

**TOWN OF GREAT BARRINGTON MASSACHUSETTS
FINANCE COMMITTEE MEETING
REVISED AGENDA**

July 27, 2021

6:30 PM

LOCATION:

TOWN HALL MEETING ROOM & REMOTE MEETING VIA ZOOM

Join Zoom Meeting

<https://us02web.zoom.us/j/8755172252?pwd=UTVBTE1wRmtxOE05bzZtdkRpY1JWZz09>

Meeting ID: 875 517 2252

Passcode: 123123

Dial in, (audio only): 929 205 6099

(if dialing in: *6 - mute/unmute. *9 - raise hand)

Pursuant to Governor Baker's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §18, and the Governor's June 16, 2021 Revised Order extending remote participation by all members in any meeting of a public body, this meeting of the Great Barrington Finance Committee will be conducted via remote participation to the greatest extent possible. Specific information and the general guidelines for remote participation by members of the public and/or parties with a right and/or requirement to attend this meeting can be found on town's website, at www.townofgb.org. For this meeting, members of the public who wish to listen to the meeting may do so in the following manner: See instructions at the top of the agenda. No in-person attendance of members of the public will be permitted, but every effort will be made to ensure that the public can adequately access the proceedings in real time, via technological means. In the event that we are unable to do so, despite best efforts, we will post on the town's website an audio or video recording, transcript, or other comprehensive record of proceedings as soon as possible after the meeting.

1. Call to Order
2. Roll Call Vote
3. Approval of Minutes
 - April 27, 2021
 - May 18, 2021
4. Finance Committee member committee reports
5. Update from Town Manager & Finance Director
6. Finance Committee business
 - Senior Tax Deferral Program
 - Continued discussion
 - Setting up committee
7. Finance Committee Member Comments
8. Citizen Speak Time
9. Media Time
10. Adjournment

Pursuant to MGL, 7C 30A sec. 20(f), after notifying the Chair of the public body, any person may make a video or audio recording of an open session of a meeting of a public body, or may transmit the meeting through any medium. At the beginning of the meeting, the Chair shall inform other attendees of any such recordings. Any member of the public wishing to speak at the meeting must receive permission of the Chair.

**TOWN OF GREAT BARRINGTON
MASSACHUSETTS**

**FINANCE COMMITTEE MEETING
DRAFT MINUTES**

**TUESDAY, APRIL 27, 2021
6:30 PM**

LOCATION: REMOTE MEETING
Conducted via Zoom Meeting

1. **Meeting was called to order** by Chairperson A. O'Dwyer, at 6:30 pm. The meeting opened with a reading aloud of Remote Meeting Guidelines provided in response to Governor Baker's March 12 and 15, 2020 Orders Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A §18, in response to limitation on the number of people that may gather in one place.
2. **Attendance roll call** was called by Chairman A. O'Dwyer. A roll call verified that present at the meeting: T. Blauvelt, W. Curletti, M. Loubert, M. O'Connor, and A. O' Dwyer were all in attendance.

Also in attendance: Town Manager, M. Pruhenski; Principal Assessor, Ross Vivori; and Selectboard Chair, S. Bannon.

3. **Approval of Minutes.** Review of February 2, 2021 minutes. A. O'Dwyer informed the committee that the minutes were less detailed than usual, as a video recording for the meeting was not available (or lost), and thus she relied on her notes in writing up the minutes. M. Loubert noted several typos which were corrected. T. Blauvelt made a motion to approve the minutes; W. Curletti seconded. Four members voted to approve; M. Loubert abstained.
4. **Finance Committee member committee reports.** T. Blauvelt indicated no updates from the Community Preservation Committee at this time.

5. Update from Town Manager

- Personnel Updates. Town Manager, M. Pruhenski made his report, as well as reading to the committee some information Finance Director, Sue Carmel had shared with him, as she was not able to attend the meeting. M. Pruhenski shared with the committee that the Town Treasurer/Collector had resigned the week prior and that the Town is the process of searching for a replacement. He noted that in the interim, the Town is redistributing the responsibilities of the position to others in the Town Hall staff, particularly Ellen ____, the Finance Director, and brought in several consultants to help, and the Wastewater clerk is also taking on extra hours to help.
- M. Pruhenski also welcomed the new Town Assessor, Ross Vivori, who has been focusing on the software conversion to Patriot—moving the data from one system to the other, which is now complete; Mr. Vivori has also been focusing on a long list of abatements which had been deemed denied from lack of action by Board of Assessors and will be working on an executive summary regarding the Senior Tax Deferral Program for the next finance committee meeting. Members of the committee welcomed Ross.

