

**CITY OF NORWALK
FINANCE/CLAIMS COMMITTEE
APRIL 8, 2010**

ATTENDANCE: Nicholas Kydes, Chair; Kelly Straniti, Andrew Conroy (7:12 pm);
Nora King (7:32 p.m.) David Jaeger, Douglas Hempstead

STAFF: Thomas Hamilton, Finance Director; Fred Gilden, Comptroller;
Lisa Biagiarella, Tax Collector; Karen DeVecchio, IT Director;

CALL TO ORDER

Mr. Kydes called the meeting to order at 7:05 p.m. and stated that the above members were present.

Mr. Kydes requested a suspension of the rules to add the following item to the agenda:

1. Change of meeting time.

Mr. Kydes stated that 6:30 p.m. is very difficult for all the members to make, and the fact that two members were not yet there as of 7:00 p.m., it would be wise and in the best interest of the Committee to change the time of the meeting from 6:30 p.m. to 7:00 p.m.

**** MR. HEMPSTEAD MOVED TO CHANGE THE TIME OF THE MEETING FROM 8:00 P.M. TO 7:00 P.M. FOR ALL FUTURE MEETINGS.**

**** THE MOTION PASSED UNANIMOUSLY.**

2. Approve the minutes of the Finance Committee Meeting of March 11, 2010.

**** MR. HEMPSTEAD MOVED THE MINUTES OF MARCH 11, 2010.**

**** THE MOTION TO APPROVE THE MINUTES OF MARCH 11, 2010 AS SUBMITTED PASSED UNANIMOUSLY.**

Mr. Conroy entered the meeting at 7:12 p.m.

3. **Claims Committee: Receive the monthly Claims report, review and approve claims as required for Claims Report dated March 11, 2010**

**** MS. STRANITI MOVED THE ITEM.**

Ms. Biagiarella said that there were two special requests, one claim that was in excess of \$5,000, which was an over payment/paid in error. The other was the revised sewer grand list due to a broken service line that was not going to the sewer of \$58,000. She added that this was approved per the WPCA of the revised sewer use fee.

- ** MR. HEMPSTEAD MOVED TO APPROVE THE SPECIAL REQUESTS:**
- 1. REFUND OF THE OVER TAX PAYMENT FOR FIRST COMMERCIAL REAL ESTATE OF \$62,841.49**
 - 2. THE REVISED SEWER USE FEE PER WPCA OF \$58,156.00 AS LISTED ON THE APRIL 8, 2010 TAX COLLECTOR'S CLAIM REPORT.**
- ** THE MOTION PASSED WITH FOUR VOTES IN FAVOR NONE OPPOSED AND ONE ABSTENTION (STRANITI).**

3. Narrative on Tax Collection dated April 8, 2010 – Receive the Report and discuss.

The amount budgeted for salt in the current year was based on what was historically spent, as well as an estimated price per ton of \$60.87 for rock salt and \$93 for treated salt. The actual cost per ton for the current year was \$72.38 and \$94.84 for rock salt and treated salt respectively.

Finance recommends approval of a total appropriation of \$120,707, with \$33,129 for the overtime account (#01-4025-5120) and \$87,578 for the salt account (#01-4025-5322). The remaining shortfall can be covered via transfer.

The City is required by Connecticut law to oversee, remove and store belongings for people who are evicted from their place of residence. As you can imagine one of the consequences of the down economy is an increase in the number of evictions. Our cost to store and auction items is averaging \$9,500 per month. The current balance in account 0120-20-5617 is \$25. We have an invoice for January 2010 of \$13,700. My calculation shows we will need \$52,000 for the rest of the year: \$13,700 outstanding invoice and \$38,000 for March - June. We do not have this much available in our budget so we will need a special appropriation.

Monthly Tax Collector's Report Dated March 31, 2010 –Receive Report and discuss.
REFUNDS PROCESSED APPROVED BY REPORTED TO
CLAIMS COMMITTEE TAX COLLECTOR CLAIMS COMMITTEE

Ms. Biagiarelli presented the narrative report and stated that the total is slightly ahead of last year, which is primarily a result of the improved tax sale procedures which includes a website that is being created with an interactive map in the next month that will show where the properties involved in the tax sale are located. This will be at the same time that the boards are placed in the lobby. The sale is scheduled for July 19, 2010.

Ms. King entered the meeting at 7:32 p.m.

