

2012 Town Meeting passed Article 47, a Home Rule petition allowing a future Town Meeting to consider the proposal and to vote up or down on it. Upon the Committee's recommendation, the Board of Selectmen plans to ask one of our representatives to submit this petition to the General Court early next January. In the meantime, we have prepared a place-holder article for the forthcoming Town Meeting in the event that the State legislature approves our Home Rule petition prior to the Town Meeting, and we plan to have several hearings to explain the details of the proposal and to obtain input from our citizens.

BOARD OF ASSESSORS



From left: Jim Phelps, Bill Jaros, Mary Sheppard, Assoc.; David Karr, Chair; Jim Sommer, Tory Lambert

The Board of Assessors began Calendar Year 2012 by processing 158 abatement applications, completing all by the deadline of April 1, 2012. The Board granted abatements for 75% of the applications for a total of \$187,755, which is 0.27% of the Tax Levy.

The remainder of the year was devoted to the Fiscal Year 2013 interim year revaluation program. Property valuation for FY13 tax purposes (the tax year beginning July 1, 2012) is based on a valuation date of January 1, 2012. Market value as of this valuation date is derived from the analysis of calendar year 2011 sales.

The Board of Assessors revalues all properties in the Town every year in accordance with the State law requirement that property valuations must be at 100% of market value each year. The values are certified by the Massachusetts Department of Revenue (DOR) once every three years through on-site and intensive examination of the procedures and methodology being employed by the local board of assessors. In the intervening

years, the local valuation process is the same, but State oversight consists of review and approval of the required statistical analysis. The DOR has approved Concord's FY13 assessed values. This year was the first of two interim years, last year being our re-certification year.

The major objective in any year is to update the various factors in the tables of the Computer Aided Mass Appraisal (CAMA) system. The CAMA system is used to calculate the assessed value for each property in order to adjust to the market value as indicated by sales data. The DOR issues regulations that define how the statistical sales analysis must be done. There were 342 sales with 228 qualified sales in calendar year 2011, the time frame required by DOR guidelines. A qualified sale is an open market transaction between a willing and educated buyer and seller. Types of sales not considered qualified by the DOR include those between family members or intra-corporation sales, those not exposed to the market, auction and foreclosure sales, those that involve more than one property and/or additional personal property, stressed sales (such as an estate sale, court settlement or as a result of a divorce), and where there has been a significant change after the sale and before the sales analysis is done.

State law also requires that the median Assessment to Sales Ratio (ASR), for the 228 qualified sales, must fall within required parameters each year:

- The overall ASR median must be within plus or minus ten percent of 100% of full and fair market value.
- The median for each subcategory within the sales stratifications such as style, location, size must be within plus or minus five percent of the overall median.

The overall median ASR for the resulting sales model is 0.96 for Fiscal Year 2013. The DOR requires that buildings and land be valued separately and that land valuations must also be supported by the sales. In the absence of vacant land sales, a technique called "Land Residual" analysis is used. This analysis subtracts the building's value from the sales price, and then the assessed land value is divided by the residual amount for the land residual ASR.

For FY 2013 Concord's average Single Family Residence (SFR) is valued at \$838,804 (down 1.5% from FY 2012) and the median SFR is valued at \$669,850 (down 1.2%). The overall value of the Town indicated that property

values remained fairly stable with only a 0.69% change. However, when new growth is subtracted from the overall value of the Town it reveals a decline in values of over 2%. This change is from the sales that occurred in calendar 2011 as compared to 2010. The sales data for calendar 2012 is looking promising and values should remain stable with a possible slight increase for FY 2014.

The FY 2013 final values are then used to establish the tax rate in order to meet the budget requirements as voted at the April 2012 Annual Town Meeting. Since there was a modest increase in the FY13 budget with little change in property values, the tax rate increased from \$13.58 to \$14.07 per thousand dollars of valuation.

New Growth

The value of new construction increases the levy limit. The new growth amount was much higher this year compared to last year due in large part to the addition of the Concord Mews apartment complex. This project accounted for almost half of the \$1,183,336 in tax growth.

NEW GROWTH BY CLASS, FISCAL 2013

Property Class	Value	Levy Limit Adjustment	% of Total New Growth
Class One, Residential	\$77,767,600	\$1,056,084	89.25%
Class Three, Commercial	133,300	1,810	0.15%
Class Four, Industrial	0	0	0%
Personal Property	<u>9,237,230</u>	<u>125,442</u>	10.60%
TOTALS	\$87,138,130	\$1,183,336	

Classification Hearing

The Board of Assessors recommended to the Board of Selectmen that for, FY 2013, it vote to adopt a uniform tax rate, not to grant an Open Space discount, not to adopt a Residential Exemption and not to adopt a Small Commercial Exemption. Since FY 1998, the Board of

Selectmen has adopted a uniform tax rate for all classes of property. A public hearing was held on November 19, 2012, at which time the Selectman voted a uniform tax rate for FY 2013.

