

**MINUTES OF PUBLIC HEARING ON AN ORDINANCE
IMPLEMENTING THE LOCAL ELDERLY PROPERTY TAX
FREEZE AUTHORIZED BY PUBLIC ACT 06-176**

MARCH 13, 2007 LEGISLATIVE CHAMBER 41

President Scott Slifka called the hearing to order at 7:00 p.m.

Present were Councilors Shari Cantor, Barbara Carpenter, Chuck Coursey, Maureen Kelly McClay, Mark Sinatro, Scott Slifka, Art Spada, Carolyn Thornberry and Joseph Verrengia.

President Slifka: Mr. Spada could you please read the subject matter of the hearing?

Vice President Spada: I can, Mr. Mayor, good evening, ordinance implementing the local elderly property tax freeze authorized by Public Act 06-176.

President Slifka: Thank you Mr. Spada. Mr. Francis though this was proposed to be adopted by the Council, most of the information on what the effect of its implementation would be has come from your office so it is my understanding that you have a presentation.

Mr. Francis: A very brief one, yes.

President Slifka: That's fine.

Mr. Francis: This legislation comes from Public Act 06-176 which is state legislation allowing municipalities to adopt this property tax relief for certain elderly homeowners. What the program in general does is it allows eligible elderly homeowners a freeze on their taxes effective with the October 1, 2006 assessment year and the tax would be frozen at the time of application which would mean on their subsequent tax bill which would be July 1, 2007.

The legislation applies to individuals who are 70 years of age. They have to occupy their own home. They have to live in the State of Connecticut for at least one year prior to filling out an application. There is qualifying income which is set by the state. Currently it is \$33,900 for married couples and

\$27,700 for single individuals. There are two local options that the legislation allows that are not proposed. One is that there be a lien placed on the property in which case you could recover such property tax in the future when the home was sold. That again is not proposed by this legislation. The other is that there is an optional asset test that can be applied towards eligibility. Again, that is not a part of this legislation as being proposed.

In terms of the impact this might have on the town, it is difficult for us to say. We have used the circuit breaker program as the model because it is very similar. The age is the biggest difference with that with this being five years higher at age 70 for eligibility. We currently have 498 qualified individuals on that program. In looking at it, 423 of those would be qualified in terms of age anyway for this program. That would mean there is about a total of \$2 million in property taxes. What would happen with this legislation is their tax amount would be frozen and it would be any incremental increase beyond that that would be frozen, therefore it would the savings to the homeowner that would occur.

We are looking at revenue that would offset that. We have been looking at the Community Development Block Grant money and we believe that that is money that we could apply towards anything that went towards savings on this program. We have applied to the federal government for a letter of interpretation on that to just make sure but we feel that that is within the guidelines and that's my presentation unless you have questions.

President Slifka: Mr. Francis we have been over this a bit in Mrs. Cantor's committee, Finance and Budget, so this is not all new to the Council tonight but just a couple of things that I think are important to get into the record. One, is that when this first came up I think many thought this was a brand new departure in policy by the town but in reality it was, as you referenced the circuit breaker program, a moment ago which is a long standing state program that the town has adopted, adopted many, many years ago and has been with us and in reality although this has been trumpeted by quite a few people at the state level as a whole new initiative to benefit seniors, it is really just a, I'll characterize it as a modest expansion of the existing circuit breaker program, and basically the only difference is the change in eligibility from 65 to 70, correct?

Mr. Francis: That is correct.

President Slifka: So the income levels remain the same as they are today.

Mr. Francis: Yes.

President Slifka: And then a step further is when we assess the cost to the town that first the circuit breaker program reimburses the town for those amounts at which the folks who qualify at 65 and above are frozen, so now the town, as I understand the cost to the town is only that delta between age 70 and up, correct, if I have expressed that right?

Mr. Francis: Mr. Francis, yes, I think that is correct.

President Slifka: That we are still getting, this is not, and the town is not responsible for the full cost. It is the state continues its program under the circuit breaker up until the point that a new program takes over and we are only responsible for here on out.

Mr. Francis: That is correct.

President Slifka: I have run out of words...

Mr. Francis: You don't lose any of the benefit you would get from other programs by applying to this program. It is not a stand alone. Like you say it is just really a platform off of building on the circuit breaker program.