- Updates from Finance Director (presented by Town Manager). Based on nine months of revenues, she reported that the meals tax has taken a significant hit—down about \$20K—in Q1-Q3 compared to prior years. At the 9-month point, the Town is down about \$50K in tax revenues. Marijuana revenue—the community impact fees—are down by \$80K, but the local option is up by \$87K. Room occupancy is trending down compared to last year, although compared to the prior year (before AirBNB revenues) we’re tracking on schedule. Tax liens redeemed were up about \$230K over last year, with interest up by \$82K. Motor vehicle excise is down approx.. 10% in collections, and the overall commitment is \$30K less than last year (M. Pruhenski noted that this perhaps due to a reduction in auto sales). M. Loubert asked about the timing of when new residents convert their auto taxes to MA State, and if this results in loss of excise tax revenue. T. Blauvelt noted that a new MA resident has 30 days to change their vehicle registration, but it is true that some people delay. For real estate taxes, the Town has received slightly higher percentages to date this year than this period for the prior two years (FY 2019: 49.2% collection rate; 2020: 49.1%; 2021: 50.4%). Personal property taxes are up by 8.6% (compared to this time last year). Our commitment for personal property \$897K (up from \$874K in FY 2020). PILOTs (Payments in Lieu of Taxes) are also up this year by \$37K— we recouped the PILOT from Hillcrest from the prior year—and have made full payment for FY 2020 and FY 2021. The Town Manager shared that we have taken a hit on the alarm billing (e.g., billing residents for false alarms) this year—in the range of \$10K - \$15K, but this may balance out by the end of the year. Finally, overall total revenues for property taxes are up \$500K from last year.

T. Blauvelt asked for an update about the Town audits. M. Pruhenski indicated he would update regarding this at the next meeting. A. O’Dwyer wondered if there were specific operating budget lines to discuss. She wondered why the Historic District had not spent funds out of their FY 2021 budget. M. Pruhenski indicated that the increase for next year is for a special project. A. O’Dwyer noted that from her review of the March 2021 operating budgets, the Town is where it would expect to be at this time of year.

6. Finance Committee business

- BHRSD School Budget – Town Assessment – Discussion/Vote. The Chair noted that usually the Finance Committee votes at the Budget Hearing on the Town’s assessment toward the district school budget, but that vote did not occur at the hearing, thus she had brought this to the current meeting. She shared the total assessment – of \$18,432,398 (up 4.9% from prior year). She noted that she had attended the school budget hearing held in February, and noted that the increase was in part due to the fact that Great Barrington is projected to have a higher percentage of students attending the district schools in the coming year. She also noted that the district had secured numerous grants (approx. \$2.7 million in grants); State funding was reported at that meeting to be relatively flat; they are funding their capital projects through their E&D (excess and deficiency) fund; they are also noting a slight increase in transportation costs, as well as in technology expenses. She also shared that the District has been busy developing contingency planning for the fall—preparing for potentialities associated with Covid-related restrictions. T. Blauvelt made a motion to approve the FY 2022 BHRSD School District Assessment. Roll call vote – all approved.
- Senior Tax Deferral Program – Presentation & Discussion. V. Orlowski made a presentation to the committee regarding the MA State Senior Tax Deferral Program (her summary, “Elderly Tax Deferral Safety Net Pilot Program” was included in the meeting packet). She suggested that town residents’ taxes are not increased by this program and highlighted what she believes are the primary goals of the program: (1) To enable elderly

residents to stay in their home while ensuring the Town tax revenues, keeping the community more stable; (2) To reduce real-estate turnover and increases in property valuation increases resulting in higher tax expenses for residents of the town during stressful economic times, noting that these increases have been state-wide;

