CITY OF NORWALK
BOARD OF ESTIMATE AND TAXATION
REGULAR MEETING
MAY 5, 2025

ATTENDANCE: Ed Abrams, Chair; Atty. E. Camacho, Kendrick Constant, Troy Jellerette, Artie Kassimis, Anne Yang; Mayor Harry Rilling (6:35 p.m.)

OTHERS: Tom Ellis, Finance; Irene Dixon, City Clerk; Deanna D'Amore, Health Department Director; Deputy Police Chief Melissa Lapore; Bill Lindsay, Bond Advisor, Munistat Services, Alan Lo, Land Use & Building Management; Lisa Biagiarelli, Tax Collector

CALL TO ORDER

Mr. Abrams called the meeting to order at 6:32 p.m. A quorum was present.

ROLL CALL

The roll was called. A quorum was present.

ACCEPTANCE OF MINUTES

A. **Regular Meeting: April 7, 2025**

**** MR. KASSIMIS MOVED THE MINUTES OF THE APRIL 7, 2025 REGULAR MEETING**.

The following change was noted:

Page 1, under Roll Call, please change "Mr. Abrahms" to "Mr. Abrams".

Page 1, under Roll Call, MOTION: please change "Kassimiss" to "Kassimis" and all other occurrences.

Page 3, under OTHER BUSINESS, MOTION: please change "Kassimi" to "Kassimis" and all other occurrences.

Page 7, paragraph 1, line 10: please change the following from: "Mr. Ellis said he couldn't guarantee that but he felt very good about it."
To: "Mr. Schmitt said he couldn't guarantee that but he felt very good about it."

**** THE MOTION TO APPROVE THE MINUTES OF THE APRIL 7, 2025 REGULAR MEETING AS CORRECTED PASSED UNANIMOUSLY.**

Mayor Rilling joined the meeting at 6:35 p.m.

TRANSFER AGENDA

A. SECTION B

**** MR. KASSIMIS MOVED THE ITEM FOR DISCUSSION.**

Mr. Ellis greeted the Board. He said Ms. Dixon was present to address the Board about the transfer for the City Clerk's Department.

FISCAL YEAR 2024-25:

CITY CLERK:

From		To		Amount
01-1420-5258	Other Professional Svcs.	01-1420-5231	Publication/Notices & Reports	$6,000
01-0140-5272	Training & Education	01-1420-5311	Office Supplies & Materials	2,000
01-0140-5272	Training & Education	01-2022-5258	Other Professional Services	3,000
				$11,000

1. This transfer is to cover a shortfall in the Hearst Media Account.
2. This Transfer is to cover deficits in the W.B. Mason Account towards Charter Revision.
3. This Transfer is to cover deficits in the Secretarial Services account.

Mr. Abrams requested that the Board approve all of the transfer requests with one vote.

**** MR. KASSIMIS MOVED THE ITEM FOR DISCUSSION.**

Mr. Ellis then reviewed the details of the Health Department requests.

HEALTH DEPARTMENT:

From		To		Amount
01-9600-5900	Contingency	01-2020-5613	Condemnation	$27,000
01-9600-5900	Contingency	01-2020-5617	Other Grants, Contributions	19,000
01-2020-5110	Salary & Wages – Reg.	01-2020-5140	Salary & Wages – Part-time	11,000
				$57,000

1. This transfer is to cover additional funds for anticipated relocation expenses through the end of the year.
2. This Transfer is to cover anticipated eviction-related expenses through the end of the year.
3. This Transfer is to cover part-time members providing mandated services during full-time position vacancy.

Ms. D'Amore greeted the Board and gave a brief summary of the transfers for her department. Mr. Kassimis asked why something was being transferred from Contingency to Other Grants. Ms. D'Amore gave a brief explanation and said that this line item description has caused problems in the past and they will be renaming the line item "Eviction Services" for next year.

Mr. Jellerette asked if they were going back to the owner of the property or the insurance company to reimburse for these expenses. Ms. D'Amore said that they do when the can, but they follow State law. They recover what they can but there are circumstances that are beyond the owner's control. Discussion followed.

Mr. Jellerette said he has asked about this in the past because that it sounds like the City is not recovering the reimbursement that they should. Ms. D'Amore said that they have put liens on the property and they work closely with the Law Department to recover what they can.

Mr. Abrams asked Ms. D'Amore to send an email about the limitations and avenues that the City has pursued regarding this.

Atty. Camacho explained that he had to leave because the Charter Commission was short one member for a quorum.

Atty. Camacho left the meeting at 6:40 p.m.

