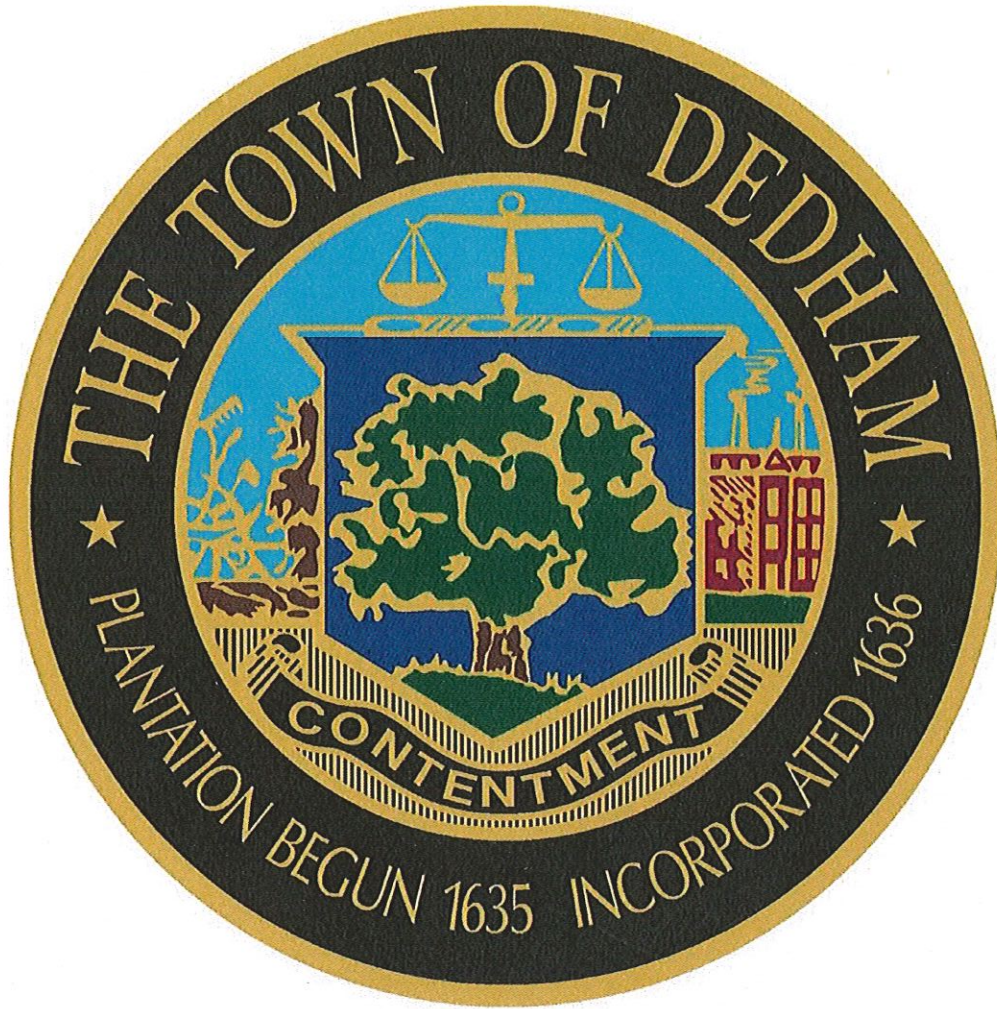


**FISCAL YEAR 2023
CLASSIFICATION HEARING**



NOVEMBER 28, 2022

DEDHAM TOWN HALL

BY

THE DEDHAM SELECT BOARD

ALL FIGURES USED IN THIS
BOOKLET ARE SUBJECT TO
APPROVAL BY THE DEPARTMENT
OF REVENUE.

ALL TAX RATES USED ARE ONLY AN
ESTIMATE UNTIL APPROVED BY THE
DEPARTMENT OF REVENUE.

