

**Minutes
Representative Town Meeting
Special Meeting
December 28, 2020**

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DARIEN CT.

CALL TO ORDER

The Special Meeting of the Representative Town Meeting was called to order at 8:00 p.m. by Kate Buch, Town Administrator.

Upon Roll Call, the following members were present:

From District I, there were 16 members present, 1 absent.
From District II, there were 14 members present, 2 absent.
From District III, there were 13 members present, 3 absent.
From District IV, there were 15 members present, 2 absent.
From District V, there were 13 members present, 4 absent.
From District VI, there were 14 members present, 3 absent.

The absentee from District I was: Barsanti.
The absentees from District II were: Bacon, Bohnsack.
The absentees from District III were: Davis, Lane, Minnick.
The absentees from District IV were: Fiore, Terhune.
The absentees from District V were: Adiletta, Duffy, Fiveson, Moller.
The absentees from District VI were: Adelman, Jijon-Caamano, Poli.

The Moderator, Seth Morton, Assumed the Chair.

ACCEPTANCE OF THE AGENDA

**** THE AGENDA WAS ACCEPTED BY UNIVERSAL CONSENT.**

20-27

DISCUSS AND VOTE ON REAUTHORIZATION OF THE TAX DEFERMENT PROGRAM UNDER THE GOVERNOR'S EXECUTIVE ORDER 9R

**** BERT VON STEULPNAGEL, DISTRICT I, VICE-CHAIR OF THE FINANCE & BUDGET COMMITTEE, MOVED:**

WHEREAS, on March 10, 2020, the Governor of the State of Connecticut declared a public health emergency and civil preparedness emergency for the State of Connecticut, pursuant to Connecticut

General Statutes Sections 19a-131 and 28-9, in response to the global pandemic of COVID-19 disease associated with a novel coronavirus that is currently affecting multiple countries and states; and WHEREAS, on March 13, 2020, the President of the United States declared a national emergency to combat the coronavirus that is currently infecting the population of the United States; and WHEREAS, the effects the transmission of COVID-19 has resulted in the spread of infections in Connecticut and throughout the country, as well as resulting in shortages of personal protective equipment and other supplies that could jeopardize public safety and civil preparedness; and WHEREAS, in response to the issuance of declarations of a public health emergency and civil preparedness emergency by the Governor of this State, and a national emergency by the President of the United States, and the spread of COVID-19 to an unknown number of

Connecticut residents as a result of the global pandemic, a local state of emergency now exists in the Town of Darien; and

WHEREAS, Chapter 204 of the Connecticut General Statutes sets forth tax collection deadlines that will be difficult for residential and commercial property owners to meet in light of significant job and economic losses experienced by Connecticut residents and businesses; and

WHEREAS, municipalities have sought relief on behalf of taxpayers who are struggling due to business operations being suspended or ceased, layoffs and other complications due to the COVID-19 pandemic; and

WHEREAS, Executive Order 7-S provided and ordered that there would be established programs to offer support to eligible taxpayers, businesses, non-profits and residents who have been economically affected by the COVID-19 pandemic; and

WHEREAS, Executive Order 7-S ordered that each municipality should participate in one or both programs known as a deferment program and/or a low interest rate program; and

WHEREAS, on April 27, 2020, the RTM of the Town of Darien unanimously approved a deferment program; and

WHEREAS, on December 16, 2020, the Governor of the State of Connecticut issued an executive order to extend the benefits under Executive Order 7-S so as to apply to tax deadlines and collection efforts for tax bills that become due and payable on January 1, 2021. It further provides that each municipality, by a determination by its local legislative body, or, in any town in which the legislative body is a town meeting, by a vote of the Board of Selectmen, shall participate in one or both programs; and

WHEREAS, Executive Order 9-R further provides that said municipality shall notify the Secretary of the Office of Policy and Management on or before December 30, 2020, about which program or programs it is electing to pursue.

NOW THEREFORE, BE IT RESOLVED, that the Town of Darien, acting through its legislative body hereby approves the continuation of said deferment program with eligibility criteria established by the Office of Policy and Management.

**** THE MOTION WAS SECONDED BY MANY.**

Bert Von Steulpnagel, District I, Vice-Chair of the Finance & Budget Committee, read the report of Jack Davis, District III, Chairman of the Finance & Budget Committee (attached).

