

CITY OF NORWALK
BOARD OF ESTIMATE AND TAXATION
SPECIAL MEETING
APRIL 10, 2018

ATTENDANCE: Edwin Camacho, Chair; Harry Rilling, Mayor; James Feigenbaum,
James Frayer, Troy Jellerette, Artie Kassimis, James Page
STAFF: Robert Barron, Director of Finance, Donna King, City Clerk

CALL TO ORDER

Mr. Camacho called the meeting to order at 6:30 p.m. City Clerk King called the roll and noted the members in attendance as above listed and that a quorum was present.

1. To amend the FY 2018-19 Tentative Operating Budget's total expenditures to \$354,088,655. This represents a \$950,000 increase to the tentative budget adopted by the Board of Estimate and Taxation on April 2, 2018. This additional \$950,000 will be added to the expenditures for the Board of Education and the revenues for the Use of Fund Balance in order to maintain the previously published average mill rate increase of 3.7%. The Board of Education's new appropriation will total \$190,494,217, a \$6,409,869 or 3.5% increase to its current year appropriation and the Use of Fund Balance will increase to \$2,950,000.

Mr. Camacho read the item and Mayor Rilling moved it for discussion. Mr. Barron reviewed supporting document attached and outlined lines as highlighted and explained the decrease in Intergovernmental Revenue as a result of the amendments to Education-Public. He explained the increase in Transfer from Fund Balance that represented no change to the Average Mill Rate.

Mr. Jellerette thanked the Mayor for all the work in negotiations with the Board of Education and Finance Directors on working on this budgetary compromise to fund the Strategic Operating Plan. He asked to outline the differences from the original request of \$9.9 million in relation to the Superintendent's recommended cuts of \$4.4 million.

Mr. Barron outlined the original recommendation and the agreements to add \$950,000 in addition to \$1.1 million from the BOE Insurance Fund Reserve. He further explained that the Superintendent had outlined budget reductions along with delaying the implementation of the high school increase in credits until 2019-20.

Mr. Frayer thanked Mr. Barron for a great job in outlining the various scenarios that clearly showed how capable he is in handling the City's finances and his knowledge and insights on municipal and state funding. He asked for more detail in next year's budget process to have a line-by-line detail of the Board of Education spending requests rather than totals versus prior years. He further explained that it would help to track spending by line item detail for greater transparency to determine how the budget is actually spent.

Mr. Barron noted that this is a very good point and explained that it is done for each department at the beginning of the budget process. He added that there have been investments in areas that should generate long-term savings such as Special Education funding to reduce out of district placements and the State 2.0 Insurance plan. He noted that there is an expectation to closely examine those areas of funding to measure the financial effectiveness of those initiatives in relation to further spending investments.

Mr. Camacho noted that there was a motion to approve and that a vote was requested by 7:00 p.m. in order to place the item on the agenda for tonight's Common Council meeting.

**** MR. FRAYER MOVED TO APPROVE THE AMENDMENT OF THE OPERATING BUDGET AS OUTLINED.**

**** MOTION TO APPROVE PASSED UNANIMOUSLY.**

Mr. Camacho read the following item.

2. To request an increase of \$950,000 to the FY 2018-19 Operating Budget Cap established by the Common Council on February 27, 2018. The requested cap is \$337,118,940 and will require the Common Council to adopt the following resolution with a 2/3rd affirmative vote of its entire membership:

WHEREAS, Section 1-289 of the Norwalk Charter requires that a 2/3rd affirmative vote of the entire membership of the Common Council is necessary to amend the maximum limit on locally funded expenditures previously established on February 27, 2018.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF NORWALK THAT:

The amended maximum limit on total appropriations for the City of Norwalk for Fiscal Year beginning July 1, 2018, shall be no more than \$337,118,940. This appropriation cap represents total expenditures of \$354,088,655 less estimated intergovernmental grants of \$16,969,715. Be it further resolved that the result of this vote and resolution be forwarded by the Clerk of the City of Norwalk to the Board of Estimate.

