



Thomas S. Scarpati
First Selectman

TOWN OF MADISON CONNECTICUT
06443-2563
BOARD OF SELECTMEN

William Gladstone
Noreen Kokoruda
Kathi Traugh
Charles F. Walz

MEETING DATE:

Monday, November 13, 2006

MEETING PLACE:

Madison Room (Room A), Town Campus

Selectmen Scarpati called the special meeting of the Board of Selectmen to order at 4:07 p.m. Present were Selectmen Scarpati, Walz, Kokoruda, and Traugh. Selectman Gladstone was absent. Also present were Tax Collector Alma Carroll, Director of Youth and Family Services David Melillo, and Chairman, Board of Finance Fillmore McPherson.

1. Discuss senior tax relief program.

Selectman Scarpati stated there is only one item on the agenda; that the Board of Selectmen can entertain no other items for conversation. The only reason we are having an actual special meeting is because more than two Selectmen wanted to come; therefore, by definition it had to be posted as a bonafide meeting. Selectman Traugh and Selectman Walz will co-chair a review of Madison's senior tax relief programs—add members to the committee or group (Tax Collector Carroll should be an advisor or liaison during this process), review what exists around the State, review what Madison specifically needs because of the tax increase of 4 to 4-1/2 percent per year, and deal with the fact that the increase is a terrible burden on our seniors.

Selectman Scarpati stated there are several points to be considered:

(a) re-look at the “income” definitions (not the income limitations)--what is considered income and what is not considered income; should Social Security be included—our seniors are over 65 years old; the question of whether money coming from an IRA is bonafide income (a portion is taxable each year); and the question as to how “income” is defined, we follow the State guidelines, but it is not necessary.

(b) re-look at the “trust” definitions—if seniors are paying taxes on properties in a trust, then it counts (a year ago properties in trusts were excluded).

Selectman Scarpati stated the two biggest points are:

(a) as you set about to decide what is appropriate or not, consider the amount of tax relieved from a group of seniors has to be made up somewhere else. For round numbers; if \$200K is relieved from seniors’ tax burdens; current practice is that portion is part of the mill rate calculation that the remaining townspeople who are not getting this help are paying.

(b) under the deferral program, up to \$6K (\$4K last year) of taxes can be deferred until the property is sold, transferred, or bequeathed; however, today only seven residents take advantage of that program because a lien is required on the property. Selectman Scarpati asked if there is an alternate plan where the deferral program does not go to the mill rate? A deferral of \$6K for 20 years equals \$120K; it does not take many people to come up with \$1.5M. Guilford’s senior tax relief program is a tax freeze not supported by a lien. Milford’s senior tax relief program is a tax freeze supported by a lien on the property.

Selectman Kokoruda asked how many people are currently in the rebate program? Tax Collector Carroll stated 338 people. She continued, the “trust” question changed in

December 2005. The original committee spent time developing three or four programs. There are guidelines in the Statutes that are currently used. The original committee was set up in 2000 to try to keep people in their homes; but she stated she doesn't know if \$300, \$500, or \$700 will keep people in their homes with the way the taxes have increased. The amount that is given should be looked at. Director of Youth and Family Services Melillo stated the program could bring people to us who might be able to be helped in other ways besides the abatements.

Selectman Scarpati stated two examples: (1) if the Town of Madison relieves \$460K to seniors; then the mill rate increases .2 to relieve the offset and (2) if the Town relieves \$230K; then the mill rate increases .1

Enters Selectman Gladstone (4:31 p.m.).

Selectman Walz stated the committee should go back to the original mission that is to "retain long-time seniors in their home towns" and "to keep them in their homes." He stated he would like to see the tax relief program go to a referendum. Director of Youth and Family Services Melillo stated that people may want to step down with their house size; but smaller properties are not necessarily cheaper. Selectman Gladstone would like to see included in the program that the longer a person is a resident; the more benefits they can receive.

Departs Selectman Scarpati (4:40 p.m.).

Selectman Traugh stated the longer a resident stays in town, the higher the income level you can have to qualify for the program.

Selectman Walz discussed the next steps:

- (a) put together a calendar of meetings

(b) determine membership for the committee (Tax Collector Carroll and Director of Youth and Family Services Melillo could be advisors to the committee; not members on the committee); maybe younger people; or maybe someone involved with the real estate market; and maybe kept to a total 5-6 members.

(c) determine the charge or mission statement

(d) collect data from other towns

(e) look at ages in households (census data)

(f) discuss disabled residents

Timeframe: at the December 18th Board of Selectmen meeting the charge and names of committee members will have been decided; during January 2007 have the first committee meeting; by June/July 2007 the committee would know what to propose; then be ready to go to a referendum in November 2007. Director of Youth and Family Services Melillo will gather information regarding the age of Madison's households. Selectman Traugh stated information could also be gathered from the census data.

2. Adjournment.

MOVED by Selectman Kokoruda and seconded by Selectman Gladstone to adjourn the special meeting at 5:01 p.m. This was unanimously approved.

Respectfully submitted,

Judy Palmer
Recording Secretary