

Ryan Knapp, Chair
Judith DeStefano, Vice Chair
Neil Chaudhary
Dan Honan
Mary Ann Jacob
Chris Eide



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TOWN OF NEWTOWN

Draft Minutes of the Legislative Ordinance Committee Meeting

The Ordinance Committee met on Wednesday January 13th, 2016 in Meeting Room 1 of the Municipal Center, 3 Primrose Lane, Newtown. Committee Chairman Ryan Knapp called the meeting to order at 7:35 pm.

Present: Ms Jacob, Mr. Honan, Ms. DeStefano, Mr. Eide and Mr. Knapp.

Absent: Mr. Chaudhary

Also in attendance: Three members of the public.

MINUTES: Ms. Jacob motioned to approve the minutes of the meeting of 10/7/2015. Mr. Knapp seconded. Two in favor (2-0) with Mr. Honan, Ms. DeStefano and Mr. Eide abstaining.

PUBLIC COMMENT:

Mr. Knapp received an email communication from Bruce Walczak which he will attach to the minutes.

Carren Banks, 43 West St, had submitted a suggestion to the last LC meeting. She would like to see real-estate taxes frozen for residents 65+ who have lived in Newtown for 20+ years. Noting that many seniors live on a limited income, she has neighbors looking to move due to taxes. She feels a tax freeze could offset some of those costs. She said this is done in other states but she did not know if the town could implement such a program. She is unsure of what impact such a program would have and was unable to get data from the tax office and voter registration.

Stephen Rosenblatt, 50 Watkins Dr, shared data (attached) prepared in conjunction with Bob Tait demonstrating scenarios where the senior tax abatement program could be expanded and the associated cost implications. He shared a history on expanding tax relief for seniors who do not fit income criteria and spoke to a desire for relief having grown out of the revaluation of 2012 where 76% of town saw their taxes stay flat or saw a decrease while 24% saw increases, as high as 30% over the prior year for some. He pointed out that 1,000 senior households do not fit income ranges.

Bernie Cohen, 52 Watkins Dr, said that 65+ is an increasing demographic and we should try to retain the existing seniors and attract new residents. He had an idea where when the older of either spouse reaches 65+ they could potentially get a tax freeze.

New Business

In respect to the audience, Mr Knapp rearranged the agenda to take up Senior Tax Abatement first.

Review and recommendation regarding senior tax abatement program.

Mr. Knapp began discussion with a summary of our program and the application dates. From there he backed out the ordinance process and explained that the committee does not have adequate time to make structural changes to the ordinance ahead of the application period starting March 2nd because of the Charter mandated steps and notice requirements. It may be possible to make structural changes over

the summer, but the first priority should be to get data on the existing program and make recommendations relative to the numbers the LC may adjust by resolution.

Ms. Jacob questioned the balance leftover and the cost of new participation with known new applications.

Ms. DeStefano started discussion on the scope of our recommendations and our charge.

Mr. Eide had questions on larges changes on the "other" group, where there was a decrease in people but an increase in benefits.

Ms. Jacob suggested Social Services may have data on income and ages. She will reach out before the next meeting.

Mr. Knapp asked if the Ordinance Committee were to recommend increasing the budgetary contribution, when would that recommendation needs to be made as we are in the midst of the budget process.

Ms. Jacob said the BOS plans to hold the line at \$1.65M and her personal feeling is it would be a hard sell during a spending increase.

Mr. Knapp does not want to discuss recommendations before the committee has done its research, only looking for a date we would need to make a recommendation by.

Ms. Jacob stated that the recommendation to increase a line item would likely have to come from the BOF and that would need to happen in the next week or two.

Mr. Knapp will invite Bob Tait to our next meeting with several questions including the impact of expanding group D, explanation on the other category changes, the implications of the 50 or so new applications. Also, for the Tax Collector the group would like insight into turnover as to new people to the program vs people no longer in the program, people excluded by the limits and if she feels the 19 line worksheet maybe discouraging people.

Mr. Knapp asked the group to send him any further questions so that he may compile them and forward them to Bob Tait.

The group discussed revaluation history and the impact of relative decreases in 2012.

Ms. DeStefano suggested future committees may look at this during the summer ahead of the budget to make recommendations.

Mr. Knapp suggested a running document of items the LC is supposed to review periodically.