VALUATION, TAX RATES, AND TAX LEVY—FY2002 – 2013

Fiscal Year	Assessed Valuation	Tax Rate	Tax Levy	% Change Tax Levy	Tax Levy as % Assessed Value
2002	\$3,974,434,046	9.83	\$39,068,687	11.9%	0.98%
2003	\$4,408,301,807	9.64	\$42,496,029	8.8%	0.96%
2004	\$4,411,852,520	10.59	\$46,721,518	9.9%	1.06%
2005	\$5,117,100,515	9.80	\$50,147,585	7.3%	0.98%
2006	\$5,207,535,371	10.23	\$53,273,087	6.2%	1.02%
2007	\$5,309,253,833	10.56	\$56,065,720	5.2%	1.06%
2008	\$5,498,736,316	10.72	\$58,946,453	5.1%	1.07%
2009	\$5,264,591,702	11.90	\$62,648,641	6.3%	1.19%
2010	\$5,026,552,229	13.09	\$65,797,569	5.0%	1.31%
2011	\$5,045,140,030	13.19	\$66,545,397	1.1%	1.32%
2012	\$5,090,058,629	13.58	\$69,122,996	3.9%	1.36%
2013	\$5,054,970,094	14.07	\$71,123,429	2.9%	1.41%

Statutory Exemptions

Tax exemptions are available by State statute to qualified homeowners who are disabled veterans, elderly (subject to certain income and asset limits) or blind. The State reimburses the Town for certain specified amounts. In recent years, the Town has voted to accept an optional State law to double the value of these exemptions, with the additional cost being borne by the Town. Beginning in FY 2010 several of these exemptions also apply a cost-of-living adjustment as well, pursuant to votes at the 2009 Annual Town Meeting. Exemptions granted for FY 2012 and the related State exemptions are shown in the table below. Please note that unlike the other tables, which list FY 2013 figures, these figures are for FY 2012. The FY 2013 figures will not be available until late spring of 2013.

FY2012 EXEMPTIONS GRANTED

Exemption Type	MGL Ch. 59 S.5, Clause	# Granted	Base Amount	Total Base	Actual Abated	State Reimburse.	Net Town Funds
Elderly & Surviving Spouse	17D	7	\$175	\$1,225	\$2,450	\$900	\$1,550
Veterans	22	55	\$400	\$22,000	\$44,000	\$12,375	\$31,625
Veterans	22A	1	\$750	\$750	\$1,500	\$575	\$925
Veterans	22D	2	\$0	\$0	\$10,985	\$10,985	\$0
Veterans	22E	6	\$1,000	\$6,000	\$12,000	\$4,950	\$7,050
Elderly	41C	12	\$500	\$6,000	\$11,500	\$8,534	\$2,966
Blind	37A	17	\$500	\$8,500	<u>\$17,000</u>	<u>\$1,488</u>	<u>\$15,512</u>
TOTALS					<u>\$99,435</u>	<u>\$39,807</u>	<u>\$59,628</u>

Agricultural, Recreational and Forest Land

State law provides property tax relief designed to encourage the continuation of certain types of land use. These classifications carry strict application requirements. The law directs the valuation methods and procedural requirements, as well as how to calculate the payment of back taxes when land is withdrawn from these tax-favored classifications. The three categories are:

Chapter 61 - Forest Land refers to land of at least 10 contiguous acres held in a wooded state and subject to a management plan certified by the State Forester. Such land is valued at a specific acreage value set by the State.

Chapter 61A - Agricultural/Horticultural Land refers to land of at least 5 contiguous acres that is used to raise agricultural or horticultural products to be sold on the

market. The State requires the Town to verify the income requirements from the sale of the products. The State has also established specific acreage valuations which depend upon the product produced on the land.

Chapter 61B - Recreational Land refers to land of at least 5 contiguous acres that is retained in substantially a natural, wild or landscaped condition designed to preserve wildlife and natural resources. Included under this classification are golf courses, horse stables and riding areas, hunting and fishing areas, areas for target shooting, camps, and other picnic, swimming, boating and recreational areas.

FY13 FOREST, AGRICULTURAL, AND RECREATION LAND – VALUES AND DISCOUNTS

Chapter	Class	# of Parcels	Market Value	Taxable Value	Exempted Value	Tax Bill Reduction
61	Forest Land	19	\$24,648,700	\$6,431,700	\$18,217,000	\$256,313
61A	Agricultural Land	58	\$76,072,900	\$40,587,524	\$35,485,376	\$499,279
61B	Recreation Land	42	\$97,211,200	\$69,685,433	\$27,525,767	\$387,288
TOTALS		119	\$197,932,800	\$116,704,657	\$81,228,143	\$1,142,880

TOWN OF CONCORD
FY2013 TAXABLE ASSESSED VALUE

Class	ASSESSMENT DATE:		\$ Change FY12-13	% Change FY12-13	FY13 % Share	Last Year (FY12) % Share	10 Yrs ago (FY03) % Share
	January 1, 2011	January 1, 2012					
	BUDGET YEAR: 7/1/11 – 6/30/12	7/1/12 – 6/30/13					
	FY 12 Valuation	FY13 Valuation					
Class 1 Residential	\$4,615,451,797	\$4,584,014,351	(\$31,437,446)	(0.681%)	90.68%	90.68%	89.31%
Class 2 Open Space	\$0	\$0	\$0	na	0.00%	0.00%	0%
R/O SUBTOTAL	\$4,615,451,797	\$4,584,014,351	(\$31,437,446)	(0.681%)	90.68%	90.68%	89.31%
Class 3 Commercial	\$392,887,960	\$391,496,583	(\$1,391,377)	(0.354%)	7.75%	7.72%	7.34%
Class 4 Industrial	\$28,958,300	\$28,240,400	(\$717,900)	(2.479%)	0.56%	0.57%	1.92%
Class 5 Per. Property	\$52,760,572	\$51,218,760	(\$1,541,812)	(2.922%)	1.01%	1.04%	1.44%
C/I/P Subtotal	\$474,606,832	\$470,955,743	(\$3,651,089)	(0.769%)	9.32%	9.32%	10.69%
TOTAL	\$5,090,058,629	\$5,054,970,094	(\$35,088,535)	(0.689%)			
Class 9 Exempt	\$736,752,600	\$736,001,200	(\$751,400)	(0.102)%			