V. Orlowski reported on her research—she has spoken with the town assessors in Newton, Norwell, and Sudbury and researchers at Boston College—suggesting that there been no increase in tax rates in towns where this program has been implemented. She suggested that Town consider a “5-year Pilot program” to allow for ongoing review and flexibility. She suggested that Great Barrington is fiscally healthy and thus in good shape to implement this program, and is likely to receive additional funds from relief programs in the near future. She suggested that this program can be viewed as an investment program, as the funds are guaranteed in the future, and the interest rate is generally higher than it gets—or can reliably expect—from other investments of town reserve funds, such as CDs. She further noted that a taxpayer cannot defer more than 50% of the assessed value of their home (although this amount is rarely met, as the average length of the deferral is 5 years and residents do not always defer the full amount of their taxes); the BC report, she noted, indicated that 127 towns in MA participate in this program; 10 towns in the Berkshires had, in the past, adopted the program, but none have the program currently active; small towns that have implemented the program have used the State’s ‘circuit-breaker’ guidelines for eligibility and rates. V. Orlowski also noted that she looks forward to the Assessor’s report at the next meeting.

V. Orlowski asked the committee to consider recommending to the Selectboard that they encourage the State legislature to include Berkshire towns in MA Senate Bill 1894—which would establish a State pilot project to establish a fund to reimburse towns that implement a Senior Tax Deferral Program. She noted that Berkshires State Senator Adam Hinds is chair of the committee charged with advancing this bill.

A. O’Dwyer thanked V. Orlowski for her extensive work on this proposal. She further noted that she acknowledges that the program sounds very good, but does want to wait for the new town assessor’s report and recommendation. She noted that if Great Barrington would implement this program, we would need to set our interest rate for the program and the maximum income requirement—and if we would go with State guidelines and circuit-breaker amounts. V. Orlowski indicated the Town may consider if the program is intended for seniors with very low income or also moderate-income senior residents and the length of a pilot program would be voted on by the Town and/or Finance Committee and Selectboard. A. O’Dwyer also noted that State assistance in implementing senior tax relieve programs are certainly worth investigating for potential Town support.

M. Loubert asked about property co-ownership: if one of two (or more) owners of property are not at the minimum age (of 65), are all property owners eligible for the program? V. Orlowski indicated she had not seen any information regarding this. She also expressed concerned how the Town’s operating budget is affected by the deferrals—how the deferred amount is handled in a town’s budget. She noted that Sudbury had published a recent report, which stated, “...while tax deferrals do not throw our annual budget ‘out of balance’ they do represent an impediment to using available reserves as necessary, or on building balances for the future.” She wants to be sure that the Town examine both the best- and worst-case contingencies associated with this program, and researchers what other towns have set as a residency (years of residency requirement), and how to stay on top of ‘qualifying events’ associated with a resident’s participation in the program. M. Loubert expressed much concern that the consideration of this program is rushed, and would like more time to review and consider it, and would like to see a

Town committee review this program, and that time be given to review this program before any vote on it is taken.

Town resident, P. Orenstein, asked if the interest rate for the program is fixed or changeable and if it is considered deferred revenue or reduction or debt associated with the town's given year's revenue; V. Orłowski indicated that her research suggests that the rate is fixed when the resident enters the program—if a resident begins the program at 2% then even if the Town increases its interest rate for the program, their original rate would be fixed and that it is considered deferred vs. reduced revenue.

All indicated that these and other questions all require further research. R. Vivori thanked both V. Orłowski and M. Loubert for their questions and research into this program and indicated he would be looking into in the weeks and months to come. M. Pruhenski asked that all those interested to email questions to himself and/or the town assessor. M. Loubert indicated a committee to respond to questions would be quite helpful and beneficial.

7. Finance Committee Member Comments.

A. O'Dwyer shared that the Reserve Fund Transfer Request for repairs at the Housatonic School—which had been requested at the recent Budget Hearing—had originally been on the current meeting's agenda. However, in conversation with Sean VanDeusen, DPW Superintendent just prior to the agenda posting, she learned that the work was at an expense amount that it would need to be put out for a bid, and that the bid and contract could not be secured before end of the current fiscal year, so any FY 2020 reserve funds could not be used for this work.