Mr. Abrams asked if the figures reflected the recent evictions events that had happened in Norwalk. Ms. D'Amore said that they had submitted the request after the Taylor Avenue fire, so it was taken into account.

Mr. Ellis said that there was an incident at the Clock Tower units and asked if it was too soon to tell if there would be additional eviction costs. Ms. D'Amore said that she had checked with the Program Director but it was too soon to tell.

POLICE DEPARTMENT:

From		To		Amount
01-3010-5165	Retirement Payout	01-3022-5329	Other Operating Expenses	$28,131
01-3010-5295	Seminar & Conferences	01-3022-5329	Other Operating Expenses	978
01-3022-5322	Chemical, Lan, Medical	01-3022-5329	Other Operating Expenses	4,000
01-3025-5294	Machinery, Equipment	01-3022-5329	Other Operating Expenses	4,000
01-3025-5295	Seminar & Conferences	01-3022-5329	Other Operating Expenses	1,345
01-3026-5235	Membership & Dues	01-3022-5329	Other Operating Expenses	1,031
01-3026-5295	Seminar & Conferences	01-3022-5329	Other Operating Expenses	2,494
01-3026-5333	Machinery & Equipment	01-3022-5329	Other Operating Expenses	2,000
01-3030-5272	Training & Education	01-3022-5329	Other Operating Expenses	4,110
01-3030-5322	Chemical, Lab, Medical	01-3022-5329	Other Operating Expenses	1,000
01-3035-5272	Training & Education	01-3022-5329	Other Operating Expenses	3,050
01-3036-5295	Seminar & Conferences	01-3022-5329	Other Operating Expenses	3,950
01-3036-5741	IT Hardware	01-3022-5329	Other Operating Expenses	1,293
01-3036-5742	IT Software	01-3022-5329	Other Operating Expenses	5,175
				$62,557

This transfer is to cover ongoing end of year transfers to balance accounts and place funds where they are needed to pay bills.

Mr. Ellis said that the Police Department had the largest requestion and explained that Mickey and Deputy Police Chief Melissa Lapore were present to give an overview of the re-prioritization of the budgets.

** **THE MOTION TO APPROVE THE TRANSFERS AS PRESENTED PASSED UNANIMOUSLY.**

Mr. Ellis said that the Common Council had already taken the final budgetary step which was the last place any changed could have been made.

OTHER BUSINESS - SECTION C

1.Bond Presentation by Bill Lindsay, Bond Advisor, Munistat Services, Inc.

Mr. Lindsay greeted the Board and proceeded to give an overview of the City's position in regards to the rating agencies. He narrated a PowerPoint slide deck titled "City of Norwalk, Board of Estimate and Taxation Meeting" He explained the credit rating methodology and the City's current ratings, the City's current debt position, the current authorized by unissued debt balances and the forward debt load projections. Norwalk uses both Standard & Poor's and Moody's ratings.

Mr. Lindsay said that debt represents only about 10% of the overall score with the rating companies. Financial Performance represents 30% of the overall score. The City has historically scored well in this area. He cautioned the Board that the current percentage of the Fund Balance was in the lowest category and if it decreased further, it could impact the overall AAA rating.

Ms. Yang asked for clarification on the metrics for the AAA rating, which Mr. Lindsay reviewed with her. The most recent completed audit for Norwalk was 2023 and Mr. Lindsay said that he did not expect any major change in the upcoming rate. He noted that the rating agencies have an understanding that the Connecticut reserves tend to lag behind the national medians because Connecticut municipalities rely on property taxes for their primary revenue source. Property taxes are more stable and less subject to change during economic down cycles than a sales tax.

The presentation then moved to the Debt Capacity and Mr. Lindsay noted that the debt included city wide debt, including the BOE, the WPCA and the Parking Authority for a total of $459.2 million dollars. They do recognize that the WPCA and the Parking Authority are self-supporting. He cautioned the Board that the $459.2 million was just the debt that had been issues but there was authorized debt that had yet to be issued, which was $113.7 million. This includes the South Norwalk Neighborhood School and Norwalk High School projects.

The next slide illustrated the Debt Waterfall and he noted that the City would eventually exceed the $650 million threshold in 2027-2028. He said that the idea that the City would not be expected to issue all the debt in the last two years, but the unissued debt is in the five year plan. Mr. Lindsay said that there has been a reduction in projected debt, but based on the City's prior practice, he expected the City to cross the $650 million dollar debt threshold in six or seven years.

Ms. Yang had several details questions about going out to market and the effect on the debt, which Mr. Lindsay reviewed with her. Mr. Lo then spoke about the anticipated costs for the school building projects and the expected reimbursements.

