

**CITY OF BRIDGEPORT
BUDGET AND APPROPRIATIONS
COMMITTEE
REGULAR MEETING
JULY 8, 2024**

ATTENDANCE: Scott Burns, Co-chair; Ernest Newton, Co-chair;
AmyMarie Vizzo-Paniccia; Mary McBride-Lee;
Richard Ortiz; Fredrick Hodges (6:04).

OTHERS: Veronica Jones, Tax Collector;
Ken Flatto, Finance Director (Dialed In)

CALL TO ORDER

Co-chair Burns called the meeting to order at 6:03 p.m. There was a quorum present at the time of the roll call.

APPROVAL OF COMMITTEE MINUTES

- Approval of Committee Minutes: March 27, 2024 (Rescheduled Meeting)

****COUNCIL MEMBER ORTIZ MOTIONED TO APPROVE THE MINUTES OF MARCH 27, 2024 (RESCHEDULED MEETING).**

****COUNCIL MEMBER MCBRIDE-LEE SECONDED THE MOTION.**

****THE MOTION PASSED WITH THREE (3) IN FAVOR (NEWTON, MCBRIDE-LEE, ORTIZ) AND ONE (1) ABSTENTION (VIZZO-PANICCIA).**

Council Member Vizzo-Paniccia shared that her abstention is due to her being on medical leave at the time so she was present.

****COUNCIL MEMBER HODGES JOINED THE MEETING AT 6:04 PM***

- Approval of Committee Minutes: June 10,2024 (Regular Meeting)

****COUNCIL MEMBER ORTIZ MOTIONED TO APPROVE THE MINUTES OF JUNE 10, 2024 (REGULAR MEETING).**

****COUNCIL MEMBER VIZZO-PANICCIA SECONDED THE MOTION.**

****THE MOTION PASSED UNANIMOUSLY.**

98-23 Municipal Suspense Tax Book.

City Tax Collector, Veronica Jones shared they would like to request a suspension for the Municipal Tax Book which means they would like to account \$13,960.23 dollars as uncollectible, either the business or owner is out of business, deceased, or cannot be found. The amount is low due to this only being personal property, Real Estate is not included.

Council Member Newton asked if these accounts are just businesses.

Ms. Jones replied there are a few businesses included but mostly motor vehicles.

Council Member Vizzo-Paniccia asked if the businesses included were just the businesses' physical ground included.

Ms. Jones replied no Real Estate included, just the business.

Council Member Hodges asked why the motor vehicles were included and what happens to the taxes owed.

Ms. Jones replied from her office they confirm that the motor vehicle is not owned and if someone does have the property then the owner must pay.

Council Member Burns asked why the amount was so low.

Ms. Jones replied the Tax Assessor haven't submitted new accounts, they don't have enough staff to investigate and add more accounts to what is not payable.

Mr. Flatto added due to the low staffing in that department with one relocating and another retiring. They have less tax collector clerks.

Council Member Burns asked if the amount would then be increasing.

Ms. Jones replied yes.

Mr. Flatto added they are in the mist of approving someone else to the department so many improvements would be occurring.

Council Member McBride-Lee asked if the money would be non-collectible.

Ms. Jones replied the money would be in a holding account, if someone would like to make payments and get up to date the city will accept the payment.

****COUNCIL MEMBER VIZZO-PANICCIA MOTIONED TO APPROVE ITEM 98-23.**

****COUNCIL MEMBER NEWTON SECONDED THE MOTION.**

****THE VOTE PASSED UNANIMOUSLY.**

General Discussion re: Review of Monthly Financial Report.

Mr. Flatto shared that the May report is similar to the April report. Tax collecting forecast over \$2 million dollars, possibly \$3 million dollars for the fiscal year.

Ms. Jones added the first week of the fiscal year went very well with a high volume of payments. There may be complaints of not answering the phones and it's due to the traffic of people coming in to pay.

Council Member Burns asked are there automated payments available.

Ms. Jones replied they can pay online, in person, or at the bank. She added many people are just paying the full tax year bill, not half.

Mr. Flatto said he believes it is due to the lower tax rate currently available so people would like to just get the bill out of the way.

Council Member Newton asked if the total projected budget would be between \$2 to \$3 million dollars.

Mr. Flatto said he is hesitant to save any more than that because the tax office needs to make adjustments and reconcile their accounts so the number will change.

Council Member Newton added they also voted to reimburse overpayments to a few accounts. He is pleased to hear the payments are coming in at the said volume.

Council Member McBride-Lee said a possibility of early and on time payments could be due to the boot incentive that occurred last year for not paying taxes.

****VERONICA JONES LEFT THE MEETING AT 6:19PM****

Mr. Flatto went on to speak on the revenues, he said it is similar to last month's report and as the year closes out the numbers will become more close to accurate. He is seeing \$3 million dollars over budget for revenues, which isn't a lot compared to the \$6 million budget. The revenues also do not include the Real Estate line.

Council Member Burns asked if that means the no sale of Harding high school.

Mr. Flatto replied yes. Investments are also doing well due to interest rates still on the high and not dropping yet.

