CITY OF NORWALK
FINANCE/CLAIMS COMMITTEE OF THE COMMON COUNCIL MEETING
VIA ZOOM TELECONFERENCE
NOVEMBER 9, 2023

ATTENDANCE: Greg Burnett, Chair; Nora Niedzielski-Eichner, Diana Revolus; Ed Camacho, Common Council Member

STAFF: Lisa Biagiarelli, Tax Collector; Paul Gorman, Deputy Tax Assessor; Henry Dachowitz, CFO;; David Hopp, NPS IT Department

OTHERS: Alan Dutton, Oak Hills Park Authority

CALL TO ORDER

Chairman Burnett called the meeting to order at 7:06 p.m. and called the roll. He acknowledged the above members in attendance and stated that a quorum was present.

PUBLIC PARTICIPATION

There was no one in attendance or emails received for public participation.

Public participation comments are not verbatim and represent a summarization of statements unless otherwise noted. Speakers are Norwalk residents unless otherwise noted.

ACCEPTANCE OF MINUTES

October 12, 2023 – Regular Meeting

**** MS. NIEDZIELSKI EICHNER MOVED TO ACCEPT THE MINUTES OF THE MEETING OF NOVENBER 9, 2023.**
**** THE MOTION PASSED UNANIMOUSLY**

October 18, 2023 –-Common Council Finance and Claims Committee and Board of Education Finance Committee Special Joint Meeting

**** MS. NIEDZIELSKI EICHNER MOVED TO ACCEPT THE MINUTES OF THE MEETING OF OCTOBER 18, 2023**
**** THE MOTION PASSED WITH ONE ABSTENTION (COMACHO).**

5. CLAIMS COMMITTEE: NOVEMBER 2023

Mr. Burnett introduced Ms. Biagiarelli. Ms. Biagiarelli stated claims this month include a very significant number of assessment changes, refunds for those who requested a refund rather than a credit which will be found under assessment changes. She said the remainder were normal certificates of correction done by the assessors throughout the year. Ms.Biagiarelli indicated a special request at the end which was a compilation of vehicles overbilled to the J.P. Morgan Chase Vehicle Leasing Company that were consolidated into one check for more than $12,000. She then stated because of the amount a vote was required. She then asked if there were any questions.

Mr. Burnett asked for clarification that the amount was for multiple claims and not a single one. Ms. Biagiarelli stated this was correct and added the list of vehicles was in the claims report.

Mr. Burnett indicated there was one item they needed to vote on.

Ms. Niedzielski-Eichner asked if there was anything more people needed to be aware of or expect as bills would be going in less than a month. Ms. Biagiarelli stated bills were going out in less than a month and indicated there could be items that needed to be addressed but they were good for now. She then asked if there were more questions.

**** MR. BURNETT MOVED TO APPROVE THE SPECIAL AMOUNT AS PRESENTED.**
**** THE MOTION PASSED UNANIMOUSLY.**

6. NARRATIVE ON TAX COLLECTIONS DATED NOVEMBER 2023 – RECEIVE REPORT AND DISCUSS.

7. MONTHLY TAX COLLECTOR’S REPORTS DATED OCTOBER 2023– RECEIVE REPORT AND DISCUSS.

Ms. Biagiarelli explained as of the end of October collections were at 54.81% of our adjusted Levy along the lines of where we expect it to be which is slightly over where they were last year at this time. She stated they were preparing for our second installment billing which will be in the mail to the taxpayers on the 10th or 12th of December before holiday season mail.

Ms. Biagiarelli indicated they were working with the assessor’s office for a supplemental motor vehicle levy and stated the grand list for that which is motor vehicles that were not billed in July because they were registered after the October 1, 2022, grand list date, anything from October 2nd 2022 through September 30th of 2023. She explained those individuals are going to be receiving a pro-rated supplemental motor vehicle bill that is due January 1st payable by February 1st, 2024. She expressed hope this year's billing would go out early.

Ms, Biagiarelli further explained they do a second installment billing for all real estate and business personal property where there is a second installment due. She stated the last day to pay will be February 1st and suggested spreading the collection period out from mid-December through February 1st as a way of shortening lines.

