BRIDGEWATER TOWN COUNCIL

Tuesday, December 16, 2014
7:30 PM
BTV Studios
80 Spring Street, Bridgewater MA

MEETING AGENDA

A. APPROVAL OF MINUTES FROM PREVIOUS MEETINGS
   a) November 18, 2014 (Meeting of the General Public)
   b) November 18, 2014 (Regular Meeting)
   c) December 2, 2014

B. ANNOUNCEMENTS FROM THE PRESIDENT

C. PROCLAMATIONS

D. CITIZEN OPEN FORUM

E. APPOINTMENTS
   a) Highway Superintendent – Ron Ladue
   b) Planning Board Alternate – Ashley Vincent

F. HEARINGS
   a) **7:45 p.m.:** Order #O-2014-026: FY2015 Classification Tax Allocation-Adoption of Residential Factor
   At their meeting held 12/1/14 the Finance Committee voted 6-0 to approve this measure. The Council's Budget & Finance Committee voted 3-0to recommend approval on 12/2/14. This measure was advertised in the on 12/1/14 for a public hearing. At the conclusion of the hearing, this measure may be finally considered this evening.

G. LICENSE TRANSACTIONS
   a) Petition #P-2014-036: Annual Automatic Amusement License Renewal
   b) Petition #P-2014-037: Annual Auto Dealers License Renewal
   c) Petition #P-2014-038: Annual Lodging house License Renewal
   d) Petition #P-2014-039: Annual Victualler's License Renewal
   e) Petition #P-2014-040: Annual Alcohol License Renewal
   f) Petition #P-2014-041: Annual Antique License Renewal

H. PRESENTATIONS - None

I. TOWN MANAGER'S REPORT

J. DISCUSSIONS
   a) Administrative Code – (*President Wood)*
   b) Town Manager Goals & Evaluation Procedures *(Councilor Whitaker)*
   c) January 20, 2015: Joint Meeting of Town Council, Town Manager, Finance Committee and School Committee

K. COMMITTEE REPORTS

L. LEGISLATION FOR ACTION
   a) Order #O-2014-027: Acceptance of a Gift – Lukas Hansen
   This measure was not referred to any committee. 14 days has elapsed per section XVIII of the Council Rules and Procedures, therefore may be finally considered this evening.

M. OLD BUSINESS

a) Ordinance #D-2014-009: Creation of a Department – DPW
This measure was not referred to any committee after being introduced on 11/18/14. This measure requires advertising, therefore may not be finally considered at this evening's meeting.

b) Ordinance #D-2014-010: Creation of a Department – Finance Department
This measure was not referred to any committee after being introduced on 11/18/14. This measure requires advertising, therefore may not be finally considered at this evening's meeting.

N. NEW BUSINESS

O. CITIZEN COMMENTS

P. COUNCIL COMMENTS

Q. EXECUTIVE SESSION

R. ADJOURNMENT

Bridgewater Town Council

In Town Council, Tuesday, December 16, 2014

Order #O-2014-026

Introduced By:	Town Manager *(at the request of the Assessor's Office)*
Date Introduced:	November 18, 2014
First Reading:	November 18, 2014
Second Reading/Public Hearing:	December 16, 2014
Third Reading:	
Amendments Adopted:	
Date Adopted:	
Date Effective:	

Order# O-2014-026:

FY 2015 Classification Tax Allocation-Adoption of Residential Factor

ORDERED that, pursuant to G.L. c. 40, § 56, the Town Council of the Town of Bridgewater, Massachusetts in Town Council assembled vote to adopt a residential factor of 1 for fiscal year 2015.

Explanation: The town council shall annually first determine the percentages of the local tax levy to be borne by each class of real property, as defined in section two A of chapter fifty-nine and personal property for the next fiscal year. In determining such percentages, the town council, shall first adopt a residential factor. Said factor shall be an amount not less than the minimum residential factor determined by the commissioner of revenue in accordance with the provisions of section one A of chapter fifty-eight and shall be used by the board of assessors to determine the percentages of the local tax levy to be borne by each class of real and personal property.

Committee Referrals and Dispositions:

Referral(s)	Disposition(s)
• Council's Budget & Finance Committee • Finance Committee • Requires advertising and a public hearing. • This measure may be finally considered this evening at the closing of the hearing.	• 12/2/14: vote 3-0 recommend approval • 12/1/14: vote 6-0 approve • This measure was advertised in the Enterprise on 12/1/14 for a public hearing.

ROLL CALL VOTE: REQUIRES MAJORITY VOTE OF FULL COUNCIL (5)

originally scheduled to be renovated and used for classes, was taken down in October and the house has now been gutted inside with some of the remaining support beams rotted, according to Crisman.

"It's down to the bones, and it's been boarded up for the winter," Crisman said.

Crisman is hoping a $260,000 request for Community Preservation Act funds will be approved to fix the history. "The well needs repair. We're starting to apply for grants for seed money."

She said to bring the whole house back and build a new barn will cost roughly $750,000-$800,000.

"We're hoping to have programs running by the spring. We'll hold them in the field and under tents if the house is not ready," Crisman said.

Those programs will include tai chi and yoga classes in the they can be grounded and have that peaceful outlet where they can get back to nature," Crisman said. "They can get away from cell phones and social media. It's a place to be disconnected."

A fundraiser for the farm was held Nov. 29.

To register: Go to www.gofundme.com/save-smith-farm.

Paula Vogler can be reached at prvogler@gmail.com.

comes a greater need.

Thomas Deubler, president of the North Easton Savings Bank and a FORE board member, said the lingering impact of the 2008 recession continues to devastate local families and the children on the waiting list for new toys and clothes continues to swell.

of donors.

Donations may be made to FORE, c/o North Easton Savings Bank, PO Box 244, South Easton, . 02334, or dropped off at any North Easton Savings Bank location.

Susan Parkou Weinstein may be contacted at sweinstein@wickedlocal.com

LEGAL NOTICE

PUBLIC HEARING NOTICE
BRIDGEWATER PLANNING BOARD

The Bridgewater Planning Board will be conducting a public hearing on application by Clayton Rollins of CACW, Inc. for site plan approval under Section 9.80 of the Zoning Bylaw on Monday, December 15, 2014 at 7:45 pm. in the meeting room of the Police Station. The applicant proposes to construct a multi tenant contractor yard on Old Plymouth Street, Assessor's Map 27, Lot 14. The plans are on file in the Office of Town Clerk and Planning Board.

All interested persons are encouraged to attend.

Frank Sullivan, Chairman

LEGAL NOTICE

TOWN OF BRIDGEWATER
TOWN COUNCIL
PUBLIC HEARING NOTICE

Pursuant to the provisions of Chapter 40, Section 56, of the Massachusetts General Laws, as amended, on Tuesday, December 16, 2014 at 7:45 p.m., the Town Council will conduct a public hearing at their meeting to be held at BTV Studios, 80 Spring Street, Bridgewater, MA to hold the Annual Property Tax Classification, specifically the issue of allocating the local property tax levy among the four classes (Residential, Open Space, Commercial and Industrial) of real property and personal property for FY2015. Interested parties are invited to be present and to be heard. Oral and written testimony will be accepted at the meeting.

