Meeting Minutes for the
6:30 PM, 12/13/22 Special Meeting of the
Board of Finance Communication Sub-committee

MEETING MINUTES

Members Present: Todd Gelston and Rebecca Whatley
Staff Present: Rob Funk
Guests Present: None

AGENDA

12/13/22 BoF Communications Sub-committee Special Meeting
6:30 PM at the MOBC, Meeting Room #4

1. Call to Order
2. Approval of the Minutes for the November 29, 2022 Special Meeting
3. Review of the DRAFT and related material for the Budget Process article
4. Schedule requirements for publishing the Budget Process article on January 5. 2023.
5. Interview with Rob Funk for a description and explanation of the Finance Director's position
6. Other items of interest for BoF Communication
7. Scheduling for the next Meeting
8. Adjournment

DISCUSSION

Meeting called to order at 6:36 PM in Meeting Room 4.

The first item on the Agenda was approval of the Minutes for the 11/29/22 Special Meeting. Rebecca Whatley requested the minutes be corrected to change the bold font of Bruce Dutch's name to regular font. Rebecca Whatley moved that the minutes be approved as corrected. Todd Gelston seconded the motion. Motion passed unanimously.

Todd Gelston explained that item 3 on the Agenda will be skipped because the DRAFT has already been fully been reviewed by the subcommittee members and Financial Director.

Todd Gelston also explained that item 4 on the Agenda will be skipped because the schedule requirements have been explained and understood by all parties.

Todd Gelston also explained the item 5 on the Agenda will be skipped because after some discussion with the First Selectman's Office it was decided that an article on the Finance Director and his position would not be appropriate at this time.

Therefore, this meeting will cover only item 6 by focusing on creating an article that will explain the essential elements of the current property re-evaluation which is in-progress.

After a short discussion the attendees thought that it would be helpful to brainstorm the "nuggets of information" that should be in the article on Re-evaluation. These "nuggets" should contain information that would help the taxpayers and residents of East Haddam understand the re-evaluation process and how it will affect their tax bills. Consequently, the attendees (members and staff) conducted a brainstorming session. The brainstormed "nuggets" are as follows:

1. Frequency of Re-evaluation:
    a. Physical Appraisal every 10 years
    b. Non-physical Appraisal 5 years after each Physical Appraisal
2. Define the difference between a Physical Appraisal and a Non-physical Appraisal.
3. Explain the impact of Re-evaluation on Mil Rate, Property Taxes and the Grand List.
    a. Show the interconnection.
4. What is the difference between Re-evaluation and Re-assessment?
5. Why is the 70% assessment factor used?
6. Explain the relationship between the Taxable Grand List and the tax revenue needed to balance the Budget.
7. What is a property improvement that has not been assessed?
8. What is the role of the Certificate of Occupancy in property evaluation for tax purposes?
9. How can the market conditions change and affect Re-evaluation/Re-assessment ?
    a. Examples:
        i. House on the beach versus a house on the hill
        ii. 2 family versus single family dwellings
10. There is an opportunity to discuss the assessment of each property with the Re-evaluation agency.
11. What is an appraisal and how are they performed?
12. What are the rules that the Re-evaluation Agency must follow?
13. State Law requires a periodic property Re-evaluation.
    a. The Town needs to have a current up-to-date Grand List.
    b. Connecticut State Statute 12-62 (2001 latest version)
    c. Physical and non-physical evaluations
    d. Read the Hamden article on their re-assessment process.
14. These property re-evaluations are driven by:
    a. Financial need for the municipalities
    b. State Law
        i. The intent of the process is to be accurate and fair.
            1. Allows property owner input
15. The Board of Assessment Appeals allows property owner input
    a. What is the full role of the Board of Assessment Appeals?
16. It is beneficial to explain the effect of the re-evaluations/re-assessments with clear examples as follows:
    a. For example, assume that the Grand List goes up 35% and your property's assessment goes up by 20%. Assuming that the Budget is not changing, are you going to now pay higher taxes?

    b. For example, assume that the Grand List goes up by 35% and your property's assessment goes up by 35%. Assuming that the Budget is not changing, are you going to now pay higher taxes?
    c. For example, assume that the Grand List goes up by 35% and your property's assessment goes up by 50%. Assuming that the Budget is not changing, are you going to now pay higher taxes?
17. What is the function of the Questionnaires?
    a. The re-evaluation must be verified by statistically significant samples
18. There is a deadline to complete the Re-evaluation/Re-assessment Process.
    a. The updated Grand List must go to the Board of Finance before the Referendum.

The attendees volunteered to research the "nuggets" as follows:

Rob Funk volunteered to research and write about "Nuggets" #3, #12 and #16.

Rebecca Whatley volunteered to research and write about "Nuggets" #13, #14 and #15.

Todd Gelston volunteered to research and write about "Nuggets" #1, #2, #4, #5, #6 and #11.

The other "nuggets" will be discussed during our next meeting.

The meeting ended with a tentative schedule for the subcommittee to meet again on January 10 with Rob Funk at 6:30 PM.

Meeting was adjourned at 7: 36 PM.

These Meeting Minutes were written by Todd Gelston.