

Ryan Knapp, Chair  
Phil Carroll, Vice Chair  
Neil Chaudhary  
Joe Girgasky  
Mary Ann Jacob  
Lisa Romano



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## TOWN OF NEWTOWN

### Draft Minutes of the Legislative Ordinance Committee Meeting

The Ordinance Committee met on Thursday August 28th, 2014 in Meeting Room 1 of the Municipal Center, 3 Primrose Lane, Newtown. Committee Chairman Ryan Knapp called the meeting to order at 6:35 pm.

Present: Ms Jacob, Mr. Chaudhary, Ms. Romano, Mr. Girgasky and Mr. Knapp. Mr. Carroll arrived late (7:00) due to a work commitment he made everyone aware of in advance.

Also in attendance: First Selectman Pat Llodra, Finance Director Bob Tait, BOF Chair John Kortze, John Voket of The Newtown Bee and two members of the public

MINUTES: Mr. Knapp noted that he corrected the spelling of a residents name in the minutes and distributed a revised version with that nonsubstantive change prior to the meeting. Mr. Chaudhary motioned to approve the minutes of the meeting of 8/11/2014. Ms. Jacob seconded. Mr. Girgasky abstained. All in favor.

PUBLIC COMMENT: Stephen Rosenblatt, 50 Watkins Dr, read a written statement which is attached.

### Old Business

#### An Ordinance regarding the adoption of Connecticut General Statutes 4-124I to 4-124P to join the Western Connecticut Council of Governments.

Mr Knapp presented a document which was drafted by Attorney Dobin and summarized the one area that was excluded and associated discussions. Most people in the group had not had time to review the document so it was agreed to have a short meeting before the next regular Council Meeting on 9/3/14. First Selectman Llodra said that there is a goal to have this done by October. There was some discussion of scheduling including notice and a public hearing, should it pass. It will have to go in the paper on the 5<sup>th</sup>.

#### Mr. Knapp opened the discussion on the agenda item: Task of research as related to the setting of an asset cap for Senior Tax Relief as charged to The Ordinance Committee by the Legislative Council during the regular meeting of July 16, 2014.

Mr. Knapp explained the need to set an asset cap as by ordinance and that the task of this committee was to research and recommend a number to the full council. The committee was not charged with amending the ordinance and that is not in our purview and thus not on the table for discussion.

Mr. Knapp asked Ms. Jacob to report on her research into the performance of the program during the past tax season.

Ms. Jacob invited the First Selectman to our meeting to present on the matter.

First Selectman Llodra presented a chart to the committee (see attached.)

Only 23 people in the new 65,001 to 70,000 income range utilized the program. Discussion was had that this was likely due to the short application period and we should hold off on assuming that this will be a typical number of applications.

First Selectman Llodra said she expects more applications in that range next year and that its too soon to tell.

Mr. Knapp asked Mr. Chaudhary to report on his research about retirement planning.

Rec'd. for Record 9-3 2014  
Town Clerk of Newtown 8:30am  
Debbie Aurelia Halstead

Mr. Chaudhary said that his financial advisor could not give him a firm number because of all the factors involved.

Mr. Chaudhary created a spread sheet and backed out numbers based on inflation, rate of return and annual income. (chart attached in excel format)

Mr. Chaudhary noted at 70K/yr, 855K runs out at 30 years with no inflation and with inflation 1M runs out at 30 years.

Mr. Kortze was asked his opinion and noted nonreturning assets.

Ms. Jacob spoke to other groups in town who need relief such as a hypothetical single mother of five in a trailer. Ms. Romano agreed.

Mr. Knapp asked Ms. Romano to speak to her research into Fairfield's asset value of 650K.

Ms. Romano did not get in touch with anyone from the committee in Fairfield but did speak to a contact there who felt it was "arbitrary" and the general sense was that "Fairfield seniors did not want to apply"

Ms. Jacob reiterated that we cannot change the ordinance without a charge and that it requires we set a number.

Mr. Knapp spoke to the notion discussed in the past that we would ease into applying this portion of the program. He pointed out that in the spring everyone had been comfortable with 1.65M for tax abatement.

Ms. Jacob reiterated that this program is to see that those who need the relief most receive it.

Mr. Knapp spoke to unforeseen medical expenses late in life, the desire to pass something on to one's offspring, and that the seniors in town appreciate tax relief because they contribute tax at the same rate without utilizing the same amount of services. That we have had this program for over 20 years without an asset test.

Others disagreed.

