

TOWN COUNCIL
Town of Trumbull
CONNECTICUT
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TOWN HALL
Trumbull

TELEPHONE
(203) 452-5005



LEGISLATION & ADMINISTRATION COMMITTEE
MINUTES
March 26, 2012

Call to Order: Chadwick Ciocci, Vice Chairman called the legislation & Administration Committee to order at 7:05 p.m. All present joined together in a moment of silence and the Pledge of Allegiance.

The clerk called the roll and recorded as follows:

Present: Chadwick Ciocci, Vice-Chairman, Kristy Waizenegger, Jeff Jenkins, Jeff Donofrio, Alternate (Voting), Martha Jankovic-Mark and Fred Palmieri, Jr.

Absent: Suzanne Testani, Chairman and James Meisner, Alternate

Also Present: First Selectman Timothy Herbst, Chief of Staff Daniel Nelson, Finance Director Maria Pires, Tax Collector Mary Moran, Tax Assessor Mark Devestern, Town Council Chairman Carl Massaro, Jr., Mr. George Lombardi and Mrs. Patricia Lombardi.

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1. RESOLUTION TC24-25: Moved by Ms. Waizenegger, seconded by Mr. Palmieri.
BE IT RESOLVED, That First Selectman Timothy M. Herbst, be and the same is hereby authorized to sign an agreement between the Town of Trumbull (Subgrantee) and Patricia K. Lombardi & George J. Lombardi Jr. (Seller) for the purchase of property located at 48 Larkspur Dive based on FEMA acquisition requirements provided in 44 C.F.R. Part 79 and relevant program guidance (Severe Repetitive Loss Program).

Mr. Nelson stated the SRL program is administered by the Dept. of Emergency Management and Homeland Security and allows towns to acquire properties that are in flood zones. Under the terms of this grant the Town is required to perform an appraisal (the appraisal is reimbursed under the grant). The Town is the subgrantee, the state acquires the parcel and it is given to the Town. The Town is required to pay for a percentage of the demolition cost; that is the only cost the Town incurs.

Patricia and George Lombardi explained that they had resided in the home for 35 years. The first flood occurred their first year in the home. The floods have gotten worse. There have been 8-9 claims with national flood. There is an average of two (2) floods per year that they do not put claims in for due to the \$2,000 deductible for each, structure and contents. Mrs. Lombardi reviewed photographs of home and the flooding with the Council. Twin Brooks is their back yard, whenever there is 3" of rain or more predicted, there is an 80% chance they will get flooded. There were two grants the year of the

Lake Avenue acquisition. The Lombardi's home, their neighbor's home and four other homes were included in the grant. The Benefit Cost Analysis was less than 1 therefore it was dismissed. They reapplied the year after for an elevation grant, but the state or FEMA needed a second surveyor to come in who differed with Town's numbers by 4' (base elevation level) and were rejected based upon that. The Town Engineer sent the Town surveyors out again, there number was consistent with their first survey. The Town Engineer then contacted the surveyor whose number differed and he admitted he was wrong and issued the correct numbers. Based on that, the Lombardi's are eligible for acquisition. For the SRL (Severe Repetitive Loss Program) a market appraisal was done last year and submitted with the grant application. 90% of the home's value would be funded by FEMA and 10% would come from the owner (as a deduction). The Town is only responsible for 10% of the demolition cost; the remaining 90% is paid by FEMA. This is a win-win for the Town and the Lombardi's, the Town gets their property for approximately \$5,000, with the stipulation that the property stays as open space and the Lombardi's are able to get out of the flooding and are not subjecting anyone to flooding in the future.

In response to Mr. Palmieri, Mr. Lombardi explained that when FEMA buys a property it is deed restricted, they do not want the property developed or purchased again, they do not want the liability. The appraisal is a year old because that is when the grant was applied for and submitted. There had been a freeze on FEMA funds due to all of the losses which had occurred, the grant was approved in the fall and the funds were not released until February of this year.

