



## **TOWN COUNCIL**

### **HYBRID MEETING – VIRTUAL AND IN-PERSON**

**April 23, 2024**

#### **Special Town Council Meeting Council Chambers**

### **UNAPPROVED MINUTES**

#### **1) CALL TO ORDER**

Deputy Mayor Klase called the meeting to order at 6:30 p.m.

Present: Mayor Nuchette Black-Burke (arrived at 7:13 p.m.), Deputy Mayor Darleen Klase, Councilor Mary Armstrong, Councilor Ronald Eleveld, Councilor Kristin Gluck Hoffman (arrived at 8:15), Councilor Ojala Naeem, Councilor William Pelkey, Councilor Leroy Smith, and Councilor Walker

#### **2) PUBLIC COMMENT**

Neil Sachdev, 960 Kennedy Road, spoke on behalf of the Windsor Art's Center and thanked the Council for their support of the organization and asked the Council to consider giving any unencumbered funds, like excess ARPA funds, to the Art's Center. He invited the Council to their upcoming fundraiser on June 8<sup>th</sup>.

Leonard Lockhart, 57 Columbia Road, was present as a taxpayer and parent and stated that he did not support any cuts to the Board of Education or the town's budget. He said we should give more support to the town, like to the public works and to the education system. He questioned if there was an alternative way to tax senior citizens who are on a fixed income and have paid their dues to the town for 20, 30 or 40 years. He said he hoped there was a way to take care of everyone.

George Slate, 74 Ethan Drive, congratulated the staff on the budget in brief, which gave a clear picture. He questioned the increase for the Great Pond Improvement District and asked the Council to take a look into that. He said he researched state statues and read from Section 7-567, *Additional property tax to pay current year's expenses*. He questioned whether the budget process was the end of all this and was not sure if that is what they should look at two months from now.

Kay Permenter, 30 Wilton Road, shared that they received a tax assessment that their taxes are going up 63% and asked if this is something that has come up suddenly or has this been in the works and asked why such a big increase is occurring.

Jim McLoughlin, 168 Windbrook Drive, said he came to town hall to appeal the tax assessment. He said he reviewed the records and there was a mistake on the number of bathrooms that are in his home and an adjustment was made. He stated that the value of

his home went up about \$78,000. He shared that the highest tax increase he ever had was 6% from 2012-2013 and this year his increase is 36%. He stated that he would struggle with the increase without some adjustments being made by the Council and urged the Council to help.

Dr. Linda Alexander, 155 Fieldstone Drive, was present on behalf of those who could not attend the meeting. She shared tax increases from residents that ranged from \$1,300-\$2,300 and they did not know how they would be able to afford the increase.

Jennifer Delskey, 16 Penncross Drive, and John Scanlon were present as Co-presidents of the Windsor Education Association (WEA) and have taught in Windsor for 20+ years. They asked the Council to reject proposed cuts to the Board of Education (BOE) and to support a budget that supports our kids. She said they are already operating with less than our town residents deserve and that schools are already severely challenged with unmet needs and problems with staffing shortages.

Tracey Zotter, 28 Spring Street, said that she is a lifelong resident of Windsor and shared that her parents are still Windsor residents, as well as with her nine-year old daughter. She stated that where she lives her taxes only went up \$180 based on the increase from the Board of Education and the town budget. She stated that she could not stress enough that the bulk of the tax increase is from the assessment. She reported that they are struggling in their schools and that they cannot afford to lose critical resources. She said \$1.5M cut from the staff would be devastating. She asked the Council that if they are looking to cut the budget to send it to the town for a vote and asked the Council to give the residents the best opportunity to provide for our children.

