

**CITY OF NORWALK
BOARD OF ESTIMATE & TAXATION
MAY 4, 2015**

ATTENDANCE: James Clark, Chairman; Mayor Harry Rilling, Erik Anderson, Gregory D. Burnett (7:40 p.m.) Anne Yang-Dwyer, Edwin Camacho, James Feigenbaum

STAFF: Robert Barron, Director Management & Budgets; Thomas Hamilton, Finance Director; Donna King, City Clerk; Lisa Biagiarelli, Tax Collector; Al Palumbo, Assist.Tax Collector.

OTHER: Christine Bradley, Library Director; Stan Siegel, Library Board.

Call to Order

Chairman Clark called the meeting to order at 7:30 p.m. and asked City Clerk King to call the roll. Members were in attendance as indicated above, and there was a quorum present.

Approval of FY 2015-16 Operating Budget & Tax Rates

Mr. Hamilton referred to his memo and gave an overview as follows:

- FY 2015-16 tentative operating budget was set at \$327,030,611 represents an increase of \$9,488,456 or 3.0% over the current FY 2014-15 adopted budget.
- The total tax levy under the tentative budget increases by 2.3% driven by a 0.7% increase in the grand list and a 1.6% increase in mill rate.
- Tentative budget has produced the following changes in the annual real estate tax bills for the median assessed valued single family home in each taxing district:
 - o 1st Taxing District increase of \$ 32.51 or 0.6%
 - o 2nd Taxing District increase of \$ 1.44 or 0.0%
 - o 3rd Taxing District decrease of \$ (55.00) or -08%
 - o 4th Taxing District increase of \$ 65.65 or 1.0%
 - o 5th Taxing District increase of \$ 106.78 or 1.2%
 - o 6th Taxing District increase of \$ 293.46 or 1.9%

For purposes of calculating the operating budget cap, we exclude intergovernmental revenues of \$17,316,500 that yields a net appropriation of \$309,714,111.

Mr. Barron summarized the final budget adjustments as a \$112,726 reduction in regular wages, due primarily to early retirements, offset by a net increase of \$71,724 in miscellaneous other accounts and summary of the \$41,002 reduction in expenses. He noted that these adjustments were technical in nature as outlined in the four-page open item list, as follows:

Two Major Categories of Change

- Decrease of \$112,726 in the Regular Wages due primarily to early retirements, offset by a net increase of \$71,724 in miscellaneous other accounts
- \$32,463 increase in City Insurance due to adjusted payments from the NPA and WPCA to the City for its employees
- \$47,728 increase in charges from the WPCA to the city for work provided by its employees (primarily GIS & storm water work)
- \$ 6,900 decrease in longevity payments due to retirements
- \$ 1,567 net decrease in miscellaneous other accounts.

Mr. Barron noted that members of the Norwalk Public Library were in attendance to have a discussion about a request to modify the budget due to the Literacy Volunteers program. He explained that the BET had approved the \$30,000 expenditure with an offsetting revenue or prior year outside funding.

Mr. Stan Siegel, President, Norwalk Library Board of Trustees gave an overview of the history of the operations and funding of the Literacy Volunteers program, and highlighted his memo as follows:

In May of 2013, the Norwalk Public Library Board of Trustees learned of the discontinuance of financial support for the Literacy Volunteers program by its Bridgeport-based sponsor — FSW— as of June 1, 2013. The Library Board voted to undertake the financial responsibility of the Literacy Specialists through the end of 2013 with the support of the Library Administration to keep Literacy Volunteers as an ongoing Norwalk Public Library program. It would then be staffed as Library employees and the program, continued the same as any other Library (free) program. It should be noted, that certain extraordinary expenses for programs — prizes, outside lecturers, entertainer, musical groups, etc. are supported by either the Library Board, the Friends of the Library or both--never for the salary cost of Library staff.

To fundraise for a “free” Public Library program is tantamount to charging for the privilege of borrowing books, using the public computers, or attending a Library program. The Norwalk Public Library is a free Public Library. This entitles the public we serve to FREE use of our facilities and programs.

