

Assessing Department

Mission

To value real and personal property efficiently, fairly and accurately, in accordance with the laws of the Commonwealth of Massachusetts. In addition, we administer motor vehicle excise taxes, tax exemption programs, senior tax assistance programs and abatement requests. We strive to address all concerns of members of the public professionally, quickly and courteously.

The Newton Assessing Department is statutorily required to assess all property, both real and personal, at its full and fair cash value as of January 1 of each year. This is required under Massachusetts General Laws, Chapter 59 Section 38.

We recently conducted and completed a full revaluation of all property, both real and personal, for Fiscal Year 2019. This revaluation process is governed by Massachusetts General Laws, Chapter 40 Section 56. A recent change in this law requires communities to perform this full revaluation every five years. The Massachusetts Department of Revenue applies a rigorous certification process when a community revalues its property, requiring that assessments meet strict statistical tests to ensure they accurately reflect the market and are applied consistently. In the years between revaluations, the City, pursuant to state law, must adjust property assessments consistent with real estate market trends. These adjustments must also conform with the Department of Revenue statistical guidelines and reporting requirements.

This past year, Fiscal Year 2019, was a very busy and productive year for our Newton Assessing Department. Some of our noteworthy accomplishments include:

- Successfully and in a timely manner completed the Department of Revenue mandated revaluation of all real (27,000 parcels) and personal property (2,300 accounts) throughout the City, amounting to over \$34 billion in assessed value.
- Valued new growth due to new construction that resulted in \$5.7 million in “new” revenue for the City. This entailed reviewing and inspecting over 3,100 properties that had building permits from calendar 2017, including renovations, additions and/or new construction.
- Reviewed and granted over 500 personal exemptions, tax deferrals, tax work-off programs, water/sewer discounts and disabled tax aid grants.
- Administered over 72,000 motor vehicle excise bills. We met our internal goal of a 2-Day turnaround time on over 3,800 fully documented excise abatement applications.
- Worked effectively so that less than 1% of real and personal property assessed values were contested.
- Reviewed and analyzed over 1,900 property deeds that were filed and recorded at the Middlesex South Registry of Deeds. The corresponding ownership information was updated in our property database. The ownership changes were also provided to the Treasurer’s Office for accurate billing information.

The entire office is proud of all the work we accomplished, from the complete property revaluation to the daily interactions we have with the public. We have all our property

information available to the public on our on-line Assessing database. This database is the most widely viewed information on our City’s website.

We will continue to administer the statutory and local responsibilities that are placed upon our Assessing Department with the utmost professionalism.

We are maintaining a mostly level-funded budget and we are excited to continue offering the exceptional customer service our Assessing Department provides.