Ms, Biagiarelli then brought up that the fall is when they do enforcement and they would be working with the Health Department on health permit denial and that wage garnishment would be used to recoup back taxes. She explained it's what they do every year for City or Board of Education employees who owe back taxes.

Ms. Biagiarelli went on to say they had begun working on their July 2024, real estate tax sale. She stated about 100 letters had gone out earlier in the week to properties anticipated to be included in the sale based on the number of years in arrears. She said this would give the taxpayer more time to address the situation rather than waiting until the spring to send them a letter. Ms Baigiarelli continued by saying the letters were usually sent in November to qualifying properties. She ended by saying they were gathering their thoughts for that sale. She then asked if there were any questions.

Mr. Dachowitz suggested to Ms. Biagiarelli that she may want to report to the committee on her training at QDS.

Ms. Biagiarelli explained to the committee that they went to QDS Headquarters for training on software. She indicated their intention to go back for further training so they could become more self-reliant. She said they were still learning the new system and said it was the first time they were going through a whole year on the new system.

Diana Revolus asked a question regarding enforcement and mediation and whether that was an option for Norwalk employees and residents. Ms. Biargiarelli explained the process which includes receiving a warrant from the state that grants municipalities certain powers to tax and raise revenue through taxation to fund local services. She indicated that approximately 89% of Norwalk's revenue is raised from property tax. She went on to say tax collectors in the state have been given broad authority to collect money to support the education system and that one of those options is to garnish the wages and bank accounts of full-time employees who owe back taxes. She explained they are required to make a written demand before initiating collection enforcement giving the taxpayer 90 days to comply. If they do no not a warrant is brought to the comptroller's office and the paycheck is garnished.

Ms. Revolus stated that because it was done for constituents what mediations were available for Norwalk employees? She then mentioned that 90 days was a form of mediation. Ms. Biagiarelli responded the only mediation they could do was to explain that they are welcome to make payments over time but it doesn't stop the garnishment. Town employees couldn't be treated better than anyone else. Ms. Revolus responded that she understood and stated that she appreciated an answer to her questions. She also pointed out there may be garnishments that supersede those of the city wondering if people are talked to about what they owe and if proper billing is addressed before wages are garnished.

Ms. Niedzielski-Eichner asked Ms. Biagiarelli a question regarding the tax sale. She stated other states pursued the option of having cities retain properties that don't sell at a tax sale or where the taxes were not resolved by the owner before the tax sale. She also mentioned these properties were being used for affordable housing or other city purposes and wanted to know if that was legal in Connecticut.

Ms. Biagiarelli explained if the taxes are not paid by the owners or by a party that holds an interest in the property like a lienn holder or a mortgage holder the property is sold at a public auction Anybody from the public can come and bid, and that includes the city, and the Housing Authority, but the property would go to the highest bidder because if the property deeds over to the new bidder they are responsible for having offered it to a party that would bid high enough to compensate the owner for the loss of their property. She further stated the city was not allowed to keep any more than they were owed. She also pointed out that in Connecticut the owner or any lein holder has the opportunity to apply for the overbid and the Superior Court determines its disposition. She reiterated there is an obligation to offer the property owner the highest bid and that the lean holder was entitled to any amount left over after paying off the taxes.

Ms. Niedzielski-Eichner stated she was relieved that was Connecticut law. and felt that the city's ability to bid should be kept in mind. She then thanked Ms. Biagiarelli for her explanation.

Ms. Revolus asked when and where the actions take place. Mr. Burnett replied that the tax sale would take place in July of 2024 in the Concert Hall at City Hall and pictures and relevant information about the properties will be available for viewing in the foyer of City Hall.

Mr. Camacho requested further clarification about the process of returning money in the event of an overbid. Ms. Biagiarelli explained we are not allowed to make any determination. The statute requires the money to be handed over to the Superior Court. She stated that they give a copy of the title search that indicates anyone who has a recorded interest in a property, the deed, and other materials they can use to identify when these parties might come forward and what should go to the owner or someone with a prior lien. She noted that in some cases people come forward after the fact to make a claim and need to present it in a court case. She further stated that the statute precludes the city from being involved in that process and all the city can receive is their taxes.

