TOWN OF WINDSOR, CONNECTICUT

Special Meeting Notice

AGENCY: **Finance Committee**

DATE: **January 27, 2025**

TIME: **7:00 PM**

PLACE: **Hybrid meeting - via Zoom and In-person at Town Hall in the Ludlow Room**

Dialing in by Phone Only:

1. Please call: **309 205 3325 or 312 626 6799**
2. When prompted for participant or meeting ID enter: **873 6342 6538** then press #
3. You will then enter the meeting muted. During Public Comment if you wish to speak press ***9** to raise your hand.

Joining in by Computer:

Please go to the following link: https://us02web.zoom.us/j/87363426538
When prompted for participant or meeting ID enter**: 873 6342 6538**

1. Only if your computer has a microphone for two way communication then during Public Comment if you wish to speak press **Raise Hand** in the webinar control. If you do not have a microphone you will need to call in on a phone in order to speak.

AGENDA

1. Call to Order
2. Public Comment
3. *Discussion of Fiscal Year 25 Mid-Year Financials
4. *Discussion of First Responder Line of Duty Death tax abatement
5. *Discussion of Fiscal Year 24 Audit
6. *Discussion of Homestead Exemption
7. Update on 10/1/24 Grand List
8. Staff Reports
9. Approval of Minutes
   a) *December 9, 2024
10. Adjournment

*Backup materials

Public Act 75-312 requires notice of Special Meetings to be posted in the Town Clerk's Office not less than 24 hours prior to the time of such meeting. No other business shall be considered at this meeting than that listed on this Agenda.

Agenda Item Summary

Date:	January 27, 2025
To:	Members of the Finance Committee
Prepared By:	Jim Bourke, Finance Director
Reviewed By:	Peter Souza, Town Manager
Subject:	FY 25 General Fund Mid-Year Budget Report

Background

Attached is the General Fund budget report as of December 31, 2024. This report is being provided to the Finance Committee for discussion purposes.

Discussion/Analysis

Revenues are 87% collected as compared to 90% for the same time period last year. Notable changes in revenues received between the two fiscal years are as follows:

- Licenses and Permits is 64% collected as compared to 143% for the same period last year. The main driver in this category is building permit revenue, which was higher last year mostly due to permit revenue received for the building project at 205 Baker Hollow Road, the Founders Square project, and the Target facility on Groton Road.

- Fines and Penalties is 69% collected as compared to 52% for the same period last year. This difference is an increase in parking fines revenue and revenues from moving violations that is a result of increased police enforcement and ticketing.

- Revenues from Use of Assets is 53% collected as compared to 92% for the same period last year. Interest income makes up most of this category. This variance is due to lower interest rates being realized in the current reporting period as compared to what was budgeted.

- State Grants in Lieu is 29% collected as compared to 49% for the same period last year. A revenue sharing grant was received from the State of Connecticut in FY 24 that was not budgeted for.

- Charges for Current Services is 58% collected as compared to 138% for the same period last year. This is mainly due to stronger conveyance fee revenue received in FY 24. Land conveyance fees were higher due to several large industrial property sales including the facility on Old Iron Ore Road that Amazon leases.

- Other Revenues is 12% collected as compared to 105% for the same time period last year. A recovery of unclaimed property funds was submitted for and received in FY 24. Funds of this type are posted to Other Revenues, as they are not applicable to any other revenue category.

Expenditures are 50% spent half way through FY 25, and were 51% expended at this same time period last year. Most of the service unit differences relate to the timing of when purchase orders are opened in the accounting system, and when certain expenditures occur. Notable changes in expenditures between the two fiscal years are as follows:

- Community Development reflects 35% expended this year as compared to 87% for the same time period last year. This is due to the timing of FY 24 budgeted expenditures and transfers related to the housing rehabilitation program and the Senior & Workforce Housing planning initiative.

There have been five appropriations from the General Fund Unassigned Fund balance as of December 31, 2024. $379,579 for the property tax appeal settlement for 184 Windsor Avenue LLC, $130,00 for consultant services for the 2015 Plan of Conservation and Development update, $95,000 for a planning study for the Day Hill Road corporate area, and $40,000 for the Windsor Senior Center lunch program.

Other Board Action
None

Recommendations
None

Attachment
FY 25 General Fund Mid-Year Budget Report

Town of Windsor
FY 25 General Fund Mid-Year Report
July 1, 2024 - December 31, 2024

REVENUE	FY 2024 - through December Adopted Budget	FY 2024 - through December FY 24 2nd Qtr Actual	FY 2024 - through December Percent Received	FY 2025 - through December Adopted Budget	FY 2025 - through December FY 25 2nd Qtr Actual	FY 2025 - through December Percent Received
910 GENERAL PROPERTY TAX	118,567,080	116,097,059	98%	119,010,500	117,293,965	99%
915 LICENSES AND PERMITS	823,740	1,175,643	143%	900,130	577,103	64%
920 FINES AND PENALTIES	22,000	11,380	52%	22,000	15,136	69%
925 REVENUES FROM USE OF ASSETS	2,637,000	2,421,781	92%	3,623,000	1,932,435	53%
930 STATE SCHOOL AID	12,847,660	2,886,916	22%	12,797,660	2,886,916	23%
935 STATE GRANTS IN LIEU	3,330,000	1,647,871	49%	2,916,680	840,057	29%
940 OTHER STATE GRANTS	70,000	-	0%	50,000	-	0%
950 REVENUES FROM OTHER AGENCIES	138,370	-	0%	128,370	-	0%
955 CHARGES FOR CURRENT SERVICES	749,900	1,033,686	138%	847,500	494,298	58%
960 OTHER REVENUES	20,000	21,087	105%	20,000	2,344	12%
965 OPENING CASH	-	-	-	3,000,000	-	-
TOTAL REVENUES	**139,205,750**	**125,295,423**	**90%**	**143,315,840**	**124,042,253**	**87%**

EXPENDITURES	FY 2024 - through December Adopted Budget	FY 2024 - through December FY 24 2nd Qtr Actual	FY 2024 - through December Percent Expended	FY 2025 - through December Adopted Budget	FY 2025 - through December FY 25 2nd Qtr Actual	FY 2025 - through December Percent Expended
10 INFORMATION SERVICES	710,400	390,316	55%	734,540	411,517	56%
11 ADMINISTRATIVE SERVICES	2,899,760	1,448,355	50%	3,014,060	1,543,711	51%
12 DEVELOPMENT SERVICES	1,617,230	745,381	46%	2,257,540	1,004,294	44%
13 GENERAL GOVERNMENT	1,258,630	784,311	62%	1,299,630	846,146	65%
18 COMMUNITY DEVELOPMENT	490,900	428,183	87%	114,350	39,459	35%
20 RECREATION & LEISURE SERVICES	2,434,500	1,450,071	60%	2,509,970	1,420,339	57%
25 LIBRARY SERVICES	1,918,210	967,738	50%	1,991,200	972,434	49%
35 HUMAN SERVICES	556,100	266,200	48%	571,470	271,635	48%
38 HEALTH SERVICES	646,360	304,340	47%	645,000	335,513	52%
40 PUBLIC WORKS	7,457,440	3,456,572	46%	7,053,420	3,617,813	51%
50 TOWN SUPPORT FOR EDUCATION	5,561,380	2,614,377	47%	5,975,430	2,811,029	47%
52 BOARD OF EDUCATION	80,184,020	38,182,867	48%	84,313,340	39,217,511	47%
60 SAFETY SERVICES	13,437,180	6,297,839	47%	13,548,200	6,835,094	50%
90 GENERAL SERVICES	20,033,640	13,379,992	67%	19,287,690	12,536,469	65%
TOTAL EXPENDITURES	**139,205,750**	**70,716,539**	**51%**	**143,315,840**	**71,862,963**	**50%**

Landfill

TOWN OF WINDSOR
First in Connecticut. First for its citizens.

Date: January 27, 2025

To: Finance Committee, Town Council

Prepared By: Mark Goossens, Solid Waste Manager

Reviewed By: Peter Souza, Town Manager

Subject: FY25 2nd Quarter Reports for the TSEF and LEF

Attached are the Quarterly Financial results for the Transfer Station Enterprise Fund and the Landfill Enterprise Fund which cover the 2nd quarter of FY 25.

Transfer Station Enterprise Fund - FY 2025 2nd Quarter Results

For *Total Revenue*, the Transfer Station Enterprise Fund received $199,402 during the first half of fiscal year 2025. These revenues were generated primarily from fees for bulky waste materials, yard wastes, and residential permit fees. These and other revenues for the fiscal year are shown in the column entitled: "YTD Results."

Year-to-date *Total Expenses* of $156,898 are shown in the same column. The largest budgeted expenses are for the transfer and disposal of wastes delivered to the Transfer Station by residents.

The most notable variances on the attached report are explained as follows:

- C&D Revenues: Revenues are under target by $9,829 – due to tonnage intake levels that were lower than budgeted, likely due to the unusually wet weather we experienced during part of last Fall.

The Annual Operating Income earned by the Transfer Station Enterprise Fund was $42,504 for the first half of fiscal year 2025. Adding this to the retained earnings at the start of the fiscal year, yields a total of $583,069 in retained earnings at the midpoint of FY 2025.

Landfill Enterprise Fund – FY 2025 2nd Quarter Results

For *Total Revenue*, the Landfill Enterprise Fund has received $425,517 at the midpoint of the fiscal year. This revenue is comprised mostly of interest income. A portion of these revenues ($49,000) are related to the receipt of clay soils from the Town of Bloomfield. The Town expects to submit reimbursement request(s) to the DEEP for much of the remaining grant balance during the remainder of this fiscal year as presented in the approved FY25 budget.

Total Operating Expenses of $405,471 were primarily related to closure and capping of the landfill. The two largest components of these expenses are Personnel Services ($184,350) and Contractual Services expenses ($99,216).

As shown in the row entitled: *Annual Operating Income*, the Landfill Enterprise Fund received $20,046 more than it expended during the first half of fiscal year 2025.

Some of the notable variances on the attached report are as follows:

- Interest Income – was over budget again for the 2nd quarter, as interest earnings continue to be higher than budgeted.
- Contractual Services – were under budget due largely to the timing of the work related to the project to improve the aesthetic issues within the wetlands. This work is expected to take place during the spring/summer timeframe of 2025. Because of this schedule, much more of the contractual expenses will be realized during the second half of FY25.
- Supplies – were under budget due to lower than anticipated heavy equipment rental expenses, and costs for additional materials including topsoil, stone, and road materials.

The Retained Earnings of the Landfill Enterprise Fund at the beginning of FY25 was $18,916,774 as shown on the bottom, left side of the report. With a net operating gain of $20,046 during the first half of FY25, the balance of the Retained Earnings of the enterprise fund at the end of the year becomes $18,936,820 at the end of the 2nd quarter, as shown at the bottom, right side of the report. This amount will continue to be used for landfill closure and capping expenses, as well as on-going post-closure expenses at the site.

LANDFILL QUARTERLY REPORT - 2nd Quarter - FY 2025

Period: October 1, 2024 to December 2024

	FY 2025	FY 2025 Data						Previous Fiscal Year - FY 2024	
Operating Revenue	ADOPTED BUDGET	2nd Quarter Target	2nd Quarter Results	YTD Target	YTD Results	YTD vs YTD Target Variance (T & $)	YTD vs YTD Target Variance (%)	2nd Quarter	YTD 2 Quarters
Permits & Other Revenues	$ -	$ -	$ 49,000	$ -	$ 49,000	$ 49,000		$ -	$ 100,000
CT DEEP Reimbursement Grant	$ 270,000	$ -	$ -	$ -	$ -	$ -		$ -	$ -
TOTAL OPERATING REVENUE	$ 270,000	$ -	$ 49,000	$ -	$ 49,000	$ 49,000		$ -	$ 100,000
Non-Operating Revenue									
Interest Income	$ 590,000	$ 147,500	$ 187,352	$ 295,000	$ 376,517	$ 81,517	127.6%	$ 186,449	$ 397,981
TOTAL REVENUE	$ 860,000	$ 147,500	$ 236,352	$ 295,000	$ 425,517	$ 130,517	144.2%	$ 186,449	$ 497,981
Operating Expenses									
Administrative Overhead	$ 50,000	$ 12,500	12,500	$ 25,000	25,000	$ -	100.0%	$ 12,500	$ 25,000
Personnel Services	$ 500,390	$ 125,098	95,267	$ 250,195	184,350	$ (65,845)	73.7%	$ 96,109	$ 196,788
Maintenance & Repairs	$ 34,200	$ 8,550	938	$ 17,100	1,644	$ (15,456)	9.6%	$ 2,855	$ 5,888
Energy & Utility	$ 44,650	$ 11,163	14,364	$ 22,325	17,829	$ (4,496)	79.9%	$ 5,036	$ 20,792
Services	$ 438,440	$ 109,610	69,336	$ 219,220	99,216	$ (120,004)	45.3%	$ 85,722	$ 163,290
Supplies	$ 182,790	$ 45,698	37,682	$ 91,395	40,544	$ (50,851)	44.4%	$ 36,355	$ 98,764
Grants & Contributions	$ 3,000	$ 750	0	$ 1,500	0	$ (1,500)	0.0%	$ -	$ 2,375
Capital Outlay	$ -	$ -	0	$ -	0	$ -	0.0%	$ 251,763	$ 268,646
Insurance Premium & Permit Fees	$ 33,250	$ -	0	$ 33,250	36,888	$ 3,638	0.0%	$ -	$ 33,268
Total: Operating Expenses	$ 1,286,720	$ 313,368	$ 230,087	$ 659,985	$ 405,471	$ (254,514)	61.4%	490,341	814,811
Non-Operating Expenses (includes Depr)	$ 34,530	$ 8,633	0	$ 17,265	0	$ -	0.0%	$ -	$ -
TOTAL: EXPENSES	$ 1,321,250	$ 322,000	$ 230,087	$ 677,250	$ 405,471	$ (271,779)	59.9%	490,341	814,811
Annual Operating Income/(loss)	$ (461,250)	$ (174,500)	$ 6,265	$ (382,250)	$ 20,046	$ 402,296	-5.2%	$ (303,892)	$ (316,830)
Adopted End of Yr Retained Earnings: (07/01/20)	$ 18,140,529								