M. Pruhenski acknowledged that this amount cannot be requested from next year's Reserve Fund and would need to be voted—at the Annual Town Meeting—into the coming year's operating budget. M. Loubert agreed that she was disappointed that this is not on the agenda for this year's budget (from the reserve fund) and would be very willing to put it on as an amendment to the FY 2022 annual operating budget (Public Works) that will be brought to the town residents. M. Pruhenski indicated that he is still asking for a recommendation from the Housatonic Improvement Committee (HIC)—and is hoping that they will recommend these repairs. M. Loubert noted that she was under the impression from recent HIC meetings that they did support it, so she hopes that this communication between the HIC and the Town Hall can occur soon, and she has been in touch with HIC Chair, Dan Bailey. She noted that the building continues to fall into more and more disrepair, including broken glass on the ground around the building. E. Mooney resident asked when the decision was made to remove the request for funds for these repairs was removed from the agenda; A. O'Dwyer noted that this was a last-minute change to the Finance Committee's agenda for the current meeting. M. Loubert asking that the Town consider getting a minute-taker for the Finance Committee moving forward, as this would support the workings of the committee considerably.

8. Citizen Speak Time/Media Speak Time.

Trevor Forbes, town resident, expressed his concern about the safety at the Housatonic School, including around the playground. Discussion ensued regarding the proximity of the school to the playground and the challenges of keeping children who are at the playground from not going in proximity to the school building. Town resident Eileen Mooney asked if the school district had any interest in acquiring the building, and M. Pruhenski reported that they had received a few queries about the building in the past six months.

A. O'Dwyer thanked M. Loubert and W. Curletti—whose terms on the Finance Committee are ending—for their commitment to and service on the committee.

Trevor Forbes asked about marijuana revenues—noting a recent newspaper report that the number of retail establishments state-wide are increasing at a considerable rate. Mr. Forbes wondered if the Finance Committee is mindful of the potential that marijuana revenues could decline in the near future—and how this has been factored into budgeting. A. O'Dwyer commented that the committee has been very mindful to look at marijuana revenues as potentially temporary—and to not change the way we budget based on the assumption or expectations that these additional revenues will be coming in. She suggests that the committee has been very mindful of this potentiality. M. Pruhenski shared that the Town does make use of these funds when they are there in free cash, but has not built these funds in as a long-term revenue source.

9. Adjournment.

The meeting was adjourned – by roll call vote – at 8:15 PM.

Respectfully submitted,

Anne O'Dwyer

**TOWN OF GREAT BARRINGTON
MASSACHUSETTS**

**FINANCE COMMITTEE MEETING
DRAFT MINUTES**

**TUESDAY, MAY 18, 2021
6:30 PM**

LOCATION: REMOTE MEETING

Conducted via Zoom Meeting

1. **Meeting was called to order** by Chairperson A. O'Dwyer, at 6:30 pm. The meeting opened with a reading aloud of Remote Meeting Guidelines provided in response to Governor Baker's March 12 and 15, 2020 Orders Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A §18, in response to limitation on the number of people that may gather in one place.
2. **Attendance roll call** was called by Chairman A. O'Dwyer. A roll call verified that present at the meeting: M. Loubert, P. Orenstein, and A. O' Dwyer were all in attendance. T. Blauvelt and M. O'Connor were absent.

Also in attendance: Town Manager, M. Pruhenski; Finance Director, S. Carmel; and Selectboard Chair, S. Bannon; Selectboard members E. Abrahams and E. Gabriel; Amy Pulver, Office Administrator & IT Coordinator; and Ross Vivori, Principal Assessor.

3. **Welcome New Members & Committee Reorganization.** The first order of business was to welcome newly-elected member Philip Orenstein, and re-elected member Michelle Loubert. M. Loubert made a motion to appoint A. O'Dwyer as chair for the coming year; P. Orenstein seconded; Role call vote: all approved. P. Orenstein then nominated M. Loubert as vice-chair on the committee; A. O'Dwyer seconded; role call vote: all approved.
4. **Approval of Minutes.** Review of April 27 minutes was postponed to next meeting.
5. **Finance Committee member committee reports.** There were no committee reports.
6. **Update from Town Manager & Finance Director.**
 - Upcoming Annual Town Meeting. Town Manager, M. Pruhenski reminded the committee re: dates and planned promotion of the upcoming Annual Town Meeting. He also reported that the position of Treasurer/Collector has been filled—the new hire will start on June 7th. Ms. Doolan comes from Sheffield, having served in a similar position in Sheffield for the past three years. He thanked S. Carmel and Ellyn Dupont for their help in keeping up with the work in that office. P. Orenstein asked about the salary of the new hire – is it different than the amount currently budgeted for? M. Pruhenski indicated that the new salary is actually below the budgeted salary, and that she was aware of the planned salary survey, and that her salary would be revisited once the survey is completed.
 - Update on SBAS Payments. P. Orenstein asked to follow up on the Southern Berkshire Ambulance Squad request for funds (as of the last meeting, SBAS had not requested any of the fund [\$42,000 is allocated in the Town's FY 2021 budget]. S. Carmel noted that they have mailed in the invoice for the first six months (\$21,000) which has been paid, and the next quarter's invoice has been received, and another \$10,500 will be paid in a week or so.
 - April 2021 Operating Budget & Wastewater Budget Reports. A. O'Dwyer observed that the town is at approximately 75% of budgets expended, noting that interest payments come due toward the end of the FY (and most of these payments are made in April – June). These are summarized below:

