

# **FINANCE/CLAIMS COMMITTEE MEETING**

**Thursday May 8, 2014 7:00P.M.**

CITY HALL

Common Council Chambers

125 East Avenue

Norwalk, Connecticut

AGENDA

1. Public Participation
2. Approve the Minutes of the following Finance Committee Meeting:  
April 10, 2014
3. Claims Committee: receive the monthly Claims report; review and approve claims as required for Claims Report dated:  
May 8, 2014
4. Narrative on Tax Collections dated May 8, 2014- Receive Report and discuss.
5. Monthly Tax Collector's Reports - Receive Reports and discuss:  
April 30, 2014
6. Discussion of Danbury's Board of Education Operating Budget. Comparison to Norwalk Public School System.
7. Approve FY 2014-15 Parking Authority Budget.
8. Approve FY2014-15 WPCA Budget.
9. Resolution making appropriations for various public improvements aggregating \$22,457,000 for the 2014-2015 Capital Budget and authorizing the issuance of \$19,878,000 general obligation bonds of the city to meet certain appropriations in the 2014-2015 capital budget.
10. Discussion on Tax Relief Programs for the elderly.
11. Discussion on Council Expenditure Budget

**CITY OF NORWALK  
FINANCE/CLAIMS COMMITTEE  
REGULAR MEETING  
APRIL 10, 2014**

**ATTENDANCE:** Bruce Kimmel, Chair; Jerry Petrini, Douglas Hempstead, John Igneri, David Watts (7:42 p.m.)

**STAFF:** Fred Gilden, Comptroller; Thomas Hamilton, Finance Director

**OTHERS:** Lisa Biagiarelli, Tax Collector; Rosa Murray, BOE; Richard Rudl, BOE Finance; Michael Stewart, Tax Assessor; Bill O'Brien, Assistant Tax Assessor; Karen DelVecchio, IT Director

**CALL TO ORDER.**

Mr. Kimmel called the meeting to order at 7:05 p.m. A quorum was present.

**APPROVE THE MINUTES OF THE FOLLOWING FINANCE COMMITTEE  
MEETING: FEBRUARY 20, 2014.**

**\*\* MR. HEMPSTEAD MOVED THE ITEM.**

**\*\* THE MOTION TO APPROVE THE MINUTES OF THE FEBRUARY 20, 2014  
FINANCE COMMITTEE MEETING PASSED UNANIMOUSLY.**

**CLAIMS COMMITTEE: RECEIVE THE MONTHLY CLAIMS REPORT; REVIEW  
AND APPROVE CLAIMS AS REQUIRED FOR CLAIMS REPORT DATED:  
APRIL 10, 2014.**

Ms. Biagiarelli said that there were some claims listed in the handout, but none that needed to be voted on.

**NARRATIVE ON TAX COLLECTIONS DATED APRIL 10, 2014 –  
RECEIVE REPORT AND DISCUSS.**

**MONTHLY TAX COLLECTOR'S REPORT - RECEIVE REPORT AND DISCUSS.**

The department is working to prepare for the tax sale. Notices have gone out and \$1.9 million has been collected on those outstanding taxes. Ms. Biagiarelli said that there was 18% interest rate and after five years of delinquent taxes, the interest exceeds the value of the property.

Mr. Igneri asked who had the priority in liens. Ms. Biagiarelli said that the City has the priority and that she notifies the IRS, First Taxing District and other lien holders.

Mr. Kimmel asked if there was a cost involved in doing the sale. Ms. Biagiarelli explained that the cost of the legal notices and such add up to about \$1,800 per parcel. This is added into the value of the property.

### **CITY JUNE 30, 2013 AUDIT REPORT - PRESENTATION AND DISCUSSION.**

Mr. Kimmel said that Mr. Nate Yordin, a CPA, has chaired the Audit committee for a number of years. Mr. Hamilton said that the Committee has representation from the Council, the BET and BOE. Mr. Hamilton said that this was an important oversight function. The audit report has been posted to the City website and there are a number of audit reports available on the website.

Mr. Hamilton then gave an overview of the information contained in the audit report and how the report is prepared. Mr. Kimmel asked for clarification on the full accrual accounting method and the modified accrual accounting method. The methods for debt and depreciation recording are different, as are the fund financial statements. Mr. Hamilton said that the City's total net position is favorable with a positive balance of \$388 million, a majority of which is invested in assets. He then reviewed the governmental modified report. This report included the total of the unassigned fund balance.

Mr. Kimmel asked for clarification on the difference between "assigned" and "restricted". Mr. Hamilton reviewed definitions and stated that the full audit report included an explanation of the terms. Previously the terms that were used were "designated" and "undesignated". Discussion followed about which definition the special appropriations would be identified as.

*Mr. Watts joined the meeting at 7:42 p.m.*

Mr. Hempstead asked about tax appeals and how the settlement amounts were accounted for. Mr. Hamilton said that there was a special reserve for these funds since the cases often go on for years.

Mr. Hamilton then reviewed the Water Pollution Control Authority and the Parking Authority figures, along with the Pension Trust Fund earnings. The net earnings in the Pension funds increased to \$390 million. There are a number of pension fund plans for the City employees. Mr. Hamilton said that the GASBY accounting rules for pension plans were going to change as of July 1, 2014. He explained how this would affect the governmental reporting requirements. The intent of the change is to provide a more accurate snapshot of the City's financial status.

The budgeted revenues compared to actual revenues and budgeted expenditures against the actual expenditures were the next things that Mr. Hamilton discussed. Due to the tax sales, the City's receivables are down to 6.5 million with more than 4 million from the most recent year.

The discussion then moved to the recent audit letter from McGladrey. Mr. Hamilton reminded everyone that the City now has an internal auditor who is working with various departments such as Recreation and Parks, Planning and Zoning and the Town Clerk's.

Mr. Kimmel asked if Recreation and Parks Department was specifically selected. Mr. Gilden said that a problem had been discovered in Town Clerk's and once that was finished, the auditors were directed to Recreation and Parks. The auditors will be focused on the departments where there is a higher risk for issues. Discussion followed.

Mr. Hempstead asked about the Redevelopment Agency. Mr. Hamilton said that the Redevelopment Agency has a separate audit.

There was a question about the BOE Student Activity accounts and the compensated sick time. Mr. Rudl said that a policy has been developed for the Student Activity Accounts. The issue with the compensated sick time has been addressed by moving all the BOE employees onto the NOVA time card system.

Mr. Kimmel said that the auditors were very complementary towards the City and that they were somewhat surprised at the small size of the Finance Department.

**RESOLUTION, AUTHORIZING A SPECIAL CAPITAL APPROPRIATION IN THE  
AMOUNT OF \$2,400,000 FOR STATE SHARE OF ROWAYTON ELEMENTARY  
SCHOOL PROJECT (ACCOUNT NO. 09145010-5777-B0322)**

Mr. Lo came forward. Mr. Hempstead said that the 9 million cost of the renovation seemed expensive for an old school. Mr. Lo gave a brief overview of the costs associated with these project.

Mr. Kimmel asked if there was a better way to do this. Mr. Lo reminded everyone that the City does not have land to construct a new school and then demolishing the old building. He said that the renovations at BMHS were 74 million dollars. He said that there needed to be a long time strategy for maintenance.

Mr. Hamilton said that Gilbane had done an analysis report of all the schools. Mr. Lo said that the Gilbane study was about seven or eight years ago.

Mr. Watts asked when the last schools were built. Mr. Lo said that the last schools constructed were Marvin, Jefferson and NHS. These were constructed in the 70's. Mr. Watts said that New Haven has brand new school buildings. Mr. Lo explained that the State paid almost 90% to New Haven for the new construction, but Norwalk only gets 32% on eligible items for renovations. Items such as boilers are not eligible. It is also part of the ratio used for the ECS (Educational Cost Sharing) allocations. Mr. Watts asked for a list of the school buildings and when they were constructed.

Mr. Petrini asked about a line item in the BOE budget. Mr. Rudl said that the study was for the facility utilization that projects the enrollment, not preventative maintenance. Discussion followed.

Mr. Kimmel asked for a report on how the State calculates the reimbursement rate. Mr. Hamilton said that he would provide the formula and the statewide distribution of the funds.

Mr. Watts thanked Mr. Lo for the information and said that he found the fact that Norwalk had not built a school in the last 43 years troubling.

Mr. Petrini asked what category the 2.4 million would fall into. Mr. Hamilton said that this would be a Capitol fund item and the City would be required to pay the money up front and then be reimbursement by the State.