Actual Retained Earnings - start of FY 2025 (From June 30, 2024 CAFR) **$ 18,916,774**

Net Annual Operating Income - YTD - (12/31/24) **$ 20,046**

Final LEF Balance - 12/31/24 **18,936,820**

RESIDENTIAL TRANSFER STATION QUARTERLY REPORT - 2nd Quarter - FY 2025

Period: October 1, 2024 to December 31, 2024

	FY 2025 ADOPTED BUDGET	FY 2025 Data: 2nd QTR Target	2nd QTR Results	YTD Target	YTD Results	YTD vs YTD Target Variance (T & $)	YTD vs YTD Target Variance (%)	Previous Fiscal Year - FY 2024: 2nd QTR	YTD 2 Quarters
REVENUES									
BULKY REVENUES									
Construction & Demolition Debris	$ 189,000	$ 47,250	$ 41,261	$ 102,838	$ 93,009	$ (9,829)	90.4%	$ 42,654	$ 89,688
Oversized Wastes (couches, chairs, etc)	$ 12,610	$ 4,203	$ 1,980	$ 8,407	$ 4,190	$ (4,217)	49.8%	$ 3,080	$ 6,180
MSW REVENUES									
Permit Fees	$ 54,170	$ 2,709	$ 2,545	$ 40,628	$ 42,040	$ 1,413	103.5%	$ 2,380	$ 43,170
Side Window Transactions	$ 18,430	$ 4,608	$ 3,244	$ 9,215	$ 7,032	$ (2,183)	76.3%	$ 4,160	$ 8,360
SALE OF RECYCLABLES (metal, CC)	$ 20,230	$ 6,743	$ 3,459	$ 13,487	$ 8,255	$ (5,232)	61.2%	$ 5,460	$ 10,785
NON-DISPOSED MATLS (tires, prop, cfcs, etc)	$ 13,970	$ 3,493	$ 2,918	$ 6,985	$ 6,382	$ (603)	91.4%	$ 2,987	$ 6,781
YARD WASTES & BRUSH	$ 33,750	$ 9,643	$ 7,849	$ 20,893	$ 17,079	$ (3,814)	81.7%	$ 6,372	$ 17,584
RECYCLING ADMIN PAYMENT	$ 11,000	$ -	$ -	$ -	$ 11,000	$ 11,000	0.0%	$ -	$ 11,000
INTEREST EARNINGS	$ 17,000	$ 4,250	$ 5,265	$ 8,500	$ 10,415	$ 1,915	122.5%	$ 6,319	$ 10,500
TOTAL: REVENUES	$ 370,160	$ 82,898	$ 68,522	$ 210,952	$ 199,402	$ (11,550)	94.5%	$ 73,412	$ 204,048
OPERATING EXPENSES									
Personnel Services	$ 105,710	$ 26,428	$ 13,677	$ 52,855	$ 30,451	$ 22,404	57.6%	$ 22,914	$ 47,300
Supplies	$ 7,320	$ 1,830	$ 3,554	$ 3,660	$ 3,554	$ 106	97.1%	$ 894	$ 2,193
Services & Other Wastes	$ 23,170	$ 5,793	$ 6,808	$ 11,585	$ 9,982	$ 1,603	86.2%	$ 5,170	$ 9,775
Services - MSW T&D	$ 54,870	$ 13,718	$ 21,543	$ 27,435	$ 26,279	$ 1,156	95.8%	$ 15,241	$ 24,727
Services - Bulky & Oversized T&D	$ 172,760	$ 43,190	$ 69,111	$ 86,380	$ 83,085	$ 3,295	96.2%	$ 51,582	$ 77,817
Energy & Utility	$ 14,100	$ 5,640	$ 699	$ 7,050	$ 947	$ 6,103	13.4%	$ 1,193	$ 1,624
TOTAL: OPERATING EXPENSES	$ 377,930	$ 96,598	$ 115,391	$ 188,965	$ 154,298	$ 34,667	81.7%	$ 96,994	$ 163,436
NON-OPERATING EXPENSES									
Organics/Food Scrap Recycling Program	$ 8,000	$ 2,000	$ 1,300	$ 4,000	$ 2,600	$ 1,400	65.0%	$ 1,100	$ 2,400
TOTAL EXPENSES	$ 385,930	$ 98,598	$ 116,691	$ 192,965	$ 156,898	$ 36,067	81.3%	$ 98,094	$ 165,836
ANNUAL OPERATING INCOME / (LOSS)	$ (15,770)	$ (13,699)	$ (46,870)	$ 21,987	**$ 42,504**	$ 20,517	193.3%	$ (24,682)	$ 38,212

Adopted End of FY25 Retained Earnings	$ 492,326
Actual Retained Earnings (June 30, 2024)	$ 540,565
Retained Earnings (12/31/24)	**$ 583,069**

Caring Connection

INTEROFFICE MEMORANDUM

TO: Peter Souza, Town Manager
FROM: Cheryl Rosenbaum, Caring Connection Manager
SUBJECT: FY 25 2nd Quarter Review with Fiscal Year Projections
DATE: January 27, 2025

Background

The Caring Connection's average daily census has surpassed where those numbers were pre-COVID. We continue to receive inquiries from both within and outside our catchment area. These inquiries are followed up with meet and greets, trial days and partnering with the senior transportation division to support efforts to increase our census.

2nd Quarter Revenues & Fiscal Year Projections

The first six months of FY 25 revenues were $232,640. Revenues are trending approximately $48,600 higher than the same time period last year. Total revenues for FY 25 are projected to come in at $500,350, which is $8,550 less than the FY 25 budgeted revenues.

2nd Quarter Expenses & Fiscal Year Projections

The Caring Connection expenditures for the first six months of FY 25 are $298,340 which are increased due to the increase in programming and market adjustments to salaries. Current projections for overall FY 25 expenditures are expected to come in $47,830 over budget.

2nd quarter census continues to remain healthy as a result of our outreach efforts combined with our online presence and digital media advertising efforts. As of mid-January, our average daily census was 19.5.

Overall FY 25 Projection

We project an end of fiscal year operating loss of $121,250, which is $55,930 more than the $65,320 loss projected in the FY 25 adopted budget. The use of DSS Covid Relief Funds are projected to be $39,180, which will help to offset this operating loss. An increase of $17,930 is projected for the Unrestricted Net Position at the end of FY 25.

Marketing Efforts for the 2nd Quarter

- Attended two in-person health and wellness fairs in Windsor and Bloomfield
- The Caring Connection continues with a combination of paid advertisements through Google and Facebook. These ads use location, demographics, and interests/behaviors to deploy the ads to the right people, in the right place, at the right time.
- Our annual holiday celebration with clients and families was successful with more than 60 people in attendance.

TOWN OF WINDSOR

CARING CONNECTION ENTERPRISE FUND

STATEMENT OF REVENUES AND EXPENSES

			Monthly Average	FY 2025 Year-to-Date December 31, 2024 Actuals & Year-End Projections													
	FY 2024 Actual	FY 2025 - Approved Budget	~ budget divided by 12 ~	Jul-24 Actual	Aug-24 Actual	Sep-24 Actual	Oct-24 Actual	Nov-24 Actual	Dec-24 Actual	Jan-25 Projection	Feb-25 Projection	Mar-25 Projection	Apr-25 Projection	May-25 Projection	Jun-25 Projection	Total FY 25 YTD	FY 25 Projection vs FY 25 Adoped Budget
Operating Revenue:																	
Charges For Services	379,226	483,000	40,250	39,623	35,917	35,985	37,998	34,549	33,228	35,950	35,970	35,970	35,970	35,970	35,970	433,100	(49,900)
Other Revenues	28,370	20,000	1,667	-	-	962	951	7,256	1,021	11,890	11,890	1,820	11,890	1,820	11,890	61,390	41,390
Total Operating Revenue	407,596	503,000	41,917	39,623	35,917	36,947	38,949	41,805	34,249	47,840	47,860	37,790	47,860	37,790	47,860	494,490	(8,510)
Non-Operating Revenue:																	
Donations	3,145	3,200	267	-	-	-	-	3,605	255	-	-	-	-	-	-	3,860	660
Interest Income	3,374	2,700	225	394	217	217	202	169	93	118	110	120	120	120	120	2,000	(700)
Total Non-Operating Revenue	6,519	5,900	492	394	217	217	202	3,774	348	118	110	120	120	120	120	5,860	(40)
Total Revenue	414,115	508,900	42,408	40,017	36,134	37,164	39,151	45,579	34,597	47,958	47,970	37,910	47,980	37,910	47,980	500,350	(8,550)
Operating Expenses:																	
Personal Services	280,502	329,470	27,456	25,299	24,963	23,158	26,836	24,555	40,719	28,100	28,100	28,110	28,110	28,110	28,110	334,170	4,700
Payroll Weeks	*52.2*	*52.2*		*4.6*	*4.4*	*4.2*	*4.6*	*4.2*	*4.4*	*4.6*	*4.0*	*4.2*	*4.4*	*4.4*	*4.2*	52.2	-
Supplies	11,469	12,950	1,079	700	663	687	12,657	11,367	1,537	1,089	1,090	1,090	1,090	1,090	1,080	34,140	21,190
Services	62,183	87,580	7,298	1,906	6,006	6,437	6,937	7,572	7,949	12,093	12,090	12,090	12,090	12,090	12,090	109,350	21,770
Marketing Expenses	9,205	10,500	875	294	299	-	965	661	3,238	841	841	841	840	840	840	10,500	-
Energy & Utility	4,460	4,800	400	212	212	212	211	212	212	212	2,469	212	212	212	212	4,800	-
Administrative Overhead	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	65,090	65,090	5,424	5,424	5,424	5,424	5424	5,425	5,424	5,424	5,424	5,424	5,424	5,424	5,425	65,090	-
Transfer Payment to GF Transportation Unit	56,527	62,830	5,236	4,852	4,363	3,915	4,827	5,838	4,841	5,654	5,652	5,652	5,652	5,652	5,652	62,550	(280)
Other (Bad Debt)	5,255	1,000	83	83	83	83	83	83	83	83	83	83	83	83	87	1,000	-
Total Operating Expenses	494,691	574,220	47,852	38,770	42,013	39,916	57,940	55,713	64,003	53,496	55,749	53,502	53,501	53,501	53,496	621,600	47,380
Non-Operating Expenses:																	
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	494,691	574,220	47,852	38,770	42,013	39,916	57,940	55,713	64,003	53,496	55,749	53,502	53,501	53,501	53,496	621,600	47,380
Annual Income/(Loss)	(80,576)	(65,320)	(5,443)	1,247	(5,879)	(2,752)	(18,789)	(10,134)	(29,406)	(5,538)	(7,779)	(15,592)	(5,521)	(15,591)	(5,516)	(121,250)	
Net Position (Deficits), Beginning of Year/Month	**49,734**	**115,914**		**134,630**	**237,066**	**232,645**	**231,192**	**225,459**	**227,132**	**199,300**	**195,228**	**188,915**	**174,789**	**170,734**	**156,609**		
Transfer In - from the General Fund	100,000	100,000		100,000	-	-	-	-	-	-	-	-	-	-	-	100,000	
Transfer In - from American Rescue Fund	60,000	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer In - DSS Covid Relief Funds	5,472	32,500		1,189	1,458	1,299	13,056	11,807	1,574	1,466	1,466	1,466	1,466	1,466	1,467	39,180	
Net Position (Deficits), End of Year/Month	$ 134,630	$ 183,094		$ 237,066	$ 232,645	$ 231,192	$ 225,459	$ 227,132	$ 199,300	$ 195,228	$ 188,915	$ 174,789	$ 170,734	$ 156,609	$ 152,560	17,930	
Subtract capital assets in Net Position	-	-													-		
Unrestricted Net Position (Deficits)	$ 134,630	$ 183,094													$ 152,560		

Average Daily Census

Note average daily census history: FY 24 = 17; FY 23 = 14; FY 22 = 11; FY 21 = 10; FY 20 = 14; FY 19 = 17; FY 18 = 21; FY 17 = 20; FY 16 = 23; FY 15 = 20; FY 14 = 24; FY 13 = 27

Early Childhood

INTEROFFICE MEMORANDUM

TO: Peter Souza, Town Manager
FROM: Laura Casey, Early Childhood Manager
SUBJECT: FY 25 2nd Quarter Review with Fiscal Year Projections
DATE: January 27, 2025

2nd Quarter Revenues & Fiscal Year Projections:
During the first six months of fiscal year 2025, total revenues equaled $738,290, $26,270 higher than the same time period last year. We anticipate at this point to be under our budgeted revenue projections by $82,270. This loss is due to the inability to accommodate longer schedules (full-day vs half-day) in the primary program due to staffing challenges as well as a loss of 6 students as families relocated during the first and second quarter. We are optimistic we will be able to reduce the vacancies before third-quarter end.