Council Member Newton added the city has been counting on sales and including them in the budget and the money doesn't come through, and they end up having to cut or diversify accounts. For example, the sales of the airport and Harding high school.

Mr. Flatto agreed with the statement.

Council Member Newton asked what is the amount in the rainy day fund account.

Mr. Flatto replied they had \$40 million dollars when the budget year started and with the possibility of four to five million dollars being added.

Council Member Vizzo-Paniccia said she agrees with Council Member Newton, but believes it has to do with the administration as well; the committee doesn't get all the facts. The buyback of Success Village liens was not discussed with any of the committees. She believes this will only cause more issues to arise.

Council Member Newton added how much it will cost to buy back the liens.

Mr. Flatto replied it was over half a million dollars for one full year of liens. He has reached out to the lawyer to set up a payment arrangement to get money back and they are currently in negotiations.

Council Member Newton asked if the common charge would still be paid by the residents.

Council Member Vizzo-Paniccia replied that it is not for the city to decide, that would have to go through the co-op.

Mr. Flatto added the city can only push for the company to make payment to the city which would push them to have residents make payments.

Council Member Newton said if the residents don't pay the common charges then everything will stay the same.

Council Member Ortiz replied the residents are withholding their common charge because the utilities are not being paid.

Mr. Flatto said they purchased delinquent debt from the cooperative, and has sold the debt off but the cooperative still owes the city the money with interest. The issue is the cooperative is

having issues paying the current tax year and if they don't pay anything then next year will be an even bigger tax lien sale. The city cannot deal with each city as the cooperative board is the representative of the complex.

Council Member McBride-Lee added she isn't comfortable with the board holding the common charge because if they don't have enough money to pay the amount owed then they will be worse off.

Mr. Flatto replied if the owners do not pay their common charges then the cooperative board can sue them but the issue is they board hasn't been paying the utilities.

Council Member McBride-Lee asked how they would get the money back.

Council Member Vizzo-Paniccia replied the cooperative would have to pay the money back.

Council Member McBride-Lee said they cannot pay right now. She is thankful for the city to contribute to save the residents but who will put up the money to pay the city back. This reminds her of Trumbull Gardens when the federal government said the residents don't need to pay rent for three to four months, then they had to go through the city for funds.

Mr. Flatto added they are finding money from HUD and private funds.

Council Member McBride-Lee replied that if the city put up that amount of money there should have been a guarantee on something to be returned to the city.

Council Member Vizzo-Paniccia added she heard the city, WPCA, and HUD are already in discussion of who is to cover the charges. She has an issue that the city has known for quite some time and was not brought to the city council's attention for approval of the lien buy back. She asked what will happen down the line because this affects the taxpayers of Bridgeport. She would like the administration to bring the council up to speed with the decision. This occurred with Green Apartments and they are still in arrears.

Mr. Flatto replied they are coming up with the best plan of action.

Council Member Newton added from sitting on the WPCA board, he believes they may have forgiven the debt of Success Village before so he is not sure what results they would get now.

Mr. Flatto replied, to his understanding, the coop needed to prove that the water leakage wasn't going into the sewer so then it would have been adjusted.

Council Member Vizzo-Paniccia said it goes by how much water they use through Aquarion Water Company, not what goes through the water basin.

Council Member Burns asked if it was possible to request records for about 5 years from the WPCA regarding write off or any reductions.

Mr. Flatto replied yes, he will look into it.

Council Member Burns asked where the money from the lien buyback came from and how they pay the lien holder.

Mr. Flatto replied it would be from the same tax account, it will be reflected in next month's report and the year-end will look different from what is currently reported.

Council Member Burns asked if they needed council approval to do that.

Mr. Flatto replied that according to the city attorney's office, the tax lien purchases allow the Tax Collector's office to have authority.

Council Member Burns asked if the city knows what is the amount owed in arrears.

Mr. Flatto replied they owe two million to two and a half million dollars.

Council Member Burns said he would have liked to have been advised on a committee or council level due to the large amount of money invested into this.

Council Member Burns asked if there was anything new regarding the Amphitheatre.

Mr. Flatto replied they are making additional payment and receiving surcharges. They have paid the debt for spring and some prior to that.

Council Member Vizzo-Paniccia asked if the courtesy tickets are on the city payroll and how much money has been sent to the city regarding the billboard.

Mr. Flatto replied they paid \$50,000 dollars for the billboard, the last payment they submitted was \$7,000 dollars.

Council Member Vizzo-Paniccia added but they are still not up to date. The account should not have a balance and they are hosting more events.

Mr. Flatto continued on with the report that expenses do not have any significant changes. The overtime is still running over but the Fire department is slowing down with the contributions. The Police Department is running overtime but that is due to the vacancies and Public Works is close to 100% of their budget. He believes the Expenses are running close to budget and the revenues are carrying the surplus.

Council Member Burns asked if the surplus will hold.

Mr. Flatto believes so.

ADJOURNMENT

****COUNCIL MEMBER NEWTON MOTIONED TO ADJOURN AT 6:57 PM.**

****COUNCIL MEMBER ORTIZ SECONDED THE MOTION.**

****THE MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 6:57 pm.

Respectfully submitted,

Vianca Rivera,
Telesco Secretarial Services