- i. Possible fund transfer requests: S. Carmel further highlighted two departments that may have year-end transfer of funds requests between salary and non-salary budget lines at the end-of-year to cover expenses (noting the Police Dept & Clerk's Office as possible places this might be needed). However, she noted that while the Police Dept's Police Chief salary line (01210-51117) is at 87% expended; she noted that Chief Walsh's retirement payout came out of that line, so that line will likely require funds transferred from other PD budget line(s) to get through the rest of the year. Will be brought to the Finance Committee and Selectboard for approval (at a June joint meeting). M. Pruhenski also pointed out that the new PD Chief Sorti's salary will likely also require addition funds transferred to the Chief Salary line (noting that Chief Sorti's salary is still in negotiation).
- ii. S. Carmel also pointed out in the Highway Dept budget line (01422-57700)—snow and ice removal—while the line currently indicates an approximately \$13,000 deficit, the Town was recently able to close out some purchase orders and there is now a surplus in that budget line—which will be reflected in the May budget report. S. Carmel noted that while the price of salt had gone up, the expenditure was not as high as had been anticipated.
- iii. S. Carmel also highlighted the Veterans Affairs benefits (01543-57700) budget line is under-budget, and she anticipates this line coming in \$30,000 under budget.
- iv. P. Orenstein asked if there were funds in the operating for the Town Hall steps repair. S. Carmel noted that these expenses were in the Capital budget.
- v. P. Orenstein also asked about why the health insurance budget line is 01945-51740 is so far underbudget (at 61%). S. Carmel pointed out that this is how the Town has budgeted for quite some time (over-estimating health insurance costs, with the anticipation of coming in under-budget). S. Bannon shared that the Town has used this practice—of over-budgeting health insurance for many, many years (longer than any at the meeting had been involved in Town government)—as any excess funds go to Free Cash. He noted that the DOR approves this practice, and it helps to ensure there are funds available for Free Cash. S. Carmel noted that this budget line has not increased considerably in many years; A. O'Dwyer recalled a conversation many years ago on the committee regarding concerns at a time about volatility in health insurance costs, although these cost are usually known before the annual Town Meeting.
- vi. P. Orenstein asked for clarification on the question of funding for the Housatonic School repairs—if the funds were not requested because of the timeline for the work or because of some unavailability of funds. S. Carmel confirmed that Sean VanDeusen, DPW Superintendent, had originally planned to request \$25,000 in funds at the April FC meeting, but because he could not get the work contract completed before July 1st for Reserve Funds to be used for the work. M. Pruhenski then reminded the committee that since it is no longer an unanticipated expense, it cannot come out of the FC Reserve Fund, and that the funds ought not to be expended without the recommendation of the Housatonic Improvement Committee. E. Gabriel, indicated that the Committee is not yet in a place to make a recommendation at this time, but he—as a resident of Housatonic — could speak to the need for the repairs.

7. Finance Committee business

- Update re: December 2020 Reserve Fund Transfer Request for Technology. A. Pulver reminded the committee that at the December 2020 FC meeting, the committee had approved the request for the transfer of \$15,000 from the Reserve Fund to the Technology—Repairs & Maintenance budget (01136-52400) for the purpose of purchasing new equipment for remote work by staff.

She noted that these funds were used to purchase an initial round of equipment, but the department found that remote work (from home) also required a more reliable and robust phone service, and thus as the Town transitioned to a new and more robust (TPX VoIP) phone system

provide to accommodate these additional needs. Thus, A. Pulver indicated that she was coming to the committee to ask if the remainder of the transferred reserve funds could have a change in to covering the unexpectedly high cost of the phone service upgrade. She is anticipating this will require an additional \$7,000 - \$8,000 more than was originally budgeted.

