

**ALL COMMON COUNCIL ACTIONS TAKEN AT THIS MEETING TO APPROVE
EXPENDITURES AND CONTRACTS OR TO ACCEPT BIDS AND OTHER
PROPOSALS REQUIRING THE EXPENDITURE OF CITY FUNDS ARE SUBJECT TO
THE AVAILABILITY OF FUNDS**

Common Council President, Mr. Kydes called the meeting to order at 8:00 p.m. and led the Assembly in reciting the Pledge of Allegiance.

Ms. King, City Clerk read the notice stating that the meeting was being videotaped and audio recorded for the public broadcast and that assisted listening devices were available.

I. ROLL CALL

Ms. King called the Roll. The following Common Council members were present:

Council at Large:	Mr. Gregory Burnett	Mr. Michael Corsello
	Mr. Nicholas Sacchinelli	Ms. Barbara Smyth
	Mr. Douglas Stern	
District A:	Ms. Eloisa Melendez	Mr. Chris Yerinides
District B:	Ms. Faye Bowman	Mr. Travis Simms
District C:	Mr. John Kydes	Ms. Beth Siegelbaum
District D:	Mr. Douglas Hempstead	Mr. George Tsiranides
District E:	Mr. Thomas Livingston	

At Roll Call there were fourteen (14) Common Council members present and one (1) absent (Mr. Igneri)

Also present were Mayor Harry Rilling; Corporation Counsel, Mario Coppola and City Clerk, Donna King.

II. ACCEPTANCE OF MINUTES

Regular Meeting: January 23, 2018

The following corrections were made to the minutes:

Page 1: remove Mr. Hempstead's name under At Large

Page 6: remove the last sentence in the first paragraph

**** MS. MELENDEZ MOVED TO ACCEPT THE MINUTES AS CORRECTED
** MOTION PASSED WITH ONE (1) ABSTENTION (MR. SACCHINELLI)**

III. PUBLIC PARTICIPATION

Ms. Lisa Biagiarelli, City of Norwalk Tax Collector spoke in support of the proposal to name City Hall Drive to Honorable Frank J. Esposito Way. She said he was involved in many community organizations and did a lot for the City. She said that he deserves this honor.

IV. MAYOR

A. RESIGNATIONS AND APPOINTMENTS

RESIGNATIONS: R. Richard Roina, Zoning Commission, Alternate

Mr. Kydes announced and accepted Mr. Roina's resignation.

APPOINTMENTS:

**** MS. SIEGELBAUM MOVED TO ACCEPT THE FOLLOWING
APPOINTMENT:**

STEVEN KLOCKE, CONSERVATION COMMISSION

**** MOTION PASSED UNANIMOUSLY**

**** MR. HEMPSTEAD MOVED TO APPROVE THE FOLLOWING
APPOINTMENT:**

**SHANNON O'TOOLE GIANDURCO, FACILITIES CONSTRUCTION
COMMISSION**

Mr. Hempstead spoke in support of the appointment and said Ms. O'Toole Giandurco brings unique experience and will make a great addition to the Commission.

Mr. Livingston said that as a member of the Facilities Construction Commission he looks forward to working with her.

Mr. Kydes said he served four years on the Common Council with her and they are lucky to have her.

**** MOTION PASSED UNANIMOUSLY**

**** MR. STERN MOVED TO APPROVE THE FOLLOWING APPOINTMENT:**

SAMUEL J. PRIDE, FAIR RENT COMMISSION

Mr. Stern said he has known Mr. Pride for several years and he is committed and dedicated to the City.

Mr. Simms said he has known Mr. Pride for quite some time and he will be a great addition to the Board.

**** MOTION PASSED UNANIMOUSLY**

**** MR. CORSELLO MOVED TO APPROVE THE FOLLOWING APPOINTMENT:**

NORMAN J. WEINBERGER, BOARD OF HEALTH

Mr. Corsello said that Dr. Weinberger helped raise hundreds of thousands of Norwalkers. He founded the Norwalk River Rowing Association and is very well qualified.

**** MOTION PASSED UNANIMOUSLY**

**** MR. LIVINGSTON MOVED TO APPROVE THE FOLLOWING APPOINTMENT:**

Colin A. Hosten, Human Relations

Mr. Livingston said he has known Mr. Hosten for a year and a half; he is very active in the Village Creek Neighborhood Association. In addition, his peers recognize his leadership skills.

**** MOTION PASSED UNANIMOUSLY**

Tyrone R. McClain, Public Library Board of Trustees

Mr. McClain withdrew his name.

**** MR. HEMPSTEAD MOVED TO APPROVE THE FOLLOWING APPOINTMENT:**

ANDREW T. CONROY, ZONING BOARD OF APPEALS, ALTERNATE

Mr. Hempstead said that Mr. Conroy brings a lot of experience to the Board.

**** MOTION PASSED UNANIMOUSLY**

**** MR. YERINIDES MOVED TO APPROVE THE FOLLOWING APPOINTMENT:**

DAVID HEUVELMAN, ZONING BOARD OF APPEALS, ALTERNATE

Mr. Yerinides said Mr. Heuvelman is very dedicated and looks at the big picture.

**** MOTION PASSED UNANIMOUSLY**

Due to a potential conflict of interest, Mr. Tsiranides recused himself and left the Common Council chambers.