Mr. Camacho stated he was unaware that the money was turned over to the court. Ms. Biagiarelli indicated there will be more information about the sale, and they will have a website that explains the process and gives people public information about the properties. She stated they would start with 200 properties and said of those, only about a dozen properties would remain because all the others will pay their taxes before the sale. She went on to say the goal was to collect money due to the city, not to necessarily transfer the title to anyone's property.

Mr. Burnett asked about scenarios where they didn't get a bid on any property. Ms. Biagiarelli stated in that scenario there were three options; wait until the next sale and try again, accept lower bids, or the city could bid. She went on to say that all this was discussed ahead of time with those involved on the administration end, to see if there was interest. She also indicated in some cases, they reach out to abutting property owners.

Mr. Burnett stated the claims report would be moved on to the full council next week for approval.

8. TAX ASSESSOR UPDATE ON THE REVALUATION PROCESS.

Mr. Burnett moved to the next item and stated that the interim tax assessor couldn't join them but supplied Mr. Burnett with a series of updates. which he would read into the record. The updates are as follows:

1. Vision Government Solutions is working on the revaluation as it relates to residential properties and is currently on track to send the revaluation notices to residents' properties in the first week of December. The data collection has been completed a handful of partials have been flagged during field review for remeasuring so they'll go back out to finish that work.

Building Permit work has been completed as of Tuesday, November 7th the field review has been completed as of November 3rd, and data entry changes are up to date at this time. A complete residential A through Z analysis is currently underway, and they have included recent sales that have come in since August. They're covering the entire footprint and further adjustments will be made over the next few weeks.

Quality control reports will be run over the two weeks prior to the notice mailing. The revaluation information brochures have been printed and will be distributed to local libraries, realtor offices, etc. so that the community can be aware of what is taking place with the revaluation.

We're holding an informational meeting in the community room next Wednesday, November 15th beginning at 7:00 p.m. Both Vision Government Solutions and Safeguard Analytics will be providing presentations on the revaluation. This will be an in-person and Zoom meeting uh so it's a hybrid meeting. Presentations will be made and then there'll be a question-and-answer period. Vision and Safeguard will field those questions and answer those that may come up.

2. all commercial documentation analysis is complete all cost income models are in the system, and all commercial properties have draft preliminary values on them. All state of Connecticut and IAAO tests have been performed and indicate that the values and ratios are met or exceeded standards, roughly 50% of all the commercials have had final reviews so still more work to be done there all final review commercial values will be completed by November 30th. At the end of this month, notices will be mailed and appointments will be set up with assistance from Vision for any commercial properties to meet with um the vendor.

Mr. Burnett reiterated the information discussed earlier about the November 15, 2023 meeting being held to help the public understand the process and address any questions they might have. He then asked if there were any questions related to the Tax Assessor.

9. RECEIVED OAK HILLS AUTHORITY MONTHLY FINANCIAL STATEMENTS FOR SEPTEMBER 2023.

Mr. Dutton indicated they had received the information and informed the committee he would be giving them a brief overview of the actual month where we are year to date and how it compares to last year just in the areas of revenue expenses. He discussed the year-to-date income and stated that in September the revenues were $12,000 under budget on the revenue side 244 compared to 257 however our expenses were about $20,000 below the budget. He indicated they didn't spend as much money on the water that we thought you know because it's been a lot wetter this year than it was compared to last year and we spent we spent less money on chemicals as well. The $20,000 savings so from a bottom line perspective for the month of um September we were $8,000 over our budgeted income. we made $84,000 compared to a budget of 76 that's for the actual month of September. Three months year to date we find our revenue is $51,000 over our budgeted number 911 compared to 962 so revenues are ahead of budget and our expenses were able to save about $4,000 on our expenses on a year-to-day basis after three months we're $55,000 ahead of our budgeted income.

Mr.Dutton stated the actual Budget was 333 which is very good so far but if we compare it to where we were last year in those three months we were about 19,000 under what we did last year same period our expenses are about $118,000 higher compared to last year. He stated they have a general manager position now we didn't have that in the past. He then said overall on a year-to-date basis we're about $37,000 behind what we did last year but is still better than budget so from an operating point of view we continue to do pretty well for the first three months.
Mr. Dachowitz Inquired as to the determination of years to date, and whether or not they were going from; July, August, or September.

