

**CHARLEMONT BOARD OF ASSESSORS
DECEMBER 5, 2022 MEETING MINUTES
CHARLEMONT ASSESSOR'S OFFICE**

Members Present:

Karen Rau; Chair, Jacqueline Cashin, Anthony Ostroski

Call to Order

Rau called the meeting to order at 6:20 p.m.

#1: Board Discussion

Tax classification options and discussion. The Board reviewed the tax rate worksheets and Hayden explained the tax rate split options and options of levying below the limit, levying to the limit and using some excess levy capacity, and the effects on the tax rate to each property class. She noted that the current tax rate, if they levied below the limit was down .10 from last year and since there was over \$500,000 in excess levy capacity, she had added a scenario to use \$100,000 of the capacity, which could provide funds for a future need. She added that after speaking with Matt Andre of the DOR Bureau of Accounts, he explained another way to utilize excess levy capacity would be to increase the amount raised for abatements and exemptions. After discussing the effects on the tax rate with the various options, the Board felt it best to levy below the limit, especially with the current economy and inflation. With the high food, gas and heating prices people were struggling to pay their taxes as it is and the Board was not in favor of adding any more than necessary to the tax levy. On a motion by Rau and seconded by Ostroski, the Board voted unanimously to levy below the limit. It was then discussed that Charlemont still does not have enough commercial tax base to substantiate a split tax rate, and the smaller commercial businesses struggling to stay afloat in Charlemont would take the hardest hit of a split rate. Therefore, on a motion by Rau and seconded by Ostroski, the Board voted unanimously to recommend a single tax rate for all property classes.

#2: 6:30 Appointment with Select Board; Tax Classification Hearing

At 6:30 P.M., the Assessors joined the Select Board for the Tax Classification Hearing. Hayden handed out the worksheets and gave an overview of the tax rate options and explained the effects on the tax rate with each. She conveyed the Assessors position on not being in favor of adding to the tax burden in such a difficult economy, noting that the Assessor's office in particular hears often from taxpayers who are struggling to pay their taxes and meet the increased cost of living. In addition, they felt the best way to raise additional funds for any purpose was within a Town meeting where the voters have participation and a voice in how much is added to their taxes. After reviewing the tax rate split scenarios on the worksheets, it was agreed that Charlemont doesn't have enough commercial tax base to support a split tax rate, and that smaller businesses would suffer. After taking some questions from the public, the Assessors unanimously recommended a single tax rate and levying below the limit. The Select Board voted to accept this recommendation and the tax class hearing was closed at 6:54 P.M.

Reconvene in Assessors Regular Meeting

At 6:55 P.M., the Board reconvened in their office to continue their meeting.

#3: Approval of Minutes

The Board reviewed the minutes from their 11/7/2022 meetings. On a motion by Rau and seconded by Ostroski, the Board voted unanimously to approve the minutes as written.

#4: FY 2024 Budget Request

The Board reviewed the Fiscal Year 2024 budget request and their past requests and expenditures. Hayden explained the tax mapping fee will increase and noted that since the MAAO held very few local trainings and they were very costly, they could probably just pay dues for the Chair and the Clerk. She explained there were no workshops so far this year that were relevant to them and most were out on the Cape. She suggested the other accounts could be level-funded. After review and discussion, on a motion by Rau and seconded by Cashin, the Board voted unanimously to approve the budget as recommended and to increase the mapping and pay MAAO dues for 1 member and the Clerk.

#5: Board Signatures

Amended Gateway Reports. Hayden explained an issue with the second homes personal property files when she had Patriot Properties run the second homes SQL procedure. She had updated all the second homes values in the personal property module, only to find that when Patriot ran their SQL procedure, it changed all the values and she had to then reenter them again. Upon discussion with Patriot, she appeared to have been given inconsistent information from a former staff member and there was no need to run the SQL procedure, since she had already updated the values. As a result, the Gateway LA-4 and LA-13 reports needed to be unlocked, resubmitted and reapproved by the DLS but fortunately, there was no change to the tax rate. Therefore the Board needed to sign amended LA-4 and LA-13 reports.

The Board reviewed/signed the following (Rau motioned, Ostroski seconded):

1. Amended LA-4 Assessment Classification and LA-13 New Growth report
2. Monthly list of personal property tax abatements for July-October, 2022

#6: Board Discussion

1. RFP's for Property Valuation Services. Hayden explained she realized their 3-year contract with Patriot Properties for valuation services was up after this Fiscal Year (2023), and that per Chapter 30B Procurement requirements she needed to solicit quotes from vendors. Cashin confirmed this and stated that she need only request quotes from 3 vendors and didn't necessarily need to receive a response. Hayden received a proposal for another 3-year contract with Patriot Properties, Inc., Sansoucy Associates said they don't do these services, and Duane from Mayflower had contacted her and said he would submit a quote, but she had not received anything as yet. The Board reviewed Patriot's new contract and were pleasantly surprised that it was proposed at the same level cost as previous. Hayden pointed out a few suggested changes such as the elimination of a 100% field review of real property; this was only required with the conversion to a new valuation system and had been done in 2021. Additionally, it resulted in a very large amount of abatement applications and taxpayer complaints. She also showed last year's contract, which had a stipulation that all insurance must be by an insurer licensed to do business in Massachusetts, missing from this year's contract. Cashin agreed this should be included. Hayden said she would also request a list of responsible persons she should contact for various types of work, to avoid an issue like the one she had with the personal property. It was discussed that they were generally happy with Patriot and that they had received no other proposals. On a motion by Rau and seconded by Cashin, the Board voted unanimously to enter into a new 3-year agreement with Patriot Properties, with the proposed amendments as discussed.

