CITY OF NORWALK
BOARD OF ESTIMATE AND TAXATION
REGULAR MEETING
MAY 6, 2024

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Members of the public may call in to participate. Callers will not be able to see the meeting participants. All participants will be muted upon entering the meeting. To speak, dial *9 on the phone and you will be called on by the host of the meeting during the public comment section. All speakers must state their name and address. Comments must be on a topic on the agenda, and are limited to three minutes.

Anyone disrupting the orderly conduct of the meeting, including by using threatening, hateful, or sexually-explicit language, will be removed. Please find the information using the link above.

Members of the public who wish to provide "live comments" may also use the Zoom meeting platform. All participants will be muted upon entering the meeting. To speak, click the “raise your hand indicator” and you will be called by the host of the meeting during the public comment section. All speakers must state their name and address. Comments must be on a topic on the agenda and are limited to three minutes. Anyone disrupting the orderly conduct of the meeting, including by using threatening, hateful, or sexually-explicit language, will be removed. Please find the information using the link above.

Members of the public who wish to provide public comment are encouraged to submit those via email in advance of the meeting. For these comments to be included into the record, they must be submitted by 12:00 p.m. the day of the meeting. Please email (Tom Ellis) at (Tellis@norwalkct.gov) with the subject line “Public Comment” to provide written public comment prior to the meeting.

ATTENDANCE:	Ed Abrams, Chair; Mayor Harry Rilling; Edwin Camacho; Kendrick Constant; Troy Jellerette; Artie Kassimis; Anne Yang
STAFF:	Lisa Biagiarelli, Tax Collector; Irene Dixon, City Clerk; Mickey Docimo, NPD: Thomas Ellis, Director of Management and Budgets; Chitsamay Lam, Controller; Thomas Livingston, Chief of Staff; Jared Schmitt, Chief Financial Officer

Mr. Abrams called the meeting to order at 6:32 p.m.

Ms. Dixon called the Roll as indicated above. A Quorum was present.

1. **APPROVAL OF MINUTES**

** **MS. YANG MOVED TO APPROVE THE MINUTES AS PRESENTED**

MARCH 28, 2024 – SPECIAL MEETING

APRIL 1, 2024 – REGULAR MEETING

APRIL 16, 2024 SPECIAL MEETING

** **MOTION PASSED UNANIMOUSLY**

2. **SPECIAL APPROPRIATIONS AGENDA** (Section A) None

3. **TRANSFER AGENDA** (Section B)

** **MR. JELLERETTE MOVED TO APPROVE THE TRANSFER AGENDA AS PRESENTED**

Mr. Livingston reviewed the Legislative request and Mr. Docimo reviewed the Police request.

FISCAL YEAR 2023-24:

LEGISLATIVE:

From		To		Amount
01-9600-5950	Contingency	01-0200-5258	Other Professional Services	$30,000

This transfer is to cover the hiring of a re-districting Consultant to advise the City on new district proposals..

Finance recommends approval

POLICE DEPARTMENT:

From		To		Amount
01-3022-5110	Wages & Salaries - Regular	01-3042-5120	Wages & Salaries – Overtime	$40,000
01-3022-5110	Wages & Salaries – Regular	01-3035-5120	Wages & Salaries - Overtime	20,000
01-3022-5110	Wages & Salaries - Regular	01-3056-5120	Wages & Salaries - Overtime	10,000
				$70,000

This transfer is to cover Overtime wages because of intermittent vacancies in the Patrol Division and other areas.

Finance recommends approval.

POLICE DEPARTMENT:

From		To		Amount
01-3030-5272	Training	01-3022-5329	Other Operating Expenses	6,122
01-3030-5286	Business Expenses	01-3022-5329	Other Operating Expenses	1,095
01-3030-5322	Chemical Lab	01-3022-5329	Other Operating Expenses	1,300
01-3035-5272	Training	01-3022-5329	Other Operating Expenses	1,566
01-3035-5329	Other Operating	01-3022-5329	Other Operating Expenses	2,012
01-3036-5742	IT Software	01-3022-5329	Other Operating Expenses	5,037
01-3042-5311	Office Supplies	01-3022-5329	Other Operating Expenses	13
01-3049-5234	Subscriptions	01-3022-5329	Other Operating Expenses	47
01-3053-5729	Other	01-3022-5329	Other Operating Expenses	952
01-3061-5272	Training	01-3022-5329	Other Operating Expenses	672
01-3061-5276	Uniform Purchase	01-3022-5329	Other Operating Expenses	6
01-3066-5221	Printing & Duplication	01-3022-5329	Other Operating Expenses	184
01-3071-5216	Other Communications	01-3022-5329	Other Operating Expenses	322
01-3071-5237	Advertising	01-3022-5329	Other Operating Expenses	500
01-3071-5286	Business Expenses	01-3022-5329	Other Operating Expenses	1,510
				$21,328

