

**CITY OF NORWALK
FINANCE/CLAIMS COMMITTEE
REGULAR MEETING
JANUARY 9, 2014**

ATTENDANCE: Bruce Kimmel, Chair; Douglas Hempstead, Jerry Petrini, David McCarthy, Travis Simms (7:06 p.m.)

STAFF: Thomas Hamilton, Director of Finance; Fred Gilden, Comptroller; Lisa Biagiarelli, Tax Collector

OTHERS: Charles Arquette, Vision Government Solutions, Inc; David Arnold, Vision Government Solutions, Inc; Charlene O'Shea, Vision Government Solutions, Inc; Michael Stewart, Norwalk Tax Assessor; Gerald Foley, Purchasing Agent; Council Member Glenn Iannaccone; Karen DelVecchio, IT Director; Mayor Harry Rilling

CALL TO ORDER.

Mr. Kimmel called the meeting to order at 7:00 p.m. A quorum was present. Mr. Kimmel introduced the Committee members present.

PUBLIC PARTICIPATION.

There was no one from the public that wished to address the Committee at this time.

APPROVE THE MINUTES OF THE FOLLOWING FINANCE COMMITTEE MEETING.

December 12, 2013.

**** MR. MCCARTHY MOVED THE ITEM.
** THE MOTION TO APPROVE THE MINUTES OF THE DECEMBER 12, 2013 MEETING AS SUBMITTED PASSED UNANIMOUSLY.**

Claims Committee: receive the monthly Claims report: review and approve claims as required for Claims Report dated January 9, 2014.

Narrative on Tax Collection dated January 9, 2014 - Receive Report and discuss.

Monthly Tax Collector's Reports - Receive Reports and discuss. December 31, 2013.

Ms. Biagiarelli explained that there were no claims that needed approval.

Ms. Biagiarelli said that the City was on track for revenues and delinquent amounts are coming in because of the tax sales. The final numbers won't be available until after the July sale. There is also a project to insure restaurants have health department licenses.

Mr. Travis Simms joined the meeting at 7:06 p.m.

Mr. Kimmel asked about the grease collection system. Mr. Petrini then gave a brief overview of how his system works. There is a two-tier fee structure. Mr. Hamilton said that Norwalk was an early participant in the program, which is now a statewide program. The lower the amount of grease in the water, the lower the fee. Mr. Hamilton said that he thought that having the tax collector handle this was efficient.

Mr. Kimmel asked what the "Alias tax warrant" was. Ms. Biagiarelli said that this was a warrant that allowed a sheriff to go to a location to inspect it for personal property if she could not go herself.

Authorize the Purchasing Agent to issue purchase orders to SHI International Corporation of Somerset, NJ, for the supply, installation and training services, and 12 months of Gold support for a UniTrends Recovery System [Project Bid ##3372] for an amount not to exceed \$46,931.00, account 09140600-5777-C0375 (approved IT capital budget item; no special appropriation required.)

Ms. DelVecchio said that the back up and archive system at the Police Department is a tape system that was installed in 2004. The City Hall changed over to a disc system and stores the back up offsite. This has worked well. This is a critical need for the police department. The IT committee is recommending that this be given to the lowest authorized bidder. All the bidders that responded to the RFP were authorized dealers of the product.

**** MR. PETRINI MOVED THE ITEM.**

**** THE MOTION TO AUTHORIZE THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS TO SHI INTERNATIONAL CORPORATION OF SOMERSET, NJ, FOR THE SUPPLY, INSTALLATION AND TRAINING SERVICES, AND 12 MONTHS OF GOLD SUPPORT FOR A UNITRENDS RECOVERY SYSTEM [PROJECT BID ##3372] FOR AN AMOUNT NOT TO EXCEED \$46,931.00, ACCOUNT 09140600-5777-C0375 PASSED UNANIMOUSLY.**

Authorize the Purchasing Agent, Gerald J. Foley, to forward to the Ordinance Committee the request to raise the City's bid Threshold amount to \$25,000 as allowed by Public Act No. 13-71.