**** MR. HEMPSTEAD MOVED TO APPROVE THE FOLLOWING APPOINTMENT:**

R. RICHARD ROINA, ZONING COMMISSION, REGULAR

Mr. Stern said he had the pleasure of serving on the Zoning Commission with Mr. Roina and that he was happy his name was up for a permanent role.

Mr. Kydes said he has known him for many years and his profession deals with Planning and Zoning.

Mr. Corsello said he is a respected attorney in the real estate field.

Mr. Hempstead said he has a good reputation.

**** MOTION PASSED UNANIMOUSLY**

Mr. Tsiranides returned to the Common Council chambers.

REAPPOINTMENTS:

**** MS. BOWMAN MOVED TO APPROVE THE FOLLOWING REAPPOINTMENT:**

LISA M. COOPER, REDEVELOPMENT AGENCY

Ms. Bowman said Ms. Cooper does a great job for the community and that she is glad she will willing to give of her time.

Mr. Simms said she is passionate about Norwalk. She sits on the Redevelopment Agency now and is doing a phenomenal job there.

**** MOTION PASSED UNANIMOUSLY**

Ms. King administered the Oath of Office to those present.

MAYOR'S REMARKS:

Common Council President Mr. Kydes gave the remarks. He said there was a special Common Council meeting prior to this meeting where Mr. Barron, the Finance Director presented the 2018-2019 Operating Budget. He reminded everyone that Monday, February 19th is Presidents' Day and City Hall will be closed.

Mr. Kydes read a proclamation honoring February as Black History Month.

V. **COUNCIL PRESIDENT**

A. GENERAL COUNCIL BUSINESS:

B. CONSENT CALENDAR:

**** MR. HEMPSTEAD MOVED THE FOLLOWING CONSENT CALENDAR:**

VI.A.2, VII.A.1, VII.A.2a, VII.A.2b, VII.B.1, VII.B.2, VII.B.3, VII.B.4, VII.B.5, VII.D.1a, VII.D.1b, VII.D.4a, VII.D. 4b, VII.D.5

VI. **REPORTS: DEPARTMENTS, BOARDS AND COMMISSIONS**

A. CORPORATION COUNSEL

**1. AUTHORIZATION FOR AUTHORITY TO FILE OFFER OF COMPROMISE:
TERRANCE CUMMINGS V. JERMAINE NASH, ET AL. EXECUTIVE
SESSION CONSENT TO TABLE TO NEXT MEETING**

**2. AUTHORIZATION TO SETTLE BOND CLAIM (#106015363) AND FOR
MAYOR TO EXECUTE THE SETTLEMENT AGREEMENT, COVENANT NOT
TO SUE AND RELEASE. EXECUTIVE SESSION**

VII. COMMON COUNCIL COMMITTEES

A. PLANNING COMMITTEE

1. APPROVE THE PROPOSED SCOPE OF WORK FOR THE PROGRAM OF PUBLIC IMPROVEMENTS TO SUPPORT THE PHASE II WAYPOINTE DEVELOPMENT AS PRESENTED IN THE PINNACLE UTILITY INFRASTRUCTURE & STREETScape UPGRADE DATED JANUARY 5, 2018.

2A. AUTHORIZE THE MAYOR TO EXECUTE AN AMENDMENT TO THE EXISTING AGREEMENT WITH STANTEC CONSULTING SERVICES, INC. FOR THE PLAN OF CONSERVATION AND DEVELOPMENT TO AUTHORIZE ADDITIONAL SERVICES RELATED TO A PLANNING PEER REVIEW OF THE 230 EAST AVENUE TOD APPLICATION AND INCREASE THE COMPENSATION PAYABLE BY AN ADDITIONAL SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$7,500.). [THERE IS NO COST TO THE CITY BECAUSE THE APPLICANT WILL BE PAYING THE FEES FROM AN ESCROW ACCOUNT ESTABLISHED WITH THE CITY].

2B. AUTHORIZE THE DIRECTOR OF PLANNING AND ZONING TO EXECUTE AN ESCROW AGREEMENT WITH THE APPLICANT, 230 EAST AVENUE LLC, IN ORDER TO ESTABLISH THE ESCROW ACCOUNT AND TERMS OF PAYMENT FOR THE PEER REVIEW SERVICES.

B. PUBLIC WORKS COMMITTEE

1. APPROVE THE HONORARY NAMING OF THE CITY HALL DRIVE (SUNSET HILL AVENUE TO EVERSLEY AVENUE) TO “HONORABLE FRANK J. ESPOSITO WAY” IN MEMORY OF MAYOR FRANK J. ESPOSITO.

2. AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE ALL REQUIRED DOCUMENTS RELATED TO THE EXECUTION OF THE EASEMENT AGREEMENT BETWEEN THE CITY OF NORWALK AND THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION FOR A PERMANENT EASEMENT OF 23,060+ SQUARE FEET TO CONSTRUCT AND MAINTAIN THE WALK RAILROAD BRIDGE AS DEPICTED ON A MAP PREPARED BY THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION ENTITLED “COMPILATION PLAN TOWN OF NORWALK MAP SHOWING EASEMENT ACQUIRED FROM CITY OF NORWALK BY THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION WALK RAILROAD BRIDGE REPLACEMENT,” DATED DECEMBER 2017, AT A SCALE OF 1” = 40’ ON FILE IN THE DEPARTMENT OF PUBLIC WORKS IN EXCHANGE FOR A PAYMENT OF \$580,000.00.

3. AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE ALL REQUIRED DOCUMENTS RELATED TO THE EXECUTION OF THE EASEMENT AGREEMENT BETWEEN THE CITY OF NORWALK AND THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION FOR A PERMANENT EASEMENT OF 6,098+ SQUARE FEET TO CONSTRUCT AND MAINTAIN THE WALK RAILROAD BRIDGE AS DEPICTED ON A MAP PREPARED BY THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION ENTITLED “COMPILATION PLAN TOWN OF NORWALK MAP SHOWING EASEMENT ACQUIRED FROM CITY OF NORWALK BY THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION WALK RAILROAD BRIDGE REPLACEMENT,” DATED DECEMBER 2017, AT A SCALE OF 1” = 40’ ON FILE IN THE DEPARTMENT OF PUBLIC WORKS IN EXCHANGE FOR A PAYMENT OF \$154,000.00.

4. AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE ALL REQUIRED DOCUMENTS RELATED TO THE EXECUTION OF THE EASEMENT AGREEMENT BETWEEN THE CITY OF NORWALK AND THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION FOR A TEMPORARY CONSTRUCTION EASEMENT OF 18,780+ SQUARE FEET FOR THE PURPOSE OF STORAGE OF CONSTRUCTION MATERIALS AND TO PROVIDE ACCESS BETWEEN THE NORWALK RIVER AND LAND OF THE STATE OF CONNECTICUT DURING THE WALK BRIDGE REPLACEMENT PROJECT AS DEPICTED ON A MAP PREPARED BY THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION ENTITLED “COMPILATION PLAN TOWN OF NORWALK MAP SHOWING EASEMENT ACQUIRED FROM CITY OF NORWALK BY THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION WALK RAILROAD BRIDGE REPLACEMENT,” DATED DECEMBER 2017, AT A SCALE OF 1” = 40’ ON FILE IN THE DEPARTMENT OF PUBLIC WORKS IN EXCHANGE FOR A PAYMENT OF \$386,000.00.

5. AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE ALL REQUIRED DOCUMENTS RELATED TO THE EXECUTION OF THE EASEMENT AGREEMENT BETWEEN THE CITY OF NORWALK AND THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION FOR A PERMANENT EASEMENT OF 998+ SQUARE FEET TO PROVIDE ACCESS TO THE YANKEE DOODLE BRIDGE STRUCTURE AS DEPICTED ON A MAP PREPARED BY THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION ENTITLED “COMPILATION PLAN TOWN OF NORWALK MAP SHOWING EASEMENT ACQUIRED FROM CITY OF NORWALK BY THE STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION REHABILITATION OF BRIDGE NO. 00059 (YANKEE DOODLE BRIDGE) I-95 OVER NORWALK RIVER AND HENDRICKS AVENUE,” DATED NOVEMBER 2017, AT A SCALE OF 1” = 20’ ON FILE IN

**THE DEPARTMENT OF PUBLIC WORKS IN EXCHANGE FOR A
PAYMENT OF \$1,050.00.**

D. LAND USE AND BUILDING MANAGEMENT COMMITTEE

1A. AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE AN AGREEMENT WITH A.V. TUCHY, INC. FOR THE WEST ROCKS MIDDLE SCHOOL WINDOWS AND DOORS REPLACEMENT PROJECT-2018 FOR A TOTAL NOT TO EXCEED \$2,146,088.00. FUNDS ARE AVAILABLE IN ACCOUNT NO. 09185010 5777 C0610 AND 09175010 5777 585.

1B. AUTHORIZE THE NFCC TO ISSUE CHANGE ORDER ON CONTRACT FOR A TOTAL NOT TO EXCEED \$100,000.00.

2. AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE AN AGREEMENT WITH SILVER PETRUCELLI + ASSOCIATES FOR THE NORWALK HIGH SCHOOL IMPROVEMENTS PROJECT 2018 FOR A TOTAL NOT TO EXCEED \$97,500.00, WHICH INCLUDES AN ALLOWANCE OF \$25,000.00 FOR DESIGN SERVICES RELATING TO THE SUBMISSION OF A STATE GRANT APPLICATION.

**ACCOUNT NO. 09185010 5777 C0610 CONSENT TO SEND BACK TO
COMMITTEE**

4A. AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE AN AGREEMENT WITH SAV-MOR COOLING & HEATING INC. FOR THE CITY HALL COOLING AND FIRE SUPPRESSION IMPROVEMENT PROJECT FOR A TOTAL NOT TO EXCEED \$149,300.00. FUNDS ARE AVAILABLE FROM THE FOLLOWING ACCOUNTS:

**ACCOUNT NO.
0905 7100 5777 C0323
0912 7100 5777 C0439
0914 4071 5777 C0439
0917/18 7100 5777 C0476**

4B. AUTHORIZE THE OFFICE OF BUILDING MANAGEMENT TO ISSUE CHANGE ORDERS ON THE CONTRACT FOR A TOTAL NOT TO EXCEED \$14,930.00”

5. RESOLVED, THAT HARRY W. RILLING, MAYOR OF THE CITY OF NORWALK BE AND HEREBY IS AUTHORIZED TO EXECUTE ON BEHALF OF THIS MUNICIPAL CORPORATION AGREEMENTS WITH THE STATE

**OF CONNECTICUT FOR FINANCIAL ASSISTANCE TO CONDUCT A
HISTORIC RESOURCES INVENTORY.**

**** MOTION PASSED UNANIMOUSLY**

B. PUBLIC WORKS COMMITTEE

**** MR. LIVINGSTON MOVED TO AUTHORIZE THE FOLLOWING ITEM:**

**6. AUTHORIZE THE DIRECTOR OF PUBLIC WORKS TO EXECUTE
CHANGE ORDERS FOR THE GRASSO COMPANIES, LLC PROJECT RD2017-
2 CONCRETE CURBS AND SIDEWALKS, FOR A SUM NOT TO EXCEED
\$162,300.00.**

ACCOUNT NO.