This transfer is to cover additional funds for relocation expenses due to fires.

Finance recommends approval.

POLICE DEPARTMENT:

From		To		Amount
01-3010-5233	Subscriptions	01-3042-5298	Other Contractual Services	260
01-3010-5235	Membership	01-3042-5298	Other Contractual Services	475
01-3022-5286	Business Expenses	01-3042-5298	Other Contractual Services	361
01-3023-5251	Medical and Dental	01-3042-5298	Other Contractual Services	154
01-3024-5235	Membership	01-3042-5298	Other Contractual Services	600
01-3024-5286	Business Expenses	01-3042-5298	Other Contractual Services	748
01-3025-5235	Membership	01-3042-5298	Other Contractual Services	490
01-3025-5294	Machinery	01-3042-5298	Other Contractual Services	10,500
01-3026-5221	Printing & Duplicating	01-3042-5298	Other Contractual Services	900
01-3026-5295	Seminars &Conferences	01-3042-5298	Other Contractual Services	130
01-3026-5631	Awards	01-3042-5298	Other Contractual Services	15
01-3035-5322	Chemical Lab	01-3042-5298	Other Contractual Services	82
01-3038-5328	Educational Supplies	01-3042-5298	Other Contractual Services	1,086
01-3040-5237	Advertising	01-3042-5298	Other Contractual Services	500
01-3042-5269	Other Repairs	01-3042-5298	Other Contractual Services	1,377
04-3042-5294	Machinery	01-3042-5298	Other Contractual Services	40
01-3042-5323	Food	01-3042-5298	Other Contractual Services	77
013049-5235	Membership	01-3042-5298	Other Contractual Services	70
01-3049-5295	Seminars & Conferences	01-3042-5298	Other Contractual Services	314

01-3050-5322	Chemical Lab	01-3042-5298	Other Contractual Services	304
01-3053-5332	Motor Vehicles	01-3042-5298	Other Contractual Services	500
01-3065-5294	Machinery	01-3042-5298	Other Contractual Services	24
				$19,005

This transfer is to cover reprioritizing of funds to accommodate new hire academy costs.

Finance recommends approval.

Mr. Abrams asked if the City will be able to fund last week's response to the accident on I-95 in Norwalk. Mr. Ellis explained that Ms. Lam set up accounts for the expenses related the accident.

** **MOTION PASSED UNANIMOUSLY**

4. (Section C)

Ms. Dixon read the following Resolution:

** **MR. KASSIMIS MOVED TO APPROVE THE RESOLUTION**

A. RESOLUTION MAKING APPROPRIATIONS, FOR VARIOUS PUBLIC IMPROVEMENTS AGGREGATING $70,217,280 FOR THE FY 2024-2025 CAPITAL BUDGET AND AUTHORIZING THE ISSUANCE OF $70,217,280 GENERAL OBLIGATION BONDS OF THE CITY TO MEET CERTAIN APPROPRIATIONS IN THE FY 2024-2025 CAPITAL BUDGET.

Mr. Ellis explained this item was approved by the common council. Mr. Jellerette added that going forward they need to be vigilant. Ms. Yang asked if this is the largest issuance and Mr. Ellis said this is the largest he has seen; this is a potential bonding gap. Ms. Yang said she was not comfortable approving all the terms and not and does not feel they are capital expenditures. Mr. Ellis said they may have enough cash on hand and Mayor Rilling said this has already been approved by the Common Council.

With this being one of the largest debt issuances for the City that will take the City well above the cap, Ms. Yang said she did not agree with giving carte blanche.