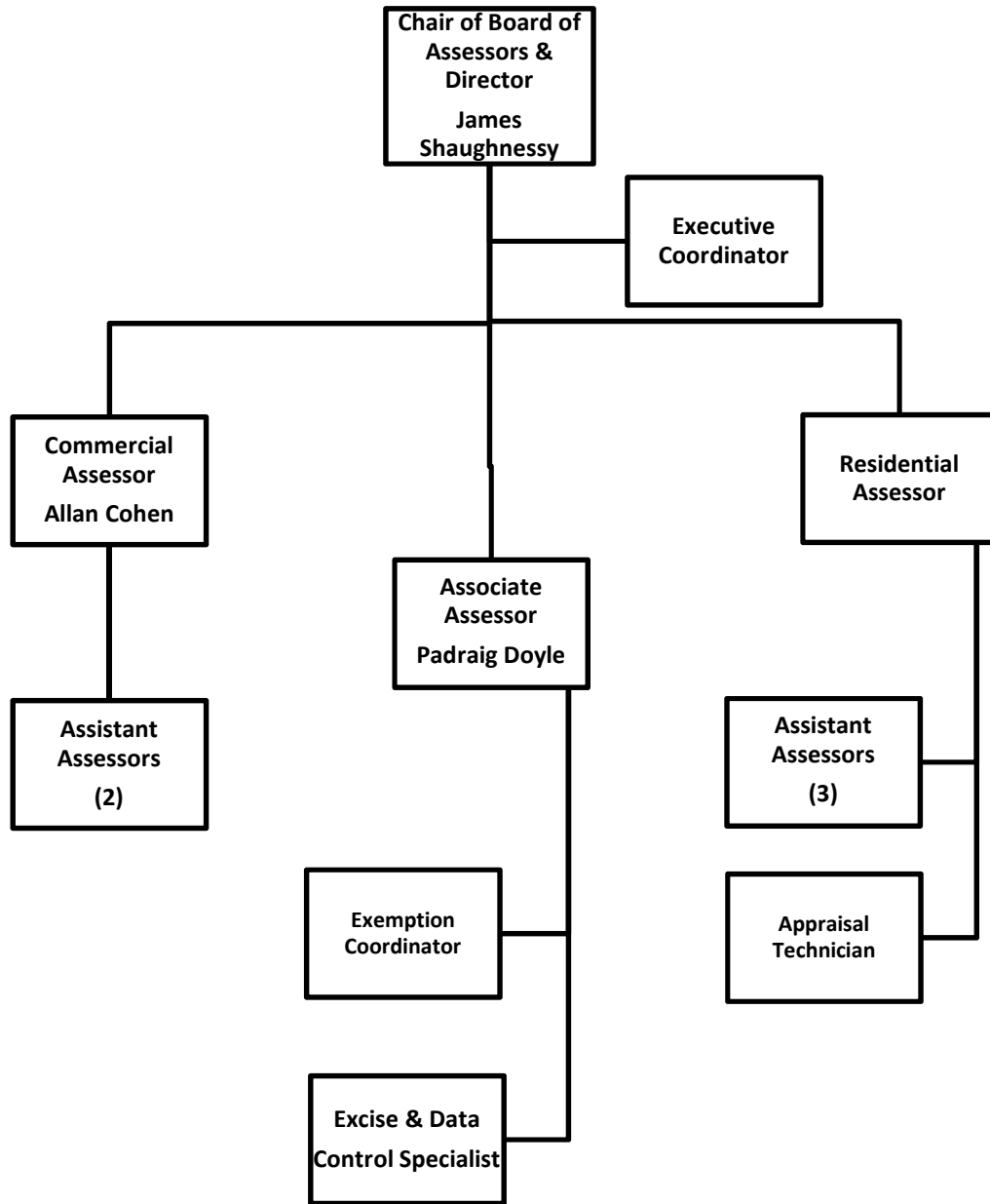
We also said a fond farewell to Elizabeth Dromey, who served the City of Newton so well for over 35 years.

James

Shaughnessy

City of Newton Assessing Department

ASSESSING



Financial and Operating Highlights

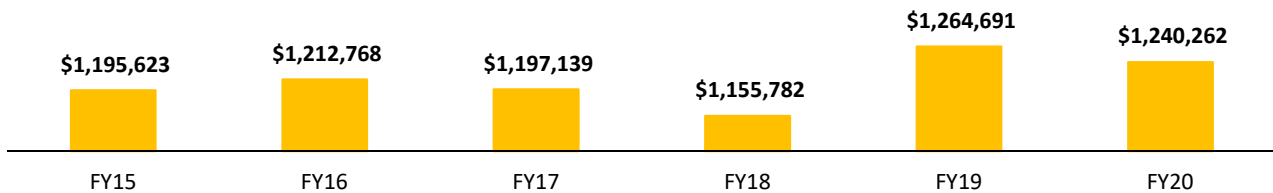
Financial Highlights

| | Actual | | | Adj Budget | | Proposed |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 |
| Expenditure by Department | | | | | | |
| Assessing | \$ 1,195,623 | \$ 1,212,768 | \$ 1,197,139 | \$ 1,155,782 | \$ 1,264,691 | \$ 1,240,262 |
| Total | \$ 1,195,623 | \$ 1,212,768 | \$ 1,197,139 | \$ 1,155,782 | \$ 1,264,691 | \$ 1,240,262 |
| % Incr | | 1.43% | -1.29% | -3.45% | 9.42% | -1.93% |

