

# Senior and Disabled Tax Relief Committee Meeting Minutes for June 25, 2014

Location: Memorial Room of Fairfield Public Library, Main Branch

Present: Tom McCarthy, Chairman; Ruth Smey, Vice Chairman; Carol Way, Secretary

Guests: Donald Ross, Tax Assessor

Attachment: Tax Assessor Report on Current Status of Senior and Disabled Tax Relief Participants as of 06-23-2014

## I. Call to Order:

Tom McCarthy called the meeting to order at 7:05 p.m. He welcomed the members of the public and asked them to join with the committee in the Pledge of Allegiance. Chairman McCarthy thanked the public and Don Ross for attending and he introduced the committee members.

## II. Presentation and Update with Results to Date

Chairman McCarthy explained that there is not an expectation that the Committee will be presenting new changes to the program for the next budget cycle. Instead, the Committee did want to monitor how new portions of this revised act were being implemented, what the cost is to the tax base, and what needs enhancing or what should possibly be removed. Don Ross made it very clear that this is a very fluid program, and it is somewhat hard to give predictions. He then proceeded to give a review of the report that he had presented to the Selectmen and the RTM on Monday evening, June 23<sup>rd</sup> (see attachment at end of minutes).

First, even with enhancements, the deferral of taxes is not a popular alternative. This seems to be basically because of a lien being placed on the property. As a matter of fact, the deferrals actually went down by three, from 16 to 13. The seniors do not like having a lien on their property. The total number of dollars used from the budgeted amount for tax relief is \$3,806,602, which represents 4.83 above the previous year. There were 131 new signups for the tax credit; 79 of this year's applications were taken by assessor staff who helped two days a week at the Senior Center. While the process begins in February, the closing date for all applications is May 15. "Having compilation figures ready for the June RTM meeting is a bit of a push," Assessor Ross confided, "and you can be certain there will continue to be changes and corrections. This is a fluid process," he stated. "In addition this is the first year that we have moved to alternating years for renewal. This was the year was for odd year enrollees to renew, but there will be considerably more next year when the larger group representing the even years will be renewing."

There was an acknowledgement of the important role that Ruth Smey played in the forming of this committee and chairing it almost twenty years ago. It has come a long way since then, but it is still evolving. The state of Connecticut has its own restrictions and requirements which also affect what is done locally; a homeowner must pay at least 25% of their real estate taxes and the highest allowable income under the "circuit breaker" program is \$41,600.

The Committee, the Senior Center and the Assessor's Office attempted to publicize the new program to a greater degree through newsletters, websites, and media coverage as well as more public information programs. Chairman McCarthy asked the Assessor how his staff is handling the program and Committee member Way asked how the new software program is working with the data and the calculations needed in this new process. Ross said that it does require more work and the number of employees has remained constant. He does know, however, that there will be no additional staffing. While the software has met the challenge of the new program, it is somewhat more complicated because that vendor is located in Waterbury.

## III. Public Comment

Gerry Stuhlman of 71 Somerset Drive commented on the concern that the program does not utilize the entire amount that has been allocated in the budget for tax relief. Last year about \$500,000 of unused funds went back to the General Fund. This year that amount appears to be almost \$300,000. Nonetheless, stated Mr. Stuhlman (and he made reference to press releases, State of the Town, and budget messages from the First Selectman), there is a tendency for the First Selectman to make a PR moment about giving the full amount of the allocation to seniors and disabled. Stuhlman commented that this should not be done.

Bob Frigo of 39 Campbell Road asked about the estimating process; he wondered how a figure is determined. He also said that the choice of the deferral program may not have been popular because the eligible age was pushed from 65 to 75. Chairman McCarthy stated that he had done calculations two years in a row that were pretty accurate, but they had been bumped to a higher level possibly because Finance Director Bob Mayer and some RTM members were afraid that there were possibilities of not having enough if many more people applied for this enhanced program. No one is certain what will happen next year as more people move into the senior category and as more become eligible. The deferral age was moved to 75 because we determined it would probably take about 15 to 20 years to be self-funding and the committee didn't know what to expect in terms of numbers that might be choosing this.

Nancy Lagore of 245 Unquowa Road said it was quite a few years ago that she chose to downsize and move to Mosswood. She thought it was a wise move, but she never anticipated that her taxes would just continue to rise. Now, her much smaller housing is still becoming more and more costly. Joan Fortuna commented about the cost to the Town if she should have to sell and leave town. Her taxes are now \$30,000 for a single person. One of her former neighbors and a former member of this Committee had to sell her home and move because her taxes had almost doubled.

Palma Senatore of 42 Pilgrim Lane complained about how little is spent on seniors in this town. For every large home owned by a single senior or a senior couple who are forced to sell and leave, there is a much greater cost that the Town must bear when the house is sold to parents with children who create much higher burdens on the school district and much higher costs for services all around. Many members of the public objected to the title of the program being Tax Relief because it doesn't provide a whole lot of credit or compensation, yet its title sounds as if it is a "welfare-style" program. Committee members did mention that compared to other Connecticut towns, this program provides greater benefits.

Since senior households now make up 25% of Fairfield's population and it is growing, isn't there some way of freezing their taxes or giving a "homestead-style credit" several people asked. Nancy Lagore shared some documents from Scituate RI, with ideas for making senior home ownership easier (see attachments). Jordan Reber of 85 Beaumont Street stated that he did not believe that seniors should be given a credit or automatic homestead compensation unless they qualify according to the income format.