We respectfully request that the “fundraising” aspect of staffing the Norwalk Public Library System’s Literacy Volunteer program be eliminated as a requirement for its continuation.

There was discussion on the history of how the program was formerly funded and operated. Ms. Christine Bradley, Library Director came forward and gave an overview of the budgeting process and the BET’s request to have fundraising put into the budget to fill that donation gap.

Ms. Bradley explained that subsequently, an \$80,000 bequest had come in from a donor designated to be used for Literacy Volunteer expenses. She noted that she hoped to spread out this donation over the next few years and to have the City reduce the expected revenue by \$15,000 for this year.

Comments and questions were fielded by both Mr. Barron and Ms. Bradley on the financial operations and funding schedules. Ms. Bradley explained the interpretation of how the bequest was to be used and how the Library would allocate the Literacy Volunteer program expenses. Mr. Barron reiterated how the budget allocation was done with the funding of expenses with an offset of \$30,000 in revenue from Library fundraising or donations.

Mr. Anderson stated that while he fully supports the Literacy Volunteer program, he maintains the position that programs that were formerly grant funded should not be absorbed by the City funding of new positions in the Operating Budget. He spoke of the precedent that would be set if the revenue portion of the Library budget was removed from the Operating Budget.

Ms. Yang-Dwyer stated that while she is sympathetic to the need for the program and the importance of Literacy Volunteers, suggested that a nominal charge for services be put in place to cover expenses of operating the program. She added that there are donated funds available to fund the program for at least the next two years, and efforts to seek further grant funding and donations should continue to be pursued for future budgeting.

Mr. Clark asked the Library Board to adhere to the agreement for continued efforts to fundraise and to explore grants and noted it will probably take a couple years for these things to totally fall in place. He added that the bottom line is there is a commitment from all parties to keep Literacy Volunteers to serve the citizens of Norwalk.

Approval of FY 2015-16 Operating Budget & Tax Rates -- continued

There was a discussion on the setting of the tax rates. Mr. Barron referred to the charts provided and it was noted that there was no change to the tax due dates. He explained that the bottom line of the 2015-16 operating budget stands at \$326,989,609. The spending plan represents a roughly three percent increase over the city's 2014-15 operating budget and would boost the mill rate by about 1.6 percent.

**** MR. ANDERSON MOVED TO ADOPT THE FY 2015-16 OPERATING BUDGET AT \$326,989,609 WITH GROSS TAX LEVY OF \$296,608,814 AND INTERGOVERNMENTAL REVENUES OF \$17,316,500 WITH THE MILL RATES AS REFLECTED IN ATTACHED DOCUMENTS.**

**** MOTION PASSED UNANIMOUSLY.**

Approval of Minutes - April 6, 2015

Corrections: Page 1: Ann Yang Dwyer should be Anne Yang-Dwyer. In the motions, change aapprove to approve. Page 6 last paragraph, add 'and' after administrative and change 'does' to 'do.'

**** MR. BURNETT MOVED TO APPROVE THE MINUTES FROM THE MEETING OF MARCH 2, 2015 AS AMENDED WITH CORRECTIONS AS NOTED.**

**** MOTION PASSED UNANIMOUSLY.**

Other Business

Mr. Hamilton asked to reorder the items to have item 5 as first on the list.

Approval of FY 2014-15 Suspense Tax List

Tax Collector Lisa Biagiarelli came forward and referred to her memo and supporting documentation, summarized as follows:

...request that the Board transfer to the Suspense Tax Book, in accordance with CGS 12-165, the total dollar amount of **\$962,091.92 includes \$698,134.95** in business personal property taxes and \$263,956.97 in motor vehicle taxes.