In regards to staffing, as you know, seasoned and highly qualified staff has always been a trademark of the Discovery Center. Attracting qualified part-time staff continues to be a challenge and will come at a higher cost due to the increase in minimum wage and competition with other centers in the region, as well as a shrinking pool of qualified applicants.

2nd Quarter Expenses & Fiscal Year Projections:
The Child Development Enterprise Fund operating expenditures are $717,050 for the first six months of FY 25. This is 8.8% higher than the same time period last year due largely to personnel costs.

Overall FY 25 Projection:
At this time, we project an end of fiscal year loss of $39,570 for FY 25 versus a budgeted loss of $6,360. The projected loss would leave the Child Development Enterprise Fund with a positive Unrestricted Net Position of $444,439 at the end of FY 25. The additional loss is due to the Primary (ages 3-5) vacancies in the new classroom.

Marketing Efforts:

Our marketing efforts for the second quarter included:

- Beginning the enrollment process for the 2025-2026 academic year.
- Conduct monthly tours for all callers to place additional children on the waiting list.
- Actively looking for additional afternoon staff to add additional full-time students.

Attachments
FY 25 Second Quarter Actuals & Year-End Projections

TOWN OF WINDSOR
CHILD DEVELOPMENT ENTERPRISE FUND
STATEMENT OF REVENUES AND EXPENSES

				FY 2025 Year-to-Date December 31, 2024 Actuals & Year-End Projections													
	FY 2024 Actual	FY 2025 - Adopted Budget	FY 2025 - Monthly Average ~ adopted budget divided by 12 ~	Jul-24 Actual	Aug-24 Actual	Sep-24 Actual	Oct-24 Actual	Nov-24 Actual	Dec-24 Actual	Jan-25 Projection	Feb-25 Projection	Mar-25 Projection	Apr-25 Projection	May-25 Projection	Jun-25 Projection	Total FY 25 YTD	FY 25 Projection vs FY 25 Adoped Budget
Operating Revenue:																	
Charges For Services	1,448,166	1,551,170	129,264	115,100	111,615	131,276	118,482	119,742	120,377	124,330	124,330	124,330	124,320	124,330	124,358	1,462,590	(88,580)
Other Revenues	32,430	21,000	1,750	1,208	3,166	1,153	805	4,706	1,393	1,810	1,810	1,810	1,810	1,819	1,820	23,310	2,310
Total Operating Revenue	1,480,596	1,572,170	131,014	116,308	114,781	132,429	119,287	124,448	121,770	126,140	126,140	126,140	126,130	126,149	126,178	1,485,900	(86,270)
Non-Operating Revenue:																	
Donations	176	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	17,762	11,000	917	1,855	1,097	1,476	1,607	1,542	1,687	956	950	960	960	960	950	15,000	4,000
Total Non-Operating Revenue	17,938	11,000	917	1,855	1,097	1,476	1,607	1,542	1,687	956	950	960	960	960	950	15,000	4,000
Total Revenue	1,498,534	1,583,170	131,931	118,163	115,878	133,905	120,894	125,990	123,457	127,096	127,090	127,100	127,090	127,109	127,128	1,500,900	(82,270)
Operating Expenses:																	
Personal Services	1,162,629	1,344,880	112,073	111,938	112,319	97,715	105,987	100,076	98,288	114,090	114,090	114,080	114,090	114,090	114,098	1,310,860	(34,020)
Payroll Weeks	*52.2*	*52.2*		*4.6*	*4.4*	*4.2*	*4.6*	*4.2*	*4.4*	*4.6*	*4.0*	*4.2*	*4.4*	*4.4*	*4.2*	*52.2*	-
Supplies	28,236	33,850	2,821	18	454	764	3,038	479	275	4,240	4,240	4,240	4,240	4,240	4,242	30,470	(3,380)
Services	46,583	58,000	4,833	3,880	5,819	2,355	5,679	1,425	2,934	5,570	5,570	5,570	5,570	5,580	5,588	55,540	(2,460)
Marketing Expenses	4,125	5,000	417	320	315	24	-	-	2,054	240	240	240	240	240	247	4,160	(840)
Maintenance & Repairs	11,427	15,000	1,250	100	-	-	-	302	220	2,400	2,400	5,000	2,500	1,500	578	15,000	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy & Utility	9,854	10,000	833	143	143	143	143	143	143	143	8,427	143	143	143	143	10,000	-
Rent	118,830	118,830	9,903	9,903	9,902	9,903	9,902	9,903	9,902	9,902	9,902	9,903	9,902	9,903	9,903	118,830	(0)
Other (Bad Debt)	1,726	2,000	167	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,000)
Total Operating Expenses	1,383,410	1,587,560	132,297	126,302	128,952	110,904	124,749	112,328	113,816	136,585	144,869	139,176	136,685	135,696	134,799	1,544,860	(42,700)
Non-Operating Expenses:																	
Depreciation	1,972	1,970	164	164	164	164	164	164	164	164	164	164	164	164	166	1,970	0
Total Non-Operating Expenses	1,972	1,970	164	164	164	164	164	164	164	164	164	164	164	164	166	1,970	0
Total Expenses	1,385,382	1,589,530	132,461	126,466	129,116	111,068	124,913	112,492	113,980	136,749	145,033	139,340	136,849	135,860	134,965	1,546,830	(42,700)
Annual Income/(Loss)	113,152	(6,360)	(530)	(8,303)	(13,238)	22,837	(4,019)	13,498	9,477	(9,653)	(17,943)	(12,240)	(9,759)	(8,751)	(7,837)	(45,930)	(39,570)
Net Position (Deficits), Beginning of Year/Month	**337,590**	**328,240**		**498,665**	**490,362**	**477,124**	**499,961**	**495,942**	**509,440**	**518,917**	**509,264**	**491,321**	**479,081**	**469,322**	**460,571**		
OEC Stabilization Grant Funds Used	47,923			-	-	-	-	-	-	-	-	-	-	-	-		
Net Position (Deficits), End of Year/Month	**$ 498,665**	**$ 321,880**		**$ 490,362**	**$ 477,124**	**$ 499,961**	**$ 495,942**	**$ 509,440**	**$ 518,917**	**$ 509,264**	**$ 491,321**	**$ 479,081**	**$ 469,322**	**$ 460,571**	**$ 452,734**		
Subtract capital assets in Net Position	(10,265)														(8,295)		
	$ 488,400	$ 321,880													$ 444,439		

Agenda Item Summary

Date: January 27, 2025

To: Members of the Finance Committee

Prepared by: Scott W. Colby, Jr., Assistant Town Manager

Reviewed by: Peter Souza, Town Manager

Subject: Line of Duty Death Surviving Spouse Exemption

<u>Background</u>
State law allows municipalities the option to provide an abatement of taxes for the surviving spouse of a Connecticut police officer, firefighter or emergency medical technician who has died in the performance of their duties. Initial information on this local option, which Windsor has not previously considered, was presented to the Finance Committee in November 2024.

The purpose of this agenda item is to allow the Committee to continue discussions of potentially advancing a proposed ordinance to the Town Council for consideration.

<u>Discussion/Analysis</u>
CGS Sec. 12-81x enables the legislative body of a municipality to establish, by local ordinance, a program to abate all or a portion of the property taxes due with respect to real estate that is owned by the surviving spouse of a police officer, firefighter or emergency medical technician who has died during the course of the performance of such officer's, firefighter's or technician's duties, so long as it is also occupied as their principal residence.

The statute provides no further guidelines regarding the amount of the abatement. The Town Council could decide to establish an abatement program for a flat dollar tax benefit, or for a fixed percentage tax benefit. Several towns have adopted this local option including Southington, Berlin, and Groton (see attached).

Staff has researched municipalities in Connecticut who have adopted this local option and developed a preliminary draft ordinance for review and discussion. Below are some highlights of the draft ordinance that is attached.

- Exemption provides an abatement of 100% of municipal real residential property taxes
- Remains in effect so long as the surviving spouse occupies the residence as their primary residence.
- Exemption continues if the surviving spouse remarries.
- If the spouse subsequently purchases another residence in the town, and all qualifying criteria remain, then the tax abatement shall apply to the new residence.
- If the property is a multiple family or multiple use dwelling, such relief be prorated to reflect the fractional portion of such property occupied by the qualifying spouse.
- Establishes an annual application process for the abatement

Some key elements in other community's adopted ordinance that vary from municipality to municipality include:

- *Remarrying* – Some municipalities allow for the surviving spouse to remarry and continue to receive the abatement while others upon remarrying the abatement ends.
- *Multi-Family dwelling* – The entire dwelling may be abated or the dwelling is prorated to reflect just a portion of the property occupied by the surviving spouse.
- *Establishing a new residence* – Some municipalities do not allow for the surviving spouse to purchase a different primary residence in the town and continue to receive the abatement.

Recommendation
This item is presented for preliminary discussion purposes and to provide direction to staff.

Attachment
Preliminary Draft Ordinance

Town of Southington, CT

Example Ordinance

The following ordinance is being introduced by Jim Morelli and Christopher J. Palmieri.

AARON PELLETIER PUBLIC SERVANT SURVIVING SPOUSE LINE OF DUTY TAX ABATEMENT ORDINANCE

ORDINANCE NO. §375-10

SECTION 1: Purpose

The purpose of this ordinance is to recognize and support the surviving spouses of Public Servant residents of the Town of Southington who have tragically lost their lives while performing duties as, police officers, firefighters, emergency medical service providers. This ordinance shall provide a 100% tax abatement on all Southington real and personal property taxes for eligible surviving spouses of Public Servants as outlined below, up to $10,000 per year.

SECTION 2: Definitions

For the purposes of this ordinance:

1. Surviving Spouse: The legal spouse of a resident of the Town of Southington who was killed in the line of duty as defined in Section 2 and who meets the eligibility criteria outlined in Section 3.

2. Line of Duty Death: The death of an active employee by felonious or accidental means during the course of performing official duties for the following Public Servant entities at the time of death:
- Police Officer
- Firefighter
- Emergency Medical Services (EMS)

3. Real and Personal Property: Property owned by the surviving spouse that is subject to real estate taxes or personal property taxes within the Town of Southington.

SECTION 3: Eligibility for Tax Abatement

To qualify for the tax abatement, the following conditions must be met:

1. Line of Duty Death: The deceased Public Servant must have been a resident of the Town of Southington at the time of death, and their death must have occurred in the line of duty while performing their job for one of the entities listed in Section 2(2).

2. Date of Death: The Public Servant line-of-duty death must have occurred on or after January 1, 2024.

3. Surviving Spouse Residency: The surviving spouse must have been a resident of Southington at the time of their spouse's death and must continue to reside in Southington for the duration of the abatement.

4. Property Ownership: The surviving spouse must own at the time of application and continue to own real and/or personal property in the Town of Southington, which is subject to local taxation.

SECTION 4: Application Process

1. Initial Application: Eligible surviving spouses must submit a request to the Southington Tax Assessor's Office, providing documentation of the line-of-duty death, proof of residency, and property ownership.

2. Annual Verification The surviving spouse must file an annual affidavit with the Southington Tax Assessor's Office verifying continued residency and ownership of the property within the Town of Southington to remain eligible for the abatement.

3. Approval: Upon receipt of the application and verification of eligibility, the Tax Assessor shall approve the tax abatement and notify the Southington Tax Collector's Office for implementation.

SECTION 5: Scope of Tax Abatement

1. The 100% tax abatement applies to all Southington real estate and personal property taxes assessed on the property owned by the surviving spouse within the Town of Southington up to $10,000 annually.

2. The abatement does not apply to taxes owed for any properties or assets located outside of the Town of Southington.

SECTION 6: Expiration and Termination of Abatement

1. The tax abatement shall expire after 15 consecutive grand list cycles from the date of death.

2. The abatement shall terminate if:

- The surviving spouse no longer resides in Southington;
- The surviving spouse no longer owns real or personal property within Southington

SECTION 7: Implementation

The Southington Tax Assessor's Office and the Southington Tax Collector's Office shall implement the provisions of this ordinance and ensure compliance with the eligibility criteria and the abatement process outlined herein.

I HEREBY CERTIFY that this Ordinance was enacted by the Town Council of the Town of Southington this day of , 2024, in accordance with the provisions of the Charter of the Town of Southington.

