

**CITY OF NORWALK
FINANCE/CLAIMS COMMITTEE
REGULAR MEETING
MAY 8, 2014**

ATTENDANCE: Bruce Kimmel, Chair; John Igneri, Travis Simms, Jerry Petrini,
Douglas Hempstead (7:11 p.m.)

OTHERS: Thomas Hamilton, Finance Director; Lisa Biagiarelli, Tax Collector;
Fred Gilden, Comptroller; William Dunne, Hal Alvord, Public Works
Director; Dr. Rivera, Superintendent of Schools; Richard Rudl, BOE CFO;
Michael Stewart, Tax Assessor

CALL TO ORDER.

Mr. Kimmel called the meeting to order at 7:10 p.m. A quorum was present. Mr. Kimmel introduced the Commissioners seated.

PUBLIC PARTICIPATION.

Mr. Hempstead joined the meeting at 7:11 p.m.

Mr. Dunne came forward and spoke about the comparison between Danbury and Norwalk. He said that general population and ethnic population were similar. However, Danbury taxpayers are considering a school budget of \$118 million and Norwalk is considered one about \$162 million. He said that there was a variance of 50 million. Mr. Kimmel then asked Mr. Gilden to give Mr. Dunne a hard copy of the upcoming Power Point presentation.

**APPROVE THE MINUTES OF THE FOLLOWING FINANCE COMMITTEE
MEETING; APRIL 10, 2014.**

**** MR. IGNERI MOVED THE MINUTES OF MAY 8, 2014.**

**** THE MOTION TO APPROVE THE MINUTES OF THE MAY 8, 2014 MEETING AS SUBMITTED PASSED WITH FOUR IN FAVOR (KIMMEL, PETRINI, HEMPSTEAD AND IGNERI) AND ONE ABSTENTION (SIMMS).**

**CLAIMS COMMITTEE: RECEIVE THE MONTHLY CLAIMS REPORT: REVIEW
AND APPROVE CLAIMS AS REQUIRED FOR CLAIMS REPORT DATED:
MAY 8, 2014.**

Ms. Biagiarelli explained that there were no special requests this month and therefore no vote was necessary.

NARRATIVE ON TAX COLLECTIONS DATED MAY 8, 2014 - RECEIVE REPORT AND DISCUSS.

MONTHLY TAX COLLECTOR'S REPORT - RECEIVE REPORT AND DISCUSS : APRIL 30, 2014.

Ms. Biagiarelli then reviewed her written report with the Committee members. She said that the reason that the department does this is because is it enforcement and is effective method of collecting taxes. She said that everything that she does is govern by State statutes.

Mr. Petrini asked what happens when a property does not sell. Ms. Biagiarelli explained that there is a meeting to discuss the various properties that had no bidders. If the City is interested in the property, then Mr. Hamilton will bid on the parcel on behalf of the City. Other times there are options, such as adjourning the sale.

Mr. Hempstead asked when the last time the City purchased a parcel. Ms. Biagiarelli said that she did not remember any specifics concerning any acquisitions that the City bid on. Mr. Hamilton said that he would like do some research and send the information to the Committee.

Mr. Igneri asked if it was an open auction or sealed bid. Ms. Biagiarelli then gave an overview of the process. Serious bidders have to pre-register. The public is welcome to observe. There will be a number of boat slips that did not sell in the 2012 sale on the docket.

DISCUSSION OF DANBURY'S BOARD OF EDUCATION OPERATING BUDGET COMPARISON TO NORWALK PUBLIC SCHOOLS SYSTEM.

Dr. Rivera said that Mr. Rudl had been the one that gathered all the data. He said that the biggest disparity was the salaries, but also pointed out that Danbury only has one very large high school, while Norwalk has three. The third area is Special Education. Norwalk has seen an increase in the number of students who have been placed in out of district locations. There were 99 students in OOD placement in 2011 to close to 130 this year. He said that he was in discussion with the BOE about the Special Education program and establishing specialized programs that could be revenue generating.

Mr. Rudl said that when the January budget presentation was made to the Council, a question was asked about the comparison between Danbury and Norwalk. Mr. Rudl then narrated the Power Point presentation.

Mr. Kimmel pointed out that Norwalk has more school buildings than Danbury. Mr. Rudl pointed out that in a previous contract the custodians were only responsible for 3,000 sq. ft, where as in Danbury, the janitors have no limit on the area that they clean.

Mr. Kimmel asked for more clarification on the substitution figures. Mr. Rudl did so.

Mr. Hempstead asked if the additional 500 Norwalk students were spread out over all three levels of school. Mr. Rudl said that basically was. Mr. Hempstead asked how many high school students there were. Mr. Rudl said that Danbury HS had just under 3,000 students. Mr. Hempstead said that he appreciated the fact this was the first time that the Committee had the figures in a tangible form. Mr. Petrini agreed and said that the presentation was an eye opener for him.

Dr. Rivera said that the administration had already picked up on some of the various items like the custodians. He added that he has been considering the various contracts over the last four or five months and that this study was excellent in terms of data.

Mr. Igneri said that this was an excellent presentation.

Mr. Kimmel said that the area he found most interesting was the nature of the contracts. Previously he thought that the City was constricted by the binding arbitration and the precedence set by other communities. However, this may not be the case.

Mr. Kimmel then mentioned that the Special Education situation needs to be handled correctly in order to avoid paying through the teeth. Dr. Rivera said that the District was working on creating a center for hearing impaired children and autistic students. There will be some start up costs, but could generate revenue for the District.

Mr. Hempstead said that while the Council worked hard on the Budget but the State needs to be more even handed in terms of funding. Dr. Rivera said that Norwalk was one of the plaintiffs in the CJEF v. State of Connecticut suit.