Town Council

LEGAL NOTICE

PUBLIC HEARING NOTICE
BRIDGEWATER PLANNING BOARD

On Monday, December 15, 2014 at 7:00 pm in the meeting room of the Police Station, the Bridgewater Planning Board will be conducting a public hearing for site plan approval under section 9.8 of the Zoning Bylaws, on application by Barry Stowe of Opechee Construction Corporation, 11 Corporate Drive, Belmont NH. The applicant is proposing to construct a hotel off Pleasant Street on property owned by The Claremont Companies, Assessor's Map 96, Lot 14. The plans are on file in the Office of Town Clerk and Planning Board.

All interested persons are encouraged to attend.

Frank Sullivan, Chairman

LEGAL NOTICE

TOWN OF EASTON
NOTICE OF PUBLIC HEARING

In accordance with Chapter 40, Section 56 of the General Laws, the Easton Board of Selectmen will hold a public hearing at 7:20pm on Monday, December 15, 2014 in the Selectmen's Office, Easton Town Offices, 136 Elm Street. No. Easton, MA.

The hearing will include a brief presentation on the issue of allocating the local property tax levy among the five property classes for the next fiscal year. Interested taxpayers will have the opportunity to present either oral or written information on their views. Those wishing further information may contact the Selectmen's Office.

BOARD OF SELECTMEN

LEGAL NOTICE

NOTICE OF PUBLIC HEARING
CONSERVATION COMMISSION
BRIDGEWATER, MASSACHUSETTS

In accordance with Massachusetts General Laws, Chapter 131, Section 40 and the Town of Bridgewater Local By-Law, the Bridgewater Conservation Commission will hold a public hearing on Tuesday, December 9, 2014 at 7:15pm in the Police Station Training Room located at 220 Pleasant Street, Rear, Bridgewater, MA 02324 on a Notice of Intent filed by Andrew Dyer, Dyer Construction, 1380 Bedford Street, Bridgewater, MA 02324.

Applicant proposes to construct a 40' x 96' single story contractors building with related parking, utilities, drainage structures and grading. A portion of the proposed activity falls within the 100 foot discretionary buffer zone and the 200 foot riverfront area.

The property is owned by Andrew Dyer, Dyer Construction,1380 Bedford Street, Bridgewater, MA 02324 and is located at Mill Street and Plymouth Streets (Portion of Lot 1), Bridgewater, MA as shown on Assessor's Map 24, Parcel 23.

All interested persons are encouraged to attend.

Town of Bridgewater

Classification Presentation and
Selection of Minimum
Residential Factor for Fiscal Year 2015
Presented by the
Bridgewater Board of Assessors

Marjorie Callaghan, Chairman
Donna Barakauskas, Clerk

Shelley McCauley, MAA
Assistant Assessor

Introduction

The information contained in this report is intended to provide the Town Council with information necessary to conduct a public hearing on the classification options available under Massachusetts General Law. The classification process allows the council to consider several options that will be explained further along in this handout. Additionally, the decision of the Town Council for each of the options must be submitted to the Department of Revenue on form LA 5.

Further attached are some additional exhibits A-F which may be helpful.

Classification Hearing

Before the tax rate can be set, the Town Council must hold a public hearing each year to consider the tax rate options available to the municipality under property tax classification. **These tax levy-shifting tools will not change the overall tax levy or money that will be raised through property taxes; rather they allow the town to shift portions of the tax levy between classes of property and/or between property owners within certain property classes.** The hearing is held after the assessors have determined final values and classified all properties and reported this information to the DOR. These values set the parameters for the options the municipality may adopt.

This public hearing, shall comply with the requirements of the "Open Meeting Law", and any local charter, by-law or ordinance provisions. In addition, local officials must provide notice of the hearing to all taxpayers by a comprehensive public information release in a newspaper of general circulation in the community, as well as in any other appropriate news media. This release should provide information regarding the policy decisions available, and should indicate the manner by which interested taxpayers may present oral or written information on their views.

When providing notice and when conducting the public hearing, local officials shall further the legislative intent to provide an open forum for the discussion of local property tax policy.

The assessors provide the council with the information necessary to make classifications decisions. This information should show the impact on the tax rate of the available tax policy options. The assessors are not required to make recommendations, although they may choose to do so if asked.

The Town Council conducts the classification hearing and vote on the available tax rate options. The vote may be taken at the hearing or a later meeting.

TAX POLICY DECISIONS

Municipalities have several options in distributing the tax levy among taxpayers under property tax classification. Use of these options results in multiple tax rates for different property classes because they change the components used to calculate the rate, i.e., the assessed valuation of or the amount of the tax levy being paid, by the class. ***The total tax levy remains the same***.

Single or Split Tax Rate

Municipalities must decide whether to:

1. Tax all classes of property at their full and fair cash valuation share of the tax levy, which results in a single tax rate
2. Reduce the share of the tax levy paid by the residential and open space property owners and shift those taxes to commercial, industrial and personal property taxpayers, which results in a split tax rate.

Classification Exemption Options

Municipalities may also consider whether to allow:

1. An open space discount
2. A residential exemption
3. A small commercial exemption

Selection of a residential factor:

Town council must decide the percentages of the tax levy each class of real property and personal property will bear each year. To do so a residential factor is adopted. The residential factor governs the percentage of the tax levy to be paid by Class One: Residential and Class Two: Open Space properties. The difference is shifted to Class Three: Commercial, Class Four: Industrial and Personal properties. The adopted factor cannot be less than the minimum residential factor (MRF) calculated by the DOR. The MRF represents the maximum shift allowed in the tax levy for the year and establishes the parameters for local decision-making.

The residential factor commonly referred to as the "Split Tax Rate" allows the Town Council to adopt different residential factors which ultimately determines the tax rates: one for residential property owners and one for commercial, industrial and personal property owners. If a factor of "1" was adopted, the tax rate would be the same for all classes ($16.24). This rate is determined by dividing the tax levy by the total value of all taxable property in Bridgewater and then multiplying that result by 1000.

Levy: 38,472,471/ Value: 2,368,994,490 = (0.01624) x 1000 = Tax Rate $16.24

The Board of Assessors recommends to vote to adopt a residential factor of 1 for fiscal year 2015.

The table below summarizes the tax rate impact at various shift intervals.

CIP SHIFT	RESIDENTIAL FACTOR	RESIDENTIAL %	CIP %	RESIDENTIAL TAX RATE	CIP TAX RATE
1	1.00	85.8723	14.1277	16.24	16.24
1.10	98.3548	84.4596	15.5404	15.97	17.86
1.25	95.8870	82.3404	17.6596	15.57	20.30
1.50	**91.7740**	**78.8085**	**21.1915**	**14.90**	**24.36**

(Bold print represents the maximum allowable shift capacity)

It is important to note that although the council is effectively choosing the CIP shift factor, it is technically selecting the Residential Factor in column two that is the result of selecting the CIP shift illustrated in the first column. The next two columns indicate the respective share of the tax burden resulting from the corresponding shift factor. The final two columns present the anticipated tax rates for each class.

For your information, the average single family home value for fiscal year 2015 is **$310,417**. In consideration of that value, the table below summarized the anticipated FY 2015 average tax bill amounts at various shift intervals.

CIP SHIFT	RESIDENTIAL FACTOR	RESIDENTIAL PERCENTAGE	RESIDENTIAL TAX RATE	EST. FY15 TAX BILL	Shift in Tax Dollars
1	1.00	85.8723	16.24	5,041	
1.10	98.3548	84.4596	15.97	4,957	-$84.00
1.25	95.8870	82.3404	15.57	4,833	-$208.00
1.50	**91.7740**	**78.8085**	**14.90**	**4,625**	**-$416.00**

(Bold print represents the maximum allowable shift available for FY2015)

Additionally, the average commercial valuation for fiscal year 2015 is **$613,682.** The table below summarizes the anticipated FY2015 average tax bill amounts.

