

Board of Finance
October 9th, 2024, Regular Meeting Minutes

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TOWN CLERK

Minutes of Board of Finance October 9th, 2024, Regular Meeting - 10/09/24

Date and time: 10/09/24 5:30 PM to: 10/09/24 8:37 PM

Present: Brooke Stevens, Rec Secretary (* Ms. Stevens was not in attendance), John T. Birmingham, Denise Hall, Chairperson, Paul Maxfield, Richard Steel, Lauren McNamara

CC: Dan Cunningham, Chairman, Kevin Gervais, Finance Director, Diane Vitagliano, Assessor, Daphne Doran, Assistant Assessor

Location: East Lyme Town Hall, Upper Conf. Room, 108 Pennsylvania Avenue
Niantic, CT, 06357.

Link: <https://app.meetingking.com/meetings/418916>

Topics

1. Call Meeting to Order & Pledge

Note Chair Hall called the October 9th, 2024, Regular Meeting of the Board of Finance to order at 5:30 p.m. and led them in the Pledge of Allegiance.

2. Approval of Meeting Minutes

2-1. August 14th, 2024, Meeting Minutes

Note see attached minutes.

 [Minutes of Board of Finance August 14th 2024 Regular Meeting 08 14 24.pdf](#)

Decision MOTION (1)

Mr. Maxfield moved to approve the Meeting Minutes of August 14th, 2024, as presented.

Mr. Birmingham seconded the motion.

Motion carried, 4-0-1.

Ms. McNamara abstained from the vote due to her absence from the August 14th, 2024, meeting.

3. Delegations

Note There were none.

4. Reports

4-1. First Selectman

Note Mr. Cunningham reported that a new system for handling FOIA requests has been implemented to ensure timely and accurate responses and goodwill has been achieved between the East Lyme Fire Service and the Ambulance Service, with an agreement expected soon.

4-2. Finance Director

Note Mr. Gervais mentioned that he hopes to distribute the finalized, unaudited fiscal 2024 revenues and expenditures by next week, and gave updates on changes in auditing personnel, and their continuous transition to munis software.

5. New Business

5-1. Appointment of Member

Note Ms. Hall announced that Jay Ginsburg has unfortunately moved away and resigned. We're grateful for his service; he's been a valuable member for nearly a year and will be greatly missed. According to our Town Charter, the Board of Finance has the authority to appoint a replacement to complete his term, provided it's done within 30 days.

Note see attachment.

 [Minutes of Board of Finance October 9th 2024 Regular Meeting 10_09_24.pdf](#)

Decision MOTION (2)

Mr. Steel moved to nominate Dr. Scott McAllister to the Board of Finance, noting that he has been living in East Lyme for a couple of years, is very interested in the community, appreciates it, wants to give back, has an excellent background, and is very data-oriented, which goes a long way for the Board of Finance and helps us keep the numbers rolling. Mr. Steel said he also wants to thank Mr. Ginsburg for his service. Ms. Hall seconded the nomination noting that she had the opportunity to speak with Dr. McAllister, is impressed with his CV, and thinks he'll be a welcome addition. Motion carried, 5-0-0.

Note Ms. Hall extended an invitation to Dr. McAllister to join and observe the proceedings. She mentioned that his appointment would only become official once the Town Clerk administers the oath of office.

5-2. Assessor Presentation

Note see link for presentation. <https://eltownhall.com/wp-content/uploads/2024/10/Assessor-Presentation-to-the-Board-of-Finance-10-09-2024.pdf>

Note Ms. Vitagliano, the Town Assessor, explained that the recent legislative changes will affect our motor vehicle and personal property assessments, as well as the grand list. Additionally, the new veterans' legislation will influence both our real estate and motor vehicle taxes.

Note She detailed that in the past, motor vehicle pricing was determined annually using a list from the DMV, which included over 18,000 vehicles registered in our town as of October 1st. This list was processed through J.D. Power with the VINs to establish prices for standard automobiles. For unpriced vehicles, such as those with multiple model options from a single VIN, incomplete vehicles, or those with just a cabin chassis price, it was our responsibility to assess what was attached to the vehicle—be it an oil tank, woodchipper, tow truck, or even an amusement ride—and determine its value. This also applied to pricing trailers.

The Supplemental Motor Vehicle List then accounted for any vehicles registered after October 1st. Vehicles registered from October 2nd to July 31st are included in this list and receive a prorated bill, which is not issued until the following January. For instance, a vehicle registered on October 2nd, 2023, would not be billed until January 2025, followed by the regular bill on October 1st and another full year bill the subsequent July. This system often confuses people, especially when they receive a bill for a vehicle they no longer own, as the supplemental list may not be updated promptly.

Note She further explained that the supplemental motor vehicle list we receive in November will be based on the grand list year of October 2023, following the old system. We'll face the impact of this in January, and then again in November with the supplemental list. Shortly thereafter, we'll receive our regular list from the DMV. Amidst all this, as we're obtaining the supplemental motor vehicle list, we're also attempting to manage our personal property and finalize it. This makes the process quite confusing, complicated, and busy.

Note Ms. Vitagliano has highlighted the inequity present throughout Connecticut. For instance, Hartford's mill rate is 68.95, while Salisbury's is only 11. This means a \$20,000 car in Hartford incurs a tax of \$965, whereas in Salisbury, the tax would be just \$154, illustrating a significant disparity in tax bills across the state. To address this, a statute was enacted capping the motor vehicle mill rate at 32.46, thereby reducing some of the inequity.