TOWN OF DEDHAM
COMMONWEALTH OF MASSACHUSETTS
KEVIN D. DOYLE MAA
DIRECTOR OF ASSESSMENTS



BOARD OF ASSESSORS
RICHARD J. SCHOENFELD
MICHAEL T. POLITO
CHERYL SULLIVAN

P.O. BOX 306 Dedham, MA 02026
(781) 751-9130 FAX (781) 751-9139
WWW.DEDHAM-MA.GOV

To: Dedham Select Board
From: Dedham Board of Assessors
Re: FY23 Classification Hearing

Annually, the Board of Assessors meets with the Select Board for the purpose of classifying all real and personal property within the limits of the Town of Dedham.

Classification allows the Select Board to shift taxes by up to 175% on the commercial, industrial and personal property values. (AKA: CIP Values)

If the Select Board votes to discontinue classification, the FY2023 tax rate would be \$15.17 per thousand dollars of value for all classes of property. If the Board, continues classification as it has in the past, the residential rate would be \$12.84 and the CIP rate would be \$26.55.

The residential share of 60.135% is the factor, used when classification was first voted, and cannot go below this factor. As indicated 70.2642% is the lowest factor we can use for FY2023, which translates into a shift of 175%.

Attached is a draft of the booklet for the FY2023 Tax Classification Hearing scheduled for November 28, 2022 for your review.

The following two questions must be voted on by the Select Board:

1. Does the Board want to continue classification for the Town of Dedham?
2. What shift, if classification continues, does the Board wish to use?

The Board of Assessors will make recommendations at the classification hearing.

If you have any questions about the information in the booklet, please feel free to contact me directly at kdoyle@dedham-ma.gov or at (781) 751-9131.