**DISCUSSION ON THE FOLLOW-UP TO THE BLUM, SHAPIRO & COMPANY, PC  
BOE FOCUSED OPERATIONAL AUDIT WINTER 2012-13 INCLUDING WHAT  
CONTROLS HAVE BEEN PUT IN PLACE AND ADDITIONAL TOOLS ADDED TO  
MUNIS FINANCIAL MANAGEMENT SYSTEM.**

Mr. Hamilton said that the Chair had requested this item be included on the agenda. The Complete audit focused on the health care shortfall in 2011-2012 and special education funding. The audit was completed and the report presented to the Council. Mr. Hamilton said that the information packet included an update for the Committee along with additional material. Mr. Hamilton and Mr. Rudl then narrated an overview of the Blum Shapiro recommendation in the audit memo. The grid on pages 2 and 3 indicate that most of the recommendations have been completed.

Mr. Kimmel asked Mr. Hamilton to clarify the expression of "true-up" on page 2 of the document. Mr. Hamilton explained how this would be done. Discussion followed.

Mr. Rudl reviewed the section on Special Education costs and the new procedures that have been put in place. Mr. Kimmel asked about special education transfers. Mr. Rudl said that the transfers are now brought to the Board along with a narrative of why the funding is needed and where the funds were coming from.

Mr. Kimmel asked Ms. DelVecchio about the new software that was purchased for tracking the Special Education costs. Ms. DelVecchio said that the new software has been installed and people have been trained on it. The Staff now is able to create "crystal reports", which can generate reports on departments, schools or general categories, such as Special Education.

Mr. Kimmel then asked Ms. DelVecchio what she thought of the new software. Ms. DelVecchio said that she found the dashboard feature useful, but could not speak for the BOE.

Mr. Kimmel wished to know if the software would prevent another situation like the previous issues from arising. Mr. Hamilton said that the things that would prevent a recurrence would be included in the recommendation given by Blum Shapiro. Discussion followed.

**DISCUSSION ON TAX RELIEF PROGRAM FOR THE ELDERLY.**

Mr. Stewart and Mr. O'Brien, the Assistant Tax Assessor, came forward. Mr. Stewart said that there were a number of different tax relief programs, but there were two primary programs, the State program and the City program. Currently, there are 11,051 accounts that qualify, which results in a total of \$1,112,397. The City program requires that the residents apply to the State in order to be receive the City benefit. Residents must re-apply for the program every two years. Mr. Stewart then reviewed the information on the back-up information handout.

*Mr. Watts left the meeting at 9:08 p.m.*

Mr. Hempstead asked if the Tier 1 accounts would be broken out. Mr. Stewart said that he could. There was a substantial increase in the Tier 1 category.

Mr. Watts asked if this information could be included with the tax bills. Mr. Stewart said that the tax bills were from the Tax Collector's office. He said that when this was originally discussed, Ms. Biagiarelli had included a flyer, but it was expensive. He added that it would be less expensive to include a line or two on the bill. However, he cautioned that people do not often look at the back of the bill. Mr. Kimmel said that the mayor might be willing to include a line or two in a letter. Mr. Hamilton said that he would speak to the Mayor about this. Discussion followed.

*Mr. Watts rejoined the meeting at 9:15 p.m.*

Mr. Stewart cautioned everyone that there was a cap included in the ordinance that would top off at about 1.4 or 1.5 million. Mr. Kimmel asked Mr. Stewart to produce a report with a 5% increase, a 10% increase and a 15% increase.

**CLAIMS COMMITTEE: RECEIVE THE MONTHLY CLAIMS REPORT; REVIEW  
AND APPROVE CLAIMS AS REQUIRED FOR CLAIMS REPORT DATED:  
APRIL 10, 2014 CONT'D.**

**NARRATIVE ON TAX COLLECTIONS DATED APRIL 10, 2014 –  
RECEIVE REPORT AND DISCUSS CONT'D.**

**MONTHLY TAX COLLECTOR'S REPORT - RECEIVE REPORT  
AND DISCUSS CONT'D.**

**\*\* MR. HEMPSTEAD MOVED TO ACCEPT THE FOLLOWING ITEMS:**

City of Norwalk  
Finance/Claims Committee  
Regular Meeting  
April 10, 2014

**THE CLAIMS COMMITTEE: RECEIVE THE MONTHLY CLAIMS REPORT;  
REVIEW AND APPROVE CLAIMS AS REQUIRED FOR CLAIMS REPORT  
DATED: APRIL 10, 2014, NARRATIVE ON TAX COLLECTIONS DATED  
APRIL 10, 2014, AND THE MONTHLY TAX COLLECTOR'S REPORT.**

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

**CITY JUNE 30, 2013 AUDIT REPORT - PRESENTATION AND DISCUSSION CONT'D.**

**RESOLUTION, AUTHORIZING A SPECIAL CAPITAL APPROPRIATION IN THE  
AMOUNT OF \$2,400,000 FOR STATE SHARE OF ROWAYTON ELEMENTARY  
SCHOOL PROJECT (ACCOUNT NO. 09145010-5777-B0322) CONT'D.**

**DISCUSSION ON THE FOLLOW-UP TO THE BLUM, SHAPIRO & COMPANY, PC  
BOE FOCUSED OPERATIONAL AUDIT WINTER 2012-13 INCLUDING WHAT  
CONTROLS HAVE BEEN PUT IN PLACE AND ADDITIONAL TOOLS ADDED TO  
MUNIS FINANCIAL MANAGEMENT SYSTEM CONT'D.**

**\*\* MR. HEMPSTEAD MOVED TO ACCEPT THE FOLLOWING ITEMS:**

**CITY JUNE 30, 2013 AUDIT REPORT,**

**RESOLUTION, AUTHORIZING A SPECIAL CAPITAL APPROPRIATION IN  
THE AMOUNT OF \$2,400,000 FOR STATE SHARE OF ROWAYTON  
ELEMENTARY SCHOOL PROJECT (ACCOUNT NO. 09145010-5777-B0322),  
AND**

**THE FOLLOW-UP TO THE BLUM, SHAPIRO & COMPANY, PC BOE  
FOCUSED OPERATIONAL AUDIT WINTER 2012-13 INCLUDING WHAT  
CONTROLS HAVE BEEN PUT IN PLACE AND ADDITIONAL TOOLS ADDED  
TO MUNIS FINANCIAL MANAGEMENT SYSTEM**

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

**DISCUSSION ON COUNCIL EXPENDITURE BUDGET.**

Mr. Hamilton said that the tentative budget includes an additional \$5,000 for the Council Expenditures. He said that he was not aware of the status of the policy procedures. Mr. Hempstead said that he would have the policies ready by Monday. Discussion followed about how the money would be allocated. Mr. Watts said that it was wrong that the Council Members did not have funding for supplies. He said that he would go to the BET and tell them the \$5,000 allocation was a joke. Nearby towns and cities go to the conferences and other events with their

funding, but Norwalk is shut out. Mr. Hempstead said that this came about when the Council members wanted the building open on a Saturday and there was no money in the budget to do so. Mr. Hempstead said that he was trying to compile a list of things that the Council members would be doing this, such as the cost of keys, copies of Mason's Rules, or travel costs. Discussion followed. Mr. Hempstead said he would prepare something for all the council members before Tuesday.

**RECEIVE BOARD OF ESTIMATE AND TAXATION APPROPRIATION DATED:**  
**APRIL 7, 2014.**

Mr. Hamilton then gave a background on Item 1 and said that there were no funds for the blight Ordinance officer, but once the program is underway, the fines will go into a special revenue fund. The experience in Stamford and other places indicate that the fees and fines cover the cost.

*Mr. Watts left the meeting at 10:11 p.m.*

Mr. Hamilton then gave an overview of the resolutions.

Mr. Hempstead said that the idea behind the blight ordinance was to clean up the neighborhoods and not generate revenue.

Mr. Kimmel asked about Item 1 on the list, Mr. Hamilton said that the BET did not approve the item, so it should not be on the Council agenda. He said that he would like the discussion on the Tax Relief program, the council expenditure and two other items.

**ADJOURNMENT.**

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

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

The meeting adjourned at 10:18 p.m.

Respectfully submitted,

Sharon L. Soltes  
Telesco Secretarial Services.