Mr. Jenkins explained that this is similar to the 2008 Lake Avenue acquisition that came before the council. The property will stay as open space permanently.

Ms. Waizenegger clarified that the value of the home impacts the owner not the Town. The Town is only responsible for 10% of the demolition cost, approximately \$5,000.

In response to Ms. Mark, Mrs. Lombardi explained that the grant includes two (2) properties, although they are separate each can make their own decision, the other owner can decide to move forward or not, they do not have act on the grant together. There are only two SRL properties on their street, the other homes have had damage and losses but are not SRL properties. Mr. Nelson added the other owner has not made a decision yet and does have the option of going for the elevation grant which would allow him to stay in his home. Mr. Nelson stated that a copy of the report entitled The New Pequonnock River Initiative is available on the Greater Bridgeport Regional Council website, the draft report came out a few months ago. The original grant application included five (5) properties on Larkspur.

In response to Mr. Palmieri, Mrs. Lombardi stated that FEMA awards the grant to the State of CT. The State of CT does a subgrant to the Town of Trumbull, the Town of Trumbull contracts with the owner to purchase the property at the reduced rate, 90% of the market value. FEMA has already approved the appraised value of \$322,000; they will get \$288,900 for their property. Mr. Nelson stated the deadline for the updated appraisal to be completed by of June of last year, there had been a previous appraisal done in 2006 which reflected the market value of that time, Mrs. Lombardi stated that the market value could have gone up and they still would not have been able to change the amount, FEMA will not accept changes after the grant has been approved.

VOTE: Motion CARRIED unanimously.

2. RESOLUTION TC24-28: Moved by Mr. Jenkins, seconded by Waizenegger.
BE IT RESOLVED AND ORDAINED, That Chapter 18 Taxation, Article I In General, Section 18-1 Payment of Tax on Motor Vehicles of the Trumbull Municipal Code is hereby amended to the following: In accordance with Section 12-144a of the Connecticut General Statutes the Town Council hereby determines that any tax on motor vehicles due the Town shall be payable in a single annual installment as provided by law.

The Vice-Chair OPENED the PUBLIC HEARING at 7:23 p.m.
Three (3) people from the public were present to speak (Attached)
The Vice-Chair CLOSED the PUBLIC HEARING at 7:34 p.m.

Ms. Moran thanked Mr. Nichio for his comments during the Public Hearing and reiterated the additional work involved is substantial and the time saved could be applied to collections of other delinquencies.

In response to Mr. Donofrio, Ms. Moran stated that the average tax bill is \$250. Other municipalities bill in one installment, such as Shelton and Fairfield. Ms. Moran stated that the her office does not get involved in the calculations of the claims for motor vehicle taxes that are due and payable within one year prior to filing for bankruptcy.

In response to Ms. Waizenegger, Ms. Moran explained that people receive their motor vehicle tax bill in July, the second installment is due in January; they save the second slip and for some it slips their mind to pay it in January.

In response to Ms. Mark Ms. Moran stated the department is doing the work, if this resolution passes all the bills will be mailed out in July. There are 20,800 motor vehicle bills that are over the \$100 threshold. The office is currently looking into automated bills.

Mr. Palmieri stated that certain municipalities have single payments and suggested phasing this change in.

First Selectman Herbst noted that the resolution is before the legislative body and a public hearing is held is that the legislation could be discussed and amended to phase it in to next grand list year to allow for ample warning and for people to prepare. This is being brought forward because they recognize and have confirmed with other municipalities that certain aspects are being done in antiquated ways. We are one of six (6) municipalities out of 169 cities in the State that have quarterly payments on real estate payments.

Ms. Moran stated that she does have compassion for the taxpayers she works one-on-one with those who have difficulty paying their taxes as well as their escrow companies.