Note She mentioned that in 2022, the Governor introduced a new bill aimed at creating a fairer and more transparent system. This would allow taxpayers to understand their tax obligations better, streamline administration, and save time and labor for assessors and staff. After three public acts and a special session, the issues were resolved, and the new system could be implemented. Under this system, motor vehicle pricing is based on the manufacturer's suggested retail price (MSRP) and a standardized depreciation schedule, rather than market value. Consequently, there is no longer a requirement for individuals to appear before the Board of Assessment Appeals for price adjustments, as market value is no longer the pricing standard.

Note Ms. Vitagliano elaborated that the Assessor Organization had projected a 10% negative impact on our grand list during their research for the legislators. Observing this, she decided to conduct further analysis. She selected a random car from each model year between 2025 and 2002 and compared their values using the old and new systems. This sample showed a 22% decrease in the list. It seemed prudent to be prepared, although she doesn't have complete lists yet.

In this random selection, some car values decreased, a few increased with the new system, but overall, there was a 20% reduction. Not all cars depreciate equally; some retain their value, which the standard depreciation schedule doesn't affect. The schedule starts at 85% for model years 24, 25, and 26, decreasing by 5% annually until the 15th year. From years 15 to 19, it's fixed at 15%, and beyond that, it's no less than \$500. Thus, we might compensate at the lower end, where cars valued under \$500 will now be assessed at \$500, including those with antique plates.

Note Ms. Vitagliano mentioned that it's premature to make definitive statements, but for any model that was previously popular, the new system appears to be less effective. Essentially, the warning is that with a 22% loss of income multiplied by the 7% we might recover, we can expect, in a worst-case scenario, that level of income loss. If we estimate roughly, assuming the state compensates, and we apply a 15% reduction to our Motor Vehicle Grand List, it would amount to a tax dollar reduction of \$805,000.

Note Ms. Vitagliano emphasized our immense gratitude to Veterans for their service before delving into the new veteran's legislation. The new veteran's exemption applies to a dwelling, including a condominium or a unit in common interest, owned by a state resident who served in the Army, Navy, Marine Corps, Coast Guard, Air Force, and has a service-connected permanent and total disability rating. This residence must be the primary residence of the veteran, or, if absent, one motor vehicle owned and garaged in the state by the veteran is exempt. The exemption extends to any state resident with service in the aforementioned military branches who possesses a service-connected permanent and total disability rating as determined by the U.S. Department of Veterans Affairs, differing from a percentage-based disability rating.

Should a qualifying resident lack a dwelling or motor vehicle, the property, whether a residence or vehicle, belonging to or held in trust for the spouse domiciled with the resident, is exempt. In the event of the death of a resident entitled to an exemption under this provision, the property belonging to or held in trust for the surviving spouse—who remains unmarried—or for the minor children of the deceased resident, is exempt until they reach majority, provided they were entitled to the veteran's exemption at the time of the veteran's death. The basic eligibility criteria include state residency, service in the specified military branches, including the National Guard, and a service-connected permanent and total disability rating as determined by the Department of Veterans Affairs.

Note This differs from our prior veterans' exemptions. Previously, veterans were required to have their DD-214 on file and needed approval for a specific period of war. The veterans' exemption has a considerable financial impact on the state budget, with potential tax losses estimated to range from \$112,695 to \$315,692.

Note The Department of Veterans Affairs initially estimated eight veterans would be eligible for a new exemption, which was first discussed for those 100% disabled but later revised to include those with P&T status. Currently, 30 veterans have been approved for real estate exemptions, and six for motor vehicle exemptions. Additionally, 44 veterans with real estate and 10 with motor vehicles are pending due to disability ratings between 60 to 100% without a current letter on file. These figures are subject to change. The tax loss from the 30 real estate exemptions, calculated by the dwelling value times the mill rate, is \$109,606, and \$3,089 for motor vehicles, totaling a tax reduction of \$112,695. In a worst-case scenario, if all pending cases had P&T status, the total loss could reach \$315,692. The potential combined impact, considering an estimated 15% motor vehicle loss with approved exemptions, is a \$917,700 unfunded state mandate. Our adopted budget remains unaffected for the current year; these changes will apply to the 2024 grand list, affecting bills from July 1.

Note Ms. Hall and Ms. Vitagliano discussed how it would be beneficial to discuss these changes with State Representative, Holly Cheeseman.

Note Mr. Gervais thanked Ms. Vitagliano and Ms. Doran for putting together the presentation.

5-3. Discussion & Possible Action- Capital Improvement Committee

Note <https://eltownhall.com/wp-content/uploads/2024/10/Item-6b-TOEL-Capital-Improvement-Programing-Committee-Proposal.pdf>

Note <https://eltownhall.com/wp-content/uploads/2024/10/Item-6b1-TOEL-Capital-Improvement-Program-Proposal.pdf>

Note <https://eltownhall.com/wp-content/uploads/2024/10/Item-6b2-Capital-Improvement-Program-Committee-Timeline.pdf>

Note Mr. Gervais discussed how a Capital Improvement Committee is proposed to improve the planning and execution of capital projects. The goal is to create a more strategic and disciplined approach to capital planning.