A. O'Dwyer asked if this change in use of funds would result in Town Hall staff would find their work laptops not adequate for use at home. A. Pulver noted that as the Town is opening up, the staff is finding that there is less need for new laptops than anticipated, and that the older computers that are being replaced are finding uses in the Town Hall. P. Orenstein and M. Loubert both asked for further clarification on where the \$7,000-\$8,000 in unanticipated phone expenses is coming from. A. Pulver noted that the conversion to the new phone system took far more time than anticipated (perhaps due in part to Covid restrictions), and thus the more expensive (and less robust) old system was in place for far longer than expected. However, the new system is in place, and the new—reduced—monthly phone bill is already included in the coming year's proposed budget.

M. Loubert made a motion to approve the revised use of the December 2020 Reserve Transfer request funds. P. Orenstein seconded the motion. All voted in favor.

- Senior Tax Deferral Program – Presentation, Discussion & Vote. Ross Vivori, Principal Assessor, began by reminding the committee that he had written an executive summary re: his recommendations re: this proposal, which was made available on the Town's website. He further noted that the proposed program (41A) is a deferral program, not an exemption program. He noted that in his summary, he recommended that the program needed to be reviewed and explored in the context of other tax relief programs, before any decision is made on the program.

A. O'Dwyer asked R. Vivori for clarification on how implementing this program impacted the general tax rate. He noted that some tax relief programs are reimbursed to towns by the State. Discussion ensued in which it was clear that members of the committee remain concerned about how the deferred tax revenues are managed. M. Loubert noted that the concept of the program is positive, and she thanked Vivian Orlowski for her research into the program, but feels that more research is still needed, and would recommend the formation of a committee to do more research and if needed, having a Special Town Meeting--rather than making a hasty and uninformed decision too soon. Committee members agreed that the financial implications of the program are still in need of greater research so that the Town can make an informed decision. R. Vivori also indicated that he wanted more information about how the Town's lien operates in relation to other potential liens on a relevant property and P. Orenstein expressed interest in learning more about the impact of the length of terms of these loan.

A. O'Dwyer asked R. Vivori for clarification on how implementing this program impacted the general tax rate. He noted that some tax relief programs are reimbursed to towns by the State. Discussion ensued in which it was clear that members of the committee remain concerned about how the deferred tax revenues are managed. M. Loubert noted that the concept of the program is positive, and she thanked Vivian Orlowski for her research into the program, but feels that more research is still needed, and would recommend the formation of a committee to do more research and if needed, having a Special Town Meeting--rather than making a hasty and uninformed decision too soon. Committee members agreed that the financial implications of the program are still in need of greater research so that the Town can make an informed decision. R. Vivori also indicated that he wanted more information about how the Town's lien operates in relation to other potential liens on a relevant property (M. Loubert wondered about federal or state liens in relation to the town's potential lien) and P. Orenstein asked about the impact of the length of terms of these loan.

A. O'Dwyer asked about the State guidelines regarding the program, and R. Vivori confirmed

that the program has been in existence for quite some time over 30 years, and P. Orenstein noted that the debates at the State level are about 100% reimbursement, but that is not currently the State policy.

Vivian Orlowski spoke from the audience and asked for clarification re: the upcoming Town Meeting—M. Pruhenski confirmed that this cannot be on the warrant for the June 2021 Town Meeting, but would be for the 2022 annual town meeting. V. Orlowski suggested that Sudbury, MA has a report that indicates that Sudbury manages the program as a “reserve fund”—as part of Free Cash, likening these to other investments of the Town’s reserve funds, suggesting that this does not affect other town members’ taxes. Only in a highly unusual circumstances, she suggested, would this program result in budget deficits or increased taxes for residents. She suggested the program is better viewed as an “investment” program vs. a “deferral” program for tax relief. She also noted that her recommendation is a Pilot program with a “sunset” date (piloting with limiting eligibility and with an interest rate which results in greatest financial certainty for the town), to assess the level of demand for the program.

The committee ended the discussion with the plan to carry the discussion forward and with the general agreement that there is the need for more information and data before making a recommendation to the Town voters. A. O’Dwyer said she would draw up a list of questions from the meeting, and work toward putting together an ad hoc group or committee to investigate the program further.