The First Selectman stated that the Tax Collector's office and the Tax Assessor's office are the life blood of the Town, they not only determine what the grand list is, and what is going to be taxed, the tax collector's office is responsible to make sure the money comes in so the Town can meet their financial obligations. These offices are as effective as the protocols and procedures they have in place. Ms. Moran has worked with the Town attorneys to develop a uniform procedure for the collection of delinquent taxes, which eliminated the 3-4 year old cases where nothing was being collected. This legislation is another step in having protocols and procedures in Town that allows for collection of the

revenue in an efficient and effective manner that will maximize personnel and resources in the Tax Collector's office. The Town attorneys have collected over a million dollars in delinquent taxes, working in conjunction with the Tax Collector's office. That is important. Ms. Moran stated that they had collected over a million dollars in delinquent sewer usage fees as well; this was done in a way that would not hurt the resident or without having to go to court.

Mr. Jenkins stated that he is sympathetic to the Town but does not want to place the senior citizens at a disadvantage and proposed the following amendment, the following language would be added to the last line of the resolution: "to be effective July 2014 for the Grand List of October 1, 2013". First Selectman Herbst noted that would be two years away.

Moved by Mr. Jenkins, seconded by Mr. Palmieri to amend RESOLUTION TC24-28 to read as: BE IT RESOLVED AND ORDAINED, That Chapter 18 Taxation, Article I In General, Section 18-1 Payment of Tax on Motor Vehicles of the Trumbull Municipal Code is hereby amended to the following: In accordance with Section 12-144a of the Connecticut General Statutes the Town Council hereby determines that any tax on motor vehicles due the Town shall be payable in a single annual installment as provided by law to be effective July 2013 for the Grand List of October 1, 2012.

In response to Mr. Palmieri, Mr. DeVestern stated that the freeze is only available to real estate.

Ms. Waizenegger spoke in favor of phasing.

In response to Ms. Waizenegger's question, Ms. Moran stated the change to one annual payment will not solve the problem, it will help. First Selectman stated it would help deter the problem. Ms. Moran stated this will allow for more time for the office to direct their efforts to delinquent taxes.

In response to Ms. Mark, Ms. Moran stated the figures with regard to delinquencies are the January payments. Of the \$1,127,000 of delinquent taxes the amount attributed to the missed January motor vehicle taxes is not available at this meeting, the information could be provided for the council meeting.

Mr. Nichio stated that an annual payment, instead of the current two, could put people further into the rears.

VOTE: Motion to amend 5-0-1 (Abstention: Mark)

Mr. Palmieri stated that the people who have spoken at this meeting are reflective of a good sized portion of people in Trumbull and suggested giving the people an option, possibly giving seniors a window to pay bi-annually.

Ms. Mark spoke against the resolution based upon that she does not have the information she needs and that the Town collects \$31,000 per year in auto taxes and is not convinced this will help with the delinquencies nor does she feel this is all due to people forgetting to pay their taxes in January.

VOTE: Motion CARRIED as amended 2-1- 3 (against: Mark) (Abstention: Palmieri, Ciocci and Waizenegger)

3. RESOLUTION TC24-29: Moved by Mr. Palmieri, seconded by Ms. Waizenegger.
BE IT RESOLVED AND ORDAINED, That Chapter 18 Taxation, Article I In General, Section 18-2 Reserved of the Trumbull Municipal Code is hereby amended to Section 18-2, Payment of Tax on Personal Property: In accordance with Section 12-142 of the Connecticut General Statutes the Town Council hereby determines that any tax on personal property due the Town shall be payable in equal semi-annual installments as provided by law.

The Vice-Chair OPENED the PUBLIC HEARING at 8:00 p.m.
There was one person from the public present to speak.
The Vice-Chair CLOSED the PUBLIC HEARING at 8:05 p.m.