### **3) PRELIMINARY DELIBERATIONS**

Town Manager Souza provided an overview and stated that the proposed budget before the Council for consideration included the State mandated property re-evaluation and that significant appreciation of home values in the past several years is driving the majority of the impact for the budget. He said on average residential properties increased 51% over the last five years, since 2018. What has also occurred is that office buildings values have decreased approximately \$100M in assessed value due to the new or evolving remote work model. Motor vehicle values also decreased by approximately 6% or \$19M in assessed values. He explained that there has been a shift in the proportions of the overall Grand List and that several years ago when they did a re-evaluation property values went in the opposite direction, where commercial and industrial properties maintained or increased their overall share of the Grand List. He said currently, the residential portion of the Grand List is 52% versus one year ago when it was 43%. He explained that it has created a dynamic that all homeowners/property owners in Windsor are experiencing, which is a shift from commercial to residential in terms of the overall tax burden.

Town Manager Souza continued that on the expenditure side, the Board of Education budget proposed an increase of \$5.1M or 6.4% and the general government operating

budget increased \$1.3M or 2.26% for a combined proposal increase of \$6.5M or 4.6%. Taking into account the property re-evaluation, the proposed budget resets the tax rate to 28.26 mills, which is down from 33.6 mills that we had this year. Unfortunately, re-evaluation changes the assessed evaluation of all properties and there is still a significant increase. He said the overall average potential tax increase would be 27%. On the expenditure side, changes in non-tax revenues is approximately 3.2% and the rest of the percentage increase is related to the re-evaluation. He noted that each property is unique in how it has changed in its assessment, so re-evaluation will be unique. The tax rate for vehicles was decreased by approximately 13%, if the proposed budget were to be adopted at 28.26 mills.

Town Manager Souza said at this junction, the Council can begin discussing potential adjustments to the proposed budgets and consider phase in of property re-evaluation. He said the Council has the ability to adopt a multi-year phase in, which simply prorates out the re-evaluation portion of the assessed value increase. He brought the Council's attention to the calendar and reminded them that the budget needs to be adopted tomorrow evening, as well as setting a budget referendum date, which has traditionally been the second Tuesday in May. He said that he and staff are here and happy to answer any questions they might have and look to them for guidance to help prepare for tomorrow evening's meeting.

Deputy Mayor Klase thanked Town Manager Souza and asked the Council if anyone had any questions.

Councilor Naeem thanked everyone who came to the meeting to share their concerns. She said this is an unprecedented time here in Windsor and across the State, where a lot of difficult decisions and challenges are being faced on how do we balance making sure that we are not going backwards, maintaining services, quality of life and the needs that are here for our children while also making sure that our residents can continue to afford to live in Windsor. She said the Council has spent a lot of time together and have sent many questions to the Town Manager and his staff to really work together to understand what our options are. She shared that they have worked out a couple of different options and that she believed there would be some level of cuts that would be made but she was unsure of where they would land. She also believed they would need to bring forward a phase in solution so that we are trying our best to take the impact of the re-evaluation, which is the most significant part. She also hoped they would be discussing the use of opening cash. She said the town has worked hard to bring themselves up to a strong financial standing and that we have a wonderful bond rating and significant opening cash available to us to use for expenses, either as things come up or to apply towards the budget to help mitigate the tax rate, so our residents are paying less in taxes. She said, however, whatever they do decide to use for opening cash, they will need to make sure they have ways to fill that next year, so they are not passing that gap onto our residents. She took a moment to thank the Town Manager, Assistant Town Manager, the finance team and the entire staff.

Deputy Mayor Klase told the Council that Mayor Black-Burke was listening in on the meeting via Zoom and believed she was on her way and would be there soon. She also gave thanks to the Councilors who were also on the Finance Committee and she acknowledged Councilors Naeem, Smith and Eleveld.