Personnel

| | | | | | | |
|--------------|----|----|----|----|----|----|
| Full-Time | 13 | 13 | 13 | 13 | 13 | 13 |
| Part-Time | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 13 | 13 | 13 | 13 | 13 | 13 |

Total Assessing Expenditures



Operating Highlights

Single Family Sales

| Year | Sales | Avg Price |
|------|-------|-------------|
| 2009 | 562 | \$842,664 |
| 2010 | 590 | \$875,632 |
| 2011 | 583 | \$896,858 |
| 2012 | 694 | \$946,793 |
| 2013 | 740 | \$1,045,810 |
| 2014 | 671 | \$1,107,486 |
| 2015 | 745 | \$1,200,567 |
| 2016 | 660 | \$1,245,840 |
| 2017 | 701 | \$1,312,866 |
| 2018 | 710 | \$1,391,520 |

Assessing Department Activity

| Year | Inspections | Deeds | Excise Bills |
|------|-------------|-------|--------------|
| 2009 | 2,298 | 1,813 | 71,930 |
| 2010 | 2,659 | 1,939 | 71,735 |
| 2011 | 2,808 | 1,876 | 71,647 |
| 2012 | 2,754 | 2,265 | 70,783 |
| 2013 | 3,222 | 2,303 | 71,609 |
| 2014 | 3,371 | 2,179 | 72,066 |
| 2015 | 4,085 | 2,223 | 72,246 |
| 2016 | 3,648 | 2,196 | 72,353 |
| 2017 | 3,095 | 2,128 | 72,785 |
| 2018 | 3,230 | 1,974 | 68,966* |

*YTD

Assessing Department Fiscal Year 2020 Outcomes and Strategies

Outcome 1

Provide Timely, Full and Fair Cash Valuations of All Real and Personal Property

The Newton Assessing Department assesses all property, both real and personal, at its full and fair cash value as of January 1 of each year.

Our office visits all properties sold to help us understand in detail changes in the real estate market. We will review all the

property transfer deeds to determine if the transfer was a market value transaction. We will mail and then analyze income and expense forms to the owners of commercial, industrial and apartment properties to help us determine changes in the rental market. We will mail and then analyze Forms of List to all business owners to keep the personal property database current for valuation. We will conduct cyclical property inspections throughout the City to keep our property database current.

The Massachusetts Department of Revenue (DOR) applies a rigorous certification process when a community revalues its property, requiring that assessments meet strict statistical tests to ensure they accurately reflect the market and are applied consistently. The goal of our office is to get our valuations certified by the DOR in a timely manner so the Newton City Council can set the corresponding fiscal year tax rate. This timely certification enables the fiscal year 3rd quarter real estate and personal property tax bills to be mailed by the Treasurer/Collector on or before December 31st of the given year.

New growth comes from a variety of sources. New growth can be new construction, additions and/or alterations that result in increases in assessed value not due to changes in market conditions. New growth can be new business personal property, such as new machinery, furniture and equipment used to conduct their business. New growth can also occur when a tax-exempt property is returned to the tax roll. This new growth results in an increase in the annual City-wide tax levy over the limits of Proposition 2 ½.

Our office will physically inspect all properties with building permits to see if the work performed increased the market value of the property. We will calculate new growth based upon the Department of Revenue's (DOR) guidelines for determining new growth. DOR guidelines require us to report all new growth activity to the DOR. This new growth calculation needs to be certified by the DOR by late October so the Tax Classification hearing can be held by the City Council for timely setting of the fiscal year tax rate.

Outcome 2

Calculate Accurately New Growth Due to New Construction/Renovations

Assessing Department Fiscal Year 2020 Outcomes and Strategies

Outcome 3

Administer Tax Assistance Programs

There are numerous tax assistance programs in Newton for eligible property owners. Some programs are income and asset based. Some are income-only based; others are asset-only based. There are also tax exemptions available for disabled

veterans and blind property owners.

