

WASHINGTON FINANCE COMMITTEE MINUTES

18 September 2017

In Attendance: Kent Lew, Dick Spencer, Sean Connors, and David Weissbrod

Meeting was called to order at 7:01 pm.

OLD BUSINESS

1. Finance committee meeting minutes from August 14, 2017 were approved.

NEW BUSINESS

1. Virginia Lake Update.

Dick reported on behalf of the Virginia Lake Committee, regarding current status and recommendations. Basically there are two consolidated lots that are possible entities for sale.

- a. Lot 2: Lot 2 consists of several town parcels around the lake, totaling a little over 23 acres. The Nature Conservancy has expressed an interest in it. They have purchased similar parcels near the lake. There's no legal, drivable, access to Lot 2., as well as obstacles to establishing legality of any unmaintained roads to it.
- b. Lot 1: Lot 1 consists of several town parcels with frontage on Middlefield Road, totaling a little over 7 acres. Possible beach rights to Preston Pond?

We speculated on possible sale prices for each lot. We would go through a sealed bids process but would require funding for legal advice and counsel first. Initial estimate is for legal aid is about \$6,000 (40 to 60 hours @ \$100 per hour). We believe a tax title attorney would be advisable. Our tax collector's office has worked with one in the past. We will present this info to SelectBoard to request up-front legal advice accordingly. We would recommend transferring funds from reserve account into existing treasurer's account.

At 7:35 pm, the committee continued meeting with SelectBoard, already in session.

Dick presented our recommendations, already described herein. The SelectBoard said we should work with Glen, and agreed to the transfer of \$6,000 from reserve account to treasurer's account, for legal advice. Dick Spencer will contact a recommended tax title lawyer (not Jeremiah, town counsel) to begin discussion.

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2. Tax Recap & Classification.

(This Agenda item also discussed at Selectboard meeting, and with tax collectors present.)

Handouts provided by Tax Collector and Finance Comm Chairman.

Kent explained why final tax rate was a little higher than originally estimated, largely due to an unanticipated dip in excise tax receipts and commitments (-\$5,000, rather than +\$5,000). Actual FY18 tax rate will be \$14.83, with an average Single Family tax bill of \$3,385 (overall \$117 increase and \$28 more than board's original, estimated increase). Additionally, less actual New Growth than expected accounted for tax rate increase (\$6,400, instead of anticipated \$14,000). Lastly, the overall Assessed Valuations for the town went down slightly, instead of going up as projected, due to revaluations of many properties. Approximately half of the town's taxable properties saw some decrease in assessed value: 45% stayed the same; and a handful went up.

Per Assessor's handout: Washington Residential Fiscal Year 2018 Taxable Value is \$55,243,100. The average (Class 101) single home residential value in fiscal year 2018 is \$228,277. Washington's fiscal year 2018 TOTAL Taxable Value is \$81,220.762. Fiscal Year 2018 Levy is \$1,204,503.90. This is the total amount to be raised through taxation.

Selectman Dick Grillon raised the issue of quarterly tax billing for future consideration.

At 8:20 pm, the Finance Comm exited from SelectBoard Meeting, eventually returning to meeting room.

3. Long-term Disability Insurance.

The board looked at the possibility of offering long-term Disability Insurance (LTDI) to employees, namely, members of the Highway Crew. The employee would be responsible for the entire premium (not inexpensive!). Aflack was mentioned as one company providing coverage elsewhere in the Berkshires. Does MMIA offer this? Unless the town employees are buying this through an insurance co, offering group coverage, it's hard to see why the town would even be involved in this. We will ask Glen about MMIA's participation in LTDI, if any. We could also look at paying for all or part of it, but in lieu of something else (such as amount of raise, etc.). We would have to discuss with Selectboard.

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4. Peter Blake Letter.