AGENDA

MAY 8, 2014

CLAIMS COMMITTEE MEETING

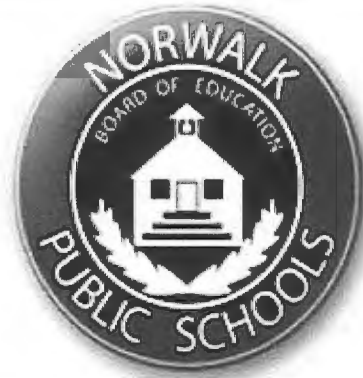
REFUNDS PROCESSED  
CLAIMS COMMITTEE

APPROVED BY  
TAX COLLECTOR

REPORTED TO  
CLAIMS COMMITTEE

ANA E RIVERA	10-MV-352380 (\$272.65)	PAID WRONG BILL
BOWMAN HYESUN JANG	12-MV-305915 (\$44.55)	PRORATION
BOWMAN VAUGHN A	12-MV-305920 (\$17.41)	PRORATION
BRAN MARIA C	12-MV-306076 (\$275.78)	PRORATION
BRIGGER JAMES M	12-MV-306318 (\$107.81)	PRORATION
FELDER NATALIE	09-MV-320105 (\$27.10)	OVERPAYMENT
FORDE THOMAS P	12-MV-321643 (\$106.81)	ABATEMENT
GILLMON DAVID B	12-MV-323989 (\$269.02)	PRORATION
GMAC	11-MV-324067 (\$61.61)	PRORATION
GMAC	12-MV-324068 (\$366.47)	PRORATION
HONDA LEASE TRUST	12-MV-329001 (\$203.79)	PRORATION
LOPRESTI PHILIP J 3 <sup>RD</sup>	12-MV-336616 (\$138.63)	PRORATION
MCLAUGHLIN KEITH A OR AMY E	12-MV-339986 (\$12.04)	PRORATION
NISSAN INFINITI LT	12-MV-409070 (\$402.76)	ABATEMENT
OBRIEN PHILIP J OR OBRIEN KAORI T	12-MV-345486 (\$31.99)	PRORATION
PALMISANO WAYNE F	12-MV-346852 (\$53.04)	PRORATION
RABIN GERALD	12-MV-410324 (\$672.72)	ABATEMENT
ROMERO AMPARO	11-MV-352606 (\$27.06)	PRORATION
SMALLS NATAYA D	12-MV-411623 (\$42.27)	PRORATION
CORELOGIC	12-RE-119443 (\$6,267.25)	SPECIAL TAX ABATEMENT PROGRAM
RE: 108 NEW CANAAN AVE – NORWALK CONGREGATE HOME		
INDUSTRY CONSULTING GROUP RE: 9 ROLLING LANE – ESCOBAR	11-RE-108269 (\$690.46)	OVERPAYMENT
KIGGINS DONALD L	12-RE-113925 (\$7,120.55)	DUPLICATE PAYMENT
TOOTHAKER NATAHNIEL C & CORNELIA L	12-RE-126907 (\$5,962.14)	DUPLICATE PAYMENT/ESCROW

**NORWALK PUBLIC SCHOOLS  
COMPARISON TO  
DANBURY PUBLIC SCHOOLS  
FOR FY 2013/2014**



*May 8, 2014*

# COMPARISON OF DANBURY PUBLIC SCHOOL SYSTEM AND NORWALK PUBLIC SCHOOL SYSTEM

	Danbury Public Schools	Norwalk Public Schools
10/1/2013 Enrollment	10,549	11,078
% Free & Reduced Lunch	51%	49%
ECS Funding	\$27,294,245	\$10,999,197
ECS \$ Per Student	\$2,587	\$993
13/14 Operating Budget	\$118,295,291	\$162,271,863
ECS % of Operating Budget	23%	7%
# of School Buildings	15	19

# FY 13/14 COST COMPOSITE COMPARISON

Object Series	Danbury	% of Budget	\$ Per Student	Norwalk	% of Budget	\$ Per Student
Salaries & Wages	\$73,959,418	63%	\$7,011	\$100,866,008	62%	\$9,105
Benefits	\$24,977,797	21%	\$2,368	\$35,541,583	22%	\$3,208
Professional & Technical Services	\$1,521,191	1%	\$144	\$3,762,517	2%	\$340
Property Services	\$1,824,208	2%	\$173	\$2,586,126	2%	\$233
Other Services	\$11,192,495	9%	\$1,061	\$13,303,710	8%	\$1,201
Supplies & Materials	\$4,608,065	4%	\$437	\$5,792,408	4%	\$523
Equipment	\$21,000	0%	\$2	\$313,014	0%	\$28
Other Programs	\$191,119	0%	\$18	\$106,497	0%	\$10
<b>Total</b>	<b>\$118,295,291</b>	<b>100%</b>	<b>\$11,214</b>	<b>\$162,271,864</b>	<b>100%</b>	<b>\$14,648</b>

# DANBURY TEACHER WAGE SCALE

Danbury Teachers	BA	BA+30	MA	6 <sup>th</sup> YR	DOCTORATE
Lowest Step	\$48,104	\$52,250	\$53,077	\$58,053	\$63,028
Highest Step	\$77,730	\$84,562	\$87,981	\$95,669	\$100,794

Danbury's most populated column is the MA column with 108 teachers making the top pay within that column \$87,981.

# NORWALK TEACHER WAGE SCALE

Norwalk Teachers	BA	BA+15	MA	MA+15	6 <sup>th</sup> Yr	6 <sup>th</sup> Yr +15	7YR	DOCTORATE
Lowest Grade	\$48,994	\$50,189	\$51,384	\$54,969	\$58,554	\$62,139	\$66,919	\$81,259
Highest Grade	\$81,776	\$87,727	\$93,681	\$96,973	\$100,266	\$104,320	\$108,499	\$122,431

**76% of Norwalk Teachers are in either MA, 6<sup>th</sup> Year, or 7<sup>th</sup> Year**

**18% of Norwalk Teachers are in the MA Column. The average salary for the MA Column in FY 13/14 is \$67,137**

**12% of Norwalk Teachers are in 6<sup>th</sup> Year Column. The average salary for the 6<sup>th</sup> year column in FY 13/14 is \$76,278**

**46% of Norwalk Teachers are in 7<sup>th</sup> Year Column. The average salary of the 7<sup>th</sup> year column in FY 13/14 is \$94,760**

# COMPARISON OF TEACHER WAGE SCALE

- When Comparing Norwalk Teachers to Danbury Teachers, the Norwalk Teachers Contract has 8 potential columns vs. Danbury's 5 Columns.
- Norwalk's most populated column (7<sup>th</sup> Year) has an average salary that is 8% higher than the top step of Danbury's most populated column (MA) and a top step that is 23% higher than Danbury's top step in their most populated column.
- The BA, MA and 6<sup>th</sup> Year Columns are relatively comparable between school districts.
- Danbury eliminated their BA+10, BA +20, MA +10 and MA +20 Columns in 1980.
- If Norwalk Teachers were on the Danbury Scale the difference in total expenses would be approximately **\$3.8 million**.

# PRINCIPAL SALARY COMPARISON

HS Principals	Danbury	Norwalk	% Difference
Lowest Step	\$129,667	\$168,696	30%
Highest Step	\$146,648	\$174,730	19%
MS Principals	Danbury	Norwalk	% Difference
Lowest Step	\$119,386	\$155,014	30%
Highest Step	\$134,854	\$161,091	19%
ES Principals	Danbury	Norwalk	% Difference
Lowest Step	\$109,066	\$150,581	38%
Highest Step	\$123,198	\$156,616	27%
AP's Principals	Danbury	Norwalk	% Difference
Lowest Step	\$106,642	\$115,600	8%
Highest Step	\$120,460	\$124,980	4%



# PARAPROFESSIONALS SALARY COMPARISON

PARA PROFESSIONAL	Danbury	Norwalk	% Difference
Lowest Step	\$12.59	\$17.33	38%
Highest Step	\$15.99	\$23.64	48%
Average of Steps	\$14.11	\$20.36	44%

Norwalk Paraprofessionals (Class Size, Kindergarten, 1<sup>st</sup> Grade, Special Ed Aides) make \$7.65 more per hour on the highest step than Danbury. This is an added expense of over \$2.0 million.

Aides: The typical paraprofessional in Norwalk is brought in at G3, Step 8, which is shown above.

# CUSTODIAN SALARY COMPARISON

Custodians	Danbury	Norwalk	% Difference
Lowest Step	\$20.64	\$21.31	3%
Highest Step	\$27.87	\$25.99	-7%

Custodian salaries are relatively comparable but Norwalk uses on average 5.0 FTE's per building vs. Danbury's 4 FTE's per building. This is an additional expense to Norwalk of over **\$1.2 million**.

# KEY FTE & COST COMPARISON

Category	DANBURY			NORWALK		
	Total Salaries	FTE	Average \$ Per FTE	Total Salaries	FTE	Average \$ Per FTE
Teachers	\$53,633,372	734	\$73,062	\$70,758,583	821	\$86,158
Principals/Assistant Principals	\$3,169,504	26	\$121,904	\$5,582,400	37	\$150,876
Aides	\$3,981,186	257	\$15,491	\$6,699,033	237	\$28,220
Custodians	\$2,773,339	64	\$43,333	\$4,583,208	97	\$47,475

# TRANSPORTATION COMPARISON

	DANBURY		NORWALK	
	Cost	Cost Per Pupil	Cost	Cost Per Pupil
Transportation Costs	\$7,367,756	\$698	\$6,161,577	\$556

# SPECIAL EDUCATION COMPARISON

	Danbury	Norwalk	% Difference
Consulting Services	\$500,000	\$3,295,800	559%
Transportation	\$2,261,171	\$2,448,623	8%
Tuition	\$2,880,000	\$6,209,000	116%
Total	\$5,641,171	\$11,953,423	112%

Out of District Tuition is a primary driver in the imbalance in Special Education costs between the two districts. It represents over 50% of the disparity between the two districts.