The discussion moved back to the Debt Waterfall and the need to maintain the Fund Balance.

Mr. Lindsay said that his conclusions were that the City's history of economic and financial stability are the foundations of the AAAs with both Moody's and Standard & Poor's. This includes the strong liquidity/reserves, well-funded pensions and OPEB off-set debt load. As the debt increases, the City must maintain its credit strength in the other factors/metrics. The future financial performance with a weight of 30%, will have a more significant impact on the City's rating than the 10% debt weight. Liquidity and reserve levels are already low relative to the sector medians and must be maintained to preserve the current ratings.

Ms. Yang said that if there were issues regarding the reserves, they could delay projects. Mr. Lindsay said that this was so. Mr. Ellis said that five year plan was very fluid and projects can move in terms of priority and grant funding. Discussion followed.

Mr. Jellerette noted that the high school was a major portion of the debt and already in progress. He said that he did not understand how they could delay that at all. Mr. Lindsay explained that the high school was already authorized and issued debt.

Mr. Abrams said that it was heartening to know that they were already on a okay path. The City needs to be careful, but the path looks like it is appropriate for Norwalk. Tapping into the Fund Balance is clearly not an option if the City wishes to maintain their AAA rating.

> **RESOLUTION MAKING APPROPRIATIONS, for various Public Improvements aggregating $74,522,646 for the FY 2025-2026 Capital Budget and authorizing the Issuance of $74,522,646 General Obligation Bonds of the City to meet certain appropriations in the FY 2025-2026 Capital Budget. Authorize $970,000 of Debt Premium for various projects**.

**** MR. KASSIMIS MOVED THE ITEM**.

Mr. Ellis reiterated that this was the last vote on the final total Capital appropriations. It does not necessarily that the City is going out to market. That will be contingent on how the cash flows come back on the project estimates. Shipman and Goodwin and Mr. Lindsay have both reviewed this resolution.

Mr. Abrams noted that this figure is above what the BET made but is in line with what the Common Council ultimately recommended and approved.

Ms. Yang said that she would be sticking with the original recommendation. She outlined her reasons for this. This budget is $20 million dollars more than last year. Last year the budget was $35.8 million and this budget is for $54.8 million. She noted that in the last six months while the budget was being processed, the economic landscape has changes. She said that keeping the Capital budget flat would be her recommendation.

Mr. Abrams said that this was a binary vote and the BET does not have the flexibility to change the numbers within it. Ms. Yang said that this was her opinion on the veracity for the City.

Mr. Jellerette said that he believed that the BET's recommendation to the Council was a very strong one and he was not comfortable with this number.

**** THE MOTION TO APPROVE THE RESOLUTION MAKING APPROPRIATIONS, FOR VARIOUS PUBLIC IMPROVEMENTS AGGREGATING $74,522,646 FOR THE FY 2025-2026 CAPITAL BUDGET AND AUTHORIZING THE ISSUANCE OF $74,522,646 GENERAL OBLIGATION BONDS OF THE CITY TO MEET CERTAIN APPROPRIATIONS IN THE FY 2025-2026 CAPITAL BUDGET. AUTHORIZE $970,000 OF DEBTPREMIUM FOR VARIOUS PROJECTS PASSED WITH FOUR (4) IN FAVOR (ABRAMS, CONSTANT, KASSIMIS AND RILLING) AND TWO (2) OPPOSED (JELLERETTE AND YANG).**

APPROVAL OF THE FY 2025-2026 OPERATING BUDGET AND TAX RATES.

**** MR. KASSIMIS MOVED THE FOLLOWING ITEM**:

Board of Estimate & Taxation
Statement of Appropriations & Tax Rates
Tentative Approved FY 2025-26 Operating Budget
Pursuant to Section 10-8(B) of the City Charter

The following is a summary of the Tentative Approved Operating Budget of the Board of Estimate & Taxation, including a statement of appropriations, and tax rates of the City of Norwalk for the fiscal year commencing July 1, 2025 and ending June 30, 2026.