Mr. Foley came forward and said that the State now changed its threshold. The City has currently a threshold of \$10,000.

Mayor Rilling joined the meeting at 7:17 p.m.

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Now the State has raised their threshold and Mr. Foley was requesting the City to approve raising its threshold to \$25,000. This would save money by not requiring going out to bid, avoid the cost of newspaper ads and be in line with the procurement guidelines. Three quotes would still be required. Mr. Hamilton said that the bid process can be cumbersome and this would allow more efficiency for the departments.

Mr. Foley then distributed copies of the procurement guidelines, which are actually ordinances. He then reviewed the various thresholds and the circumstances that would require the Finance Committee to review large purchases.

Mr. Hempstead pointed out that the ordinance was formally adopted in 2005 and suggested that it might be worthwhile to review the procurement guidelines to update them.

The discussion then moved to the process of removing surplus equipment from the City property.

Mr. Kimmel asked if the guidelines would include the Board of Education when they dispose of their computers, vehicles, etc. Mr. Hamilton said that the BOE is required to follow the guidelines but they do not have to go through the City to do it. Mr. Foley said that the BOE would most likely have a surplus sale.

Mr. Foley listed the various sections of the guidelines that would have to be amended or adjusted. Mr. Kimmel said that he was curious about the disposal of property and asked Mr. Foley to report back to the Committee on this.

Mr. Kimmel then asked about the amount of bidders that are required when a bid is released. Mr. Foley then reviewed the process. Ideally, the City wants three quotes, but there are times when that is not possible. Discussion followed.

Mr. Hempstead said that he was fine with forwarding this to the Ordinance Committee.

**** MR. KIMMEL MOVED THE ITEM.**

**** THE MOTION TO AUTHORIZE THE PURCHASING AGENT, GERALD J. FOLEY, TO FORWARD TO THE ORDINANCE COMMITTEE THE REQUEST TO RAISE THE CITY'S BID THRESHOLD AMOUNT TO \$25,000 AS ALLOWED BY PUBLIC ACT NO. 13-71 PASSED UNANIMOUSLY.**

Mr. Hamilton asked if the item had to go the Council first. Mr. Hempstead replied that it had to go to the Ordinance first before going to the Council.

Receive Board of Estimate and Taxation Appropriation dated January 6, 2014.

Mr. McCarthy said he did not know the particulars regarding this item. He then asked about the special phones charges. Mr. Hamilton said that the State requires these special phones at the voting locations. The City is currently renting these phones but is considering installing them at the locations permanently. He added that this item was being presented to the Committee for their information only.

October 1, 2013 Revaluation Update.

Mr. Stewart said that there had been a series of public meetings held in Rowayton, East Norwalk, South Norwalk, Spring Hill and Cranbury and the meetings were recorded and posted on the City website.

The informal appeal hearings are underway for the public. The last hearings are scheduled for Saturday, the 11th. The evaluation process is between 90 to 95% complete. There are about 45 items that are being discussed with the reevaluation company. An update on these items will be available on January 10th. Work is going on to connect the real estate software to the MUNIS system so an Grand List can be produced. Mr. Stewart introduced members of the company to the Committee members.

Mr. Petrini then asked about the informal hearings process. Ms. O'Shea then gave an overview of the process. Mr. Stewart said that he was intending to ask the Mayor for a month extension for the informal hearings. Formal hearings will start in March 20th.

Mr. McCarthy said that he had attended the meeting at Brien McMahon and commended the staff and the Vision employees for their work at the meeting. The discussion moved to the availability of sales data to the general population.

Mr. Hempstead said that it might be worth planning presentations in June for those who have sticker shock. One of the Vision staff said that on the company website there was a section for Frequently Asked Questions (FAQs) about revaluations. She added that most of what the company does is education. There is also a section included on how to prepare for an informal hearing. Mr. Hempstead asked about how many appeals went to court after the last revaluation. Mr. Stewart said that he thought that there were about 40 cases that were still in the court. Most of the appeals were in the low double digits.