09 16 1000 5777 C0536

09 17 1000 5777 C0536

09 18 0910 5777 C0287

Mr. Livingston explained that this is a change order to an existing contract for curbs and sidewalks. He said The Grasso Companies is required to be in compliance with Zoning regulations and they have no violations against this company. He added that they are doing good work.

Mr. Simms said the Common Council should not continue to award them additional jobs in the City. He said they have not been in compliance for decades and have not paid their taxes. He said it is not in the best interest of the City to allow them to get away with not paying their obligation to the City. In addition, he said they are not friendly to the neighbors.

**** MOTION PASSED WITH TWO (2) VOTES IN OPPOSITION (MR.
HEMPSTEAD AND MR. SIMMS)**

C. PERSONNEL COMMITTEE

**** MS. BOWMAN MOVED TO APPROVE THE FOLLOWING ITEM:**

**1. APPROVE REVISED GRANTS COORDINATOR/COMMUNICATIONS
MANAGER POSITION DESCRIPTION AND DUTIES.**

Ms. Bowman explained that the Grants Coordinator position is being tweaked to include communication duties. The salary is being lowered and the Common Council is being asked to approve the position. Ms. Bowman added that the Common Council has no part in the selection process for this position. This is an ask for an approval of the job description.

Mr. Hempstead said a tweak is adding a line or two. He asked Mr. Burney, Director of Personnel and Labor Relations for clarification. He noted that of the 11 qualifications, the job description only had one line for grant writing. The job description is more heavily weighted toward the Communications Manager's position. Mr. Burney said that they are basic abilities they want for both positions.

Mr. Hempstead said he will not support this item; he said this is written for a hand picked individual. He said that he hoped they would be as generous to the Board of Education's ask.

Mr. Sacchinelli called for a recess at 8:39 p.m.

The meeting resumed at 8:52 p.m.

**** MS. BOWMAN MOVED TO TABLE THE ITEM BACK TO COMMITTEE INDEFINITELY**

**** MOTION PASSED BY ROLL CALL VOTE WITH THIRTEEN (13) IN FAVOR (MR. BURNETT; MR. CORSELLO; MR. SACCHINELLI; MS. SMYTH; MR. STERN; MS. MELENDEZ; MR. YERINIDES; MS. BOWMAN; MR. KYDES; MS. SIEGELBAUM; MR. HEMPSTEAD; MR. TSIRANIDES; MR. LIVINGSTON) AND ONE (1) ABSTENTION (MR. SIMMS)**

D. LAND USE AND BUILDING MANAGEMENT COMMITTEE

Due to a potential conflict of interest Mr. Stern recused himself and left the Common Council chambers.

**** MR. LIVINGSTON MOVED TO AUTHORIZE THE FOLLOWING ITEM:**

3. AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE A LEASE AGREEMENT WITH FAMILY & CHILDREN'S AGENCY FOR THE SECOND FLOOR OF BEN FRANKLIN CENTER BASED ON A TOTAL OF APPROXIMATELY 5,732 SQUARE FEET AT \$2.50/SF/YEAR FOR UTILITY RELATED EXPENSES FOR A TOTAL OF \$14,330.00 PER YEAR. LEASE PERIOD SHALL BE FROM MARCH 1, 2018 TO FEBRUARY 29, 2020 WITH 3 – ONE YEAR RENEWAL OPTION. REMAINING TERMS SHALL BE AS OUTLINED IN ALAN LO'S MEMO DATED FEBRUARY 1, 2018.

Mr. Livingston explained that the Agency uses the third floor and are excellent tenants. They will use this for child and family programs.

**** MOTION PASSED UNANIMOUSLY**

Mr. Stern returned to the Common Council chambers.

VIII. **RESOLUTIONS FROM COMMON COUNCIL**

There were none this evening.

IX. **MOTIONS POSTPONED TO A SPECIFIC DATE**

There were none this evening.

X. **SUSPENSION OF RULES**

There were none this evening.

XI. **ADJOURNMENT**

**** MS. BOWMAN MOVED TO ADJOURN**

**** MOTION PASSED UNANIMOUSLY**

There was no further business and the meeting was unanimously adjourned at 8:55 p.m.

ATTEST: _____
Donna King, City Clerk

**ALL COMMON COUNCIL ACTIONS TAKEN AT THIS MEETING TO APPROVE
EXPENDITURES AND CONTRACTS OR TO ACCEPT BIDS AND OTHER
PROPOSALS REQUIRING THE EXPENDITURE OF CITY FUNDS ARE
SUBJECT TO THE AVAILABILITY OF FUNDS.**

CALL TO ORDER

Councilman Kydes called the meeting to order at 6:40 p.m., led the assembly with the pledge of allegiance.