____
Kathy Larkin
Town Clerk

APPROVED: ______________________________
Alex J. Ricciardone, Town Manager

DATE: ______________________

City of Groton, CT

Example Ordinance

Ordinance To Provide A Tax Abatement For The Surviving Spouses Of Fallen Police Officers, Fire Fighters And EMTs

INTRODUCTION OF AN ORDINANCE TO PROVIDE A TAX ABATEMENT FOR REAL PROPERTY FOR THE SURVIVING SPOUSES OF POLICE OFFICERS, FIRE FIGHTERS and EMERGENCY MEDICAL TECHNICIANS THAT HAVE FALLEN IN THE LINE OF DUTY

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF GROTON:

Abatement of property taxes for spouses of firefighters, emergency medical technicians, Town of Groton police officers, Groton Long Point police officer, and City of Groton police officers, who die on duty while in performance of their duties.

(a) Definitions. The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Emergency Medical Technician (EMT) means any person who is certified as an emergency medical technician by the State of Connecticut Office of Emergency Medical Services performing EMT duties full-time or part-time for any valid ambulance service provider located within the geographical boundaries of the Town of Groton.

EMT duties means duties performed while traveling to, at, or returning directly from calls routed through an emergency dispatch center, or tests or trials of any apparatus or equipment normal normally used by the employer ambulance service provider; while instructing or being instructed in EMT duties; or while engaging in any other duty ordered to be performed by a superior or commanding officer in the ambulance service provider.

Fire duties means duties performed while at fires, while answering alarms of fires, while answering calls for mutual aid assistance, while returning from calls for mutual aid assistance, while directly returning from fires, while at tests or trials of any apparatus or equipment normally used by the fire department, while going to or returning directly from such tests or trials, while instructing or being instructed in fire duties, and any other duty ordered to be performed by a superior or commanding officer in the fire department.

Firefighter means any person who is a duly employed member of a municipal fire department and paid for the purpose of performing fire duties full-time or part-time for any valid fire department located within the geographical boundaries of the Town of Groton.

Line of duty death means the death occurs while the firefighter, emergency medical technician, or police officer is performing an action solely related to performance of their regular work or as a part of it. It does not include deaths that could just have likely occurred while not on duty. Travel to and from the place of business is not considered in the line of duty.

Police officer means a duly sworn member of a municipal police department, serving in an official capacity, full-time or part-time, with compensation or a duly sworn member of the town police department serving the town in an official capacity, full-time or part-time, for any valid police department located within the geographical boundaries of the Town of Groton.

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Police duties means any action which an officer is obligated or authorized by law, rule, regulation, or written condition of employment of service to perform during regularly scheduled hours, or other hours that qualify for compensation from a local police department.

Surviving spouse means the person who was a resident of the town and married to the police officer or firefighter at the time of the police officer's or firefighter's death.

Valid Ambulance Services Provider means any business/non-profit engaged in the business of transporting sick, disabled or injured individuals by ambulance to or from facilities or institutions providing health services.

(b) In accordance with state statute § 12-81x, there is hereby established effective for the Grand List of October 1, 2022, an abatement of one hundred percent (100%) of municipal real residential property taxes due with respect to real property owned by the surviving spouse of a police officer who has died as a result of the performance of police duties or a firefighter who has died as a result of the performance of fire duties. The abatement only applies to Town taxes due to the Town of Groton and does not apply to any district or other political subdivision taxes that may be due.

(c) The tax abatement will remain in effect so long as the surviving spouse owns the property as of the October 1st grand list and occupies the residence as their primary residence or until the spouse conveys their fee interest in the subject residence. If the spouse subsequently purchases another residence in the town, and all qualifying criteria remain, then the tax abatement shall apply to the new residence. For any property that is in a Trust, a copy of the Trust agreement must be provided to the assessor for review. The terms of the trust agreement are that the claimant must be considered to be the primary beneficiary of the trust.

(d) Upon the death of any person entitled to tax relief pursuant to this section, the tax relief hereunder shall end the following June 30th.

(e) If any person who is entitled to a tax abatement hereunder conveys their fee title in the property with respect to which the tax abatement hereunder has been granted, the tax relief shall be suspended as of the date of conveyance and the nonqualifying grantee of such property shall pay the town a prorated share of taxes thereby due and owing. The assessor is to be notified by the applicant of the transfer within 10 days of the property transfer date.

(f) The property tax relief provided for in this section shall, in any case where title to real property is recorded in the name of the qualifying surviving spouse and any other person or persons, be prorated to reflect the fractional portion of such qualifying spouse, or, if such property is a multiple family or multiple use dwelling, such relief be prorated to reflect the fractional portion of such property occupied by the qualifying spouse. A spouse desiring such abatement shall submit an application to the assessor requesting a determination as to whether such abatement is permitted.

(g) If such surviving spouse remarries, the abatement shall cease commencing with taxes on the October 1st grand list next following the date of such remarriage. In the event that such remarriage shall terminate, such surviving spouse may apply for the abatement commencing with taxes due on the October 1st grand list next following the date of such termination.

(h) The surviving spouse's annual income may not be more than 400% of the Federal

Poverty Level for a single-person family/household as published annually in January in the Federal Register by the Department of Health and Human Services (HSS) for the 48 contiguous states and the District of Columbia.

(i) The tax collector and assessor shall prescribe with regard to their respective duties under this section, such forms and procedures as may be necessary to implement this section. The assessor, in addition, shall take such steps necessary to satisfactorily establish the facts as to the qualifying surviving spouse's interest in the property, by requesting such documents as the assessor deems necessary. Such documentation will be required yearly to continue the tax abatement. Eligibility shall be determined by the assessor and/or their designee, and such determination shall be final.

(j) No later than November 1st of each year the surviving spouse shall complete & file with the assessor an application for the 100% abatement & attest annually that

(1) they have not remarried since the death of their police officer or firefighter spouse and

(2) adjusted gross income as reported to the IRS for the prior calendar year does not exceed 400% of the Federal Poverty limit by providing a copy of their completed Form 1040.

(j) This ordinance shall become effective on the 45th day after publication of the Notice of Passage of the ordinance and shall be applicable to assessment years commencing on or after October 1, 2022.

and be it further

RESOLVED, that the Town Council will hold a public hearing on a Tax Abatement for Real Property for the Surviving Spouses of Police Officers, Fire Fighters and Emergency Medical Technicians that have Fallen in the Line of Duty on April 5, 2022 at 6:30 p.m. at the Thrive 55+ Active Living Center at 102 New Town Road, Groton CT as well as via Zoom and on GMTV.

Town of Berlin, CT

Example Ordinance

CHAPTER XVI - TAXATION AND FINANCE

Article 1. - General

Secs. 16-1—16-10. Reserved.

Article 2. - Ad Valorem Tax[1]

Part A. - Generally.

Sec. 16-21. Abatement of property taxes for spouses of firefighters and police officers who die on duty.

(a) Definitions. The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Fire duties means duties performed while at fires, while answering alarms of fires, while answering calls for mutual aid assistance, while returning from calls for mutual aid assistance, while directly returning from fires, while at tests or trials of any apparatus or equipment normally used by the fire department, while going to or returning directly from such tests or trials, while instructing or being instructed in fire duties, and any other duty ordered to be performed by a superior or commanding officer in the fire department.

Firefighter means any person who is a duly employed member of a state or municipal fire department and paid for the purpose of performing fire duties on an average of not less than thirty-five (35) hours per week or any volunteer member of the town fire department.

Police officer means a duly sworn member of a state or municipal police department, serving in an official capacity, full-time or part-time, with compensation or a duly sworn member of the town police department serving the town in an official capacity, full-time or part-time, with or without compensation.

Police duties means any action which an officer is obligated or authorized by law, rule, regulation, or written condition of employment of service to perform during regularly scheduled hours, or other hours that qualify for compensation from a state or local police department.

Surviving spouse means the person who was a resident of the town and married to the police officer or firefighter at the time of the police officer's or firefighter's death.

(b) In accordance with state statute § 12-81x, there is hereby established effective for the Grand List of October 1, 2005, an abatement of fifty percent (50%) of municipal real

[1] **State law reference**—Levy and collection of taxes, state statute § 12-122 et seq.

property taxes due with respect to real property owned by the surviving spouse of a police officer who has died as a result of the performance of police duties or a firefighter who has died as a result of the performance of fire duties.

(c) The tax abatement will remain in effect so long as the surviving spouse occupies the residence as her primary residence or until the spouse conveys her fee interest in the subject residence. If the spouse subsequently purchases another residence in the town, and all qualifying criteria remain, then the tax abatement shall apply to the new residence.

(d) Upon the death of any person entitled to tax relief pursuant to this section, the tax relief hereunder shall end the following June 30.

(e) If any person who is entitled to a tax abatement hereunder conveys her fee title in the property with respect to which the tax abatement hereunder has been granted, the tax relief shall be suspended as of the date of conveyance and the nonqualifying grantee of such property shall pay the town a prorated share of taxes thereby due and owing as provided by state statute § 12-81a.

(f) The property tax relief provided for in this section shall, in any case where title to real property is recorded in the name of the qualifying surviving spouse and any other person or persons, be prorated to reflect the fractional portion of such qualifying spouse, or, if such property is a multiple family or multiple use dwelling, such relief be prorated to reflect the fractional portion of such property occupied by the qualifying spouse. A spouse desiring such abatement shall submit an application to the assessor requesting a determination as to whether such abatement is permitted.

(g) The tax collector and assessor shall prescribe with regard to their respective duties under this section, such forms and procedures as may be necessary to implement this section. The assessor, in addition, shall take such steps necessary to satisfactorily establish the facts as to the qualifying surviving spouse's interest in the property, by requesting such documents as the assessor deems necessary.

(h) The tax collector of the town shall maintain a record of all taxes abated in accordance with this section. Upon the request of the town council the tax collector shall detail the sum of the total monies abated as a result of this section.

(Ord. No. 07-05, 9-6-2005)

Cross reference—Definitions generally, chapter I § 1-2of this code book.

CHAPTER 5

AN ORDINANCE ADOPTING CONNECTICUT GENERAL STATUTES SECTION 12-81x TO PROVIDE PROPERTY TAX ABATEMENT FOR LINE OF DUTY DEATH SURVIING SPOUSE.

Sec. 5-10. Abatement from property tax for line of duty death surviving spouse.

(a) Definitions. The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

For the purposes of this section, "firefighter" is defined as any person who is a duly designated member of the Town of Windsor Volunteer Fire Department.

For the purposes of this section, "police officer" is defined as a duly sworn member of the Town of Windsor Police Department.

For the purposes of this section, "ems personnel" is defined as any member of the Town of Windsor EMS

Surviving spouse means the person who was a resident of the town and married to the police officer or firefighter at the time of the police officer's or firefighter's death.

(b) In accordance with C.G.S. § 12-81x, there is hereby established effective for the Grand List of October 1, 2024, and subsequent Grand Lists, an abatement of 100% of municipal real residential property taxes due with respect to real property owned by the surviving spouse of a police officer, firefighter or EMS personnel who suffers a line of duty death while a resident of Windsor. The abatement only applies to Town taxes due to the Town of Windsor and does not apply to any district or other political subdivision taxes that may be due.

(c) The tax abatement will remain in effect so long as the surviving spouse occupies the residence as their primary residence or until the spouse conveys their fee interest in the subject residence. If the spouse subsequently purchases another residence in the town, and all qualifying criteria remain, then the tax abatement shall apply to the new residence. For any property that is in a Trust, a copy of the Trust agreement must be provided to the assessor for review. The terms of the trust agreement are that the claimant must be considered to be the primary beneficiary of the trust.

(d) Upon the death of any person entitled to tax relief pursuant to this section, the tax relief hereunder shall end the following June 30.

(e) If any person who is entitled to a tax abatement hereunder conveys their fee title in the property with respect to which the tax abatement hereunder has been granted, the tax relief shall be suspended as of the date of conveyance and the nonqualifying grantee of such property shall pay the town a prorated share of taxes thereby due and owing as provided by state statute § 12-81a.

(f) The property tax relief provided for in this section shall, in any case where title to real property is recorded in the name of the qualifying surviving spouse and any other person or persons, be prorated to reflect the fractional portion of such qualifying spouse, or, if such property is a multiple family or multiple use dwelling, such relief be prorated to reflect the fractional portion of such property occupied by the qualifying spouse. A spouse desiring such abatement shall submit an application to the assessor requesting a determination as to whether such abatement is permitted.

(g) The Tax Collector and Assessor shall prescribe with regard to their respective duties under this section such forms and procedures as may be necessary to implement this section. The Assessor, in addition, shall take such steps necessary to satisfactorily establish the facts as to the qualifying surviving spouse's interest in the property, by requesting such documents as the Assessor deems necessary. Such documentation will be required yearly to continue the tax abatement. Eligibility shall be determined by the Assessor and/or their designee, and such determination shall be final.

(h) No later than November 1 of each year, the surviving spouse shall complete and file with the assessor an application for the abatement and shall attest annually that they remain otherwise qualified under the terms of this article.

APPROVED AS TO FORM:

____
Town Attorney

ATTEST:

____
Town Clerk

Distributed to Town Council ____________________

Public Hearing Advertised ____________________

Public Hearing ____________________

Adopted ____________________

Advertised ______________________

Effective Date ______________________

Agenda Item Summary

Date: January 27, 2025

To: Members of the Finance Committee

From: Jim Bourke, Finance Director

Reviewed By: Peter Souza, Town Manager

Subject: Presentation and Discussion of the FY 24 Annual Comprehensive Financial Report and Federal and State Compliance Report

Background

Representatives from CliftonLarsonAllen LLP (CLA) will present the results of the town's FY 2024 audit to the Finance Committee at tonight's meeting. This agenda item is for review and discussion purposes only, and no action is requested of the Finance Committee.