Councilor Eleveld thanked Councilor Naeem for the items that she outlined and said as others have said, this is an unprecedented year and that this is happening all over the State for those who have done re-evaluations. He said on average the Councilors are looking at about a 45% property value increase and a 16-22% tax increase and said they are getting hit just as much as others. He also reminded residents that the Council does not receive any compensation for their work on the Council. He said the bottom line is that we have to absorb the increase in costs of higher taxes along with inflation that has hit our groceries, gas, electricity and the list goes on. Single moms and dads and seniors, he thought would be hit the hardest. He stated that when the Board of Education was before the Council last year, they commented that the ESSER funds were going to run out and they knew that and they anticipated that it would be a difficult year with the re-evaluation. He said the Board of Education requested a 6.4% increase and he thought if they had come in requesting 50% of that then they would be having a less difficult conversation. He said he and Councilor Naeem had multiple conversations on what may or may not be doable. He said their side has agreed that a two-year phase in might work and that the reality is that 2/3<sup>rd</sup> would hit the taxpayers in the first year. He said the other issue has to do with the rainy day fund and their position is that they are okay with using that fund but explained that the problem with using it is they are essentially using their savings account. He said they suggest if they do use the fund that they do it based upon the interest earned on the money that we have in the bank, which is approximately \$3.3M. He said they would like to use that as a guide for any future use of rainy day funds and that the objective is to wean themselves off of using those funds to balance the budget. He wanted to clarify that they are not looking to cut the Board of Education budget as they cannot do that legally but it is a reduction in what they are asking for. He said the Town Manager knew that it was going to be a difficult year and that he came in with a 2.35% increase and that there will be cuts proposed in that area too. He said he understood that parents would like to have a lot of money for their kids but what happens when the grandparents cannot afford to live in Windsor anymore.

Deputy Mayor Klase asked the Council if anyone had any questions for town staff or Town Manager Souza.

Councilor Walker said he had a reminder from the last meeting that they had and there was one area that was unfunded and he asked if it was appropriate for him to ask for a motion for funding for that one entity, the Windsor Fife and Drum Corps. He said they are asking for \$10,000 to purchase insurance so they can survive and help our kids. Town Manger Souza said that he thought that motion would be appropriate for tomorrow evening's meeting in final actions relative to the general government's section of the budget. He said he did not think there would be any motions made this evening but the Council would have discussions and provide guidance to prepare for tomorrow's meeting.

Councilor Eleveld asked if Councilor Walker was looking for those funds to be dispersed in the next 60 days or after July 1. Councilor Walker said no, not after July 1<sup>st</sup> and that there is an immediacy to the ask.

Deputy Mayor Klase shared concerns that this should have its own agenda item, since it is out of this year's budget. She said the published agenda for this evening's meeting said preliminary deliberations and public comment. The Council agreed that it would have to wait to the next regular Council meeting to be discussed.

Councilor Walker asked if the answer is to wait until tomorrow or the next Council meeting. Councilor Pelkey said the next Council meeting if you want action and Councilor Eleveld clarified that it would have to be the next regular meeting.

Deputy Mayor Klase restated and said that if funds are being requested for this fiscal year then Councilor Walker would bring his request to the next regular Council meeting and if he would like to make his request for funds for FY 25 then he could bring his request to tomorrow's meeting. Councilor Walker said that he would bring it up tomorrow night.

Mayor Black-Burke joined the meeting at 7:13 p.m.

Councilor Smith said they are doing everything possible to address the potential financial impact the budget may cause. He said that he is not scared to use the rainy day fund because that is what it is for.

Mayor Black-Burke apologized for being late but she had a work commitment that could not be moved.

Councilor Armstrong said that she knows there are concerns with cuts and increases and said there should be an attempt not to cut town services.

Councilor Walker said there is no problem with using the rainy day fund for the different areas of the budget and that Councilor Naeem mentioned the town's AAA bond rating and he said we need to maintain that. He said his area of concern is the Board of Education and that every year the budget increases and does not see anything getting cut in their budget. He said the town side is making sacrifices and thought the sacrifices need to be spread around. He shared concerns for seniors who are on fixed incomes.

