

**CITY OF NORWALK  
FINANCE/CLAIMS COMMITTEE  
MAY 14, 2009**

**ATTENDANCE:** Carvin Hilliard, Chair; Richard Bonenfant;  
Amanda Brown, (7:50 p.m.); Douglas Hempstead (7:55 p.m.)

**STAFF:** Thomas Hamilton, Finance Director; Fred Gilden, Comptroller;  
Lisa Biagiarelli, Tax Collector; Gerald Foley, Purchasing Director

Mr. Hilliard called the meeting to order at 7:45 p.m.

**1. Claims Committee: receive the monthly Claims report; review and approve claims as required for Claims Report dated: May 14, 2009**

Ms. Biagiarelli explained that there are four special requests. They are before the Committee by virtue of the amounts.

**3. Monthly Tax Collector's Report Dated April 30, 2009 - Receive Report and discuss.**

Ms. Biagiarelli reported that they are experiencing a dip in collections. They were well ahead in delinquent tax collections due to the tax sale, but by next month or the following month, they may be behind last year's collections. She said that they are where they need to be according to the budget.

Ms. Biagiarelli said that letters were sent to commercial property owners in March who owed either \$1,000 or more or were delinquent for three or more years. She said that they get a lot of money that way. A levy notice was posted in *The Hour* during the month of April.

Ms. Brown joined the meeting at 7:50 p.m.

Ms. Hamilton explained the new grease recovery system. This is a statewide initiative with the DEP. Part of the program that the WPCA put into place is a charge of between \$250.00 - \$500.00 depending upon the strength of the grease. Ms. Biagiarelli said that certain types of restaurants produce more grease than others. The WPCA adopted this program; the original program had higher fees, but they elected not to proceed with that program. The objective of the program is to encourage compliance. Mr. Hamilton said that the City charges the WPCA for their cost of collecting the sewer user fee.

Mr. Hempstead joined the meeting at 7:55 p.m.

Mr. Hamilton said that the fees go back to the City's general fund. He said that the WPCA is authorized now to impose this pre-treatment fee. He said that after a lot of discussion they determined that the best way to bill this was a part of the business' personal property bill. He added that they are still testing to see how this will work.

Ms. Brown asked if there was a way to increase the administrative fee for the work that the City is doing on behalf of the WPCA. Mr. Hamilton said that they will look into that. Ms. Brown said that it sounds like a lot of additional work for the City. The target date for mailing the bills is June 15<sup>th</sup>.

Mr. Bonenfant said that since the City is in the middle of the revaluation assessment appeals, he believes there will be a little less tax collection. Mr. Hamilton said that the Board of Estimate and Taxation built that into their projections. If someone is under a formal assessment appeal, they are required to pay either 75% or 90% of their taxes.

**1. Claims Committee: receive the monthly Claims report; review and approve claims as required for Claims Report dated: May 14, 2009 (continued)**

**\*\* MR. HEMPSTEAD MOVED TO ACCEPT THE MONTHLY CLAIMS REPORT AND THE MONTHLY TAX COLLECTOR'S REPORT  
\*\* MOTION PASSED UNANIMOUSLY**

**2. Narrative on Tax Collections dated May 14, 2009 - Receive Report and discuss.**

Ms. Biagiarelli reported that they now have an ATM machine in the Tax Collector's office.

Mr. Hempstead asked how the difference in the collection rate impacts the City. Mr. Hamilton said that the amount was built into their projections. It is assumed that 98.3 – 98.4% will be collected. He said that during most years, they exceed their budget, but they are projecting to break even. If there is a shortfall, it ultimately comes out of the fund balance.

Mr. Hamilton said that they budgeted the fund balance to decline and the actual draw down is expected to be \$6.5 million. He said that they will be using the fund balance to support the budget during the next year in order to keep the mill rate down. Mr. Hamilton said that he believes that the draw down that is planned will most likely occur unless there are changes in interest income or the real estate conveyance fee. It depends upon the economy.

Ms. Biagiarelli asked for support in anticipation of complaints coming in from residents. She said that everyone is treated the same.