Note Mr. Gervais emphasized the need to establish processes for this committee and to initiate the first phase of a five and ten-year capital plan, as well as the current year's capital plan. The initial proposal included two members from the Board of Selectmen, two from the Board of Finance, two from the Board of Education, and a citizen representative from each board. During last week's Board of Selectmen meeting, this was discussed. The Board of Education has recently appointed Jill Carini, their Business Manager Marianna Stevens, and Superintendent Jeff Newton, totaling three members. Tonight, we hope the Board will appoint two members and a citizen representative.

Note Ms. Hall and Mr. Birmingham both said they would like to volunteer for the Committee.

Note Ms. Hall mentioned that she has reached out to a member of the public and is awaiting a response. If the individual declines, she intends to consult with the rest of the Board to see if they can recommend someone suitable for the Committee.

Note MOTION (3)

Mr. Birmingham moved that the town inclusive of the Board of Education would like to consider establishing a formal Capital Improvement Program Committee following the best practices for such a committee as detailed by the Government Finance Officers Association (GFOA), and others, the Board of Selectmen, Finance, and Education would establish administrative structure for the CIP process, establish the policy framework for the CIP, and formulate the valuation criteria to determine capital spending levels and to guide capital project selection. The Committee would be comprised of a) two members of the Board of Selectmen plus one member of the public, b) two members of the Board of Finance plus one member of the public, and c) two members of the Board of Education plus one member of the public. The two members of the Board of Finance will be Denise Hall and John Birmingham. Mr. Maxfield seconded the motion.

Note Mr. Steel observed that it is peculiar for there to be two town employees on the Board of Education instead of two Board Members, which he believes does not quite pass the "smell test."

Note Mr. Gervais replied that he made his recommendation but when they came out of their September 23rd, 2024, Meeting, this is who they voted on.

Decision MOTION (3) Vote:
Motion carried, 5-0-0.

Note Mr. Cunningham and the Board further discussed the new Capital Improvement Committee.

5-4. Discussion & Possible Action- Unaffiliated Description of Benefits

Note <https://eltownhall.com/wp-content/uploads/2024/10/Item-6C-Non-Affiliated-Agreement-BOS-Approved-2019.pdf>

Note Mr. Gervais discussed how the non-affiliated agreement package of benefits needs updating to reflect current benefits accurately. A Committee of non-affiliated representatives will work with the Board of Selectmen, Board of Finance, and Water and Sewer Commission, the Finance Director, and Labor Attorney to update the document. He detailed how three non-affiliated representatives were nominated after their Department Head meeting last week.

Note Ms. McNamara and Ms. Hall both volunteered to be part of the Committee.

Decision MOTION (4)

Ms. McNamara moved to appoint members of the Board of Finance to a Committee to discuss the unaffiliated description of benefits and those members would be Denise Hall and Lauren McNamara. Mr. Maxfield seconded the motion.
Motion carried, 5-0-0.

5-5. Police Outside Service- Pension Discussion

Note <https://eltownhall.com/wp-content/uploads/2024/10/Item-6D-Police-Private-Duty-Billing-Breakdown.pdf>

Note Mr. Gervais discussed how the Police Department's private duty billing rate was increased from \$114 to \$128.44 per hour as of October 1, 2024, to align with regional peers and address pension contributions. The pension contribution percentage was increased from 12% to 25%. The town is facing a significant increase in pension contributions, from \$550,000 to over \$800,000 this year, with expectations of \$1.2 million next year.

Note Mr. Gervais recommended allocating the funds to the general fund and then annually disbursing the employer contributions. At today's Pension Board meeting, he suggested that any surplus from the \$100,000 Pension budget this year should go directly to the Pension Plan, which may reduce the need for increased contributions next year. Additionally, during the fiscal year 2026 budget discussions, he advised considering a decrease in the general fund amount and making direct, one-to-one contributions to the Plan. This approach would consolidate the funds monthly, rather than letting them sit in the General Fund's balance and remit them. A key advantage is that while the General Fund can only invest in short-term money market instruments with typically lower interest rates, pension investments can yield higher returns.

Note The Board and Mr. Cunningham further reviewed the Police Private Duty Billing breakdown.

5-6. Executive Session- Public Safety Legal Services Discussion

Decision MOTION (5)

Mr. Maxfield moved to enter Executive Session at 6:47 p.m., to discuss Public Safety Legal Services.
Mr. Steel seconded the motion.
Motion carried, 5-0-0.

Decision MOTION (6)

Mr. Maxfield moved to exit Executive Session at 7:02 p.m., with no action taken.
Mr. Birmingham seconded the motion.
Motion carried, 5-0-0.

6. Public Discussion

6-1. Norm Peck, President of the East Lyme Historical Society

Note Norm Peck, President of the East Lyme Historical Society, requested the restoration of the \$2,250 annual allowance for the Society. He detailed the Society's many contributions, including maintaining historical sites such as the Thomas Lee House and the Smith Harris Cottage, organizing educational programs, and preserving local history.

Note Ms. Hall noted they do appreciate all the work that they do and commend them for their volunteerism.

7. Board Comments

Note There was none.

8. Adjournment

Decision MOTION (7)

Mr. Birmingham moved to adjourn the BOF October 9th, 2024, Regular Meeting at 7:07 p.m.
Mr. Maxfield seconded the motion.
Motion carried, 5-0-0.

