

**CITY OF NORWALK
BUDGET AND APPROPRIATIONS
REGULAR MEETING
MARCH 7, 2011**

ATTENDANCE: Fred Wilms, Chair; James Feigenbaum, Michael Kolman, Michael Lyons via telephone conference call

STAFF: Ellen Wink, City Clerk; Thomas Hamilton, Director of Finance; Bob Barron, Finance

OTHERS: Council Members Nicholas Kydes; James Haselkamp, Personnel Director; Dr. Lynne Moore, West Rocks Junior High; Bruce Mellion, NFT; Adam Bovilsky, Human Relations/Fair Rent Director; Robert Maslan, Corporation Counsel

CALL TO ORDER

Mr. Wilms called the meeting to order at 7:45 p.m. A quorum was present.

APPROVAL OF MINUTES - FEBRUARY 7, 2011

Page 1, under **STAFF**: please add "Thomas Hamilton, Director of Finance; Robert Barron, Finance Department".

Page 6, last paragraph, line 1: please change the following from: "Mr. Kolman said that the structure of the proposal was fair to the City over the first three years, but the remaining years would have an increase." To Mr. Kolman said that the structure of the proposal was fair to the City, but it would have a negative impact on the City budget over the first three years."

**** MR. WILMS MOVED TO APPROVE THE MINUTES OF FEBRUARY 7, 2011 AS CORRECTED.**

**** THE MOTION PASSED UNANIMOUSLY.**

SPECIAL APPROPRIATIONS AGENDA (SECTION A)

List of Resolutions

Advertised Items - 1

Resolve that a sum not to exceed \$280,664 be and the same is hereby transferred from Contingency to the Police Department to purchase 8 Crown Victoria Police Cars. (Account # 01-3053-5731)

Mr. Hamilton explained that the Police Department has requested permission to purchase the police cruisers now because Ford is discontinuing the Crown Victoria vehicle line. The new replacement for these vehicles is expected to be a Ford Taurus, but it is expected that if the City waits until the new vehicles come out next spring, they will cost more. With all the additional equipment that the cruisers require, this could be a significant cost increase. Mr. Hamilton said that his department was recommending this request be approved.

Mr. Kolman asked if this was part of the vehicle replacement program. Mr. Hamilton explained that the City did not purchase any vehicles the year before last due to the financial situation. He added that the vehicles see hard use. Mr. Wilms said this topic had been discussed in previous years. Mr. Hamilton said that Chief Rilling has requested 10 vehicles and Mr. Hamilton was recommending 8. Mr. Lyons said that it seemed reasonable to him. Moving the purchase up because of the discontinuation of the vehicle model seemed like a good idea.

**** MR. WILMS MOVED TO APPROVE THE FOLLOWING RESOLUTION:**

RESOLVE THAT A SUM NOT TO EXCEED \$280,664 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO THE POLICE DEPARTMENT TO PURCHASE 8 CROWN VICTORIA POLICE CARS. (ACCOUNT # 01-3053-5731)

**** THE MOTION PASSED UNANIMOUSLY.**

Report on Special Appropriations

There were no Special Appropriations to consider.

Justification/Back-Up

TRANSFER AGENDA (Section B)

The following transfer was requested by the Police Department:

The sum of \$11,000 from Account 01-3042-5120 (Training Overtime) to Account 01-3061-5272 (Training and Education) to cover tuition reimbursement that is authorized by the Police Commission and required under the current bargaining agreement.

Mr. Wilms then explained the difference between the Special Appropriations and the Transfer Accounts for the UConn students were present.

Mr. Haselkamp reminded those present that this was in the contract as a benefit.

**** MR. WILMS THEN MOVED TO APPROVE THE FOLLOWING TRANSFER:**

THE SUM OF \$11,000 FROM ACCOUNT 01-3042-5120 (TRAINING OVERTIME) TO ACCOUNT 01-3061-5272 (TRAINING AND EDUCATION) TO COVER TUITION REIMBURSEMENT THAT IS AUTHORIZED BY THE POLICE COMMISSION AND REQUIRED UNDER THE CURRENT BARGAINING AGREEMENT.

