

• January 26, 2004

Present:

Board: Jack Boyer, Jack Field, Michael Jackson, Craig Schoon and Rex Swain

Alternates: Liddy Adams and Mark Lyon

Selectmen: Richard Sears and Nicholas Solley

Press: John Addyman, VOICES; E. L. Lefferts, Litchfield County Times

Guests: Doug Kidd, Leshner-Glending; Barbara Johnson, Assessor

Annette McDonald, Valerie Friedman, Salvatore and Frances DeSimone, Ronald Chute

Minutes: Minutes of the November 17, 2003 meeting were tabled.

Treasurer's Report: The addition of a new account with Fleet Bank was noted. It was surmised this was established for a higher interest rate, as well as to diversify funds in various banks. The Treasurer will be asked to comment.

Revaluation: Doug Kidd, project coordinator for the Town's Revaluation, explained the process used in determining property values. He reported the Town's assessor has reviewed sales occurring over the past four years, specifically to provide a basis for the evaluation; however, most of the weight is put on sales occurring within the past twelve months. Values are established for the properties, which are then compared to properties that have not sold during this time to insure they are graded similarly. Over 75 sales were used to determine these values and he felt this was ample data to achieve equality and fairness. Certain sales were eliminated that seemed over or under paid, as were properties that had been dramatically improved since their original purchase. This determination is made if the property is out of the scope of what is typical in the behavior of buyers. On the lower end of sales, many sales were made between family members. For these properties, deeds were read. Foreclosures were reviewed, but for the most part were not used. Evaluations on interior improvements to homes were done mostly from inspection and permit information. The same methodology is used for all towns in the state.

Land values were established through the assessor's field cards with appreciation over time. Appreciation on most land would be similar, unless improvements had been made to the property. If land sold for a lower price, the most recent price would be used.

Question was raised if there are more high-end homes for sale in Washington as compared to other towns in the northwest corner. Doug noted the sale price may be higher, but the numbers are not greater. It was noted the Town does have some very unique properties with exceptional views.

Doug noted values are not changed unless improvements to the property have been made or an error is found. The value cannot be raised if the sales price goes up. He noted that is part of the basis for knowing that a revaluation must be done. If it is found through statistical testing when the next revaluation is scheduled that the values are in line, there is the possibility that revaluation may be waived.

Question was raised as to how interior improvements are estimated. The laws states that homes and properties must be "viewed." Barbara noted while she does not go into every home, interior upgrades are estimated with the "class" of the house. Comparisons are made to sales in the neighborhood, as well as if the property is "unique." You are charged for what you have. I.e. four bathrooms vs. two bathrooms. As the "class" of the house increases, it is assumed that you will have higher quality improvements.

"Class" is based on the quality of the property, neighborhood, views and access....things that really make common sense. These are determined by reviewing the sales and developing a land value. Classes range

from 8 to 16, with 9* the most common, 13-14 on the high end, and 16 the highest. The square footage is determined for each house. "Class" is important to the formula and increasing the class of a house will result in an increase or decrease in property values. Historical homes are looked at individually. They tend to have a higher class but the level of restoration may differ greatly from home to home. Wetlands, steepness, poor drainage, etc. are also taken into consideration when valuing land.

Land values in the current revaluation increased about 50%. A comparison of prior revaluations indicates a building lot valued at \$105,000 in 1989 decreased to \$100,000 in 1999, and increased again to \$150,000 in 2004. The value of all properties may be viewed on line at: prophecyone.us.

Comment was made that higher end properties were not paying their share. Doug felt they are paying their share and are valued at 70% of their market value.

In order to evaluate their own performance, the revaluation company tests properties sold after October 1 as compared to the values they have set. They have done this testing and felt they were very close in their calculations. While all properties have been re-evaluated, not all notices have been mailed as of this date.

Replacement cost revaluation system is instituted with the state. It conforms to state laws that state it should conform to market values. On the field cards replacement costs are shown. The basis is the market value but it is displayed as replacement cost.

Valerie Friedman requested she be taken specifically through the formula based on her property. Doug will meet with her.

Revaluation is scheduled for completion on February 29 when the assessor signs the Grand List. She must report to the State that she is satisfied with the revaluation. She will not have a tentative Grand List ready for a few weeks as adjustments are still being made. If a property owner has a dispute with the revaluation of his property, an appeal should be made to the Board of Assessment Appeals.

*The number 9 was stated. Assessor feels it should be 10.

Tax Collector's Report: Approved.

Financials:

Building: Income and expense in the Building area again exceed budget projections. These areas may be considered for increases in next year's budget.

Emergency Management: Mark Lyon, who also serves as Fire Chief, explained grants from federal governments are realized in the receipt of materials rather than funds. Locally, we have received suits, gloves, etc. for hazardous occurrences. He noted the northwest corner and western half of the state are currently organizing through local Council of Governments. Hospital has received decontamination apparatus.

Audit: The 2002-2003 Audit recommendations included:

- Use of a cash register to assist in summarizing daily cash receipts into various categories and provide historical documentation on tapes for Town clerk's fees.
- Review and implementation of policies and procedures regarding land use bonds in accordance with the Town's intentions.

- Implementation of a computerized general ledger accounting package for Parks and Recreation activities.

The audit report prepared by Charles Heaven & Co., Inc. was accepted by the Commission.

Selectmen's Report:

Budget: Dick reported the 2004-2005 budget process has begun with performance reviews and conversation with highway and town hall personnel. Applications for the Small Cities and S.T.E.A.P. grants are progressing. Since both grants will provide specific accounts which allow the Town to draw funds directly to pay expenses, the Selectmen questioned procedures to be followed. It was unanimously agreed that established procedures should be followed. All expenses will be presented as part of the Capital budget for consideration and approval by the townspeople at the annual budget meeting in May. Anticipation of grant reimbursements for these expenses will be noted against these expenses and when considering the mill rate.

Plan of Conservation and Development. Dick noted plans are being made to implement the Revised Plan of Conservation and Development. A meeting of the Town Commission chairmen is scheduled for January 27th to begin this process and to determine the fiscal implications that may be required for parts of this Plan. He also noted the Open Space Land Purchase Fund may need clarification.

General Fund Expenses:

Town Hall:

Dick reported \$5,200 in emergency boiler and pipe repairs has been charged against the Town Hall repairs line. This has preempted planned improvements to the building such as painting the front hall and stairways. Since this budget area has not been overspent, it was agreed no action is needed by the Board at this time. The Selectmen will proceed with the painting and appraise the Finance Board if this area will overrun.

Dick also reported technological access to the town hall building is poor. He has researched and obtained estimates for rewiring for a high speed line at a cost of \$3,800. Monthly costs for services would remain approximately the same. It was suggested funding for this may be considered by the Bryan Memorial Trustees. An additional \$1,000 will be needed to complete the connective wires, router, and switch. The Selectmen will proceed with this expenditure.

New Business:

Summary of Grants: Jack Field provided a Summary of Grants spreadsheet that presented the federal and state grants the Town anticipates this current fiscal year and the accounts to which they are deposited. The Board noted their appreciation of this summary. It was agreed as soon as grants are available we should apply for money.

The meeting was adjourned at 6:35 p.m.

Respectfully submitted,
Kathy Gollow
Secretary