

**CITY OF NORWALK
BOARD OF ESTIMATE AND TAXATION
REGULAR MEETING
MAY 4, 2009**

ATTENDANCE: Mayor Richard A. Moccia; Friedrich Wilms, Chairman;
James Clark, James Feigenbaum, Michael Kolman, Michael
Lyons, Leo Mellow.

STAFF: Ellen Wink, City Clerk; Mary Roman; Thomas Hamilton, Director
of Finance, Ossie Lewis, Director of Budget and Management;
Lisa Biagairelli, Tax Collector.

CALL TO ORDER

Mr. Wilms called the meeting to order at 7:05 p.m. Ms. Wink called the roll and announced that a quorum was present.

**** MR. LYONS MOVED TO ENTER EXECUTIVE SESSION TO MEET
AND CONFER WITH THE BOARD OF EDUCATION REGARDING
UPCOMING TEACHER'S UNION CONTRACT NEGOTIATIONS.**

**** MOTION PASSED UNANIMOUSLY.**

The Committee entered into Executive Session at 7:10 and reconvened into Public Session at 7:40 p.m. No action was taken.

Mr. Wilms stated that since a member of the fiscal authority is entitled to attend and observe the negotiations, Mr. Lyons is most qualified to be recommended as the observer for the upcoming negotiation sessions.

**** MAYOR MOCCIA MOTIONED THAT MICHAEL LYONS BE NAMED
TO SERVE AS THE OBSERVER FOR ALL FUTURE SESSIONS
REGARDING BOARD OF EDUCATION TEACHER UNION CONTRACT
NEGOTIATIONS.**

**** MOTION PASSED UNANIMOUSLY.**

Approval of FY 2009-10 Operating Budget and Tax Rates

Mr. Hamilton presented the recommended Final FY 2009-10 Operating Budget and provided a narrative summary stating that the final recommended changes result in an expenditure reduction of %76,448 and a non-tax revenue decrease of \$25,683. He reviewed the detail by department and noted that the changes were a primarily a result in longevity due to retirement. The revised recommended budget is \$278,654,619 which represents an increase of \$4,969,985 or 1.8% over the FY 2008-09 adopted budget. He highlighted that the total tax levy increases by 4.95%, and the recommended Fourth Taxing District mill rate is 19.839 mills, a reduction of 12% from the current year mill rate.

Mr. Hamilton pointed out that actual tax impacts vary because the impact of revaluation is not uniform across the City. He added that with the impact of the 2008 revaluation, the median single family taxpayer in the Fourth District will have no increase in the tax bill. He clarified this point by providing a breakdown as follows:

- 49% will incur no tax change or a decrease in taxes.
- 27.7% will incur an increase of between 0 and \$500.
- 23.3% will incur an increase of +\$500.

Mr. Hamilton stated that the City's IT Director had proposed a renovation of the City's Data Center and has prepared an RFP to outsource the location of the data to an off-site location. The existing facility has insufficient electricity and no air conditioning which makes it not conducive to the safe and efficient operation of computers. Mayor Moccia suggested that rather than vote without the proper back-up materials being provided, the proposal should be added to the agenda of another meeting.

Mayor Moccia added that the state has not finalized the budget, and that the Appropriations Committee may not have the final say. There may be less state aid if this is not taken into account. The Mayor also added as an adjunct to this was the pending legislation to allow towns to readjust the budget, with some towns having more flexibility than others. If they cut the appropriations, there could be consequences.

Mayor Moccia asked if the budget had gone above the CAP how many more mils would be added to the mill rate, and Mr. Hamilton answered approximately $\frac{1}{2}$ % or $\frac{1}{2}$ mil.

Mr. Wilms stated that prior to the vote to approve the budget he wanted to take a moment of chairman's privilege to acknowledge the committee for the effort involved for this budget process. He said that this was the most difficult of the four years that he has been involved with the City's budget with the severe economic recession, loss of jobs, homes, leaving residents less able to absorb higher taxes, resulting in some very difficult decisions that had to be made.

Mr. Wilms stated that the committee did a good job of listening to the public, and reminded the group that the decisions made now will face the City next year as well, as the recession is predicted to last two years. He added the City may be faced with a five to seven million dollar pension issue, key revenues have dropped, and the tax collection rate is also down, which all represents an on-going situation which is not pleasant. In summary, he stated that this budget represents the best interests of the city, as it keeps all needed services essentially without a tax increase, even during the revaluation. He thanked everyone involved and stated that they should be proud of the outcome.

