value of the parcel.

Atty. Maslan stated that the court had determined the value of the parcel and explained that there is also interest, which has accrued since February of 2002.

**\*\* MR. WILMS MOVED TO APPROVE THE RESOLUTION APPROPRIATING \$275,000 FOR THE NEW POLICE FACILITY AND AUTHORIZING THE ISSUANCE OF \$275,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWING FOR SUCH PURPOSE.**

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

The Board decided to consider items #3 &4 together.

**#3 RESOLUTION, authorizing the close out of the capital appropriation for Veteran's Park Pedestrian Lighting Project in the amount of (\$100,000). (Account No. 0907-6030-5777-C0367)**

**#4 RESOLUTION, authorizing a special capital appropriation in the amount of \$100,000 for Calf Pasture Beach Athletic Lighting Project. (Account No. 0909-6030-5777-C-0365)**

Mr. Hamilton gave a brief overview of the beach lighting project and reminded everyone of the fact that the first bid was rejected. It has been determined that the lights could be purchased individually with less of a mark up. Mr. Mocciae had submitted this in the 2009-2010 budget request and if this is approved, the request in the 2009-2010 will be withdrawn.

The lighting in Veterans Park is included as part of the Veteran's Park Master Plan. Mr. Mocciae explained that the issue is timing on this project. By going directly to the lighting companies, the City will have significant savings. The work must be completed by April 27th when the sports season starts.

**\*\* MR. WILMS MOVED TO APPROVE THE FOLLOWING RESOLUTIONS:**

**RESOLUTION, AUTHORIZING THE CLOSE OUT OF THE CAPITAL APPROPRIATION FOR VETERAN'S PARK PEDESTRIAN LIGHTING**

**PROJECT IN THE AMOUNT OF (\$100,000). (ACCOUNT NO. 0907-6030-5777-C0367)**

**RESOLUTION, AUTHORIZING A SPECIAL CAPITAL APPROPRIATION IN THE AMOUNT OF \$100,000 FOR CALF PASTURE BEACH ATHLETIC LIGHTING PROJECT. (ACCOUNT NO. 0909-6030-5777-C-0365)**

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

**#5 – Adopt Tentative Meeting Schedule – Board of Estimate and Taxation – Calendar Year 2009.**

**\*\* MR. WILMS MOVED TO APPROVE THE TENTATIVE 2009-2010 OPERATING BUDGET REVIEW SCHEDULE AS PRESENTED.**

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

**# 6 - Monthly Tax Collection Report – December 31, 2009**

Mr. Hamilton said that the collection on personal property, vehicles and other items was currently at 52.8%. Last year, it was at 53%. He said that the Tax Collections are holding up and that the City has not seen any drop off at this time.

Mr. Wilms asked about the tax lien sale. Mr. Clark commented that the tax lien sale has compliance ramifications. Mr. Clark asked if there had been a discussion about removing the tax lien figures from the full report in order to compare the tax collection rate. This will be done for the Board.

**#7 - Fire Chief on Overtime Report**

Mr. Lewis said that there has been a reduction in the amount of overtime, but that the overtime was still aggressive. Mr. Lewis then reviewed the projected figures with the Committee.

Chief McCarthy said that there had been discussions since November about the anticipated shortfalls. All the non-discretionary items have been eliminated from the budget. One of the items that the Chief needs to discuss with Mr. Lewis is the DROP payments because the Department does not calculate that. The Chief mentioned that this past year, the Department has been appropriated less for overtime, but that contractual agreements had increased the costs. He said that he believed that the Department was under funded for overtime. This might be because the Department had not provided enough detail in their reports.

Mr. Hamilton said that the Chief was correct about the under funding and that next year's budget included an increase in overtime. Mr. Hamilton said that the department was living within their budget, so that the details of the increase would be explained to the Board in the overall review. The Mayor commented that the fire department has a minimum manning clause, which dictates the number of firefighters per shift.

Chief McCarthy said that since he joined the Department in 2005, the number of sick days has decreased by 3 days per firefighter. This is a result of discussions with the unions and the City about the financial situation.

Mr. Mellow asked if there had been any additions to the staff. Chief McCarthy reviewed the addition of staff with the Board.

Mr. Kolman asked what a DROP was. Mr. Hamilton then reviewed that it was a Deferred Retirement Option Plan and gave the Board a very brief overview.

Mr. Kolman then asked about the relationship between the minimum manning schedule and overtime. Chief McCarthy gave a very brief explanation of the staffing schedule.

Chief McCarthy said that he would be in touch with Mr. Lewis about reviewing the financial calculations.

#### **#8 - Listing on Residential Revaluation Results**

Mr. Hamilton said that there had been about 1,200 residents who had applied for the informal appeal process and that the final notification would be done in February. Once the final numbers are issued, the property owners can appeal to Board of Appeals and each case will be reviewed individually. Mr. Hamilton then reviewed the report and explained how to understand the report.