Mr. Chaudhary made a motion to recommend to the LC that we set the asset cap at \$1,000,000. Ms. Romano seconded.

Ms. Jacob spoke in support of the motion believing it was a good number.

Ms. Romano reiterated Ms. Jacob's comments.

Mr. Knapp reminded the committee of a resident who had spoken previously who could not sell his house once he moved to Newtown and was stuck with two properties and two mortgages, one of those homes counting against his asset number.

Others did not agree that was a concern.

Mr. Knapp called the question:

Mr. Girgasky – yes

Mr. Chaudhary – yes

Ms. Jacob – yes

Ms. Romano – yes

Mr. Knapp – No

Motion passes 4:1, Mr Carroll did not vote as he was late.

Mr Knapp opened discussion on the agenda item: An amendment enabling the municipal option of Public Act No. 13-224, providing a tax exemption for One Hundred Percent Disabled Veterans as referred to the Ordinance Committee by the Legislative Council during the regular meeting of January 8<sup>th</sup>, 2014.

Mr. Knapp noted that the First Selectman had forwarded information that this public act had passed state public hearings.

Straw poll shows all still support pursuing enabling the municipal option of this public act.

Mr. Knapp volunteered to contact our attorney and CCM to research the matter.

PUBLIC COMMENT:

Rudy Magnan, 60 Watkins Dr, spoke to senior hardships. He gave examples of people selling their homes in his development. Does not feel it is right to punish seniors for saving. That these people do not use many services they pay for. Questioned how the town would verify the program at all.

Mr. Rosenblatt had questions regarding the application process and some confusion.

Mr. Knapp responded that there may have been some confusion as some aspects of the ordinance do not go into effect until next year, and he apologized for that, but that group D was not closed to the public by the Tax Collector's office as evident by the 23 applicants who received abatement in that income range.

Mr. Chaudhary motioned to adjourn at 7:30pm. Ms Jacob seconded.

Respectfully Submitted,

Ryan W. Knapp  
Ordinance Committee Chairman

Applying an asset test for qualifying seniors to receive property tax relief is more like an *acid test*, in that it burns a large hole in the very fabric of the program for which it is intended.

Attempting to set limitations on a senior's assets to weed out the cheaters is both disingenuous and wrong-headed. If a senior qualifies by their income, then how that income was derived is no body's business.

Attempting to set an asset cap limitation sends this committee on a fool's errand and is a waste of their time. If this town was as diligent scrutinizing every last dollar in its budgets as it seems to be in denying property tax relief to 75 year old widows who live off their declining income from declining assets, all our taxes would be lower and more fairly distributed among the total population. (See BEE headline: "Senior Condos Targeted for Tax Increase")

I suggest Ryan Knapp and his committee open their investigation and speak with seniors in town, those who qualify and those who do not, and understand the irrelevance of how annual income of \$43,000 or \$66,281 for that matter, is generated. And then report back to the legislative body and say this proposed sleight of hand to further burden the qualifying senior population has no place in our hearts and minds, and scrap the measure at once.

Stephen Rosenblatt  
50 Watkins Drive  
Sandy Hook, CT 06482

**ORDINANCE REGARDING ADOPTION OF CONNECTICUT GENERAL STATUTES §§4-124I – 4-124P  
TO JOIN THE WESTERN CONNECTICUT COUNCIL OF GOVERNMENTS**

**WHEREAS**, the Town of Newtown has heretofore been a designated member municipality of the Housatonic Valley Planning Region; and,

**WHEREAS**, the Town of Newtown is a member of the Housatonic Valley Council of Elected Officials (“HVCEO”), a regional council of elected officials and regional planning agency serving the Housatonic Valley Planning Region; and,

**WHEREAS**, the current member municipalities of the Housatonic Valley Planning Region are Bethel, Bridgewater, Brookfield, Danbury, New Fairfield, New Milford, Newtown, Redding, Ridgefield, and Sherman; and,

**WHEREAS**, the State of Connecticut has determined that a reorganization and redesignation of planning regions shall be completed on or before January 1, 2015; and,

**WHEREAS**, pursuant to C.G.S. § 16a-4c(b) (as amended by Public Act 13-247, § 249), the member municipalities of HVCEO and of the South Western Regional Planning Agency (“SWRPA”) have agreed to consolidate the Housatonic Valley Planning Region and the South Western Planning Region into a single planning region; and