Highlights

Revenues on a budgetary basis exceeded the budget by $4.8 million, mostly due to interest income, building permit revenues, property tax collections, and state grants. Expenditures came in under budget by $1.6 million mostly due to savings from position vacancies, employees on workers compensation and disability leave, and storm control savings. During the course of the year, the Town Council approved appropriations from the General Fund unassigned fund balance totaling approximately $4.4 million. These items consisted of $63,000 for the L.P. Wilson Community Center Generator repair, $750,000 for Oliver Ellsworth School HVAC Improvements, $380,000 for Welch Pool Improvements, $107,500 to reimburse BOE costs for Oliver Ellsworth School humidity mitigation, $350,000 for the Stormwater Management program, $19,000 for Wilson Park Referendum expenses, $1,390,000 for Clover Street School Restroom & ADA Improvements, $695,000 for Clover Street Athletic Field Improvements and $655,000 for L.P. Wilson Community Center HVAC Improvements. The combined revenue surplus, expenditure savings and use of fund balance resulted in a total budgetary surplus of $2.0 million.

The General Fund Unassigned Fund balance as of June 30, 2024 was $39,036,737, which is a decrease of $1,125,840. The town's General Fund Unassigned Fund balance policy requires an unassigned fund balance of between 15% and 20% of the following year's adopted budgeted expenditures. $39.0 million in Unassigned Fund Balance is 27.2% of the FY 25 adopted budgeted expenditures of $143,315,840.

The town recognized approximately $14.0 million in new capital asset investments in FY 24. These consisted of $130,000 for building improvements, $6.9 million for new machinery and equipment, and $6.9 million in infrastructure additions. Major additions during the year included the Great Pond and Poquonock Commons infrastructure acceptance, fire apparatus and Wilson Firehouse generator replacement, Sage Park Middle School athletic field renovation, Goslee Pool pool house improvements, pickleball court improvements at L.P.Wilson Community Center, park equipment at Washington and Deerfield parks, and other vehicle and equipment replacements.

The town's total bonded debt increased by $2.0 million during FY 24 and stands at $71.3 million as of June 30, 2024. Debt service payments made in FY 24 totaled $8,847,686, which is 6.4% of FY 24 budgeted operating expenditures, and is within the town's policy guidelines of 6.0% to 8.0%.

During the FY 24 audit, there were no significant deficiencies identified by the audit firm, however, material weaknesses in internal controls over financial reporting were identified. These were due to a restatement for improper revenue recognition, and the allocation of the net pension and OPEB liability to the enterprise funds. More information can be found on these adjustments under Note 15 in the audit report. Town staff has already initiated, with CLA's guidance, steps to strengthen existing internal controls and implement new controls where needed.

The FY 24 Annual Comprehensive Financial Report, Federal & State Compliance report and summary slide presentation is attached. Hard copies will be distributed prior to the Committee meeting.

Attachments
Overview of Audit Report – Presentation
PDF Links for Annual Comprehensive Financial Report, Federal & State Compliance report
All PDF'd attachments can be found at:
https://www.dropbox.com/scl/fo/89airex8izjmzjfo9okfz/h?rlkey=a29epnm2la8th2hwvvb2aack9&dl=0

Town of Windsor, Connecticut
June 30, 2024 Audit Presentation

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Agenda:

- Terms of the Engagement
- Executive Summary
- Financial Highlights
- Federal and State Single Audit
- Governance Communication
- Upcoming GASB Pronouncements

Terms of the Engagement

Financial Statement and Single Audit

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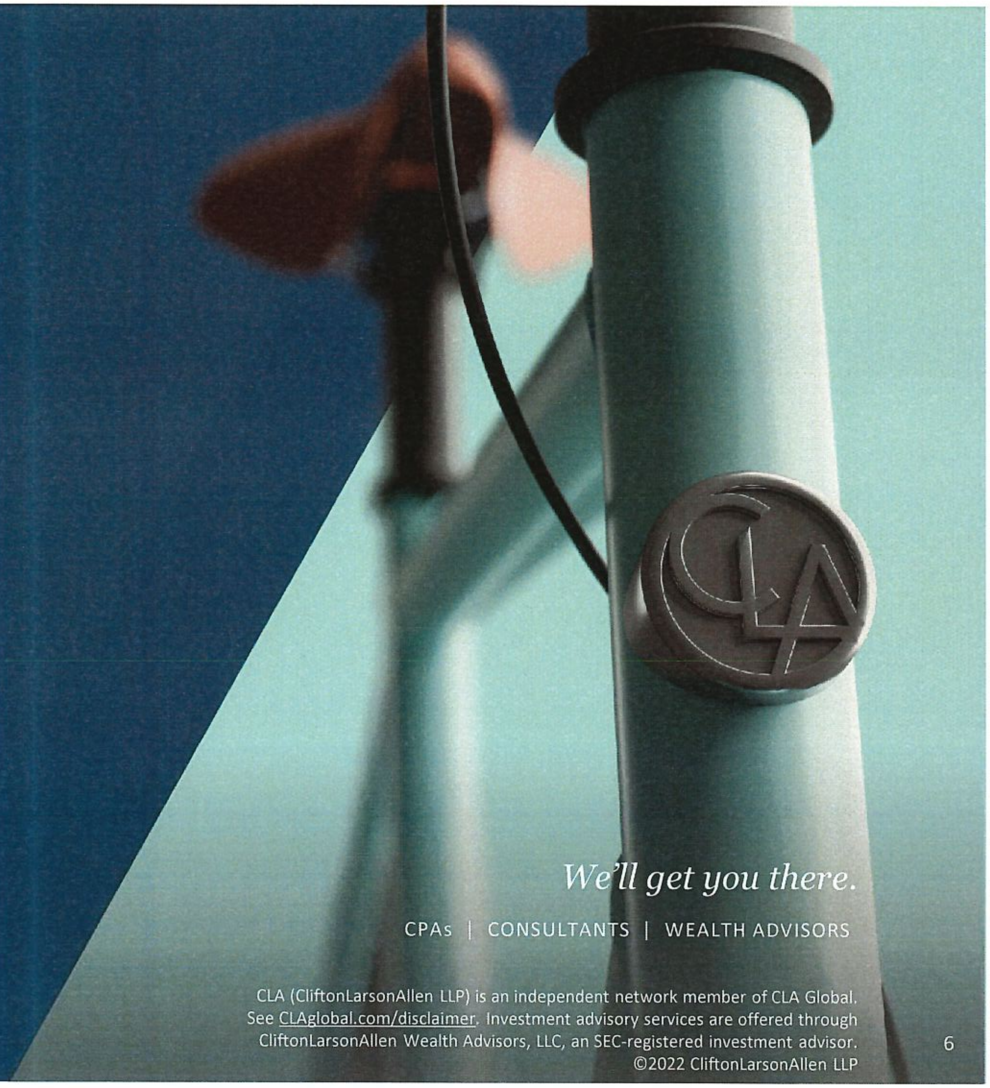
Terms of the Engagement:

- Express opinions on whether the basic financial statements are presented in accordance with GAAP
- Express an "in relation" to opinion on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance.
- Express an opinion on compliance related to major federal and state award programs
- Provide a report on internal control over financial reporting and compliance with laws, regulations, contracts and grants
- Provide a report on internal control over compliance related to major federal and state award programs

Executive Summary

Audit Results



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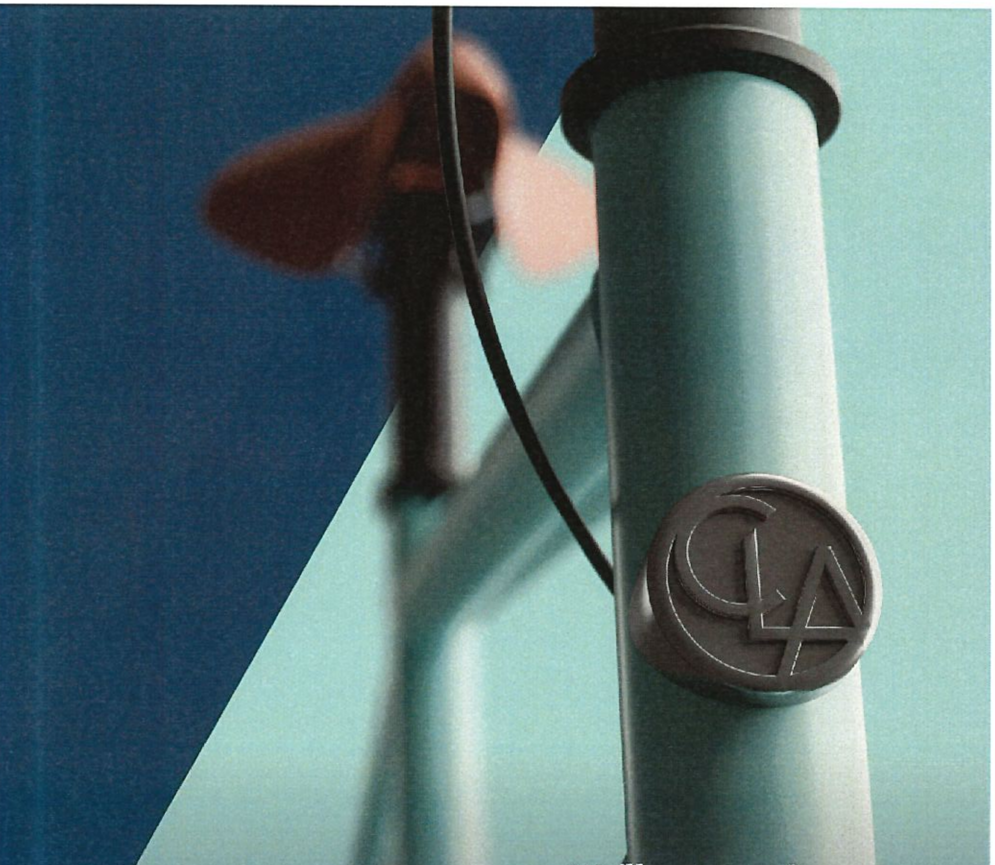
Executive Summary

- Financial Statements
  - Unmodified opinion on the financial statements
  - Material weakness in internal control over financial reporting (restatements)
- Federal Single Audit
  - Unmodified opinion on the major federal programs
  - No compliance findings or significant deficiencies in internal control over compliance
- State Single Audit
  - Unmodified opinion on the major state programs
  - No compliance findings or significant deficiencies in internal control over compliance

Financial Highlights

Overview



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Financial Highlights

Government Wide Financial Statements

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2024	2023	2024	2023	2024	2023	2023-24
Assets:							
Current and Other Assets	$ 118,163	$ 113,630	$ 20,360	$ 20,633	$ 138,523	$ 134,263	3.2 %
Capital Assets, Net of Accumulated Depreciation	161,880	146,954	389	194	162,269	147,148	10.3
Total Assets	280,043	260,584	20,749	20,827	300,792	281,411	6.9
Deferred Outflows of Resources	18,142	25,217	555	474	18,697	25,691	(27.2)
Liabilities:							
Current Liabilities	16,414	17,462	(205)	(84)	16,209	17,378	(6.7)
Long-Term Liabilities Outstanding	164,947	174,888	14,947	14,472	179,894	189,360	(5.0)
Total Liabilities	181,361	192,350	14,742	14,388	196,103	206,738	(5.1)
Deferred Inflows of Resources	31,611	33,302	1,404	619	33,015	33,921	(2.7)
Net Position:							
Net Investment in Capital Assets	90,402	79,799	389	194	90,791	79,993	13.5
Restricted	15,060	11,132	-	-	15,060	11,132	35.3
Unrestricted	(20,249)	(30,782)	4,769	6,100	(15,480)	(24,682)	(37.3)
Total Net Position	$ 85,213	$ 60,149	$ 5,158	$ 6,294	$ 90,371	$ 66,443	36.0 %