I. ROLL CALL

City Clerk King called the roll. The following Council Members were present:

Council at Large:	Mr. Greg Burnett	Mr. Michael Corsello	Mr. Nick Sacchinelli
	Ms. Barbara Smyth	Mr. Doug Stern	
District A:	Ms. Eloisa Melendez	Mr. Chris Yerinides	
District B:	Ms. Phaedrel Bowman	Mr. Travis Simms	
District C:	Mr. John Kydes	Ms. Beth Siegelbaum	
District D:	Mr. Doug Hempstead	Mr. George Tsiranides	
District E:		Mr. Thomas Livingston	

City Clerk: Donna King. The meeting began with 11 present.

Absent: Mr. John Igneri, Mayor Rilling; Mario Coppola, Corporation Counsel

(Mr. Simms entered the meeting at 6:52 pm; Mr. Sacchinelli at 6:58 pm; Ms. Bowman at 7:05 pm)

Mr. Kydes announced that Mayor Rilling was sick, and he would be presiding as the meeting Chairman. He noted that this was a special meeting with the only item being presentation of the City's operating budget for 2018-19.

FY 2018-19 Operating Budget.

Mr. Robert Barron, Director of Finance explained that in accordance with City charter the budget is required to be presented to the Council the day before the first council meeting in February. He then delivered a power point presentation of his letter to the Council, Mayor Harry Rilling and Norwalk citizens. An introduction, overview and excerpts of the letter (attached) are as follows:

The recommended budget represents a spending plan that limits overall spending to an increase of \$5 million or 1.4% and an average mill rate increase of only 1.9%. Reducing expenditures to this level has been a major challenge given the fact that the city faces structural expenses, which are rising in certain key areas: Wages and Salaries, Debt Service and Employee Benefits.

Overview/excerpts of Director of Finance letter of 2018-19 Budget Recommendation—continued

The Board of Education's recommended FY 2018-19 budget is a base recommendation equal to the current year appropriation. I recommend that the Common Council fund as much of the Board city can afford by increasing its cap over the recommended base budget. The Common Council can add to this base recommendation by increasing its cap over the base recommendation. An increased cap will create an opportunity for the Board of Estimate and Taxation to increase the Board of Education's appropriation over the Finance Director's base recommendation for the upcoming FY 2018-19.

My recommendation is that you give them as much over the base as possible ... decided to not make a recommendation from the base up, into including their request item... base is rock solid to fund as much of the BOE budget as (the City/taxpayers) can afford.

This change in approach changes the tone of the upcoming discussion...the charge of the legislative body is to determine how much the taxpayers can afford...a reasonable person could say the BOE has been shorted funds for years, it's had an impact on the quality of education in Norwalk and now is the time to fully fund that \$11 million... to reset the base, even if it costs the taxpayers 5%.

The current 2017-18 fiscal year's appropriation was the largest year over year percentage increase in nine years for the Board of Education operating budget and represents the city's investment in the improvement of its Board of Education's delivery of educational services.

Mr. Baron referred to what he tells every department head, that it is their job to make a request for what it's going to cost to execute their vision in the upcoming year; then our job is to aggregate all those requests and determine what we can afford by the taxpayers of Norwalk.

Mr. Barron noted that there was not time for questions or comments due to the start of the regular Council meeting. He referred to the charts included in his handout to the Council and noted that complete documentation is in the Budget Binder.

Mr. Hempstead asked for a five-year comparison of the approved/recommended budget and year over year variances.

The Director of Finance letter outlining the FY 2018-19 Budget Recommendation is as follows:

**COMMON COUNCIL
NORWALK, CONNECTICUT**

**FEBRUARY 13, 2018
SPECIAL MEETING MINUTES**



CITY OF NORWALK, CONNECTICUT
Robert Barron, Director of Finance
rbarron@norwalkct.org
www.norwalkct.org

P: 203 854-7870
F: 203 854-7817

125 East Avenue, PO BOX 5125
Norwalk, CT 06856-5125

February 12, 2018

Harry W. Rilling, Mayor
Members of the Board of Estimate and Taxation
Members of the Common Council, and

The Citizens of the City of Norwalk:

In accordance with Section 1-239 of the City Code, I am pleased to transmit the requested budget from each department of the city, together with my recommendations relative thereto.

The recommended FY 2018-19 budget has been developed as the nation and State of Connecticut continues a tentative economic recovery from a historic recession. In a January 31, 2018, press release, the Federal Reserve reported that the labor market has continued to strengthen and that economic activity has been growing at a solid rate. Also, that job gains remained solid and the unemployment rate stayed near its recent low. This trend is also reflected in Connecticut and Norwalk's unemployment figures shown in the below Economic & Fiscal Environment section.

The Great Recession caused a myriad of financial difficulties for the city, but primarily a loss in the value of its grand list. The city's 2017 grand list has yet to return to its pre-recession value of \$12.7 billion in 2008, coming in at only \$12.3 billion. This \$12.3 billion does however represent a 0.5% growth over the previous year.