**WHEREAS**, on or about December 6, 2013, the Office of Policy and Management of the State of Connecticut (“OPM”) redesignated the Housatonic Valley Planning Region and the South Western Planning Region as the Western Connecticut Planning Region; and,

**WHEREAS**, Public Act 13-247, § 250 requires that each regional planning agency and regional council of elected officials within a planning region restructure as a single regional council of governments on or before January 1, 2015; and

**WHEREAS**, HVCEO and SWRPA have determined, subject to the municipal approvals referred to herein, to restructure themselves as the Western Connecticut Council of Governments, which shall commence operations at the end of the Transitional Period (as defined herein); and,

**WHEREAS**, the Town of Newtown desires to participate in the establishment of the Western Connecticut Council of Governments as the regional council of governments for the Western Connecticut Planning Region by (1) approval of an ordinance by its legislative body pursuant to C.G.S. §4-124j adopting C.G.S. §§4-124i through 4-124p; (2) filing by the Town Clerk of a certified copy of the adopting ordinance with the Secretary of OPM; and (3) upon certification by the Secretary of OPM that the Western Connecticut Council of Governments has been duly established as the regional council of governments for the Western Connecticut Planning Region, participating in the operation of the Transitional Executive Committee of the Western Connecticut Council of Governments during the Transitional Period, as defined herein; and,

**WHEREAS**, the Town of Newtown desires to (1) remain a member of HVCEO as it continues to operate and wind down as a council of elected officials and regional planning agency during the Transitional Period, as defined herein, and (2) participate with the other former members of HVCEO after the Transitional Period as an unincorporated association

to administer and assume any and all rights, privileges and obligations of HVCEO that the Transitional Executive Committee deems unacceptable for assumption by the Western Connecticut Council of Governments; and

**WHEREAS**, HVCEO has been designated since 1981 pursuant to federal and state law as the Metropolitan Planning Organization (“MPO”) for the municipalities comprising HVCEO; and

**WHEREAS**, on or about June 19, 2014, HVCEO created a transitional MPO board (“Transitional MPO Board”) to succeed to the rights and responsibilities of HVCEO as an interim MPO beginning on January 1, 2015 and continuing until a new MPO has been designated for either the former Housatonic Valley Planning Region or the Western Connecticut Planning Region, and the Town desires to have the First Selectman serve as a member of such Transitional MPO Board.

**NOW THEREFORE BE IT ORDAINED, AS FOLLOWS:**

**Sec. 1. Creation of Western Connecticut Council of Governments.** The Town of Newtown hereby joins with such other adopting municipalities of the Western Connecticut Planning Region to create a regional council of governments to be known as the Western Connecticut Council of Governments (“WCCOG”), by adopting the provisions of C.G.S. §§4-124i – 4-124P, as amended by Public Act 13-247, and further amended by Public Act 14-217, §§ 228 and 256.

**Sec. 2. Certification by the Secretary of OPM; Transitional Executive Committee and Transitional Period.**

(a) Upon certification by the Secretary of OPM that at least sixty percent of the municipalities in the Western Connecticut Planning Region have adopted ordinances creating a regional council of governments, as required by the Connecticut General Statutes, the Western Connecticut Council of Governments shall be established.

(b) Upon such certification, a transitional period (hereafter the "Transitional Period") shall commence, and shall conclude no later than January 1, 2015. During such period the First Selectman shall participate as a member of the Transitional Executive Committee, as defined and for the purposes set forth in Section 4-124l(b) of the Connecticut General Statutes, as amended by Public Act 14-217, §§ 228 and 256. The legislative body of the Town shall appoint, in the manner provided by ordinance, an elected official to serve as an alternate member of the Transitional Executive Committee in the absence of the First Selectman. The First Selectman also may send a representative in his or her stead; however, such representative shall not be a member of the Transitional Executive Committee.

(c) Except as provided in Section 6 below, at the conclusion of the Transitional Period, the Transitional Executive Committee shall cease to exist, and the Western Connecticut Council of Governments shall succeed to and be responsible for all of the rights, privileges and obligations of HVCEO and SWRPA, whether statutory or contractual, relating to such active programs as may be recommended by the Transitional Executive Committee and adopted by the Western



Connecticut Council of Governments following appropriate due diligence and good faith negotiations during the Transitional Period.

**Sec. 3. Membership in the Western Connecticut Council of Governments.** At the conclusion of the Transitional Period, the Town of Newtown shall be a member of the Western Connecticut Council of Governments.