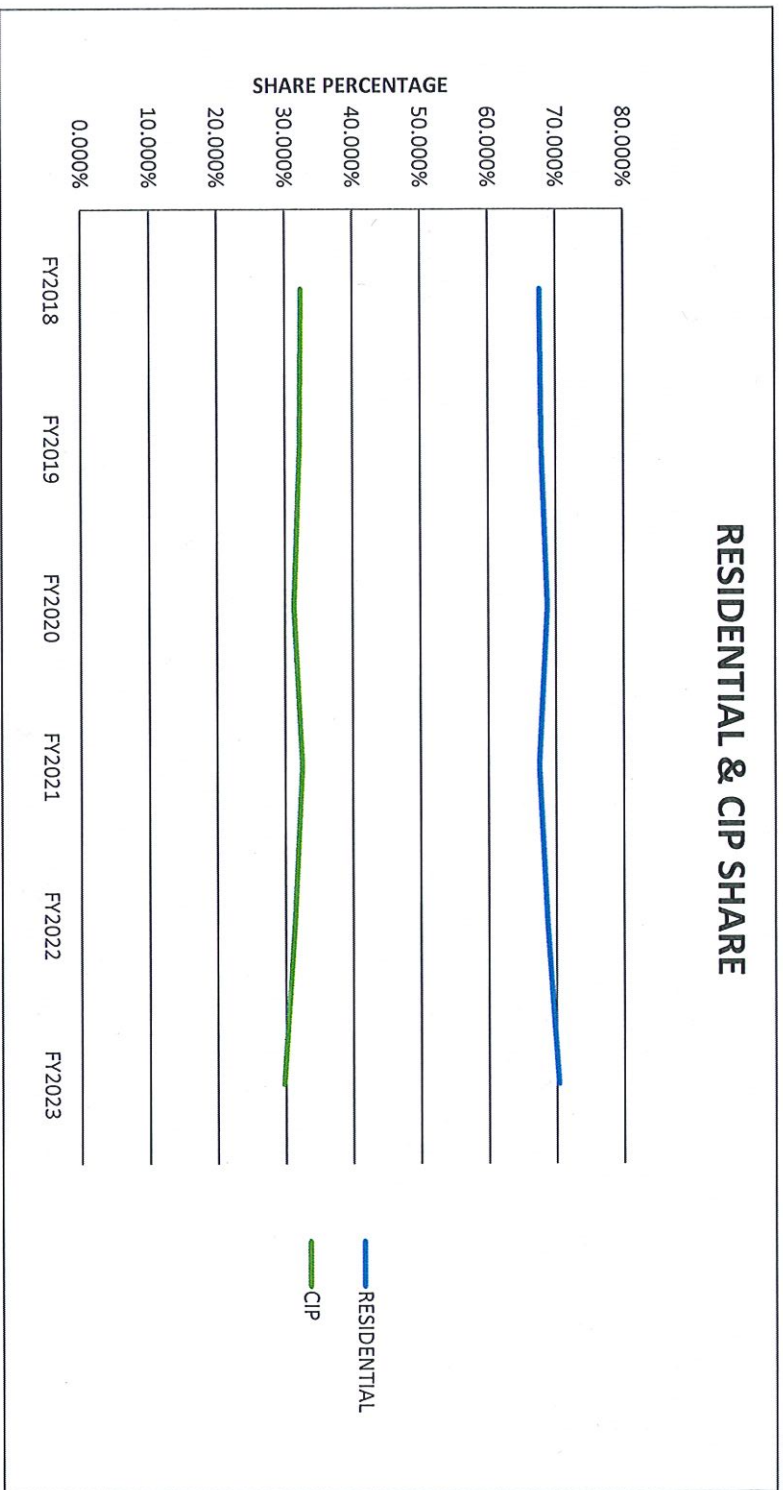
Sincerely,

Kevin D. Doyle
Director of Assessments

CLASSIFICATION SHIFTS

	FY2018	FY2019	FY2020	FY2021	FY2022	175	174	173	172	171	170
RESIDENTIAL FACTOR	83.0%	83.1%	83.7%	82.9%	83.7%	84.7%	84.9%	85.1%	85.3%	85.5%	85.7%
RESIDENTIAL SHARE	67.624%	67.859%	68.707%	67.490%	68.696%	70.264%	70.434%	70.604%	70.774%	70.944%	71.114%
CIP SHARE	32.376%	32.141%	31.293%	32.510%	31.304%	29.736%	29.566%	29.396%	29.226%	29.056%	28.886%