Financial Highlights –Governmental Funds

	Major Funds				Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Capital Projects	Educational Grant Programs	American Rescue Fund		
REVENUES						
Property Taxes	$ 119,147,075	$ -	$ -	$ -	$ -	$ 119,147,075
State and Federal Governments	28,649,156	960,743	6,612,323	4,043,293	5,672,729	45,938,244
Charges for Services	5,956,410	-	-	-	1,375,787	7,332,197
Investment Income	3,939,076	625,934	-	-	168,280	4,733,290
Other	337,939	123,962	417,452	8,919	181,341	1,069,613
Total Revenues	158,029,656	1,710,639	7,029,775	4,052,212	7,398,137	178,220,419
EXPENDITURES						
Current:						
Education	92,021,461	-	6,845,671	-	3,553,841	102,420,973
General Government	18,134,169	-	-	3,983,295	729,712	22,847,176
Culture and Recreation	5,527,622	-	-	-	130,798	5,658,420
Human Services	1,382,621	-	-	-	360,446	1,743,067
Public Safety	13,724,515	-	-	-	43,214	13,767,729
Public Works	7,566,280	-	-	-	2,292,717	9,858,997
Debt Service:						
Principal Retirements	-	-	-	-	6,815,000	6,815,000
Interest and Other Charges	-	-	-	-	2,052,501	2,052,501
Capital Outlay	-	14,301,912	-	-	-	14,301,912
Total Expenditures	138,356,668	14,301,912	6,845,671	3,983,295	15,978,229	179,465,775
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	19,672,988	(12,591,273)	184,104	68,917	(8,580,092)	(1,245,356)
OTHER FINANCING SOURCES (USES)						
Transfers In	56,527	6,748,919	-	1,075,000	9,555,832	17,436,278
Transfers Out	(17,478,532)	-	-	(60,000)	(1,219)	(17,539,751)
Issuance of Bonds	-	8,810,000	-	-	-	8,810,000
Premium on Bonds Issued	-	-	-	-	497,045	497,045
Total Other Financing Sources (Uses)	(17,422,005)	15,558,919	-	1,015,000	10,051,658	9,203,572
CHANGE IN FUND BALANCES	2,250,983	2,967,646	184,104	1,083,917	1,471,566	7,958,216
Fund Balances, Beginning of Year	43,924,097	15,876,038	899,326	-	10,720,151	71,419,612
FUND BALANCES - END OF YEAR	$ 46,175,080	$ 18,843,684	$ 1,083,430	$ 1,083,917	$ 12,191,717	$ 79,377,828

Financial Highlights – Proprietary Funds

	Business-Type Activities – Enterprise Funds				Governmental Activities
	Landfill	Child Development	Other Nonmajor Enterprise Funds	Total	Internal Service Fund
OPERATING REVENUES					
User Charges	$ -	$ 1,448,342	$ 734,912	$ 2,183,254	$ 20,336,756
Other	-	-	-	-	92,347
Total Operating Revenues	-	1,448,342	734,912	2,183,254	20,429,103
OPERATING EXPENSES					
Salaries and Benefits	763,026	1,381,937	427,957	2,572,920	-
Depreciation	66,349	1,972	-	68,321	-
Administrative Expenses	50,000	34,897	27,659	112,556	-
Supplies	193,948	-	6,623	200,571	-
Repairs and Maintenance	27,023	10,135	-	37,158	-
Fuel and Utilities	60,008	9,855	16,453	86,316	-
Outside Services	334,884	38,416	275,909	649,209	-
Insurance	33,268	-	-	33,268	-
Rent Expense	-	118,830	65,090	183,920	-
Post Closure Amortization	(870,000)	-	-	(870,000)	-
Claims	-	-	-	-	21,211,190
Total Operating Expenses	658,506	1,596,042	819,691	3,074,239	21,211,190
OPERATING INCOME (LOSS)	(658,506)	(147,700)	(84,779)	(890,985)	(782,087)
NONOPERATING REVENUES					
Interest Income	779,623	17,763	25,211	822,597	450,531
Gain on Disposal of Capital Assets	98,000	-	-	98,000	-
Intergovernmental	-	32,430	12,747	45,177	-
Total Nonoperating Revenues	877,623	50,193	37,958	965,774	450,531
INCOME (LOSS) BEFORE TRANSFERS	219,117	(97,507)	(46,821)	74,789	(331,556)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	160,000	160,000	-
Transfers Out	-	-	(56,527)	(56,527)	-
Total Other Financing Sources (Uses)	-	-	103,473	103,473	-
CHANGE IN NET POSITION	219,117	(97,507)	56,652	178,262	(331,556)
Net Position - Beginning, As Originally Reported	6,418,391	-	(501,907)	5,916,484	12,335,643
Adjustment/Restatement	-	(1,921,338)	568,114	(1,353,224)	-
Net Position - As Adjusted or Restated	6,418,391	(1,921,338)	66,207	4,563,260	12,335,643
NET POSITION - END OF YEAR	6,637,508	(2,018,845)	122,859	4,741,522	$ 12,004,087

Financial Highlights

- General Fund
  - Fund balance $46.2M
    - Nonspendable $54K (Supplies)
    - Restricted $303K (LOSAP)
    - Committed $2.7M (other projects)
    - Assigned - $4.1K ($3M future budget $1.1M encumbrances)
    - Unassigned - $39M

Financial Highlights

- Property Tax Collections
    - 98.30% 2024
    - 98.64% 2023
- General Fund Budget
    - Revenues $4.9M greater than budget
    - Expenditures $1.6M less than budget
    - Use of Fund Balance $4.4M

Financial Highlights – Pension & OPEB Trust Funds

	Pension Trust Fund	OPEB Trust	
	Town Pension Fund	Other Postemployment Benefit Fund	Total
ADDITIONS			
Employer Contributions	$ 2,800,044	$ 3,317,598	$ 6,117,642
Plan Members	406,139	-	406,139
Total Contributions	3,206,183	3,317,598	6,523,781
Investment Income:			
Net Depreciation in Fair Value of Investments	5,762,883	704,629	6,467,512
Interest and Dividends	1,905,284	213,639	2,118,923
Less Investment Expenses:			
Investment Management Fees	(22,099)	(2,225)	(24,324)
Net Investment Gain	7,646,068	916,043	8,562,111
Total Additions	10,852,251	4,233,641	15,085,892
DEDUCTIONS			
Benefits	6,520,170	2,517,598	9,037,768
CHANGE IN NET POSITION	4,332,081	1,716,043	6,048,124
Net Position at Beginning of Year	73,639,035	6,569,515	80,208,550
NET POSITION AT END OF YEAR	$ 77,971,116	$ 8,285,558	$ 86,256,674

Financial Highlights – Pension & OPEB Trust Funds

- Net Pension Liability - $40,081,069
  - 66.05 % Funded (Difference between the liability and net position in the Pension Trust Fund)

- Net OPEB Liability - $34,459,415
  - 19.38 % Funded (Difference between the liability and net position in the OPEB Trust Fund)

Federal and State Single Audit

Overview

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Federal Single Audit:

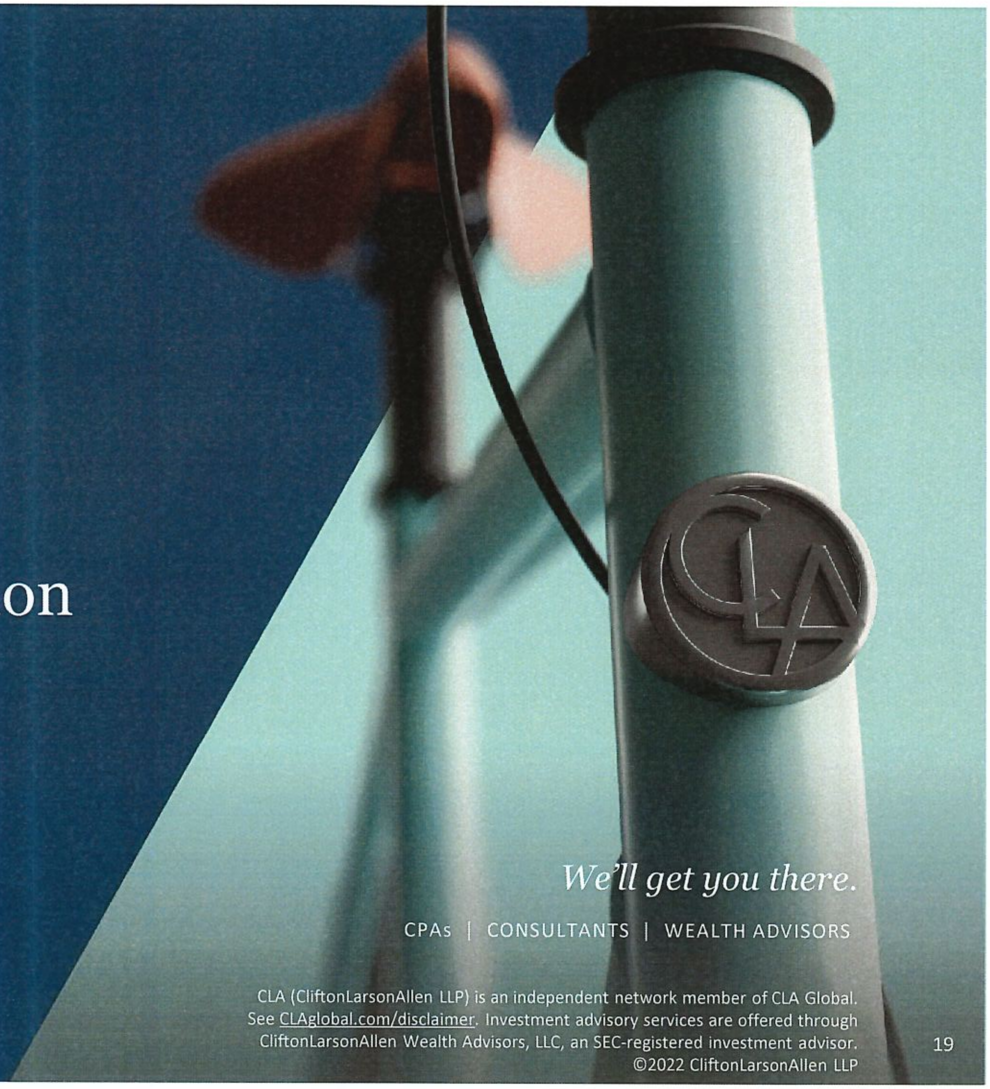
- Total federal awards expended - $11.1M
- Major programs
  - COVID-19 – ARPA
- Unmodified opinion on major program compliance
- Material weakness in internal control over financial reporting
  - Prior period adjustments (revenue recognition and net pension/opeb liability split)

State Single Audit:

- Total state awards expended - $20.1M
- Major programs:
  - Magnet Schools
  - Local Capital Transportation Program
  - Economic Assistance Revolving Loan
  - Open Space Acquisition
  - Municipal Purposes & Projects
- Unmodified opinion on major program compliance
- Material weakness in internal control over financial reporting
  - Prior period adjustments (revenue recognition and net pension/opeb liability split)

Governance Communication

Summary



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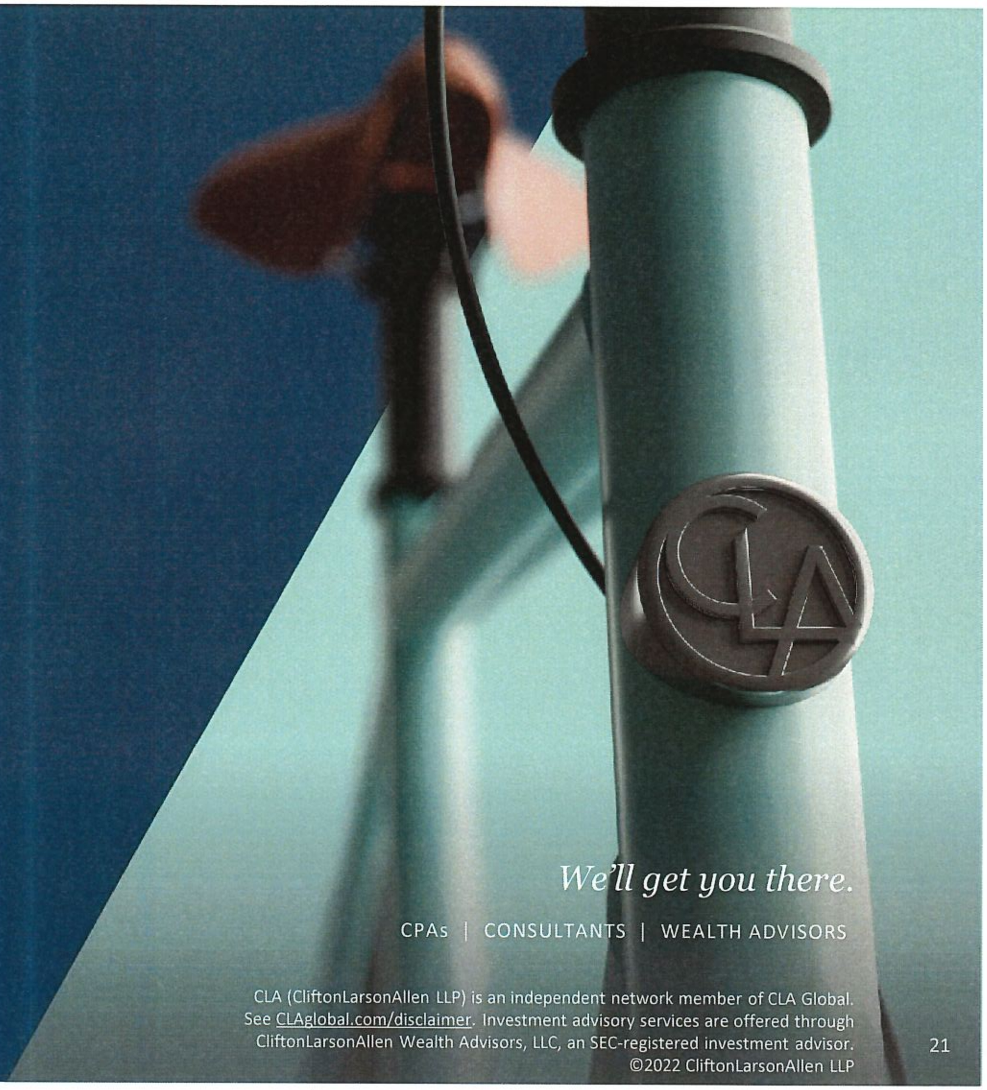
Governance Communication:

- New standards adopted – GASB 100 Accounting Changes and Error Corrections
- Significant Estimates
  - Fair value of investments
  - Net Pension Liability, LOSAP Liability, OPEB Liability
  - Landfill post closure monitoring liability
  - Allowance for Doubtful Accounts
  - Claims Incurred but not Reported
- No disagreements with management
- Management did not consult with other accountants
- No difficulties encountered in performing the audit
- Uncorrected misstatements – Improper Revenue Recognition-Govt Wide
- Corrected misstatements – Receivable/Intergovt Revenue
- No independence issues

Upcoming GASB Pronouncements

Summary



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GASB Standards:

- Implementation Year 2025:
  - Statement 101 – Compensated Absences
  - Statement 102 – Certain Risk Disclosures

- Implementation Year 2026:
  - Statement 103 – Financial Reporting Model Improvements


Questions?