8. Finance Committee Member Comments.

June FC Meeting Date: A. O’Dwyer confirmed with committee members that the next FC meeting is scheduled for June 15, and that at the next meeting to discuss the option to have in-person meetings. Michelle Loubert also asked the Town to consider the possibility of Saturday day-time meetings vs. weekday evening meetings (noting the duration of meetings—especially Annual Town Meetings). She asks the Town to consider if there might be the option to have weekend afternoon Town Meetings vs. weekday evenings?

9. Citizen Speak Time/Media Speak Time.

10. Adjournment.

Respectfully submitted,

Anne O’Dwyer



TAXPAYER'S GUIDE TO LOCAL PROPERTY TAX DEFERRALS

SENIORS Clause 41A

The Department of Revenue (DOR) has created this fact sheet to provide general information about local property tax deferrals for seniors. **It is not designed to address all questions or issues and does not change any provision of the Massachusetts General Laws. To find out about the specific eligibility and application requirements in your city or town, you must contact your local board of assessors.** The DOR cannot determine your eligibility or give you legal advice. Property taxes are assessed and collected by cities and towns, not by the DOR. Under state law, only your board of assessors, as the local tax administrator, can decide whether you qualify for a deferral. If you disagree with its decision, you may appeal to the state Appellate Tax Board (or county commissioners if your county's government has not been abolished).

INTRODUCTION

Cities and towns may give property tax exemptions to some individuals as defined by state law. An exemption discharges the taxpayer from the legal obligation to pay all or a part of the tax assessed for the fiscal year. Exemptions are found in various clauses of Massachusetts General Laws Chapter 59, Section 5 ([M.G.L. c. 59, § 5](#)).

Under Clause 41A, seniors may also be able to **delay payment** of their property taxes. A property tax deferral does not discharge the tax obligation like an exemption. Instead, it defers payment until the senior sells the property or passes away. A deferral allows seniors to use resources that would go to pay taxes to defray living expenses instead. Taxpayers who qualify for personal exemptions under other clauses in M.G.L. c. 59, § 5 (for example, for seniors, disabled veterans, blind persons or surviving spouses) may defer all or part of the balance of their reduced taxes.

If you qualify, you must enter into a written tax deferral and recovery agreement with the local assessors. The assessors will record a statement at the Registry of Deeds to continue the lien that exists on your property by law to secure payment of the deferred taxes. Joint owners, remaindermen and mortgagees must give prior written approval.

APPLICATIONS
You must file an application for each fiscal year with the assessors in the city or town where your property is located. The application is due on April 1, or three months after the actual tax bills are mailed, whichever is later. <i>Filing on time is required. By law, the assessors may not waive this filing deadline, nor act on a late application, for any reason.</i> Filing an application does not entitle you to delay your tax payment.

For more information, please contact your local assessors.

DOCUMENTATION	<p>You must provide the assessors with whatever information is reasonably required to establish eligibility. This information may include, but is not limited to:</p> <ol style="list-style-type: none"> 1. Birth certificates. 2. Evidence of ownership, domicile and occupancy. 3. Income tax returns.
ELIGIBILITY REQUIREMENTS	<p>You must satisfy tests relating to age, domicile, ownership, occupancy and annual income. You must meet <u>all</u> eligibility requirements as of July 1 of the tax year. (<i>The fiscal year of cities and towns begins July 1 and ends the following June 30.</i>) If you do not meet all requirements as of July 1, you <u>cannot</u> defer all or any portion of your taxes for that tax year.</p>
AGE	You must be 65 or older.
DOMICILE	<p>You must have had a domicile in Massachusetts for at least 10 consecutive years before the tax year begins. You must also be domiciled in the property. Your domicile is where your principal and legal home is located, your family, social, civic and economic life is centered and you plan to return whenever you are away. You may have more than one residence, but only one domicile.</p>
OWNERSHIP AND OCCUPANCY	<p>You must have owned and occupied the property, or other real property in Massachusetts, as a domicile for at least 5 years. The years do not have to be consecutive or at the same location.</p> <ol style="list-style-type: none"> 1. You may own the property solely, as a joint owner or as a tenant in common. 2. If you hold a life estate in the domicile, you are the owner. 3. If your domicile is held in a trust, you are the owner only if: <ol style="list-style-type: none"> a. You are a trustee or co-trustee of that trust, and b. You have a sufficient beneficial interest in the domicile.
INCOME LIMITS	<p>Your income (gross receipts) for the previous calendar year cannot exceed \$20,000. If you are married, the combined gross receipts of you and your spouse cannot exceed \$20,000. The gross receipts limit may be increased up to the income limit allowed for the “circuit breaker” state income tax credit for single non-head of household filers, by vote of the legislative body of your city or town.</p> <p>Gross receipts means income from <u>all</u> sources and is broader than taxable income for federal or state income tax purposes. Ordinary business expenses and losses are deducted but not personal or family expenses.</p>

