

**TOWN OF BOLTON**  
**AD HOC COMMITTEE MEETING**  
**TUESDAY, JULY 16, 2024**  
**IN PERSON - TOWN HALL AT 5:00 P.M.**

The Town of Bolton Ad Hoc Committee held a meeting on Tuesday, July 16<sup>th</sup> with the following committee members in attendance: Ross Lally, Amanda Gordon, and Robert Morra.

Also in attendance were First Selectman Rodney Fournier, Town Administrator Jim Rupert, Tax Collector Lori Bushnell, Assessor Kara Fishman and Town Attorney Rich Barger.

**1. Call to Order.**

R. Fournier called the meeting to order at 5:01 p.m.

**2. Discussion and Possible Recommendations Regarding Taxes.**

Discussion started with what the cause of what the tax issue was.

There was an issue with Real Estate (RE) taxes. The correct RE grand list data did not get into our billing system, which was used to create the mil rate and send out tax bills. Data from Vision (assessor's software – owned by CoreLogic) was undervalued by about \$30 million, thus the mil rate was set higher than it should have been because the grand list bottom line was too small.

There were 557 accounts that did not have their assessments correct on their tax bills, which were lower.

The town estimates they will collect approximately \$1 million in revenue beyond what was approved at referendum.

This appears to be a clerical mistake in the assessment. The bridge between the town's tax software, Quality Data Systems (QDS) and assessment software (Vision, CoreLogic) did not calculate the correct numbers.

This needs to be investigated thoroughly and we need a concise summary of what occurred so we can address this issue with the software company.

R. Morra stated that we pay CoreLogic a huge amount of money to provide us with the correct data- they should be at fault if they gave us the wrong data.

What is their liability in all of this?

Discussion then moved on to the options the town has to deal with this problem:

1. Halt collection of taxes, lower the mill rate to what it would have been had the grand list been correct, send out new updated bills, send out refunds to people who have already paid their bills

Pros/Cons:

- a. Too administratively complex
  - b. Would lose out on interest revenue and may not have enough in the bank to pay our bills
  - c. The Town Administrator has told people- the committee is looking at this option and no specific course has been decided.
2. Continue collection of taxes with due dates of 7/31 and 8/31, lower the mil rate to what it would have been had the grand list been correct, and send out refunds to everyone.

Questions that need to be answered about this option:

- a. What application is required to be sent out under this scenario?
  - b. Do we have to offer refund and credit?
3. Continue collection of taxes with due dates of 7/31 and 8/31, keep the mil rate as it is, then send rebates out to residents in the amount of the difference between what the mil rate was set at and what it WOULD have been set at with the new grand list information.
    - a. Administration seems to like this issue best.

Question to be considered:

- b. What happens if someone hasn't paid their tax bill yet? What happens to the rebate? They don't get it unless they pay, would we have to deduct interest owed from rebate, or credit to next year?

If the town were to lower the mil rate it would affect the car taxes because the rate would fall below the motor vehicle rate cap, which would obligate us to change the MV mil rate and then we would also have to issue all new car tax

bills. This is the least favorable option for us.

Attorney Barger stated the following:

- Legislature tries to anticipate such situations, but not sure this is covered
- Found 1 statute- Correction of Clerical Error in Assessment (Section 12-60)
  - Rebates vs refunds
  - Refund means an overpayment – this is not the issue as taxpayers paid according to the mil rate they were given
  - Rebates typically relate to disabilities, which has nothing to do with this situation
- Section 12-60 states that a clerical omission or mistake in the assessments may be corrected, tax shall be levied and collected according to such corrected assessment.
  - This is what we did by sending out corrected tax bills.
  - The town was made aware of the issue on June 27<sup>th</sup> by customer phone call
  - The town issued a press release on June 28<sup>th</sup> regarding the issue found
  - Revised tax bills were sent out on July 11, 2024
- The letters that went out this spring were correct (went out from the vision system)– resident's do not have the right to aggrieve this again based on the wrong tax bill
  - It's a townwide issue, and it's a mistake, it has nothing to do with their individual assessments.

Attorney Barger also discussed the Statutory order of operations. We do the grand list, budget, mill rate....

The town is making an administrative decision based on good reasons, acting in good faith, making taxpayers whole.

Everyone would get money back unless they are under the \$5 threshold as specified in town ordinance.

The town is currently waiting for some minor discrepancies to be fixed to complete the finalization of the grand list to calculate the change.

\$541,509,000 is the estimated new grand list number which results in a .93 mil difference.

Martin Heft, Office of Policy Management (OPM) became aware of our issue and sent a letter to us, requesting that as we correct this issue there is a list of things we need to provide OPM with as we move forward in this situation. A copy of the letter sent to us by Mr. Heft has been requested for the committee to review.

Town Administrator J. Rupert is also concerned about what will happen if we don't lower the mil rate since the state normally reimburses the town for the difference between the mil rate and the motor vehicle cap. If we lower the mil rate we are entitled to nothing, if we leave it where it is, it's still over the MV mil rate cap and we still might be entitled to the payment to cover the gap.

There are a lot of pieces to this puzzle and

3. Adjourn.

R. Lally adjourned the meeting at 5:56 p.m.

Respectfully submitted,

Kathy McCavanagh