Mr. Kimmel asked if the other towns are as involved in public education. He was told that the Tax calculator was not available in most towns. While most towns do hold public information meetings, they do not provide as many as Norwalk.

Mr. Kimmel asked how items like wetlands or flood zones were accounted for. Mr. Arquette reviewed the process. Mr. Kimmel asked if there were any broad changes in the revaluation. He was told no.

Mayor Rilling left the meeting at 8:23 p.m.

Mr. Kimmel asked if the Committee wished to have Mr. Stewart come back to update the Committee. It was decided that Mr. Stewart would come back and update the Committee at the April 10th meeting.

Fiscal Year 2014-15 Budget Update.

Mr. Hamilton said that he had met with every department head, including the Board of Education, regarding their requests. Now a budget recommendation is being constructed and should be released on February first for the Capital budget. He outlined the timeline for the budget process. The Council will be setting the cap for the Capital budget on April 8th.

Regarding the Operating Budget, the BET will be receiving the budget on the second Monday in April. The public hearing will be on February 20th. The Council must set the cap during their second meeting in February.

Mr. Hempstead said that he had contacted Mr. Lyons about scheduling an informal presentation for the entire Council. This was done last year and was very informative. He suggested the January 29th or 30th. It was agreed that this would be scheduled on the 29th at 7:00 p.m.

Mr. Hempstead asked about the grant funding process. Mr. Hamilton gave an overview. He explained that the grant committee makes suggestions to him and that information is passed to the BET.

Mr. Hempstead said that the CDBG funding has a follow-up process, but that the City does not have that. Mr. Hamilton said that there was an opportunity in the process to ask the grant recipients if they achieved their funds. Audit reports are provided for the various agencies.

Mr. Hamilton asked about the operating surplus fund. Mr. Hamilton said that the funds could only be expended through an appropriation process. Discussion followed about the details of these issues.

Mr. Simms asked about the farmland budget. Mr. Hamilton said that there was a State requirement that when a real estate transaction happens, a few dollars are held back and sent to the State. The City retains a dollar or so that is held in the City for Capital projects and can be used with LoCip funds. He said that he believed there were about \$70,000 in the budget. Mr. Simms asked if any of the funding was used for Fodor Farm. Mr. Hamilton said that he would check to see what projects were funded with the money. Since Fodor Farm is City owned, the funds could be used for capital projects.

Mr. Simms left the meeting at 8:50 p.m.

Mr. Kimmel asked about the BOE textbooks allocations. Mr. Hamilton said that the Common Core curriculum may be separate from the textbooks. Mr. Kimmel asked if there would be a

problem with the fact that the BOE was purchasing textbooks in both the Capital budget and the Operating Budget.

Mr. Hempstead asked about the unassigned fund balance and how the funds are expended. Mr. Hamilton said that there was a fund balance policy that was approved in 2007. He said that in the future, he may request the policy be changed since it stipulates that if the balance reaches 5%, the Council will take action. The current policy deems that if fund balance is over 10%, some funds can be used for capital non-reoccurring expenses. However other triple A rated municipalities are keeping their fund balances at 10%. Currently, the fund balance is about 9.5%.

Receive information on Tax Relief Programs for the elderly and discuss.

Mr. Kimmel said that there were three Committee members who were absent. He said that it would be best to reschedule this item to the March agenda.

Mr. Hempstead said that this information had been requested back in 2011. Mr. Hamilton said that he had the 2011 information. He said that the City was spending about \$100,000 more than projected, but added that there had been a number of seminars held throughout the City. Currently, it costs the City about 1.1 million in revenue.

Mr. Kimmel said that he would like to see the audit report in March for an overview. He said that about a year ago a new software program had been approved. Mr. Kimmel said that the final revaluation updates were scheduled and he would like an update on the software in April.

ADJOURNMENT.

**** MR. PETRINI MOVED TO ADJOURN.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 9:15 p.m.

Respectfully submitted,

Sharon L. Soltes
Telesco Secretarial Services