

Finance Committee Packet
Jan 17, 2024

Mark Pruhenski
Town Manager

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TOWN OF GREAT BARRINGTON MASSACHUSETTS

OFFICE OF THE TOWN MANAGER

RESERVE FUND TRANSFER REQUEST

December 29, 2023

TO: Finance Committee
FROM: Mark Pruhenski, Town Manager
RE: Reserve Fund Transfer Request

I respectfully request a reserve fund transfer for \$20,235.80 to fund the remaining balance of an Engineering Services Proposal and Financial Evaluation for Housatonic Water Works (HWW). The purpose of the study is to evaluate the tax impact associated with an acquisition, and evaluate the projected revenues, operating expenses, capital needs, and user fees just prior to, and for a period of five years following such conceptual acquisition for users. The total cost of the study is estimated to be \$26,235.80.

	ACCOUNT NAME	ORG	OBJ	AMOUNT
From:	Reserve Fund	01131	57800	\$20,235.80
To:	Contracted Services	01122	52000	\$20,235.80

Department Head Signature: _____

Date: 1-2-24

Town Accountant: _____

Date: 1/2/24

Town Manager: _____

Date: 1-2-24

Finance Committee:

User Guide to the Great Barrington Real Estate Tax Bill
Prepared by the Finance Committee

Please note that this User Guide is intended to help taxpayers understand their tax bill. The formal authority for these matters resides with the Town and the Great Barrington Fire District.

We are currently in Fiscal 2024 (July 1, 2023 to June 30, 2024)

Quarter 1 – July 1 – Sept 30 (payment due Aug 1, 2023)
 Quarter 3 – Jan 1 – March 30 (payment due Feb 1, 2024)

Quarter 2 – Oct 1 – Dec 30 (payment due Nov 1, 2023)
 Quarter 4 – Apr 1 – June 30 (payment due May 1, 2024)

Lines Under "TAXPAYER'S RECEIPT" on the middle right hand side of the Bill		
1	Actual Real Estate Tax	This amount is the sum of up to 3 separate taxes (amounts as of as of 1/1/24): 1. Great Barrington property tax of \$13.89 per \$1,000 or 1.389% of assessed value 2. ONLY For water customers of the Great Barrington Fire District, a tax of \$1.59 per \$1,000 or 0.159% of assessed value. Customers of Housatonic Water Works do not pay this tax 3. The Community Preservation act surtax which is 3% of the property tax after discounting the first \$100,000 of assessed value.
2	Total Tax + Sp assess due	This line would include any special tax assessments due – there are none at this time.
3	Preliminary Tax	This amount billed for the first 2 quarters is an estimate equal to the actual real estate tax from the prior year increased by 2.0% and then divided by 2.
4	Abatement / Exemption	
5	GB Fire District Tax	<p>The Great Barrington Fire District is a government entity that operates independently from the Town. It provides water distribution services to roughly 75% of the Town (water for the remaining customers is provided by Housatonic Water Works and billed separately).</p> <p>GBFD customers pay two separate bills – Part A is a usage fee billed separately by GBFD and Part B is a tax calculated as a percentage of assessed property value (see row 1 above). This Part B tax is included in the town's property tax bill for administrative efficiency.</p> <p>The GBFD tax rates for the last few years are listed below. Note that the FY 24 rate increase was approved at the GBFD Tax Classification meeting December 23, 2023 and is intended for specific capital improvement projects (the minutes for this meeting along with other information are available at https://www.greatbarringtonwater.org).</p> <p>Note that the full amount of the FY 24 GBFD increase was allocated to the 3rd and 4th quarter bills – making the percentage increase look larger than it actually is on a full year basis</p> <p>GBFD Tax rate. (per \$1,000 of assessed value) FY 2024: \$1.59 FY 2023: \$1.01 FY 2022: \$1.03 FY 2021: \$0.73</p>
6	CPA Tax	<p>The Community Preservation Act (CPA) is a statewide program that was adopted by GB in 2012. As described further in the Town website, proceeds of this surtax are supplemented by funds from the state and used for a variety of community projects. https://www.townofgb.org/community-preservation-committee</p> <p>The surtax amount is fixed at 3% of the property tax amount after discounting the first \$100,000 of assessed value. As a result the surtax amount changes with assessed valuations.</p>

