

Devens Committee – Sub-Committee meeting with Tony Aruda regarding Draft Tax Plan

Date: November 15, 2005

Attendees: Mike Boucher, David Winters

Public: Mike Donabedian, John Knowles

Description:

This meeting was an informal meeting used to educate the Devens Committee on the proposed Devens Tax Plan. No other agenda items were targeted.

Discussion points:

Total tax target and Base Levy: The nature of Devens and establishing the first tax plan based on the new valuation method was a challenge. In this regard establishing a tax assessment target that allowed reasonable tax limit bands for Mass Development and maintaining a reasonable tax rate for residential, commercial, and industrial properties was not an easy task. Mass Development settled on a target of \$420,000 as the limit on total taxes assessed.

The Base Levy was derived by investigating various regional towns to determine a per unit value that could be considered characteristic of Devens residential and commercial base. This was difficult due to the large commercial base on Devens that is not typical of the surrounding towns. A per-unit value of \$3999 was accepted.

Proposition 2 ½: Discussion centered on Mass Development staying within the Pop 2 ½ guidelines.

Residential Reimbursement: In order to transition from the previous taxing method to the new method a “one-time” residential reimbursement was established. The reimbursement was used to smooth the transition and appeared on the current years tax bills. The value of \$11121 was added to all Devens residential properties. This value is not applied to any future bills. Tony indicated that the homes with a smaller square footage would see larger effects in the first bill residents receive using the new method. The colonials with the largest square footage will see minimal changes to their tax bills with the new method.

Department of Revenue: Tony discussed how he has worked with the Department of Revenue for over 2 years on this plan requiring a number of revisions to his original proposal.

Home Assessments: Discussion on “internal” assessments required in the near future to all residents. The Depart of Revenue allows once every 10 years an internal assessment of a residential property. Tony indicated that this will begin this year.

DEC revenue slice: The DEC has submitted their own tax plan to receive a slice of revenue from taxes derived on Devens. Tony indicated that the DOR does not want two separate plans so there will have to be some coordination between the DEC and Mass Development to either modify this plan or agree on some type of revenue sharing.

Examples: Tony discussed how additional revenues would change the base levy in the future and how the limits will constrain increases (contact Tony for specific examples). There was a bit of whiteboard interaction and I suggest we request Tony to provide examples to append to this document.