President Slifka: And I know there have been questions from all of us and some from in the community as to knowing how many would qualify for this and that we, although this is a bit of a guesstimate so we don't know fully who is out there who might qualify, that remains to be seen, we have some confidence in the numbers that you have provided because this already mirrors an existing program that has been in for many years, and we believe likely it is the same class of people who qualify.

Mr. Francis: That is correct.

President Slifka: Or others who may yet come forward and meet that same criteria. Thank you. Does anybody else have any questions? Mrs. Cantor.

Councilor Cantor: Thank you. I have a couple of things, points I want to raise that this resolution includes that the state had given us guidelines.

According to the state, they give the towns the ability to lien the properties and our town has opted not to do that so there will not be liens for any taxes that are frozen in excess of the freezing point. The other point is that there is no asset limit test so that is another thing that I think is beneficial.

I did want to ask a question, on the copy of the resolution that we have before us the income limits are a little bit different and there as a little confusion over the income limits and I wanted to make sure that we were all on the same page because we have \$35,300...

Mr. Francis: You are correct. The ones in the resolution are the updated ones. I unfortunately read last year's numbers.

Councilor Cantor: Okay, so it is \$28,800 for individuals and \$35,300 for married couples and that is by the state guidelines.

Mr. Francis: That is correct.

Councilor Cantor: Okay, thank you.

President Slifka: Thank you Mrs. Cantor. Mrs. Carpenter.

Councilor Carpenter: I'm just wondering how do those people, seniors that are eligible, how do they find out about this program? Are we going to be contacting them? Do they have to contact the town? I'm just always concerned that we are reaching the right group of people.

Mr. Francis: Joanne Ferraresso, the Assessor actually has prepared already, in case you adopt this, some flyers to go out and notices, Joanne did you want to speak to that in a little more detail?

President Slifka: Come up to the mike please.

Ms. Ferraresso: I am Joanne Ferraresso, the Assessor the Town of West Hartford. We have 498 current applicants on the elderly homeowners program and we prepared a letter to mail to all of them. The way the state program runs is that you apply for the program once every two years and so we don't want to lose the people that would not normally be coming in to see us this year so we will be mailing a letter to them. The people who have already come in to make application, because the application period is

February 1st to May 15th we already have their income information so we will be mailing them the application and the people who are due to come in before May 15th will also get a letter and an application. We are prepared as soon as the Council adopts the ordinance to do these mailings.

President Slifka: Go ahead Mrs. Carpenter.

Councilor Carpenter: Thank you. My second question is how difficult is this for someone over the age of 70, how difficult and cumbersome is the application and will there be assistance given from the town in helping our seniors fill these applications out?

Ms. Ferrarasso: All a person would need to do would be to bring in copies or their original income tax forms and their 1099's from Social Security. We will completely assist them with the forms as we do with the current programs.

Councilor Carpenter: Thank you so much Joanne.

President Slifka: Thank you. Are there other questions right now? Dr. Thornberry.

Councilor Thornberry: I think while the Assessor is still up here Mr. Mayor perhaps I can ask some questions. I know that you indicated that there is a gap between 65 and applying for one program and then 70 when another kicks and I think that can be a little confusing to people so perhaps the Assessor can respond to that. Additionally, the income thresholds which are set by the State of Connecticut are inclusive of Social Security. Sometimes people think it is exclusive of it but Social Security is included in those income estimates. I know it doesn't sound like much and it isn't and so I am always a little chagrin when I see those income thresholds come out but perhaps you could explain the differences between the two programs, the circuit breaker and what the new property tax relief is.

Ms. Ferrarasso: The income requirements for both the circuit breaker or known as the homeowners' program and the elderly, the proposed freeze program are the same and what it is it is adjusted gross income as you said plus the Social Security. That can be confusing for people because some people do have to pay taxes on their Social Security income so that is their federal income tax. Again, that is why we encourage people, if they call us

on the phone, to come into the office with their paperwork so we can work through it with them but we do take the taxable portion of the Social Security out of their adjusted gross income and then under the guidelines from the State of Connecticut we do have to add back in their full Social Security for income.

The letter that we are going to be sending to the people, if the ordinance is adopted, will emphasize the fact that you do have to be 70 by December 31st of this past year to apply for the program this year.

Councilor Thornberry: Thank you.