**The City of Norwalk Board of Estimate and Taxation
AMENDED TENTATIVE FY 2018-19 BUDGET**

Tuesday, April 10, 2018

EXPENDITURES BY DEPARTMENT	2017-18	2018-19		
	APPROVED BUDGET	BUDGET	AMENDED TENTATIVE \$	%
MAYOR	\$ 451,948	\$ 454,454	\$ 2,506	0.6%
LEGISLATIVE	\$ 15,550	\$ 15,550	\$ -	0.0%
CORPORATION COUNSEL	\$ 1,222,296	\$ 1,301,775	\$ 79,479	6.5%
CITY CLERK	\$ 382,024	\$ 395,136	\$ 13,112	3.4%
TOWN CLERK	\$ 605,725	\$ 645,143	\$ 39,418	6.5%
INFORMATION TECHNOLOGY	\$ 1,872,121	\$ 1,971,354	\$ 99,233	5.3%
PERSONNEL	\$ 605,385	\$ 634,471	\$ 29,086	4.8%
HUMAN RELATIONS & FAIR RENT	\$ 345,384	\$ 385,169	\$ 39,785	11.5%
YOUTH SERVICES	\$ 331,505	\$ 364,358	\$ 32,853	9.9%
REGISTRAR OF VOTERS	\$ 401,988	\$ 547,143	\$ 145,155	36.1%
FINANCE DIRECTOR	\$ 213,985	\$ 218,175	\$ 4,190	2.0%
TAX ASSESSOR	\$ 832,860	\$ 980,964	\$ 148,104	17.8%
TAX COLLECTOR	\$ 964,381	\$ 949,851	\$ (14,530)	-1.5%
ACCOUNTING & TREASURY	\$ 887,520	\$ 1,052,819	\$ 165,299	18.6%
MANAGEMENT & BUDGETS	\$ 323,570	\$ 337,477	\$ 13,907	4.3%
PURCHASING	\$ 403,129	\$ 423,818	\$ 20,689	5.1%
HEALTH DEPT	\$ 2,096,437	\$ 2,256,704	\$ 160,267	7.6%
POLICE DEPT	\$ 21,336,032	\$ 22,731,915	\$ 1,395,883	6.5%
FIRE DEPT	\$ 17,391,361	\$ 18,945,155	\$ 1,553,794	8.9%
PLANNING & ZONING	\$ 1,270,578	\$ 1,241,698	\$ (28,880)	-2.3%
CODE ENFORCEMENT	\$ 816,081	\$ 933,768	\$ 117,687	14.4%
COMBINED DISPATCH	\$ 2,615,912	\$ 2,855,704	\$ 239,792	9.2%
PUBLIC WORKS	\$ 17,138,744	\$ 18,171,392	\$ 1,032,648	6.0%
WPCA	\$ 393,626	\$ 393,626	\$ -	0.0%
EDUCATION-PUBLIC	\$ 184,084,348	\$ 190,494,217	\$ 6,409,869	3.5%
RECREATION AND PARKS	\$ 4,388,536	\$ 4,543,045	\$ 154,509	3.5%
LIBRARY	\$ 3,833,090	\$ 3,978,024	\$ 144,934	3.8%
HISTORICAL COMMISSION	\$ 232,674	\$ 257,534	\$ 24,860	10.7%
GRANT AGENCIES	\$ 2,128,681	\$ 2,243,471	\$ 114,790	5.4%
DEBT SERVICE	\$ 25,948,865	\$ 28,447,763	\$ 2,498,898	9.6%
ORGANIZATIONAL MEMBERSHIPS	\$ 100,357	\$ 105,014	\$ 4,657	4.6%
EMPLOYEE BENEFITS	\$ 31,994,473	\$ 33,591,482	\$ 1,597,009	5.0%
PENSIONS	\$ 13,614,000	\$ 10,994,024	\$ (2,619,976)	-19.2%
CONTINGENCY	\$ 3,921,810	\$ 1,226,462	\$ (2,695,348)	-68.7%
TOTAL EXPENDITURES	\$ 343,164,976	\$ 354,088,655	\$ 10,923,679	3.2%
REVENUES				
CURRENT TAX REVENUES				
GRAND LIST	\$ 12,220,457,278	\$ 12,276,893,154	\$ 56,435,876	0.5%
AVERAGE MILL RATE	\$ 25.261	\$ 26.192	\$ 0.931	3.7%
TOTAL TAX LEVY	\$ 308,700,250	\$ 321,550,816	\$ 12,850,566	4.2%
RESERVE FOR UNCOLLECTED	\$ 4,630,504	\$ 5,787,915	\$ 1,157,411	25.0%
Uncollected Rate	1.5%	1.8%	0.3%	
