

**CITY OF NORWALK
BOARD OF ESTIMATE AND TAXATION
REGULAR MEETING
SEPTEMBER 3, 2013**

ATTENDANCE: Fred Wilms, Chair; Mayor Richard Moccia; Erik Anderson, James Feigenbaum, Michael Kolman, John Federici, James Clark

STAFF: Thomas Hamilton, Finance Director; Robert Barron, Director of Finance; Erin Herring, City Clerk; Dr. Manuel Rivera, Superintendent of Schools; Richard Rudl, BOE CFO; Tony Daddona, Assistant Superintendent of Curriculum and Instruction (7:44 p.m.)

CALL TO ORDER.

Mr. Wilms called the meeting to order at 7:30 p.m. A quorum was present.

APPROVAL OF MINUTES.

August 5, 2013 - Regular Meeting

**** MAYOR MOCCIA MOVED THE MINUTES OF THE AUGUST 5, 2013 REGULAR MEETING.**

**** THE MOTION TO APPROVE THE MINUTES OF THE AUGUST 5, 2013 REGULAR MEETING AS SUBMITTED PASSED WITH FIVE IN FAVOR (MOCCIA, ANDERSON, FEIGENBAUM, KOLMAN AND FEDERICI) AND TWO ABSTENTIONS (WILMS AND CLARK).**

Mr. Wilms welcomed Dr. Rivera back to Norwalk. Dr. Rivera said that he was pleased to be back in Norwalk. He said that he had been able to visit the schools and was very encouraged to see how well the schools were doing. He said that he believed that the District could become a District that was great for all students that come through the doors. He said that he was excited about this and has had the chance to see other districts around the country. It is important to keep focused on the goals. The BET is very cognizant of the finances. Dr. Rivera said that he believe that the District should start working on the coming budget now and that there would be some adjustments made to be good stewards of the finances.

**** MAYOR MOCCIA MOVED TO SUSPEND THE RULES TO CONSIDER AGENDA ITEMS 4 B & C FIRST.**

**** THE MOTION PASSED UNANIMOUSLY.**

SECTION C.

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b) Approval of FY 2012-13 Reserve for Encumbrances.

c) Approval of FY 2012-13 Unexpended Board of Education funds deposit into a nonlapsing account pursuant to Connecticut State Statute Title 10 Education & Culture, Chapter 171 Town Management, Section 2048a Unexpended Education Fund Account.

Mr. Hamilton said that in the preparation there had been a number of meetings with Dr. Rivera. A plan was constructed to deal with surplus funds to avoid budgetary issues by using the funds for non-recurring items.

Mr. Barron then spoke about the educational items included in Item B and C. He said that the authorization does not reduce the Fund Balance; it moves some of the funding from the unassigned Fund Balance to the Assigned Fund Balance portion.

Mr. Barron and Mr. Hamilton then reviewed the details of the items outlined in the memo from Dr. Rivera to Mayor Moccia. Mr. Wilms asked Mr. Hamilton if the surplus along with the other items would cancel out the \$400,000 debt from last year. Mr. Hamilton said that this would repay the loan in full and would reduce the 1.2 million margin the District needed.

Dr. Rivera said that the District was moving to a new assessment system called the Smarter Balance and also the Common Core Standards. Unfortunately, Norwalk has a number of schools that have not been wired for the technology. He said that until the infrastructure was in place, the District could not implement the Common Core Standards.

Mr. Daddona joined the meeting at 7:44 p.m.

The Mayor said that he was pleased to hear that the BOE was able to pay the \$400,000 loan back. There were a number of residents who had voiced concerns that the amount would not have been paid back in the two year period and others who had felt that it would not be paid back at all. The Mayor went on to point out that the full amount had been reimbursed to the City in a year.

**** MAYOR MOCCIA MOVED AGENDA ITEMS 4 B & C.**

Mr. Clark asked for back up on the City items that were included in the Reserve Encumbrances. Mr. Hamilton gave a brief overview of the major items listed in the Finance Report in the back up material.

Mr. Rudl then briefly spoke about the District insurance issues and reviewed the terms for the recently settled contracts.

Mayor Moccia asked Dr. Rivera if he thought that the District would need the extra reserve teachers. Dr. Rivera said that he believed that the reserve teachers would be needed.

**** THE MOTION TO APPROVE AGENDA ITEMS 4 B & C PASSED UNANIMOUSLY.**

SPECIAL APPROPRIATIONS AGENDA (SECTION A)

Fiscal Year 2012-13:

RESOLVED, that a sum not to exceed \$329,707 be and the same is hereby transferred from Contingency to various Fire Department wage accounts to cover retro wage payments for the settled Fire Union contract. (Account # Various)

Mr. Barron said that this was a small retro payment because the settlement happened after the 2012-2013 year closed. The Council approved this contract on August 13th. Mr. Hamilton then spoke about the wage settlements. He said that he believed that there were major changes coming in terms of Health insurance, Other Post Employment Benefits (OPEB) and liability insurance starting in January. He also outlined the projected savings resulting from this plan.

Pensions will also change in terms of new hires. Mr. Hamilton said that Norwalk has never included overtime in the benefits calculation. The new pension plans do not have Cost-of-Living Adjustments (COLA). The retirement ages and length of service have been changed. The new plan is a sustainable defined benefit plan for the City.