		Calculation of the CPA tax is $(\$13.89/\$1000) \times (\text{Assessed value} - \$100,000) \times .03$ (3% rate).
7	Payments Made	Row 3 less any unpaid amounts
8	Interest Due	
9	Total Balance Overdue	
10	Amount Due 2/1/2024	The sum of Row 1 less Row 3 divided by 2
11	Amount Due 5/1/2024	The sum of Row 1 less Row 3 divided by 2
12	Total Due 2/1/2024	Row 10 repeated

DRAFT

COLLECTOR'S COPY



TOWN OF GREAT BARRINGTON
Tax Collector
P O Box 986500
Boston, MA 02298-6500

Interest at the rate of 14% per annum will accrue on overdue payments from the due date until payment is received by the collector.

3rd Quarter Payment

Return This Portion With Your Payment

Bill Date		Bill No.	
PROPERTY DESCRIPTION			
Parcel ID			
AMOUNT DUE			

FEBRUARY

Fiscal Year 2024 Actual Real Estate Tax Bill

Make Checks Payable and Mail To:

Town of Gt Barrington
Department 2300
P O Box 986500
Boston, MA 02298-6500

Your Actual Tax for the fiscal year beginning July 1, 2023 and ending June 30, 2024 on the parcel of real estate described below is as follows:

PROPERTY DESCRIPTION
State Class
LAND AREA (acr)
Map/Parcel ID
Book/Page
Deed Date
Land Value
Building Value
Total Value

Assessed owner as of January 1, 2023:

TAX RATE PER \$1000				
RESIDENTIAL CLASS 1	OPENSOURCE CLASS 2	COMMERCIAL CLASS 3	INDUSTRIAL CLASS 4	FIRE DISTRICT
13.89	13.89	13.89	13.89	1.59

TOWN OF GREAT BARRINGTON
Fiscal Year 2024
Actual Real Estate Tax Bill

COLLECTOR TREASURER

Alicia Dulin

Office Hours:
Mon. to Fri. 8:30 to 4:00 PM

Telephone Numbers:
General Questions: 1-413-528-1619 X 2200

Pay On-Line:
Pay your bill online at townofgb.org

Messages:
State Law requires that the real estate tax bill remain in the name of the Assessed Owner as of January 1, 2023. No changes can be made within a fiscal year. Application for abatement must be received in the Assessors office by 2-1-2024.

Payments made after December 20-2023 may not be included in balance due totals.

TAXPAYER'S RECEIPT

Bill Date		Bill No.	
ACTUAL REAL ESTATE TAX			
TOTAL TAX + SP. ASSESS. DUE:			
PRELIMINARY TAX:			
ABATEMENT/EXEMPTION:			
GB FIRE DISTRICT TAX			\$0.00
CPA TAX			\$0.00
PAYMENTS MADE:			
INTEREST DUE:			
TOTAL BALANCE OVERDUE:			
AMOUNT DUE 2/1/2024:			
AMOUNT DUE 5/1/2024:			
TOTAL DUE 2/1/2024:			

SPECIAL ASSESSMENTS	AMOUNT	INT

COLLECTOR'S COPY



TOWN OF GREAT BARRINGTON
Tax Collector
P O Box 986500
Boston, MA 02298-6500

Interest at the rate of 14% per annum will accrue on overdue payments from the due date until payment is received by the collector.

4th Quarter Payment

Return This Portion With Your Payment

Bill Date		Bill No.	
PROPERTY DESCRIPTION			
Parcel ID			
AMOUNT DUE			

MAY

Fiscal Year 2024 Actual Real Estate Tax Bill

Make Checks Payable and Mail To:

Town of Gt Barrington
Department 2300
P O Box 986500
Boston, MA 02298-6500

Town of Great Barrington - Quarterly Tax Billing (Effective 7/1/2021)

IMPORTANT INFORMATION REGARDING YOUR NEXT REAL ESTATE AND PERSONAL PROPERTY TAX BILL THAT WILL BE MAILED BY JULY 1, 2021 AND DUE AUGUST 1, 2021

TAXPAYER INFORMATION ON QUARTERLY TAX PAYMENTS

On September 15, 2020 the voters at a Special Town Meeting voted to change from semi-annual to quarterly billing for Real Estate and Personal Property tax starting in Fiscal 2022. The fiscal year begins July 1st of any given year and ends June 30th of the following calendar year.