2. Local Options Discussion. Hayden explained she had taken a webinar on property tax relief for taxpayers but noted it didn't have many viable options for the average taxpayer. She has been getting many queries lately from taxpayers on if there are any tax relief options available if they don't meet the exemptions available. After investigating, she found there were some local options available which could make the requirements of the exemptions less difficult to meet, if accepted at Town Meeting. She explained that in 2014, they had voted an increase to the income and asset limits of the 41C senior exemption and that there were further increases available to that. Also, there is an option to increase the \$175 surviving spouse/minor/elderly exemption amount by the consumer price index percent each year,

which could help those who don't meet the income and asset limitation of the 41C. After review of the information on the local options, the Board felt this would be worth proposing.

With the 41C exemption, the gross receipts limit could be increased up to \$20,000 if single and \$30,000 if married; currently applicants are allowed to make \$16,000 if single and \$18,000 if married. Also the whole estate limit could be increase up to \$40,000 if single and \$55,000 if married; currently whole estate limits are \$31,000 if single and \$33,000 if married. The Board agreed these limits were very low in today's economy and after discussion, on a motion by Rau and seconded by Cashin, the Board voted unanimously to propose to increase the gross receipts limit to \$20,000 if single and \$30,000 if married and the whole estate limit to \$40,000 if single and \$55,000 if married.

With the 17C ½ exemption, the Board could vote to increase the exemption amount annually by any percent of the Commissioner of Revenue's determination of the increase in Consumer Price Index (CPI), and each year, the new increased amount would be the base that the next year's percentage increase is applied to. After discussion, on a motion by Rau and seconded by Cashin, the Board voted unanimously to increase the annual exemption amount of the 17C ½ exemption by 100% of the Commissioner of Revenue's determination of the increase in the CPI.

Hayden said another option they could consider would be to adjust their minimum personal property value exemption. She suggested as a way to recoup some of the value lost by adjusting the exemptions, they could decrease their minimum personal property exemption value from \$2,500 to \$1,000 or \$2,000. She explained this would be minimally impactful to taxpayers and determined that going to \$2,000 would pick up \$11,488 in value and going to \$1,000 would pick up \$27,250 in value. After some discussion as to what some other Towns do, on a motion by Rau and seconded by Cashin, the Board voted unanimously to reduce the minim personal property value exemption from \$2,500 to \$1,000.

All local options will need to be placed on the warrant for the May, 2023 Annual Town Meeting and will take effect, if accepted in Fiscal Year 2024. Hayden will prepare the warrants.

Adjournment

At 7:50 p.m. on a motion by Rau and seconded by Cashin, the Board voted unanimously to adjourn their meeting and enter into Executive Session pursuant to General Laws Chapter 59, Section 60, in order to deliberate on pending abatement and/or exemption applications and to not reconvene in open session afterwards. Roll Call vote: Rau-Yes, Cashin-Yes, Ostroski-Yes.

The next meeting will be Monday, January 9, 2023.

Respectfully Submitted,

Carlene Hayden,
Assessor's Clerk

Documents Viewed in Meeting of 12/5/2022*

1. Agenda for meeting of 12/5/2022
2. Minutes from meeting of 11/7/2022
3. Tax Classification Options worksheets:
 - a. Option 1; Levying below the limit
 - b. Option 2; Levying to the limit
 - c. Option 3; Using \$100,00 of excess levy
4. Fiscal Year 2024 budget request & proposed budget
5. Gateway Reports:
 - a. LA-4
 - b. LA-13
6. Monthly list of personal property tax abatements for July-October, 2022
7. Fiscal Year 2024-2026 valuation agreement with Patriot Properties, Inc.
8. Fiscal Year 2021-2023 valuation agreement with Patriot Properties, Inc.
9. Email from Matthew Sansoucy regarding valuation services, 11/28/2022
10. Local option information:
 - a. Informational Guideline Release (IGR) No. 02-209 Clause 41C Exemption Options
 - b. Proposed Notification to Commissioner of Revenue of Clause 41C Exemption Options
 - c. Current Notification to Commissioner of Revenue of Clause 41C Exemption Options
 - d. IGR No. 22-4 Optional Cost of Living Adjustment for Fiscal Year 2023 Exemptions
 - e. Proposed Notification to Commissioner of Revenue of Acceptance of G.L. Ch. 59, §5 (Clause 17C ½)
 - f. Proposed Notification to Commissioner of Revenue of Acceptance of G.L. Ch. 59, §5 (Clause 54 Small Personal Property Exemption)
 - g. List of currently value exempt personal property
 - h. Deeds for October, 2022

***Documents are stored in their respective files in the Assessor's office.**