

**CITY OF NORWALK  
BOARD OF ESTIMATION AND TAXATION  
REGULAR MEETING  
FEBRUARY 6,2012**

**ATTENDANCE:** Fred Wilms, Chair; James Feigenbaum, Leo Mellow, Michael Kolman

**STAFF:** Thomas Hamilton, Finance Director; Robert Barron, Finance Department; Tammy K. Grimes-McPherson Assistant City Clerk; James Haselkamp, Personnel Director

**OTHERS:** Robert Virgulak, Oak Hills Authority Chairman; Wally Englert, Oak Hills Authority; Shannon Giandurco, Oak Hills Authority Board Member; Thomas Vorio, Oak Hills Authority Manager

**CALL TO ORDER**

Mr. Wilms called the meeting to order at 7:30 p.m. Mr. Wilms introduced the members present and announced that there was a quorum.

**APPROVAL OF MINUTES**

**December 5, 2011 - Regular Meeting**

**\*\* MR. WILMS MOVED THE MINUTES OF DECEMBER 5, 2011.  
\*\* THE MOTION TO APPROVE THE MINUTES OF DECEMBER 5, 2011 AS SUBMITTED PASSED WITH THREE IN FAVOR (WILMS, KOLMAN AND FEIGENBAUM) AND ONE ABSTENTION (MELLOW).**

**SPECIAL APPROPRIATIONS AGENDA (Section A)**

**List of Resolutions -  
Advertised Items**

**Resolved, that a sum not to exceed \$6,055 be and the same is hereby transferred from Increased Estimated Revenues to the Police Department to pay for overtime expenses. (Account No.: 01-3010-4181)**

**\*\* MR. WILMS MOVED THE FOLLOWING RESOLUTION:**

**RESOLVED, THAT A SUM NOT TO EXCEED \$6,055 BE AND THE SAME IS HERBY TRANSFERRED FROM INCREASED ESTIMATED REVENUES TO THE POLICE DEPARTMENT TO PAY FOR**

**OVERTIME EXPENSES. (ACCOUNT NO.: 01-3010-4181)**

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

**Report on Special Appropriations**

There were no special appropriations at this time.

**Justification/Back-up material**

**TRANSFER AGENDA**

There were no items to consider at this time.

**OTHER BUSINESS (Section C)**

**Oak Hills Park Authority Proforma Income Statement**

Mr. Wilms said that it was important to take a forward looking approach. Everyone wants to see the golf course to be taken care of, but the Norwalk taxpayers are not in the position to financially assist the golf course. It was agreed that restructuring would be best. Mr. Wilms outlined the various aspects of this issue.

Mr. Virgulak said that the budget had been approved by the Authority along with the five year plan. He said that it is hoped that the marketing plan would increase the revenue. Mr. Barron said that in December, the Authority had come before them and said they would like to increase the rates. A new rate increase structure was approved and those figures have been used in the projected five year financials, which provided in the Board packet.

Mr. Barron then proceeded to give an overview of the key budget aspects and the plan restructuring. With the reduction on expenses, the conservative projection on the number of rounds, and the restructuring of the loan, Mr. Barron said that this was the kind of budget and restructuring that the City wanted to see. Mr. Virgulak said that at the public hearing, it was very clear that the residents were against the increase of the I.D. card, but not against the rate increases. A \$50 dollar increase will be achieved over the next few years in \$10 dollar increments. Discussion followed.

Mr. Wilms asked for an itemized list of the work that would need to be done to bring the course up to top notch condition. Mr. Ingler said that a list already exists but some of the items are on a Wish List, others on the Must Do list. He added that the success of the course depends on the economy, the weather and the condition of course. Discussion followed about having an RFP done for professional advice.

Mr. Virgulak asked to have the restriction regarding the \$5,000 cap on spending. Expenses over

\$5,000 currently requires the Authority to come before the BET for approval. Mr. Barron said that while he would like to see the restriction remain. Mr. Virgulak said that there is more oversight on the financials now, but also pointed out that there may be expenses that need to be paid immediately. Discussion followed.

Mr. Kolman had some questions about the number of rounds and a breakout of the resident/non-resident rates. Mr. Barron reviewed the details.

Mr. Kolman asked whether there was a golf pro factored in. Mr. Barron said that there was \$35,000 contingency for that. There are discussions with a golf company about possibly using operating it. Currently, the pro shop has no merchandise in it and is closed.

Mr. Mellow asked for clarification on the salaries and benefits for the staff. Mr. Ingler reviewed the figures with him.

Mr. Feigenbaum asked when the scheduled opening was and what staff would be present. Mr. Ingler explained that the Personnel Committee would be meeting next week to finalize all the details.