...although our annual transfer to suspense has been decreasing since 2007...our increased success in collecting delinquent accounts, and the ongoing refinement of our address database through CASS address validation and certification of our semiannual tax billings and delinquent mailings, the history over the last 14 years, as follows:

2015:	\$962,091.92 (requested)
2014	\$306,641.30
2013:	\$454,871.68
2012:	\$359,896.94
2011:	\$465,821.35
2010	\$496,680.34
2009	\$532,801.13
2008	\$620,125.81

Ms. Biagiarelli explained that the clerical error issue by the Tax Assessor's office has resulted in a tactical determination of what is not a collectible asset to be handled as a transfer to the Suspense Tax List. There was discussion on the limitations of this process.

Ms. Yang-Dwyer suggested that there be a pre-suspense list created to help with greater efficiency in processing.

Mr. Clark noted that there needs to be a better process of handling this from the Tax Assessor's office. He asked the Mayor to talk to those departments to work out and interact in a manner that affects greater efficiencies for the Tax Collector's Office.

It is noted that Mr. Camacho left the meeting at 8:30 p.m. and returned at 8:55 p.m.

Other Business -- continued

RESOLUTION. Making appropriations for various Public Improvements aggregating \$23,822,000 for the FY 2015-16 Capital Budget and authorizing the Issuance of \$17,193,900 General Obligation Bonds of the City to meet certain appropriations in the FY 2015-16 Capital Budget.

Mr. Hamilton referred to the resolution prepared by bond counsel necessary to implement the FY 2015-16 capital budget authorizing capital appropriations totaling \$23,822,000 and authorizes the issuance of \$17,193,000 of general obligation bonds to finance these appropriations. The remaining balance of the appropriation totaling \$6,629,000 will be finance from a combination of State grants (\$629,000) and an available balance in fund net position within the WPCA Enterprise Fund (\$6,000,000).

He noted the resolution authorizes the City to sell general obligation tax-exempt bonds to finance these capital appropriations. Various provisions of the attached resolution are necessary to ensure compliance with State and Federal laws which govern the sale of debt by municipalities. The resolution provides for the use of a bond sale committee consisting of the President of the Common Council, Majority Leader, Minority Leader, and Finance Committee Chairman to approve bond sales which are conducted on a negotiated basis.

Bonds that are sold via a competitive sale where the award is made simply to the lowest bidder may be authorized by the Mayor and Director of Finance. The City conducts "new money" issues where we are financing the capital budget on a competitive basis. Refunding or refinancing bonds are typically sold on a negotiated basis. It was noted that there was mention of a change to the committee approval requirements, but one member of the committee did not want to make that change.

Mr. Clark thanked the Planning Committee for all their work on the Capital Budget.

**** MR. ANDERSON MOVED TO ADOPT THE RESOLUTION:
MAKING APPROPRIATIONS FOR VARIOUS PUBLIC IMPROVEMENTS
AGGREGATING \$23,822,000 FOR THE FY 2015-16 CAPITAL BUDGET
AND AUTHORIZING THE ISSUANCE OF \$17,193,900 GENERAL
OBLIGATION BONDS OF THE CITY TO MEET CERTAIN
APPROPRIATIONS IN THE FY 2015-16 CAPITAL BUDGET.**

**** MOTION PASSED UNANIMOUSLY.**

RESOLUTION, authorizing the closeout of three capital projects as follows: Library Teen Room in the amount of \$6,552 (Acct. #0910-6210-5777-C0381); Library Fire Door replacement in the amount of \$15,707 (Acct. #0910-6210-5777-C0470); and Library Carpet/Ceiling/Light Replacement in the amount of \$998 (Acct. #0911-6210-5777-C0490).

Mr. Hamilton explained and reviewed the supporting documentation provided.

**** MR. ANDERSON MOVED TO ADOPT THE RESOLUTION: AUTHORIZING THE CLOSEOUT OF THREE CAPITAL PROJECTS AS FOLLOWS: LIBRARY TEEN ROOM IN THE AMOUNT OF \$6,552 (ACCT. #0910-6210-5777-C0381); LIBRARY FIRE DOOR REPLACEMENT IN THE AMOUNT OF \$15,707 (ACCT. #0910-6210-5777-C0470); AND LIBRARY CARPET/CEILING/LIGHT REPLACEMENT IN THE AMOUNT OF \$998 (ACCT. #0911-6210-5777-C0490).**

**** MOTION PASSED UNANIMOUSLY.**

RESOLUTION, authorizing a Special Capital Appropriation in the amount of \$23,257 for the Belden Avenue Library to fund elevator repairs. (Acct. #0915-7100-5777-C0476).