President Slifka: Thank you. Are there any other questions right now? Thank you Ms. Ferraresso. With that we will get to the public forum part, Mr. O'Brien, do we have a sign up sheet?

Mr. O'Brien: Yes we do.

President Slifka: Before I call the first person up, I see, I didn't get to look at these before and I see that we have a handful of sheets over there, some were to sign up for this hearing, and some were to sign up for the meeting later so if I don't end up calling your name and you think you signed up to talk about this, please put your hand up when we are done and we will make sure we call you up. The first person is Sonya Wetstone and we would just ask you to state your name and address for the record and you have three minutes.

Ms. Wetstone: It is Sonya Wetstone....I think people can hear me.

President Slifka: Ms. Wetstone we can hear you but for public record purposes we have to have it recorded so we need you near the mike.

Ms. Wetstone: Sonya Wetstone, 779 Prospect Avenue, West Hartford. Number one; there has been no publicity about this hearing at all. A lot of us do not have computers, we are not on the internet, and we depend upon the newspaper to learn about this. I saw an article about two weeks ago that there was going to be a meeting but no time schedule. That is my first objection. The second one, neither of the programs that you have spoken about take into consideration inflation which has been very hard on all homeowners, not just the elderly. Our electricity has skyrocketed, gasoline

and oil out of sight and yet there is still the same figures of \$28,000 or \$33,000. Heaven knows you should keep that, not get rid of it, in fact it could be more.

President Slifka: Thank you Ms. Wetstone. Mr. Francis before we get to the next speaker, Ms. Wetstone raises a very good point that we may not have made evident in the public hearing which is that these income thresholds are set by the state and we don't have any discretion with them and we would agree with you, that we would hope that they would adjust for that but we would have to go back to the state and ask for that.

Ms. Wetstone: You could send a little note to the state.

President Slifka: Oh, believe me, we will be sending a lot of notes to the state this year, Ms. Wetstone.

Ms. Wetstone: If this could be publicized a little better, too.

President Slifka: We will do our best. Thank you. The next speaker is Lila Pitek.

Ms. Pitek: Good evening. I am Lila Pitek, 600C Mountain Road, West Hartford. I thank you for putting all your time into everything but especially the senior problem. Now two or three years ago, I sent the Mayor an article from the Courant that Avon, their income limits for seniors were like \$41,000 so have you checked into surrounding towns? They must be putting money of their own into it if the state has just \$28,800 but I think we should try and keep up with surrounding towns if possible. Just I hope this can go through.

The other question is 7:30 are you voting on it tonight or do you have to meet and come another time?

President Slifka: The plan would be to vote on it. After we close the hearing we will start the regular Council meeting and in the midst of our other business we would vote on this tonight, I would expect. I can't say that one hundred percent certain.

Ms. Pitek: It would be nice if somebody calls the Courant tomorrow, unless the Courant is here, and put it in the paper. Thank you.

President Slifka: Thank you. The next speaker is William T. Sherman.

Ms. Wetstone: I have one more point if I may.

President Slifka: This will be a little unusual but we will let you do it. Go ahead. We do need you to come up here. I'm sorry for that.

Ms. Wetstone: I want to point out that our elderly don't have children in school so if you are talking about a deficit to the town coffers we are not using any education funds at all, not that we shouldn't but there is a savings there.

President Slifka: For the record that was Ms. Wetstone again. Next is William T. Sherman please.

Dr. Sherman: Mr. Mayor I am Dr. Sherman. I just came to listen not to speak.

President Slifka: Oh, okay. Thank you Dr. Sherman. Next is Donald Chlebowski who I am guessing did come to speak.

Mr. Chlebowski: Bear with me. Good evening Council members, Mr. Mayor. I appreciate the fact that you allow me to speak because I want to act not so much on my behalf but as a messenger for my fellow seniors whom they figure that I have a mannerism, a presentation but I said it is not of the college level so I have to improvise what they are saying and try to make you understand that we are kind of a bunch that is sort of over the hill. I mean it is a poor thing to say but we have, most of us have fixed incomes which means it doesn't get any better unless people like you folks there will understand that and allow a little bit extra, I don't know.