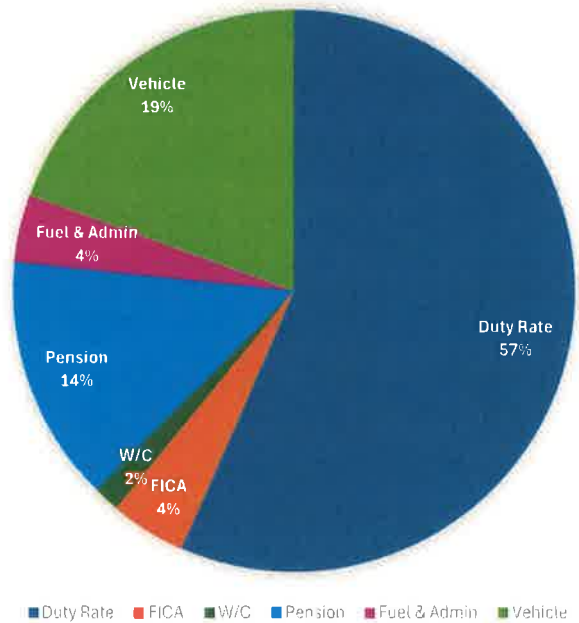
Note Respectfully Submitted,
Brooke Stevens, Recording Secretary

Town of East Lyme
 FY2025 Police Private Duty Rates

Duty Rate	FICA	W/C	Pension	Fuel & Admin	Vehicle	Total
\$ 72.70	\$ 5.56	\$ 2.01	\$ 18.17	\$ 5.00	\$ 25.00	\$ 128.44

Charges	Description of Charges
Duty Rate	Hourly pay for police officer
FICA	Town portion of social security and medicare (7.65%)
W/C	Workers compensation (4.85%)
Pension	To reimburse the town for increased pension liability
Fuel and Admin	To reimburse the town fuel account
Vehicle	Private duty funds acquisitions of new police vehicles and equipment

Breaking down a billable hour of Outside Service



TOWN OF EAST LYME
PROPOSAL FOR A CAPITAL IMPROVEMENT PROGRAM COMMITTEE
DRAFTED
September 18, 2024

The Town (inclusive of the Board of Education) would like to consider establishing a formal Capital Improvement Program Committee following the Best Practices for such a committee as detailed by the Government Finance Officers' Association (GFOA) and others. The Boards of Selectmen, Finance and Education would:

- Establish the Administrative Structure for the CIP Process
- Establish the Policy Framework for the CIP, and
- Formulate Evaluation Criteria to Determine Capital Spending Levels and to Guide Capital Project Selection

The Committee would be comprised of:

- A. Two Members of the Board of Selectman + One member of the public
- B. Two Members of the Board of Finance + One member of the public
- C. Two Members of the Board of Education + One member of the public

*John B. Denise Hill
(JTB, DH)
5-6-12*

The Committee would:

- Prepare a Capital Needs Assessment
- Determine the Status of Previously Approved Projects and Identify New Projects
- Assess the Financial Capacity of the Government to Undertake New Capital Projects
- Evaluate Funding Options
- Compile, Evaluate and Rank Project Requests and Undertake Financial Programming
- Propose a Capital Program and Capital Budget for the budget process
- Implement and Monitor the Capital Budget and Projects

The Boards would:

- Evaluate the CIP Package recommended by the Capital Improvement Program Committee

This is adapted from the Government Finance Officers' Association Capital Improvement Programming – A Guide for Smaller Governments by Patricia Tighe. This publication would be used as a base to guide the committee along with any other best practices considered necessary.

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Scott McCallister, MD
7 Darrows Court
East Lyme, CT 06333
26 September 2024

Ms. Hall
East Lyme Board of Finance

Dear Ms. Hall:

I am writing to express my interest in becoming a member of the Board of Finance for East Lyme. Although I have not held a formal position in finance, my career as an academic physician and as a physician researcher for antiviral drugs has provided me with substantial experience in managing budgets and financial planning, both in clinical and research settings. It was an amazing privilege to care for patients, and it's been extremely rewarding to work in biotech and pharmaceutical research to develop life-saving medicines. My responsibilities during both phases of my professional career required me to have not only meticulous attention to detail but also the ability to make data-driven decisions that balance resources effectively while ensuring highest-quality outcomes.

In co-managing budgets in my medical practice, I helped coordinate expenses, forecasting our financial needs, and making strategic adjustments to accommodate both short- and long-term goals. Similarly, as a leader of clinical research teams during my biotech and pharmaceutical career, I've navigated the financial complexities of an unpredictable project and found ways to adjust as new data became available and changes in the program or individual studies were required. And, of course, I had to work within the higher-level strategic goals and limitations of the company that employed me. These experiences taught me fiscal responsibility, resource allocation, how to manage strategic planning.

Beyond these practical skills I learned in my career, I'd have to say that, personally, I'm a data-driven, detail oriented critical thinker. My scientific training instilled in me a methodical and analytical approach to problem-solving. I am adept at interpreting data, assessing risks, and making informed decisions based on evidence, all of which, in my experience at least, were critical in our drug development projects. I believe these skills are also essential to the financial oversight required of a Board of Finance member.