Mr. Hamilton explained and reviewed the supporting documentation provided.

**** MR. ANDERSON MOVED TO APPROVE THE RESOLUTION: AUTHORIZING A SPECIAL CAPITAL APPROPRIATION IN THE AMOUNT OF \$23,257 FOR THE BELDEN AVENUE LIBRARY TO FUND ELEVATOR REPAIRS. (ACCT. #0915-7100-5777-C0476).**

**** MOTION PASSED UNANIMOUSLY.**

RESOLUTION, authorizing a Special Capital Appropriation to the Health Department in the amount of \$28,195 to replace the HVAC unit in the basement. (Acct. #0914-2012-5777-C0453).

Mr. Hamilton explained and reviewed the supporting documentation provided.

**** MR. BURNETT MOVED TO APPROVE THE RESOLUTION: RESOLUTION, AUTHORIZING A SPECIAL CAPITAL APPROPRIATION TO THE HEALTH DEPARTMENT IN THE AMOUNT OF \$28,195 TO REPLACE THE HVAC UNIT IN THE BASEMENT. (ACCT. #0914-2012-5777-C0453).**

**** MOTION PASSED UNANIMOUSLY.**

Mr. Clark thanked everyone for the contributions during this budget cycle and the healthy discussions and deliberations that have taken place.

Mayor Rilling commended the Board on the efforts and due diligence shown with the operating budget process to adopt that kind of budget to keep the increases very low. He thanked in particular, that Mr. Hamilton and Mr. Barron, and noted that efforts in the development of the 2015-16 operating budget, along with the department heads working through the budget review workshops at which the tax board reviewed the requests line by line.

Mr. Anderson stated that this will be his last meeting due to his resignation as a result of relocation based on charter regulations. He stated that it has been an honor to serve and he thanked the Board for this experience, which has truly been a blessing to learn so much about this great city.

Additional Information – The following reports were submitted for information:

Summary of Special Appropriation - FY 2014-15

Status of Contingency — FY 2014-15

Financial Reports:

- Oak Hills Financial Status – P&L Reports — March 2015
- Year-to-date City Operating Budget Report— FY 2014-15
- Tax Collector’s Report and Narrative — March 2015

Key Revenue Report — YTD March 2015

- Salary accounts: Fire • Police • DPW

Adjournment

** **MR. FEIGENBAUM MOVED TO ADJOURN.**
** **MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 9:15 p.m.

Respectfully submitted,
M. Knox;
Telesco Secretarial Services

Attachments:
Mill Rate Schedule by District
FY 2015-16 Operating Budget by Department

The City of Norwalk Board of Estimate and Taxation
FY 2015-16 TENTATIVE MILL RATES
 Rounded to Nearest X.XXX Mills

FY 2014-15 APPROVED

	AUTONOMOUS DISTRICTS					
	1st Downtown Norwalk	2nd South Norwalk	3rd East Norwalk	4th Sewered Main Area	5th No Garbage Main Area	6th Rowayton
SERVICE DISTRICTS						
Fifth	21.233	21.233	21.233	21.233	21.233	21.233
Fire	3.036	3.036	3.036	3.036	3.036	
Fourth-Garbage	0.772	0.772	0.772	0.772		
Street Lighting				0.059	0.059	
Sixth - Rowayton						1.192
APPROVED 2014-15 MILL RATES	25.041	25.041	25.041	25.100	24.328	22.425
Median Assessed Value	\$ 220,675	\$ 201,079	\$ 260,638	\$ 257,600	\$ 353,360	\$ 677,331
FY 2014-15 Taxes	\$ 5,525.84	\$ 5,035.14	\$ 6,526.54	\$ 6,465.76	\$ 8,596.42	\$ 15,188.91