Mr. Hamilton then reviewed the details of the major changes for OPEB. He said that the changes have moved OPEB into an area that is sustainable trust fund. Last year, it was a good year in the market and the market generated interest to support the contributions.

Mr. Wilms said that he was pleased with the Firefighter's Union for approving this contract without going to binding arbitration. Mr. Hamilton said that all the recent contracts have been settled through negotiations. There is much more consistency throughout the system for the City now.

Mr. Hamilton said that there had been a number of police officers that had transferred to Norwalk from other communities because of the pension. The positive benefits of these new transfers are that Norwalk does not have to send the new hires to the Police Academy and they are also experienced officers.

Mr. Clark pointed out that Mr. Hamilton had been working on this OPEB plan for a number of years in order to provide for the employees. Mr. Wilms agreed that they have consistently worked towards having a sustainable plan.

**** MAYOR MOCCIA MOVED TO APPROVE THE FOLLOWING ITEM:**

RESOLVED, THAT A SUM NOT TO EXCEED \$329,707 BE AND THE SAME IS HEREBY TRANSFERRED FROM CONTINGENCY TO VARIOUS FIRE DEPARTMENT WAGE ACCOUNTS TO COVER RETRO WAGE PAYMENTS FOR THE SETTLED FIRE UNION CONTRACT. (ACCOUNT # VARIOUS)

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

TRANSFERS (Section B)

DPW:

<u>From</u>		<u>To</u>		<u>Amount</u>
01-4021-5110	Salary & Wages – Reg.	01-4023-5110	Salary & Wages – Reg.	\$58,056
01-4021-5110	Salary & Wages – Reg.	01-4025-5110	Salary & Wages – Reg.	43,456
01-4021-5110	Salary & Wages – Reg.	01-4029-5110	Salary & Wages – Reg.	44,845
01-4027-5110	Salary & Wages – Reg.	01-4029-5110	Salary & Wages – Reg.	65,357
				\$ 211,714

This transfer is to correctly allocate regular wages in the Public Works Operations Divisions. These allocations better represent the amount that will be spent in each division.

Mr. Barron then reviewed the details of the transfer with the Board members.

**** MR. WILMS MOVED TO APPROVE THE REQUESTED DPW TRANSFER.**

**** THE MOTION PASSED UNANIMOUSLY.**

RECREATION & PARKS:

<u>From</u>		<u>To</u>		<u>Amount</u>
01-6031-5241	Utility	01-6031-5298	Tree Removal	\$6,500

This transfer is to cover Tree Removals throughout the Park System due the stress placed on them over the past several storms

Mr. Barron then reviewed the details of the transfer with the Board members. Mr. Barron stressed that the removed trees would be replaced.

**** MAYOR MOCCIA MOVED TO APPROVE THE REQUESTED RECREATION AND PARKS TRANSFER.**

Mr. Anderson asked if the Woodward Park was the specific location where the work would be done. Mr. Barron replied that he believed that this was so.

**** THE MOTION PASSED UNANIMOUSLY.**

SECTION C Cont'd.

a) RESOLUTION, appropriating A Special Capital Appropriation in the amount of \$1,276,580 for the Naramake School Improvement Project. (Acct #0914-5010-5777C0321).

Mr. Hamilton said that the design was essentially completed and that the bid had gone out.

Mayor Moccia said that Rowayton and Naramake were the last two schools from the previous administration's initiative on school renovations.

**** MAYOR MOCCIA MOVED TO APPROVE THE RESOLUTION, APPROPRIATING A SPECIAL CAPITAL APPROPRIATION IN THE AMOUNT OF \$1,276,580 FOR THE NARAMAKE SCHOOL IMPROVEMENT PROJECT. (ACCT #0914-5010-5777C0321).**

**** THE MOTION PASSED UNANIMOUSLY.**

ADDITIONAL INFORMATION (Section D)

Oak Hills Financial Status - July 2013.

Mr. Barron pointed out that the cash flow for Oak Hills had increased. He said that he felt that the course was doing well and pointed out that there were higher revenues and reduced expenses. Mr. Wilms said that they made the extended debt service payment and a \$40,000 reserve payment.

Mayor Moccia left the meeting at 8:25 p.m.

Summary of Special Appropriation – FY 2012-2013

Status of Contingency – FY 2013-14

Financial Reports:

- **Year-to-date Capital Budget Report - FY 2013-14**
- **Year-to-date Operating Budget Report - FY 2013-14**
- **Board of Education Budget Report - FY 2013-14**
- **Tax Collector's Report – July 2013**
- **Tax Collector's Narrative – July 2013**
- **Key Revenue Report – YTD August 2013**

Salary Accounts

Fire Overtime

Dispatch Overtime

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Police Overtime

Regarding the Key Review, Mr. Barron reviewed the details of the revenue income and said that Mr. Ireland had indicated that not only had the number of building permits increased, but so had the value of the permits. Mr. Barron said that this graph covered two months.

Regarding the Tax Collector's Report, Mr. Barron pointed out the final payment date was August 2nd, so the collection percentage was slightly off. Mr. Hamilton said that he had received the August report and it reflected a collection rate of 52%.

ADJOURNMENT.

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

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:27 p.m.

Respectfully submitted,

Sharon L. Soltes
Telesco Secretarial Services