APPROVE FY 2014-15 PARKING AUTHORITY BUDGET.

Mr. Hamilton reviewed the details of the Parking Authority Budget for approval by both the BET and the Finance/Claims Committee as outlined in the back up included in information packet. The largest expense is for the Maritime Garage.

Mr. Hempstead asked what would happen if the City eliminated the debt service. He wished to know what impact that would have on the whole. Mr. Hamilton then reviewed the details with the committee. Mr. Alvord said that the debt service was decreasing, but that the Authority had to manage the maintenance of both Haviland and Yankee Doodle. He added that the parking fees does not have a consistent rate. The rates vary from area to area. Mr. Alvord said that people often pay for the convenience. Discussion followed about raising the parking fees at night.

Mr. Alvord said that according to Mr. Gibbs, who recently presented a development plan, the Authority is doing the right thing, but the rates are too low. Mr. Alvord explained that permit sales were going up and transit sales are going down.

Mr. Petrini asked what kind of projects were underway. Mr. Alvord said that the Maritime Garage cost at 14 million, but the Haviland Street garage needed repairs and so did Yankee Doodle. There were also back up generators at the Railroad Station.

Mr. Kimmel asked how much the debt had decreased. Mr. Alvord said it had decreased by 2.6%. Webster lot will be paved, but the funds for that have been allocated for that.

Mr. Hempstead asked how far the City was in for the Maritime garage. Mr. Alvord said that the Maritime Garage opened in 2004, so the City had paid off about 10 years worth of debt.

**** MR. PETRINI MOVED TO APPROVE THE PARKING AUTHORITY APPROVED BUDGET FY 14-15.**

**** THE MOTION PASSED UNANIMOUSLY.**

APPROVE FY 2014-15 WPCA BUDGET.

Mr. Kimmel said that the Treatment Plan did okay in the last storm. Mr. Alvord said that the City had about 4-8 inches of rain on the 29th and 30th. No solids were released in to the Sound. There were a few manholes were supercharged and this was reported to the DEEP as and overflow.

Mr. Kimmel asked how the Wolfpit area fared during the storm. Mr. Alvord said that each time there is a storm similar to this, the staff checks the areas prone to flooding. There were some reports of water on property or in basements but these turned out to be accumulations that were not due to City drainage issues.

Mr. Hamilton then gave an overview of the WPCA budget and said that currently, the WPCA does have enough in their fund balance to avoid having to bond for capital projects. He added that there was reduction in the debt service because last year was the first year of the debt service, and this includes a major payment on the principal.

Mr. Petrini asked about the increase in the legal fees. Mr. Alvord said that there were some permitting issues and a public hearing that increased the costs. He added that the WPCA is suing the manufacturer of the pumps, which have failed but were under warranty.

**** MR. IGNERI MOVED TO APPROVE THE WPCA BUDGET AS PRESENTED.**

**** THE MOTION PASSED UNANIMOUSLY.**

RESOLUTION MAKING APPROPRIATIONS FOR VARIOUS PUBLIC IMPROVEMENTS AGGREGATING \$22,457,000 FOR 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.

Mr. Hamilton then reviewed the details for the request for the General Obligation Bonds. He said that the number was lower because the WPCA was going to pay for some Capital improvements out of their Fund Balance. Mr. Hamilton said that this base resolution has to be approved by both the BET and the Finance/Claims.

Mr. Hempstead asked how the municipal bonds rate were. Mr. Hamilton said that he believed the rates would be a little higher this year. He expects the rates to be in the low to mid range 3%,

**** MR. SIMMS MOVED THE FOLLOWING:**

A RESOLUTION MAKING APPROPRIATIONS FOR VARIOUS PUBLIC IMPROVEMENTS AGGREGATING \$22,457,000 FOR 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.

**** THE MOTION PASSED UNANIMOUSLY.**

DISCUSSION ON TAX RELIEF PROGRAM FOR THE ELDERLY.

Mr. Stewart, the Tax Assessor, came forward and said that he had been asked to project the scenarios if the City increased the tax break for the elderly. He then reviewed the projections included in the back up material with the Committee members. Discussion followed.

Mr. Kimmel asked if Mr. Stewart could provide a report showing the impact if 5%, 10% and 15% more residents enrolled in the program. Mr. Hamilton said that this could be done. Mr. Hempstead asked what the Council could do to offset the cost of the program. A brief discussion followed.

Mr. Kimmel asked what would be the latest to have the resolution ready to present to Ordinance. Mr. Stewart said that it would have to be in December. Discussion followed.

Mr. Hempstead wanted to know what would happen if a large number of people enrolled. Mr. Hamilton explained that if the number increased to the point where they hit the cap, then the enrollees would receive a proportionally decreased tax deduction.

Mr. Stewart explained that each year, the State issues a letter that increases the income levels for enrollees. Most years, the State increases it by 1.5%. As the income cap increases, more people qualify.

Mr. Kimmel said that next month, the spreadsheet will have an increase of 5%, 10% and 15% increased enrollment. He commented that this was an interesting discussion.

Mr. Igneri asked if there was any tax relief for those under 65. Mr. Hamilton said that there was a program for those who were disabled, but the calculation would still be based on income. There is no tax relief for those who are widowed and under 65.

DISCUSSION ON COUNCIL EXPENDITURE BUDGET.

Mr. Hempstead said that he had compiled some draft parameters on how the funds might be spent. These will be sent to the caucus for discussion and then brought back to the Committee.

Mr. Kimmel said that he would like to have a discussion about the revaluation and what things worked well and what did not work well.

ADJOURNMENT.

**** MR. IGNERI MOVED TO ADJOURN.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:55 p.m.

Respectfully submitted,

Sharon L. Soltes
Telesco Secretarial Services