CIP SHIFT	RESIDENTIAL FACTOR	CIP PERCENTAGE	CIP TAX RATE	EST. FY15 TAX BILL	Shift in Tax Dollars
1	1.00	14.1277	16.24	9,966	
1.10	98.4753	15.5404	17.86	10,960	$994.00
1.25	95.8870	17.6596	20.30	12,458	$2,492.00
1.50	**91.7740**	**21.1915**	**24.36**	**14,949**	**$4,983.00**

(**Bold print represents the maximum allowable shift available for FY2015)**

Classification Options

Residential Factor of “1” (Single Tax Rate)

CLASS	VALUE	PERCENTAGE	
Residential	2,034,310,900	85.8723%	**R & O %**
Open Space	0	0.0000%	85.8723%
Commercial	177,749,900	7.5032%	
Industrial	69,625,820	2.9390%	**CIP %**
Personal Prop	87,307,870	3.6854%	14.1277%
Total	2,368,994,490	100.0000%	

CLASSIFICATION OPTIONS

0 Residential Exempt

0 Small Commercial Exemption

LEVY

38,472,471 Estimated Levy

16.24 Single Tax Rate

What If ... Scenario Worksheet

		Share Percentages						Levy Amounts						Estimated Tax Rates				
CIP Shift	Res Factor	Res	OS	Com	Ind	PP	Total	Res	OS	Com	Ind	PP	Total	Res	OS	Com	Ind	PP
1	100	85.8723	0	7.5032	2.9390	3.6854	100	33,037,209	0	2,886,658	1,130,723	1,417,880	38,472,471	16.24	0	16.24	16.24	16.24
1.05	99.1774	85.1660	0	7.8783	3.0860	3.8697	100	32,765,446	0	3,030,991	1,187,259	1,488,774	38,472,471	16.11	0	17.05	17.05	17.05
1.10	98.3548	84.4596	0	8.2535	3.2329	4.0540	100	32,493,683	0	3,175,324	1,243,796	1,559,668	38,472,471	15.97	0	17.86	17.86	17.86
1.15	97.5322	83.7532	0	8.6287	3.3799	4.2383	100	32,221,920	0	3,319,657	1,300,332	1,630,562	38,472,471	15.84	0	18.68	18.68	18.68
1.20	96.7096	83.0468	0	9.0038	3.5269	4.4225	100	31,950,157	0	3,463,990	1,356,868	1,701,456	38,472,471	15.71	0	19.49	19.49	19.49
1.25	95.8870	82.3404	0	9.3790	3.6738	4.6068	100	31,678,394	0	3,608,323	1,413,404	1,772,350	38,472,471	15.57	0	20.3	20.3	20.3
1.30	95.0644	81.6340	0	9.7541	3.8208	4.7911	100	31,406,631	0	3,752,656	1,469,940	1,843,244	38,472,471	15.44	0	21.11	21.11	21.11
1.35	94.2418	80.9277	0	10.1293	3.9677	4.9753	100	31,134,868	0	3,896,989	1,526,476	1,914,138	38,472,471	15.30	0	21.92	21.92	21.92
1.40	93.4192	80.2213	0	10.5045	4.1147	5.1596	100	30,863,105	0	4,041,322	1,583,013	1,985,032	38,472,471	15.17	0	22.74	22.74	22.74
1.45	92.5966	79.5149	0	10.8796	4.2616	5.3439	100	30,591,342	0	4,185,655	1,639,549	2,055,926	38,472,471	15.04	0	23.55	23.55	23.55
1.50	91.7740	78.8085	0	11.2548	4.4086	5.5282	100	30,319,579	0	4,329,988	1,696,085	2,126,820	38,472,471	14.90	0	24.36	24.36	24.36

MASSACHUSETTS DEPARTMENT OF REVENUE

DIVISION OF LOCAL SERVICES

ASSESSMENT/CLASSIFICATION REPORT FY2015

BRIDGEWATER
City/Town/District

as of January 1, 2014

PROPERTY TYPE	ACCT/ PARCEL COUNT	CLASS 1 Residential Assessed Value	CLASS 2 Open Space Assessed Value	CLASS 3 Commercial Assessed Value	CLASS 4 Industrial Assessed Value	CLASS 5 Personal Property Assessed Value
101	5,292	1,642,724,000				
102	943	133,152,200				
MISC 103,109	28	20,086,500				
104	335	92,395,400				
105	63	18,449,100				
111-125	45	67,350,100				
130-32,106	713	41,648,400				
200-231	0		0			
300-393	274			168,148,900		
400-452	114				67,215,300	
CH 61 LAND	13		0	8,060		
CH 61A LAND	41		0	147,700		
CH 61B LAND	27		0	876,400		
012-043	52	18,505,200	0	8,568,840	2,410,520	
501	308					5,025,690
502	193					10,960,340
503	0					0
504,550-2	4					62,491,600
505	2					7,540,000
506	0					0
508	6					1,290,240
TOTALS	8,453	2,034,310,900	0	177,749,900	69,625,820	87,307,870
					REAL AND PERSONAL PROPERTY TOTAL VALUE	2,368,994,490
					EXEMPT VALUE	420,856,600

NOTE : The information was Approved on 12/03/2014 by John Gillet.

Submitted by: Board of Assessors

SHELLEY MCCAULEY, Assistant Assessor, Bridgewater, 508-697-0928	11/18/2014 8:32 AM	I have authorization to sign for BOA
(Board of Assessors)	(Date)	(Comments)

Date : 12/10/2014 12:51 pm

LA-4 (6/98)

EXHIBIT B

FISCAL YEAR 2014TAX RATES
FOR THE
TOWN OF BRIDGEWATER
AND
NEIGHBORING COMMUNITIES

COMMUNITY	RESIDENTIAL TAX RATE	CIP TAX RATE	AVG SF RES TAX BILL
BRIDGEWATER	$16.25	$16.25	$4,910
E BRIDGWATER	$17.37	$17.37	$5,119
HALIFAX	$18.67	$18.67	$5,010
MIDDLEBOROUGH	$15.60	$16.59	$3,972
RAYNHAM	$15.42	$21.63	$4,534
W BRIDGEWATER	$16.49	$26.57	$4,618

FISCAL YEAR 2014
TAX SHIFT FOR
THE TOWN OF BRIDGEWATER
AND
NEIGHBORING COMMUNITIES

COMMUNITY	MAXIMUM ALLOWABLE SHIFT	FISCAL YEAR 2014 ACTUAL SHIFT	% OF LEVY RES.	%OF LEVY CIP
BRIDGEWATER	1.50	1.00	86.77	13.23
E BRIDGEWATER	1.50	1.00	88.33	11.67
HALIFAX	1.50	1.00	89.09	10.91
MIDDLEBOROUGH	1.50	1.05	78.66	21.34
RAYNHAM	1.50	1.26	64.62	35.38
W BRIDGEWATER	1.50	1.35	57.25	42.75