The board reviewed and discussed town resident, Peter Blake's letter, dated 1 July 2017, regarding some ideas on how the town might increase revenue stream. The board reviewed all 11 items, agreeing to write Peter, thanking him for his thoughtful and timely submission. The following are some of the board's initial, main comments recorded at the meeting.

"Create a designated committee, charged with the task of increasing revenue for the town." We all agreed that this is an excellent idea, in conjunction with overall strategic vision for the town. Member(s) from the planning board, finance committee, select board and assessors would possibly comprise the committee, as well as others, - to be defined. The Finance Comm. agreed that we should first talk to the planning board and select board. We could create and distribute a survey of our citizens. We want to know their ideas, concerns, and possible approval/disapproval of any plans.

"Consider creating a business zone along the Rt 8 artery." Discussion about this has come up before and continues to generate a lot of discussion. The board thinks it is worth continued exploration. We would have to be careful to consider the responses from current Rt 8 residents, and find the right definitions to be able to maintain the character of the town. This would mainly be the province of the Planning Board.

"After defining total acreage within the town borders, and then define the total acreage currently comprised of non profit, municipal, and land preserves within the borders. Then establish a maximum limit for these types of organizations, as they may inhibit future taxable growth. This would assist in assuring that the majority of the town is capable of residential/business growth." The board wondered whether this was even possible and perhaps illegal. We should take an interest in any such sales, but we probably couldn't dictate or veto. As important, is it something that most of the town would support?

"Creating a property view enhancement for those properties that have elevation such that the view increases the property value." The board agreed that this would be a difficult and subjective property evaluation. How would assessors determine quality of a view and apply a consistent evaluation process? Probably not something that would fly... Assessors have indicated that this is difficult to impose and defend against appeals.

"Consider a property enhancement fee for those properties that are not yet taxable, yet have (some) road frontage." Not much board support for this idea at

present. Similar problems as view tax. There is already a separate classification for developable land, which is assessed higher than non-developable.

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“Consider a personal property fee for the items required to operate a cottage industry as permitted within the existing zoning by-laws.” Personal property tax is already implemented. When first adopted, the Select Board chose to put in place the maximum allowable exemption (threshold), to lessen the shock for businesses. The board asked itself if we could perhaps propose that these present exemptions be scaled back gradually. We should ask Assessors whether a broader net would likely catch any more businesses.

“Consider an annual fee for the cottage industries...” A proposal like this (only \$10 registration) was loudly voted down at ATM a few years ago ... but we could look at it again. It would be good to revisit the idea of a business registry. It would be up to the planning board and select board to reopen this discussion.

“Consider forestry enhancement of town-owned acreage.” This is already being explored in some cases. It might work in some instances, i.e., the sale of firewood from town-owned land behind Town Park. Dick is looking into grant sources to offset cost of developing forestry management plans (including a grant for improving acreage for enhancement of bird habitat). The idea of replanting following harvesting, would probably not be cost-effective.

“Consider appointing an enforcing official to uphold these guidelines.”

“Consider fines for violators and establishing processes for collecting these fines.” These considerations should definitely both be part of any decision to implement new guidelines.

“The town should also stay current with the defined roadway infrastructure. The town should maintain accurate records as they pertain to abandoned roads/streets and minimize paper roads/streets.” We thought this was a good idea, partly in relation to potential liabilities. The new Street Scan program will help track existing roadway infrastructure. We should look into establishing inventory of paper roads.

The board agreed that we could combine this list with other revenue possibilities that have been discussed previously, and open up the list to the whole town for ideas. It's an important endeavor and asks each of us to think about what we value and what we like about the town and what we envision for the town's future. The survey, previously discussed, would be a good start-- not only to get feedback, but also to generate town awareness and interest in this endeavor.

5. Any New Business.

Sean offered his opinion regarding humane and compassionate tax collecting policies when it came to tax delinquency.

Note: The next Finance Comm Meeting is planned for Oct 16.

Meeting adjourned at 9:27 pm.

Respectfully,

David Weissbrod, Clerk