I am excited about the opportunity to support the community we live in, to give back a little of the benefit I receive from living here, and to contribute to the financial health and stability of East Lyme. I'm enthusiastic about the chance to help implement the strategic directions handed to the Board by the

Ms. Hall
26 September 2024
Page 2

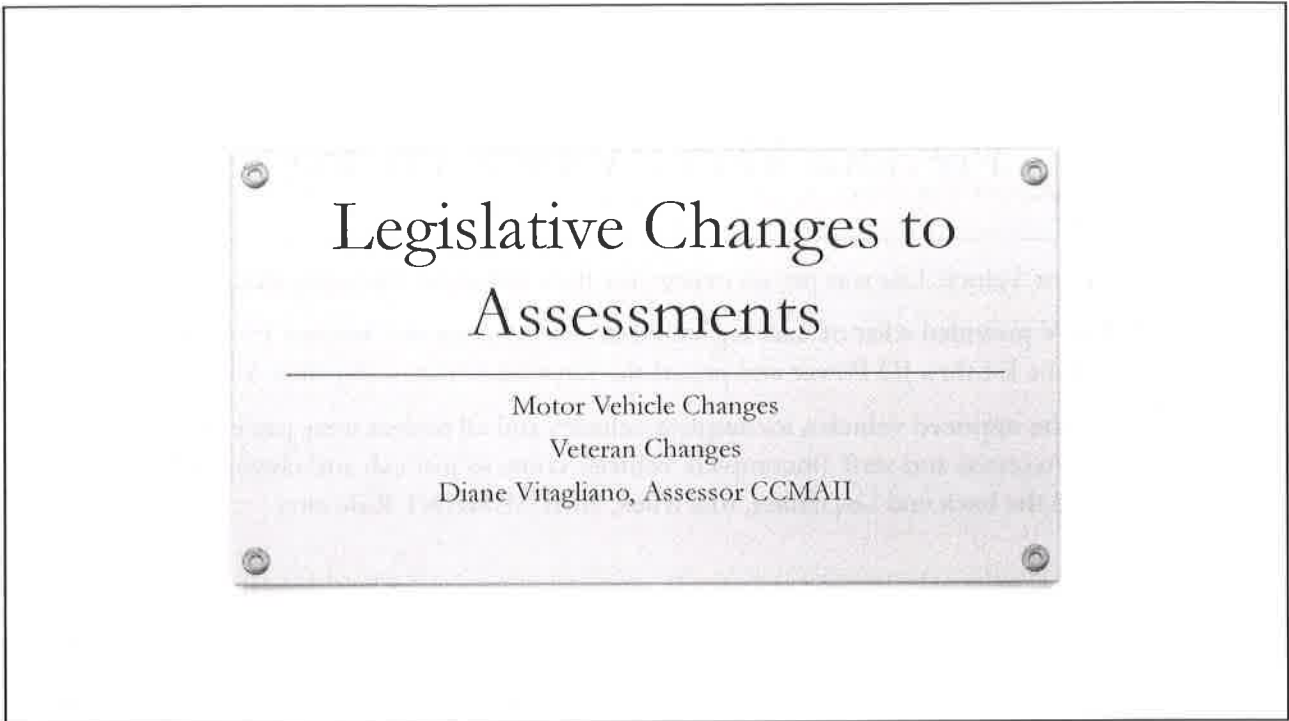
Selectmen. With my perspective and my skill set, I believe I have something meaningful that I can add to the function of the Board, and I look forward to having, the opportunity to discuss this further with you and other members of the Board.

Thank you very much for your consideration.

Sincerely,

Scott McCallister, MD
(617) 320-6082

ssmcmd@gmail.com



1

Grand List Percentages

2023 Taxable Grand List

Category	Number of Accounts	Net Assessments	Percentage of total Grand List
Real Estate	9093	2,529,856,699	89.87%
Motor Vehicles	18,155	203,484,645	7.23%
Personal Property	997	81,810,571	2.91%
Totals		2,815,151,915	100%

Handwritten annotations:
A blue circle around the Motor Vehicles Net Assessments value (203,484,645) with an arrow pointing to "22.33%".
A blue note: "\$45.4 million loss of grand list".

2

Previous Motor Vehicle Pricing

- Motor Vehicle List was priced **every** year then billed the following July.
- DMV provided a list of cars registered in our town, as of October 1st. DMV ran the list thru JD Power and priced the most basic cars using their VINs.
- All the unpriced vehicles, incomplete vehicles and all trailers were priced by the Assessor and staff (incomplete vehicles come as just cab and chassis. We price the back end i.e., tanker, tow truck, AMUSEMENT Ride etc.)

3

Previous Motor Vehicle Pricing Supplemental Motor Vehicles

- Motor Vehicles registered after October 1st came on a Supplemental Motor Vehicle List in November, covering anything registered from October 2nd, thru July 31st, getting billed the following January and receive a **full year** bill 6 months later.
- i.e a car registered October 2, 2023 gets billed January of 2025! Then, in July of 2025 they're billed for the entire October 2024 Grand List Year.



4

Motor Vehicle Assessment Reform

Inequity exists across the state due to a wide range in Mill Rates.

(Hartford, 68.95 mill rate vs. Salisbury with a mill rate of 11)

20k car Hartford \$965.39 vs. Salisbury \$154.00

A statute was enacted putting a ceiling on Motor vehicle cap rates.