****　MOTION PASSED WITH ONE (1) VOTE IN OPPOSITION (MA. YANG)**

****　MR. CONSTANT MOVED TO APPROVE THE FOLLOWING ITEM**

b. **APPROVAL OF THE FY 2024-2025 OPERATING BUDGET & TAX RATES**

Mr. Schmitt reviewed the changes related to pensions and investment income. Me. Ellis noted that Norwalk's pension fund is close to the highest funded in the State.

Mayor Rilling announced that Secretary of Transportation, Pete Buttigieg authorized $3 million in quick release funds in response to last week's accident on I-95 in Norwalk.

In response to Mr. Jellerette's question, Mr. Ellis said the Rainy Day drawdown will be $8 million. Mr. Jellerette reiterated the importance of being vigilant.

Ms. Yang noted that a lot of comments were received from the residents during the budget discussions. She said that since they are looking at an average of an 8% increase in taxes they should listen to the public and look for flat rate budget year over year. The phase in helped but they are still looking at a 20 to 30% increase. She advocated not starting with a 3% increase next year but with a flat budget. Mr. Abrams said he understood. Ms. Yang said she is advocating starting with a zero based budget.

****　MOTION PASSED UNANIMOUSLY**

c. Contingency Tracker

Mr. Ellis explained that with one month left in the fiscal year, they have $563,000. He suggested the Board consider rolling over the funds for upcoming labor negotiations.

****　MR. JELLERETTE MOVED TO APPROVE THE FOLLOWING ITEM**

d. Approval of the FY 2024-2025 Suspense Tax List

Ms. Biagiarelli reviewed the request. She noted that this year's request is less than in the last year and this year it is mostly motor vehicles. In addition they turned this over to a third party agency for collection.

Mayor Rilling said there is significant influx of people moving into the City. Mr. Schmittsaid they started the process of ensuring people properly register their vehicle in Norwalk.

** **MOTION PASSED UNANIMOUSLY**

5. **ADDITIONAL INFORMATION** (Section D)

Financial reports

- Tax Collector's Narrative – March 2024
- Tax Collector's Report – March, 2024

Ms. Biagiarelli reviewed her reports as follows:

As of the end of March 2024, having concluded nine months, or three fourths, of the fiscal year, we collected more than $370 million against what is now our $379.4 million adjusted levy. The cumulative net adjusted levy remains significantly reduced from the original budgeted levy by nearly $3.9 million, primarily due to credits resulting from stipulated judgments in property tax appeal cases.

As of the end of March 2024, our current collection rate was 97.61%. We also collected 98.41% of our sewer use levy, more than $18 million, and 86.01% of the Industrial Pretreatment Program (IPP) fee billing on behalf of the WPCA. Compared with the prior fiscal year, we ended March 2024 very slightly ahead of last year for collection of taxes (.01%); sewer use (.18%), and for the IPP fee (1.32%). Regarding prior years' collections, through the end of March, we continue to see the effects of transferred payments from prior years taxes to current taxes, in accordance with court stipulated judgments in property tax appeal cases, as noted above. I have addressed this issue in greater detail in prior narratives.

Please note that the figures we report are net of refunds and credits. We sent delinquent notices for past due real estate and business personal property taxes and sewer use charges in February, and for motor vehicles in March. Our delinquent notices take the form of what is called a Demand for Payment of back taxes. This is a statutory term and is not meant to imply rudeness. We filed lien continuing certificates for accounts with balances due on the 2022 grand list in the town clerk's office on April 2, and expect to resume our normal schedule of filing liens in mid-March next year. Our third-party collection agency continues to bill on our behalf for suspended motor vehicle accounts. We began working with this agency in late 2022. Through the end of February 2024, in conjunction with their efforts, we have collected more than $912,000 in past due motor vehicle taxes and interest due directly to the City, as well as more than $137,000 in fees due to the agency. The agency's fees are charged in addition to the taxes and interest due to the City, and are paid by the taxpayers who owe the past due bills. This has been a successful endeavor, and we will continue to work with the agency going forward.

We continue working on the tax sale, scheduled for Monday, September 9, 2024. Our targeted collection for this sale is approximately $4.5 million. We started work on the sale in November 2023, and mailed preliminary letters to owners of about 100 properties scheduled to be included. We subsequently added more properties, and sent another set of letters in early 2024. As of this writing, we have already collected nearly $2.4 million on sale properties since November 2023. Our year-to-date collections of back taxes and interest through the end of March 2024 are already $1.9 million more than what we collected during the same time period of the prior fiscal year.

