



TOWN OF MADISON

CONNECTICUT

06443-2563

MEETING DATE: Wednesday, February 3, 2016

MEETING PLACE: Senior Center, 29 Bradley Ave., Madison, CT

SUBJECT TO APPROVAL

Senior Tax Relief Committee

Members Present: Craig Bernard (R), Herb Gram (D), Scott Gyllensten (D), Ron Hick (U), Peter Thomas (R)

Others Present: Austin Hall (Director of Senior Services)

The subcommittee convened at approximately 7:06 p.m.

1) Public Comment.
None.

2) Review and take action on prior meeting minutes.

Mr. Gram opened meeting with agenda to approve minutes from January 27, 2016 meeting.

Mr. Gyllensten recommended that on Page 4, paragraph 1, the statement made by Mr. Thomas – “If at some point we reach or exceed the cap, priority would be given to those in the Abatement Program first and then proceeding behind it would be the Tax Relief Program, and then the Tax Deferral Program would jump in last,” be removed as it was not entirely factual.

Motion approved minutes at 7:08pm.

MOVED: by Herb Gram and seconded by Craig Bernard to approve the minutes of January 27, 2016 meeting.

VOTE: The motion was approved with five votes in favor.

3) Review:

a) Agenda –

Mr. Gram – Gave a big thanks to Mr. Bernard and Mr. Gyllensten for their hard work with the outline and models that they have provided. He also stated that while the committee reports to the Board of Finance, he sent an email to the Board of Selectmen allowing the opportunity for additional comments/concerns. None were provided. He reiterated that the presentation is expected to be given on February 17, 2016 to the Board of Finance.

Mr. Gyllensten – We have a word document which is our outline and the PowerPoint which would include the numbers/models, etc. but both documents have the same flow, just different information.

Mr. Gram then asked the committee what they plan to do from here. In a sense, how does the committee intend to pull all their information together?

b) Finalizing the Presentation –

Mr. Thomas – The information that we are providing in the presentation and model is too dense, so maybe we should work on a summary and an outline of what we want to present to the Board of Finance during our presentation. For example –

- The current program utilization which is at 23%, and then what we project it to be overtime. He suggested a simple presentation of where we are today and where we would like to be, and then drill down into it.
- The economic impact and why we are trying to expand the 70 basis points to 100 basis points. So we start off with slides of an overview, and then drill down to the model numbers that Scott Gyllensten has created, but lead them (BOF) to steps of degrees of difficulty. So present simple first, then verbal, then quantitative.

Barbara (town resident) asked the committee what they felt the overall “burden” would be on the tax payers to implement this tax freeze program.

Mr. Gyllensten – By 2025 we predict the “burden” to be somewhere around \$125.00/yr per household.

Mr. Thomas – We should look into having all the programs consistent with regards to the qualifications.

Mr. Hall stated that he believes right now if a resident does not qualify for the state program he/she would not qualify for the Tax Abatement Program in town, but it would not affect the Deferral Program. He will refer to a more informed source to guarantee that information is correct.

Mr. Gyllensten, Mr. Gerard and Mr. Thomas all agreed that aligning all the income level bands for each program in order to be the same is definitely something that should be implemented.

Mr. Gyllensten – Currently there would be 4-tiers for the Abatement Program, so we would be increasing the eligible income levels in order to allow more people to qualify. For the Tax Freeze Program there are 5-tiers which are determined by how many years a resident has been in town.

Mr. Thomas – Suggested it may be worth putting the existing pros vs existing cons in the presentation in order to help everyone understand what is being offered, then recommended the committee begin working on their presentation next.

Mr. Bernard – By having members of the Board of Selectmen at the last meeting we did get some feedback regarding a level of financing that the board would be comfortable with which is 100 basis points. So now that we have an affinitive base line, we just have to decide who can be helped under these benefits. The important part is utilization. Currently we stand at 23% with the expectation of 30% utilization in the future.

Mr. Gyllensten – There are currently 2,200 properties that are senior occupied in the Town of Madison. This number was obtained from the Assessor and Voters Registrars data provided. We then looked at owner occupied households which is about 75%, so there are currently (390) households utilizing these programs which does not include the (19) households that are in the Deferral Program.