Discussion followed about the various revenue streams, hiring a consultant for a needs analysis and the restructuring figures.

Mr. Wilms said that the two items that needed to be set would be the restructured debt and the capital budget. The capital budget will be the first item that needs to be settled.

Mr. Kolman asked when the restaurant lease was up. Mr. Virgulak said that the restaurant lease was up in 2015.

The discussion then moved back to the \$5,000 spending cap. Mr. Kolman suggested that the Authority submit a budget like the City Departments do, and come back to the BET if there is a change.

Mr. Vorio pointed out that currently the course needs to replace the sewer pumps. If the sewer pump station goes down, the course and the restaurant would have to close. At the present time, the course is renting a pump. He then reviewed the list of improvement projects with the Board. Discussion followed about the timeline for locating a consultant, and having a five year capital needs assessment done in a month.

**\*\*MR. WILMS MOVED TO APPROVE \$20,000 FOR SUMP PUMPS AND \$10,000 FOR NEEDS ASSESSMENT STUDY CONSULTANT.  
\*\* THE MOTION PASSED UNANIMOUSLY.**

Mr. Vorio said that he had previously requested tee signs, which cost \$15,000. He passed around a sample design. There is an attached panel, which can be used for advertising. When asked, he

said that the course is 45 days away from opening and most of the work that needs to be done to bring the course up to top notch condition can't be accomplished before opening. The new tee signs will be a marketing effort.

**\*\* MR. WILMS MOVED TO APPROVE \$15,000 FOR TEE SIGNS.**

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

Mr. Vorio then said that he had received conditional approval on a grant for \$80,000 for work on the 16th and 17th hole. There are matching funds required, which will be provided through in house labor. The Conservation will help with the work, and Ms. Lemmon will be helping by providing professional assistance.

### **PRESENTATION OF THE RECOMMENDED FY 2012- 13 OPERATION BUDGET.**

Mr. Hamilton handed out copies of a presentation to the BET members. He reviewed the upcoming calendar for the meetings. He said that the economy is recovering but is recovering slowly. He then reviewed key facts, including the fact that employee health care costs are rising at double digit rates, pension contributions are major budget drivers and OPEB ARC (Annual Required Contribution) continue to increase beyond the capacity of Norwalk taxpayers to afford in detail. The Structural Budget Drivers are unsustainable in their present form.

The Pension ARC is required by Charter and is based on the pension fund, employee contributions, and earnings. An independent actuary determines the amount that the City must contribute. Mr. Hamilton pointed out that Norwalk's pension funds are in much better shape than the State of Connecticut and many other municipalities.

Regarding the City OPEB contributions, Norwalk is ahead of most of the other cities. Mr. Hamilton reviewed the details of this. Mr. Haselkamp pointed out that the portion that is driving the entire budget are the pension and OPEB contributions, which can not be changed. Mr. Wilms pointed out that the City was raising taxes to pay for undefined benefits.

Mr. Hamilton then addressed the Revenue Assumptions, Expenditure drivers, and Policy Initiatives & Budget Reduction Strategies. Mr. Hamilton said that he expected to draw down the fund balance by 1 million for this year and an additional 1 million to support the 2013 re-evaluation. Moody's has been more and more concerned about the fund balance over the last few years.

The median Single family 4th District taxes of \$6,208, which would be an increase of \$229 or 3.8% compared to FY 2011-12.

The biggest change in Revenue Changes is on current property taxes. Mr. Hamilton gave a brief overview of all the different categories. Other factors include the upcoming Presidential election and potential primaries for Congressional seats.

Mr. Wilms thanked Mr. Hamilton, Mr. Barron and the rest of the Finance Department for their hard work on this.

**ADDITIONAL INFORMATION**

**Oak Hills Report – September, 2011**  
**Oak Hills Report – December, 2011**  
**Summary of Special Appropriations – FY 2010-11**  
**Status of Contingency – FY 2010-11**  
**Status of Contingency – FY 2011-12**  
**Financial Reports**  
    **Year-to-date Capital Budget Report (FY 2011-12)**  
    **Year-to-date Operating Budget Report (FY 2011-12)**  
    **Board of Education Budget Report (FY 2011-12)**  
    **Tax Collector’s Narrative – December 2011**  
    **Tax Collector’s Report – December 2011**  
    **Salary Accounts**  
    **Fire Overtime**  
    **Dispatch Overtime**  
    **Police Overtime**

**ADJOURNMENT**

**\*\* MR. WILMS MOVED TO ADJOURN.**  
**\*\* THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 9:30 p.m.

Respectfully submitted

Sharon L. Soltes  
Telesco Secretarial Services