FISCAL YEAR 2015 TAX RATES
FOR THE
TOWN OF BRIDGEWATER
AND
NEIGHBORING COMMUNITIES

COMMUNITY	RESIDENTIAL TAX RATE	CIP TAX RATE	AVG SF RES TAX BILL
BRIDGEWATER	$16.24	$16.24	$5,041
E BRIDGWATER	$17.76	$17.76	$5,315
HALIFAX	$18.99	$18.99	$5,218
MIDDLEBOROUGH	$15.78	$16.77	$4,126
RAYNHAM	$15.24(Est)	$21.59(Est)	$4,721(Est)
W BRIDGEWATER	$17.81	$28.78	$5,089

FISCAL YEAR 2015 TAX SHIFT FOR
THE TOWN OF BRIDGEWATER
AND
NEIGHBORING COMMUNITIES

COMMUNITY	MAXIMUM ALLOWABLE SHIFT	FISCAL YEAR 2014 ACTUAL SHIFT	% OF LEVY RES.	%OF LEVY CIP
BRIDGEWATER	1.50	1.00	85.87	14.13
E BRIDGEWATER	1.50	1.00	88.50	11.50
HALIFAX	1.50	1.00	89.37	10.63
MIDDLEBOROUGH	1.50	1.05	79.41	20.59
RAYNHAM	1.50			
W BRIDGEWATER	1.50	1.35	56.85	43.15

EXHIBIT C

TERM	DEFINITION
Levy	The property tax levy is the revenue a community can raise through real and personal property taxes.
Levy Limit	The maximum a community can levy in a given year equal to last year's levy plus 2.5% plus new growth plus override / exclusion if applicable.
Levy Ceiling	Equal to 2.5% of the total full and fair cash value of all taxable real and personal property in the community.
New Growth	Increase in the tax base due to new construction, parcel subdivisions, condominium conversions and property renovations but not due to revaluation. It is calculated by multiplying the increased assessed valuation by the prior year's tax rate for the appropriate class of property.
Override	A permanent increase to a community's levy limit.
Override Capacity	The difference between a community's levy ceiling and its levy limit. It is the maximum amount by which a community may override its levy limit.
Debt Exclusion	A temporary increase over the levy limit for the payment of a specific debt service item over a specific period of time.
Capital Outlay Expenditure	A temporary exclusion for the purpose of raising funds for capital project costs.
Excess Levy Capacity	The difference between the actual levy and the levy limit.

EXHIBIT D

Frequently Asked Questions

1. What is the levy limit?
The levy limit is the maximum amount a community can raise through property taxes in any given year. The levy limit is based on the previous year's limit plus allowable increases. These allowable increases include the annual 2½ percent increase, new growth and overrides. The levy limit will always be below or at most equal to, the levy ceiling of 2½ percent of the total full and fair cash value of the community's taxable real and personal property. A community may also levy above the levy limit or ceiling through an exclusion.

2. What is the difference between an override and a debt exclusion or capital outlay exclusion?
An override is a voted increase in the levy limit. An override cannot increase a community's levy limit above the community's levy ceiling. The levy ceiling is equal to 2½ percent of the full and fair cash value of all taxable property in the community. When an override is passed the levy limit for the year is calculated by including the amount of the override. The override results in a permanent increase in the levy limit of the community. Overrides require a majority vote of approval by the electorate. A community can also assess taxes in excess of its levy limit or levy ceiling for the payment of certain capital projects and for the payment of specified debt service costs called exclusions. An exclusion for the purpose of raising funds for debt service costs is referred to as a debt exclusion, and an exclusion for the purpose of raising funds for capital project costs is referred to as a capital outlay expenditure exclusion. Both exclusions require voter approval with very limited exceptions. Unlike overrides, exclusions do not become part of the base upon which the levy limit is calculated for future years.

3.What is an Underride?
Proposition 2**1⁄2** allows a community to reduce its levy limit by passing an **underride**. When an underride is passed, the levy limit for the year is calculated by subtracting the amount of the underride. The underride results in a permanent decrease in the levy limit of a community because it reduces the base upon which levy limits are calculated for future years.
A majority vote of a community's selectmen, or town or city council (with the mayor's approval if required by law) allows an underride question to be placed on the ballot. An underride question may also be placed on the ballot by the people using a local initiative procedure, if one is provided by law. Underride questions must state a dollar amount and require a majority vote of approval by the electorate.

4. What determines a community's tax rate?
A tax rate is set after three important factors are determined: the community's levy limit, the amount needed to be raised by taxation, and property assessments reflecting full and fair market value are finalized. The actual rate formula is the total levy divided by the total property value multiplied by 1,000.

5. When and why do tax rates increase?

Tax Rates can increase when (1) there is an increase in the actual amount needed to be raised by taxes, (2) property assessments decrease (market values decline), (3) overrides or exclusions are passed, (4) new growth is added, (5) unused levy capacity from the previous year is used in the current year, (6) decreases are made in the prior year tax base through the abatement process.

6. Why is setting a timely tax rate important?

Until a tax rate is "set" or finalized, the community cannot send an actual property tax bill. By setting a timely tax rate the municipality can generate timely bills and improve the cash flow in the community. Also, if the community does not send out tax bills in a timely fashion, it can jeopardize its cash flow position. It may be forced to borrow, resulting in unnecessary debt service. If it bills semiannually and elects to send out an estimated preliminary bill, there are extra expenses generated from such bill processing.

7. Why and when do we hold a classification hearing?

A classification hearing is held annually to determine whether to shift some of the property tax burden from one class of property to another. A public hearing is called by the Town Council.

It must be held after the assessors have finalized assessments for the year and before the tax rate can be set. Options presented include reallocating some of the tax obligation (l) from the Residential and Open Space classes to the Commercial, Industrial, Personal Property classes; (2) from Open Space to Residential; (3) within the Residential class, to non-domiciled owners, and (4) within the Commercial and Industrial classes, to more expensive properties with larger commercial businesses. Adopting one or more of these choices results in multiple tax rate(s) for the community.

8. Do the values have to be final before holding a classification hearing?

The Assessors must have finalized all assessments for the fiscal year before the Town Council can vote on allocating the tax burden. This is required so that the minimum and maximum allowable shifts can be accurately calculated and the implication of the vote can be considered.

9. What does it mean to have a split tax rate?

All taxable property is categorized by the assessors into one of five classes according to use. These are: Residential (R), Open Space (O), Commercial (C), Industrial (I), Personal Property (P). The term “split” tax rate usually is used to refer to having two tax rates that shift some of the tax burden from Residential and Open Space to Commercial, Industrial and Personal Property classes. Under a single tax rate system, if residential and open space property assessments are 80% of total value, then 80% of tax levy would come from the R and O classes (and 20% from the CIP). By “splitting” the tax rate, the law allows a city or town to increase the levy share raised from the CIP as much as 50% in order to reduce the tax burden on R and O. In this example then, the maximum shift allowed would result in 30% of the taxes being paid by the CIP classes, and 70% by R and O.

10. How does a municipality determine the amounts to be budgeted for the overlay and estimated receipts on the Tax Recap?

The Assessors are responsible for determining the amount to be budgeted on the Tax Recap for the overlay. The amount of estimated receipts is determined by the official(s) responsible for estimating receipts for budget purposes. Both amounts should be set with a great deal of

input from the other members of the financial team. The overlay is an amount raised to cover abatements and exemptions granted by the assessors. An overlay worksheet, the OL-1, must accompany the tax recap submission. This form summarizes a 3-year history of this account. A reasonable projection for next year can be based on this information. Additional issues to be addressed include such factors as changes in laws governing abatements and exemptions, changes in demographics, in the economy, in assessment systems, as well as the stability of real estate values. Money in the overlay account that is not/will not be needed may be declared surplus. Estimated receipts projections are usually based on the previous year's actual revenues as certified by the accountant. To this information is added the financial team's knowledge of relevant changes which may occur in the next year, such as one-time settlements, a change in fee structures, the rescheduling of data releases from the registry of motor vehicles, etc.