**Sec. 4. Powers and Duties of the Western Connecticut Council of Governments.** Except as provided in Section 6 below, the Western Connecticut Council of Governments shall have such powers, purposes, rights, duties and responsibilities of regional councils of governments as are set forth in the Connecticut General Statutes, currently and as they hereafter may be amended.

**Sec. 5. Representative to the Western Connecticut Council of Government.** The First Selectman shall be the representative of the Town to the Western Connecticut Council of Governments. The legislative body of the Town may appoint, in the manner provided by ordinance, an elected official to serve as an alternate representative in the absence of the First Selectman. The First Selectman may send the alternate to meetings in his or her stead; and the alternate in that instance shall be entitled to the same rights and privileges as the First Selectman. The Town shall notify the Western Connecticut Council of Governments in writing of the appointment of an alternate under this section. Each Town shall be entitled to one vote in the affairs of the Western Connecticut Council of Governments.

**Sec. 6. HVCEO's Continued Existence During Transitional Period.** The Town shall remain a member of HVCEO as it continues to operate and wind down as a regional

council of elected officials and regional planning agency until the end of the Transitional Period. After the Transitional Period ends, the Town also may create, together with the other former HVCEO member municipalities, an unincorporated association to assume and administer all rights, privileges and obligations of HVCEO that the Transitional Executive Committee, in its sole discretion, deems unacceptable for assumption by the Western Connecticut Council of Governments. The First Selectman shall be the Town's representative to such association.

**Sec. 7. First Selectman to serve on Transitional Metropolitan Planning**

**Organization Board.** The First Selectman shall serve as a member of the Transitional MPO Board, which has been created by HVCEO to temporarily perform the functions of the MPO for the municipalities in the former Housatonic Valley Planning Region beginning on January 1, 2015 and until such time as the Governor redesignates an MPO to serve that former region or the Western Connecticut Planning Region pursuant to 23 U.S.C. § 134.

**Sec. 8. Withdrawal from HVCEO; Repeal of Prior Ordinances.** Pursuant to § 8-36a of the Connecticut General Statutes, the Town hereby withdraws as a member of HVCEO, effective as of the expiration of the Transitional Period. . The following ordinance provisions regarding HVCEO are repealed effective as of the end of the Transitional Period [Sections \_\_\_\_\_], except that the Transitional MPO Board referred to in Section 7 hereof shall continue in existence for such time period as determined by its members.

Elderly/Disabled Tax Relief – Town Benefit program (2014)

Original program funding	\$1,500,000
Additional program (\$65,001 - \$70,000) funding	\$ 150,000
<b>Total Funding Available for town based benefit program:</b>	<b>\$1,650,000</b>

2014 Elderly Tax Benefits program experience:

<u>Income Groupings</u>	<u>Benefit Amount</u>	<u># of Recipients</u>	<u>\$ Amount of Benefit</u>
\$65,001-70,000	\$800	23	\$18,400
\$55,001-65,000	\$1300	124	\$161,200
\$45,001-55,000	\$1750	119	\$208,250
\$0 - 45,000	\$2525	<u>325</u>	<u>\$820,625</u>
	<b>Total</b>	<b>591</b>	<b>\$1,208,475</b>

In addition there are 87 taxpayers who are receiving less than the full Elderly Tax benefit due to either percentage of property owned or meeting the 25% minimum tax requirement.

2014 Disabled Tax Benefits program experience:

<u>Income Groupings</u>	<u>Benefit Amount</u>	<u># of Recipients</u>	<u>\$ Amount of Benefit</u>
\$55,001-65,000	\$1300	2	\$2600
\$45,001-55,000	\$1750	3	\$5250
\$0 - 45,000	\$2525	<u>9</u>	<u>\$22,725</u>
	<b>Total</b>	<b>14</b>	<b>\$30,570</b>

In addition there are 2 taxpayers who are receiving less than the full Disabled Tax Benefit due to meeting the 25% minimum tax requirement.

