

**CITY OF NORWALK
FINANCE/CLAIMS COMMITTEE
DECEMBER 11TH, 2014**

ATTENDANCE: Bruce Kimmel, Chair; John Igneri, Jerry Petrini, Travis Simms, Douglas Hempstead (7:20)

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

OTHERS: Rich Rudl, Board of Education Finance; Alan Lo, Building and Facilities Management

Mr. Kimmel called the meeting to order at 7:02 p.m. A quorum was present.

He noted that Mr. Hempstead would be late. He then discussed the preliminary hearing for budgets, noting that he'd like to congratulate Mr. Hamilton on this year's budget. He then asked if everything had been taken care of with the publicity campaign letter and tax bill for Senior tax relief. Mr. Hamilton said there is a notice on the tax bill, which will go out with the January tax bills.

Mr. Hamilton then mentioned an effort being spearheaded by Donna King. Mr. Hamilton said the only database that has date of birth in it is the Registrar Voter's database, which they need. He said the intention is to send out that brochure, but there is also a separate updated brochure, just on the Senior Tax Relief program, on the City website. Mr. Hamilton didn't want too much information in front of people, as the brochure they have already gives all the qualifying information for the program – but presenting people with the notion that the program is available and giving a phone number might be easier.

PUBLIC PARTICIPATION

Mr. Kimmel asked if anyone from the public would like to speak. There was no reply. He then stated that he would close that part of the meeting.

APPROVE THE MINUTES OF THE FOLLOWING FINANCE COMMITTEE MEETING:

NOVEMBER 13, 2014

**** MR. IGNERI MOVED TO ACCEPT THE MINUTES AS PRESENTED
** MOTION CARRIED WITH 3 VOTES IN FAVOR, AND ONE ABSTENTION (MR. SIMMS)**

CLAIMS COMMITTEE: RECEIVE THE MONTHLY CLAIMS REPORT; REVIEW AND APPROVE CLAIMS AS REQUIRED FOR CLAIMS REPORT: DATED DECEMBER 11,

2014

NARRATIVE ON TAX COLLECTIONS DATED DECEMBER 11, 2014 – RECEIVE REPORT AND DISCUSS.

MONTHLY TAX COLLECTOR’S REPORTS – RECEIVE REPORTS AND DISCUSS: NOVEMBER 30, 2014

Ms. Biagiarelli mentioned she would address the Senior issue first, and noted that bills are going out Monday. Announcements about the Senior programs being offered will be in blue, on the front of the bill. Ms. Biagiarelli then highlighted informational aspects of the bill. She talked about her flyers/pamphlets, and passed out samples to the Committee members. Mr. Hamilton mentioned that the information is featured on the front page of the City’s website. He said he asked the IT department, to put it back on the front page on February 1st, 2015. Mr. Kimmel stated this will have an assumed 10% increase in participation. He then asked if there was a way to deal with a situation in which things went better than expected without eliminating tier 2. Mr. Hamilton replied that there is no limit until the statutory ordinance is reached, somewhere around 2%. He said a 40% increase in participation would warrant a reduction in benefits for tier 2, but that is unlikely.

Ms. Biagiarelli said they are on target, according to the previous year. She then asked that people send her an email to let her know bills were received. She continued, saying they were doing a wage garnishment of City employees. She mentioned that they are on the threshold of \$2,000,000 on the work with their marshal on delinquent business properties, which she hopes to make by the end of the calendar year. They are only \$6,000 short. Ms. Biagiarelli said that she, Mr. Foley, and the Law Department are going to the Ordinance Committee the following week to deal with companies owing back taxes for bidding on City contracts in order to keep a high current rate, which enables the Department of Finance and the Board of Estimate to set a rate lower than it otherwise would be.

Ms. Biagiarelli said the Tax Sale is wrapping up in the next 5 weeks; redemption period ends on January 21, 2015. Properties that don’t redeem will transfer deeds on January 22, and that is all up on the website. Discussion about the details ensued. Ms. Biagiarelli also noted that if taxpayers owe back taxes, they are not be renewed permits. If they come into the Health Department to renew their permit they are to be sent across the parking lot, to see her first. The State law asserts that if they have back taxes they can’t be made to pay current taxes.

Mr. Hempstead joined the meeting at 7:20.

RECEIVE BOARD OF ESTIMATE AND TAXATION APPROPRIATIONS DATED:
DECEMBER 11, 2014

Mr. Kimmel introduced the item.

