

## REPORT OF THE BOARD OF ASSESSORS

The assessor's office is the primary generator of Wellesley's revenue with approximately 75% of the town's budget funded by property taxes and automobile excise. The office functions as part of the town government system but must comply with Massachusetts General Laws and is regulated by the Massachusetts Department of Revenue (DOR). The dependence on property taxes and the vital *new growth* component of the tax levy reinforces the importance of the assessors' office and the need for administering Massachusetts' property tax laws effectively and equitably to produce accurate, fair assessment of all taxable property.

The job of the Board of Assessors is not to determine how much the town will spend or levy in taxes. The tax levy, approved at the annual town meeting, is allowed to increase annually by 2½% plus an allowance for new growth construction. Amounts over the levy limit for debt exclusions or overrides are approved by a vote of town residents.

The assessors' primary responsibility is to find the "full and fair cash value" of all properties and is independent of the tax levy. The assessors utilize a computerized mass-appraisal technique to annually establish assessed values. The system allows the town to administer the property tax in a timely, cost effective and uniform manner.

The town overall valuation for fiscal year 2010 was down about 5% from the prior year due to the general downturn in the real estate market. Fiscal year 2010 assessed values are based on a market valuation date (or assessment date) of January 1, 2009 by analyzing market sales from calendar year 2008. The assessed value is an amount that a property might be expected to realize if it had sold on the assessment date.

The tax rate is the ratio between the tax levy and the total valuation of the town. It is the rate which will provide funds to pay for services and projects as voted at town meeting. The reduction in assessments combined with an increase in the levy required an increase in the tax rate to \$10.48 per \$1,000 of valuation.

The Board of Selectmen holds an annual public tax classification hearing to decide to continue with a single tax rate for all properties or to tax different classes of properties at different rates. The vote *does not* increase the town's tax levy but merely shifts the tax burden from one group of taxpayers to another.

Total assessed values for each major class of properties, the number of parcels, and their share of the tax levy are shown below.

<b>Class</b>	<b>Parcel Count</b>	<b>Valuation</b>	<b>Percentage of Levy</b>
Residential	8,186	\$7,936,624,000	88.36%
Commercial	230	954,620,000	10.63
Personal Property	1,080	90,687,000	1.01
<b>TOTAL</b>	<b>9,496</b>	<b>\$8,981,931,000</b>	<b>100.00%</b>

The tax rate for fiscal year 2010 was \$10.48 per \$1,000 of valuation. The levy limit was \$94,163,155 and the town levied \$94,130,637. The levy included payments towards six exclusions totaling \$8,304,370 and new growth of \$1,415,585. There were 152 real and personal property tax abatement applications for the fiscal year and 72 were granted some adjustment in their assessed value and corresponding abatement.

The total personal exemptions for fiscal year 2010 were:

<b>Exemption Type</b>	<b>Count</b>	<b>Total Tax Amount</b>
Clause 22 – Veterans	96	\$65,859
Clause 37 – Blind	19	\$9,500
Clause 41A – Deferral	45	\$296,406
Clause 41C – Elderly	39	\$39,000
Community Preservation Exemption	69	\$3,415
Senior Work Program	26	\$18,876

Taxpayers experiencing financial hardship are encouraged to consult with the assessors’ office to determine eligibility for deferrals and exemptions as options to allow them to remain in their homes.

The total number of Motor Vehicle Excise Bills issued during fiscal 2010 was, 23,067 that generated \$4,042,218 in tax receivables.

Upon reviewing previous town reports, some errors were discovered. They were reported correctly on the Tax Recapitulation reports and did not impact the tax rates. The corrections are as follows:

- Fiscal year 1987 town report showed a misprint in real property valuation of \$5,549,802,900. It should have been \$1,549,802,900. It is accurately reported further in the same annual report.
- Fiscal Year 1996 commercial valuation should be \$440,310,820 and the personal property \$29,823,600 for a total valuation of \$3,390,760,720.
- Fiscal year 2006 valuation breakdown by class is shown correctly but the total should be \$8,627,841,000.

Office Staff:

Donna McCabe, A.A.S.	Chief Assessor
Lauren O’Sullivan	Assistant Administrator
Tara Damiano	Assessor Technician
Louise Burns	Secretary
Judy Keefe	Assistant Secretary

Respectfully submitted,  
 Board of Assessors  
 David Livingston, Chair  
 L. Deborah Carpenter  
 Stephen D. Mahoney