**Summary Information for 2014- All Town Benefit Programs:**

Number of Elderly applicants with tax credits (\$2525 - \$800).....	591	(\$1,208,475)
Number of Disabled applicants with tax credits (\$2525 - \$800).....	14	(\$30,570)
Number of Miscellaneous Elderly accounts.....	87	(\$133,017)
Number of Miscellaneous Disabled accounts.....	2	(\$1393)

**Total Recipients 694**

Total utilized benefits for fiscal 2014: \$1,373,455

SS \$	\$17,000					
Rate		1.05 Inflation		1.025		
Spending	53000	SS COLA		1.025		
	Balance	Needed \$\$	SS \$\$	Annual Draw	Interest	
Starting Asset	\$ 875,000.00	\$ 70,000.00	\$ 17,000.00	\$ 53,000.00	\$ 43,750.00	
Year 1	\$ 865,750.00	\$ 71,750.00	\$ 17,425.00	\$ 54,325.00	\$ 43,287.50	
Year 2	\$ 854,712.50	\$ 73,543.75	\$ 17,860.63	\$ 55,683.13	\$ 42,735.63	
Year 3	\$ 841,765.00	\$ 75,382.34	\$ 18,307.14	\$ 57,075.20	\$ 42,088.25	
Year 4	\$ 826,778.05	\$ 77,266.90	\$ 18,764.82	\$ 58,502.08	\$ 41,338.90	
Year 5	\$ 809,614.87	\$ 79,198.57	\$ 19,233.94	\$ 59,964.64	\$ 40,480.74	
Year 6	\$ 790,130.97	\$ 81,178.54	\$ 19,714.79	\$ 61,463.75	\$ 39,506.55	
Year 7	\$ 768,173.77	\$ 83,208.00	\$ 20,207.66	\$ 63,000.34	\$ 38,408.69	
Year 8	\$ 743,582.12	\$ 85,288.20	\$ 20,712.85	\$ 64,575.35	\$ 37,179.11	
Year 9	\$ 716,185.87	\$ 87,420.41	\$ 21,230.67	\$ 66,189.74	\$ 35,809.29	
Year 10	\$ 685,805.42	\$ 89,605.92	\$ 21,761.44	\$ 67,844.48	\$ 34,290.27	
Year 11	\$ 652,251.21	\$ 91,846.07	\$ 22,305.47	\$ 69,540.59	\$ 32,612.56	
Year 12	\$ 615,323.18	\$ 94,142.22	\$ 22,863.11	\$ 71,279.11	\$ 30,766.16	
Year 13	\$ 574,810.23	\$ 96,495.77	\$ 23,434.69	\$ 73,061.09	\$ 28,740.51	
Year 14	\$ 530,489.66	\$ 98,908.17	\$ 24,020.55	\$ 74,887.61	\$ 26,524.48	
Year 15	\$ 482,126.53	\$ 101,380.87	\$ 24,621.07	\$ 76,759.80	\$ 24,106.33	
Year 16	\$ 429,473.05	\$ 103,915.39	\$ 25,236.60	\$ 78,678.80	\$ 21,473.65	
Year 17	\$ 372,267.91	\$ 106,513.28	\$ 25,867.51	\$ 80,645.77	\$ 18,613.40	
Year 18	\$ 310,235.54	\$ 109,176.11	\$ 26,514.20	\$ 82,661.91	\$ 15,511.78	
Year 19	\$ 243,085.40	\$ 111,905.51	\$ 27,177.05	\$ 84,728.46	\$ 12,154.27	
Year 20	\$ 170,511.21	\$ 114,703.15	\$ 27,856.48	\$ 86,846.67	\$ 8,525.56	
Year 21	\$ 92,190.10	\$ 117,570.73	\$ 28,552.89	\$ 89,017.84	\$ 4,609.50	
Year 22	\$ 7,781.77	\$ 120,510.00	\$ 29,266.71	\$ 91,243.28	\$ 389.09	
Year 23	\$ (83,072.43)	\$ 123,522.75	\$ 29,998.38	\$ 93,524.37	\$ (4,153.62)	
Year 24	\$ (180,750.42)	\$ 126,610.82	\$ 30,748.34	\$ 95,862.48	\$ (9,037.52)	
Year 25	\$ (285,650.41)	\$ 129,776.09	\$ 31,517.05	\$ 98,259.04	\$ (14,282.52)	
Year 26	\$ (398,191.97)	\$ 133,020.49	\$ 32,304.98	\$ 100,715.51	\$ (19,909.60)	
Year 27	\$ (518,817.08)	\$ 136,346.00	\$ 33,112.60	\$ 103,233.40	\$ (25,940.85)	
Year 28	\$ (647,991.34)	\$ 139,754.65	\$ 33,940.42	\$ 105,814.24	\$ (32,399.57)	
Year 29	\$ (786,205.14)	\$ 143,248.52	\$ 34,788.93	\$ 108,459.59	\$ (39,310.26)	
Year 30	\$ (933,974.99)	\$ 146,829.73	\$ 35,658.65	\$ 111,171.08	\$ (46,698.75)	