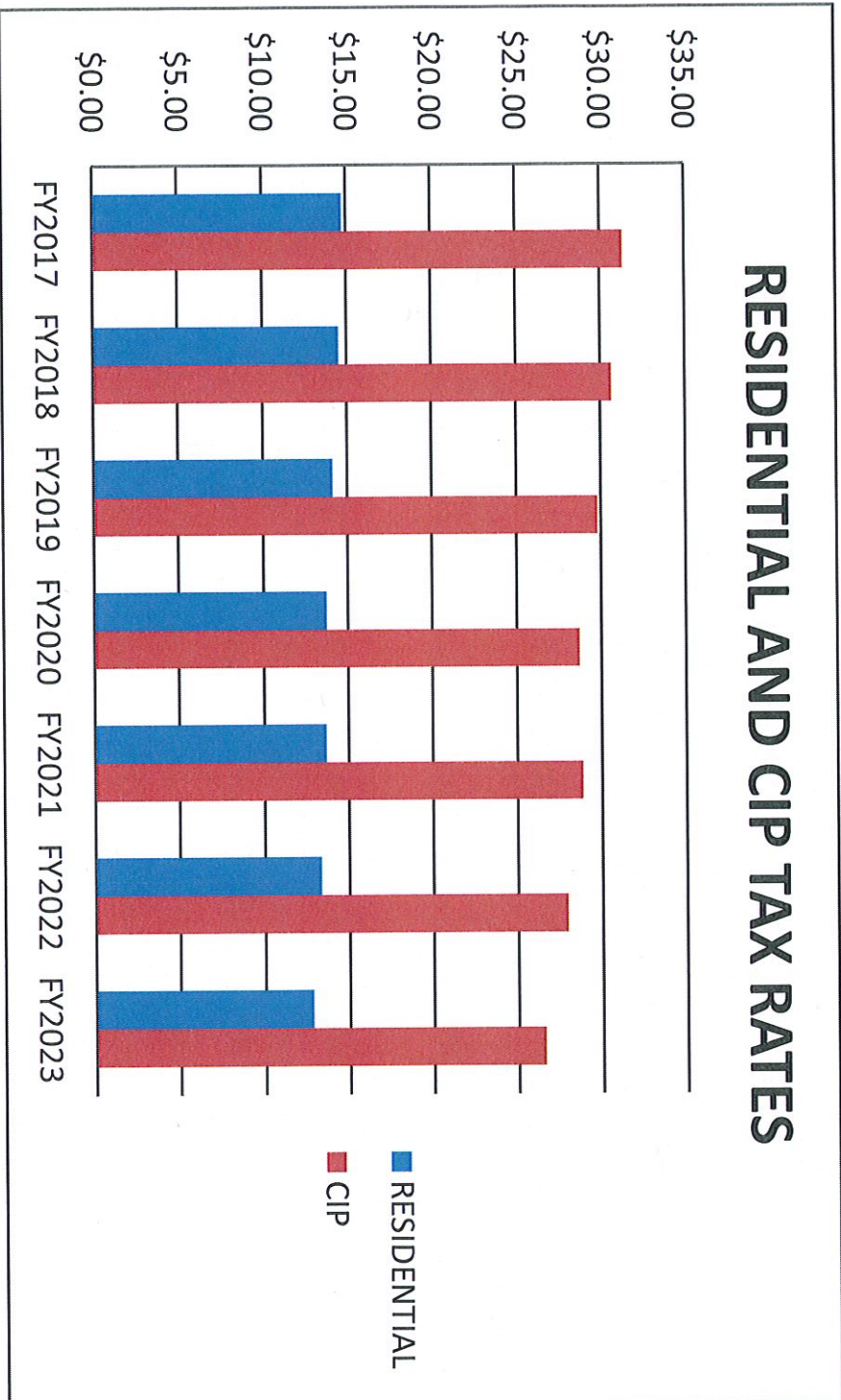
RESIDENTIAL & CIP SHARE



SEVEN YEAR TAX RATE COMPARISON

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
RESIDENTIAL	\$14.76	\$14.55	\$14.15	\$13.72	\$13.67	\$13.35	\$12.84
CIP	\$31.36	\$30.68	\$29.79	\$28.70	\$28.86	\$27.93	\$26.55

RESIDENTIAL AND CIP TAX RATES



**Levy Limit
Fiscal Year 2023**

FOR BUDGET PLANNING PURPOSES

I. TO CALCULATE THE FY 2022 LEVY LIMIT

A. FY 2021 Levy Limit	100,171,350	
A1. Amended FY 2021 Growth	0	
B. ADD (IA + IA1)*2.5%	2,504,284	
C. ADD FY 2022 New Growth	1,334,557	
C1. ADD FY 2022 New Growth Adjustment	0	
D. ADD FY 2022 Override	0	
E. FY 2022 Subtotal	104,010,191	
F. FY 2022 Levy Ceiling	152,115,005	I. <u>104,010,191</u> FY 2022 Levy Limit

II. TO CALCULATE THE FY 2023 LEVY LIMIT

A. FY 2022 Levy Limit from I	104,010,191	
A1. Amended FY 2022 Growth	0	
B. ADD (IIA + IIA1)*2.5%	2,600,255	
C. ADD FY 2023 New Growth	1,318,243	
C1. ADD FY 2023 New Growth Adjustment	0	
D. ADD FY 2023 Override	0	
E. ADD FY 2023 Subtotal	107,928,689	
F. FY 2023 Levy Ceiling	167,625,980	II. <u>107,928,689</u> FY 2023 Levy Limit

III. TO CALCULATE THE FY 2023 MAXIMUM ALLOWABLE LEVY

A. FY 2023 Levy Limit from II.	107,928,689	
B. FY 2023 Debt Exclusion(s)	1,939,156	
C. FY 2023 Capital Expenditure Exclusion(s)	0	
D. FY 2023 Stabilization Fund Override	0	
E. FY 2023 Other Adjustment :	0	
F. FY 2023 Water/Sewer	0	
G. FY 2023 Maximum Allowable Levy	109,867,845	

Signatures

No signatures to display.