11. What are "other amounts to be raised"?

These are amounts that must be raised on the tax rate recap to fund expenditures that can be made without appropriation or to cover deficits. They are listed on page two of the recap and include debt service payments, final court judgments, snow and ice removal deficits, state and county charges, Cherry Sheet offset items, overlay allowance for abatement and exemptions, prior years' overlay deficits and revenue deficits.

12. If we do not levy to the limit do we lose that levy capacity?

No. If a community chooses not to levy to its capacity in one year, it does not lose the capacity to levy to the limit in future years. Before the tax rate is set, the full amount of the levy limit is always available to the community, regardless of how much it chose to use in previous years. Proposition 2½ allows a community to have excess levy capacity in one year (*i.e.*, not levy to its limit) and in the following year, to levy right up to the full amount of its new limit. This increase results in an overall levy increase greater than 2½ percent.

13. How is the average single-family residential tax bill calculated?

First, sum the assessed value of all the single-family property parcels in the municipality. Second, divide the result by the number of single-family parcels to obtain the average single family value. Finally, multiply the average single-family value by the residential tax rate and divide the result by 1,000 to obtain the average single-family tax bill.

14. Why did my tax bill go up more than 2½ percent?

Once a community's levy limit has been established, the community then decides how much money to raise through taxation. Because Proposition 2½ regulates the levy limit rather than the actual amount levied, taxpayers' bills may increase more than 2½ percent in a given year. These increases often occur when in one year the community decides not to levy to its limit and then in the following year levies right up to its limit. Also, new growth, voted overrides and exclusions can all increase the amount levied. In addition, an individual tax bill may increase more than 2½ percent as a result of property revaluation. This increase may reflect an increased assessment due to new construction or a change in the real estate market that results in some properties increasing in value while others decrease.

EXHIBIT E

CLASSIFICATION CONSIDERATIONS
SOME ECONOMIC & POLITICAL ISSUES

Consider the percentage of Commercial & Industrial (C & I) properties as compared to Residential (R)

Will an increased tax burden on C & I significantly lower the R tax burden?

What is the mix of C & I properties?

How much is big business?

How much is small business (mom & pop)?

Are the businesses of the type that require extraordinary municipal services?

Will it adversely affect small businesses & drive them out of the community?

Would a small commercial exemption help?

Will it slow big business development?

Does business significantly contribute in a non-tax way to the community?

Is the timing proper for the move to a multiple or single tax rate?

Will a shift to the C & I maintain or increase the relative or historical share of the tax burden?

Is it a matter of principle or economics?

EXHIBIT F

Fiscal Year 2000-2014 Assessed Values by Class

	(1)	(2)	(3)	(4)	(5)		R&O	CIP
FY	Residential	Open Space	Commercial	Industrial	Personal Property	Total	(1 - 2) % of Total	(3 - 5) % of Total
2000	1,090,160,500		70,827,000	33,633,200	28,527,800	1,223,148,500	89.1	10.9
2001	1,120,659,400		73,330,100	35,272,900	30,740,400	1,260,002,800	88.9	11.1
2002	1,139,056,300		78,616,100	36,067,800	36,158,500	1,289,898,700	88.3	11.7
2003	1,719,516,968		102,274,632	43,588,000	40,319,500	1,905,699,100	90.2	9.8
2004	1,742,198,823		106,025,177	43,490,400	42,871,760	1,934,586,160	90.1	9.9
2005	2,156,061,454		109,806,966	44,678,500	43,449,480	2,353,996,400	91.6	8.4
2006	2,468,339,839		141,477,371	63,144,100	52,458,870	2,725,420,180	90.6	9.4
2007	2,510,492,784		143,423,216	65,632,700	49,229,650	2,768,778,350	90.7	9.3
2008	2,441,020,387		145,547,923	64,580,500	52,940,450	2,704,089,260	90.3	9.7
2009	2,313,353,326		169,143,214	71,301,600	62,870,630	2,616,668,770	88.4	11.6
2010	2,147,538,115		166,446,655	68,650,400	63,032,010	2,445,667,180	87.8	12.2
2011	2,052,517,912		161,736,288	67,150,600	60,063,170	2,341,467,970	87.7	12.3
2012	2,009,484,573		160,983,127	71,533,720	61,579,020	2,303,580,440	87.2	12.8
2013	1,969,013,554		169,266,776	69,297,020	61,643,120	2,269,220,470	86.7	13.3
2014	1,972,183,142		173,107,868	69,981,520	57,617,110	2,272,889,910	86.7	13.3

Fiscal Year 2000-2014 Average Single Family Tax Bill

FY	Assessed Value	Parcels	Average Value	Tax Rate	Single Family Tax Bill	Hi-Lo Rank	% Value Change
2000	863,113,000	4,655	185,416	14.03	2,601	124	17.51%
2001	897,750,200	4,782	187,735	14.46	2,715	124	1.25%
2002	918,590,600	4,868	188,700	15.18	2,864	130	0.51%
2003	1,369,676,900	4,960	276,145	10.99	3,035	133	46.34%
2004	1,393,223,100	5,002	278,533	11.33	3,156	147	0.86%
2005	1,727,615,300	5,043	342,577	9.76	3,344	141	22.99%
2006	1,992,394,900	5,113	389,672	9.11	3,550	139	13.75%
2007	2,021,569,100	5,145	392,919	9.60	3,772	132	0.83%
2008	1,956,207,000	5,186	377,209	10.35	3,904	129	-4.00%
2009	1,836,718,200	5,187	354,100	11.34	4,015	130	-6.13%
2010	1,705,063,200	5,204	327,645	12.31	4,033	144	-7.47%
2011	1,634,016,200	5,209	313,691	14.42	4,523	110	-4.26%
2012	1,611,935.000	5,223	308,622	15.11	4,663	115	-1.62%
2013	1,581,040,800	5,235	302,014	15.83	4,781	116	-2.14%
2014	1,585,938,800	5,249	302,141	16.25	4,910	119	.04%

Neither the Town Council nor the Town Manager requested the information below. The classification exemption options are for informational purposes only and data is from fiscal year 2011.

Adoption of an Open Space Discount:

Massachusetts General Law, Chapter 59, section 2A defines class 2 open space as:
"Land which is not otherwise classified and which is not taxable under the provisions of Chapter 61, 61A or 61B, or taxable under a permanent conservation restriction, and which land is not held for the production of income but is maintained in an open or natural condition and which contributes significantly to the benefit and enjoyment of the public".

The council may allow for a discount for all Class Two, Open Space properties. A maximum exemption of 25% may be adopted for all property that is classified as Open Space. The Board of Assessors has determined that no property in the Town of Bridgewater meets the strict definition of Open Space and therefore there are no properties in this class.