Ms. Biagiarelli continued with her narrative report and stated the following:

As of the end of March 2010, three fourths of the way through the fiscal year, we had collected 97.58% of our current adjusted levy, in excess of \$240 million. We also collected 96.56% of our adjusted sewer use levy, more than \$11 million. Current tax collections continue to be up from the prior year .24% and current sewer use collections are also up .67% from the prior year, as of the end of March. As of the end of March, we had also collected in excess of \$4.3 million in delinquent taxes, interest and other charges during the first nine months of the fiscal year. This, too, is up; as of the end of January, our delinquent collections were \$110,000 more than had been collected in the same time period of the prior fiscal year; now as of the end of March, the increase over last year's delinquent collections has climbed to more than half a million dollars, \$536,682. In December, we had been running behind the prior year, so this is primarily a consequence of our work on the 2010 tax sale, which began in early December.

We mailed delinquent notices, called 'demand' notices, in late February, and gave a pay-by date of March 15 in order to avoid having a lien continuing certificate filed. Please note as in the past that the term 'demand' is required by state law when taxes are unpaid, and is not meant to imply rudeness to the taxpayer. Demand is required before we are able to commence any additional enforcement action. On March 16, we filed lien continuing certificates to secure payment of real estate taxes and sewer charges on the current grand list sometime next week. The number of liens we filed this year was almost the same as last year – no appreciable difference in quantity.

We continue to work with our state marshals on past due business personal property collections. Since September 2008, we have collected *nearly \$890,000 in past due business personal property taxes*, either in concert with a state marshal, or by our delinquent tax collector's personal effort. We completed our annual health permit check in conjunction with the Department of Health, as businesses must pay back taxes before renewing a city health permit.

Our on line tax payment history look up continues to be of assistance to taxpayers as they complete state and federal income tax filings that require local property tax information. This is the flip side to the feature on the city web site that allows taxpayers to look up their current tax bill and determine how much they owe; they can also look up how much they paid.

Our sale of land for taxes will be Monday, July 19, 2010. It will include between 130 - 150 properties and generate in excess of \$4.5 million. Since we began working on the sale, *we have collected in excess of \$1.7 million on properties that were scheduled for inclusion in the sale. 38 properties have already paid in full.* The tax sale is our primary method of collection enforcement for past due real estate taxes and sewer use charges. Timing the sale in July provides maximum exposure for our efforts, and allows us to simultaneously conclude the prior fiscal year, and start the new fiscal year, with a very strong infusion of back and current tax revenue. Most of our title searches have already been completed, we have begun photographing properties, and we are continuing to inform taxpayers of their potential inclusion in the sale. We anticipate filing our notices of sale, posting photographs of the properties, and officially beginning the more public elements of this process, by the end of this month. We are also completing our work with the IT department on our improved tax sale link on the city's website. This will include photographs as well as links to field card and other information, and the ability to drag a mouse across a city map and have properties that are included in the sale 'pop up' for viewing. The web site will go live on the same day the boards are posted and the notices are filed, not later than April 30. Properties included in the sale remain in the sale until they are paid in full. We do not set up 'payment plans' and we do not accept promises or pledges to pay. It is imperative that the Administration remain conceptually committed to the process in order to allow us to succeed in collecting the taxes due.

**** MR. CONROY MOVED TO RECEIVE THE MONTHLY TAX
COLLECTOR'S REPORT DATED MARCH 31, 2010 AS SUBMITTED.
** THE MOTION PASSED UNANIMOUSLY.**

5. Authorize the Purchasing Agent to issue purchase orders for the purchase of 2 HP DL 360 servers and 4 VMware Enterprise Licenses and their support packages for an amount not to exceed \$30,000 account 09090600-5777-C0375 (budgeted IT Capital Expense).

**** MR. JAEGER MOVED THE ITEM.**

Ms. delVecchio presented the following:

There are 30 computer servers in the City data center which provide services to City staff and citizens. Fourteen servers are more than 6 years old and beyond warranty which makes spare parts difficult and expensive to obtain. Five other servers will be over 6 years old before the end of the next fiscal year.