Deputy Mayor Klase asked Town Manager Souza if he could explain the use of opening cash (reserves and rainy day is all the same) and what the impact of using it is and what is needed to maintain the bond rating. Town Manager Souza said it is called the reserve fund or unassigned fund balance. He said traditionally the Council, except for the last 2-3 fiscal years, has used on an annual basis part of that fund balance to mitigate the tax impact to the property owners. He said sometimes they refer to that as opening cash, which is effectively taking money from our reserve fund and simply putting it into the operating budget as a revenue, which reduces the mill rate. He said that it helps to provide

that mitigation of the tax increase and also preserve service levels. He said town staff cannot use the unassigned fund balance without authorization from the town Council and that Council has been asked over the years to use those funds to be able to cash finance capital projects, which reduces our long-term debt liability. He said currently the bond reporting agencies, which assigns a rating just like our own credit score, are reporting that municipalities should have 15-20% of their annual operating budget set aside in a reserve or unassigned fund balance. He reported that the town does have more than 20%, as the Council knows, and town Councils for a number of years now have known that a re-evaluation was coming and there was a possibility of using judiciously over a multi-year period some of those reserve funds. He said he mentioned multi-year period because if you use an 'X' amount of dollars in year number one then the following year you need to recover those dollars in some way. He said he thought we were in the position that the Town Council can use some of that General Fund unassigned fund balance but urged the Council to look at this from a three to five year period in how we use that cash because we have additional capital projects. He said our capital projects or what they call our CIP projects use upwards of \$700,000 each year in 'pay as you go' capital projects that reduces our overall bonding debt service liability.

Deputy Mayor Klase asked what it would look like if we did a two year phase-in and used opening cash over five years. Town Manager Souza said that he was going to use arbitrary numbers to explain and that these were not his recommendations. He said if the town were to use \$3M in opening cash in FY 25, then in FY 26 they would want to step down the reliance on that cash, so that in five years you might be down to \$1M because we do not know what the future might bring to us in terms of excess funds in any given year or any unexpected events. He remembered the time with Storm Alfred where they needed over \$2M for the cleanup after the storm and they did not get reimbursed from FEMA for a number of months, so they needed to have the ability to meet unexpected expenditures and to pay for appropriate capital projects.

Deputy Mayor Klase said that it is her understanding that when they phase in that there are commercial properties that are going to receive their tax revaluation at a lower assessment in year one and asked if that was correct. Town Manager Souza replied that with any phase in, by state law, all revaluation increases get phased in, so that is for both residential and commercial. He said any decrease does not get phased in, so we had significant decreases in our office properties in town and so those folks will receive that drop in recessed value at 100% and all the other properties that saw increases would see it spread out over whatever timeframe the Council decides on.

Councilor Pelkey asked what the projected growth would be over the next few years, excluding different tax abatement properties and other things, as well as the Grand List growth for major projects that we feel likely will happen. Town Manager Souza stated that at this point in time, we only have one fixed assessment or tax abatement that is in place and that is for the Amazon facility on Kennedy Road and he believed that would end at the end of FY 25. He said that is approximately a \$45-\$50M increase in assessed value for FY 26. He said right now there other projects that are under construction that will have

some increase in the Grand List in October 2024 and when they do their modeling they will be looking at about ½ a percent of economic growth. He noted that personal property, which is a fairly large share of our overall Grand List depreciates, so those businesses, non-manufacturing, that have personal property, their properties depreciate at a set rate and we should also take that into consideration. He said thankfully many of our companies have reinvested but that is usually on a cyclical basis. He said historically we see two or three years of growth and then we see a dip for a year or two.