Agenda Item Summary

Date:	January 27, 2025
To:	Members of the Finance Committee
Prepared by:	Joshua Gaston, Town Assessor Scott W. Colby, Jr., Assistant Town Manager
Reviewed by:	Peter Souza, Town Manager
Subject:	Local Homestead Exemptions

Background

For the first time this year, the State has, via PA 24-151, enabled municipalities to adopt a local homestead exemption. This new law allows for the exemptions of anywhere from 5% to 35% of the assessed value of owner-occupied single-family homes and duplexes, including condominiums and common interest communities.

This item was preliminarily discussed by the Finance Committee in November 2024 and the consensus at that time was to continue the discussion in the first quarter of the new year as well as to provide information on how a homestead exemption may affect different types of non-residential properties. Attached are sample properties showing hypothetical mill rates and changes in tax impact based on a homestead exemption levels of 5% and 10%.

Discussion/Analysis

Under a new law (PA 24-151 sec. 71), municipalities may exempt between 5% and 35% of the assessed value of owner-occupied single-family homes and duplexes. This also includes condominiums and common interest community units.

Unlike most exemptions, abatement or tax credit programs, which have either an age, disability, income, or military or civil service component (or some combination of these requirements), the homestead exemption is limited only by the fact that the property needs to be the primary residence of the owner, and that is does not consist of more than two units.

Implementing the homestead exemption, even in its smallest degree of 5% is estimated to reduce the Grand List by approximately $113 million in net assessed value, with as much as approximately $791 million reduction if the full 35% exemption were to be adopted. By reducing the Grand List through a homestead exemption, the mill rate would need to increase (absent growth in non-tax revenue or similar new economic growth) to continue to raise the needed revenue to maintain service levels and meet inflationary budget increases. $113 M in residential assessed value at a tax rate of 29 mills equals $3.2M in tax revenue. This dollar amount would shift to non-eligible residential and commercial properties, as well as motor vehicles, and personnel property.

Recommendation

This item is presented for discussion purposes.

Attachments

Example Properties

	No Exemption	5% Exemption	10% Exemption
Real	3,581,296,700	3,467,962,120	3,354,616,120
MV&PP	964,460,894	964,460,894	964,460,894
Total	4,545,757,594	4,432,423,014	4,319,077,014
Single Fam	1,945,288,880	1,847,530,300	1,749,771,300
Condo	261,310,700	248,209,700	235,100,000
Two Family	49,452,400	46,977,400	44,500,100
Other Ineligible Residential	122,431,420	122,431,420	122,431,420
Non-Residential	1,202,813,300	1,202,813,300	1,202,813,300
Example Mill Rate	28.5	29.2	30.0
Levy	129,554,091	129,559,725	129,572,310

2152 Poquonock Ave Restaurant			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	557,040	679,200	679,200	679,200	679,200
Assessed	389,928	432,684	475,440	475,440	475,440
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	13,102	13,119	13,550	13,897	14,263
Tax Change $		17	431	778	1,144
Tax Change %		0.1%	3.3%	5.9%	8.7%

200 Old Iron Ore Rd Distribution			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	99,721,500	117,352,600	117,352,600	117,352,600	117,352,600
Assessed	69,805,050	75,975,935	82,146,820	82,146,820	82,146,820
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	2,345,450	2,303,590	2,341,184	2,401,152	2,464,405
Tax Change $		**-41,859**	37,594	97,561	160,814
Tax Change %		**-1.8%**	1.6%	4.2%	7.0%

1 Market Cir Distribution			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	9,019,400	13,435,300	13,435,300	13,435,300	13,435,300
Assessed	6,313,580	7,859,145	9,404,710	9,404,710	9,404,710
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	212,136	238,289	268,034	274,900	282,141
Tax Change $		26,153	29,745	36,610	43,852
Tax Change %		12.3%	12.5%	15.4%	18.4%

645 Poquonock Ave Multi tenant retail			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	1,737,900	1,800,500	1,800,500	1,800,500	1,800,500
Assessed	1,216,530	1,238,440	1,260,350	1,260,350	1,260,350
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	40,875	37,550	35,920	36,840	37,811
Tax Change $		-3,326	-1,630	-709	261
Tax Change %		-8.1%	-4.3%	-1.9%	0.7%

124 Poquonock Ave Restaurant			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	481,400	517,300	517,300	517,300	517,300
Assessed	336,980	349,545	362,110	362,110	362,110
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	11,323	10,598	10,320	10,584	10,863
Tax Change $		-724	-278	-14	265
Tax Change %		-6.4%	-2.6%	-0.1%	2.5%

264 Deerfield Rd Small Retail			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	393,250	434,500	434,500	434,500	434,500
Assessed	275,275	289,713	304,150	304,150	304,150
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	9,249	8,784	8,668	8,890	9,125
Tax Change $		-465	-116	106	340
Tax Change %		-5.0%	-1.3%	1.2%	3.9%

384 Windsor Ave Restaurant			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	185,800	199,700	199,700	199,700	199,700
Assessed	130,060	134,925	139,790	139,790	139,790
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	4,370	4,091	3,984	4,086	4,194
Tax Change $		-279	-107	-5	103
Tax Change %		-6.4%	-2.6%	-0.1%	2.5%

250 Bloomfield Rd Apartments			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	12,243,300	17,231,800	17,231,800	17,231,800	17,231,800
Assessed	8,570,310	10,316,285	12,062,260	12,062,260	12,062,260
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	287,962	312,790	343,774	352,580	361,868
Tax Change $		24,827	30,985	39,790	49,078
Tax Change %		8.6%	9.9%	12.7%	15.7%

200 Great Pond Dr Office Space			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	5,138,900	14,502,200	14,502,200	14,502,200	14,502,200
Assessed	3,597,230	6,874,385	10,151,540	10,151,540	10,151,540
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	120,867	208,431	289,319	296,730	304,546
Tax Change $		87,564	80,888	88,298	96,115
Tax Change %		72.4%	38.8%	42.4%	46.1%

55 International Dr Industrial			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	4,411,600	5,200,300	5,200,300	5,200,300	5,200,300
Assessed	3,088,120	3,364,165	3,640,210	3,640,210	3,640,210
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	103,761	102,001	103,746	106,403	109,206
Tax Change $		**-1,759**	1,745	4,402	7,205
Tax Change %		**-1.7%**	1.7%	4.3%	7.1%

755 Rainbow Rd Manufacturing			*If not implemented*	*If implemented at 5%*	*If implemented at 10%*
	FY24 10/1/2022	**FY25 10/1/2023**	**FY26 10/1/2024**	**FY26 10/1/2024**	**FY26 10/1/2024**
Market Value	6,763,000	10,649,300	10,649,300	10,649,300	10,649,300
Assessed	4,734,100	6,094,305	7,454,510	7,454,510	7,454,510
Mill Rate	33.60	30.32	28.5	29.2	30.0
Taxes	159,066	184,779	212,454	217,895	223,635
Tax Change $		25,714	27,674	33,116	38,856
Tax Change %		16.2%	15.0%	17.9%	21.0%

TOWN OF WINDSOR
FINANCE COMMITTEE
DECEMBER 9, 2024
COUNCIL CHAMBERS
SPECIAL HYBRID MEETING

UNAPPROVED MINUTES

1. CALL TO ORDER

Councilor Ojala Naeem called the meeting to order at 6:32 p.m. with Councilor Ronald Eleveld and Leroy Smith present.

Staff Present: Peter Souza, Town Manager; Scott Colby, Assistant Town Manager; Jim Bourke, Finance Director; Linda Collins, Assistant Finance Director; and Josh Gaston, Town Assessor

2. PUBLIC COMMENT - None

3. DISCUSSION OF POTENTIAL CHANGES TO SENIOR TAX RELIEF BENEFITS

Scott Colby, Assistant Town Manager, said as you recall from our last meeting, we walked through a few different options that we had proposed. We talked through three potential options, and they looked at either increasing the income limits to that $68,000, increasing the match to 150% and maintaining the same income limits or the third option was a blend of both of those increasing.

One of the items that had been asked was to explore an alternative in which the income levels were to be maintained, but the local match was to be increased by 125%. The fourth option is taking into account 125% match keeping the income guidelines as they currently are and that would result in an additional program cost of $67,207 or a total program cost of $503,635.

The other item we were asked to look at is in regards to the surrounding municipalities and looking at a few surrounding communities in regards to how they have structured their senior tax relief program. Currently for Windsor we are at 100%, there are some communities that are at a 75% match going all the way up to 130% match. There are a few that don't have the match option. They do something a bit different so those are structured in a slightly different way. There is the local flat benefit as well. So that is the increased dollar that we provide that $415 to $550 flat benefit for those that exceed the state income guidelines. A few municipalities do not provide that flat benefit. South Windsor provides a flat benefit amount of $195 and that's regardless of marital status.

Looking at the income limits, Wethersfield, Windsor Locks and Newington, they all follow the State income guidelines so there are some slight variations in regards to looking at South Windsor, East Hartford and Hartford. We are slightly above average compared to those communities.

Town Manager Souza added that if the State increases those incomes, our local programs also index to that. So, if we do that, if that 2-1/2% is an estimate on our part, that's almost a little over a $1,500 increase in the income limit. There would be a slight increase in the income just by the way that we have indexed to the state program.

Councilor Naeem asked what the State limits are now. Town Manager Souza replied that right now for the State program it is the $60,000. Josh Gaston, Town Assessor stated it is the $43,000 and the $50,000. Councilor Naeem stated that we are already above the State limits, but we increased it year after year just to maintain that. Town Manager Souza said that was correct.

Councilor Naeem said the last year during our budget cycle we did make changes. We went from 50% to 100% of the match. That would come into effect with this coming round of applications correct because they had missed it the last time around? Mr. Gaston replied that if he recalls correctly, they did change the local portion of the elderly homeowner's program. Because that is calculated as a tax credit, that applies going forward. It was voted out in the spring and did apply to the past year's taxes for July.

Councilor Eleveld asked if they checked on East Granby. Mr. Gaston stated that he believes East Granby's program maxes out at to 73% but they have a very complicated version in which they have some $30 plus income brackets every couple of $100 that they then have to bracket it out starting with a 7% reduction of the total tax bill down to he believes like a 3% at the $70,000 level. Town Manager Souza added their top bracket is definitely higher.

Councilor Eleveld asked what the average income median for Windsor is, approximately? Town Manager Souza stated for households it is around $105,000. Mr. Gaston stated that it is not per capita, that's household and it's not for 65 plus because that then brings it down to the $68,000.

Councilor Eleveld asked going to 125% would be an additional $15,000 cost correct? Assistant Town Manager Colby said its a $67,000 additional cost.

Councilor Eleveld said that the option is to do 125% to either adjust the income and/or adjust the percentage. Councilor Eleveld said that if he remembers correctly, it's a larger amount. Councilor Naeem replied it's a smaller amount. She explained that we are looking at about a $60,000 increase, assuming that it's a 10% increase for an additional 40 participants. Councilor Eleveld said we'd like to do something for the seniors. Councilor Naeem agreed with him in the sense that we did some significant changes to benefits. To go from 50% to 100% match last year, that was significant. We are in a two year phase in. Recognizing that we did take a big step last year, she would be in favor of maybe tabling this and seeing how we feel further down closer into the budget cycle.

Councilor Eleveld stated a percentage change could be done. Town Manager Souza said a percentage change from a timing perspective could get done.

Councilor Eleveld asked the basic program has a cost of $436,000, correct? Town Manager Souza said that sounds correct. Councilor Eleveld than asked if we were to change that number to $500 and roughly $25,000 what would the cost be. Assistant Town Manager Colby stated if you increase the local match and keep the income limits the same it would be an additional $67,000 cost which would then raise the total program cost from that $436,000 to $503,000. Town Manager Souza added that the reason why is because the folks that get a flat number, that flat benefit is staying the same. He asked Mr. Gaston if that was correct. Mr. Gaston replied that another thing that impacts that is that the total benefits effectively max out at 75% of the total tax bill as well. It doesn't matter how much more you would otherwise be eligible for, you're still responsible for that last 25%. Councilor Naeem added that's why we set it at $67,000 instead of over $100,000.