This project seeks to physically consolidate the number of physical servers by means of virtualization, a proven industry-standard tool. City IT has already tested these tools and is satisfied they will meet our needs. The goal of this project is to reduce the number of physical servers from 30 to no more than 10 during this fiscal year. By investing in virtualization technology, the City:

- realizes energy savings from shutting down at least 20 servers and the air-conditioning required to cool them.
- enhances its fault-tolerance as virtualized servers with storage area networks provide fault-tolerant, shared pools of resources, such as CPU, memory, and disk space, are shared between several servers.
- gains IT efficiency factor as the time needed to build and install a new virtual server is reduced to less than a day down from 2-3 weeks for a traditional server.

This request is to purchase two large servers for virtualization to begin to replace stand-alone servers. This project was identified as a priority capital project during the 2009 2010 IT capital budget development process and was unanimously approved by the ITT Committee at its March 17, 2010 meeting. This is a budgeted IT Capital expense; no special appropriation required. The specific action requested is:

Authorize the Purchasing Agent to issue purchase orders for the purchase of 2 HP DL360 servers and 4 VMware Enterprise Licenses and their support packages, for an amount not to exceed \$30,000, account 09100600-5777-C0375 and forward onto the Common Council for further action.

**** THE MOTION TO AUTHORIZE THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS FOR THE PURCHASE OF 2 HP DL360 SERVERS AND 4 VMWARE ENTERPRISE LICENSES AND THEIR SUPPORT PACKAGES, FOR AN AMOUNT NOT TO EXCEED \$30,000, ACCOUNT 09100600-5777-C0375 AND FORWARD ONTO THE COMMON COUNCIL FOR FURTHER ACTION PASSED UNANIMOUSLY.**

6. Approve FY 2010-11 WPCA Operating Budget.

Mr. Alvord presented the following report:

**City of Norwalk
WATER POLLUTION CONTROL AUTHORITY
FY 2010-11 Approved Operating Budget Summary**

8-Feb-10

FUND BALANCE SUMMARY

Unrestricted Fund Balance (as of June 30, 2009)	\$	7,675,174
Restricted Funds	\$	261,038
Provide services to conduct IPP	\$	46,063
Financial Model Analysis	\$	22,800
Website	\$	3,998
Micro C	\$	39,323
FST Technical Site Visit	\$	2,204
Contract Operations Monitoring	\$	146,650
FY09-10 Projected Income	\$	547,687
Projected Unrestricted Fund Balance (June 30, 2009)	\$	7,961,823

Mr. Hempstead asked what was needed to do to lower the percent increase and Mr. Alvord replied that the percentage is developed independently by the WPCA. He explained that the only way to lower the increase would be to knock out the sewage treatment plant upgrade, and any action would be a "cart before the horse". Mr. Hamilton added that the strategy has been a series of moderate increases, and Ms. King stated that she was in agreement with the steady increase approach rather than a big hit.

**** MR. JEAGER MOVED TO APPROVE FY 2010-11 WPCA OPERATING BUDGET AS SUBMITTED.**

**** THE MOTION PASSED WITH THREE VOTES IN FAVOR, TWO OPPOSED (KYDES, HEMPSTEAD) AND ONE ABSTENTION (CONROY) UNANIMOUSLY.**

7. Approve FY 2010-11 Parking Authority Budget.

Mr. Alvord presented the approved FY 09-10 budget of \$13,746,135 and projected actual of \$12,994,697 and proposed 2010-11 for \$14,494,840. He read from the following report:

Description of Services/Mission Statement:

The Parking Authority, an enterprise fund, is responsible for the operations and maintenance of the municipal parking system, consisting of 4 parking structures, 6 surface lots and on-street parking. The Authority collects parking revenue and enforces parking laws and regulations. The Authority strives to provide a clean and safe environment, as well as positive and friendly experience, at all municipal facilities throughout the system and to continue effectively communicating programs and projects to the public. Since FY 2004-2005, the Parking Authority outsourced operation and maintenance of the system.

Highlights For 2009-2010:

- Completed renovations at the South Norwalk Railroad Station in the tunnel and the Westbound NY side.
- Completed the energy management lighting project at the South Norwalk Railroad Station garage.
- Updated the level by level parking capacity system at the South Norwalk Railroad Station to include all parking levels.
- Installed flatscreen monitors at the South Norwalk Railroad Station for MTA train schedule in both the eastbound and westbound lobby's.
- Completed the closed circuit television surveillance link at the Haviland Deck.
- Continued structural improvements at the Yankee Doodle Garage, painting and signage.
- Completed the energy management lighting project at the Yankee Doodle Garage.
- Installed credit card accepting on street meters.
- Updated the Parking Authority's website and implemented a call alert system.
- Developed a parking way finding sign program.
- Continued to collaborate with the Norwalk Arts Commission to provide visual and performing arts programs and space in public parking facilities.
- Continued public outreach and community development communication efforts.

