

SPECIAL TOWNCOUNCL MEETING – WEDNESDY, JANUARY 24, 2024

The council met on Wednesday, January 24, 2024, and called to order at 7:00 p.m. in the Town Hall, Council Chambers, Council Chairman Calouro presiding:

PRESENT: Council Chairman, Nathan Calouro
Vice-Chairwoman, Mary Parella
Councilman, Antonio "Tony" Teixeira
Councilman, Timothy Sweeney
Councilman, Aaron Ley

ALSO PRESENT: Town Administrator, Steven Contente
Tax Assessor Michelle DeMeo

1. Workshop re Property Tax Classification

Chairman Calouro provided an overview of the continuance from the September 20, special tax workshop discussing multi-tiered property tax. The council sought additional information, prompting the need for a workshop continuation. The main topics included senior exemptions, hardship exemptions, and potential changes to properties affected by catastrophic events.

Town Administrator Contente highlighted the work prepared for the workshop presentation.

Tax Assessor DiMeo delivered a PowerPoint presentation, presenting formulas for proposed exemption increases and their anticipated impact on the tax rate. Tax Assessor Dimeo noted the amount of significant work it took to obtain the information requested by the council, noting the assistance by her staff specifically Meghan Cabral.

Tax Assessor DiMeo presented data on the current senior exemptions and proposed a \$50 increase per tier, estimating a \$94,000 impact. She recommended raising the hardship exemption to \$300, linking it to the federal poverty level, potentially benefiting around 200 additional seniors.

Tax Assessor Dimeo notes Bristol has 1880 senior residents receiving exemptions, with 57 new applicants in 2023 and 128 new applicants for 2024.

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The council deliberated on these proposals, with members Sweeney and Parella expressing concerns about the effectiveness of small exemption increases for seniors. Alternative approaches, such as longer residency requirements or higher flat exemptions, were suggested.

The council discussed adjusting property tax exemptions to address population changes and affordability concerns. Council members suggested changing the retirement age and raising the age eligibility for exemptions.

Concerns were expressed about homeowners struggling to pay mortgages and taxes, and the possibility of a survey to gather feedback from seniors was discussed.

The complexity of adjusting the tax roll and apportioning a \$0.04 increase was discussed. Council members explored potential impacts on the budget, rates, hardships, and senior exemptions for property owners.

The council committed to a \$94,000 impact but deferred apportionment to be discussed during the scheduled budget meetings in March.

Council members discussed the complexity of adjusting the tax system and the potential impact on the budget. The need for careful consideration of timelines before implementing changes was emphasized.

The discussion broadened to address the overall tax burden, deferment programs, and concerns about fairness.

Further discussions took place on means testing, residency requirements, and age groups for better flexibility. The option to change the tax exemption age from 65 to 67 was explored and referred to the town solicitor for confirmation on whether ordinance changes for exemptions would need to be proposed.

Concerns were expressed about removing existing tax exemptions from those who already qualify.

The discussion extended to various scenarios outlined on the second page of the provided packet. Councilman Lay suggested potential increases of \$50 for the first tier, \$75 for the second, and \$100 for the third. Tax Assessor DiMeo clarified the usage of actual numbers for computations, with census data serving for projection purposes.

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Concerns were expressed about using age 65 as the retirement benchmark, pointing out that the retirement age is officially 67, and many individuals in their mid-60s are still working. The member questioned the significance of a \$350 exemption for homeowners facing substantial property value increases. Town Administrator Contente highlighted the potential benefits, noting that even a \$350 exemption could assist many residents given the median home value.

The discussion veered towards leveraging revenue from properties used for business purposes, such as short-term rentals. However, the Chairman emphasized the specific focus of this evening's workshop on senior exemptions, hardship considerations, and catastrophic events. Chairman Calouro acknowledged the need to revisit broader discussions in the future.

A council member proposed exploring freezing property values or adopting a homestead-type exemption with higher values to provide meaningful relief for long-term residents dealing with rising property values. The Tax Assessor highlighted the ongoing effort to collect and analyze data, emphasizing the complexity of incorporating various income levels and projections.

The council expressed gratitude to the tax assessor for providing comprehensive tables and scenarios. The chairman clarified that the goal of the meeting was not to make final decisions but to understand how proposed adjustments would impact the tax rate.

Discussions ensued revolved around the intricacies of means testing for a senior tax exemption, with concerns about the potential impact on residents and the challenges of implementing such a system.

The idea of using age and residency requirements to control eligibility for exemptions was mentioned as a way to maintain clarity.

Council members discussed the importance of compassion and flexibility in dealing with residents seeking exemptions and expressed the need to explore various options to accommodate their needs. The timeline for applying for exemptions, set for March 15, was highlighted, with clarification that late applications would apply to the following year.

Chairman Calouro emphasized the procedural steps, including ordinance changes, that would be required if the council decided to proceed with the proposed adjustments. The need for further discussions during budget conversations to decide how the adjustments would be apportioned was also mentioned.

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Councilman Sweeney expressed appreciation for the Tax Assessors' hard work and acceptance of the recommendation. However, he raised concerns about insufficient information from seniors to determine the impact of a \$50 exemption and questioned the underlying problem being addressed.

It was suggested exploring a three-tiered homestead tax for full-time residents and the need for more information on the seniors' situation. The discussion touched upon the resident versus non-resident tax rate, the impact on different property owners, predictions about the town's demographics, and considerations for the upcoming school bond.

Concerns were also raised about balancing decisions that benefit seniors without overly burdening other residents. The conversation delved into adjusting age requirements for exemptions, potential challenges in doing so, and the significance of the proposed changes for different age groups.

The importance of understanding the problem, the potential impact on tax rates, and the need for ongoing adjustments in future budget discussions were highlighted.

While the council committed to the \$94,000 impact, the apportionment would be determined during budget discussions. The council emphasized the importance of prioritizing Bristol residents, particularly low-income seniors, in any tax rate changes.

Sweeney/Teixeira- voted unanimously to direct the Town Solicitor to draft amendments to the hardship exemption ordinance, proposing an increase in the exemption amount to \$300 for eligible individuals. Additionally, recommend updating the ordinance to specify the income limit as the poverty level established by the United States Department of Commerce, Census Bureau, Poverty Branch.

Sweeney/ Teixeira- voted unanimously toto the \$94,000 impact and refer to the town solicitor to draft ordinance for council consideration to increase the senior exemption a flat rate of \$50 (with tiers yet to be determined) subsequently increasing the tax rate by .04 cents

Council members highlighted the necessity for more information and thorough timelines before implementing any changes,

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recognizing the complexity of adjusting the tax system and potential impacts on the budget.

Discussions also touched on potential hardships and exemptions for property owners after catastrophic events. Parameters for structural fires were sought. Vice Chairwoman Parella suggested structuring a narrative explaining how property values are affected, considering factors like rebuilding time and reassessment rebound. A discussion ensues around whether the town should take responsibility, homeowners opting for payment plans, and the lack of comparable provisions in other communities.

There being no further business, upon a motion by Councilman Teixeira, seconded by Councilman Sweeney and voted unanimously, the Chairman declared this meeting to be adjourned at 8:21 pm.

Melissa Cordeiro, Town Clerk
Council Clerk