The purpose of the tax sale is to enforce collection of past due taxes. I provided some information on what a tax sale involves and why we do them in the January 2024 narrative and will continue to share information on the sale as we progress toward September 2024. The 2024 tax sale will be our 10th sale since 2003. We have 142 of 200 collected a cumulative total of more than $43 million on properties directly included in tax sales; this figure does not include ancillary collections on properties not included in the sales that were nonetheless brought current due to publicity surrounding the sale initiatives. Usually 90 – 95% of the properties originally slated for sale are removed from the sale when the back taxes are paid. Tax sale is our principal means of addressing past due real estate tax collections.

More effective tax collections and higher current and back collection rates allow the rate makers (Board of Estimate and Taxation) to set lower mill rates, as they will require a smaller allowance for uncollectible taxes. Conversely, lower tax collection rates require higher mill rates to be set, because not everybody pays on time, and the funds nonetheless are being allocated for spending, so the on-time taxpayers make up the difference. Lower mill rates allow for more stable budgeting, contribute to higher bond ratings, and serve as de facto tax relief for every taxpayer.

Looking forward to next month, we are moving quickly to the end of our fiscal year in June. There are numerous reports and tasks that need to be completed prior to, or immediately after, June 30. With regard to the upcoming billing of our 2023 grand list, the Board of Estimate and Taxation has authorized implementation of a phase-in of the 2023 real estate revaluation, meaning the values for 2023 grand list real estate will be phased in over a four-year period, rather than being implemented all at once in the new fiscal year. We will be working with the Assessor's Office to try to get our billing files to our printer as soon as possible with a target date of the last week of May. This would enable us to get bills in the mail to taxpayers by the second week of June. This is optimal, as it extends the collection period over six to seven weeks, rather than condensing it to only the weeks of the month of July, which is what occurs when we mail bills late in the month of June. Our division is entirely dependent upon the Assessors for billing and assessment information. They are responsible for real estate and business personal property assessment data; for data they receive from the Department of Motor Vehicles for our vehicle tax bills; and for property transfers, which also affect our billing. They also receive, analyze, and process the property tax relief applications submitted by the the 1,300+ households that receive city or state property tax relief. The billing cannot move forward until the Assessors have completed all their tasks and released their information to us. Further, we are dependent on our software vendor to process the data, so we can then release it to our third-party printing and mailing vendor. This will be our third major billing using our QDS software, following the June 2023 and January 2024 tax billings, and we anticipate being more familiar with the process this year.

I will continue to keep all stakeholders advised of our progress, and am available to respond to any questions, issues or concerns.

Mr. Abrams expressed his thanks to Ms. Biagiarelli and her team for their hard work on behalf of the City.

• Oak Hills Park Financials – March 2024

Mr., Dutton reviewed his report that was included in the backup packet. He added that as of this Friday the restaurant received its liquor license. Mr. Jellerett commented that the course is in great condition.

The remainder of the agenda is for informational purposes only.

• Year-to-date Capital Budget Report – FY 2023-24
• Year-to-date Operating Expenditure Report – FY 2023-24
• Year-to-date Operating Revenue Report – FY 2023-24
• Police Wages FY 2023-24
• Fire Wages FY 2023-24
• Public Works Wages FY 2023-24
• Year-to-date BOE Operating Expenditure Report FY 2023-24
• Year-to-date Budget Expenditure Report by Division

Mr. Abrams asked Mayor Rilling if he had any closing remarks. Mayor Rilling thanked everyone for all their hard work and the department heads for understanding the challenge.

Mr. Jellerette congratulated the Mayor and the teams for doing a great job with the tragedy last week. Mayor Rilling said all the credit goes to the Fire and Police Departments. He noted the Fire Department was at the scene within two minutes. He said they now have to deal with rebuilding the bridge which will take a year.

Mr. Abrams thanked Mr. Ellis for his leadership and welcomed Mr. Schmitt.

**** MS. YANG MOVED TO ADJOURN**
**** MOTION PASSED UNANIMOUSLY**

There was no further business, and the meeting was unanimously adjourned at 7:27 P.M.

Respectfully submitted,

Rosemarie Lombardi
Telesco Secretarial Services