Currently a Motor Vehicle Mill Rate cannot exceed 32.46 (Hartford \$454.44taxes)

East Lyme's Mill Rate = 26.35 for 2023 (\$368.90)

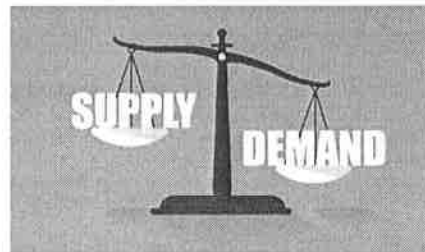
2019 OPM established a Regional Assessment Working Group to look at Motor Vehicle Pricing and the Grand List.

5

Motor Vehicle Valuation

- **Then... *COVID* happened**

- 2020 GL MV increase was 7.2%
- 2021 GL MV increase was **31%**
- 2022 GL MV increase was 5.84%
- 2023 GL MV decrease was **5.65%**



6

Motor Vehicle Assessment Reform

In 2022 the Governor proposed HB5043 based on recommendations of the work group Reform was to accomplish:

- Fair and Equitable system
- Transparency for taxpayers
- More efficient administration
- Labor and time savings for Assessors and staff

Three Public Acts later including a special session we now have a new system.

7

Motor Vehicle Reform

- Motor Vehicles will now be priced using the MSRP (Manufacturers Suggested Retail Price) and a depreciation schedule. Pricing will **no longer be** based on market value. CGS §14-163 provides that DMV will provide assessors with MSRP on or before November 1st and monthly, no later than November 15.
- We will receive supplemental motor vehicle lists monthly, which will help even out work. Most tax collectors will bill in July and January, to coincide with their regular billing cycles.

8

MV Reform Impact

- It's not all bad. The months of August and September were added on to our supplemental list. Previously, the supplemental list stopped at July 31st.
- More transparency. The taxpayer will easily be able to estimate their tax burden.
- The workflow in the Assessors office will be spread out more evenly allowing for more efficiency and time saving benefits.

9

BAA



10

MV Reform Impact

- As motor vehicles will no longer be priced per market value, high mileage and poor condition are no longer viable arguments to present to the Board of Assessment Appeals.

11

Municipal Impact of the new bill

- Boat trailers, utility trailers, enclosed trailers, snowmobiles and atv's used for personal use only will not be taxable. If used by a business, still taxable.
- Camp trailers and RV's will still be taxable.
- Assessors responsible for pricing all vehicles that do not have an MSRP.
- Includes newest model vehicles, incomplete vehicles, campers, recreational vehicles, commercial vehicles.
- The depreciation table starts at 85%.

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MV Reform Impact

2024 Subaru Outback XT AWD turbo gas

Old: Typically equip = \$41,615 x 70% = \$29,130 x .02635 = \$767.58

New = \$40,500 x 85% = \$34,425 x 70% = \$24,097 x .02635 = \$634.96

Loss in revenue = \$132.62

17% loss in revenue

13

MODEL YR	MAKE	MODEL	MSRP	DEP %	DEPRECIATED	ASSESSMENT	RETAIL	ASSESSMENT	DIFFERENCE	%DIFF
2025	GMC	SIERRA	49795	85.00%	42325.75	25628.025	57300	40292	11603.975	0.2616673
2024	CHEV	TRAX	22300	85.00%	18955	13268.5	26825	18777.5	5509	0.293383
2023	BMW	X3	47400	80.00%	37920	25544	39300	27516	766	0.0351145
2022	TOYO	TUNDRA	51900	75.00%	38925	27247.5	51400	35980	8732.5	0.2427043
2024	CHEV	MALIBU	23250	70.00%	16275	11402.5	18425	12952.5	1590.2	0.1385221
2020	ACURA	TLX	41800	65.00%	29120	20384	31112	21778.4	1394.4	0.0640267
2019	HONDA	CIVIC	19450	60.00%	11670	8169	17375	12112.5	1995.5	0.3213453
2018	HONDA	ACCORD	25100	55.00%	13805	9663.5	19125	13387.5	3724	0.2781699
2017	BUICK	ENCORE	24565	50.00%	12282.5	8327.75	10650	7035	1412.75	0.2121891
2016	CHEVY	COLOR	34640	45.00%	15588	10911.6	19000	13300	2388.4	0.1795789
2015	HYUNDAI	TUCSON	26950	40.00%	10120	7044	10050	7035	21	0.0029851
2014	JEEP	GRANDCHER	45995	35.00%	30008.25	11268.775	12075	8452.5	-2816.275	-0.3331884
2013	TOYO	HAVA	28410	50.00%	14205	9966.1	11500	8350	2083.0	0.2538696
2012	SUB	LEGACY	30140	25.00%	7535	5274.5	8450	5915	610.5	0.108284
2011	FIAT	OPTIMA	15925	20.00%	3185	2679.5	7275	5025	1451.2	0.2455696
2010	VOLVO	XC70	57950	15.00%	8692.5	3984.75	7450	5565	1580.25	0.2839623
2009	CITRYS	T&C	28095	15.00%	4214.25	3035.975	3975	2782.5	-251.475	-0.093774