Mr. Hamilton said that the residential growth was about 17% and the commercial was in the 20% range. This means that the commercial sector will carry more of the tax burden. Mr. Hamilton stressed that the numbers were all preliminary numbers. The purpose of the reevaluation is to make sure that all the residents are on a level playing field.

Mr. Clark said that from the neighborhood perspective many residents would be engaged and that was good. Concerns have been expressed about the methodology and that people want some clarification on this. He urged that the City work on clarity on the methodology. Mr. Hamilton said that the grand list must be finalized by the end of February. A computer model is used for the calculations. Mr. Hamilton then reviewed the method that the evaluation teams use with the Board.

Mayor Moccia said that there had been discussions about delaying the re-evaluation, but that the City was almost through the process and that the City would not want to start the process all over again and pay another million dollars for the consultant. Mr. Hamilton commented that currently the commercial properties are shouldering the bigger share of the taxes and that in another two years, the residential owners might end up with more of the burden. Mayor Moccia pointed out that Norwalk had three re-evaluations in the last ten years and that the State was considering having re-evaluations every four years.

## **PRESENTATION OF THE RECOMMENDED FY 2009-10 OPERATING BUDGET**

Mr. Hamilton prefaced the presentation of the Budget by saying that this had been a difficult budget and that this had been the most severe recession since 1981. He said that there had been 600,000 jobs lost in the month of January. The credit markets seized up last fall and it appears to be a protracted down period. State governments have seen their income tax and sales tax receipts drop dramatically. Businesses are failing.

Mr. Hamilton then reviewed the impact of the economic conditions on Norwalk's budget. The Real Estate Conveyance Tax had dropped dramatically, along with the State Aid. Building Permit revenue, Town Clerk Recording fees, and interest income all have declined. This means that Business as Usual is not an option.

Settled labor contracts are at 3.5%, Debt Service is + 2.2M or 8.5%. Health insurance is increasing about 1.6M or 7.7%. A standstill budget would require a 4.7% expenditure increase and 7% tax increase.

Some of the cuts include 30 % of the full time City positions – 10% of non-uniformed workforce; elimination of all vehicles and equipment purchases, scaling back numerous discretionary services, such as Sunday Library hours, recreation programs, Tree removals, Health Department Laboratories and other programs. This will also include Elimination of funding for conference and seminars. Office Retirements Incentives will be made to reduce layoff and mitigate bumping impacts on Departments.

Mr. Hamilton explained that approximately 1/3 of the positions that are being cut are already vacant. He then reviewed the details for the “bumping” process in the union sector and said that the City was trying to reduce this practice as much as possible.

Mr. Clark asked if the projected cuts were all on the City side. Mr. Hamilton said that there would be only a 2% increase in the amount the BOE will receive. Mayor Moccia reminded everyone that Mr. Kimmel, the chair of the BOE Finance Committee, had recently resigned.

Mayor Moccia also said that Greenwich had handed out 20 pink slips with the possibility of 30 more to come. He then gave a quick run down on some of the other municipalities who are laying off staff.

The bottom line on the budget is a 279.6 million Recommended Budget. Mr. Hamilton then reviewed the percentages involved.

Mr. Hamilton then reviewed the figures on a pie chart and on a regular chart for the Board of Education.

The staff reductions are from all departments. There will be changes in part time staffing also. This means that there are bargaining group issues that will require negotiations. The City is willing to negotiate with the unions regarding concessions to avoid as many lay offs as possible. The actual number of lay offs will be affected by the number of people who take early retirements.

The Mayor said that this was not an easy decision to make and that Mr. Hamilton and Mr. Lewis had been working on this very hard. Mr. Hamilton said that the staff had met with the staff members who positions might be defunded in 2009-2010.

The City will carefully be monitoring the tax collection rate, which has been assumed to stay at 98.5%. Last year, the City collected 98.6% in taxes. The impact of the 2008 re-evaluation. The interest income rate will continue to be monitored. The Mayor pointed out that the stimulus money would not be able to use for operating budget. Discussion then followed.

Other items that will be closely monitored will be Real Estate income tax; building tax permits, state aid, unsettled labor Contracts and concessions, and the bond refunding market.

Mr. Hamilton then reviewed the significant revenue changes. These include an 9.2% million or a 3.9% increase in property taxes. The list included the previously mentioned items. Mr. Hamilton said that there would also be a 3.5 million draw down on the fund balance. Most of the City departments have a decreased budget. The single exception to this is the Fire Department, for the reasons stated earlier.

Mr. Hamilton said that this was an austere plan and that it will call for share sacrifices. There are still more uncertainties in the plans.

## **ADJOURNMENT**

**\*\* MAYOR MOCCIA MOVED TO ADJOURN.**

**\*\* MR. MELLOW SECONDED.**



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

The meeting adjourned at 9:35 p.m.

Respectfully submitted,

Sharon L. Soltes  
Telesco Secretarial Services