Documents

No documents have been uploaded.

ASSESSMENT/CLASSIFICATION REPORT as of January 1, 2022

Fiscal Year 2023

Property Type	Parcel Count	Class1 Residential	Class2 Open Space	Class3 Commercial	Class4 Industrial	Class5 Pers Prop
101	6,638	4,435,996,000				
102	677	312,707,300				
MISC 103,109	29	50,719,600				
104	499	335,868,200				
105	47	39,104,800				
111-125	52	285,918,400				
130-32,106	281	32,730,900				
200-231	0		0			
300-393	280			834,378,100		
400-442	57				48,989,700	
450-452	0				0	
CH 61 LAND	0 3		0	5,600		
CH 61A LAND	0 1		0	1,000		
CH 61B LAND	0 2		0	1,746,500		
012-043	80	72,682,522	0	44,416,698	1,573,180	
501	356					17,745,440
502	380					27,859,530
503	0					0
504	2					125,097,130
505	9					21,281,500
506	1					13,107,500
508	6					3,109,600
550-552	0					0
TOTALS	9,400	5,565,727,722	0	880,547,898	50,562,880	208,200,700
Real and Personal Property Total Value						6,705,039,200
Exempt Parcel Count & Value					593	948,365,100

For CH 61, 61A and 61B Land: enter the mixed use parcel count in the left-hand box, and enter the 100% Chapter land parcel count in the right-hand box.

Signatures
Board of Assessors Kevin D. Doyle, Director of Assessing , Dedham , kdoyle@dedham-ma.gov 781-751-9130 11/7/2022 1:15 PM

SHIFTING THE TAX RATE
Fiscal Year 2023

I. CALCULATION OF THE MINIMUM RESIDENTIAL FACTOR - 150% Shift (formerly shown on the LA-7)

The Minimum Residential Factor is used to make sure the shift of the tax burden complies with the law ([M.G.L. c. 58, § 1A](#)). Residential and Open Space taxpayers must pay at least 65% of their full and fair cash value share of the levy. Commercial/Industrial/Personal Property taxpayers cannot pay more than 150% of their full and fair cash value share of the levy. If the calculated Minimum Residential Factor is less than 65%, a community cannot make the maximum shift and must use a Commercial/Industrial/Personal Property factor less than 150%.

A Class	B Full and Fair Cash Valuation	C Percentage Share	D Combined Res/OS, CIP
1. Residential	5,565,727,722	83.0081%	83.0081%
2. Open Space	0	0.0000%	
3. Commercial	880,547,898	13.1326%	16.9919%
4. Industrial	50,562,880	0.7541%	
5. Personal Property	208,200,700	3.1052%	
TOTALS	6,705,039,200	100.0000%	

The "Percentage Share" is based on the "Full and Fair Cash Valuation" of each class, which is affected by the level of assessment for each class. The level of assessment can range between 90% and 110%. This alone can cause a shift if the level of assessment for Residential and Open Space is different than the level of assessment for Commercial, Industrial and Personal Property.

Maximum Share of Levy for Commercial/Industrial/Personal Property: $150\% * 16.9919\%$ (Lines 3C + 4C + 5C) = 25.4879% (Max % Share)

This calculation shows the maximum % share of the levy allowed for the full and fair cash value of the combined Commercial, Industrial and Personal Property classes (150% of the combined shares.) NOTE: Shift impact is reduced as the Max % Share decreases.

Minimum Share of Levy for Residential and Open Space: $100\% - 25.4879\%$ (Max % Share) = 74.5121% (Min % Share)

This calculation shows the minimum % share of the levy allowed for the full and fair cash value of the combined Residential and Open Space Property classes. This is computed by subtracting the Maximum Share for Industrial/Commercial/Personal Property from 100%.

Minimum Residential Factor (MRF): 74.5121% (Min % Share) / 83.0081% (Lines 1C + 2C) = 89.7649% (Minimum Residential Factor)

This calculates the Minimum Residential Factor: divide the minimum % share for Residential and Open Space by the actual % share for Residential and Open Space.