Councilor Smith asked if there were cuts to the budget would that automatically make cuts to the TIF districts. Town Manager Souza replied that the Town of Windsor receives all of the revenues that are paid from taxes within that district and the town, per their agreement, rebates back 50% of those revenues to the Great Pond Improvement District, which is used to pay for the public infrastructure, like roadways, water and public sewer systems. He said it does not pay for any improvements on private property. He did not believe there was any ability to reduce those payments because of their agreement that was put in place in 2011 or 2012. He said if the Council chose to set a mill rate that was less than 28.26, then that transfer becomes less because the property owners within that district will have paid less taxes. He said this is a little different than the town center tax increment financing (TIF) district, which the town will begin to receive revenue from this year. He said currently we do not have any obligations that are in place for this current fiscal year, so the Town Council has the ability to use the revenue from the town center TIF, as long as it meets the TIF policy for the town center. The proposal for the FY 25 budget, staff has taken all but \$20,000 that is being generated from the town center TIF and they have turned that all back to the general fund operating budget. He said the \$20,000 will be used to support the First Town Downtown effort. He clarified that this is not additional money that they are receiving but that the money is now coming out of the town center TIF district instead of the General Fund.

Councilor Armstrong asked what would happen if our rainy day fund is depleted. Town Manager Souza replied that we would be in trouble and noted that the Town Council has an adopted fund policy, which states that they will have 15-20% of our annual operating budget set aside in that General Fund unassigned fund balance. He said by policy, if we go below the 15%, the Council policy is to replenish that fund so it at least meets that floor of 15%. The credit rating agencies will not reduce our credit rating immediately and would give us a warning as we approach the 15% and may put us on a credit watch. He said if the fund balance does not get restored between 15% and 20%, then there is a potential for the credit agencies to drop that bond rating but prior to that there may be some investors that may not be as interested in buying our bonds and we may not have as many buyers interested in our bonds, which could possibly cause us to pay higher interest rates. He said it is multi-faceted.

Councilor Gluck Hoffman joined the meeting at 8:15 p.m.

Councilor Armstrong asked what percentage from the rainy day fund would Mr. Souza recommend allocating to this budget. Town Manager Souza replied that it was a tough question to answer and that his preferred professional recommendation would be that we

are in the \$2.5-\$3M range and recognized that this is an unusual timeframe. He said it could be higher than that range but that it should be looked at in its totality and to look at what other impacts to reduce the expenditure levels are being made. He reminded the Council that this budget has about \$2.5M worth of 'pay as you go' capital projects and if that gets notably reduced those are things that still need to get done. As an example, he said we may be able to go one paving season without doing quite as many roads and that we normally only pave 6 miles of our 160 miles of roadway. He said there other items to look at that as one-time projects but that these are expenses we need to make to reinvest in the overall town infrastructure.

Councilor Eleveld asked if his understanding was correct about the credit enhancement agreement for Founder's Square which is within the TIF district but that it is not part of the TIF district. Town Manager Souza said that they have an agreement with the developer that we will rebate a portion of those taxes directly to him after he pays those to support that project but it is similar in some respects to the agreement that they have with the Great Pond Village. He added that the agreement has a set time.

Councilor Eleveld said that Town Manager Souza mentioned 160 miles of town roads and asked if that was all town roads that did not include state roads. Town Manager Souza said that is correct, it is all town roads.

Councilor Eleveld asked what the impact would be on the town if there was no increase given to the budget. Town Manager Souza asked if he was referring to the whole budget or just the general government side. Councilor Eleveld said just the general government side zeroing out. Town Manager Souza said that would be a reduction of \$1.3M (2.26%) and that he would look to preserve our staff levels to the extent possible and would look to reduce the pay as you go capital funding and would ask that the Town Council would replace that with the appropriate use of our cash reserves. He said they would be looking at things such as our annual contribution to other post-employment benefits (OPEB). He said past Councils have worked hard to keep that but this is a situation where we need to look at how we would address maintaining our services and mitigating taxes. He said it would potentially include elimination of some full-time and part-time positions to be able to achieve that.

Councilor Eleveld said would it include letting someone go or not hiring someone. Town Manager Souza said that it would depend on the department and said that we do have a few full-time vacancies at this point.

Councilor Eleveld said that they had received some communication from the Board of Education outlining what a reduction would look like on their side.

Councilor Naeem wanted to follow up on that discussion and said it would be helpful to see what those cuts would look like to get to zero for tomorrow night's deliberation, so that they could give some direction.