First Selectman Herbst addressed issues raised with regard to seniors' ability to pay and affordability. This resolution represents personal property not real estate. There was a long discussion prior to the introduction of this legislation with regard to how it would affect people, who it would affect or whether it should be amended. There are 169 towns in the state of CT, only 6 towns in the State of CT bill quarterly, Trumbull is one of them. The proposed change has everything to do with efficiency. Personal property is very specific and targeted it will not impact seniors living in their homes. There is a resolution on this agenda expanding senior tax relief.

In response to Ms. Mark, Ms. Moran stated that the personal property tax is paid by businesses in Town on all of their furniture and office equipment and will now be paid twice a year as opposed to quarterly. Mr. DeVestern indicated that the personal property tax revenue is \$7.7 million.

Mr. Donofrio stated that personal property by CT law is declared by November 1st of the year, typically it is only businesses that own personal property but also farm equipment and machinery has to be declared.

In response to Mr. Jenkins, First Selectman Herbst and Ms Moran confirmed that in the State of CT Trumbull is only one of six towns that have quarterly payments on real estate.

In response to Mr. Palmieri, First Selectman Herbst stated that there had been discussion with regard to real estate taxes being paid twice a year but based on discussion at this meeting it does take time for people to adjust. Mr. Palmieri stated that the majority of the real estate taxes are paid by a third party although it would impact those who have paid off their mortgages.

The Vice-Chair called for discussion of an amendment or whether to proceed with the resolution as written. Mr. Jenkins did not see a reason to delay.

Mr. Donofrio explained how personal property taxes are calculated, the tax payer makes a declaration using a depreciated value and would expect the average personal property tax bill is fairly modest.

Ms. Mark spoke in favor of business having more than 2-3 months to prepare.

Moved by Ms. Mark, seconded by Ms. Waizenegger to amend RESOLUTION TC24-29 to read as:
BE IT RESOLVED AND ORDAINED, That Chapter 18 Taxation, Article I In General, Section 18-2 Reserved of the Trumbull Municipal Code is hereby amended to Section 18-2, Payment of Tax on Personal Property: In accordance with Section 12-142 of the Connecticut General Statutes the Town

Council hereby determines that any tax on personal property due the Town shall be payable in equal semi-annual installments as provided by law effective as of October 1st of the Grand List of 2012.

Ms. Mark spoke in favor of the amendment and affording those businesses with more time to prepare.

Mr. Donofrio stated that most towns have personal property taxes paid in single installments, including North Haven where his business is. Trumbull's Grand List for personal property is approximately \$250 million. Mr. Donofrio has never heard of four (4) installments for personal property in his 22 years of practicing law.

Mr. Palmieri spoke in favor of the amendment to give businesses sufficient notice.

VOTE: Motion to amend CARRIED 5-1 (Against: Jenkins)

Ms. Mark spoke in favor automated tax collecting methods, in order to have these payments made as they have been in the past, but will vote for this.

VOTE: Motion CARRIED as amended unanimously.

The Vice-Chairman called a recess at 8:18 p.m.

The Vice-Chairman called the meeting back to order at 8:20 p.m.

4. RESOLUTION TC24-30: Moved by Ms. Mark, seconded by Mr. Palmieri.

BE IT RESOLVED AND ORDAINED, That Chapter 18 Taxation, Article III Senior Citizen and Disabled Persons Tax Relief Regulations, Section 18-43 Tax Relief of the Trumbull Municipal Code is hereby amended as follows:

(1) *Tax credit.* For applicants who elect to apply for a tax credit under this article, said tax credit shall be on a graduated basis as follows:

Annual Qualifying Income	Benefit
\$0 - \$16,200	\$2600
\$16,201 - \$39,500	\$1560
\$39,501 - \$61,000	\$780
\$61,001 - \$70,000	\$312

This tax credit program shall be effective as of October 1 of the Grand List of 2012.

(2) *Deferral*

(a) Benefit shall be up to seventy-five (75) percent of tax due less amounts received under state elderly tax relief programs.

(b) All benefits shall be reimbursed in accordance with Section 18-42(7) (b).

(c) Total deferments for all years shall not exceed the assessed value of the real property.