Mayor Moccia stated that he agreed with Mr. Wilms assessment of the budget process and wanted to add that this was the most bipartisan approach to the budget process that he has ever experienced. He stated that this final budget recommendation provides a balance of all of the difficult decisions including a mandated revaluation. He asked the group to accept his perspective that committee did listen to the public, despite those that were not satisfied and had “answers for everything, but solutions for nothing.”

**** MAYOR MOCCIA MOTIONED TO APPROVE THE FY 2009-10 OPERATING BUDGET AND TAX RATES AND THE ACCOMPANYING RESOLUTIONS:**

**** THE MOTION PASSED UNANIMOUSLY WITH A FULL ROLL CALL VOTE TAKEN.**

**** MAYOR MOCCIA MOTIONED TO APPROVE THE FOLLOWING RESOLUTIONS:**

BE IT RESOLVED THAT ALTHOUGH THE POWER TO MAKE TRANSFERS BETWEEN APPROPRIATIONS LIES WITH THE BOARD OF ESTIMATE AND TAXATION, THE BOARD HEREBY DELEGATES THE POWER TO THE FINANCE DIRECTOR, UPON THIS LIMITED BASIS:

- 1. TRANSFERS OF LESS THAN \$5,000 BETWEEN LINE ITEMS MAY BE AUTHORIZED BY THE FINANCE DIRECTOR WITHOUT PRIOR APPROVAL OF THE BOARD OF ESTIMATE AND TAXATION.**
- 2. EMERGENCY TRANSFERS MAY BE AUTHORIZED BY THE FINANCE DIRECTOR WITHOUT PRIOR APPROVAL OF THE BOARD OF ESTIMATE AND TAXATION, SUBJECT TO SUBMISSION TO THE BOARD FOR THE APPROVAL OF SUCH ITEMS AT ITS REGULAR MEETING FOLLOWING THE TRANSFER.**

BE IT RESOLVED THAT THE BOARD OF ESTIMATE AND TAXATION HEREBY DELEGATES ITS POWER TO RECOGNIZE INCREASED ESTIMATED REVENUES UP TO \$5,000 TO THE FINANCE DIRECTOR, AND AUTHORIZES THE FINANCE DIRECTOR TO CREDIT THE APPROPRIATE EXPENDITURE ACCOUNTS, SUBJECT TO SUBMISSION OF SUCH ACTION TO THE BOARD OF ESTIMATE AND TAXATION AT ITS REGULAR MEETING FOLLOWING THE FINANCE DIRECTOR'S APPROVAL OF SUCH ITEMS.

**** THE MOTION PASSED UNANIMOUSLY**

Special Appropriations

List of Resolutions

**** MAYOR MOCCIA MOTIONED TO APPROVE THE RESOLUTION THAT A SUM NOT TO EXCEED \$23,499 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO VARIOUS DEPARTMENTS TO COVER ORDINANCE LIST SALARY INCREASES PREVIOUSLY APPROVED EFFECTIVE 7/01/2008 (ACCT NO.: VARIOUS)**

**** THE MOTION PASSED UNANIMOUSLY.**

**** MAYOR MOCCIA MOTIONED TO APPROVE THE RESOLUTION THAT A SUM NOT TO EXCEED \$29,493 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO THE POLICE DEPARTMENT'S UNIFORM PATROL REGULAR WAGE ACCOUNT TO COVER DROP RETIREMENT-RELATED PAYMENTS FOR POLICE OFFICERS ON THE DROP PLAN (ACCOUNT NO.: 01-3022-5110)**

**** THE MOTION PASSED UNANIMOUSLY.**

**** MAYOR MOCCIA MOTIONED TO APPROVE THE RESOLUTION THAT A SUM NOT TO EXCEED \$166,017 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO THE FIRE DEPARTMENT'S FIREFIGHTING REGULAR WAGE ACCOUNT TO COVER DROP RETIREMENT-RELATED PAYMENTS FOR FIRE-FIGHTERS OFFICERS ON THE DROP PLAN (ACCT NO.: 01-3120-5110)**

**** THE MOTION PASSED UNANIMOUSLY.**

**** MAYOR MOCCIA MOTIONED TO APPROVE THE RESOLUTION THAT A SUM NOT TO EXCEED \$214,598 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO VARIOUS DEPARTMENTS TO COVER NORWALK MUNICIPAL EMPLOYEES ASSN.(NMEA) SALARY INCREASES EFFECTIVE 7/01/2008 (ACCT NO.: VARIOUS)**