DEFERRAL AMOUNT	<p>You may defer payment of all or a part of the taxes owed each year so long as (1) you continue to qualify, <u>and</u> (2) the cumulative deferred taxes and accrued interest are not more than 50% of your proportional ownership share of the fair cash value of the property. For example, if you are a joint owner with one other person, the total amount deferred cannot be more than 25% of the property's value.</p> <p>If you own the property with someone who is not your spouse, the amount you may defer annually is also limited to your proportional ownership share of the year's tax.</p> <p>Interest on deferred taxes accrues at 8%, or a lower rate voted by the legislative body of your city or town before July 1 of the tax year.</p>
SURVIVING SPOUSE	<p>Your surviving spouse who qualifies may continue to defer taxes but must enter into a new deferral and recovery agreement. Surviving spouses who inherit a property must have occupied it, or other real property in Massachusetts, as a domicile for at least 5 years. Any additional taxes plus interest deferred by your surviving spouse, plus the amounts previously deferred and unpaid, cannot be more than 50% of the spouse's proportional ownership share of the fair cash value of the property.</p>
PAYMENT	<p>The payment of deferred taxes and accrued interest is due when the property is sold or you pass away, unless your surviving spouse continues to defer. As of that date, the interest rate goes up to 16%. If 6 months later, the deferred amount has not been paid, the treasurer may petition the Land Court to foreclose the lien on the property.</p>

APPEALS	
Appellate Tax Board	<p>The Appellate Tax Board (ATB) is an independent, quasi-judicial state board that hears taxpayer appeals from local assessors' decisions on property tax abatements and exemptions. If county government has not been abolished, appeals may be made to the county commissioners instead, but assessors may and usually do transfer those appeals to the ATB. ATB decisions may be appealed to the Appeals Court and, ultimately, to the Supreme Judicial Court.</p> <p>You can obtain the ATB's guide to the property tax appeal process from its website (www.mass.gov/atb) or by calling 617-727-3100.</p>

Appeal of Action of Assessors	<p>You have three months from the date of the assessors' decision on your deferral application to appeal to the ATB. This includes decisions to deny a deferral or to grant a deferral of a lesser benefit. If the application was deemed denied, your appeal must be filed within three months of the deemed denied date. As a general rule, if the real estate tax on your domicile is over \$5,000, you must also have paid all preliminary and actual tax installments on time for the ATB to hear your appeal.</p> <p>The assessors may grant the deferral or higher deferral in final settlement of your application during the three month period for filing an appeal. In that case, you do not have to have filed an appeal with the ATB. However, if a settlement is not reached and a deferral not granted during that period, you must have filed your appeal by the deadline. If not, the ATB cannot hear the appeal.</p>
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ASSESSMENT AND DEFERRAL CALENDAR	
January 1	Property Tax Assessment and Lien Date for Next Fiscal Year
July 1	Fiscal Year Begins Real Estate Deferral Eligibility Date for Fiscal Year
October - December	Actual Tax Bills Mailed for Fiscal Year
November 1 (Semi-annual Payment Communities) February 1 (Quarterly Payment Communities)	1 st Actual Tax Installment Payment Due ¹
April 1, or 3 Calendar Months from Mailing of Actual Tax Bill if later	Deferral Applications to Assessors Due ²

¹ Contact your assessors. The due date depends on the payment system used in your community and the date actual tax bills were mailed for fiscal year.

² Some assessors may accept applications before actual tax bills are mailed. If not, or your application is not approved, you must apply by this deadline to claim the deferral.

3 Calendar Months from Filing of Application (or Date of Written Extension Given by Taxpayer)	Assessors Grant or Deny Deferral Application Deemed Denied if Assessors Have Not Acted
3 Calendar Months from Assessors' Action on Application, or Deemed Denial of Application	Appeal to ATB Due