Mr. Thomas – One of the things the committee should have is a comparison between the Town of Guilford's Tax Freeze Program and the proposed Tax Freeze Program under the Town of Madison stressing that our committee wants to implement other tests that the Guilford program does not currently use (asset test, etc.). This will allow us to show that we are taking a more conservative approach.

Mr. Gyllensten – To clarify what I have at this point, the Abatement Program pays first by tiers using the lowest income tier first and then goes up to the 2nd highest income tier, etc. Then the Tax Freeze benefit would be pro-rata after that. So whatever is left, the individual would get their pro-rata share from that. In addition, Mr. Gyllensten is not predicting that the 125 basis points will reach

its cap until 2030. Just FYI, Guilford has not hit their 100 basis points cap in the last 25 years they have been doing this, so he felt comfortable with stating we will not hit the cap before the year 2030.

Mr. Thomas – So let us discuss our PowerPoint. We should print out a number of copies of the PowerPoint presentation for everyone to have during the Board of Finance meeting along with copies of the model. Mr. Thomas asked Mr. Gyllensten - can you simplify the model so it is more like a 10-pager in order to keep the focus? Mr. Gyllensten replied with “yes.”

Mr. Thomas – So let us talk about what we want on slides:

- 1st slide – cover slide
- 2nd slide – what the charge is
- 3rd slide – overview of current programs / who they benefit (Austin)
- 4th slide – current utilization
- 5th slide – limited income of seniors / decreasing discretionary incomes / predictability of future tax burden (Austin)
- 6th slide - how to address these needs - options were expand existing programs, develop the tax freeze program...

At this point, the committee felt that everything Mr. Thomas was suggesting was already on Mr. Bernard’s outline so the suggestion was made to condense Mr. Bernard’s outline into the PowerPoint rather than continuing with Mr. Thomas’ above noted slide outline.

Mr. Hall then told all committee members that any final handouts they would want included in the presentation could be emailed to him and he would ensure copies were printed.

Mr. Gyllensten then suggested that names be included on each slide so it is clear who would be presenting it.

Mr. Bernard – So Herb, you should open the presentation with the charge of the committee, then Austin can discuss the need, then I will get into the final points and recommendations, and then Scott will jump into why these recommendations work using his models.

Mr. Bernard to the committee “What is our time frame for the presentation?”

Mr. Gyllensten replied that when he used to be on the Board of Finance, there was never a time limit, however much time was needed, it what was taken.

Mr. Thomas – We want to make sure the Board of Selectmen is contacted to let them know that we have finalized our presentation.

Mr. Bernard – He wanted to inform the committee that someone called him to discuss that there was a shortfall with the application process. The application for state benefits uses October 1st as the cutoff date for verifying residents

within the town. So if a resident moves in after October 1st, they will not qualify for the benefit. For example, if a resident moved in between 10/2/2016 – 5/15/2017 he/she would not be eligible for the state benefit until 10/2/2018 – causing a year lag from when the individual moved into Madison and when he/she would be able to qualify for the state benefit. So the suggestion made was that an amendment be made under the Tax Freeze program that would prevent the shortfall. Mr. Bernard did contact the Tax Assessor and the Tax Collector for the Town of Madison and both stated that at this point no amendments can be made. So - this issue goes back to what we suggested earlier regarding aligning all the programs at some point so there are no lagging timeframes.

Mr. Gyllensten – Should we meet again next week in order finalize and bring our PowerPoint slides together? All committee members replied with “yes.”

Mr. Bernard – Our goal is to ensure this program gets passed, so it is important that others know what we are proposing.

Mr. Thomas – Maybe one of our points to the Board of Finance be, if accepted, that we publicize this. We should recommend that it be brought public in order to help market the programs for the Senior Center. All members agreed.

Mr. Bernard suggested asking Alma Carroll (Tax Collector) to be present for the Board of Finance meeting for backup regarding information and/or questions that may arise. Mr. Hall said he would extend the invite.

Mr. Gram – Ended the meeting by recapping the agenda to ensure all items were addressed and then stated that the committee will meet again next Wednesday, February 10, 2016.

7. Public Comment.

None.

8. Adjourn

There being no objection, the meeting adjourned at 8:55 p.m. by Craig Bernard 2nd by Scott Gyllensten.