MINIMUM RESIDENTIAL FACTOR: 89.7649% Chapter 58, Section 1A mandates a minimum residential factor of not less than 65 percent

When the Minimum Residential Factor is multiplied by % share of the Residential and Open space full and fair cash value, it reduces the Residential and Open Space share to its Minimum % Share of the Levy as calculated above.

**SHIFTING THE TAX RATE
 Fiscal Year 2023**

II. CALCULATION OF THE LOWEST POSSIBLE RESIDENTIAL FACTOR - 175% Shift (Chapter 200)

Chapter 200 of the Acts of 1988 amended M.G.L. c. 58, § 1A to allow cities and towns to give Residential property taxpayers greater tax relief by adopting a shift of the property tax burden from Residential taxpayers to the Commercial, Industrial and Personal Property taxpayers, provided certain parameters are not exceeded. Chapter 200 allows a shift of up to 75% (also known as a 175% shift) and lowers the percentage that Residential and Open Space taxpayers must raise to 50%. By expanding the shift, the tax levy on Commercial, Industrial and Personal Property taxpayers increases and the tax Levy on Residential and Open Space taxpayers decreases.

The first Section (Steps 1, 2 & 3) determines whether Residential taxpayers would raise a greater percentage of the property tax levy this fiscal year than they raised last fiscal year, if the town voted the existing law's maximum shift of 150% onto Commercial/Industrial/Personal Property taxpayers.

1. Last year's chosen RESIDENTIAL percentage* (Residential only, does not include Open Space)	<u>68.6962%</u>
This is last year's chosen residential percentage (RES%), not including Open Space, from form LA-5 (under the "SHIFT PERCENTS" section). (Note: The residential share in the fiscal year prior to a community's first property value certification may be used if the assessors can document that it was lower than the prior year's LA5 RES%.)	
2. This year's Minimum Residential Factor using a 150% shift to CIP (from LA-7).	<u>89.7649%</u>
This is the "Minimum Residential Factor (MRF)" calculation in Section I above.	
3. Minimum residential share (R) in current year using 150% Shift to CIP.	<u>74.5121%</u>
This is the "Minimum Share of Levy for Residential" calculation in Section I above.	

If #1 is greater than #3, STOP!

You may shift only up to 150% to Commercial/Industrial/Personal Property, and line #2 remains your Minimum Residential Factor. You must stop here, because continuing would cause the Residential taxpayers to pay more this year than they did last year.

If #3 is greater than #1, go on., continue the shift calculations. Steps 7, 8 and 9 determine whether or not Residential & Open Space taxpayers would raise a smaller percentage of the property tax levy this fiscal year than they have ever raised since the community's first certification of values, assuming the town voted a 175% shift onto Commercial/Industrial/Personal Property taxpayers as allowed by Chapter 200.

4. Calculate a Residential Factor using a 175% shift to CIP.	<u>84.6474%</u>
This Residential Factor is the result of repeating the calculations in Steps 1 through 3 above using a shift of 175% instead of 150%. Residential and Open Space taxpayers must raise a minimum of 50%	
5. Multiply this new Residential Factor by this year's residential percentage.	<u>70.2642%</u>
This calculation multiplies the factor in step 4 above by the combined Residential/Open Space % Share from the grid at the top.	
6. What is the Lowest Historical Residential Percentage since the first certification.	<u>60.1350%</u>
This is the "Historic Low %" shown on the LA-5 Options & Certification form.	

If #5 is greater than #6, STOP!

You may shift up to 175% to the Commercial/Industrial/Personal Property taxpayers and step 4 is the Lowest Residential Factor.

If #6 is greater than #5, go on.

This section determines the maximum shift allowed by law, and the lowest residential factor allowable to achieve the maximum shift. These calculations will not appear if the 175% shift is not allowed according to the calculations above (If #5 is greater than #6).