HOW QUARTERLY BILLING WORKS:

The bills are issued two times per year, at the end of June and December. Each bill has two detachable stubs, one for each of the billing installments included on the bill.

The bill mailed at the end of June is the Preliminary tax bill, and details the amounts due on the first business day of August (8/1) and the first business day of November (11/1).

The bill mailed at the end of December is the Actual tax bill, and this bill details the amounts due on the first business day of February(2/1) and the first business day of May (5/1).

1st PAYMENT— Due August 1st-

The first installment will be detailed on the preliminary bill, mailed by June 30th. This installment will be due on the first business day in August. This bill will be approximately one quarter of last year's bill amount, with a 2.5% increase. No tax rate or assessment will appear on this bill.

2nd PAYMENT— Due November 1st

The second installment will also be detailed on the preliminary tax bill, which is mailed by June 30th. This installment is due on the first business day of November. This bill is calculated in the same manner as the 1st payment. Again, no tax rate or assessment will appear on this bill.

3rd PAYMENT— Due February 1st

The third installment is detailed on the Actual bill, which is mailed by December 31st. This installment is due on the first business day of February. This tax bill will show the assessed valuation of your property, the tax rate and the amount of property taxes you owe for the current Fiscal Year, including any betterments or other charges that are added to the tax. The bill amount will be your actual tax after the first two payments have been deducted. This means that if your first two payments totaled \$1,000 and your actual tax bill is \$3,000, you would owe 50% of the difference or \$2,000, payable in two installments of \$1,000.00 due in February and May.

4th PAYMENT – Due May 1st

The fourth and final installment is also detailed on the Actual bill, which is mailed by December 31st. This installment is due by the first business day of May. This bill will be the balance that remains after the first three payments.

LATE PAYMENTS

Under the quarterly system, the interest on late payments will be charged for the number of days the payment is actually delinquent. For example, if a payment due on November 1st is not made on time, 14% interest will be charged from November 1st until the date the payment is made.

ABATEMENT AND EXEMPTION APPLICATIONS

Abatement applications can only be accepted after the issuance of the first actual bill mailed December 31st. Abatement applications must be filed by February 1st.

Exemption applications can only be accepted after the issuance of the first actual bill mailed December 31st. Exemption application will be accepted up to March 31st.

PAYMENT OPTIONS

You will receive two remittance tear-offs to send with each of your payments. We will include two remittance envelopes that go directly to our bank for processing. You may also pay on-line at www.townofgb.org or you may pay your bills in person at the Treasurer/Collector's office.

QUARTERLY TAX BILLING QUESTIONS:

How will the tax payments be calculated?

The first two "the preliminary" bills will be no greater than half the amount billed in the previous year plus 2.5%, less any exemptions, or abatements that were granted in the prior year.

The third and fourth "the actual" bills will reflect any changes in valuation as well as tax rate changes, less the preliminary taxes paid.

Will the quarterly billing system affect the amount of taxes I pay for the year?

No. The amount you pay is the same under either billing system. Either way the amount you pay is based on the valuation of your property and the tax rate.

What happens if my mortgage company escrows my taxes?

You won't even notice the change-we will continue to provide tax information and accept payments directly through the escrow companies and tax services.

How will I be billed?

The town plans to mail BOTH the preliminary tax bills due August 1st, and November 1st in the same mailing (June 30th). The taxpayer would be responsible for paying the August 1st bill and keeping the secondary payment stub in a "safe place" and paying that by November 1st. In the event a taxpayer loses their payment stub, they can contact the Tax Collector for another copy. The same situation would be true for the actual tax bills due February 1st and May 1st. Taxpayers can also pay online www.townofgb.org.

QUESTIONS?????

Please call the Assessor's Office 413-528-1619 x2300 for any questions on abatements, exemptions, deferrals, valuations, or calculation of amount due.

Please call the Collector's Office 413-528-1619 x2200 for questions on payment due dates and time period covered.