

BOARD OF SELECTMEN
TUESDAY, FEBRUARY 24, 2015

The regular meeting for the Board of Selectmen convened at 7:00 p.m. in the conference room at 110 Main Street. In attendance were Edward S. Harrison, Dr. Richard M. Smith and John R. Morrell. Also present were Town Administrator Evan Brassard and the media.

The Pledge of Allegiance was recited.

Acceptance of Meeting Minutes:

Dr. Smith made a motion to accept the meeting minutes for February 10, 2015 – open and executive sessions. Mr. Harrison seconded and it was so VOTED.

Mr. Morrell abstained from voting as he was not present at that meeting.

Appointment of New Associate Member of the Planning board:

This was tabled.

Appointment of New Member of the Board of Health:

This was tabled.

Overview of Assessor's Role:

Principal Assessor Alyce Johns approached the Board of Selectmen and explained the attached presentation.

Ms. Johns explained she feels there is a misconception of the role of the Assessor, and was here tonight to provide a presentation that will hopefully answer many of the questions. Ms. Johns noted this presentation will be available on the Town's web site under the Assessor's Department, and anyone with any further questions can feel free to come into the office or to call them. Also, printouts of property value cards can be obtained free of charge in the Assessor's Office.

Ms. Johns said she also hoped this quick overview will help to prepare the taxpayers when she goes out to inspect properties, and when they send informational packages out to be completed. All the forms for the Assessor's Office are located online, and the office is open to the public Monday through Friday from 8:00 a.m. to 4:00 p.m. with the only exception being when someone is out sick or on vacation.

Ms. Johns explained when any property is due for a reevaluation of real and personal property, a letter along with a consent form, will be mailed out to the residents to make it a little easier, stating they are going to be in their neighborhood. Appointments can be made at that time to make sure someone over 18 years of age is at home at the time of the inspection. Inspections of every house in town will be done every three years with a nine year cyclical inspection cycle to complete the inspections of every house in town. These values then go to the Commonwealth of Massachusetts Department of Revenue for

certification. The Assessor's Office is also responsible for the motor vehicle excise tax bills originated by the Commonwealth of Massachusetts Registry of Motor Vehicles, these bills are passed onto the Town Collector for distribution, however the Assessor's Office grants any abatements and answer any questions regarding the excise tax bills.

Finance Director Deborah Mahar approached the Board of Selectmen and explained the tax levy is the amount of real estate taxes that can be raised in any given year, and noted Proposition 2 ½ is on the levy on the entire town. Therefore, the tax levy is the total amount the taxes can be raised per year, it's not the evaluation that goes up 2 ½%. The whole levy can only go up to 2 ½%; however individual homes can go up higher on their assessments. Ms. Mahar explained what is determined by that is what is appropriated at Town Meeting, reduced by the money we get from the State. Ms. Mahar said they look at the prior year levy and this can be raised up to 2 ½%. The individual value of a home may go up or down. The tax rate is figured out by taking the total value of the town, divide it by one thousand and then divide that by the levy and that's how the rate is reached. Then homeowners can take the value of their house, divide it by one thousand and multiply it by the rate and that's what their taxes for the entire year are going to be.

Ms. Johns stated the market has a big input on property values; what the average person is willing to pay for a home is what helps them make their determination because it's based on fair market value. Currently Monson's market value is at 94% and this could go as high as 100%.

Ms. Johns further explained the Mass. Appraisal is where they look at the entire town as a whole. They study certain areas of the town in sections, and come up with a medium value. Each section of town is assigned its own value based upon its topographical areas, its homes in that area, and the access to town; they then come up with a medium value after looking at each one of those and bringing in the value as a whole. The Mass. Appraisal affects an individual home owner's rate, as it's applied by a percentage onto their value based upon what they get for a medium value. The market value influences the Mass. Appraisal.