Councilor Eleveld said he would like Town Manager Souza to avoid any disruptions to service and reductions in headcounts, if possible. Town Manager Souza said that he understood.

Deputy Mayor Klase wanted to outline that the Board of Education did provide the Council with some examples of reductions and she reviewed them. A 1% decrease would include reductions in diesel fuel, major maintenance, physical plant services and possibly seven FTEs. A 2% decrease would include reductions in the above items and 11.5 FTEs and a 3% decrease would result in the above listed and 11.5 more FTEs for a possible total reduction of 37 FTEs.

Mayor Black-Burke shared that the outline Deputy Mayor Klase gave was provided to the full Council from the Board of Education.

Councilor Eleveld said that some of their reductions included items like maintenance, which we could assist in covering through 'pay as you go' basis if it is appropriate.

Mayor Black-Burke asked if he was referring to some of their major maintenance and he said yes.

Councilor Eleveld said that we all realize that this is a difficult time but what one of the problems that we have to realize with the Board of Education is that if you give them \$1M this year, then you are locked in to give them another million dollars next year and if the Council does a two-year phase in, then it is two years of paying.

Councilor Armstrong asked if we were talking about not filling positions that were vacant and possible layoffs during this budget. Town Manager Souza replied that to achieve a \$1.3M reduction to the general government budget, it would depend on how the Council would approach it. If more focus is put on reductions in capital spending and contribution to OPEB then it reduces the need to have vacant positions unfunded or potential layoffs. He added that some of the 'pay as you go' projects can be funded with the reserve fund. He said if you take \$500,000 away from paving, three years from now that money will probably be \$600,000 with inflation and the degradation of our road system. He said they would have to look at how we get that money back incrementally into the operating budget and said that it is the same challenge that the Superintendent has.

Councilor Armstrong asked if this would in any way affect the health insurance or benefits. Town Manager Souza replied that he did not believe so at this time.

Councilor Naeem spoke to Town Manager Souza and requested that the Council see what a two year phase-in would look like.

Mayor Black-Burke spoke to Town Manager Souza and asked if he could also provide what that might look like with a particular house value amount. Her biggest question they are facing right now is, what is the end impact on all citizens. She thought it would be very important to start to share what that looks like.

Deputy Mayor Klase asked Town Manager Souza to talk about doing a two billing cycle for paying taxes. Town Manager Souza said the most significant impact, if we went to a two payment system for real estate taxes only, would be a projected loss in interest income between \$675,000 and \$700,000. He said this would be assuming half of the taxes would be paid in July and half in January. He said that would reduce our \$3.3M in revenue that is built into the budget from those interest earnings by \$675,000 to \$700,000 using the interest that we are receiving today. He said to keep the mill rate where it is, they would either have to reduce expenditures by that dollar amount or find other revenues, i.e. increasing the tax rate.

Deputy Mayor Klase asked Town Manager Souza if the Montessori School and Stonybrook were the two properties that we collect rent from consistently. Town Manager Souza said the Montessori program at Milo Peck Center pays us a “rental fee”, which is then used to go back to cover “landlord costs” of general maintenance of that property and then the Caring Connection pays a rental rate for their use of 330 Windsor Avenue Community Center and that again goes into a segregated maintenance account that pays overall utilities, as well as minor maintenance and repair for the entire building.

Deputy Mayor Klase asked Town Manager Souza if it was fair to say that it is not market rate rent. Town Manger Souza said correct. He said that they collected approximately \$150,000 between both buildings and that money goes back to maintaining those buildings. He said if those programs were not here, then we would have those costs.

Councilor Gluck Hoffman asked if the Windsor Arts Center pays rents. Town Manager Souza said they do and they cover a portion of the utilities based upon their total usage of the facility. He said they also have the train station, which are subleased to individual artists and those funds get segregated out to cover basic maintenance costs of those two buildings.

