

TOWN OF DURHAM
BOARD OF FINANCE
P.O. Box 428
DURHAM, CONNECTICUT 06422-0428

BOARD OF FINANCE

February 5, 2008

MINUTES

The Board of Finance met at the Durham Town Hall, 30 Town House Road, on Tuesday, February 5, 2008.

Members Present: Fran Korn, Rosemarie Naples, Rob DeSimone, Elmer Clark and Jay Berardino

Members Absent: Loraine Coe

Others Present: Ron Capozzi, Martin French, Charles Corley (*Town Times*).

1. Call to order:

The meeting was called to order by Chairman Fran Korn at 7:05 p.m.

2. Senior Tax Relief:

Laura Francis requested that we put this item back on the agenda after the Public Hearing. At the meeting the public opinion wanted it brought forward. Martin French said that after the second Public Hearing there was widespread support for the two programs. Ron Capozzi stated that because of the widespread support they wanted to satisfy the Board of Finance concerns regarding the deferral. The deferral amount would not exceed the value of the property. The value of the property is the assessed value.

Ron said that the eligibility was fine for the freeze but wanted a lower amount for the deferral. Martin French said that the highest income number was \$84,000 and to replace it with two times the circuit breaker with people including length of time they have lived in town. It was lowered to \$79,000 married and residence in town for twenty years.

Jay Berardino said that the Office of Policy Management has a booklet out with information for tax relief. Ron said that it was the intent of the Senior Tax Relief Committee to keep Durham residents in town. Jay wanted to know about excess acreage. Martin said that open space program was not eligible

on this. This was covered under another program. Jay questioned if the handicapped were covered and Martin said yes. Martin said that the population was based on age. Rob DeSimone said that the resident population of 65 and over was 14%.

Martin French stated that if everyone chose deferral with the town's excellent debt structure they could borrow money to cover deferrals and charge the people interest. Fran Korn said that it was not a good idea to borrow money against residents houses. Fran also wanted to know how the other towns did with people who participated in the deferral. Martin said that Madison's highest number was 17 in 1993-1994. Ron said that with the age at 65 people fall off the program due to death or move out of town and the money goes back into the town. Fran stated that with this program they may default anyway and get a deferment. The town can go to the public and tell them that we can't do it. Fran feels the townspeople would not want to take out a loan to pay for these deferrals. Rob DeSimone sees this as a risk.

Rosemarie Naples feels that having a cap keeps them from going above the assessed number. Martin also said that the ordinance can be changed when it is in place. Fran said that whatever the tax base is will cover the deferrals. Fewer people will paying and those paying are going to pay more. At this time Martin said that Durham has no people on the freeze.

Ron said that if some kind of cap is needed to make it more reasonable, how about 1%. Rob DeSimone said that as long as it stays below the cap no one pays but if it goes above the cap payment is required and if they don't pay they cannot be in any program. Fran said that if people could not afford the taxes they would just not pay. Rosemarie asked Martin how much was collected. Martin said that there was about 1 ¼% not paid.

Jay wanted to know who is going to manage the deferral. Martin said that the Tax Assessor with the help of Jan Muraca. Fran said that John Phillip should provide information as to how the programs are run. They should put this information on spread sheets for the Board of Finance to review. Martin told Fran that there are programs for how these are taken care of. Ron told the Board that Jim McLaughlin sent a letter to the employees who would be doing the work asking how or if it would interfere with their work. Most of them said it would not make any impact on their regular work. A question was raised as to if a lien would be placed on the property in the deferral. Fran said the process was that the applicant talks to Jan Muraca who decides if the applicant is acceptable then it goes to Martin French and a lien is put on the property. The Assessor will have to keep track of the property.

Jay Berardino said that he has been getting calls from people telling him that they feel that it is too high, where Rosemarie Naples has the opposite reaction.

The discussion came to an end and the following motion was made:

MOTION BY FRAN KORN, SECONDED BY ROSEMARIE NAPLES TO HAVE THE BOARD OF SELECTMEN TAKE TO A TOWN MEETING THE TAX DEFERRAL PROGRAM ORDINANCE AS PRESENTED BY THE SENIOR TAX RELIEF COMMITTEE WITH THE FOLLOWING THREE CHANGES:

1. CAP AT THE ASSESSED VALUE OF THE PROPERTY;
2. INCOME THRESHOLD BE REPLACED BY 2 TIMES THE CIRCUIT BREAKER AS DEFINED BY THE STATE OF CONNECTICUT;
3. CAP 1% OF THE TOTAL OF THE TAX LEVY BE ALLOWED OF THE PREVIOUS YEAR.

MOTION CARRIED UNANIMOUSLY.

3. Other business before the board

Maryjane will have the budget books for the Board of Finance at the next meeting. The Board of Finance will not meet on their regular meeting night of February 19th instead they will meet on February 26th. The Board set up dates for budget hearing which is attached to these minutes.

The meeting was adjourned at 8:15 p.m.

Respectfully submitted,

Sharon Criscuolo

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Meeting Schedule for 2008

Regular monthly meetings will be held on the third Tuesday of each month at 7:30 PM at the Town Hall in the second floor conference room except where noted.

January	22	July	15
February	26*	August	19
March	18*	September	16
April	15	October	21
May	20	November	18
June	17	December	16

* Meeting will start at 7:00 PM

Budget hearings and budget workshops will be held as follows with meetings beginning at times shown. All budget hearings and budget workshops will be held at the Town Hall.

*Tuesday, February 26th – 7:00 PM
Saturday, March 1st – 8:00 AM
Tuesday, March 4th – 7:00 PM
Saturday March 8th – 8AM
Tuesday, March 11th – 7:00 PM
Saturday, March 15th – 8:00 AM
*Tuesday, March 18th – 7:00PM
Saturday, March 22nd – 8:00 AM
Tuesday, March 25 – 7:00 PM

* Regular Meeting Date

Annual Budget Hearing – Monday, April 14, 2008, 8:00 PM, Town Hall – 3rd Floor

Annual Budget Meeting - Monday,