Mr. Brassard explained the Assessor is now trying to streamline the process of her inspections by combining trips with the Building Inspector on her inspections, so the home owners will have the option of only having to be home once for an inspection of a remodel, addition or new build, as it tends to be inconvenient to have multiple people there at different times doing inspections.

Mr. Harrison noted this presentation was very informative, and the Board thanked Ms. Johns for coming in.

Surplus Property – Sewer Jetter:

Mr. Brassard explained funds were allocated to purchase a new sewer jetter for the Water Department as this unit is quite old, thirty plus years. Once the old sewer jetter has been deemed surplus, it will be moved off site and put it up for resale, as it is felt there is a market for it since it's still in pretty good

shape. Mr. Brassard explained this particular unit is on wheels and has a water tank on it. The nozzle and hose is stuck in the sewer line where pressurized jets that are all around it, clean the pipe as it is retracted.

Dr. Smith made a motion to deem the old sewer jetter surplus and to put it up for sale. Mr. Morrell seconded and it was unanimously VOTED.

Deficit Spending for Snow and Ice Budget:

As Highway Surveyor, Mr. Morrell said while he was out of work with pneumonia for the past three weeks, the Highway crew did a wonderful job keeping up with all of this snow. Forman Ben Murphy did his normal job plus Mr. Morrell's job of calling the contractors in etc. The Cemetery Department also helped out with each of the snow storms as did the Water/Sewer Department.

Mr. Morrell noted the Snow and Ice budget is currently \$77,816 in the red, and the bills are still coming in from outside contractors and vendors.

Mr. Morrell noted more snow is predicted on Sunday into Monday with a possible mix for Tuesday into Wednesday. Also, when the snow melts, it will melt during the day and freeze at night, requiring more sand and overtime.

Mr. Morrell said the Town of Monson, for the past fifteen years, goes in on the salt bid with eleven other local towns. Some of the towns are Wales, Holland, Brimfield, Palmer, Ware, Ludlow, and Hampden.

Mr. Morrell noted our salt supplier ran out of salt. The contract states if an order is not delivered within 72 hours, we can get it elsewhere and they will pay the increase and cost of trucking. This will knock off about \$16,000 from that bill.

Mr. Morrell suggested deficit spending of \$125,000 which will put the town \$35,000 to the plus side for future bills; overtime, private contractors, etc.

Mr. Brassard noted last night the Finance Committee recommended \$75,000; so any additional money over that amount would require another vote and the Finance Committee's approval.

It was noted the original Snow and Ice budget was \$200,000. At the last meeting an additional \$100,000 was approved. This \$300,000 amount has been spent. Last night Fin. Com. approved an additional \$75,000 for a total of \$375,000.

Ms. Mahar said if too much money is authorized it won't be detrimental, anything not spent would just come back to the town.

Dr. Smith made a motion to approve Snow and Ice deficit spending of \$75,000.00. Mr. Harrison seconded and it was so VOTED. Mr. Morrell abstained from voting as this is for his department.

Dr. Smith made a motion to approve an additional \$50,000 for the Snow and Ice deficit spending. Mr. Harrison seconded and it was so VOTED. Mr. Morrell abstained from voting as this is for his department.

In Other Business to Come Before the Board:

- Mr. Morrell said he would like to schedule a meeting for a discussion between the Board of Selectmen and the Tax Collector and Treasurer. Mr. Brassard said he would set that up.
- Mr. Morrell noted stipends were taken away a number of years ago for the Board of Selectmen, the Board of Assessors, and the Water/Sewer Commission due to budget cuts, and felt they should be reinstated. Mr. Morrell noted he is not saying this for himself as he can only collect from one position and he's also the elected Highway Surveyor, so this wouldn't benefit him.

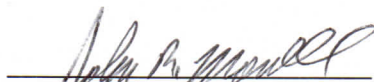
Dr. Smith asked Ms. Mahar to clarify why it's just those three boards that had a stipend vs. other boards. Ms. Mahar approached the Board of Selectmen and said that was before she started working with the town and had no idea.