(d) The recipient shall enter into a written agreement with the Town providing for reimbursement. The amount of such tax deferral benefit shall be recorded on the land records of the Town and shall constitute a lien on the property.

(e) Interest in the amount of 3% per annum shall apply to deferments effective as of October 1 of the Grand List of 2012. Interest shall not apply to deferments prior to October 1 of the Grand List of 2012.

(3) *Freeze*

(a) Any applicant for benefits under the freeze program meeting the eligibility requirements of section 18-42, except that the minimum age will be seventy (70), may elect to apply for a freeze under which such applicant shall pay the gross tax levied on applicable property, calculated for the first year the application is granted (the "freeze amount") and shall be entitled to continue to pay no more than the freeze amount for each subsequent year in which the applicant, or his surviving spouse, continues to meet such qualifications.

(b) In the event that the applicant shall make improvements to his property resulting in an increase in his assessment, an amount calculated by multiplying the increase in taxpayer's assessment attributable to the improvement by the mill rate in effect in the year such reassessment takes place shall be added to the freeze amount then applicable to obtain a revised freeze amount which will be the freeze amount for subsequent assessment years.

(c) Unless otherwise extended, this tax freeze shall expire after the Grand List of October 1, 2011.

The Vice-Chairman OPENED the PUBLIC HEARING at 8:27 p.m.
There was one person from the public present to speak. (Attached)
The Vice-Chairman CLOSED the PUBLIC HEARING at 8:30 p.m.

In response to Ms. Mark, Mr. Nelson left the meeting to get a copy of the original qualifying income numbers and benefits brackets.

The First Selectman explained that this resolution before the committee merits bi-partisan support, he had learned in 2009 and even more clearly in 2011 that Trumbull has a significant senior population. The seniors have relied substantially on their investment income which has been depreciated by this economy, real estate values have decreased and their benefits have stayed the same but the cost of living continues to go up. CT ranked as one of the worst states to retire in, based on the cost of living and property taxes. We need to increase senior tax relief.

Mr. Nelson returned to the meeting and reviewed the current Chapter 18 Taxation, Article III Senior Citizen and Disabled Persons Tax Relief Regulations, Section 18-43 Tax Relief of the Trumbull Municipal Code Tax Credit table with the committee as follows:

Annual Qualifying Income	Benefit
\$0–15,000	\$1,350.00

15,001–22,000	1,050.00
22,001–29,200	815.00
29,201–36,400	625.00
36,401–43,600	450.00
43,601–50,800	325.00
50,801–58,000	200.00

Currently there are seven (7) brackets. The resolution proposes four (4) brackets with increased levels of tax relief. This simplifies the code and includes more aggressive relief.

In response to Ms. Mark, Mr. Devestern stated that approximate number of taxpayers receiving credit last year is 931, and would expect that number to go to 961. The number of people within the \$61-70,000 would be expected to be approximately 30 people.

In response to Mr. Palmieri, First Selectman Herbst explained that the cost to the Town could double, if the relief is doubled it was expected to be made up based on a comparison analysis done would be made up by the Grand List growth for next year, we are anticipating a substantial grand list growth, there will be an additional \$700,00 tax revenue from the state of the art Cancer Facility coming to Town, on Rt. 111 there is an additional \$200,000 of commercial tax revenue anticipated, Marissa’s parcel will expanded, mixed use and Digital Reality.

In response to Mr. Jenkins the number of participants in each bracket is expected as follows:

Annual Qualifying Income	Benefit	# of Participants	Cost to the Town
\$0 - \$16,200	\$2600	71	\$184,500
\$16,201 - \$39,500	\$1560	504	\$786,240
\$39,501 - \$61,000	\$780	356	\$277,680
\$61,001 - \$70,000	\$312	30	\$9,360
Total # Participants		961	
		Total Cost	\$1,257,880

VOTE: Motion carried 5-01 (Abstention: Mark)

There being no further business to discuss the Legislation & Administration Committee and upon motion made by Ms. Waizenegger, seconded by Mr. Palmieri adjourned at 8:55 p.m.