Mr. Hamilton said it is a standard function as grants are received. He said if they are under \$5,000 it's handled internally; if it exceeds that it requires a formal appropriation. He recommended approval. Mr. Kimmel asked about the process by which the assets of criminals are seized. Mr. Hamilton reviewed the details of the forfeiture. He also noted that there is typically a lag time between the Police Department knowing that funds will likely be coming, and when they are actually seen in the bank. He said he didn't believe the City received the assets before the trial, but he would look into it.

Mr. Kimmel then asked if there were any questions before moving on to a review of item 2.

He then asked if Mr. Rudl would like to comment. Mr. Rudl explained that the Board of Education had received a \$2.9 million surplus the previous year. Of that sum \$1.3 million was returned. He mentioned that Superintendent Rivera and the Mayor had jointly decided to support Kids in Crisis and Mr. Greenbaum's Special Education program, both of which suffered financial cuts. He recommended using a portion of that surplus to support the two programs, as the costs would otherwise fall on the Board of Education. Mr. Kimmel suggested that the cost would have exceeded \$90,000 without the help of the organizations. Mr. Rudl confirmed this. Mr. Hamilton noted that this was a pre-existing organization, and that scaling back or eliminating the program would almost certainly have a negative financial impact. Mr. Petrini said that these programs could save the City \$750,000. Mr. Hempstead agreed, but said that a downside was that the State would cut some Mental Health programs, meaning the City would have to pay more.

Mr. Kimmel then noted that they would move it without a vote.

RESOLUTION, AUTHORIZING A SPECIAL CAPITAL APPROPRIATION IN THE
AMOUNT OF \$880,000 TO FUND THE CONSOLIDATION AND CLASSROOM
CONVERSION AT ROOSEVELT SCHOOL TO ESTABLISH A PRE-K CENTER AT THIS
BUILDING. ACCOUNT NO. 09155010-5777-C0555.

Mr. Kimmel introduced the item and handed the floor to Mr. Rudl.

Mr. Rudl said the former superintendent issued a report recommending consolidating Special Ed. Pre-K. He then said that they were currently doing 50/50 classes, i.e. 50% are special education students and 50% are regular students, at a variety of schools in Norwalk. Mr. Rudl then noted that Dr. Rivera had identified cost issues and also education issues with the current Special Ed. program and that classroom space in other schools would inherently open up in this circumstance, which would help overcrowded schools like Marvin.

Mr. Hempstead then asked about the process. Mr. Lo said the current goal is to finish by August 15, 2015. He said that they are 50% complete on the construction documents, are going out to bid in January, and that they are looking to begin construction in March. He then said there is a 90-95% chance that they will finish on time. He said they are funding the entire project through City funds, and that \$771,000 of the surplus money was previously approved and with the \$880,000 the total cost is around \$1,651,000 for the whole project. He said they talked to the State on Tuesday and the strategy was to ask for a reimbursement after, although the State might not fund the entire reimbursement but they will move ahead regardless.

Mr. Hempstead wanted to know if the money and everything necessary was in place to begin moving forward. He wanted to make sure they wouldn't be waiting on the State's decision. Mr. Hamilton noted that this was only Phase 1, and that Phase 2 has not yet been funded. He said that the intention of Phase 1 is to be ready for school's opening in September. Mr. Lo then explained that Phase 1 would entail renovating 6 classrooms and adding bathrooms; Phase 2 would be renovating the gymnasium, and developing a strategy to convert it into 2 additional classrooms.

Mr. Lo said the cost would be \$500,000. Mr. Hempstead asked what the savings estimate was. Mr. Hamilton said that it was within the Board's budget for the estimate. He stated the initial savings would be for 2015-2016 approximately \$350,000. Mr. Petrini asked about State approval. Mr. Lo said that there are only two people that review school construction projects in the state. He detailed his visit to the State and their review of the project. He noted that he would submit the attachment required the following week. Mr. Lo then said that without preliminary backing there would be no reimbursement. He then said that they could offer the State a local review. Mr. Kimmel noted that 22 positions for applied special education services would probably immediately start saving the City money.

Mr. Hamilton said that at the end of the previous year's budget cycle one of the focus points made was Special Education, and months were spent looking at a variety of attributes to the program. Mr. Hamilton also noted that just over \$2,000,000 was spent contracting out aids and ADA therapists, each with a price range of \$50-100,000+. He said that hiring an ADA Specialist in-house would cost about \$50,000. Mr. Kimmel mentioned they understood that at one point the Board had \$1,600,000 of the surplus. Hhe asked what they decided to do with the rest of the \$800,000. Mr. Hamilton stated that they allocated \$771,000 to Roosevelt project, and that they allocated just over \$300,000 to support the early college category; they also allocated some money for strategic investments that the superintendent wanted.