FY 2015-16 TENTATIVE

	AUTONOMOUS DISTRICTS					
	1st Downtown Norwalk	2nd South Norwalk	3rd East Norwalk	4th Sewered Main Area	5th No Garbage Main Area	6th Rowayton
SERVICE DISTRICTS						
Fifth	21.580	21.580	21.580	21.580	21.580	21.580
Fire	3.084	3.084	3.084	3.084	3.084	
Fourth-Garbage	0.720	0.720	0.720	0.720		
Street Lighting				0.058	0.058	
Sixth - Rowayton						1.284
TENTATIVE 2015-16 MILL RATES	25.384	25.384	25.384	25.442	24.722	22.863
Median Assessed Value	\$ 218,970	\$ 198,415	\$ 254,945	\$ 256,715	\$ 352,040	\$ 677,170
FY 2015-16 Taxes	\$ 5,568.35	\$ 5,036.58	\$ 6,471.54	\$ 6,531.41	\$ 8,703.20	\$ 15,482.37

Mill Rate Increase	0.34	0.34	0.34	0.34	0.39	0.44
Mill Rate % Increase	1.4%	1.4%	1.4%	1.4%	1.6%	2.0%

The City of Norwalk Board of Estimate and Taxation
FY 2015-16 TENTATIVE BUDGET
 Approved 4/6/2015