The uncertainty of funding from the State of Connecticut, which is dealing with its own budget challenges, places the majority of the increase of costs to run the city on the mill rate charged to its taxpayers. Therefore, I recommend that the city draw down \$2.0 million of its fund balance to partially offset the mill rate increases caused by rising expenses. This draw on the fund balance is consistent with the city's fund balance policy that allows for any excess reserve over the target established to be used for tax relief. The recommended draw of \$2.0 million for next year's budget will result in a 12.7% unreserved fund balance as a percentage of GAAP revenues.

The recommended budget represents a spending plan that limits overall spending to an increase of \$5 million or 1.4% and an average mill rate increase of only 1.9%. Reducing expenditures to this level has been a major challenge given the fact that the city faces structural expenses which are rising in certain key areas: Wages and Salaries, Debt Service and Employee Benefits.

Director of Finance letter outlining 2018-19 Budget Recommendation—page 2 of 11

The Board of Education's recommended FY 2018-19 budget is a base recommendation equal to the current year appropriation. I recommend that the Common Council fund as much of the Board of Education's request as it believes the taxpayers of the city can afford by increasing its cap over the recommended base budget. The city's Common Council can add to this base recommendation by increasing its cap over the base recommendation. An increased cap will create an opportunity for the Board of Estimate and Taxation to increase the Board of Education's appropriation over the Finance Director's base recommendation for the upcoming FY 2018-19. The current 2017-18 fiscal year's appropriation was the largest year over year percentage increase in nine years for the Board of Education's operating budget and represents the city's investment in the improvement of its Board of Education's delivery of educational services.

I. ECONOMIC & FISCAL ENVIRONMENT

The development of the city's budget occurs within the larger context of the economic and fiscal climate. This climate affects both the revenues available to support the city budget, and the expenditure pressures faced by the city. The national economy is showing real signs of recovery, however, its positive impact on the city's grand list is expected to take some time.

Connecticut's economy is beginning to show signs of modest progress. The Connecticut Department of Labor, in its December 2017 release of Labor Force Data, reported that over 74,100 remain unemployed statewide at a rate of 3.9%, consistent with the 74,000 and 3.9% respectively for the same period a year ago, however, less than 93,000 and 5% respectively for the same period two years ago. The same report indicates 1,741 unemployed in Norwalk at a rate of 3.5% compared to 1,758 and 3.5% respectively for the same period a year ago and 2,226 and 4.4% respectively for the same period two years ago. The recession has also had a severe impact on taxes collected by the State of Connecticut. The state's long-term budget challenges are resulting in net budget reductions to municipalities. Fortunately, Norwalk's primary source of revenue—the property tax at 89.3% of total 2018-19 recommended revenue budget, is not as susceptible to fluctuation as state aid during a recession.

II. BUDGET ADOPTION PROCESS & CALENDAR

The budget process begins about nine months before the start of the fiscal year, when the Finance Department prepares a three-year forecast of revenues and expenditures and the resulting tax rates to continue current government operations. These "pro forma" financial projections are then reviewed with the Mayor to elicit the administration's instructions and goals.

After incorporating the Mayor's goals into the preliminary budget projections, the Finance Department sends detailed budget packages together with general assumptions and spending guidelines to the various departments and agencies. The departments spend approximately five to six weeks developing their budget submissions. The Finance Department compiles all the requests and then meets with and reviews each agency's request.

The Finance Director is required under the City Code to submit the budget to the Board of Estimate and Taxation not later than the second Monday in February and to the Common Council by the second Tuesday of the month. The Finance Department meets with and assists the members of the Common Council who must set a budgetary spending cap by the fourth Tuesday in February. The Board of Estimate and Taxation conducts budget workshops with each department and agency to help develop its recommendations. The Board of Estimate and Taxation then holds a public hearing prior to submitting its recommendations to the Common Council on the first Monday in April. The Council reviews the Board's recommendations and has until the third Tuesday of April to adjust the budget cap, if necessary. The tentative budget is advertised in the local newspaper and the final budget and tax levy is approved by the Board of Estimate and Taxation on the first Monday in May.

Director of Finance letter outlining 2018-19 Budget Recommendation—page 3 of 11

III. BUDGET IN BRIEF

The Bottom Line: The recommended FY 2018-19 base budget is \$348,135,491, representing an expenditure increase of \$4,970,515 or 1.4%. The combination of the Tax Assessor's 2017 grand list increase of 0.5% and proposed mill rate increase of 1.9% yields a total tax levy increase of \$7,340,333 or 2.4%.

Estimated revenue derived from all sources other than current local taxes is expected to decrease by \$1,311,591 or 3.1% from \$42,739,170 to \$41,427,579. This decrease is largely driven by a \$1,815,320 decrease in intergovernmental revenue, and a \$1,658,607 decrease in departmental receipts. These decreases are slightly offset by increases of \$131,962 in miscellaneous revenues and \$30,374 in interests and penalties along with a \$2,000,000 transfer from the fund balance.

The recommended budget of \$348,135,491 less non-current tax revenues of \$41,427,579 plus tax adjustments of \$9,332,670 (tax relief programs and reserve for uncollected taxes) leaves a balance of \$316,040,582 to be levied in taxes. This represents an increase of \$7,340,333 or 2.4% in the total tax levy compared to the current year. Net total tax revenues under the recommended budget, after accounting for changes in reserves for uncollected taxes, tax relief programs, back taxes, and supplemental autos, are increasing by the same amount.