# SEVERANCE PAYMENTS

- ❑ Norwalk Public Schools pays retiring teachers their accrued sick time, providing they have earned 15 years or more of service capped at 55 days with additional days earned for early notification (no more than 6). A 4% reduction is made for each year under 22 and over 15. This expense ranges anywhere from **\$875,000 to \$1.5 million per year.**
- ❑ Danbury Public Schools does not have this provision.

# INSURANCE COMPARISON

- ❑ Danbury spends \$23,366,032 on Fringe Benefits (Health Insurance, Dental Insurance, Life Insurance).
- ❑ Danbury provides employees PPO plans through CIGNA with the exception of Aides and Secretaries who are on HDHP Plans.
- ❑ Cost of Fringe Benefits per FTE: \$18,451 (Danbury is forecasting an increase to \$19,088 per FTE).
- ❑ Norwalk spends \$30,311,941 on Fringe Benefits (Health Insurance, Dental Insurance, Life Insurance).
- ❑ Norwalk is transitioning all employees to HDHP Plans.
- ❑ Cost of Fringe Benefits per FTE: \$21,318 in FY 13/14 (This is set to decline to \$20,027 per FTE due to the migration to HDHP plans).

# EXTRA CURRICULAR EXPENSES

Extra Curricular Expenses	Danbury	Norwalk	% Difference
Athletics	\$577,000	\$1,130,351	96%
Extra-Curricular Activities	\$157,000	\$331,287	111%
Total	\$734,000	\$1,461,638	99%

Multiple factors play a role in the discrepancy in extra curricular expenses. Norwalk has 2 HS, which participate in Athletics, while Danbury has only 1.

The enrollment of Danbury High School is about 12% less than the total enrollment of both NHS and BMHS combined.



# CLASS SIZE

- Norwalk Public Schools K-2 Elementary Class Size contractual limitations are 22 per class.
- Danbury Public Schools K-2 Elementary Class Size contractual limitations are 25 per class.
- Based on current year's enrollment, a change to 25 per class would allow for a reduction of 12 classrooms district wide, which would translate to approximately \$970,000 in savings.

# FACILITIES COMPARISON

	Danbury		Norwalk		% Difference
	# of Buildings	Sq. Feet	# of Buildings	Sq. Feet	Sq. Feet.
HS Sq. Feet	1	447,879	3	684,946	53%
MS Sq. Feet	2	325,697	4	406,650	25%
Elementary Sq. Feet	12	728,864	12	627,511	-14%
<b>Total Sq. Feet</b>	<b>15</b>	<b>1,502,440</b>	<b>19</b>	<b>1,719,107</b>	<b>14%</b>

Norwalk Public Schools spends \$2.13 per sq. foot on utilities (Electricity, Water/Sewer, Natural Gas, Heating Oil).

Danbury Public Schools spend \$2.24 per sq. foot on utilities.

Norwalk spends 5% less than Danbury per sq. foot but this is \$300,000 more in total expenses for the Norwalk Public Schools due to additional buildings.

# KEY DRIVERS

- When comparing Norwalk Public Schools to Danbury Public Schools there are a variety of key factors that cause a base budget difference per pupil of:

- = Danbury: \$11,214
- = Norwalk: \$14,648

1. Fringe Benefits & Payroll Taxes due to quantity of employees, type of insurance: \$9 million
2. Special Education Out of District Tuition/Consulting: \$6.3 Million
3. Teacher Salary Table: \$3.8 Million
4. Salary Structure and Quantity of School Aides: \$2.0 Million
5. Sick Time/Vacation Time Payout: \$1.5 Million
6. Quantity of Custodians District Wide: \$1.2 Million
7. Administrator Salaries: \$1 million
8. Class Size Restrictions: \$970,000
9. Substitutes: \$700,000

When taking into account these 9 factors the adjusted per pupil expenditures would be **\$12,191.**



## **MEMORANDUM**

APRIL 25, 2014

To: Members of the Board of Estimate and Taxation

From: Kathryn R. Hebert  
Administrative Services Manager

Re: **Parking Authority Approved Budget FY 14-15**

---

Attached is the Parking Authority's FY 2014-2015 Operating Budget as approved at their meeting on February 27, 2013. The FY 2014 Operating Budget represents an increase of 1.56% (\$84,341) in expenses; debt service (\$1,117,104) still remains a significant expense item.

### **Expenses:**

- Expenses remain flat in most areas.
- A 7.14% increase in the wage account that reflects the engagement of part time coverage for customer service, security and enhanced parking services.
- A decrease in parking violation management and collection of 15.20% (\$13,988) reflecting a reduction in parking violation tickets, increased warnings and distributed enforcement for egregious violations.
- A decrease of debt service by 2.65% (\$30,449).

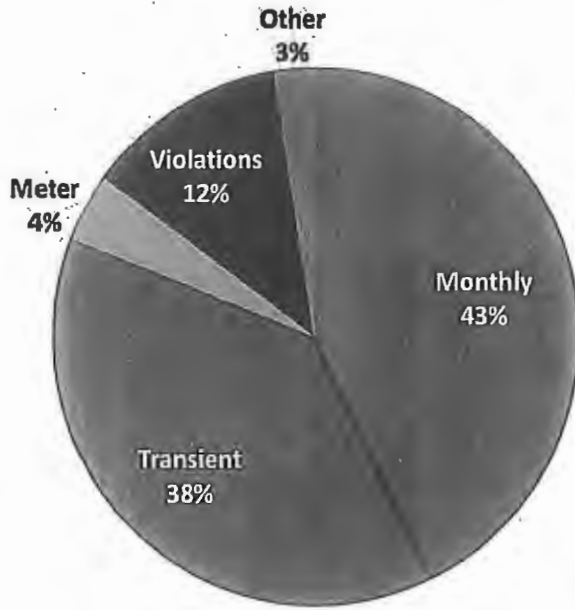
### **Revenues:**

- Revenues show a diversified revenue base.
- Permit revenues show an increase of 6.73% (155,865) which reflects an increase in demand system wide.
- Transient revenues show a decrease of 3.36% (\$77,061) compared to budget due to a shift to longer term parking; an increase of 3.42% (73,268) compared to forecast due to higher compliance, longer transaction times and increased activity at the Maritime Garage.
- Parking violation revenue continues to represent 12 % of the overall revenue pool. (down from 15% for FY 2013 and down from 19% for FY 2012).
- Other revenues reflect parking leases and enhanced parking services.

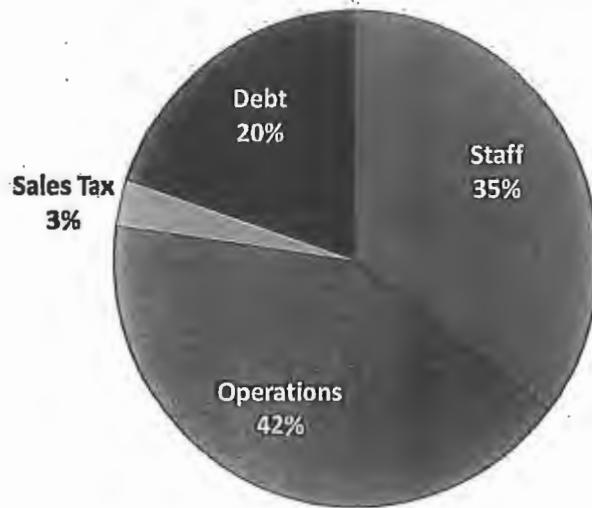
**Norwalk Parking Authority  
BUDGET SUMMARY  
FY 2015**