Goals For 2010-2011:

- Continue to enhance service to over 1.0 million parkers annually while ensuring financial stability.
- Effectuate the change in the method of operation in the Webster Parking Lot from exit cashing to pay by space and expand customer service to include field ambassadors and an information booth.
- Continue landscaping efforts throughout the wall area parking facilities.
- Finalize the concrete structural repairs at the Yankee Doodle Garage.
- Collaborate with the Norwalk Arts Commission to provide a juried arts exhibit at the South Norwalk Railroad Station with funding from FTA.
- Through stimulus funds, work with MTA and DOT to repair the platforms and install lighting and shelters at the South and East Norwalk Railroad Stations.
- Introduce new technologies designed to enhance level of services including license plate recognition and pay by cell .
- Phase in implementation of the citywide parking facility way finding signage program designed to attract visitors to the most convenient parking location based on their final destination.
- Establish cooperative efforts with the Norwalk Police Department through database integration in search of scofflaws and stolen vehicles.
- Continue greening and energy management efforts such as the use of solar pay station shelters.
- Implement enhanced customer service programs including satisfaction surveys.
- Continue system wide landscaping efforts.
- Continue to update the Parking Authority's website to a more user friendly, interactive communication system.
- Continue communication, outreach and collaborative efforts citywide regarding ongoing programs and public parking impacts along the urban core and in citywide development projects.

**** MR. JEAGER MOVED TO APPROVE FY 2010-11 PARKING AUTHORITY BUDGET AS SUBMITTED.**

**** THE MOTION PASSED UNANIMOUSLY**

8. Receive the Board of Estimate and Taxation Appropriations from April 5, 2010.

SECTION A

RESOLVED

SPECIAL APPROPRIATIONS - APRIL 5, 2010

BOARD OF ESTIMATE AND TAXATION

ADVERTISED ITEM:

FISCAL YEAR 2009-10:

1. RESOLVED, that a sum not to exceed \$52,000 be and the same is hereby transferred from Contingency to the Health Department to cover the costs for eviction services. (Account 01-2020-5617).
2. RESOLVED, that a sum not to exceed \$141,876 be and the same is hereby transferred from Contingency to the Public Works Dept. to cover snow removal costs. (Account No. Various).

FISCAL YEAR 2009-10:

Item 1:

\$52,000 from Contingency to the Health Department to cover the costs for eviction services.

This appropriation is to cover the anticipated shortfall in eviction costs. The Health Department had a total budget of \$43,000 for eviction costs this year. Under State Law, the City is required to store the personal belongings of individuals who have been evicted from their residences, and we must store these belongings for a specific period of time before we are allowed to auction them off. However, due to the state of the economy, this will not be enough to cover costs through June. As seen in the attached, with the exception of FY 2007-08, evictions costs have been steadily rising since 2005-06.

To date, \$42,975 has been expended in this account, leaving a current balance of only \$25. The Health Department estimates a total of \$52,000 is needed to cover eviction costs through the end of the year. This includes \$13,700 for services billed, but not yet paid and \$38,000, based on historical amounts, for March through June.

Finance recommends approval.

Item 2:

\$141,876 from Contingency to the Public Works Department to cover the costs for snow removal.

This special appropriation is to cover deficits in the Public Works snow removal accounts due to higher than budgeted costs for overtime wages and salt.

The attached year to date budget shows a breakdown of where the shortfalls are. The shortfall in the regular wage account of \$21,170 can be covered by transfers within the Dept. of Public Works wage accounts, but the shortfall in overtime wages and salt needs to be covered by a special appropriation. The overtime deficit is due mostly to the high number of snow events during the year, and the fact that some of the larger storms occurred in the evenings and on weekends when overtime was required for cleanup.

- ** MR. KYDES MOVED TO APPROVE THE BOARD OF ESTIMATE AND TAXATION APPROPRIATIONS FROM APRIL 5, 2010 AS SUBMITTED.**
**** THE MOTION PASSED UNANIMOUSLY**

ADJOURNMENT

- ** MS. STRANITI MOVED TO ADJOURN.**
**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:48 p.m.

Respectfully submitted,

Marilyn Knox
Telesco Secretarial Services

