

February 14, 2011

Selectboard
Town of Whitefield
PO Box 58
Whitefield, Maine 04353

Dear Board Members:

Enclosed is the report of the citizen's Assessment Advisory Committee appointed in November 2010. The report's primary focus is on valuation of land, with some attention given to administrative and procedural issues.

In preparing the report, the Committee's first priority was to consider proposals that would assess taxes in the most equitable way possible and based on the fair market value of various types of land uses and situations.

Assessment of land, and the underlying laws, rules and court decisions, is a complex topic. The Committee reviewed many related areas and is recommending a general direction toward more just and equitable land assessments in Town. However, additional work, notably determining current market values, is necessary before a revised assessment system can be implemented. It is recommended that this be done by a qualified professional. Additional work may also be needed research certain areas or to address specific questions that may arise. To the extent the Committee could assist in this process, it would consider continuing to work on selected issues as the Board may request.

In its recommendations, the report includes valuation rates for the various assessment categories. It must be stressed that these dollar amounts are by way of example only and actual values need to be determined through analysis of the current real estate market.

In addition to the recommendations in the report, the Committee would suggest that the Town begin to develop a system for anticipating necessary future expenses that can impact significantly on the Town's property tax burden. Developing a capital improvements plan which accounts for anticipated expenses out 10-15 years for major municipal expenditures (such as road reconstruction, bridge repair, fire truck purchase, etc.) will enable the Board, Fire Department, Budget Committee and others to develop strategies that can minimize sharp changes in the tax rate one year to the next.

Finally, the Committee would like to thank the Board for the opportunity to serve the Town on this interesting and challenging project.

Sincerely,

Dennis Merrill
Assessment Advisory Committee