Councilor Naeem again stated that perhaps we can table this item recognizing that changing the local match percentage would go into effect for the July 1st tax bill income changes would be further down.

Councilor Naeem asked if the additional information handed out at tonight's meeting could be added to the Finance Committee agenda that is currently on the web so the public could have access to it. Town Manager Souza said that can be done.

4. DISCUSSION OF POTENTIAL CHANGES TO VETERANS TAX RELIEF BENEFITS

Scott Colby, Assistant Town Manager, stated if you recall at the last meeting, we talked a little bit about the veterans exemption as well as the new portion that focuses on permanent and totally disability veterans exemption. For the veterans exemption side, the local veterans exemption that we currently have has about 960 participants that receive that State benefit. Veterans who quality for the State benefit also can qualify for an additional benefit based upon their income and that's the local option. The Council took action last year to maximize that to the State allowed maximum of $20,000. The only addition that the Council could make would be to increase the qualifying income limit which would be above the mandatory State program. So essentially, you could bring that income threshold up to the same level as to where the senior elderly tax relief income levels are currently and that would be an additional cost to the town of $9,702 which provides an individual tax benefit of about $606. He explained how they arrived at that number.

Mr. Gaston said in regards to the permanent and total disability veterans exemption, he believes the main questions were in regards to the stackability of various benefits on a particular property for veterans, exemptions specifically from the State. A person would not be able to qualify for more than one.

Councilor Eleveld said that you could potentially stack three benefits, correct? Mr. Gaston said that was correct. Town Manager Souza stated the State as the base and then the two locals. That would be someone who is 65 years old, or under a certain income level and permanently and totally disabled from the VA.

Assistant Town Manager Colby added that at the last meeting, they had discussed that there was the potential that 41 veterans could be eligible under that. After further review of additional information, we now see that there would be 27 veterans that would be eligible. That would be a total cost increase of $142,000 which is $71,000 less than what was projected at the last meeting.

Councilor Naeem asked if we can expect that to keep increasing. Mr. Gaston said yes and no. A handful of State Senators put out a letter basically stating that as written, it was intended to not apply to all permanent and total vets, but only permanent and total with a 100% disability rating. So if you narrow the eligibility criteria to that, our number drops from the 41 to the 27. However, if you had your discharge paperwork on time and on file as of 10/1, you would still have until March to file that 100% permanent and total disability documentation.

Councilor Eleveld asked for clarity about the 100%. Mr. Gaston explained that veterans have come in with documentation that shows a permanent and total disability rating, but not a 100% rating. Those are two separate designations given out by the VA. You can be as little as 60% disabled and still be classified as permanent in total.

Councilor Smith did not have any questions. He is in favor of pursuing all of these tax credits for whatever we can do to make this workable for the residents of the town.

Councilor Naeem stated regarding the local veterans exemption, she wants to make sure she is understanding there's a few different numbers. Our exemption is $20,000 that applies to everyone or based on income the way that the State, does it? Mr. Gaston replied that is based on income.

Councilor Naeem said right now, if you are under $43,800 or $53,400, then you receive a $20,000 exemption. Mr. Gaston said an additional exemption correct. Councilor Naeem said if you are over 43 single or 53 married you do not receive any exemption. Mr. Gaston said you would receive the base veterans exemption from the State. Mr. Gaston gave an example.

Councilor Eleveld said if we increase the income piece from $43,800 to match the seniors your estimate cost would be $9,700. Assistant Town Manager Colby said that was correct.

Councilor Eleveld said bringing on an additional 16 individuals administratively is that adding allow additional work? Mr. Gaston said not particularly. The majority of people who apply to the additional veterans program already are applying to the homeowners program. They see a handful of people slip back and forth between the State and local program based on being just at the cusp. For them they're still getting a benefit one way or the other on the elderly side of the program. He further explained how it works.

Councilor Naeem stated there are 16 additional, assuming they are 65 years old but we may have many others. Mr. Gaston stated there might be many others, but those are the knowns that are already on the elderly program that we know would also qualify for this. Councilor Naeem then stated but we could have a handful of veterans in their 40's that are at or below the $60,000 income limit that would follow in addition to this. Mr. Gaston said that was correct. Town Manager Souza added as long as they had their papers in by October 1 of this year.

Councilor Eleveld stated that if you are just a veteran who served in good health, no disability rating, we would get the DD214 on file and then get a $3,000 exemption. Mr. Gaston said that's correct. Councilor Eleveld said he was inclined to go to the senior level of income as it will make it a little bit easier keeping all the programs at the same level. He asked Town Manager Souza about the administrative end of it. Town Manager Souza replied he doesn't think it's a significant lift on the administrative side.

Councilor Eleveld asked if there were an amendment to the ordinance, would that take effect immediately? Town Manager Souza asked Mr. Gaston if it is the same timing? Would it take effect for February 1st? Mr. Gaston said yes or no. The ending deadline cut off isn't until next October because it's an exemption. It wouldn't get applied until next year in October. The bulk of the people who are going to come in and apply are going to come in in February or May at the same time as the elderly program. Councilor Eleveld said that would be to show their income, correct? Mr. Gaston said correct.

Councilor Naeem stated if you're applying in February/May wouldn't it be going into effect for this coming October? Mr. Gaston said for the veterans it would be. Mr. Gaston explained further the mechanics behind the timing of the credits and exemptions and how they work.

MOVED by Councilor Eleveld, seconded by Councilor Smith to recommend to the Town Council to increase the income levels to match the Senior/Elderly Tax Relief Benefit program and index it to the State level on a forward going basis.

Motion Passed 3-0-0

5. DISCUSSION OF FY 26 BUDGET ASSUMPTIONS/PARAMETERS

Town Manager Souza said they basically went through in October the multi-year forecast. These assumptions and parameters are pretty much in line with the assumptions that we built into the forecast. Obviously, second year property revaluation is going to be notable. We do have the conclusion of the three year tax abatement for the Amazon facility. That brings on approximately $47 million worth of assessed value. However, that pales in comparison to the revaluation on the residential side. An 18% increase is the vast majority of the property revaluation, which is the second phase of the revaluation.

Another notable piece is that Mr. Gaston is working hard on the new State mandate with motor vehicles. We are anticipating approximately $27-$28 million of lost value due to this. They are hoping this estimate is on the high side, but we won't be able to know that for another 3-4 weeks until they've had a chance to go through those numbers from the DMV.

Also, on the car side, we've been receiving what they call a motor vehicle transition or reimbursement grant. Because of the way the previous law was written we'd get monies if our mill rate was capped. Jim Bourke, Finance Director, added that due to the vehicles being capped in FY 24, we had a loss of revenue so the State provided a grant to reimburse for that lost revenue. Going into the next fiscal year, our bill rate was below that cap so we're not taxing the vehicle separately at a different mill rate so we're not eligible for that State reimbursement. Town Manager Souza said we have a bit of a double hit in terms of cars. This is what we anticipate for the FY 26 period. When the Governor's budget comes out in early February, we'll adjust ours as appropriate if there's any notable changes in our State Aid. At this point and time, our other non-tax revenues are basically building permits, conveyance and land recording. These will pretty much remain level with FY 25 adopted budgets.

Mr. Bourke gave an update on interest. He stated that he is anticipating some decline in Federal funds rate between now and the next 12 months. Perhaps two rate cuts in the next 12-18 months. We'll develop the budget based on a declining interest rate. We are not proposing any Opening Cash in the Town Manager's budget as per the Council's directive back a few years ago. This year, we'll have $3 million of Opening Cash in the budget. Town Manager Souza stated that about 15% of FY 25's budget is non tax revenue. Three or four years ago we were at 17%.

Town Manager Souza gave an outline of expenditures. Medical Insurance is at 20% or $800,000 more due to specialty drugs and claims, they'd like to restore funding contributions to OPEB by $165,000, restore funding for the capital program (cut by $160,000) and restore funding for the Open Space fund (cut by $135,000). Town Manager Souza said that the totals may not be exactly what was mentioned but we would like to be able to show a budget that shows some restoration of those above funds on a three year basis. The budgetary impact on the mill rate with no opening cash is over 7%. If we use the $2 million in Open Cash, that would bring it down to 5.6%.

Town Manager Souza went over more expenditures that are anticipated.

Councilor Eleveld asked if we are looking at a 20% increase in the health insurance costs primarily because of the coincide of the equation. What's the Board of Education looking at? Town Manager Souza stated that he believed they used a similar percentage increase in their assumptions that they're considering this month.

Councilor Eleveld asked where we are looking at them with wage increases. Town Manager Souza said he hasn't seen anything that's been aggregated yet. Councilor Eleveld said that's because it hasn't been approved yet. He's just making a guess. They're coming in at 4-1/2%.

Councilor Eleveld stated that the Town Manager had also made a comment about an increase in employee retirement benefits. Is that regarding the pension plan or is that the cost to increase salaries? Town Manager Souza said we segregate that out as our defined benefit in our defined contribution plan. What we're projecting for overall wages based upon the wage increase does not include wages. Wages are separate.

Councilor Smith stated that we're looking at a basic increase in government expenditure, a typical increase in government expenditures. It's not that extraordinary of an expenditure. It's a typical one. It's the cost of doing business that we encounter each year. Town Manager Souza said essentially yes with a small incremental increase for some of those capital and OPEB contributions that were reduced to try to restore some of that in an incremental fashion, not all in one fell swoop. Everything else is pretty much inflationary in nature. This does not include adding any new positions. Some of these assumptions may be on the high side at this early stage.

Councilor Naeem stated Mr. Bourke mentioned that our non-tax revenue has been declining. How are you thinking about the upcoming budget? Have you started looking at how we should increase fees for services provided? Town Manager Souza said we have historically been on the higher bracket in terms of the market place, or in comparison to other communities. There are a few areas where we've strategically wanted to be at the median or lower. For example, building permits. We are a little below where some of the other communities are. That has been one of our selling points. Most of our other fees are very small. We will look at all the major fees. A lot of the fees are set by the State and we can't adjust those such as conveyance and land recordings. We'll look at those and do the needed comparisons.

MOVED by Councilor Eleveld, seconded by Councilor Smith that the Finance Committee recommend to the Town Council that the attached FY 26 budget assumptions and parameters be approved as presented.

Motion Passed 3-0-0

6. DISCUSSION OF FY 26 BUDGET FORMAT

MOVED by Councilor Eleveld, seconded by Councilor Naeem that the Finance Committee recommend to the Town Council that the FY 26 budget format remain the same as FY 25.

Town Manager Souza stated that the *Town Charter* requires that if there are any format changes to the budget format, they have to be done by January 15th. Staff has not recommended changes to the overall budget format.

Councilor Smith asked what have been some potential changes to the budget format in years past? Town Manager Souza said in the past, for each department we provide a history of the expenditure levels. It's the second or third budget page of each service unit. We've added that. Years ago, the Finance Committee asked staff to reformat how the special revenue accounts get shown. So, we added additional information on that. Mr. Bourke added that we added a page for the defined benefit program in general services.

Motion Passed 3-0-0

7. DISCUSSION OF PROPOSED FY 26 BUDGET CALENDAR

MOVED by Councilor Eleveld, seconded by Councilor Naeem that the Finance Committee recommend to the Town Council two fiscal year 2026 budget calendars for discussion and approval with 4/16/25 as the alternative schedule.

Councilor Naeem recommended that the Council add a meeting the week of April 14th to the budget calendar. If the councilors have any challenges, we can revert back to this schedule at the Council level.

Councilor Smith asked if they are looking at the 14th or 15th for an additional day? Town Manager Souza said the 16th.

Motion Passed 3-0-0

8. STAFF REPORTS

Town Manager Souza said we'll be looking at having a balance of $20,000 in American Rescue Funds. Regarding the Senior Lunch Program, those fundings from CRT are going away. Council approved some money to get them through this FY 25 with the unassigned fund balance money. The thought is that if we appropriate some of the American Rescue Fund monies of that $20,000 then that will be able to go towards mitigating the General Fund operating budget impact, assuming in FY 26, the Council wants to continue the program. This way we'd be "ahead of the game." We're looking at anywhere in today's dollar at roughly $60,000 to run that program on a 12 month basis. It's a thought after you see all the parameters here, if we could use those funds during this fiscal year and that would free up monies for the General Fund on the assigned appropriation you made that go towards the FY 26 costs.

Councilor Eleveld asked if we've done anything relative to CRT versus the other vendor. Was there a market price difference? Town Manager Souza said that he's not sure that Mr. Norris has yet been able to look at being able to move more of that purchasing over to the lower cost. However, that is Mr. Norris' intention is to reduce those costs. We'd have to check capability and capacity of that second vendor.

9. APPROVAL OF MINUTES

a) November 20, 2024

MOVED by Councilor Smith, seconded by Councilor Eleveld, to approve the unapproved minutes of the November 20, 2024 meeting as presented.

Motion Passed 3-0-0

10. ADJOURNMENT

MOVED by Councilor Eleveld, seconded by Councilor Smith, to adjourn the meeting at 7:42 p.m.

Motion Passed 3-0-0

Respectfully submitted by,

Helene M. Albert
Recording Secretary