Mr. Dutton responded yes and indicated they had $836,000 in the bank at the end of September, they have $225,000 in a CD, $225,000 in a sweep account, and $375,000 to get them through the period of the next three to five months. He indicated there would be some capital expenses over the next few months but from a cash point of view, they were okay.

Mr. Dutton discussed the completed car pass between holes 1 and 2 on the golf course, the addition of a blacktop down in front of the rental housing, and a small amount in front of the starters hut that has been recently completed. He said they were in the planning processes for the capital budget for next year. The major project, the traps and bunkers need to be renovated and upgraded. Mr. Dutton went on to say it was a 2 year project probably costing about $420 – 425 thousand and would start in the fiscal 2024, 2025 year. He further stated they were in the process of getting things in order getting contracted and getting the bids in. He stated the cash flow was available, especially for the first part of the project.

Mr. Dutton then stated they were in the final stages of negotiating a mutually agreed upon dissolution agreement with Dry Duck Smoking Aces. He said we expect that agreement to end On January 7th we're currently in the process of finalizing the restaurant.

Mr. Dutton said it was a mutual, somewhat amicable agreement that would benefit both sides. He further went on to say next year they will have different concessions. They were working with the city of Norwalk and their purchasing department to create an RFP containing the requirements to be put out to vendors. He said we will then start the process for a new vendor in March of next year.

Mr.Camacho stated it was fairly clear the restaurant concept didn't work for Oak Hills and wondered if any thought to some other use of the space more complimentary to a Golf course. Mr. Dutton responded that they needed to look and vendors who operate at municipal golf courses because a municipal golf club restaurant is a unique place though it depends on how much space you have for private parties. He continued by saying we need someone who has done it before, and because it's a recently renovated space with a large kitchen, and they own the tables, chairs, and televisions it makes for a good turn-key operation. He then reiterated that they were looking to bring in a seasoned person used to doing this kind of work.

Mr.Camacho again mentioned possibilities for something more consistent with a golf course. Mr. Dutton offered the possibility of a winter driving range and they were looking at all angles. Mr. Burnett then asked Mr. Dutton if there was anything on the docket for nature trails, tennis courts, or any Activity beyond the golf course.

Mr. Dutton responded that they did spend money on the tennis courts for new fencing, and refinishing the concrete. He said the tennis courts had a great bunch of people who do their own fundraising.

Mr. Dutton then said he thought the area they should concentrate more on was the nature trail area. He suggested finding someone to come to the commission would be a good route and agreed they should not lose them. He then went on to say that they had put a couple of thousand into the nature trail area and stated it was an area they should look into more.

Mr. Dachowitz suggested to consult with Robert Stowers', head of Parks and Recreation. Mr. Dutton indicated that he was a member of their board Mr. Dachowitz talked of Mr. Stowers' experience on the city side and would maybe have ideas for the Oak Hills side. Mr. Dutton indicated that they had reached out to Mr. Stowers on the RFP side to get his input and they were finalizing the document now.

Ms. Revolus asked a question about engaging community members who don't normally golf, particularly youth. Mr. Dutton acknowledged that was a really good point and explained that tennis has been reaching out on the youth side to different communities in the Norwalk Area trying to foster the use of the tennis courts. He mentioned someone named Paul whose youth programs work with the high schools. Mr. Dutton then stated that they need to improve in this area by reaching out to people who can help. He then stated it was something he would bring up at the next meeting.

Ms.Revolus discussed engaging children in entrepreneurial internships. Mr. Dutton said it wouldn't work on the restaurant side, but it could on the golf side.

10. AUTHORIZE THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS TO 443 TECHNOLOGIES, FOR THE SUPPLY OF A NUTANIX HCI SYSTEM, AN AMOUNT NOT TO EXCEED $179,014, ACCOUNT 09235010-5777-C0112 (BUDGETED 2023/2024 IT CAPITAL ITEM).

Mr. Hopp explained that the BOE Technology Dept. got an HCI (Hyperon Converge Infrastructure) system over six years ago and was looking to refresh that into a new system. The system takes all the storage, processing, and networking and puts it onto one system to avoid having to manage multiple systems. He described the new system that will allow them to move into VDI (Virtual Desktop Infrastructure). He said this would allow students doing more high-level learning with NCC to do coding classes. A desktop can be unlocked for them to work that is not locked down in a traditional sense.