Mr. Eide raised a question of what happens if the LC makes no resolution. Discussion was that it would stay the same.

Public Comment (moved in respect to the public in attendance):

Mr. Cohen commented on people going in and out of the program due to them moving or passing on.

Mr. Rosenblatt raised the idea of a tax deferral with a lean for sale of death to allow people to continue to live here and support the schools.

Review and Recommendation regarding abatement for volunteer fire, ambulance and underwater recue personnel.

Mr. Knapp brought copies of our existing ordinance. Reading over it he felt it was confusing as to if this were an assessment exemption or an abetment.

Mr. Eide noted that if this were an assessment exemption, the values would be multiplied by the mil rate and thus be very small.

Mr. Knapp printed the budget sheets and saw no line items for these abatements/exemptions.

The group discussed questions on who qualifies, how many people are using this program, who authorizes it and how it is captured in the budget.

Mr. Eide would like clarification on support members per bylaws, and noted there is a cap set by statute.

Mr. Honan noted that he does not recall this program when he was a Volunteer Firefighter.

The group would like to invite Bob Tait to the next meeting to discuss this program and its administration.

PUBLIC COMMENT:

None.

Mr. Honan motioned to adjourn at 9:35pm. Mr. Eide seconded. All in favor.

Respectfully Submitted,

Ryan W. Knapp
Ordinance Committee Chairman

2,048 SENIOR HOUSEHOLDS THAT OWN HOMES
2,041 - 691 = 1,350; A PERCENT WILL NOT APPLY; SAY 1,000 FOR GROUP E

EXISTING (WITH 2014-15 EXPERIENCE)

<u>Reference Designation</u>	<u>Modified Income Level</u>	<u>Maximum Available Tax Credit</u>	<u>Estimated # of Recipients</u>	<u>Total Benefit Amount</u>
Group A	\$0 to \$45,000	\$2,525	334	\$843,350
	\$45,001 TO			
Group B	\$55,000	\$1,750	165	\$288,750
	\$55,001 TO			
Group C	\$65,000	\$1,300	169	\$219,700
	\$65,001 TO			
Group D	\$70,000	\$800	23	\$18,400
			<u>691</u>	<u>\$1,370,200</u>

WHAT IF - 1 (WITH NEW GROUP)

<u>Reference Designation</u>	<u>Modified Income Level</u>	<u>Maximum Available Tax Credit</u>	<u>Estimated # of Recipients</u>	<u>Total Benefit Amount</u>
Group A	\$0 to \$45,000	\$2,525	334	\$843,350
	\$45,001 TO			
Group B	\$55,000	\$1,750	165	\$288,750
	\$55,001 TO			
Group C	\$65,000	\$1,300	169	\$219,700
	\$65,001 TO			
Group D	\$70,000	\$800	23	\$18,400
Group E	\$70,001 TO	\$500	1000	\$500,000
			<u>1691</u>	<u>\$1,870,200</u>

WHAT IF - 2 (WITH NEW GROUP)

<u>Reference Designation</u>	<u>Modified Income Level</u>	<u>Maximum Available Tax Credit</u>	<u>Estimated # of Recipients</u>	<u>Total Benefit Amount</u>
Group A	\$0 to \$45,000	\$2,750	334	\$918,500
	\$45,001 TO			
Group B	\$55,000	\$2,000	165	\$330,000
	\$55,001 TO			
Group C	\$65,000	\$1,500	169	\$253,500
	\$65,001 TO			
Group D	\$70,000	\$1,000	23	\$23,000
Group E	\$70,001 TO	750	1000	750000
				<u>\$2,275,000</u>

bw.reloconsult@snet.net Jan 12 (3 days ago)

to ryan.w.knapp@gmail.com

Ryan you worked very hard on this program and it's nice to see it had a small surplus. Pat Llodra has said many times that we have one of the best and most generous programs in the state. The program is based on the generosity of the other tax payers who pay higher taxes to provide this Sr tax program.

I believe the program should not be enhanced at this time. We are only into the program for a year. There is no evidence it's not doing its job and then some. An average reduction of 40% is meaningful and generous. In fact an argument can be made that the parameters are in fact overly generous with both salary and net worth in excess of many of its non-senior citizen in Newtown.

Thanks in advance for thinking about the rest of us who pay our full taxes.

Bruce

Bruce Walczak

President

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