Adoption of Residential Exemption:

A decision to adopt the provisions of a residential exemption is made by the policy making board of the municipality. The residential exemption is a local option authorized by M.G.L. Ch.59 ss.5C which allows a community to shift the tax burden from certain lower valued, residential properties to higher valued homes, most apartment buildings and to second home owners. To qualify for a residential exemption a property must be, on January 1, the owner-occupied, primary residence used by the taxpayer for income tax purposes. The exemption works as a decrease in the assessed value of a qualifying property in an amount not to exceed 20% of the average assessed value of all Class One: Residential properties. The exemption reduces, by the adopted percentage, the taxable valuation of each residential parcel that is a taxpayer's **principle** residence. Adopting the residential exemption increases the residential tax rate. The amount of the tax levy paid by the class remains the same, but because of the exempted valuation, it is distributed over less assessed value.

Below are two residential exemption estimators using an exemption percentage of ten and twenty percent. These estimates are based on fiscal year 2011 data extracted from the Division of Local Services Gateway Database.

Exemption Percentage 10%

Estimated percent owner occupied
As of 1/1/2010

Property Type	% Owner-occupied
Single family	**95.0%**
Condos	**95.0%**
Multi-family (2 & 3 family)	**35.0%**
Apartments	**15.0%**
Misc	**35.0%**

Tax Rate without Residential Exemption	Tax Rate with Residential Exemption	Bridgewater Fiscal Year	
14.42	*15.83*	*2011*	

Value of owner-occupied home	Tax bill w/o exemption	Tax bill with exemption	Change in tax bill*
$30,000.00	*$432.60*	*$38.09*	*($394.51)*
$110,000.00	*$1,586.20*	*$1,304.49*	*($281.71)*
$160,000.00	*$2,307.20*	*$2,095.99*	*($211.21)*
$210,000.00	*$3,028.20*	*$2,887.49*	*($140.71)*
$260,000.00	*$3,749.20*	*$3,678.99*	*($70.21)*
$309,797.47	***$4,467.28***	***$4,467.28***	***$0.00***
$360,000.00	*$5,191.20*	*$5,261.99*	*$70.79*
$410,000.00	*$5,912.20*	*$6,053.49*	*$141.29*
$460,000.00	*$6,633.20*	*$6,844.99*	*$211.79*
$510,000.00	*$7,354.20*	*$7,636.49*	*$282.29*
$560,000.00	*$8,075.20*	*$8,427.99*	*$352.79*
$610,000.00	*$8,796.20*	*$9,219.49*	*$423.29*

Amounts in parentheses represent decrease in tax bills

Exemption Percentage 20%

Tax Rate without Residential Exemption	Tax Rate with Residential Exemption	Bridgewater Fiscal Year	
14.42	*17.35*	*2011*	

Value of owner-occupied home	Tax bill w/o exemption	Tax bill with exemption	Change in tax bill*
$60,000.00	*$865.20*	*$83.49*	*($781.71)*
$160,000.00	*$2,307.20*	*$1,818.49*	*($488.71)*
$200,000.00	*$2,884.00*	*$2,512.49*	*($371.51)*
$240,000.00	*$3,460.80*	*$3,206.49*	*($254.31)*
$280,000.00	*$4,037.60*	*$3,900.49*	*($137.11)*
$326,796.89	***$4,712.41***	***$4,712.41***	***$0.00***
$370,000.00	*$5,335.40*	*$5,461.99*	*$126.59*
$410,000.00	*$5,912.20*	*$6,155.99*	*$243.79*
$450,000.00	*$6,489.00*	*$6,849.99*	*$360.99*
$490,000.00	*$7,065.80*	*$7,543.99*	*$478.19*
$530,000.00	*$7,642.60*	*$8,237.99*	*$595.39*
$570,000.00	*$8,219.40*	*$8,931.99*	*$712.59*

Amounts in parentheses represent decrease in tax bills

Only fourteen of the 351 communities in Massachusetts currently use the residential exemption and they tend to be communities with a large number of apartment buildings (Boston, Brookline, Cambridge and Chelsea) or a large number of second homes (Tisbury and Nantucket). This exemption is typically attractive to resort communities, or to those with a high proportion of rental units, absentee landlords and second home owners. In effect, the exemption shifts a portion of the tax burden, within the residential class, away from lower valued single family homes to higher valued homes, multi-family properties, apartment buildings and non-resident property owners.

Adoption of the small commercial exemption:

The Town Council may grant a small commercial exemption (G.L. Ch.59 ss5I) to all Class Three: Commercial properties (not Industrial) of up to 10% of the property valuation who meet the requirements set forth under the law. To receive a small commercial exemption the parcel must be occupied as of January 1 by a business with an average annual employment of no more than ten people during the previous year as certified by the Director of the Department of Labor and Workforce Development and assessed valuation of less than $1,000,000.

Any small commercial exemption granted is borne by other Class Three: Commercial and Class Four: Industrial, real property, but not by personal property. The tax levy to be raised from commercial and industrial properties remains the same. Use of the reduced valuation in setting the tax rate results in a higher tax rate for Commercial and Industrial classes than for personal property. If the total value of Commercial/Industrial was $1,000,000 and 10% of the commercial class was found to be partially exempted the remaining 90% would make up the difference. This does not help the residential taxpayer.

The Board of Assessors has determined that there are approximately 20 eligible businesses and 15 that may be eligible according to the Department of Labor and Workforce Development. There may be additional eligible sole proprietorships and partnerships that do not appear on the list. However, the process of determining eligibility would be arduous. Last year only ten communities in the Commonwealth had adopted the small commercial exemption. The average commercial tax base in those communities was 26% and all but one had a split tax rate.

Bridgewater Town Council

In Town Council, Tuesday, December 2, 2014

Council Order: O-2014-027

Introduced By:	Town Manager
Date Introduced:	December 2, 2014
First Reading:	December 2, 2014
Second Reading:	December 16, 2014
Amendments Adopted:	
Date Adopted:	
Date Effective:	

Order O-2014-027

ACCEPTANCE OF GIFT

ORDERED that pursuant to Massachusetts General Laws, Chapter 44, §53A ½, the Town Council of Bridgewater, Massachusetts in Town Council assembled vote to accept the gift of $1,098.61 from Lukas Hanson and to expend the gift of in accordance with stated purpose thereof.

Explanation:
Lukas Hanson has donated the remaining funds from his Eagle Scout project to the Town to be used for the repair of the stone wall and remove/trim trees within the cemetary.

Committee Referrals and Dispositions:

Referral(s)	Disposition(s)
• No referral needed. • 14 day requirement (per Council Rules & Procedures XVIII - Readings) has elapsed, therefore this measure may be finally considered this evening.	

ROLL CALL VOTE – REQUIRES MAJORITY OF THOSE PRESENT AND VOTING.

Bridgewater Town Council

In Town Council, Tuesday, December 16, 2014

Council Ordinance: D-2014-009

Introduced By:	Councilor William Wood
Date Introduced:	November 18, 2014
First Reading:	November 18, 2014
Second Reading:	December 2, 2014
Third Reading:	December 16, 2014
Amendments Adopted:	
Third Reading:	
Date Adopted:	
Date Effective:	

Proposed Ordinance D-2014-009

Creation of a Department
Department of Public Works (DPW)

Ordered that, the creation of a Department of Public Works is hereby established in accordance with Section 5-1 (b) of the Bridgewater Home Rule Charter, The Department of Public Works shall be structured and function as follows:

Operational Branch; Department of Public Works

The Department of Public Works, located in the Operational Branch, consists of five sub-departments: Roadways, Solid Waste, Structures and Grounds, Water Pollution Control, and Water Supply. The Department is under the management control of the Director of Public Works.