	APPROVED BUDGET 2014-15	BUDGET	TENTATIVE \$ VAR 2015-16	% VAR
EXPENSES BY DEPARTMENT				
MAYOR	\$ 296,787	\$ 305,366	\$ 8,579	2.9%
LEGISLATIVE	\$ 17,450	\$ 17,450	\$ -	0.0%
CORPORATION COUNSEL	\$ 997,085	\$ 1,034,285	\$ 37,200	3.7%
CITY CLERK	\$ 364,882	\$ 372,610	\$ 7,728	2.1%
TOWN CLERK	\$ 595,661	\$ 612,356	\$ 16,695	2.8%
INFORMATION TECHNOLOGY	\$ 1,644,153	\$ 1,667,974	\$ 23,821	1.4%
PERSONNEL	\$ 573,546	\$ 585,347	\$ 11,801	2.1%
HUMAN RELATIONS & FAIR RENT	\$ 268,677	\$ 291,934	\$ 23,257	8.7%
YOUTH SERVICES	\$ 259,598	\$ 285,182	\$ 25,584	9.9%
REGISTRAR OF VOTERS	\$ 366,427	\$ 441,285	\$ 74,858	20.4%
FINANCE DIRECTOR	\$ 200,650	\$ 205,656	\$ 5,006	2.5%
TAX ASSESSOR	\$ 842,449	\$ 886,304	\$ 43,855	5.2%
TAX COLLECTOR	\$ 854,611	\$ 1,019,188	\$ 164,577	19.3%
ACCOUNTING & TREASURY	\$ 774,539	\$ 772,422	\$ (2,117)	-0.3%
MANAGEMENT & BUDGETS	\$ 409,417	\$ 424,884	\$ 15,467	3.8%
PURCHASING	\$ 415,032	\$ 421,968	\$ 6,936	1.7%
HEALTH DEPT	\$ 2,100,421	\$ 2,138,689	\$ 38,268	1.8%
POLICE DEPT	\$ 20,717,121	\$ 22,136,188	\$ 1,419,067	6.8%
FIRE DEPT	\$ 18,181,563	\$ 18,503,470	\$ 321,907	1.8%
PLANNING & ZONING	\$ 1,128,871	\$ 1,157,763	\$ 28,892	2.6%
CODE ENFORCEMENT	\$ 730,407	\$ 746,150	\$ 15,743	2.2%
COMBINED DISPATCH	\$ 2,443,046	\$ 2,527,187	\$ 84,141	3.4%
PUBLIC WORKS	\$ 17,968,024	\$ 18,036,508	\$ 68,484	0.4%
WPCA	\$ 432,400	\$ 452,656	\$ 20,256	4.7%
EDUCATION-PUBLIC	\$ 166,430,865	\$ 170,987,857	\$ 4,556,992	2.7%
RECREATION AND PARKS	\$ 4,122,014	\$ 4,392,075	\$ 270,061	6.6%
LIBRARY	\$ 3,689,598	\$ 3,778,041	\$ 88,443	2.4%
HISTORICAL COMMISSION	\$ 240,323	\$ 215,840	\$ (24,483)	-10.2%
GRANT AGENCIES	\$ 1,871,391	\$ 2,346,662	\$ 475,271	25.4%
DEBT SERVICE	\$ 25,754,744	\$ 27,233,470	\$ 1,478,726	5.7%
ORGANIZATIONAL MEMBERSHIPS	\$ 98,874	\$ 98,874	\$ -	0.0%
EMPLOYEE BENEFITS	\$ 29,796,634	\$ 30,240,125	\$ 443,491	1.5%
PENSIONS	\$ 11,434,148	\$ 11,671,360	\$ 237,212	2.1%
CONTINGENCY	\$ 1,520,747	\$ 1,023,485	\$ (497,262)	-32.7%
TOTAL EXPENDITURES	\$ 317,542,155	\$ 327,030,611	\$ 9,488,456	3.0%
REVENUES				
CURRENT TAX REVENUES				
GRAND LIST	\$ 11,823,577,590	\$ 11,904,661,061	\$ 81,083,471	0.7%
AVERAGE MILL RATE	24.54035	24.927	0.387	1.6%
TOTAL TAX LEVY	\$ 290,154,733	\$ 296,748,952	\$ 6,594,219	2.3%
<i>Uncollected Rate</i>	1.8%	1.5%	-0.3%	
RESERVE FOR UNCOLLECTED	\$ 5,222,785	\$ 4,451,234	\$ (771,551)	-14.8%
<i>Collection Rate</i>	98.2%	98.5%	0.3%	
TAX LEVY NET OF UNCOLLECTED	\$ 284,931,948	\$ 292,297,718	\$ 7,365,770	2.6%
LOCAL ELDERLY TAX RELIEF	\$ 1,313,000	\$ 1,469,000	\$ 156,000	11.9%
OTHER PROGRAMS	\$ 606,000	\$ 612,060	\$ 6,060	1.0%
TAX APPEALS	\$ 1,500,000	\$ 1,500,000	\$ -	0.0%
TOTAL REDUCTIONS	\$ 3,419,000	\$ 3,581,060	\$ 162,060	4.7%
NET CURRENT TAX REVENUES	\$ 281,512,948	\$ 288,716,658	\$ 7,203,710	2.6%
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	\$ 285,612,948	\$ 292,816,658	\$ 7,203,710	2.5%
NON-TAX REVENUES				
INTEREST & PENALTIES	\$ 1,585,668	\$ 1,916,182	\$ 330,514	20.8%
INTERGOVERNMENTAL REVENUE	\$ 16,505,401	\$ 17,316,500	\$ 811,099	4.9%
INVESTMENT INCOME	\$ 450,000	\$ 760,000	\$ 310,000	68.9%
DEPARTMENTAL RECEIPTS	\$ 10,125,098	\$ 10,864,250	\$ 739,152	7.3%
MISCELLANEOUS	\$ 2,263,040	\$ 2,357,021	\$ 93,981	4.2%
TRANS FROM FUND BALANCE	\$ 1,000,000	\$ 1,000,000	\$ -	0.0%
TOTAL NON-TAX REVENUES	\$ 31,929,207	\$ 34,213,953	\$ 2,284,746	7.2%
TOTAL REVENUE	\$ 317,542,155	\$ 327,030,611	\$ 9,488,456	3.0%
REVENUES LESS EXPENDITURES	\$ -	\$ -	\$ -	0.0%
COUNCIL CAP	\$ 301,812,998	\$ 309,714,111		
CALCULATED CAP	\$ 301,036,754	\$ 309,714,111		
VARIANCE	\$ 776,244	\$ -		