**** MR. PETRINI MOVED TO APPROVE RESOLUTION
** MOTION PASSED UNANIMOUSLY**

**AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE A CONTRACT
EXTENSION WITH DB&R CONSULTING, LLC, TO PROVIDE RISK MANAGEMENT
CONSULTING SERVICES FOR THE PERIOD COMMENCING JANUARY 1, 2015
AND ENDING JULY 31, 2015, FOR AN HOURLY RATE OF \$195/HOUR, AND NOT TO
EXCEED \$50,000. ACCOUNT #161343-5258**

Mr. Kimmel introduced the next item.

Mr. Hempstead asked if they were going to redo the Roosevelt parking lot. Mr. Rudl replied that they were not. Mr. Kimmel said they would discuss that going forward. He continued, introducing the topic of an in-house Risk Manager. He asked if there had been a 6 month extension. Mr. Hamilton said there had not. They'd had a 1 year extension the previous year, and he had indicated that they would evaluate the situation to see if they were going to bring in an in-house Risk Manager or put out an RFP. He noted that the 1 year extension ends on December 31, 2014.

Mr. Hamilton said that they put together an RFP and got it out to test responses, but were not impressed by replies. Mr. Hamilton highlighted the importance of having a steady Risk Manager. He said they have a good Risk Manager contractor currently, but they only pay for 7-8 hours a week, which is not enough time to accomplish all that needs to be done. He recommended restoring the full-time position of Risk Manager, defunded in 2003. Mr. Hamilton said it would take time to recruit, and he would like to have overlap between the current Risk Manager and the next. He said they are planning to do a full remarketing of the City's insurance program, noting that this would be a piece handled by CIRMA.

Mr. Hamilton said this is the core liability program for the city, and although CIRMA is the predominant player in Connecticut, there are other alternatives. He noted that every 5 years they like to do a full remarketing to see what commercial insurance is available, and to put CIRMA in competition. Mr. Hamilton stated that they are aiming for a July 1, 2015 implementation. He then noted that putting together the RFP, evaluating responses and implementation is a large undertaking. He then talked about the full remarketing they'd done for property insurance the year before, and said they should see what other carriers in the market are interested in doing business with the City.

Mr. Hamilton mentioned that the workers' compensation third party administrator was due to be remarketed, and that that was currently being handled by CIRMA. Mr. Petrini mentioned that they are currently spending \$85,000/year on these services, and asked what he thought the cost of bringing on a full-time Risk Manager would be, including benefits. Mr. Hamilton said the salary would range between \$85,000 - 90,000, and benefits would be roughly an additional 40%, but it would provide many more hours of service, and substantial savings. He mentioned that there has been a loss of control in the liability area, and that they used to do playground inspections and other inspection work that is

now mostly left to the departments.

Mr. Petrini asked why they got rid of it. Mr. Hamilton replied that there had been interest in trying to do it in house, but he thinks they lost something in not having the necessary number of hours. He said that there is a lot going on in Norwalk for a Risk Manager to be involved in. Mr. Hempstead observed that the authorization should say 2015 and not 2014, for housekeeping purposes. Mr. Kimmel noted that it had been corrected.

Mr. Hempstead then asked if this job has been eliminated or just not funded. Mr. Hamilton said that the Personnel Department still has it as an ordinance position with an existing grade attached to it, so it does still exist. He noted that they are upgrading the job description because it needs to be updated in some ways, but that it is still on the City's roster. Mr. Hempstead asked if that position reports to the Personnel Department. Mr. Hamilton said it does not, and noted said that the position reports to the Budget Department.

Mr. Kimmel then reviewed the item and asked if anyone would like to make a motion.

**** MR. SIMMS MOVED TO AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE A CONTRACT EXTENSION WITH DB&R CONSULTING, LLC, TO PROVIDE RISK MANAGEMENT CONSULTING SERVICES FOR THE PERIOD COMMENCING JANUARY 1, 2015 AND ENDING JULY 31, 2015**

**** MOTION PASSED UNANIMOUSLY**

**** MR. IGNERI MOVED TO ADJOURN THE MEETING**

**** MOTION PASSED UNANIMOUSLY**

The meeting adjourned at 7:52 p.m.

Respectfully submitted,

Justin Hoffmann

Telesco Secretarial Services