	Actual FY 2013	Budget 2014	Forecast FY 2014	PROPOSED Budget FY 2015	Variance \$ to Budget FY 2014	Variance % to Budget FY 2014	Variance \$ to Forecast FY 2014	Variance % to Forecast FY 2014
<b>PARKING REVENUE</b>								
Monthly	2,263,881	2,314,665	2,424,316	2,470,530	155,865	6.73%	46,214	1.91%
Transient	2,256,490	2,295,294	2,144,966	2,218,233	(77,061)	-3.36%	73,268	3.42%
Validations	0	0	0	0	0	#DIV/0!	0	
Meter Revenue (Sono)	243,857	241,690	229,559	237,570	(4,120)	-1.70%	8,011	3.49%
Parking Violation Revenue	741,873	702,530	661,771	716,133	13,603	1.94%	54,362	8.21%
Less: Refunds	(1,366)	0	(4,357)	0	0	#DIV/0!	4,357	-100.00%
Less Sales Tax	(157,374)	(163,209)	(160,580)	(165,696)	(2,487)	1.52%	(5,116)	3.19%
<b>TOTAL PARKING REVENUE</b>	<b>5,347,361</b>	<b>5,390,970</b>	<b>5,295,675</b>	<b>5,476,769</b>	<b>85,800</b>	<b>1.59%</b>	<b>181,095</b>	<b>3.42%</b>
<b>OTHER REVENUE</b>								
Art Program - MG	300	0	480	0	0	#DIV/0!	(480)	
Advertising	4,890	7,200	1,200	7,200	0	0.00%	6,000	500.00%
Lease Income - SNRR	12,000	12,000	15,150	12,000	0	0.00%	(3,150)	-20.79%
Lease Income - Webster	3,050	0	38,200	34,200	34,200	#DIV/0!	(4,000)	-10.47%
Lease Income - YDG	10,226	9,602	14,432	9,600	(2)	-0.02%	(4,832)	-33.48%
Easements	0	0	59,075	0	0	#DIV/0!	(59,075)	-100.00%
SNRR/ENRR Concessions	54,130	51,000	51,000	52,530	1,530	3.00%	1,530	3.00%
Investment Income	1,828	6,000	6,000	6,000	0	0.00%	0	0.00%
Enhanced Parking Svcs.	3,565	0	0	2,400	2,400	#DIV/0!	2,400	#DIV/0!
Storm Reimbursement (FEMA)	30,245	0	70,701	0	0	#DIV/0!	(70,701)	-100.00%
ATM Machines	17,975	24,000	18,420	24,000	0	0.00%	5,580	30.29%
<b>TOTAL OTHER REVENUE</b>	<b>138,209</b>	<b>109,802</b>	<b>269,658</b>	<b>147,930</b>	<b>38,128</b>	<b>34.72%</b>	<b>(121,728)</b>	<b>-45.14%</b>
<b>TOTAL SYSTEM REVENUE</b>	<b>5,485,570</b>	<b>5,500,772</b>	<b>5,565,333</b>	<b>5,624,699</b>	<b>123,928</b>	<b>2.25%</b>	<b>59,367</b>	<b>1.07%</b>
<b>OPERATING EXPENSES</b>								
Gross Wages (FTE=29.3)	1,207,004	1,189,128	1,200,394	1,274,058	84,930	7.14%	73,664	6.14%
FICA	92,197	90,972	91,830	97,465	6,493	7.14%	5,635	6.14%
FUTA	7,231	9,520	9,603	10,192	672	7.06%	589	6.14%
SUTA	47,944	36,861	43,713	47,140	10,279	27.89%	3,427	7.84%
Workmen's Compensation	51,944	47,563	50,016	45,993	(1,570)	-3.30%	(4,022)	-8.04%
Group Health Insurance	114,493	118,926	120,039	127,406	8,480	7.13%	7,366	6.14%
401K Company Match	24,104	23,768	24,008	40,005	16,237	68.32%	15,998	66.63%
Security Services	106,768	64,978	114,789	115,000	50,022	76.98%	211	0.18%
Equipment Purchase	18,804	74,999	74,999	75,000	1	0.00%	1	0.00%
Gas and/or Vehicle Expense	29,459	35,999	41,063	39,000	3,001	8.34%	(2,063)	-5.03%
Building Repair & Maintenance	559,575	519,489	519,489	519,489	0	0.00%	0	0.00%
Sanitation Expense	16,802	23,220	16,585	17,520	(5,700)	-24.55%	935	5.64%
Sweeper Lease	0	0	0	0	0	#DIV/0!	0	
Truck Payments	75,611	24,999	0	0	(24,999)	-100.00%	0	
Operating Expense	74,283	59,990	79,367	60,000	10	0.02%	(19,367)	-24.40%
Elevator Repair & Maintenance	16,303	27,600	27,600	27,600	0	0.00%	0	0.00%
Snow Removal	268,430	206,472	300,000	206,472	0	0.00%	(93,528)	-31.18%
Signage	90,316	63,003	63,003	63,000	(3)	0.00%	(3)	0.00%
Tickets	1,559	29,983	29,983	30,000	17	0.06%	17	0.06%
Water	0	3,024	3,024	3,024	0	0.00%	0	0.00%
Liability Insurance	126,348	140,492	134,681	143,677	3,185	2.27%	8,996	6.68%
Maritime Garage Condo Fees.	14,293	15,600	15,600	15,600	0	0.00%	0	0.00%
Uniforms	14,412	15,009	15,009	15,000	(9)	-0.06%	(9)	-0.06%
Licenses/Permit	1,550	2,100	2,100	2,100	0	0.00%	0	0.00%
Utilities	57,086	39,720	61,045	60,320	20,600	51.85%	(725)	-1.19%
Management Fees LAZ	128,814	100,008	100,008	100,000	(8)	-0.01%	(8)	-0.01%
Printing	0	1,196	1,096	1,200	4	0.33%	104	9.51%
Office Supplies	10,050	15,009	14,462	12,000	(3,009)	-20.05%	(2,462)	-17.03%
Service Contracts - Copiers	12,466	11,011	11,933	11,000	(11)	-0.10%	(933)	-7.82%
Postage	2,680	4,011	2,863	3,500	(511)	-12.74%	637	22.24%
Telephone	52,724	65,994	53,526	59,000	(6,994)	-10.60%	5,474	10.23%
Credit Card Fees	192,231	190,589	153,324	159,040	(31,549)	-16.55%	5,716	3.73%
Comm. Equip/Serv. Contracts	36,633	52,005	48,560	43,000	(9,005)	-17.32%	(5,560)	-11.45%
LPR Administration	18,012	35,002	33,240	36,000	998	2.85%	2,760	8.30%
Violation Management	74,328	91,989	70,937	70,000	(21,989)	-23.90%	(937)	-1.32%
Violation Collection	12,513	13,999	20,569	22,000	8,001	57.15%	1,431	6.96%
Website Maint, Outreach, Commun.	43,179	30,014	48,258	45,000	14,986	49.93%	(3,258)	-6.75%
Rental Lease Church Lot	5,000	5,004	4,999	5,000	(4)	-0.08%	1	0.02%
Contingency Fund	0	74,999	0	54,000	(20,999)	-28.00%	54,000	#DIV/0!
<b>TOTAL OPERATING EXPENSES</b>	<b>3,605,147</b>	<b>3,554,244</b>	<b>3,601,715</b>	<b>3,655,603</b>	<b>101,558</b>	<b>2.86%</b>	<b>54,088</b>	<b>1.50%</b>
<b>CITY ADMINISTERED EXPENSES</b>								
Enforcement Officers Wages	106,969	107,894	107,894	114,680	6,786	6.29%	6,786	6.29%
Contingency	0	6,582	6,582	0	(6,582)	-100.00%	(6,582)	-100.00%
Other City Payroll Expenses	83,868	83,336	83,336	88,217	4,881	5.86%	4,881	5.86%
Social Security	14,629	14,644	14,644	15,522	878	5.99%	878	5.99%
Health Insurance	30,312	35,923	35,923	34,646	(1,277)	-3.55%	(1,277)	-3.55%
Worker's Compensation	10,055	10,546	10,546	12,321	1,775	16.83%	1,775	16.83%
Pension	16,760	21,179	21,179	27,526	6,347	29.97%	6,347	29.97%
City Provided Liability Ins	44,450	59,486	59,486	59,492	6	0.01%	6	0.01%
Unemployment	542	606	606	602	(4)	-0.64%	(4)	-0.64%
Electric	275,833	285,200	285,200	285,200	0	0.00%	0	0.00%
Business Exp.	4,964	4,497	4,497	4,500	3	0.07%	3	0.07%
Sewer	4,187	8,113	8,113	8,500	387	4.77%	387	4.77%
Professional Service	4,274	29,984	29,984	30,000	16	0.05%	16	0.05%
Legal Service	12,997	29,985	29,985	30,000	15	0.05%	15	0.05%
<b>TOTAL CITY ADMINISTERED</b>	<b>609,838</b>	<b>697,975</b>	<b>697,975</b>	<b>711,206</b>	<b>13,231</b>	<b>1.90%</b>	<b>13,231</b>	<b>1.90%</b>
<b>SUB-TOTAL OPERATING EXP.</b>	<b>4,214,986</b>	<b>4,252,219</b>	<b>4,299,690</b>	<b>4,367,008</b>	<b>114,789</b>	<b>2.70%</b>	<b>67,318</b>	<b>1.57%</b>
Debt Service Interest	437,521	387,657	387,657	366,000	(21,657)	-5.59%	(21,657)	-5.59%
Debt Service Principal	523,109	759,896	759,896	751,104	(8,792)	-1.16%	(8,792)	-1.16%
<b>SUB-TOTAL DEBT SERVICE</b>	<b>960,630</b>	<b>1,147,553</b>	<b>1,147,554</b>	<b>1,117,104</b>	<b>(30,449)</b>	<b>-2.65%</b>	<b>(30,449)</b>	<b>-2.65%</b>
<b>TOTAL EXPENSES</b>	<b>5,175,616</b>	<b>5,399,772</b>	<b>5,447,243</b>	<b>5,484,112</b>	<b>84,340</b>	<b>1.56%</b>	<b>36,869</b>	<b>0.68%</b>
Capital Reserve	309,954	100,999	118,089	140,586	39,588	39.20%	22,498	19.05%