A. Mission. The Department's mission is to protect, preserve and improve the Town's infrastructure and related assets in a manner which meets and enhances the current and future social and economic needs of the community, contribute to a healthy, safe and quality environment for the Town's citizens and its visitors, to provide water service to the Town of Bridgewater, and a cost-effective and environmentally sound means of disposing of solid waste and wastewater.

B. Authorities and responsibilities. The Department operates pursuant to various state, federal and municipal laws: MGL c. 21, §§ 26 through 53, c. 83, and CMR 314 pertaining to sewage treatment and disposal, and storm water runoff; 310 CMR, Section 19, governing solid waste disposal; c. 85 and 90 governing highway and bridge traffic control, financing and repair; c. 114 concerning management and financing of cemeteries; c. 7, c. 149, § 44, c. 30B which regulates procurements; c. 131, § 40 and 310 CMR, Section 10, governing wetlands protection.

C. DPW Director, Roadway Superintendent, Solid Waste Director, Structures and Grounds Superintendant, Water Pollution Control Director, and Water Supply Director appointment. The Town Manager appoints a Roadway Superintendent, Solid Waste Director, Structures and Grounds Superintendant, Water Pollution Control Director, and Water Supply Director one of which may serve as the DPW Director. To the extent allowed by Massachusetts law, the same person may serve in more than one role. The Town Manager may appoint a separate DPW Director.

D. Authorities and Responsibilities.

(1) DPW Director: The Director provides centralized administrative and management to the six sub-departments and other Town departments. The Director formulates policy; provides procedural guidance; oversees operations procedures, procurement, department personnel, capital planning, and budgetary management; establishes and maintains community relations; and maintains continuous communication with the Town Manager.

(2) Roadway Sub-Department: Protect, maintain and improve the Town's roadway system, parking facilities, sidewalks, and town-owned storm water drainage facilities in a manner which promotes maximum infrastructure life span, oversee storm water testing and management, improves traffic flow and enhances both pedestrian and vehicle safety; plant, maintain, and, where necessary, remove Town shade trees; develop a tree planting and replacement program; provide snow removal services, and to provide a level of routine and emergency repairs to Town vehicles and equipment.

(3) Solid Waste Sub-Department: manages residential solid waste and certain hazardous waste collection programs; manages the recycling, solid waste, and hazardous waste collection center; promotes recycling programs; markets recyclable materials; coordinates with the SEMASS waste-to-energy plant (or other vendor) for transfer and disposal of solid waste; and coordinates a leaf and brush disposal program for residents.

(4) Structures and Grounds Sub-Department: protects and maintains the Town's municipal buildings and community facilities and resources; manage construction, renovation, and maintenance of facilities with a high priority on energy-efficiency and conservation; and coordinates with the Parks and Recreation Department for the care and maintenance of cemeteries and parks.

(5) Water Pollution Control Sub-Department: manages the wastewater collection and disposal system, including operation and maintenance of a wastewater treatment plant and septage processing facility, wastewater pumping stations, and gravity and force sewage collection mains; operation of an industrial pretreatment program and a laboratory for the testing of septage and sewage, and the effluent; maintenance of an accounts receivable and billing system for sewer use.

(6) Water Supply Sub-Department: provides commercial and residential properties in the Town of Bridgewater with a safe, efficient and effective means of obtaining drinking water; operates and maintains water treatment facility, pump stations, and distribution system; maintains accounts receivable and billing system for water use.

D. Interrelationships.

(1) Town Manager. In respect to the vast majority of activities, significant interaction is necessary.

(2) Other departments. As the Department services most departments, interaction is recurring, dependent upon the specific activity to be undertaken. The Department provides support to the Parks and Recreation Department and its volunteers.

(3) Multiple-member boards. The Department provides technical and administrative support to the Water and Sewer Board and the Traffic and Pedestrian Safety Committee.

Explanation: *The creation of a DPW will allow for enhanced operation effectiveness in the areas related to Roadways, Solid Waste, Water, and Structure & Grounds.*

Committee Referrals and Dispositions:

Referral(s)	Disposition(s)
• 11/18/14 & 12/2/14: Measure not referred to any committee. Return to next agenda for full Council consideration. This measure requires advertising, therefore may not be finally considered this evening.	•

NOT FOR ACTION: REQUIRES ADVERTISING PENDING AMENDMENTS OFFERED AND ACCEPTED.

Bridgewater Town Council

In Town Council, Tuesday, December 16, 2014

Council Ordinance: D-2014-010

Introduced By:	Councilor William Wood
Date Introduced:	November 18, 2014
First Reading:	November 18, 2014
Second Reading:	December 2, 2014
Third Reading:	December 16, 2014
Amendments Adopted:	
Third Reading:	
Date Adopted:	
Date Effective:	

Proposed Ordinance D-2014-010

Creation of a Department

Finance Department

Ordered that, the creation of a Finance Department is hereby established in accordance with Section 5-1 (b) of the Bridgewater Home Rule Charter, The Finance Department shall be structured and function as follows:

Administrative Services Branch; Finance Department

The Finance Department, located in the Administrative Branch, consists of four sub-departments: Accounting, Tax Collection, Treasurer, and Assessor. The Department is under the management of the Finance Director.

A. Mission. The Department's mission is to provide financial and internal support to all municipal departments, providing the general public with departmental information, providing the Town Council and Town Manager oversight review, improving accessibility to local government and its services, and assuring adherence to municipal procurement laws and policies.

B. Authorities and Responsibilities. The Department operates pursuant to various state, federal and municipal laws: MGL c. 30, c. 30B, c. 39M, c. 149, c. 39, c. 40, c. 41, c. 43C, c. 44, c. 44B, c. 59.

C. Finance Department Director, Accountant, Collector/Treasurer, and Director of Assessing appointment. The Town Manager appoints a Town Accountant, Collector, Treasurer, and Director of Assessing, one of which may serve as the Finance Director. To the extent allowed by Massachusetts law, the same person may serve in more than one role. The Town Manager may appoint a separate Finance Director pursuant to MGL c. 43C, § 11. The Town Accountant operates pursuant to MGL c. 41, § 55, for the purpose of maintaining financial records, supervising and controlling all expenditures of Town funds, and all related work as required by law. The Town Collector-Treasurer is responsible for receipt of, and disbursement of, all monies of the Town. The Town Collector-Treasurer has all of the other powers and duties which are given to Town Collector-Treasurers by MGL c. 41, §§ 35 through 43A.

D. Authorities and Responsibilities.

(1) Finance Director: The Finance Director is responsible for providing administrative direction and control of the Finance Department, which consists of the Accounting, Assessing, Treasurer and Tax Collecting. The Director of Finance participates as a member of the Town's negotiating team for the purposes of collective bargaining, is responsible for the annual and capital budget preparation, and oversees the adherence to procurement laws.

(2) Town Accountant: The Town Accountant is responsible for maintenance of all Town contracts and insurance policies, trust funds, and monthly financial reporting of revenues and expenditures. The Town Accountant examines the books and accounts of all Town officers, officers and committees entrusted with the receipt, custody or expenditure of money, and all original bills and vouchers on which money has been or may be paid from its treasury. The Town Accountant verifies the cash balance of each of such officers and committees by actual count of the cash and inserts in his annual report his certificate under oath of the facts so found. Additionally, he causes audits to be made annually of the accounts of the trustees of any property, the principal or income of which, in whole or in part, was bequeathed or given in trust for public uses for the benefit of the Town, or for the benefit of the inhabitants of the Town, and examines and estimates the funds, securities and evidences of property held by such trustees.