**** THE MOTION PASSED UNANIMOUSLY.**

OTHER BUSINESS (Section C)

1. Elderly Tax Relief Proposal

Mr. Wilms then acknowledged that Council Member Kydes, the chairman of the Finance and Claims Committee was present.

Mr. Hamilton then gave a presentation about the history of the Elderly Tax Relief ordinance to the BET member and reviewed the process for the proposal. He explained that there were two tiers, and that Tier 1 was a percentage based on the State income limit. Tier 1 ranges from 0 to \$27,000 while Tier 2 ranges from \$27,000 to \$47,000. He then explained how the change would affect the qualified residents. The local program does not have any reimbursements from the State. Mr. Hamilton explained what the new incurred costs would be to the City.

Mr. Kydes then came forward and thanked the Chairman and the BET members for the opportunity to speak to the Board about this. He said that his committee appreciated the opportunity to work with the Mayor and the Finance Committee on this project. After evaluating the various surrounding towns, he said it became evident that Norwalk has a good program. However, in today's economy, it is important to balance the needs of all the residents. He reminded everyone that the seniors on Social Security had not had an increase for the last three years. The proposal that has been presented is one that will not put any burden on the other taxpayers, but will help the elderly citizens of Norwalk meet their financial goals.

Mr. Wilms reminded everyone that there are two programs available, one of which is a tax deferral program, and the one under discussion. The elderly are not very interested in placing a lien on their homes. Mr. Wilms said that he likes the fact that the tax cuts will go directly to those who need it.

Mr. Lyons said that he liked the various aspects of the proposal. He added that there would be an increase in taxes because of overall contractual costs, but that he felt that it would be a good compromise proposal.

Mr. Hamilton said that he was happy to see that the proposal was structured within the existing program. Having a separate program like Danbury would have resulted in some major changes. A letter regarding this recommendation was passed around for the Board members to see.

**** MR. WILMS MOVED TO APPROVE FORWARDING THE ELDERLY TAX RELIEF PROPOSAL TO THE COMMON COUNCIL.**

**** THE MOTION PASSED UNANIMOUSLY.**

ADDITIONAL INFORMATION (Section D)

Oak Hills Financial Status - January 2011

Summary of Special Appropriation - FY 2010-11

Summary of Contingency - FY 2010-11

Financial Reports

Year to date Capital Budget Report (FY-2010-11)

Year to date Operating Budget (FY 2010-11)

Board of Education Budget Report (FY 2010-11)

BET/BOE Finance Committee Special Joint Meeting

Tax Collection Report – November 2010

Tax Collector's Narrative – December 2010

Key Revenue Report

Salary Accounts

Fire Overtime

Dispatch Overtime

Police Overtime

Mr. Wilms then asked Mr. Hamilton to review the status of the key revenue drivers for the City.

Mr. Hamilton said that the key revenue drivers have been updated through February. Performance on budget on Real Estate Conveyance tax; He announced the Governor's budget had recommended that this tax be extended for another year rather than sun setting on June 30th.

Town Clerk recording fees are currently running 13% ahead of budget.

Interest income is projected to fall short. Currently, the City is about 20% below the expected rate, as interest declines. It is expected to be short by 15%.

Code Enforcement is running 36% behind last year. Mr. Hamilton said that he was hopeful about the spring, but was expecting a deficit of 20% or more by the end of the budget year.

The discussion then moved to the securities and their duration. Mr. Hamilton said that the City policy is not to purchase anything with more than a five year maturity. Mr. Kolman asked about last year's forecast. Mr. Hamilton said that he would ask Mr. Gildea to do a comparison for the

BET members. Mr. Wilms requested that the last two items be included for discussion for internal review.

Mr. Hamilton then reviewed the collection rates. He said that the overall collection rate was slightly better than last year, but the back tax collections were down significantly. This is a reflection of the fact that last year there was a tax lien sale last year.

Mr. Wilms reported that the Council had approved the proposed Oak Hills Golf Course restructural loan changes.

ADJOURNMENT

**** MR. WILMS THEN MOVED TO ADJOURN.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:30 p.m.

Respectfully submitted,

Sharon L. Soltes
Telesco Secretarial Services