The fact is, as mentioned, I think Mr. Francis said, you have to be 70 years old, well, I do know a lot of people older than that and the older people I know they are doing more struggling than the 70 year old ones because of the fact that they just got in at the wrong time and the wrong place and they always said to me can't you explain to those people that we will do what you request but we don't have the ways or the means so if we could only get those two straightened out, then you see we would be able more to comply but since we are limited in how we are having our financial, in fact I

understand, the State Legislature is going to put in, I forgot, they didn't give me the number yet, but they said they are going to vote on the elimination of Social Security and the pensions because those two things should not be part of the income because they are benefits and they were earned from previous incomes. In other words, you couldn't get Social Security or pensions unless you worked x amount of years but now I see on the federal tax form they include everything which hurts us because I can assure you if you didn't have the Social Security and the pension included a lot of us would understand the direction you are going but the fact that we are penalized on the Social Security and we don't understand why you are doing these odd things and I tell them I wish I had the answer but I said that is why we need to have you come but they said how can we come because some of us don't drive, some are sick, and they have all to do to make things end in their homes and they said but we trust you because you are going to represent us. I am saying to all of you, that I'm not just saying this for Don Chlebowski but I am saying it for all the seniors. I thank the Council for allowing me to be a member of the

Councilor Cantor: Senior Citizens Advisory Commission.

Mr. Chlebowski: Senior Citizens Advisory Commission, thank you Shari. I have so many things to remember. It is a wonder I know my name but thank God that there is not too many with my name because they would go whacko but the fact remains is I have other committees, Seniors SWHAT, Seniors West Hartford Advocacy Team, I'm on that. We recently joined that Alliance for Retired Americans which includes most of the State of Connecticut and of course other states have gotten into it and we need to have more representation so our Congressmen can do something and our State Legislators will listen to them and of course you will listen to the state, hopefully. Like this lady previously said, she said that other states or towns in this state have upped their amounts to exceed what the state has allowed to date because myself, I'm pretty close to the tolerance of what they allow because if you didn't count my Social Security and the pension believe me I would qualify. With that in mind, I hope you would be considerate before you vote tonight and if you need me around to do something just ask. Thank you very much.

President Slifka: Thank you Mr. Chlebowski. Next is Mal Doyle.

Mr. Doyle: Mr. Mayor, distinguished members of the West Hartford Town Council, my name is Mal Doyle, and I will spell that for you it is "Mal" like malfunction so you don't get it wrong. I live at 111 Randal Avenue in West Hartford. First, I would like to tell the Council that we are very happy to see that there is a proposed freeze for people who are age 65 and over. My concern, however, is the level as some of the other people have expressed as well. I guess it was like I think two or three months ago there was an article in the Hartford Courant that a family of two retired the average cost for them during the course of the year is \$53,500. You know our income was and expenses were very, very close to that. Some of them related to health care and I guess this is what most of us are going through. It would appear that the minimum or maximum, however you want to look at qualifying income to receive tax relief simply isn't adequate. We certainly would like to think that there could be a change to that.

We have lived here in West Hartford since April of 1968 and we have enjoyed living here and our concern is that we may not have to or be able to live here much longer if taxes keep rising because you know I never thought I would live to see the day when I would watch my checkbook account diminish and not enough income to supplement the expenses that we have every month. It is a very, very scary thing and I hope that you people never reach that stage. Some of us that have recognize that we have to really, really pull back in order to make ends meet.

You know there are no frills when you get older. I was having dinner with a friend of mine a couple of years ago and he said you know Mal there comes a time in your life when the names of the girlfriends in your address book change to names of doctors. Don't let that happen to you.

President Slifka: Thank you Mr. Doyle. That was very memorable. As I indicated at the beginning, that concluded this sign up sheet. I don't know if there was someone who signed up on a different sheet that wanted to speak to this particular subject and hasn't been called yet. Yes sir, please come up.