We make information about tax assistance programs available on our website and through inserts in the fiscal year tax bills. Our goal is to have most prior year exemption recipients approved by the time the third quarter real estate tax bills are issued in December. The approval process requires the applicant to submit various documents to confirm their eligibility. Approval prior to December enables the property owner to receive their exemption credit on their third and fourth quarter tax bills. We have a statutory deadline for accepting applications of April 1 of the fiscal year. Beginning in FY2019, the City of Newton increased the qualifying income limit for tax deferrals for seniors (41A) to \$86,000 (from \$60,000). This increase will make it easier for more low-income seniors to defer their tax liability.

The City of Newton issues over 70,000 motor vehicle excise bills in the course of a calendar year. Many times, a vehicle is sold, traded, donated, registered in another state or totaled in an accident. Motor vehicle excise is paid on a calendar year basis and if any of the above situations occur, the vehicle owner may be entitled to a partial abatement of their motor vehicle excise tax.

We provide a FAQ section on our website to answer many of the common motor vehicle excise questions. We also make the abatement application for motor vehicle excise available on-line for vehicle owners to access easily. In most cases, we need to know what happened to the vehicle and what happened to the license plate. We are consistently able to provide a 2-day turnaround time on timely filed and documented excise abatement requests; in some instances, we provide same day turn-around time. Our staff is cross-trained, so this 2-day turnaround time is met even during high demand and low staffing periods. Once approved, we also supply the Treasurer/Collector with abatement information within this 2-day period.

Outcome 4

Maintain 2-Day Turnaround of Motor Vehicle Excise Abatement Requests

FUND: 01 - GENERAL FUND
 DEPARTMENT: 106 - BOARD OF ASSESSORS

CITY OF NEWTON BUDGET
 DEPARTMENT LEGAL LEVEL OF CONTROL

| | ACTUAL 2017 | ACTUAL 2018 | AMENDED 2019 | YTD 4/11/2019 | RECOMMENDED 2020 | CHANGE 2019 to 2020 |
|-----------------------------------|------------------|------------------|------------------|------------------|---------------------|------------------------|
| BOARD OF ASSESSORS SUMMARY | | | | | | |
| 51 - PERSONAL SERVICES | 1,006,132 | 985,395 | 1,066,695 | 836,874 | 1,044,264 | -22,432 |
| 52 - EXPENSES | 48,254 | 49,110 | 63,375 | 49,271 | 64,235 | 860 |
| 57 - FRINGE BENEFITS | 142,753 | 121,278 | 134,621 | 103,999 | 131,763 | -2,858 |
| TOTAL DEPARTMENT | 1,197,139 | 1,155,782 | 1,264,691 | 990,143 | 1,240,262 | -24,430 |
| ASSESSING | | | | | | |
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CITY OF NEWTON BUDGET
DEPARTMENTAL DETAIL