The Town Manager and other officers authorized to spend money shall approve and transmit to the Town Accountant as often as practicable but not less than once a month all bills, drafts, orders and payrolls chargeable to the respective appropriations of which they have the expenditure. The Town Accountant shall examine all such bills, drafts, orders and payrolls, and, if found correct, draws a warrant upon the treasury for the payment of the same, and the Treasurer pays no money from the treasury except upon such warrant approved by the Town Manager. The Town Accountant may disallow and refuse to approve for payment any claim as fraudulent, unlawful or excessive, and in such case shall file with the Town Treasurer a written statement of the reasons for such refusal.

The Town Accountant reviews compliance with Massachusetts procurement laws and Town policies concerning the procurement of goods and services.

The Town Accountant maintains a complete set of books and the accounts are kept, so far as practicable, in conformity with the classifications and forms prescribed law.

The Town Accountant participates actively in the development and review of all municipal budgets.

(3) Collector-Treasurer. The Collector-Treasurer receives and takes charge of all money and securities belonging to the Town. In accordance with the orders of the Town or its authorized officers, the Treasury pays out and accounts for all disbursements in behalf of the Town. The Collector-Treasurer is responsible for annually rendering a true account of all receipts and disbursements.

The Collector-Treasurer establishes and maintains an efficient cash management system, which includes monthly, quarterly projections of cash flow and disbursements. The Collector-Treasurer maintains professional investment policies and practices, and, with the approval of the Town Manager, is authorized to borrow monies for those projects authorized for funding by the Town Council. He is responsible for maintenance and operation of the Town's payroll system as well as the benefits management system, both coordinated with the Human Resources Department. The Collector-Treasurer pursues, with the assistance of the Town Attorney, all tax title processing.

The Collector-Treasurer collects all taxes, accounts and other sums payable to the town not otherwise specifically provided for, together with interest, costs and charges thereon.

(4) Principal Assessor. The Principal Assessor is responsible for administering Massachusetts Property Tax Laws effectively and equitably and for producing accurate and fair assessments of all property, both real estate and business personal property for approval by the Board of Assessors.

The office also administers all real estate tax exemptions and abatements and excise tax abatements. The Principal Assessor is also responsible for submitting annually a Tax Rate Recapitulation Sheet to DOR's Bureau of Accounts. This calculation is submitted to the Department of Revenue as evidence that the Town has a balanced budget within the limits of Proposition 2 1⁄2.

E. Organizational components.

(1) Accounting function. This component includes oversight for all financial transactions of the Town including Enterprise Fund operations Charitable Fund disbursements. This component maintains a comprehensive general ledger chart of accounts tracking all financial activity of the Town and provides expertise in the areas of accounts payable; sound accounting principles and techniques for all departments; and various internal and external financial reporting including the annual independent financial audit process and preparation of the Town's Comprehensive Annual Financial Report. The function interacts with all departments and many outside organizations. It provides departments with monthly budget reports, encumbrance status reports and processes all invoices for the Town. It conducts routine financial reconciliations with other Town functions, such as the Collections and Treasury. This function is responsible for providing all documentation for the annual audit process, assisting in the preparation of setting the tax rate, providing information for certification of free cash and surplus funds, preparing various state and federal financial reports, training on the Town financial management system for all departments and other financial information as the need arises.

(2) Budget function. This component includes assistance in the annual development of the capital and operating budgets for the Town and the capital budget for the Town's schools according to the Regional School Agreement. This function monitors the budget and produces annual financial reports there upon. This function also prepares an annual cost of service analysis, a five-year forecast in accordance with Article VI of the Town Charter, performs cost/benefit analysis, conducts training on the Town's financial management system for all departments and other special projects as the need arises.

(3) Treasury function. The functions of the Treasury include investment policies, cash management, debt management and collection of real estate liens. All activities are conducted with the objective of safeguarding principal, maintaining liquidity to meet the Town's operating needs while optimizing the yield to the fullest extent possible and minimizing risk. This component is also responsible for producing the Town payroll, wage reporting, paying over authorized deductions to appropriate vendors, and making timely payroll tax deposits. The Treasury also oversees the issuance and disbursement of all vendor checks and the issuance and servicing of the Town's bonds.

(4) Procurement function. The procurement function offers expertise to all Town departments in the procurement of goods and services to the departments of the Town to allow for the efficient expenditure of Town funds in accordance with MGL c. 30B, c. 30 § 39M, and c. 149. The Chief Procurement Officer (CPO) provides direction in the process of acquiring goods and services, suggestions for alternative products, using state contracts to avoid the duplicative bid process, assistance with surplus property disposal, and assistance in managing the interaction of vendors with the Town. The procurement program also manages the Town insurance policies and provides assistance with the Town's risk management activities in conjunction with other Town divisions.

(5) Assessing function. Assessing appraises each account or parcel of taxable property within the Town at its market value, so as to ensure an equitable distribution of the total tax burden within the Town. As the organizational component responsible for providing administrative support to the Board of Assessors, Assessing is responsible for appraisal of all property, both real and personal. It is responsible for carrying out its responsibilities under the Massachusetts General Laws, in particular Chapter 40, § 56, as it concerns the percentages of local tax levy for property; Chapter 41, §§ 24, 25, 25A, 26, 27, 28, 29, 30, 30A and 30B, as they concern the relating powers and duties of the Board, the appointment of Assistant Assessors, and the oath of office; Chapter 58 relating to the general provisions of taxation; Chapter 59, relating to the assessment of local taxation; Chapter 60A, relating to excise tax on registered motor vehicles; Chapter 60B, relating to excise tax on boats, ships and vessels; Chapter 61, relating to classification and taxation of forest land and forest products; Chapter 61A, relating to assessment and taxation of agricultural and horticultural land; Chapter 61B, relating to classification and taxation of recreational land; and Chapter 80, relating to the assessment of betterments.

F. Interrelationships.

(1) Town Manager. The Finance Director is responsible for management of the Town's financial resources. As such, all matters of a financial nature within the Town shall receive Finance Director and Town Manager approval. The Finance Director advises the Town Manager on all matters financial, so as to ensure the proper and efficient financial management of the Town. The Town Accountant, prior to approval from the Finance Director and the Town Manager, approves all warrants and other expenditures of Town funds and advises the Town Manager on the Town's financial policies. The Collector-Treasurer interacts with the Town Manager for the purposes herein stated, and further to ensure that the monies of the Town are properly managed through sound investment and disbursement practices. The Collector-Treasurer actively works with the Town Accountant and Town Manager in cash flow projections and long-term planning of expenditures and borrowing.

(5) Other departments. All organizational components, officers, boards or committees authorized to collect revenues, or expend same, interact with Finance for the purposes stated herein. As indicated, interrelationships shall occur throughout the Town, where matters of payroll, benefits management or other treasury or budgetary planning activities take place. As an integral part of the Administrative Branch, financial planning matters within the Finance Department are primary.

(6) Multiple-member boards. Finance Department interacts with the Board of Assessors, the Financial Committee, and the Town Council through it Budget and Finance Committee and other Boards and Commissions as requested.

Explanation: *It has been noted in past audits of the need to create a Finance Department for the efficient flow of work within the Town of Bridgewater. .*

Committee Referrals and Dispositions:

Referral(s)	Disposition(s)
• 11/18/14 & 12/2/14: Measure not referred to committee. Return to next agenda for full council consideration. Requires advertising, therefore may not be finally considered this evening.	•