**** THE MOTION PASSED UNANIMOUSLY.**

**** MAYOR MOCCIA MOTIONED TO APPROVE THE RESOLUTION THAT A SUM NOT TO EXCEED \$328,178 (AS AMENDED) BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO VARIOUS DEPARTMENTS TO COVER SEVERENCE PAYMENTS FOR RETIREES WHO ELECTED TO TAKE EARLY RETIREMENT EFFECTIVE 4/30/09 (ACCOUNT NO. VARIOUS)**

**** THE MOTION PASSED UNANIMOUSLY.**

**** MR. LYONS MOVED TO APPROVE THE GRANT AGENCY APPROPRIATIONS AS SET FORTH IN THE BUDGET.**

Mr. Wilms and Mr. Mellow reclused themselves from discussion and vote on this item.

**** MOTION PASSED WITH SEVEN VOTES IN FAVOR, TWO ABSTENTIONS (WILMS, MELLOW).**

Approval of Minutes

The following corrections were noted by Mr. Hamilton: Page 4, last paragraph, third sentence, \$350,000 should be \$3,500,000. Page 5, first sentence, 28% should be 8%.

**** MAYOR MOCCIA MOTINED TO APPROVE THE MINUTES OF THE APRIL 6, 2009 MEETING AS AMENDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Report on Special Appropriations

Mr. Hamilton provided a narrative report with details and background information in support of the above listed resolutions.

Justification/Back-up Material

Mr. Hamilton provided justification/back-up materials with accounting statements in support of the above listed resolutions.

Transfer Agenda

Mr. Frank Favano from the Norwalk Police Department presented a request proposal with back up detail for \$17,000 to be transferred from the Building Maintenance account to supplement the department's clothing account.

**** MAYOR MOCCIA MOTIONED TO APPROVE \$17,000 TO BE TRANSFERRED FROM THE POLICE DEPARTMENT'S BUILDING MAINTENANCE NATURAL GAS ACCOUNT TO COVER A SHORTFALL IN THE UNIFORM ACCOUNT FOR HIRING 12 NEW RECRUITS. FROM ACCT NO. 01-3055-5244 TO ACCT. 01-3061-5276.**

**** THE MOTION PASSED UNANIMOUSLY.**

Other Business

**** MAYOR MOCCIA MOTIONED TO APPROVE THE RESOLUTION MAKING APPROPRIATIONS FOR VARIOUS PUBLIC IMPROVEMENTS AGGREGATING \$14,324,000 FOR THE FY 2009-10 CAPITAL BUDGET AND AUTHORIZING THE ISSUANCE OF \$13,693,000 GENERAL OBLIGATION BONDS OF THE CITY TO MEET CERTAIN APPROPRIATIONS IN THE FY 2009-10 CAPITAL BUDGET.**

**** THE MOTION PASSED UNANIMOUSLY.**

Approval of FY 2008-09 Suspense Tax List

Mr. Biagiarelli presented her report dated May 1, 2009 listing uncollected taxes and including a narrative report summarizing the reasons for the uncollectible taxes. The report reflected a total dollar amount for transfer to suspense of \$532,801.13 which is \$87,327.68 less than what was transferred last year. Ms. Biagiarelli added that this difference is due primarily to the increased success in collecting delinquent accounts, refinement of CASS address validation, certification of tax billings, delinquent mailings, and the result of contacts made by the Marshall's office.

Mayor Moccia pointed out that several businesses are on the list, i.e. Papa John's, that are classified as chains, and efforts should be made to contact them at the place of business. Mr. Wilms asked if the tax collection rate has dropped, and Ms. Biagiarelli responded that due to the state of the economy, it is harder to collect and is taking longer for people to pay their bills, as they just do not have the means, or they are in foreclosure procedures, etc. She added that there was a tax sale in July that impacted last year's rate.

Ms. Biagiarelli also stated that as an adjunct point, the issuance of beach stickers has created interference in the department's task of tax collections.

**** MAYOR MOCCIA MOTIONED TO APPROVE THE FY 2008-09
SUSPENSE TAX LIST OF \$532,801.13.**

**** THE MOTION PASSED UNANIMOUSLY.**

The following reports were presented as justification/back-up materials. No additional comments were made.

Summary of Special Appropriation – FY 2008-09

Status of Contingency – FY 2008-09

Financial Reports:

Year-to-date Capital Budget Report (FY 2008-2009)

Year-to-date Operating Budget Report (FY 2008-09)

Monthly Tax Collection Report –April 15, 2009

**** MR. WILMS MOTIONED TO ADJOURN.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 9:05 p.m.

Respectfully submitted,

Marilyn Knox
Telesco Secretarial Services