Jon Zagrodzsky, Chairman of the Board of Finance, said he concurred with all these recommendations. There is no financial risk to the Town. This should give a few taxpayers relief. He recommended approval.

RTM

December 28, 2020

**** ITEM 20-27 CARRIED UNANIMOUSLY BY POLL VOTE.**

The Moderator thanked everyone for attending tonight's special meeting.

**** SANDRA SAVAGE, DISTRICT IV, MOVED TO ADJOURN.**

**** NICHOLAS BRANCA, DISTRICT IV, SECONDED.**

**** MOTION PASSED UNANIMOUSLY BY POLL VOTE.**

The meeting was adjourned at 8:30 p.m.

Respectfully submitted,

Cheryl Telesco Blois
Telesco Secretarial Services

APPENDIX

DISTRICT I (20-27)

Baldwin, Sarah yes
 Barsanti absent
 Barthold yes
 Brakman yes
 Bumgardner yes
 Butler yes
 Conologue yes
 Keane vote not registered
 Kelly, Colin yes
 Lublin vote not registered
 McNicoll yes
 Mecser yes
 Mitchell, Holly yes
 Schneider yes
 Schwartz yes
 Von Stuelpnagel yes
 Wong yes

DISTRICT II (20-27)

Bacon absent
 Bohnsack absent
 Casolo yes
 Cusack yes
 Handler, M. yes
 Handler, S. yes
 Howe yes
 Lyons yes
 McNally yes
 Mix yes
 Russell yes
 Sartori yes
 Thorne vote not registered
 Tie yes
 Wheeler, Mike yes
 Wilson yes

DISTRICT III (20-27)

Conniff yes
 Cortese yes
 Davis, Jack absent
 Giordano yes
 Golus yes
 Lane absent
 Marousek yes
 McGoey yes
 Minnick absent
 Mitchell, Sue-Ellen yes
 Moore yes
 Morton Does Not Vote
 Washecka yes
 Woodbury yes
 Yarnell yes
 Zimmerman yes

DISTRICT IV (20-27)

Banks yes
 Bhat yes
 Branca yes
 Cameron yes
 Castles yes
 Domittner yes
 Fiore absent
 Heitz yes
 Kanigan yes
 Kemp yes
 Miceli yes
 Millar yes
 Obin yes
 Rayhill yes
 Raymond yes
 Savage yes
 Terhune absent

DISTRICT V (20-27)

Adiletta absent
 Bayne, C. yes
 Bayne, D. yes
 Duffy absent
 Fiveson absent
 Kelly, Lindsay yes
 Kilcourse yes
 McLachlin yes
 Moller absent
 Patrick yes
 Pesce-Gray yes
 Platt yes
 Reed yes
 Sherwood yes
 Smith yes
 Wade vote not registered
 Wheeler, Sean yes

DISTRICT VI (20-27)

Adelman absent
 Baldwin, Barry yes
 Chickles yes
 Grogan yes
 Jijon-Caamano absent
 Lauritzen yes
 Lucas yes
 Luz yes
 Madson yes
 Orphanos yes
 Poli absent
 Silsby yes
 Taylor yes
 Van Loan yes
 Vogt yes
 Werner yes
 Wurm yes

**RTM F&B Report
December 28, 2020**

(20-27) Resolution of the Representative Town Meeting of the Town of Darien to Establish a Program to Provide Relief and Support to Eligible Taxpayers, Businesses, Non-Profits and Residents Who May Have Been Economically Affected by the Covid-19 Pandemic

I am Jack Davis, Chairman of the RTM Finance & Budget committee. I move (20-27) Resolution of the Representative Town Meeting of the Town of Darien to Establish a Program to Provide Relief and Support to Eligible Taxpayers, Businesses, Non-Profits and Residents Who May Have Been Economically Affected by the Covid-19 Pandemic. Do I hear of second? If there are no objections, I wish to waive the full reading of the resolution.

So why are we here?

The governor issued on December 16, 2020 Executive Order 9-R which extended benefits under Executive Order 7-S as they apply to tax deadlines and collection efforts for tax bills due and payable on January 1, 2021. On April 27, 2020, the RTM approved resolution 20-13 - the tax deferral program for taxes due April 1, 2020 to July 1, 2020.