#### **IV. Adjournment**

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

Respectfully submitted,

Carol J. Way, Secretary  
Attachments

## Attachments

TOWN TAX RELIEF PROGRAM FOR FISCAL YEAR 2013/2014 ASSESSOR'S REPORT TO THE RTM PER Chapter 95, Article III, Section 15.1 JUNE 24, 2013

**Credit Program (non-reimbursable, no lien)**

# of Accts. 2011	# of Accts. 2012	Actual Benefit/Tax Loss 2012
1554	1588	\$3,744,747

**Freeze Program (non-reimbursable, no lien)**

# of Accts. 2011	# of Accts. 2012	Actual Benefit/Tax Loss
8	7	\$17,897

**Deferral Program (reimbursable, lien)**

# of Accts. 2011	# of Accts. 2012	Actual Benefit/Tax Loss
16	16	\$43,958

**Summary - total number of accounts and total tax loss**

Total No. of Accts. 2011	Total No. of Accts. 2012	Total Actual Benefit/Tax Loss
1578	1611	\$3,806,602

**ADDITIONAL STATISTICS**

2011		2012
New applications received	159	207
Disallowed	28	16
Disallowed	5	(over income, all programs)
Removed (sold, deceased, moved)	92	(over asset cap, all programs)
Removed (failed to refile)	81	103
Net increase (# of accts.) FY12/13 to FY 13/14	33	50

**INCOME RANGES**

Credit		Freeze		Deferral		Totals
Married	Single	Married	Single	Married	Single	
\$0-\$16,700		10		137		147
\$16701-\$23,900		19		254		273
\$23,901-\$29,500		39		174		213
\$29,501-\$35,300		61		139		200
\$35,301-\$43,400		89		168		257
\$43,401-\$50,600		96		90		186
\$0-\$50,600		3		4		7
\$50,601-\$70,000		179		133		312
\$0-\$80,000	0	0	0	0	10	6
<b>Totals</b>	<b>493</b>	<b>1095</b>	<b>3</b>	<b>4</b>	<b>10</b>	<b>1611</b>

**ASSESSMENT RANGES OVER \$455,000 (avg. townwide res. assmt.)**

Range	# of Accounts
\$456,190-\$599,620	95
\$600,460-\$951,370	46
Over \$1,000,000	10

**AVERAGE ASSESSMENT AND YEAR TO YEAR CHANGE**

Average Assessment-Tax Relief	\$314,478	(10/1/12)
-------------------------------	-----------	-----------

**Recipients**

Final Cost to the Town-Fiscal Year 2013/2014	\$3,806,602
Final Cost to the Town-Fiscal Year 2012/2013	\$3,157,125
Increase/Decrease	\$649,477

TOWN SENIOR/DISABLED TAX RELIEF PROGRAM FOR FISCAL YEAR 2015 ASSESSOR'S REPORT TO THE RTM PER Chapter 95, Article III, Section 15.1 JUNE 23, 2014

FY 2014		FY 2015		CHANGE FY14 to FY15	
# of Accounts	Amount	# of Accounts	Amount	# of Accounts	Amount
<b>SENIOR/DISABLED TAX RELIEF PROGRAM</b>					
Credit Program (non-reimbursable, no lien)	1588	\$3,744,747	1594	\$3,936,777	\$192,030
Freeze Program (non-reimbursable, no lien)	7	\$17,897	5	\$13,279	-\$4,618
Deferral Program (reimbursable, lien)	16	\$43,958	13	\$40,351	-\$3,607
<b>Summary - total number of accounts and total tax loss</b>	<b>1611</b>	<b>\$3,806,602</b>	<b>1612</b>	<b>\$3,990,407</b>	<b>\$183,805</b>

**SCHEDULE OF APPLICATION ACTIVITY FY 2015**

Total accounts-previous fiscal year	1578	1611	33
New applications received	207	131	-76
Disallowed (Excess Income)	-16	-11	5
Disallowed (Excess Assets)	-5	0	5
Disallowed (Non CT residents)	0	-3	-3
Removed (sold, deceased, moved)	-103	-93	10
Removed (failed to refile)	-50	-23	27
<b>Summary - total number of accounts</b>		<b>1611</b>	<b>1612</b>

**SCHEDULE OF INCOME RANGES FY 2015**

Credit		Freeze		Deferral		Total # of Accounts
Married	Single	Married	Single	Married	Single	
\$0-\$17,000	13		149		162	
\$17,001-\$24,300	27		238		265	
\$24,301-\$30,000	40		177		217	
\$30,001-\$35,900	64		129		193	
\$35,901-\$44,100	81		164		245	
\$44,101-\$51,500	99		93		192	
\$0-\$51,500	2		3		5	
\$51,501-\$71,200	189		131		320	
\$0-\$81,400	8		5		13	
<b>Totals</b>	<b>513</b>	<b>1081</b>	<b>3</b>	<b>8</b>	<b>5</b>	<b>1612</b>

**SCHEDULE OF ASSESSMENT RANGES FY 2015**

Assessment Range	# of Accounts	% of Total Accts.
\$0-\$300,020	892	55.33%
\$300,021-\$456,189	577	35.79%
\$456,190-\$599,620	92	5.71%
\$599,621-\$999,999	44	2.73%
Over \$1,000,000	7	0.43%
<b>Totals</b>	<b>1612</b>	

**AVERAGE TAX RELIEF RECIPIENT ASSESSMENT FY 2015**

Average Tax Relief Recipient Assessment-FY 2015	\$311,933
---	-----------