Mr. Morrell said he spoke to the Boards and found the stipend for the Selectmen was \$1,400 and \$1,600 for the Chairman; the Water/Sewer Commissioners received \$850 each and \$950 for the Chairman; and the Assessors received \$900 each with \$1,100 for the Chairman.

Mr. Harrison said the board will have to think about it.

Correspondence was read and completed.

At 8:00 p.m., Dr. Smith made a motion to adjourn from open session to go into executive session to discuss with respect to collective bargaining or litigation, pursuant to M.G.L. c.30A, Sec.21 (3), not to return to open session. Mr. Morrell seconded and it was unanimously VOTED.



John R. Morrell, Clerk

BOARD OF SELECTMEN

CORRESPONDENCE & RESPONSES - FEBRUARY 24, 2015

1. Letter from Town Collector Dorothy Jenkins regarding abandoned property at 28 Bridge Street.

RESPONSE: Mr. Brassard said he will follow up on this.

2. Letter from a resident praising Building Inspector B.J. Church, and suggesting the Town consider increasing her hours so she will stay with the Town.

RESPONSE: Mr. Harrison said it's always refreshing to get letters of praise from residents.

3. Bridge inspection from Mass. D.O.T. for Hospital Road/Quaboag Stream.

RESPONSE: Mr. Morrell said this is for the bridge on Hospital Road that has been closed for a number of years.

4. Letter from Comcast and a check to the town in the amount of \$8,377.49 in accordance with Section 6.4 of the Franchise Agreement representing 1.25% of the Gross Annual Revenues for the fourth quarter of 2014.

5. Copy of a letter from Comcast and a check to M-PACT in the amount of \$24,977.81 in accordance with Section 6.4 of the Franchise Agreement representing 3.7% of Gross Annual Revenues for the fourth quarter of 2014.

6. Meeting minutes from the Monson Water & Sewer Commission for October 22nd, November 5th, and November 19, 2014 and January 21, 2015.

7. Meeting minutes from the Monson Board of Health for January 21, 2015.

8. Meeting minutes from the Monson Parks and Recreation Commission for January 21st and January 31, 2015.

9. Meeting minutes from the Monson Conservation Commission for January 28, 2015.

The Role of the Assessor

Prepared by Alyce Johns, Principal Assessor

The Role of the Assessor

- Every three years, the Assessors must re-value all real and personal property and submit these values to the Commonwealth of Massachusetts Department of Revenue for certification. Assessors must also maintain the values on the years between verification. This is done so that each property taxpayer in the town pays his or her fair share of the cost of local government.
- The Assessors are required by Massachusetts law to value all real and personal property within the town. They value residential, commercial, industrial and personal property. Periodically, outside professional appraisers are used to assist with specialized assessments. Special assessing computer software is used to maintain values and assist with the multitude of calculations required in their work.
- The Assessors submit the Tax Rate Recapitulation Sheet annually to the Department of Revenue. The Assessors are required to annually assess taxes in an amount sufficient to cover the State and Local appropriations chargeable to the Town. The tax rate, set by the Assessors, is the basis for the budget needed to provide for services, such as schools, roads, fire, law enforcements etc. The tax rate is simply the rate, which will provide funds to pay for those services.
- Assessors also have a responsibility for motor vehicle excise tax bills, originated by the Commonwealth of Massachusetts Registry of Motor Vehicles.
- For motor vehicles, they process the bills and pass them onto the Town Collector for distribution. Assessors grant abatements and answer any questions regarding excise tax bills.
- Additionally the Assessors have the authority to grant real estate abatements for overvaluation and personal exemptions to qualifying taxpayers.