Mr. Burnett had a question regarding the security aspects of the system. Mr. Hopp indicated the system had built-in security and access policies for those who log in and manage the system. He said only certain people can see certain things, or work on certain pieces of the system.

Mr. Dachowitz who deals with cyber security for the city, expressed concerns about everything being centralized and becoming more vulnerable. He asked Mr. Hopp if what he was saying was the advantages outweigh the negatives.

Mr. Hops explained that though centralized there were redundancies built in and that it is an internal not connected to any outside systems.

**** MR. BURNETT CALLED FOR A VOTE.**
**** THE VOTE WAS UNANIMOUS**

11. UPDATE ON THE FISCAL YEAR 2024-2025 OPERATING AND CAPITAL BUDGET CYCLE.
Mr. Dachowitz stated On October 28th the finance department budget department sent out pro forma packages to all the departments which give them certain numbers to start with for their fiscal 2025 budgets. These are primarily known increases or usually based on Union contracts and step increases. We complete that in advance for them.

Mr. Dachowitz said we are in the process of negotiating new contracts with all the unions so what we have done from a budgeting point of view is we have put in the same 2.35% increase from our prior contracts with the unions and we are also budgeting in case the union contracts come in at a different number. At the department level it'll be the 2.35 and citywide we will reserve funds in case the numbers come in at a different amount.

Mr.Dachowitz stated that from October 31st to November 18th the city departments have an opportunity to review the numbers we've given them to look at what they believe their projections are. At the end of that process, they will give us their requested budgets and then the budget department has about two weeks to review it. From December 5th through December 21st the budget department meets with each department, goes over our pro forma, and their requests, there is discussion and the result is a mayor and CFO recommended operating budget.

Mr. Dachowitz then proceeded to discuss the capital side. On November 4th the budget Department circulated pro forma for budget packages for each department. On the capital projects, they have till December 16th to complete their forms. It's on a staggered basis based on how much time the individual departments need. Thursday, December 22nd the Board of Ed submits its capital budget requests. It’s at that date because they can’t submit till after the BOE meeting for approval.

Mr. Dachowitz explained From January 3rd to January 10th the Finance and Planning and the Zoning department met with each department to review their requests. On January 11th the Finance and Planning and Zoning staff meet with the Board of Ed. From January 18th to 19th they meet with the Departments to review their requests. Then on or before January 27 the CFO compiles and transmits requests together with recommendations to the Common Council, the Board of Estimate, and Planning and Zoning Commission.

Mr Dachowitz recommended capital first then there's discussion by planning and zoning and they make a recommendation and ultimately the mayor will come out with his recommendation for Capital.

Mr. Burnett posed a question about the December time frame for department reviews for both the capital and operating budgets. Mr. Dachowitz indicated December 21st for reviews of the capital budget. Mr. Burnett then asked if the Finance Committee council could get a preliminary view of what was submitted. Mr. Dachowitz stated it would be too early and then explained the process described earlier in the meeting and it was all based on what mayor the mayor wants the budget to come in at. He then stated to happen is that's more internal and then once the CFO and mayor recommended budget comes out that's when we share it.

Ms. Niedzielski-Eickner Ms. Niedzielski-Eickner asked if Mr. Dachowitz had a sense, given the economic situation if anything should be prepared. For. Mr. Dachowitz said it was ultimately up to the mayor, and said the major factor are union negotiations, inflation, and revaluation.

Ms. Niedzielski-Eickner then asked a question regarding revaluation and the mil rate. Mr. Dachowitz then explained the process as he understood it. Ms. Niedzielski-Eickner rephrased her question asking if a revaluation would cause changes to the mil rate. Mr. Dachowitz explained the rates were based on districts, not on individual homes and more would come clear when the revaluation is finalized.

ADJOURN

Ms. Revolus made the motion to adjourn.

** **MR. BURNETT CALLED FOR ALL THOSE IN FAVOR TO RESPOND TO THE**
** **MOTION.**
** **THE MOTION TO ADJOURN WAS UNANIMOUS**.

THE MEETING WAS ENDED AT 8:11 PM.

Respectfully Submitted
China Mayhew
Telesco Secretarial Services