Councilor Naeem reviewed what the Council had talked about so far and said what they had not talked too deeply about was numbers on the opening cash side in terms of what they needed from the Town Manager. She said she knew that one mill with this Grand List is about \$4.4M and she would like to see what the impact is with the use of that \$4.4M in terms of that one mill equivalent. Town Manager Souza asked with what level of expenditure reduction. Councilor Naeem said to give them a minute and they would get back to that.

Councilor Naeem said she thought it would be helpful to see a \$4M and a \$3.5M usage of opening cash, just for comparison sake. She said they had not decided what dollar budget but in terms of how much opening cash to use she asked the Council if they were comfortable with that and if they would like to see more or less opening cash used.

Councilor Eleveld said that their side had discussed the idea of utilizing, as an objective criteria, the amount of interest we earned in the year and being able to use roughly that number, which is roughly \$3.3M. He said the other concern he had was that he did not think we want to lower the tax levy to a number less than it was last year. He said they

would have gone to a zero budgetary increase by using other methods to get it to zero and thought it would be more of a challenge to get out of that hole. He said if you do \$4.4M then next year they are looking at theoretically somewhere close to \$8M and the year after that possibly \$12M because you have to cover your hole plus a new hole.

Councilor Naeem asked what their proposal was for using opening cash. Councilor Eleveld said \$3.3M.

Councilor Naeem asked Town Manager Souza if they could see options with using \$4.4M, \$4M and \$3.3M of opening cash.

Councilor Pelkey asked to add what it would look like to use zero opening cash.

Councilor Eleveld suggested seeing the numbers for utilizing opening cash at \$4.4M, \$3.3M and zero would work and they can extrapolate further from there if they want to go lower or higher and the other Councilors agreed.

Councilor Smith wanted to make a clarification that no one on the Council is looking to deplete opening cash/rainy day fund. He said there seems to be a thought process that there is a direct correlation between reducing the reserves and the bond rating. He said there are many factors that go into determining a bond rating. He also spoke about the interest earned from tax payers. Town Manager Souza said that he was correct that the cash reserves is one component that goes into the credit rating and he was correct that we earn interest off the taxes that are paid up front. He said he wanted to be clear that if they went to two payments it is approximately \$675,000-\$700,000 in revenue that needs to be made up either by the mill rate going up or a further reduction in expenditures.

Councilor Pelkey said that he tries not to look at things in isolation and was curious going forward if we have an ability to do a revaluation sooner than five years. Town Manager Souza said yes, state law does allow for that.

Councilor Pelkey asked if there was any timeline that we would have to adhere to do another revaluation. Town Manager Souza said he did not believe so but that he would have to clarify and see how that works if we were in the middle of a phase-in.

Councilor Eleveld asked if Town Manager Souza could provide a \$1M, \$2M and \$3M reduction to the overall budget without saying where the money would come out of.

Mayor Black-Burke said the Finance Committee was interested in seeing a \$1M budget reduction to the budget.

Councilor Eleveld said his concern was that if they do \$4.4M, then they are going to be \$1M or \$2M below where we were last year in terms of tax levy, so we would be below the taxes that were collected last year.

Councilor Naeem said that is if we use \$4.4M in opening cash and Councilor Eleveld added and have some kind of reductions.

Councilor Naeem said she thought the only way that would happen is if our overall reductions go below \$6.4M.

Councilor Eleveld said if you take \$2M off and add \$4.4M in opening cash then they are at zero, relative to the increase.

Councilor Naeem said not below and Councilor Eleveld said his numbers are a little bit below by maybe a half a million dollars.

Councilor Naeem wanted to be sure Town Manager Souza was clear on what the Council's requests were for tomorrow evening's meeting.

The Council discussed if they were in agreement to include a two year phase-in.

Councilor Pelkey said that he would rather rip the band-aid off and just be done with it because if they do a two year, no matter what the numbers work out to be, it is roughly 2/3<sup>rds</sup> get paid this year and 1/3<sup>rd</sup> next year and he would rather pay it all knowing that immediately in a year that the tax bill is significantly crashing.