**\*\* MS. BROWN MOVED THE FOLLOWING ITEM:**

- 4. Authorize the Mayor or the Finance Director to execute any and all documents relating to the procurement of electricity from the City's current supplier, Sempra Energy Solutions (a division of RBS Sempra Commodities), for a term not to exceed three (3) years commencing January 1, 2010. Authorization will remain in effect until December 31, 2009**

Mr. Hamilton said that this is a repeat of an item the Committee saw a few months ago. A new contract was not executed by March 31<sup>st</sup>, therefore they are back with the same resolution. Mr. Hamilton said that this is being done jointly with the Board of Education.

Mr. Hempstead said that the last time they did this, there were individuals who had a slew of reasons why not to do this. He asked if this is green energy. Mr. Hamilton said that they used pricing. Mr. Hempstead asked Mr. Hamilton to provide a sheet for the Common Council showing rate comparisons between green and regular energy.

Mr. Hilliard said that he understands green energy, but these are hard times for the City and they have to go with the best price. Mr. Hempstead said that the State is doing a Power Authority to purchase electricity and he wants to be sure that the City is not locked in if the State comes in with a lower rate.

Mr. Foley said that these rates are the lowest in approximately 8 years. After the Committee reviewed customer addresses, Mr. Foley said that he would verify the addresses. Mr. Foley said that Sempra is one of the few companies that will give the City a multi-year contract. He said that when they came in, he asked them for a few variations in pricing. They did better than CL&P.

**\*\* MOTION PASSED UNANIMOUSLY**

**\*\* MS. BROWN MOVED THE FOLLOWING ITEM:**

- 5. Resolution making appropriations for various public improvements aggregating \$14,324,000 for the 2009-2010 capital budget and authorizing the issuance of \$13,693,000 General Obligation bonds of the City to meet certain appropriations in the 2009-2010 capital budget.**

Mr. Hamilton said he brings this item to the Committee every year after the adoption of the capital budget. He said that this amount is slightly less than the total appropriation due to grants.

Mr. Bonenfant asked how the Sixth Taxing District was going to get the funding to pay for a fire truck. Mr. Hamilton explained that the City levies taxes to them. Mr. Hempstead asked about the bonds. Mr. Hamilton said that there is a wide spread between higher and lower rated municipalities. He added that the fire truck purchase does not impact the mill rate for the rest of the City.

**\*\* MOTION PASSED UNANIMOUSLY**

**\*\* MS. BROWN MOVED THE FOLLOWING RESOLUTION:**

**6. Resolution with respect to the issuance and sale of not exceeding \$18,700,000 City of Norwalk, Connecticut General Obligations bonds, series 2009.**

Mr. Hamilton explained that this is a resolution for the sale of debt. It only requires approval from the Common Council, not the Board of Estimate and Taxation. He said that they are gearing up to go to market soon. This is typically done on an annual basis. Mr. Hamilton said that he expects that the \$18,700,000 to be enough to cover all of the capital project through the next twelve months. This amount is smaller than in the last several years because there are no requests for school projects.

Ms. Brown asked about Section 10-C – Urban Renewal. Mr. Hamilton said that they are Redevelopment Agency projects. Ms. Brown asked if Section 15 happened. Mr. Hamilton said that is standard legal language that is put in the resolutions. Mr. Gildea said that he looked at the numbers and they are consistent.

**\*\* MOTION PASSED UNANIMOUSLY**

**7. Receive Board of Estimate and Taxation Special Appropriations from May 4, 2009.**

Mr. Hamilton explained that they are working on doing a second refund. If the market cooperates the maximum could be \$20 million. He said that he will send a notice to the Common Council if they do it.

Mr. Hempstead asked about severance payments and would like to know how they were projected and what the actual is. Mr. Hamilton said that he met with all of the major departments to come up with plans.

**\*\* MR. BONENFANT MOVED THE FOLLOWING ITEM:**

**8. Approve the Minutes of the following Finance Committee Meetings: April 15, 2009.**

**\*\* MOTION PASSED WITH ONE (1) ABSTENTION (MS. BROWN)**

**\*\* MR. HEMPSTEAD MOVED TO ADJOURN**

**\*\* MOTION PASSED UNANIMOUSLY**

There was no further business and the meeting was unanimously adjourned at 9:10 p.m.

Respectfully submitted,

Rosemarie Lombardi  
Telesco Secretarial Services