APPROPRIATIONS

DEPARTMENT	BET Tentative Approval FY 2025-26
Chief of Staff	1,170,986
Community Service	10,872,966
Contingency	1,288,772
Corporation Counsel	1,805,859
Debt Service	41,469,166
Diversity, Equity and Inclusion	174,108
Economic & Community Development	5,994,478
Education / NPS	242,694,758
Employee Benefits	24,156,800
Finance	9,223,738
Fire Department	23,361,357
Grants	1,330,892
Human Resources & Personnel	850,514
Legislative	26,500
Mayor	192,540
OPS / Public Works / Rec & Parks	31,190,821
Organizational Memberships	92,000
Pension Plans	23,128,000
Police Department	30,012,986
Registrar of Voters	660,013
Town Clerk	774,723
GRAND TOTAL	450,471,977

Tax Rates **<= Districts=>**

FY 2025-26 BET Tentative Approved Operating Budget (BoE 4.00% & City 2.50%)	Core Allocation	First Downtown Norwalk	Second South Norwalk	Third East Norwalk	Fourth Sewered Main Area	Fifth No Garbage Main Area	Sixth	Motor Vehicle	Personal Property
Fifth	21.2829	21.2829	21.2829	21.2829	21.2829	21.2829	21.2829		
Fire	2.4117	2.4117	2.4117	2.4117	2.4117	2.4117			
Garbage	0.2055	0.2055	0.2055	0.2055	0.2055				
Lighting	0.0458				0.0458	0.0458			
Motor Vehicle	22.000							22.000	
Personal Property	32.000								32.000
Sixth District - Rowayton	1.1095						1.1095		
Total FY 2025-26 Approved Budget		23.9001	23.9001	23.9001	23.9459	23.7404	22.3924	22.0000	32.0000

This is found on page 31, was published in the paper and has been available online for some time. Mr. Ellis said that there were some changes mandated by the State for motor vehicles. He gave a brief overview of the remaining categories. This is Year 2 of a four year phase in.

Mr. Jellerette asked for the District rates. Mr. Ellis said that District V has a 8.6% rate and the highest rate is District II with is 14.93%. He said that dollar-wise it was a low of $710 in District IV and a high of $2,074 in District VI. The numbers will be emailed to the Board members.

Ms. Yang asked for an update on page 7 and the appropriations that will show the next tax levy. Mr. Ellis said that he would send that out also.

Ms. Yang noted that this budget was exactly $10,000 less than the original budget that the BET received. She felt that there were a number of things that could have been done to reduce the tax burden on the residents.

She reiterated the budget was originally developed six or eight months earlier and the economic environment was very different. This budget may be less conservative than the previous year. The City is adding head count and reintroducing items that they had postponed last year. The headlines that she is seeing, companies are implementing hiring freezes and reducing budgets. This budget does not appear to reflect the new economic reality. She felt the nation was headed into a recession and said that they need to avoid using the fund balance. Discussion followed.

** **THE MOTION TO APPROVE THE FY 2025-2026 OPERATING BUDGET AND TAX RATES PASSED UNANIMOUSLY.**

Special Capital Appropriation in the amount of $583,668 for the Building Management Department to cover increased construction costs at the Norwalk Community Center.

** **MR. KASSIMIS MOVED THE FOLLOWING ITEMS:**

A. RECOMMEND THE ALLOCATION OF $583,668 IN SPECIAL CAPITAL APPROPRIATIONS TO THE RECREATION AND PARKS DEPARTMENT FOR THE DEVELOPMENT AND CONSTRUCTION OF THE NORWALK COMMUNITY RECREATION CENTER AT 98 SOUTH MAIN STREET AS IDENTIFIED HEREIN THIS MEMO AND ATTACHED DOCUMENTATION. CURRENT ACCOUNT #09256030 5777 C0719

B. RECOMMEND THE REDUCTION IN THE AMOUNT OF $583,668 FROM THE BALANCE OF THE MIDDLE SCHOOL BATHROOM IMPROVEMENT CAPITAL BUDGET.
ACCT #09225010 5777 C0807

Mr. Lo came forward and greeted the Board Members. He said that the project had been started earlier in the year and they were working on the interior of the building. He said that the City's contribution for the building was $5 million dollars and they were expecting the construction to be completed in about 14 months. He said that they had discovered water leakage and mold in the interiors walls. He said that there were photos of the deterioration. Also the interior steel structure was galvanized steel rather than stainless steel. He gave a brief overview of the work that will be done on the building's structure including removing one exterior wall, replacing the rotted materials and corrective measures.

Mr. Abrams pointed out that there was an off set on another project, so it was a net zero expenditure. Mr. Lo agreed this was so.

Mr. Jellerette said that the Cranbury School bathroom project came in under budget. He asked what the total was for the bathroom projects. Mr. Lo said that the original request came from the Board of Education and was for $1.5 million dollars.

Mr. Jellerette asked how they had overestimated so much on the project. Mr. Lo said that he was not the one who had estimated the project, but once the funding was allocated the project came to him to implement. There were four elementary and four middle schools that needed attention. Ponus was done when the building renovations were done. Mr. Lo visited Nathan Hale, West Rocks and another school. He said that Nathan Hale and West Rocks did not need to be completely gut the bathrooms. He gave the details. Discussion followed.