*There were three (3) Public Hearings held at this meeting for Resolution TC24-28, RESOLUTION TC24-29 and RESOLUTION TC24-30.

*First Public Hearing:

**PUBLIC HEARING
RESOLUTION TC24-28**

1. Richard Nichio of 15 Three Trees Lane was present and requested more information on this resolution and the reason for it.
2. Mary Moran, The Trumbull Tax Collector - This resolution represents an effort to organize the Tax Collector's office which will realize extra dollars. There are 31,870 motor vehicle bills sent out, of the 31,870 bills there are 20,800 (bills) that are over the \$100 threshold and are due the following July. Of those that are due in July there are 5,251 delinquency notices sent out. By going to a single annual payment it will not only result in a more efficient Tax Collector's office there will be less delinquencies. People for some reason forget the second installment is due.

Mr. Nichio stated that there are people who have 2 or 3 cars and as a single payment that is a lot of money, splitting it in half gives the people a chance to catch up on the bills. People in these times need a break.

Ms. Moran explained that the dollar amount of the delinquent second installments is significant, there is additional work on behalf of her office that goes into the collection of these. The single annual payment will bring more dollars to the grand list and allow the office more time to work on other collections.

3. Mr. Tony D'Aquila of 29 Valley View Road was present and stated he did not understand the Tax Collector's reasoning for the change, the senior citizens are stretched, this is about cash flow, you are expecting senior citizens to gather up an excessive amount of money in July where they had been able to pay it in two (2) installments. It is unfair to the senior citizens; there is a lack of sensitivity to their needs and a lack of respect to the senior citizens by introducing this resolution. The delinquent amount due should be known and would be as freedom of information. As far the smoother operation in the Tax Collector's office, the office always had to do the work, there is nothing new, but for the reason to bring more money in earlier is an insult. The senior citizens have to give you money so that you can have the benefit to use that money. There is only a small amount of money here. There low income and young families in town will be stretched, this is not fair, not necessary, there is no compelling reason for this and advised the committee not to approve this.

*Second Public Hearing:

**PUBLIC HEARING
RESOLUTION TC24-29**

1. Mr. Tony D'Aquila of 29 Valley View Road was present and stated that he always finds it interesting when people bring up relevant points as the gentleman did on the previous public hearing with regard to it is not answering the issue with delinquency. The current resolution is getting close and hitting home with him, he is considered a senior citizen, going from 4- to 2 is forcing people to plan , there are many people who are not trained in planning their expenditures, especially senior citizens. But more importantly you are dealing with people, seniors, who love to put their money in the bank regardless of whether they get a lot of interest or not. They still put their money in the bank because that is what they had been trained to do. They were trained to put them in certificate of deposits, not you are forcing them not to put some of their money in certificate of deposits so that they may anticipate paying this bill and thinks that is wrong. Many of these seniors do not believe in the stock market and is beginning to believe it himself. It is unfair to the seniors to force them to go from 4 times a year to 2 times a year and unfortunately should have asked before for the Tax Collector to make a presentation of her compelling reasons and hopes it not for delinquency or getting more money into the Town. He agrees that disrespect may not have been the proper word but compassion is. These two resolutions lack compassion for the plight of senior citizens, the families that come into Town. They are getting squeezed and are only getting a two or a three month warning. That is unfair there has to be more compassion.

* Third Public Hearing

**PUBLIC HEARING
RESOLUTION TC24-30**

1. Mr. Tony D'Aquila of 29 Valley View was present and indicated that he was in favor extending tax credits but was not in favor increasing the income to \$70,000 it should be capped at \$40,000. There are 8,600 seniors in Town, they get very little from the Town approximately \$250,000 in services while the education system receives \$91 million, the children do deserve and education but is asking for compassion for the seniors.