7A. Take the lowest historical residential percentage (6 above).	_____
The residential share in the year before first certification may be used if assessors document it was lower.	
7B. Divide 7A by the current combined residential/open space percentage share (Residential & Open Space % from the grid above).	_____
7C. The result is the lowest residential factor allowable (it may not be less than 50%).	_____

Schedule DE-1
 Debt Exclusion - Fiscal Year 2023

(A) Ballot Vote Date	(B) Purpose(s) of Exclusion Vote	(C) Date of original issuance note/bond per purpose(s)	(D) Temp or Perm (T/P)	(E) FY 2022 Net Excluded Debt Service	(F) FY 2022 Gross Debt Service Expended	(G) FY 2023 Gross Debt Service Excludable	(H) Reimbursement adjustments (Whole numbers only)	(I) FY 2023 Net Excluded Debt Service
01/19/2010	Avery School	06/01/2012	P	235,158	244,688	240,788	0	240,788
06/09/2001	Land/Science Lab	12/15/2001	P	102,500	102,500	0	0	0
01/06/2003	(REFUNDED) DMS Construction	03/28/2022	P	580,000	580,000	549,882	0	549,882
01/06/2003	(REFUNDED) DMS Construction	03/28/2022	P	256,410	256,410	241,749	0	241,749
06/09/2001	Sewer	06/15/2003	P	113,400	113,400	109,200	0	109,200
06/03/2006	SMA Land	11/01/2006	P	255,000	255,000	0	0	0
01/19/2010	(REFUNDED) Avery School / Fields	03/28/2022	P	226,738	226,738	327,774	0	327,774
01/19/2010	Avery Fields	06/15/2011	P	133,375	133,375	0	0	0
01/19/2010	Avery School	06/15/2011	P	325,216	336,563	329,063	0	329,063
01/19/2010	Athletic Fields	06/15/2011	P	79,414	81,375	79,275	0	79,275
01/19/2010	Avery School Construction	08/21/2014	P	61,662	62,775	61,425	0	61,425
	Total:			2,368,873	2,392,824	1,939,156	0	1,939,156

REIMBURSEMENTS: School Building Assistance, Library Construction Grants etc.

ADJUSTMENTS: Prior year interest not included; rate or term different than estimate

Signatures

Financial Officer
 Jason Caravaggio, Treasurer/Collector, Dedham, jcaravaggio@dedham-ma.gov 781-751-9162 | 11/18/2022 12:11 PM
 Comment: Jason Caravaggio

LA13 Tax Base Levy Growth
 Retain documentation for 5 years in case of DOR audit - Fiscal Year 2023

Property Class	(A) All Prior Year Abatement No.	(B) All Prior Year Abatement Values	(C) New Growth Valuation	(D) PY Tax Rate	(E) Tax Levy Growth
RESIDENTIAL					
SINGLE FAMILY (101)	6	276,800	17,045,400		
CONDOMINIUM (102)	3	47,900	2,717,300		
TWO & THREE FAMILY (104 & 105)	0	0	839,700		
MULTI - FAMILY (111-125)	2	1,519,700	0		
VACANT LAND (130-132 & 106)	0	0	0		
ALL OTHERS (103, 109, 012-018)	0	0	3,959,800		
TOTAL RESIDENTIAL	11	1,844,400	24,562,200	13.35	327,905
OPEN SPACE	0	0	0		
OPEN SPACE - CHAPTER 61, 61A, 61B	0	0	0		
TOTAL OPEN SPACE	0	0	0	0.00	0
COMMERCIAL					
COMMERCIAL - CHAPTER 61, 61A, 61B	5	3,145,300	10,070,000		
TOTAL COMMERCIAL	5	3,145,300	10,070,000	27.93	281,255
INDUSTRIAL	0	0	0	27.93	0
PERSONAL PROPERTY	13	517,326	25,387,870	27.93	709,083
TOTAL REAL & PERSONAL	29	5,507,026	60,020,070		1,318,243

Community Comments:

- Commercial New Growth - \$8,834,400 of the \$10,070,000 new growth for Commercial is the large 42,000SF new office building located at 222 Ames. - Last year there was a much larger growth in condos due to a new high end 7-unit condo complex that was built on Stonewood Place. - This year there were 30 new condos but that was due to several new multi-family properties were constructed last year (where majority of the new growth was captured last year when they were built) and this year they were just converted to condos which explains for the large increase in condo parcels (8 at Nina Court alone along with 3 others that had 2 units each)