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MODEL YR	MAKE	MODEL	MSRP	DEP %	DEPRECIATED	ASSESSMENT	RETAIL	ASSESSMENT	DIFFERENCE	%DIFF
2008	GMK	SUBBUA	2650	15.00%	4447.5	3115.25	7625	3547.5	-2412.3	-0.438635
2007	CHEVY	TRAIL	26780	15.00%	4017	2811.9	3575	2502.5	-309.4	-0.1236364
2006	MAZDA	MX5	22433	15.00%	3565.25	2353.75	3775	4047.5	1693.75	0.4122727
2005	JEEP	WRANG	20210	15.00%	3031.5	2122.05	6275	4392.5	2270.45	0.5168924
2004	FORD	CROWN	15620	15.00%	3543	2401.1	4350	3645	504.9	0.1855172
2003	VOLVO	S40	23900	15.00%	3585	500	1500	1050	550	0.5238095
2002	FORD	EXPLORER				500	1750	1225	725	0.5011367
2001	CHEVY	BLAZER				500	2650	1855	1355	0.9245629
						500				0.5830705
						500				0.223323
						500				22.3323

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Campers on Personal Property List

2014 Finelife by Breckenridge CB

Old system: $\$39,700 \text{ used retail} \times 70\% = \$27,790 \times .02635 = \$732.27$

New system: $\$38,510 \times 35\% = \$13,478 \times 70\% = \$9,434.95 \times .02635 = \248.61

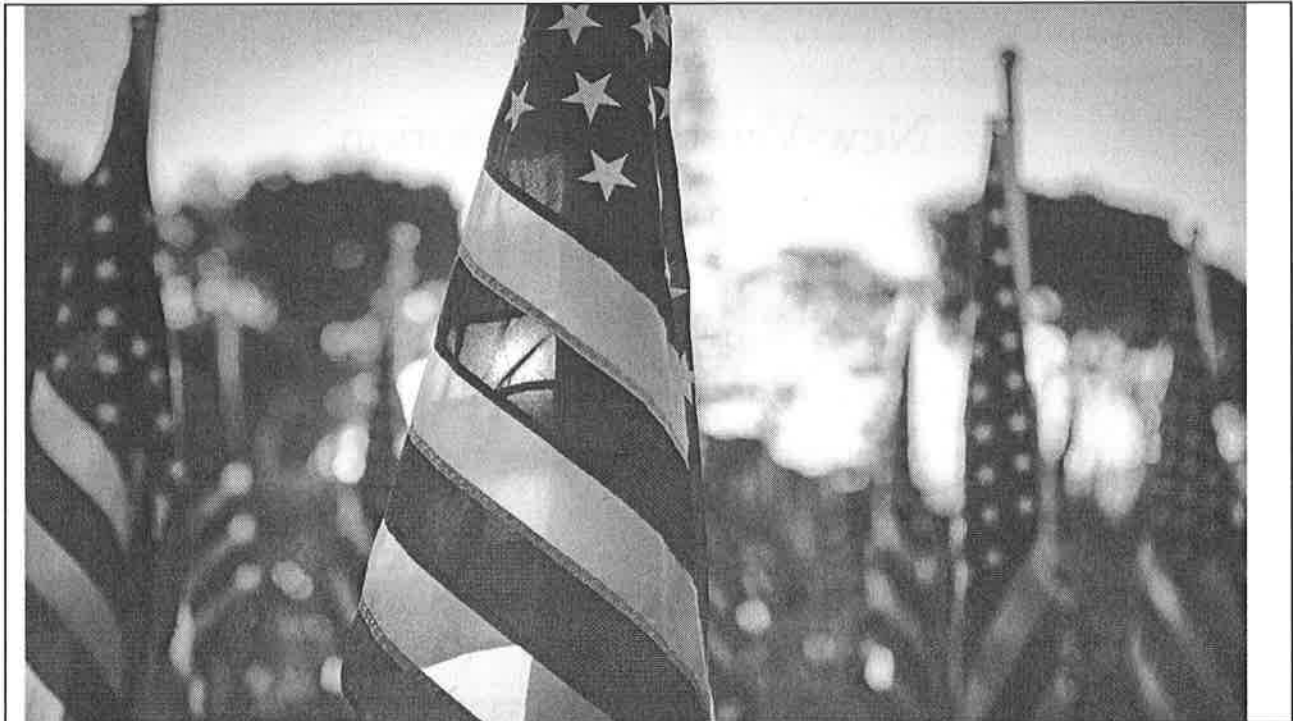
Revenue Lost = $\$483.66$ 66%

After pricing 12 campers that were just filed on personal property, the average loss in value was 9%.

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18

New Veterans Exemption

§12-81(83) Service-connected Permanent and Totally Disability

What is exempt:

“A **dwelling**, including a condominium, as defined in §47-68a and a unit in a common interest community, as defined by §47-202, owned by any resident of this state who has served in the Army, Navy, Marine Corps, Coast Guard, Air Force or Space Force of the United States and has a service-connected permanent and total disability rating occupied by such resident as the resident's primary residence. If lacking such residence one motor vehicle owned by such resident garaged in this state.”

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New Veterans Exemption

CGS 12-81(83) §12-81(83) Service-connected Permanent and Totally Disability

Who is exempt:

“Any resident of this state who has served in the Army, Navy, Marine Corps, Coast Guard, Air Force or Space Force of the United States and has a service-connected **permanent and total disability rating** as determined by the United States Department of Veterans Affairs.