**** THE MOTION PASSED UNANIMOUSLY.**

CONTINGENCY TRACKER

Mr. Ellis then reviewed the various items Contingency Tracker which was contained in the information packet. Mayor Rilling said that there were five bargaining units that were in negotiations. He said that two were very close to a ratification vote. The remaining three are moving forward towards ratification. One of the goals of the contracts is to stagger the length of the contracts, so they don't all happen in the same year.

APPROVAL OF THE FY 2025-26 SUSPENSE TAX LIST.

** **MR. KASSIMIS MOVED THE ITEM.**

Ms. Biagiarelli greeted the Board Members. She said this was an annual list presented to the Board. These taxes are uncollectable because the office does not have a valid mailing address for the motor vehicle bill or the business is no longer in business. There are some items carried forward by the Assessor's Office even after the business has closed. She reviewed the timeline with the Board Members.

The reason that they put these items in suspense is to reduce the cost of repeated mailings to an invalid address. She said that they have turned the information over to a collection agency and have been able collect some of those outstanding bills. Most of the items on the report are outstanding motor vehicle bills. It is not considered an active asset. The BET approves it and the auditors review this.

Ms. Yang asked if bill collection agencies have tried to collect in the past and what the success rate was with different agencies. Ms. Biagiarelli said that they used one agency for about 20 years but went out to bid about four years ago. Now it is a different agency and the current agency is doing well. This was noted in her Monthly Report. She then gave a brief overview of the process and noted that the collection agency charges a fee, but that is passed on to the taxpayer. Ms. Yang said that based on the numbers, it was a pretty darn good rate. She thanked Ms. Biagiarelli.

** **THE MOTION PASSED UNANIMOUSLY.**

NPS SCHOOL CONSTRUCTION - MONTHLY PROJECT UPDATE

Mr. Lo said that they provide the monthly update to the Council and now was presenting it to the BET as general information. The South Norwalk School is moving forward and they expect it to open in September for the school year. He said that he had been told that the BET members would like to tour the school. It is the largest elementary school in the system and has capacity for 682 students. He asked Mr. Abrams to check with his office to schedule a tour.

NHS is moving forward on schedule. The RFP for demolition of the existing building has been released. It is expected that the building will be completed for the Fall 2027 semester. They will be submitting applications to the State for the balance of the $10 million in funding for the demolition.

The school HVAC system replacement project bids came in recently and they are very high. The staff is working on resolving those issues. Mechanical construction in Connecticut is tapped out and there is not a lot of competition. The suppliers are also a problem. They are trying to put together this project the best that they can. There is also abatement that needs to be done. There is a lot of phasing and school operations that need to be considered. He continues to update the BOE and the Common Council on these items.

Ms. Yang asked about the flexibility that they have with the state grants. Mr. Lo said that the current completion date is December 2025 and he has requested a year’s extension since they can only work during the summer. The summer break is only about 7 weeks because the teachers come back in late August. Rowayton and Silvermine will be getting new boilers. He gave the details and the financial challenges.

Ms. Yang said that she felt that next year the markets may be more plentiful.

NARRATIVE ON TAX COLLECTIONS DATED MARCH 2025
MONTHLY TAX COLLECTOR'S REPORTS DATED MARCH 2025

Ms. Biagiarelli said that the March report was completed but the April report has not yet been closed out. Through the first quarter, the City is at 97.65% of the levy. She reviewed the figures outlined in her report.

The Tax Sale was in September 2024 and the redemption for the sale expired in mid-March. There were four properties that were not redeemed and deeded over to the successful bidders. The overbid on the properties which was in excess of $800,000 was turned over to the Superior Court. The Connecticut municipalities are not allowed to keep the overbids. She gave the details of other court cases in other states where there was excess funding taken.

The liens were filed on April 2nd and they are working on the motor vehicle delinquent bills went out. The Office will start on the bills with the rates that were just approved. She asked the Board Members to come to City Hall to sign the permanent record of the vote that they had taken earlier. Ms. Biagiarelli said that her warrant would be signed the next day, so she will send an email reminder to the Board members.

Mr. Ellis said that the next meeting will be on June 2nd.

Mayor Rilling thanked everyone for their hard work.

ADJOURNMENT

**** MR. KASSIMIS MOVED TO ADJOURN.**
**** THE MOTION PASSED UNANIMOUSLY**.

The meeting adjourned at 8:30 p.m.

Respectfully submitted,

S.L. Soltes
Telesco Secretarial Services