TAX LEVY NET OF UNCOLLECTED	\$ 304,069,746	\$ 315,762,901	\$ 11,693,155	3.8%
Collection Rate	98.5%	98.2%	-0.3%	
LOCAL ELDERLY TAX RELIEF	\$ 1,510,759	\$ 1,510,759	\$ -	0.0%
OTHER PROGRAMS	\$ 618,181	\$ 618,181	\$ -	0.0%
TAX APPEALS	\$ 1,515,000	\$ 1,515,000	\$ -	0.0%
TOTAL REDUCTIONS	\$ 3,643,940	\$ 3,643,940	\$ -	0.0%
NET CURRENT TAX REVENUES	\$ 300,425,806	\$ 312,118,961	\$ 11,693,155	3.9%
OTHER TAX REVENUES				
BACK TAX COLLECTIONS	\$ 2,000,000	\$ 2,000,000	\$ -	0.0%
SUPPLEMENTAL AUTOS	\$ 2,100,000	\$ 2,100,000	\$ -	0.0%
OTHER TAX REVENUES	\$ 4,100,000	\$ 4,100,000	\$ -	0.0%
NET TAX REVENUES	\$ 304,525,806	\$ 316,218,961	\$ 11,693,155	3.8%
NON-TAX REVENUES				
INTEREST & PENALTIES	\$ 1,806,427	\$ 1,836,801	\$ 30,374	1.7%
INTERGOVERNMENTAL REVENUE	\$ 19,241,740	\$ 16,969,715	\$ (2,272,025)	-11.8%
INVESTMENT INCOME	\$ 1,000,000	\$ 1,000,000	\$ -	0.0%
DEPARTMENTAL RECEIPTS	\$ 13,623,862	\$ 11,991,855	\$ (1,632,007)	-12.0%
MISCELLANEOUS	\$ 2,967,141	\$ 3,121,323	\$ 154,182	5.2%
TRANS FROM FUND BALANCE	\$ -	\$ 2,950,000	\$ 2,950,000	0.0%
TOTAL NON-TAX REVENUES	\$ 38,639,170	\$ 37,869,694	\$ (769,476)	-2.0%
TOTAL REVENUE	\$ 343,164,976	\$ 354,088,655	\$ 10,923,679	3.2%
REVENUES LESS EXPENDITURES	\$ -	\$ -	\$ -	0.0%
COUNCIL CAP APPROVED 2/27/2018	\$ 329,967,112	\$ 336,168,940		
* BET CAP (Expenditure - IG Revenue)	\$ 323,923,236	\$ 337,118,940		
VARIANCE (LESS THAN CAP)	\$ (6,043,876)	\$ (950,000)	Requested Cap Increase	
		\$ 456,705	City Expenditure Decrease	
		\$ (950,000)	BoE Expenditure Increase	
		\$ (456,705)	IG Revenues Decrease	
		\$ (950,000)	Requested Cap Increase	

Mr. Barron noted that the above item was the Common Council action required. He outlined the City's strategy for the Fund Balance and avoidance of future draw downs to protect the AAA bond rating. He explained that this is a financial performance measure used nationally and outlined the need for the City to borrow at the lowest rate.

Mr. Feigenbaum noted that the rating could represent millions of dollars to the City.

Mayor Rilling thanked the Board members for their efforts on the budget amendment and noted that their patience was greatly appreciated in the special meetings and time dedicated to this resolution.

**** MR. FRAYER MOVED THE ITEM FOR APPROVAL.**

**** MOTION PASSED UNANIMOUSLY.**

Adjournment

**** MR. FEIGENBAUM MOVED TO ADJOURN.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 7:05 p.m.

Respectfully submitted,

M. Knox

Telesco Secretarial Services