Councilor Eleveld said he had the numbers on a two year phase in with the methodology that Town Manager Souza discussed last year and it works out to be 2/3<sup>rds</sup> would be paid this year and 1/3<sup>rd</sup> paid the second year, assuming the current budget with no adjustments or opening cash.

Councilor Naeem said she thought that further conversation on that would get the Council into muddied water and that ultimately they needed to see the numbers from Town Manager Souza. She asked that all the scenarios be with a two year phase-in and she clarified what scenarios they were asking numbers for. She said \$4.4M, \$3.3M and zero opening cash.

Town Manager Souza clarified that is with a \$1M, \$2M and \$3M reduction in requested expenditures.

Councilor Pelkey added on a median property and Town Manager Souza responded with how about a \$322,000 fair market value house, which is the middle of the road.

Councilor Naeem asked the Council if there was one reduction number that they could take out so town staff would only have to provide two scenarios instead of three.

Mayor Black-Burke said \$1M and \$2M would be the two numbers she would like to see.

Councilor Eleveld said in the end that it is going to end up that their side would like to see a much larger reduction.

Councilor Gluck Hoffman said that they want to make it easier for staff to get it done in a timely fashion and for it to be accurate and not for them to be here all night.

Councilor Naeem said they could do the \$1M and the \$3M and they could do the math from there.

Town Manager Souza recommended doing a \$1M and a \$3M reduction in expenditures and they will build in the opening cash at those numbers.

Councilor Naeem restated what scenarios the Council was requesting.

Mayor Black-Burke thanked the spokespeople for their hard work and asked the Council if anyone had any other questions. She told the Council that they will need to be prepared to vote tomorrow.

Councilor Naeem asked if staff could share the number before the meeting so that Council could have time to prepare. Town Manager Souza said he would.

Councilor Pelkey spoke about the Board of Education budget and thought that \$1.3M should come off the top and ignore it and start negotiations from there because they knew the ESSER positions were temporary and funded with ARPA funds. He thought the reduction would alleviate the pain for everyone in town and that it is unfair to ask residents with no kids in the school system to bear that burden. He stated that our principals should guide us and not this unprecedented moment and hoped everyone would look at the bigger picture and look long-term.

Deputy Mayor Klase said that she believed in the commitment to education whether she uses those services or not and that it is a commitment to a society that we all want to live in. She called to the fact that the Board of Education's budget in years past has been very reasonable and that she understood that they absorbed as many ESSER positions as they could and that they are identifying positions that are still critical and still in need. She said it is a philosophical discussion.

Mayor Black-Burke said that she did agree that we live in a town where they do not use all of the services, like the senior center, pool, parks or the school. She said she did agree with Councilor Pelkey that they should be looking to the future and how they and Councils to come can ensure they are shoring up the education system and provide the best services in town. She said that she agreed with the Deputy Mayor Klase that the Board of Education has been prudent. She said it is her will as much as possible that they keep as much as is needed knowing that there are going to be cuts on both sides in the town and in the Board of Education. She shared that she has a nine-year old who was a kindergartener when Covid hit and shared concerns on how they were going to ensure that cohort of students are going to get the services they need and get them back up to where they are supposed to be because their educational process was interrupted. She encouraged everyone to be mindful and that they owe it to the folks in town to hear what

they are saying but also being sure to shore up for everyone so they feel like they are getting the best of Windsor, which includes their school system.

Councilor Armstrong said that she wanted residents to know that they are here and that they hear them.

Mayor Black-Burke thanked town staff that have been with the Council for the last few weeks through budget discussions.

#### **4) ADJOURNMENT**

MOVED by Deputy Mayor Klase, seconded by Councilor Armstrong to adjourn the meeting at 8:28 p.m.

Motion Passed 9-0-0

Respectfully Submitted,

Andrea D. Marcavitch  
Recording Secretary