By contrast, if the departmental requests totaling \$359,469,331 were approved unaltered, it would require a \$20.9 million or 6.8% increase in the tax levy. Mayor Rilling advised me that he could not support a tax levy increase of 6.8%. In formulating my recommendations, my objective has been to maintain essential services, and reduce the tax levy to a level that is affordable to Norwalk's taxpayers.

The recommended budget consists of four elements that determine the amount of money that must be raised through taxation and are also used to calculate the tax rate: Appropriations (expenditures), Non-Levy Revenues, Tax Adjustments and the Net Taxable Grand List, plugged into the following formula:

Appropriations	\$ 348,135,491
Less: Non-Levy Revenue	<u>(\$ 41,427,579)</u>
Net Tax Collections	\$ 306,707,912
Plus: Tax Adjustments (Reserve for Uncollected & Tax Relief Programs)	<u>\$ 9,332,670</u>
Tax Levy	\$ 316,040,582
Divided by: Net Taxable Grand List	\$12,276,893,154
Equals: Average Mill Rate (per thousand)	25.743

The resulting average tax rate is based upon aggregate data and does not reflect the mill rate of any of the city districts. The actual district mill rates are determined by the level of municipal services each district receives and is presented later in this document. The 2017 net grand list of \$12,276,893,154 is an increase of 0.5% over 2016's net grand list total of \$12,220,457,278.

The recommended tax collection rate is 98.2% of the levy for FY 2018-19. This is a decrease from the current fiscal year's 98.5% due to the impact of the biennial tax sale that decreases tax collection of the year after the sale. The Tax Collector will conduct a tax sale in July 2018, Tax sales are conducted every other year so alternating year collection rate assumptions change from 98.5% to 98.2%.

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IV. BUDGET ASSUMPTIONS & SUMMARY OF SIGNIFICANT CHANGES

1. *Revenue assumptions* in this recommended budget include:

- A \$5 million revenue budget increase, driven by the following major categories of revenue:

REVENUE SOURCE	Approved Budget 2017-18	Recommended Budget 2018-19	Year over Year \$ Variance	% Variance
Current Property Taxes	\$ 300,425,806	\$ 306,707,912	\$ 6,282,106	2.1%
Use of Fund Balance	\$ -	\$ 2,000,000	\$ 2,000,000	100.0%
Miscellaneous	\$ 2,967,141	\$ 3,099,103	\$ 131,962	4.4%
Interest & Penalties	\$ 1,806,427	\$ 1,836,801	\$ 30,374	1.7%
Supplemental Auto	\$ 2,100,000	\$ 2,100,000	\$ -	0.0%
Back Tax Collections	\$ 2,000,000	\$ 2,000,000	\$ -	0.0%
Investment Income	\$ 1,000,000	\$ 1,000,000	\$ -	0.0%
Departmental Receipts	\$ 13,623,862	\$ 11,965,255	\$ (1,658,607)	-12.2%
Intergovernmental	\$ 19,241,740	\$ 17,426,420	\$ (1,815,320)	-9.4%
GRAND TOTAL	\$ 343,164,976	\$ 348,135,491	\$ 4,970,515	1.4%

- Current Local Taxes, net of a reserve for uncollectible taxes and tax relief programs, are growing by \$6,282,106 or 2.1% due to the 1.9% increase in the recommended mill rate, a 0.5% increase in the city's grand list, and a decrease of the tax collection rate from 98.5% to 98.2% due to the decrease in collections experienced in the year after a biennial tax sale.
- Transfers from the fund balance increase by \$2,000,000 consistent with the city's use of the fund balance.
- Miscellaneous Revenue is increasing by \$131,962 or 4.4% due to an increase of \$117,321 in Police reimbursements for the Tasers and Body Cameras, an increase of \$81,600 in Tax Sale Fee Revenue; an increase of \$19,558 in the Family and Children Aid Rental, offset by a decrease of \$72,043 in the sale of merchandise at Calf Pasture Beach due to the closing of the operations. The remaining net decrease of \$14,474 is spread across other miscellaneous accounts in several departments.
- Interest and Penalties are increasing by \$30,374 or 1.7% based on recent years' trend of these revenue items.
- Supplemental Auto, Back Tax Collections, and Investment Income revenues remains unchanged from the current fiscal year's budget.
- Departmental Receipts are decreasing \$1,658,607 or -12.2% due to a variety of departmental decreases, as follows:
 - Code Enforcement, \$1,519,549 due primarily to a decrease in building permit fees.
 - Recreation and Parks, \$117,051 due primarily to a decrease in Park Usage Fees

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- Public Works, \$58,310 due primarily to a decrease in Solid Waste Registration fees and Bulky Waste license fees.
- Other departments net increase of \$36,303.
- Intergovernmental Revenue is decreasing by \$1,815,320 or -9.4% due to a decrease of \$4,896,511 in the Municipal Revenue Sharing grant, a decrease of \$232,016 in Mashantucket Pequot grant, offset by an increase of \$1,712,971 in the Municipal Stabilization grant, an increase of \$1,180,200 for payments in lieu of taxes, an increase of \$402,915 in Municipal Projects grants, and other miscellaneous net increases of \$17,121.