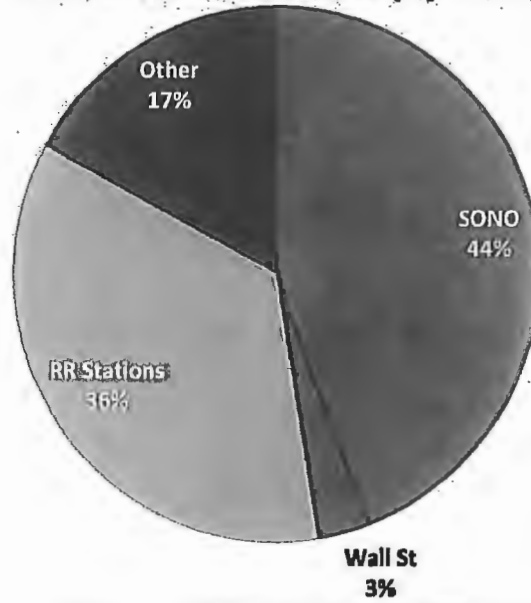
### NPA Revenues FY2015



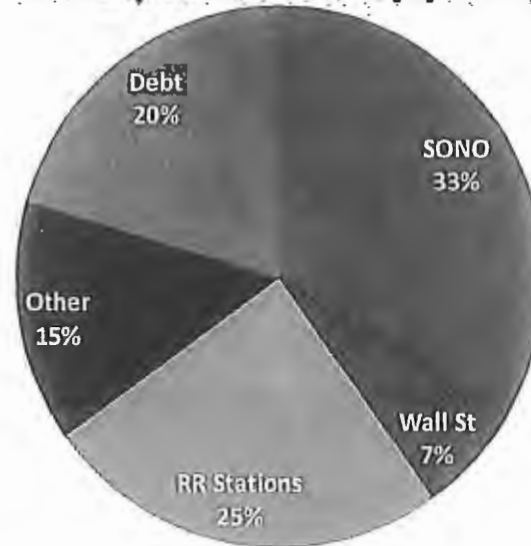
### NPA Expenses FY2015



### NPA Revenues FY2015 (by Area)



### NPA Expenses FY2015 (by Area)






Norwalk Water  
Pollution Control  
Authority  
www.wpcanorwalk.org

MEMORANDUM

To: Board of Estimate and Taxation

From: Lisa Burns, PE – Operations Manager

Re: Water Pollution Control Authority Approved Budget FY14-15 

Date: April 24, 2014

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Enclosed is the Water Pollution Control Authority's FY2014-15 budget as approved at the Board meeting on April 21, 2014. This budget includes a 5.16% blended rate increase over the previous fiscal year as no rate increase was approved in FY 13-14. The WPCA will be paying for capital improvement projects totaling \$2,950,000 from its fund balance rather than financing through General Obligation bonds, thus the expenditure is shown in the Operating Budget this year. ;

Taking out capital monies, the overall operating budget has increased by 0.2% over the previous fiscal year. Significant changes were a reduction of \$1,302,562 in debt service related to a Clean Water Fund project payment. Legal fees have increased by \$50,000 related to pending litigation.



City of Norwalk  
WATER POLLUTION CONTROL AUTHORITY  
FY 2014-15 Operating Budget Summary

**REVENUES** (224062)

ACCOUNT	DESCRIPTION	APPROVED FY 13-14	PROJECTED ACTUAL FY 13-14	PROPOSED FY 14-15
	<b>Sewer Use Charges</b>	\$ 13,385,440	\$ 13,652,282	\$ 14,390,711
4513	Norwalk Customers <sup>1</sup>	\$ 12,937,440	\$ 13,140,247	\$ 13,862,961
4521	Wilton Interlocal Agreement <sup>2</sup>	\$ 398,000	\$ 453,441	\$ 475,000
4522	Other Contract Customers	\$ 50,000	\$ 58,594	\$ 52,750
	<b>Other Revenues</b>	\$ 1,221,309	\$ 1,175,660	\$ 1,025,481
452C	Sewer Connection Fees	\$ 100,000	\$ 60,000	\$ 100,000
452D	Industrial Pretreatment Surcharge <sup>3</sup>	\$ 220,000	\$ 236,749	\$ 220,000
4453	Septage Haulers Licenses	\$ 1,500	\$ 2,400	\$ 1,500
4516	Septage Disposal Fees	\$ 525,000	\$ 552,625	\$ 525,000
4121	Nitrogen Credits <sup>4</sup>	\$ 204,809	\$ 204,809	\$ 65,900
4901	Investment Income <sup>5</sup>	\$ 100,000	\$ 41,000	\$ 43,081
4051	Interest on Delinquent Accounts <sup>6</sup>	\$ 65,000	\$ 65,000	\$ 65,000
452B	Reimbursement for Stormwater O&M	\$ 5,000	\$ 13,077	\$ 5,000
XXXX	Transfer from Fund Balance - Replacement Reserve <sup>7</sup>	\$ 850,000	\$ -	\$ 850,000
XXXX	Transfer from Fund Balance - Rate Stabilization <sup>8</sup>	\$ 818,697	\$ -	\$ -
XXXX	Transfer from Fund Balance - Capital Projects <sup>9</sup>	\$ -	\$ -	\$ 2,950,000
4513	Allowance for Uncollectibles <sup>10</sup>	\$ (233,000)	\$ -	\$ (250,000)
4513	Adjustments	\$ (100,000)	\$ (45,000)	\$ (100,000)
<b>TOTAL</b>		<b>\$ 15,942,446</b>	<b>\$ 14,782,942</b>	<b>\$ 18,866,192</b>

<sup>1</sup> Rate increase \$15 residential; \$25 commercial; \$0.40/1000 gallons commercial consumption per WPCA Financial Model.

<sup>2</sup> Billed on actual metered wastewater flow. Varies based on audited expenditures.

<sup>3</sup> Assumes no change in IPP rates although WPCA Financial Model recommends increase to meet future debt service requirements.

<sup>4</sup> CTDEEP published credit price for FY14-15.

<sup>5</sup> Per Comptroller.

<sup>6</sup> Per Comptroller.

<sup>7</sup> Nets out in replacement reserve on expenditures sheet and is only an administrative exercise.

<sup>8</sup> Required for rate stabilization.

<sup>9</sup> Nets out in capital projects on expenditures sheet.

<sup>10</sup> Assumes 98.2% collection rate per Tax Collector's Office. May decrease based upon economic conditions.

City of Norwalk  
WATER POLLUTION CONTROL AUTHORITY  
FY 2014-15 Operating Budget Summary

**EXPENDITURES** (224062)

ACCOUNT	DESCRIPTION		APPROVED FY 13-14		PROJECTED ACTUAL FY 13-14		PROPOSED FY 14-15
	<b>Personnel/Benefits</b>	\$	<b>506,491</b>	\$	<b>445,778</b>	\$	<b>539,106</b>
5110	Salaries <sup>1</sup>	\$	332,349	\$	288,354	\$	332,310
5428	Benefits	\$	172,642	\$	153,693	\$	190,896
5120	Overtime	\$	1,500	\$	3,731	\$	15,000
5150	Longevity	\$	-	\$	900	\$	900
5258	Operations & Maintenance Fees <sup>2</sup>	\$	5,388,613	\$	5,362,952	\$	5,470,211
	Various Indirect Expenses <sup>3</sup>	\$	288,632	\$	288,632	\$	267,301
5241	Electricity <sup>4</sup>	\$	1,487,160	\$	1,368,000	\$	1,487,160
	<b>Professional Services</b>	\$	<b>225,000</b>	\$	<b>200,000</b>	\$	<b>200,000</b>
5298	Contract Monitoring	\$	125,000	\$	125,000	\$	125,000
5298	Engineering Consulting	\$	75,000	\$	75,000	\$	75,000
5298	Geographic Information System/IT Services	\$	25,000	\$	-	\$	-
5252	Legal Services	\$	30,000	\$	30,000	\$	80,000
	<b>Administration</b>	\$	<b>64,000</b>	\$	<b>64,000</b>	\$	<b>64,000</b>
5286	General Office	\$	12,000	\$	12,000	\$	12,000
5286	Billing Costs	\$	8,000	\$	8,000	\$	8,000
5245	Telephone	\$	24,000	\$	24,000	\$	24,000
5741	IT Hardware	\$	20,000	\$	20,000	\$	20,000
5235	Professional Dues/Memberships	\$	10,000	\$	10,000	\$	10,000
5295	Training/Conferences	\$	4,500	\$	4,500	\$	6,000
5418	Property Insurance Premium Worker's Compensation <sup>5</sup>	\$	116,066	\$	137,551	\$	155,708
5789	Replacement Reserve - Wilton's portion per agreement	\$	-	\$	-	\$	-
5789	Replacement Reserve - Norwalk <sup>6</sup>	\$	850,000	\$	-	\$	1,967,284
5521	Debt Service	\$	6,971,984	\$	6,971,984	\$	5,669,422
5777	Capital Projects <sup>7</sup>	\$	-	\$	-	\$	2,950,000
<b>TOTAL</b>		\$	<b>15,942,446</b>	\$	<b>14,883,397</b>	\$	<b>18,866,192</b>

<sup>1</sup> Includes step and COL increases.

<sup>2</sup> Assumes CPI increase of 2.0% and Amendment #4.

<sup>3</sup> Salaries, benefits and other direct costs for City support services including Finance Department (Tax Collector, Tax Assessor, Comptroller, IT, and Management & Budgets).

Also includes allocation for DPW management. Based on D. Castracane calculations. Amount was decreased for stormwater system maintenance and GIS services benefitting City.

<sup>4</sup> Assumes 0% increase over previous year.

<sup>5</sup> Assumes 13.2% increase over projected previous year.

<sup>6</sup> Includes \$850K transfer from fund balance (shown on revenue sheet). Replacement reserve funded at \$1,117,284. Funds to be used for rate stabilization in future years related to multiple collection system projects and Phase III biosolids handling facility project and included in WPCA Financial Model. Uses conservative 2009 water consumption to establish revenue.

<sup>7</sup> Transfer from fund balance to be used for FY14/15 capital improvement projects.

City of Norwalk  
 WATER POLLUTION CONTROL AUTHORITY  
 FY 2014-15 Capital Budget Summary

**CAPITAL BUDGET**

<b>Project</b>	<b>Approved FY 2013-14</b>	<b>Projected FY 2014-15</b>	<b>Projected FY 2015-16</b>	<b>Projected FY 2016-17</b>	<b>Projected FY 2017-18</b>	<b>Projected FY 2018-19</b>
Pump Station Upgrade/Replacement	\$ 250,000	\$ 250,000				
Sammis Street Pump Station and Ann St Siphon Flow Monitoring Rehabilitation	\$ 1,400,000					
Ann St Siphon Sluice Gates Rehabilitation	\$ 250,000					
Collection System Rehabilitation	\$ 1,500,000	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000
Supplemental Treatment Upgrade		\$ 500,000	\$ 2,000,000			
Solids Handling Facility		\$ 200,000	\$ 3,000,000	\$ 2,000,000		
	<b>\$ 3,400,000</b>	<b>\$ 1,950,000</b>	<b>\$ 6,000,000</b>	<b>\$ 4,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>



**DEPARTMENT OF FINANCE  
ACCOUNTING & TREASURY DIVISION**

**Date: May 1, 2014**

**To: Members of the Board of Estimate and Taxation & Finance Committee of the Common Council**

**From: Frederic J. Gilden, Comptroller** 

**Subject: Capital RESOLUTION**

The Capital Projects process begins with Department Requests and continues through Finance Director recommended, Planning Commission, Mayor and Common Council approval. This is the next step in the process. The Board of Estimate and Taxation and Common Council needs to authorize the ability to bond for these projects. Later in the process the Common Council will need to authorize bonding for specific projects. This will happen in June. Note that the bonding authority is less than the Capital Budget since we get state grant monies for LOCIP state projects and the Water Pollution Control Authority model is funding their projects from their surplus funds.

The Resolution:

RESOLUTION MAKING APPROPRIATIONS FOR VARIOUS PUBLIC IMPROVEMENTS AGGREGATING \$22,457,000 FOR THE 2014-2015 CAPITAL BUDGET AND AUTHORIZING THE ISSUANCE OF \$19,878,000 GENERAL OBLIGATION BONDS OF THE CITY TO MEET CERTAIN APPROPRIATIONS IN THE 2014-2015 CAPITAL BUDGET.

RESOLUTION MAKING APPROPRIATIONS FOR VARIOUS PUBLIC IMPROVEMENTS AGGREGATING \$22,457,000 FOR THE 2014-2015 CAPITAL BUDGET AND AUTHORIZING THE ISSUANCE OF \$19,878,000 GENERAL OBLIGATION BONDS OF THE CITY TO MEET CERTAIN APPROPRIATIONS IN THE 2014-2015 CAPITAL BUDGET.

RESOLVED:

Section 1. Appropriations aggregating \$22,457,000 are hereby made by the City of Norwalk, Connecticut (the "City") for each subtotal set forth opposite the City's departments and entities (herein collectively "Departments") below. Each Departmental subtotal shall constitute an appropriation to meet the estimated costs of the projects or purposes (the "Projects") specified for each Department, respectively, as follows:

Police

C0540	Building Access for FOB System	<u>\$ 75,000</u>	
	Subtotal		\$ 75,000

Combined Dispatch

C0541	Radio Receiver Relocation	<u>80,000</u>	
	Subtotal		80,000

Fire

C0437	Apparatus Replacement	550,000	
C0412	Various Stations: Repairs & Replacement	30,000	
C0542	Removal of Underground Storage Tanks	<u>35,000</u>	
	Subtotal		615,000

Public Works

C0439	City Hall Repairs & Improvements	730,000	
C0476	Various City Buildings-General Repairs	50,000	
C0266	Nathaniel Ely	145,000	
C0119	Public Works Center - Repairs/Improvements	105,000	
C0149	Energy Conservation Various Locations	25,000	
C0137	Police Headquarters	20,000	
C0543	Various Bldgs - Environmental Remediation	20,000	
C0325	Lockwood House	30,000	
C0295	Ben Franklin	77,000	
C0133	Main Library	100,000	
C0392	Perry Avenue Bridge over Norwalk River	190,000	
C0313	Fleet Replacement	805,000	
C0021	Pavement Management Program	5,000,000	
C0405	Washington Street - Water to MLK	200,000	
C0318	Sidewalks & Curbing - Citywide	500,000	
C0302	General Drainage	250,000	

C0514	Transportation Master Plan Implementation	200,000	
C0233	Tree Planting General	50,000	
C0515	Transfer Station	<u>276,000</u>	
	Subtotal		8,773,000

Water Pollution Control Authority

C0360	Pump Station Upgrade/Replacement	250,000	
C0361	Collection System Rehabilitation	1,000,000	
C0266	Supplemental Treatment Upgrade	500,000	
C0119	Solids Handling Facility	<u>200,000</u>	
	Subtotal		1,950,000

Board of Education

C0538	District Common Core State Standards	2,358,000	
C0537	Enhancement to School Security	1,725,000	
C0112	District Technology	521,000	
C0516	District Paving & Concrete	100,000	
C0519	Rowayton School Construction	<u>780,000</u>	
	Subtotal		5,484,000

Recreation & Parks

C0486	Vehicles	194,000	
C0518	Nathan Hale Athletic Complex	2,000,000	
C0546	Matthews Park	90,000	
C0462	Fodor Farm	100,000	
C0366	Cranbury Park/Gallagher Estate	550,000	
C0367	Veterans Memorial Park	75,000	
C0365	Calf Pasture Beach	100,000	
C0364	School & Park Playgrounds	150,000	
C0321	Basketball & Tennis Courts	54,000	
C0131	Backstop & Fencing Improvements	35,000	
C0364	Flax Hill Park	50,000	
C0370	Tree Planting	40,000	
C0372	Open Space Fund	<u>52,000</u>	
	Subtotal		3,490,000

Library

C0547	Integrated Library System	50,000	
C0553	Library Auditorium	25,000	
C0548	Norwalk Newspaper Digitization	<u>11,000</u>	
	Subtotal		86,000

<u>Historical Commission</u>		
C0186	Lockwood Mansion Leak Repair	150,000
C0374	Mill Hill ADA Access	100,000
C0549	Lockwood House Museum ADA Access	50,000
C0550	WPA Murals	<u>12,000</u>
	Subtotal	312,000
 <u>Redevelopment Agency</u>		
C0288	Affordable Housing	250,000
C0451	Transit Oriented Development	350,000
C0551	Head of the Harbor	<u>350,000</u>
	Subtotal	950,000
 <u>Information Technology</u>		
C0375	Citywide IT Projects	<u>374,000</u>
	Subtotal	374,000
 <u>Health</u>		
C0552	Security System Replacement	<u>18,000</u>
	Subtotal	18,000
 <u>Human Relations &amp; Fair Rent</u>		
C0536	ADA Compliance	<u>250,000</u>
	Subtotal	<u>250,000</u>
 <b><u>GRAND TOTAL 2014-2015 CAPITAL BUDGET:</u></b>		 <u>\$ 22,457,000</u>

Section 2. To meet such portion of the appropriation for each Department not funded from other sources, \$19,878,000 bonds of the City are hereby authorized to be issued to fund the Projects set forth below:

<u>Police</u>		
C0540	Building Access for FOB System	<u>\$ 75,000</u>
	Subtotal	\$ 75,000
 <u>Combined Dispatch</u>		
C0541	Radio Receiver Relocation	<u>80,000</u>
	Subtotal	80,000
 <u>Fire</u>		
C0437	Apparatus Replacement	550,000
C0412	Various Stations: Repairs & Replacement	30,000
C0542	Removal of Underground Storage Tanks	<u>35,000</u>
	Subtotal	615,000

Public Works

C0439	City Hall Repairs & Improvements	730,000	
C0476	Various City Buildings-General Repairs	50,000	
C0266	Nathaniel Ely	145,000	
C0119	Public Works Center - Repairs/Improvements	105,000	
C0149	Energy Conservation Various Locations	25,000	
C0137	Police Headquarters	20,000	
C0543	Various Bldgs - Environmental Remediation	20,000	
C0325	Lockwood House	30,000	
C0295	Ben Franklin	77,000	
C0133	Main Library	100,000	
C0392	Perry Avenue Bridge over Norwalk River	190,000	
C0313	Fleet Replacement	805,000	
C0021	Pavement Management Program	4,371,000	
C0405	Washington Street - Water to MLK	200,000	
C0318	Sidewalks & Curbing - Citywide	500,000	
C0302	General Drainage	250,000	
C0514	Transportation Master Plan Implementation	200,000	
C0233	Tree Planting General	50,000	
C0515	Transfer Station	276,000	
	Subtotal		8,144,000

Board of Education

C0538	District Common Core State Standards	2,358,000	
C0537	Enhancement to School Security	1,725,000	
C0112	District Technology	521,000	
C0516	District Paving & Concrete	100,000	
C0519	Rowayton School Construction	780,000	
	Subtotal		5,484,000

Recreation & Parks

C0486	Vehicles	194,000	
C0518	Nathan Hale Athletic Complex	2,000,000	
C0546	Matthews Park	90,000	
C0462	Fodor Farm	100,000	
C0366	Cranbury Park/Gallagher Estate	550,000	
C0367	Veterans Memorial Park	75,000	
C0365	Calf Pasture Beach	100,000	
C0364	School & Park Playgrounds	150,000	
C0321	Basketball & Tennis Courts	54,000	
C0131	Backstop & Fencing Improvements	35,000	
C0364	Flax Hill Park	50,000	
C0370	Tree Planting	40,000	
C0372	Open Space Fund	52,000	
	Subtotal		3,490,000



<u>Library</u>		
C0547	Integrated Library System	50,000
C0553	Library Auditorium	25,000
C0548	Norwalk Newspaper Digitization	<u>11,000</u>
	Subtotal	86,000
 <u>Historical Commission</u>		
C0186	Lockwood Mansion Leak Repair	150,000
C0374	Mill Hill ADA Access	100,000
C0549	Lockwood House Museum ADA Access	50,000
C0550	WPA Murals	<u>12,000</u>
	Subtotal	312,000
 <u>Redevelopment Agency</u>		
C0288	Affordable Housing	250,000
C0451	Transit Oriented Development	350,000
C0551	Head of the Harbor	<u>350,000</u>
	Subtotal	950,000
 <u>Information Technology</u>		
C0375	Citywide IT Projects	<u>374,000</u>
	Subtotal	374,000
 <u>Health</u>		
C0552	Security System Replacement	<u>18,000</u>
	Subtotal	18,000
 <u>Human Relations &amp; Fair Rent</u>		
C0536	ADA Compliance	<u>250,000</u>
	Subtotal	<u>250,000</u>
 <b><u>GRAND TOTAL 2014-2015 CAPITAL BUDGET:</u></b>		 <u>\$ 19,878,000</u>

Section 3. Said bonds may be issued in one or more series as determined by the Director of Finance in an amount necessary to meet the City's share of the cost of the Projects determined after considering the estimated amount of State and Federal grants-in-aid of the Projects, or the actual amounts thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, financing, legal and other costs of issuance of such bonds. The bonds of each series shall mature not later than the maximum maturity permitted by the General Statutes of Connecticut, Revision of 1958, as amended from time to time (the "Connecticut General Statutes"), and may be issued subject to earlier redemption by the City. The bonds of each series shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the City by the manual or facsimile signatures of the Mayor, City Clerk, Comptroller and the Director of Finance, bear the City seal or a facsimile thereof, be payable at a bank or trust company, be certified by a bank or trust company, which bank or trust company may also be designated as the registrar and transfer agent, and be approved as to their legality by Robinson & Cole LLP, Attorneys at Law, of Hartford,

Connecticut. The bonds shall be general obligations of the City and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the certifying, registrar and transfer agent and paying agent, the date, time of issue and sale, and other terms, details and particulars of such bonds including approval of the rate or rates of interest payable thereon shall be determined by the Common Council, or such other persons as the Common Council shall designate, in accordance with the Connecticut General Statutes.

Section 4. Said bonds shall be sold by the Mayor in a competitive offering or by negotiation, in his discretion. If sold in a competitive offering, the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the City. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the bonds are sold by negotiation, the purchase agreement shall be subject to the approval of the Common Council, or such other persons as the Common Council shall designate.

Section 5. The Mayor and the Director of Finance are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be in such denominations, bear interest at such rate or rates and be payable at such time or times as shall be determined by the Mayor and the Director of Finance, be executed in the name of the City by the manual or facsimile signatures of the Mayor and the Director of Finance, have the City seal or a facsimile thereof affixed, be certified by a bank or trust company designated by the Director of Finance pursuant to Section 7-373 of the Connecticut General Statutes, and be approved as to their legality by Robinson & Cole LLP as bond counsel. Such notes shall be issued with maturity dates which comply with the provisions of the Connecticut General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the City and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the capital improvements for the financing of which said notes were issued. Upon the sale of the bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 6. The Mayor is authorized in the name and on behalf of the City to apply for and accept any and all Federal and State loans and/or grants-in-aid of any Projects and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith to contract in the name of the City with engineers, contractors and others.

Section 7. To meet any portion of the costs of such projects determined by the State of Connecticut Department of Energy and Environmental Protection to be eligible for funding under Section 22a-475 et seq. of the Connecticut General Statutes, as the same may be amended from time to time (the "Clean Water Fund Program"), the City is authorized and may issue interim funding obligations in anticipation of project loan obligations and project loan obligations ("Clean Water Fund Obligations") in such denominations as the Mayor and Director of Finance shall determine. The Mayor and Director of Finance are hereby authorized to determine the amount, date, maturity, interest rate, form and other details and particulars of such Clean Water Fund Obligations, subject to the provisions of the Clean Water Fund Program, and the Mayor, Director of Finance and Treasurer are authorized to execute and deliver the same. Said Clean Water Fund Obligations shall be general obligations of the City and each of the Clean Water Fund Obligations shall

recite that every requirement of law relating to its issue has been duly complied with, that such obligation is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon. The Mayor is hereby authorized to execute and deliver to the State in the name of and on behalf of the City Project Loan and Project Grant Agreements under the Clean Water Fund Program.

Section 8. The balance of any appropriation not required, in the determination of the Common Council, for any Department set forth in Section 1, may be transferred by resolution of the Common Council to any other Department in Section 1.

Section 9. The City hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount and for the Projects with the proceeds of bonds, notes, or other obligations ("Tax Exempt Obligations") authorized to be issued by the City. The Tax Exempt Obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Projects, or such later date the Regulations may authorize. The City hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Director of Finance or his designee is authorized to pay project expenses in accordance herewith pending the issuance of Tax Exempt Obligations.

Section 10. The Mayor and Director of Finance are hereby authorized, on behalf of the City, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 11. The Mayor and Director of Finance are hereby authorized, on behalf of the City, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution. The Mayor and Director of Finance are hereby authorized, on behalf of the City, to apply for and accept any and all Federal and State loans and or grants-in-aid of the Projects, to expend said funds in accordance with the terms hereof, and in connection therewith to contract in the name of the City with engineers, contractors and others.

(No State Reimbursement is available for this program)

	Cost of Tier 1 and 2 Tax Credit		Current	
	<u>Income Range</u>	<u>Households</u>	<u>Max Benefit</u>	<u>Current Cost</u>
<b>Tier 1</b>	\$0.00 - \$33,700	850	\$1,150	\$894,308
(No change to Tier 2 benefits)				
<b>Tier 2</b>	\$33,701 - \$47,600	301	\$750	\$218,089
<b>Total</b>		<b>1,151</b>		<b>\$1,112,397</b>

### Proposed Local Elderly Tax Relief Program Changes

	Cost @	Cost	Cost @	Cost	Cost @	Cost
<u>Median Income</u>	<u>5% Increase</u>	<u>Diff</u>	<u>10% Increase</u>	<u>Diff</u>	<u>15% Increase</u>	<u>Diff</u>
\$22,873	\$1,116,296	\$221,988	\$1,169,453	\$275,145	\$1,222,610	\$328,302
<u>Max Benefit:</u>	\$1,207.50		\$1,265.00		\$1,322.50	
\$38,876	\$218,089		\$218,089		\$218,089	
<b>Total</b>	<b>\$1,335,593</b>		<b>\$1,388,807</b>		<b>\$1,442,022</b>	