Some of you may have read that if the Town wishes to continue its program, the Town need not do anything. So again, I ask "why are we here?" We are here because Executive Order is a bit vague on which governmental body is responsible to determine and approve continuation of the deferral program – put in other words, who decides "to stay as is." Hence, the BOS with input from Town Counsel and members of the RTM, determined that the best approach was to be inclusive in said determination and approval. As such, we are here today to put our legislative stamp of approval in agreement to the BOS unanimous decision last Wednesday, December 23, with input from our BOF to continue the deferral program as it applies to tax deadlines and collection efforts for tax bills due and payable on January 1, 2021 for those applicants that meet the criteria. The guidelines are prescribed by the Secretary of the OPM and the Town's Tax Collector is required to sign off on any request for deferral. Deferred payments are due April 1, 2021.

While here let's review the last deferral program

Kathy Larkins, Darien's tax collector has reported the following:

There were 62 residential and commercial taxpayers that qualified for the prior tax deferral. (See below)

	Residential	Commercial	Total
Dollars	\$161,207	\$462,926	\$624,133
# of applications	35	27	62
Paid by deadline	94.5%	99.9%	\$615,933
Outstanding amount	\$8,328	\$570	\$8,898
% of outstanding	1.3%	0.1%	1.4%

The outstanding balances are assessed 1.5% per month (18% per annum.) Outstanding balances are not part of the new deferral as the deferral relates solely to January 1, 2021 tax payments/collections.

Escrowed taxes cannot participate. Based upon the electronic files sent to escrowing agents on November 12, 2020, there are 37% or \$23.8mm of the total \$64.2mm of taxes due escrowed. The remaining \$40.3mm are not escrowed.

Some additional information from Kathy discussed at the joint BOS/BOF meeting. The town should expect greater requests for deferrals this tax period for two reasons:

1. Several applicants missed the first deferrals deadline and it is anticipated those entities or individuals will not miss this deadline.
2. The length and severity of the pandemic has potentially increased the need at this time.

Some silver lining regarding the deferral was in order to qualify, those taxed needed to be current. Therefore, some past due taxes were collected as part of the deferral offering.

A review of the programs

1. There are two types of programs – a deferment program and a low interest rate program.
2. Under the Deferment Program there were two options (a) offer to eligible taxpayers that have been financially affected by the COVID-19 Pandemic or (b) offer the deferment to all taxpayers. Darien has offered the first program to eligible taxpayers who have been financially affected by the pandemic. This program, the deferral until April 1, 2021 to eligible taxpayers is the program that will be continued.
3. The second program was a “low interest rate program” reducing the interest rate from 1.5% per month (or 18% annually) to 25 bp per month (being ¼ % month or 3% annualized rate) for a period of 90 days. This would apply to all taxpayers. After significant research, all Darien governmental bodies were not in favor of this option. The BOS and BOF have again recommended not to pursue this option.

I mention the above three options to ensure clarity on the BOS and our RTM resolutions. The option we are selecting is the deferment program to eligible taxpayers that have been financially affected by the pandemic. Option 1(a).

Conclusion

The Town has reserves and is in good standing with over \$20mm in the General Fund. It should also be noted that there is minimal financial effect to the Town by offering this program. Looking at the opportunity cost of this program, even if the total deferment doubled in size to \$1.2mm, the potential earnings for 90 days in a low-rate environment is minimal at best.

I want to stress to the media and anyone who is interested in this program that –

“A link to the application will be on the Tax Collector’s page of the Town website and must be submitted to Tax Collector Kathy Larkins on or before February 1, 2021.”

The F&B committee at its December 28th meeting voted unanimously (13 in favor, none against and no abstentions) to recommend that the full RTM, as the Town of Darien’s legislative body and as prescribed by EO 9(R), approve a tax deferral program pursuant to the Board of Selectmen’s Resolution to provide relief and support to eligible taxpayers, businesses, non-profits and residents who may have been

economically affected by the COVID-19 pandemic whose eligibility criteria are established by the CT Office of Policy and Management.

Again, to make this clear, by approving this resolution, we are simply extending the April's terms and conditions to the upcoming payment due January 1, 2021.

Stay safe, be well, have a healthy and prosperous new year **and please, please lock your car doors.**

Respectfully submitted

Jack Davis, Chairman of the RTM Finance and Budget Committee