DUDLEY BOARD OF ASSESSORS
71 WEST MAIN STRET
DUDLEY, MA 01571
(508) 949-8006

Conrad Allen, Chairman
Jo-Ann Szymczak
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Assistant Assessor: Lisa L. Berg
Assessor Clerk: Christine Stelmack

TO: Board of Selectmen
Town Administrator, Greg Balukonis

FROM: Lisa L. Berg, MAA
Principal Assessor

DATE: Classification Hearing, November 14, 2016

Please review the attached Classification Hearing material. This material is all the information needed to make a decision on whether to establish a split tax rate or to continue to tax all classes of property at the same rate by adopting a factor of "1".

Lisa L. Berg, MAA
Principal Assessor

ASSESSORS RECOMMENDATIONS

TAX RATE

Historically the town has maintained a system of using a single tax rate for all classes of property. A split rate is generally used in cities or large communities that have a majority or large percentage of taxable value classified as Commercial, Industrial and Personal Property (CIP).

Dudley's combined CIP is 7.67% of the total taxable value vs. residential total taxable value of 92.33%.

The Board of Assessors, as in the past, recommends that the town continue to use a single tax rate and not shift the tax burden to the Commercial, Industrial and Personal Property class.

The maximum shift of 150% would decrease Residential **$116** per year.

The maximum shift of 150% would increase C/I/P **$1,320** per year.

CLASSIFICATION CONSIDERATIONS

1) Consider the percentage of Commercial, Industrial and Personal Property (C.I.P.) as compared to Residential.
   Residential = 92% and C.I.P. = 8%

2) Will an increased tax burden on Commercial and Industrial significantly lower the residential tax burden?

3) What is the mix of C.I. & P. Properties?

	ASSESSED VALUE
3 Over $4 Million	
Hammal (Webco)	($5,062,000) - Ind
Massachusetts Electric	($4,974,519) - PP
Gentex	($4,674,200) - Ind
3 Over $2 Million	
Lyell & Mataniel LLC (Park N Shop)	($2,844,700) - Res
Southbridge Tool	($2,478,500) - Comm/Res
Gayle DiDonato	($2,399,600) - Res
17 Over $1 Million	
Boston Gas	($1,989,520) - PP
Shield Packaging	($1,977,300) - Com/Ind
Verizon New England	($1,906,400) - PP
Jay Patrick McGlone	($1,873,500) - Res
Winterberry Farm LLC	($1,650,000) - Res
Dudley Mill Realty LLC (Tri-Valley)	($1,539,800) - Com
Charter Communications	($1,473,005) - PP
Chase Mill Realty	($1,276,000) - Ind
WGL Energy Systems (Solar Farm)	($1,262,576) - PP
Depot Road LLC (Pierpont Estates)	($1,257,600) - Res
Henke Sass	($1,231,300) - Ind
Dudley Investments LLC (Rite Aid)	($1,185,400) - Com
DiDonato Terrace LLC	($1,157,000) - Res
DJT Properties	($1,144,100) - Com
Tri Peak (Tri State Toyota)	($1,097,200) - Com
Stevens Mills LLC (Flea Market)	($1,074,800) - Com
Anthony DiDonato	($1,053,900) - Res

4 - **Industrial**	7 - **Commercial**	5 - **Personal Property**	7 - **Residential**
($12,243,500)	($10,497,100)	($11,606,020)	($12,236,300)

Tax Rate Shift Options

5% Increments

Option 1	**NO SHIFT**	**Avg.Value**	**Avg Tax Bill**	
Tax Rate				
Resid. $11.95	Single Family	$231,222	$2,763	
C/I/P $11.95	Comm/Ind/Pers. Prop	$221,073	$2,642	

Option 2	**5% SHIFT**	**Avg.Value**	**Avg Tax Bill**	
Tax Rate				
Resid. $11.90	Single Family	$231,222	$2,752	***Decrease $11***
C/I/P $12.55	Comm/Ind/Pers. Prop	$221,073	$2,774	***Increase $132***

Option 3	**10% SHIFT**	**Avg.Value**	**Avg Tax Bill**	
Tax Rate				
Resid. $11.85	Single Family	$231,222	$2,740	***Decrease $23***
C/I/P $13.14	Comm/Ind/Pers. Prop.	$221,073	$2,905	***Increase $263***

Option 4	**15% SHIFT**	**Avg.Value**	**Avg Tax Bill**	
Tax Rate				
Resid. $11.80	Single Family	$231,222	$2,728	***Decrease $35***
C/I/P $13.74	Comm/Ind/Pers. Prop.	$221,073	$2,038	***Increase $396***

Option 5	**20% SHIFT**	**Avg.Value**	**Avg Tax Bill**	
Tax Rate				
Resid. $11.75	Single Family	$231,222	$2,717	***Decrease $46***
C/I/P $14.34	Comm/Ind/Pers. Prop.	$221,073	$3,170	***Increase $528***

Option 6	**25% SHIFT**	**Avg.Value**	**Avg Tax Bill**	
Tax Rate				
Resid. $11.70	Single Family	$231,222	$2,705	***Decrease $58***
C/I/P $14.94	Comm/Ind/Pers. Prop.	$221,073	$3,303	***Increase $661***

Town of Dudley
General Data & Statistics

The assessment date for FY2017 is January 1, 2016 (it is June 30 for new construction per Chapter 653).

The Department of Revenue approved our FY2017 assessments on October 6, 2016.

There are 351 towns in Massachusetts. Only 115 of these towns have a split tax rate.

Dudley has the 66th lowest tax rate in Massachusetts, but of Town's without a split rate it is among the lowest.

The overall values of single family properties increased by 4%

The commercial and industrial properties changed less than 1%

The average single family assessment for FY2017 is $231,222

The average commercial, industrial and Personal Property assessment for FY2017 is $221,073

Tax Rates for the past 5 years

FY2016	$12.18
FY2015	$12.26
FY2014	$11.68
FY2013	$11.56
FY2012	$10.90

Town of Dudley

ASSESSED VALUES BY CLASS

FY	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PERSONAL PROPERTY	TOTALS
2017	**845,851,075**	**32,923,775**	**22,688,100**	**14,689,336**	**916,152,286**
2016	**812,325,515**	**32,394,285**	**21,681,400**	**13,767,320**	**880,168,520**
2015	**784,031,383**	**31,434,017**	**21,634,300**	**14,188,428**	**851,288,128**

Town of Dudley

PERCENTAGES BY CLASS

FISCAL YEAR	RESIDENTIAL	COMM/IND/ PER. PROP.	TOTALS
2017	**92.3%**	**7.7%**	**100%**
2016	**92.3%**	**7.7%**	**100%**
2015	**92.1%**	**7.9%**	**100%**

TOWN	TAX RATE	AVG SF TAX BILL	**RESIDENTIAL %**	**COMM/IND/ PER.PROP %**
Dudley	**$11.95 FY2017 (Proposed)**	**$2,763**	**92.3%**	**7.7%**
Leicester	$14.90 **	$3,171	88.2%	11.8%
Southbridge	$20.21 **	$3,299	76.4%	23.6%
Webster	$15.14/$19.49 **	$3,403	80.0%	20.0%
Charlton	$13.78 **	$3,505	85.1%	14.9%
Oxford	$16.93 **	$3,622	78.3%	21.7%
Douglas	$16.82 **	$4,467	93.0%	7.0%
Sturbridge	$19.21 **	$5,018	81.1%	18.9%

** Denotes FY2016 Tax Rate