| | ACTUAL FY2017 | ACTUAL FY2018 | AMENDED 2019 | YTD 4/11/2019 | RECOMMENDED 2020 | CHANGE 2019 to 2020 | |
|---------------------------------|---------------------------------|------------------|------------------|------------------|---------------------|------------------------|----------------|
| 106 - BOARD OF ASSESSORS | | | | | | | |
| 0110601 - ASSESSING | | | | | | | |
| PERSONAL SERVICES | | | | | | | |
| 511001 | FULL TIME SALARIES | 978,678 | 952,518 | 1,031,286 | 788,087 | 1,031,014 | -273 |
| 511102 | PART TIME > 20 HRS/WK | 3,562 | 13,165 | 0 | 10,177 | 0 | 0 |
| 514001 | LONGEVITY | 8,258 | 11,250 | 11,750 | 13,750 | 11,250 | -500 |
| 515003 | SPECIAL LEAVE BUY BACK | 6,000 | 0 | 6,000 | 6,000 | 0 | -6,000 |
| 515005 | BONUSES | 0 | 1,400 | 0 | 1,200 | 0 | 0 |
| 515006 | VACATION BUY BACK | 7,634 | 5,562 | 15,659 | 15,659 | 0 | -15,659 |
| 515102 | CLEANING ALLOWANCE | 2,000 | 1,500 | 2,000 | 2,000 | 2,000 | 0 |
| | TOTAL PERSONAL SERVICES | 1,006,132 | 985,395 | 1,066,695 | 836,874 | 1,044,264 | -22,432 |
| EXPENSES | | | | | | | |
| 52401 | OFFICE EQUIPMENT R-M | 1,059 | 1,368 | 600 | 0 | 2,000 | 1,400 |
| 52403 | MOTOR VEHICLE R-M | 500 | 676 | 1,200 | 782 | 1,200 | 0 |
| 52405 | COMPUTER EQUIPMT R-M | 0 | 0 | 500 | 0 | 600 | 100 |
| 52410 | SOFTWARE MAINTENANC | 18,581 | 18,105 | 27,000 | 25,567 | 28,000 | 1,000 |
| 5319 | TRAINING EXPENSES | 4,205 | 5,498 | 7,000 | 3,712 | 8,000 | 1,000 |
| 53401 | TELEPHONE | 1,378 | 1,319 | 1,500 | 800 | 1,300 | -200 |
| 53404 | INTERNET ACCESS CHAR | 615 | 575 | 1,075 | 599 | 1,000 | -75 |
| 5341 | POSTAGE | 9,606 | 10,046 | 9,400 | 8,859 | 5,500 | -3,900 |
| 5342 | PRINTING | 2,273 | 3,134 | 3,000 | 2,013 | 3,500 | 500 |
| 5343 | ADVERTISING/PUBLICATIO | 0 | 0 | 600 | 0 | 600 | 0 |
| 5420 | OFFICE SUPPLIES | 4,551 | 4,014 | 5,000 | 3,251 | 5,000 | 0 |
| 5480 | GASOLINE | 589 | 812 | 1,200 | 371 | 1,200 | 0 |
| 5523 | PAPER GOODS & SUPPLIE | 0 | 0 | 465 | 358 | 500 | 35 |
| 5592 | BOOKS/MANUALS/PERIODI | 330 | 200 | 335 | 335 | 335 | 0 |
| 5710 | VEHICLE USE REIMBURSE | 462 | 213 | 500 | 72 | 500 | 0 |
| 5711 | IN-STATE CONFERENCES | 2,581 | 1,685 | 2,600 | 1,625 | 3,000 | 400 |
| 5730 | DUES & SUBSCRIPTIONS | 1,525 | 1,465 | 1,400 | 928 | 2,000 | 600 |
| | TOTAL EXPENSES | 48,254 | 49,110 | 63,375 | 49,271 | 64,235 | 860 |
| FRINGE BENEFITS | | | | | | | |
| 57DENTAL | DENTAL INSURANCE | 3,872 | 3,197 | 2,810 | 2,523 | 2,916 | 106 |
| 57HLTH | HEALTH INSURANCE | 118,399 | 96,351 | 108,359 | 82,255 | 105,338 | -3,021 |
| 57LIFE | BASIC LIFE INSURANCE | 340 | 297 | 285 | 245 | 285 | 0 |
| 57MEDA | MEDICARE PAYROLL TAX | 14,125 | 14,915 | 15,308 | 12,946 | 14,715 | -593 |
| 57OPEB | OPEB CONTRIBUTION | 6,017 | 6,518 | 7,860 | 6,030 | 8,509 | 650 |
| | TOTAL FRINGE BENEFITS | 142,753 | 121,278 | 134,621 | 103,999 | 131,763 | -2,858 |
| | TOTAL ASSESSING | 1,197,139 | 1,155,782 | 1,264,691 | 990,143 | 1,240,262 | -24,430 |
| | TOTAL BOARD OF ASSESSORS | 1,197,139 | 1,155,782 | 1,264,691 | 990,143 | 1,240,262 | -24,430 |