Mr. Radin: My name is Robert Radin. I live at 781 Farmington Avenue, West Hartford. I didn't come with any prepared remarks but I have quite a few thoughts. My mother owned the house she lived in since 1945 and I came back about twenty years ago to take care of her. She died in 2005 and I used to do her income tax all the time and it shocked me. Her property tax was in the neighborhood of \$4,000 to \$5,000 a year here and it kept going

up, even though there was some relief for her but in spite of that, she paid no income tax. That is how low her net income was, zero, most of the time and yet her property tax was \$5,000. In other words, it boiled down to the property tax was about twenty five percent of her gross income, incredible. It is the most aggressive tax I have ever seen. She died in 2005. I have the house now. She couldn't keep the property up. There are huge expenses that are needed now to keep this property up. She couldn't do it. Now, I just turned 65, I hate to face the fact that has happened. I am just on Social Security. I am now retired and I am going down the same road. I don't know if you have anything for people 65 but what used to gall me is that she died at age 101 almost. She must have put through three generations of students, who own children, and if you count twenty years for a generation another two generations of students. She was 100 years. She was making nothing. She always held back. She never spent anything on herself and yet she was putting through generations of students. It is not fair. It wasn't fair.

Now, I am going to face the same thing so I have a couple of questions for the Town Council. What can you do to get the state to do something about real property tax relief and stop this? It is bad, it was always bad but there comes a point you really are starting to drown. I think the people who are seniors or are going to become seniors are going to drown in this town and they will leave and if that is what you want, that is what you will get. I think it is a shame but that is where it is heading. I don't know how aggressive you have been, I don't know, to the state and I don't know what the state politicians are really willing to do. I know they talk about it but I think there has to be something fundamental at the state level to stop funding all the towns out of property taxes. It is just not fair and it is destructive. The second thing I would like to know what there is for people 65. I don't know and that is about it. Thank you.

President Slifka: Thank you very much. Mr. Francis, it might be a quick answer if you could, maybe I suggest this, it is kind of detailed information, the series of relief programs; if you could, since you didn't sign up if you could write your name and address down and slip it over to Mrs. Cantor here, we will get it. We will mail to you the memo; we have a memo that briefs everybody on all the programs that are available. Would that be okay if we sent that to you?

Mr. Radin: I would appreciate it.

President Slifka: Okay and we would be available for you to speak with about any of those as well afterwards if you have any questions. Once you get it in the mail we would be happy to answer anything you would like about it. Thank you. Thank you Mrs. Cantor. Mr. Wojan.

Mr. Wojan: Ben Wojan, 142 Davenport Road, I want to point out that in New York State couples with incomes up to \$65,000 a year are eligible for tax relief and it seems in Florida they have a Homestead Act which is much more generous than what we have here and it seems that it is time for Connecticut to start catching up and I hope the Council will take positive action on that tonight. Thank you.

President Slifka: Thank you Mr. Wojan. Is there anybody else who did not sign up or thinks that they signed up and I haven't called them that wants to speak to this? Mr. Zullo please come up.

Mr. Zullo: Mike Zullo, 153 Park Road, I don't know if a lot of the seniors realize that in the past we have had a Senior Advisory Commission and I am the Chairman this year and myself and Gary Kristen is taking a very active role towards it. I hope that you come to some of our Senior Advisory Commission meetings or e-mail or call us and tell us some of your issues and problems so we can discuss it and every three months we report back to Shari Cantor with a report and then Shari can report to the Town Council, instead of everybody just giving out one idea if we can get all the ideas together and try to work out a plan to give to the Town Council. We promise, my Commission that is our goal so I hope that a lot of you would contact me. You can get my phone number from Norma Cronin or everybody has my phone number it seems so feel free to call me and we will sit down and we will talk. I just wanted to introduce myself and our Commission. Thank you.

President Slifka: Thank you Mr. Zullo. Is there anybody else who wanted to speak? Mr. Arbuglio please.

Mr. Arbuglio: My name is Joseph Arbuglio; I represent myself and my brother Francis Arbuglio. We are in charge of the Independent Tax Group of West Hartford. I say to all the seniors who spoke here tonight we are in your corner one hundred percent. It is up to the Town Council people here to do something for you seniors, to make you stay in your homes not force

you out or not take reverse mortgages. I mean that is something we do not stand for as the Independent Tax Group of West Hartford so I say to all you tonight who spoke, you did a very good job here and whatever the Town Council here votes on or what they do for you, we are still in your corner and we are still going to fight these taxes one way or the other for the middle class, for everyone in this town. I thank you for the time. Thank you Mr. Mayor.

President Slifka: Thank you Mr. Arbuglio. One last call anyone else? Okay, seeing none, is there anything else from the Council at this time? Okay with that we will close the public hearing.

The hearing adjourned at 7:34 p.m.

Norma W. Cronin
Town Clerk/Council Clerk