Assessment Process

Mass Appraisal

Assessor must value all real and personal property in the community to their full and fair cash value. Mass appraisal is the process used by every Massachusetts city and town to create property assessments. Assessments are based on an analysis of Monson's entire real estate market for a specified period of time. This study guides the setting of valuation parameters that are used to calculate the property values town-wide. No particular sale or group of sales is used to determine the value of your property, but all of a certain calendar year's sales are included in the analysis that set the parameters for the next fiscal year.

Market Value

Market value, or full and fair cash value, is the most probable price for which a property will sell in an open, competitive market that a willing buyer will pay for a property to a willing seller, both acting knowledgeably and prudently and neither being under any obligation to buy or sell. Sales of foreclosures or family sales are not considered to be "arms length" or fair market transactions.

Aspects of Property Valuation

PROPERTY RECORD CARD

Property Records cards contain ownership information, visit history, land and building details and other notes, which display a property's valuation are available in the Assessor's office. There is no charge for your own property record card.

DETERMINING AN ASSESSMENT

The assessor collects many data elements about property in order to develop the total valuation. The most significant factors in determining the value are location, land area, style, quality, size condition and age of the building(s). Other factors include amenities or deterrents on land as well as features in the building such as number of bathrooms, type of heating/cooling, interior/exterior finishes, and special features including fireplaces, saunas and Jacuzzis. Also considered are detached structures.

FAIR AND EQUITABLE

The best comparisons are to properties that have sold that are most similar in the most aspects of your property. You can also compare property's assessments to the assessments of the most similar properties. Although properties will most likely never be a perfect match, assessments for similar properties should fall in a close range of valuations. Simply said comparing apples to apples.

Increase/Decrease of Property Values

The assessed value represents the estimate of market value of the property. The real estate market changes constantly. The assessment for Fiscal Year 2015 represents the estimate of market value as of January 1, 2014. The estimate of market value is determined by examining sales of properties from the prior calendar year 2013. Although there may not have been any physical changes to the property, buyers might be paying more or less for properties than they were the previous year. The assessment changes reflect the changes in the purchase prices of similar homes in the neighborhood. The assessments do not predict market value. The assessments reflect (or report) market properties. These assessments reflect what the buyers and sellers are doing as of the assessment date.

Inspections of Property

Why does the assessors need to enter my house?

A total inspection of all factors that influence the value results in the most accurate assessment of a property. We request the inspection in order to be as fair and accurate as possible. Items such as condition of the rooms, quality of finish, areas which are of finished versus unfinished, can only be confirmed with an interior inspection. Without actual information, estimates of the interior information have to be made.

Will an inspection change the value of my house?

It Depends! Depending on the accuracy of the current data about the property, your value may or may not. However, the valuation for the current fiscal year will not be changed mid-year unless the property meets the strict qualifications for a supplemental tax bill (usually only major new construction)

Inspection of Property continued

Will I be penalized if do not I allow assessors in?

In instances where the assessors do not get into a property, estimates are made about the condition of the interior of the property. Accurate assessments are based on accurate information. By allowing assessors to view the interior and exterior of property, your assessed value is based on accurate information. If a person does not allow the assessors to view the interior and exterior of a property, estimates are made about the condition of the interior of the property, the kitchen and bath qualities, and where there is finished attic space and finished basement space. If the estimates are overstated, property owners may contact the assessor's office to arrange an interior and exterior inspection of their property. However, you lose the ability to challenge your assessment.

What if I feel I am overvalued?

There are three basic reasons for granting an abatement: data error(s), overvaluation, or inequitable assessment. An abatement application is not a complaint about taxes or how much your valuation increased. It is an attempt to prove that your property's estimated market value is inaccurate or unfair based on recent sales of comparable properties.

Tax Rate

- The Assessor's primary responsibility is to find the "Full and Fair Cash Value" of your property so that the taxpayer pays only his/her fair share of taxes.
- The assessors do not determine your tax rate.
- The tax rate, in its simplest form, is the tax levy divided by the town's taxable valuation. This is called the Uniform Tax Rate.