FY2023 AVERAGE VALUE COMPARISONS

		FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2023	FY2023	FY2023	FY2023	FY2023	FY2023	FY2023
SHIFT %		175	175	175	175	175	175	174	173	172	171	170		
RESIDENTIAL														
AVG. SINGLE FAMILY VALUE		\$473,826	\$499,901	\$540,688	\$550,083	\$597,742	\$668,273	\$668,273	\$668,273	\$668,273	\$668,273	\$668,273	\$668,273	\$668,273
TAX RATE		\$14.55	\$14.15	\$13.72	\$13.67	\$13.35	\$12.84	\$12.88	\$12.91	\$12.94	\$12.97	\$13.00		
AVG. TAX BILL		\$6,894	\$7,074	\$7,418	\$7,520	\$7,980	\$8,581	\$8,607	\$8,627	\$8,647	\$8,668	\$8,688	\$8,688	\$8,688
AVG. RESIDENTIAL TAX BILL DIFFERENCE		\$273	\$179	\$524	\$446	\$460	\$601	\$628	\$648	\$668	\$688	\$708		
COMMERCIAL/INDUSTRIAL														
AVG. VALUE		\$2,114,367	\$2,160,105	\$2,254,503	\$2,365,873	\$2,480,353	\$2,621,269	\$2,621,269	\$2,621,269	\$2,621,269	\$2,621,269	\$2,621,269	\$2,621,269	\$2,621,269
TAX RATE		\$30.68	\$29.79	\$28.70	\$28.86	\$27.93	\$26.55	\$26.40	\$26.25	\$26.10	\$25.95	\$25.80		
AVG. TAX BILL		\$64,869	\$64,350	\$64,704	\$68,279	\$69,276	\$69,595	\$69,202	\$68,808	\$68,415	\$68,022	\$67,629		

TOWN OF DEDHAM
FY22 TAX RATE DATA

	FY2019 AS OF 1/1/18	FY2020 AS OF 1/1/19	FY2021 AS OF 1/1/20	FY2022 AS OF 1/1/21	FY2023 AS OF 1/1/22	DOLLAR CHANGE	% CHANGE
VALUES							
RESIDENTIAL	\$4,153,135,015	\$4,498,656,707	\$4,609,009,167	\$4,996,194,081	\$5,565,727,722	\$569,533,641	11.40%
COMMERCIAL	\$746,781,195	\$782,164,818	\$818,883,683	\$838,629,084	\$880,547,898	\$41,918,814	5.00%
INDUSTRIAL	\$42,204,190	\$43,214,175	\$45,743,550	\$47,936,335	\$50,562,880	\$2,626,545	5.48%
PERSONAL PROPERTY	\$145,408,540	\$154,250,140	\$186,947,050	\$201,840,710	\$208,200,700	\$6,359,990	3.15%
TOTAL	\$5,087,528,940	\$5,478,285,840	\$5,660,583,450	\$6,084,600,210	\$6,705,039,200	\$620,438,990	10.20%
TAX RATES							
RESIDENTIAL	\$14.15	\$13.72	\$13.67	\$13.35	\$12.84	-\$0.51	-3.82%
CIP	\$29.79	\$28.70	\$28.86	\$27.93	\$26.55	-\$1.38	-4.94%
AVG. TAX BILL							
RES. SINGLE FAMILY	\$7,074	\$7,418	\$7,520	\$7,980	\$8,581	\$601	7.53%
COMM/INDUSTRIAL	\$64,350	\$64,704	\$68,279	\$69,276	\$69,595	\$319	0.46%
LEVY							
	\$86,602,476	\$89,836,926	\$93,353,588	\$97,098,375	\$101,740,444	\$4,642,069	4.78%
DEBT EXCLUSION							
	\$2,720,355	\$2,525,746	\$2,447,975	\$2,368,873	\$1,939,156	-\$429,717	-18.14%

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