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Who is Exempt?

“If such resident lacks such dwelling or motor vehicle in such resident's name, the dwelling or motor vehicle, as applicable, belonging to or held in trust for such resident's **spouse**, who is domiciled with such resident, shall be so exempt.”

21

Who is Exempt?

“When any resident entitled to an exemption under the provisions of this subdivision has died, the dwelling or motor vehicle, as applicable, belonging to or held in trust for such deceased resident's surviving spouse, while such spouse remains a widow or widower, or held in trust for such deceased resident's minor children during their minority, or both, while they are residents of this state, shall be so exempt as that to which such resident was or would have been entitled at the time of such resident's death.”

22

Basic Requirements for §12-81(83)?

Effective October 1, 2024 - Basic Requirements for §12-81(83)

Veterans Must:

- Be a resident of this state.

23

Basic Requirements for §12-81(83)?

Effective October 1, 2024 - Basic Requirements for §12-81(83)

Veterans Must:

- Be a resident of this state.
- Have served in the Army, Navy, Marine Corps, Coast Guard, Air Force or Space Force of the United States (includes National Guard).

24

Basic Requirements for §12-81(83)?

Effective October 1, 2024 - Basic Requirements for §12-81(83)

Veterans Must:

- Be a resident of this state.
- Have served in the Army, Navy, Marine Corps, Coast Guard, Air Force or Space Force of the United States (includes National Guard).
- Have a service-connected ***'permanent and total' disability rating*** as determined by the U.S. Department of Veterans Affairs.

25

Basic Requirements for §12-81(83)?

Effective October 1, 2024 - Basic Requirements for §12-81(83)

Veterans Must:

- Be a resident of this state.
- Have served in the Army, Navy, Marine Corps, Coast Guard, Air Force or Space Force of the United States (includes National Guard).
- Have a service-connected ***'permanent and total' disability rating*** as determined by the U.S. Department of Veterans Affairs.
- Comply with CGS §12-95 & §12-93 requiring Honorable Discharge be on file in the office of the Town Clerk.

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Basic Requirements for §12-81(83)?

Effective October 1, 2024 - Basic Requirements for §12-81(83)

Veterans Must:

- Be a resident of this state.
- Have served in the Army, Navy, Marine Corps, Coast Guard, Air Force or Space Force of the United States (includes National Guard).
- Have a service-connected ***'permanent and total' disability rating*** as determined by the U.S. Department of Veterans Affairs.
- Comply with CGS §12-95 & §12-93 requiring Honorable Discharge be on file in the office of the Town Clerk.
- Submit proof of disability rating as determined by the U.S. Dept. of Veterans Affairs to the assessor of the town in which the exemption is sought.

27

What is a Dwelling?

Does dwelling mean just the house is exempt, not the land or any outbuildings?

Yes, *just the house is exempt.*

A dwelling is defined as a building designed or used exclusively as living quarters and a place of residency by a person, family, or families. (Cherney, R. A. (1960) *Appraisal and Assessment Dictionary* (1st ed., p. 80). Prentice Hall)

28

Can A Veteran Choose How to Apply the Exemption?

We have somebody asking if they can apply their exemption to their MV or Camper, which may have a higher value than their dwelling (mobile home)?

No, the statute is very specific as to the order in which the exemption can be applied.

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Can A Veteran Choose How to Apply the Exemption?

- 1st – the dwelling which the veteran owns and occupies as their primary residence or lacking such residence;
- 2nd – a motor vehicle (including motor homes) owned by the veteran or lacking such dwelling or motor vehicle,
- 3rd – the dwelling or motor vehicle belonging to or held in trust for the veteran's spouse.
- (Note added: If the dwelling is only in the non-veteran spouse's name, does the veteran receive the exemption on their Motor vehicle instead of the dwelling? **Yes!**)

30

Trusts?

If the P&T veteran has their property in a trust and is the primary beneficiary of the trust, are they still eligible for the exemption?

No, §12-81(83) does not allow for the veteran to hold the property in trust for the veteran.

What if the veteran and their spouse are both primary beneficiaries of the trust? Do they qualify for exemption of the dwelling?

Yes, because the spouse is a primary beneficiary of the trust providing the veteran does not own a motor vehicle.

If the property is held in trust, we would request a copy of the trust to see who the primary beneficiaries of the trust are. We would have our Town Attorney review the trust documents to see if the spouse is a primary beneficiary. If the spouse is not a primary beneficiary of the trust they cannot receive the exemption.

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Municipal Impact

East Lyme currently has 30 approved Veterans that would receive this exemption on their Real Estate and 6 approved for motor vehicles.

There are an additional 44 that are pending that own real estate and 10 that have motor vehicles only.

They are pending because they have a disability rating between 60-100% but do not have a permanent and total rating on the letter they have on file.

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Municipal Impact

Real Estate Assessment \$4,159,610 x .02635 Mill Rate = **\$109,606**

Motor Vehicle Assessments \$117,220 x .02635 = **\$3089**

Total Tax Reduction = **\$112,695**

Worst case scenario if all pending get an updated letter with P&T

Total Loss **\$315,692**

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Combined Possible Impact



Estimated Motor Vehicle Loss

\$805,000

Approved Vets **\$112,700**

\$917,700

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