2. *Expenditure assumptions* in this recommended budget include:

- A \$5.0 million expenditure budget increase, driven by the following major categories of spending:

DEPARTMENT	Approved Budget 2017-18	Recommended Budget 2018-19	Year over Year	
			\$ Variance	% Variance
Protection of Persons & Property	\$ 43,429,964	\$ 46,906,667	\$ 3,476,703	8.0%
Debt Service	\$ 25,948,865	\$ 28,447,763	\$ 2,498,898	9.6%
Employee Benefits	\$ 31,994,473	\$ 33,591,482	\$ 1,597,009	5.0%
Public Works	\$ 17,532,370	\$ 18,665,018	\$ 1,132,648	6.5%
General Government	\$ 6,233,926	\$ 6,730,411	\$ 496,485	8.0%
Recreation, Arts, Culture	\$ 8,454,300	\$ 8,778,603	\$ 324,303	3.8%
Finance Department	\$ 3,625,445	\$ 3,874,229	\$ 248,784	6.9%
Health Department	\$ 2,096,437	\$ 2,244,083	\$ 147,646	7.0%
Grants	\$ 2,128,681	\$ 2,243,471	\$ 114,790	5.4%
Education	\$ 184,084,348	\$ 184,084,348	\$ -	0.0%
Contingency/Organizational Memberships	\$ 4,022,167	\$ 1,575,392	\$ (2,446,775)	-60.8%
Pension Contributions	\$ 13,614,000	\$ 10,994,024	\$ (2,619,976)	-19.2%
GRAND TOTAL	\$ 343,164,976	\$ 348,135,491	\$ 4,970,515	1.4%

- City recommended budget is increasing \$5.0 million or 1.4% over the adopted FY 2017-18 budget. It is important to note that the city budget includes approximately \$24 million of expenditures attributable to the Board of Education for debt service, risk management, pension, OPEB trust, and in-kind services. A summary of the year-over-year increases are listed below:
 - Protection of Persons & Property increase of \$3,476,403 or 8% due primarily to contractual wage and step increases.
 - Debt Service increase of \$2,498,898 or 9.6% for the principal and interest payments on all outstanding bond obligations in addition to the interest costs for the proposed capital plan for next FY 2018-19.
 - Employee Benefit increase of \$1,597,009 or 5.0% for city medical insurance and OPEB contributions along with General Liability insurance for both the city and Board of Education.

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- Public Works increase of \$1,132,648 or 6.5% due primarily to contractual wage and step increases, contractual increases with Guardian and maintenance cost for the newly acquired South Norwalk Community Center building.
- General Government increase of \$496,485 or 8% primarily due to contractual wage and step increase.
- Recreation, Arts, and Culture increase of \$324,303 or 3.8% primarily due to contractual wage and step increase.
- Finance department increase of \$248,784 or 6.9% primarily due to contractual wage and step increase.
- Health department increase of \$147,646 or 7.0% primarily due to contractual wage step increase, additional part-time wages and increased budgeted amount for re-lodging for condemnation victims.
- Grants agencies increase of \$114,790 or 5.4% due to \$94,790 increased funding to city agencies and \$20,000 increased funding to outside agencies.
- The Board of Education's recommended FY 2018-19 budget is a base recommendation equal to the current year appropriation. The city's Common Council can add to this base recommendation by increasing its cap over the Finance Director's recommendation. An increased cap will create an opportunity for the Board of Estimate and Taxation to increase the Board of Education's appropriation over the Finance Director's base recommendation for the upcoming FY 2018-19. The current 2017-18 fiscal year's appropriation was the largest year over year percentage increase in nine years for the Board of Education's operating budget and represents the city's investment in the improvement of its Board of Education's delivery of educational services.
- Contingency and Membership expense decrease of \$2,446,775 or -60.8% due to the fact that the wage contracts were settled and the contingency reserve was allocated.
- Pension Contribution decrease of \$2,619,976 or -19.2% which includes Police, Fire, and City pension plans along with 401A matches for newer employees not enrolled in the defined benefit pension plan and small administrative costs. The city engaged its actuary to complete an experience study on its pensions which pointed to changes that notably lowered the liabilities and related ADEC calculation. Specifically, the pension funds' investment returns were significantly higher than the assumed rate and there were two years of changes in the mortality improvement scales that both moved in the direction of lowering liabilities. In addition, the plan experienced gains relative to the current salary scale and retirement rate assumptions.

**COMMON COUNCIL
NORWALK, CONNECTICUT**

**FEBRUARY 13, 2018
SPECIAL MEETING MINUTES**

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V. CONCLUSION

The recommended budget is a balanced plan of operations designed to meet the city's goals and objectives and to provide the essential funding that each department requires. As the budget season progresses, we stand ready to gather additional information that is helpful to the Common Council which will determine the spending cap and to the Board of Estimate and Taxation that will approve the final appropriations for the upcoming FY 2018-19 budget.

I would like to thank each department and agency head for their cooperation and assistance in the formulation of the recommended budget. I would also like to thank the budget staff: Lunda Asmani, Simona Maddox and Lola Phillips, for their excellent work and contributions to the development of the budget. And finally, I would like to thank the Mayor, members of the Board of Estimate and Taxation, and members of the Common Council for providing me with an opportunity to participate in the progress of this great city.

Respectfully Submitted,



Robert Barron
Director of Finance

Following the presentation, it was noted that the Council Finance Committee is set to begin deliberations on a budget cap at its Thursday meeting.

There was no further business.

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

The meeting was adjourned at 7:30 p.m.

Respectfully submitted,

M. Knox; Telesco Secretarial Services

ATTEST _____
Donna King, City Clerk Date: