

Colchester Agriculture Commission
Minutes of Meeting
Monday, May 20, 2013 – 6:30 P.M.
Town Hall, Room 3

RECEIVED
COLCHESTER, CT
2013 MAY 21 AM 11:56

NANCY A. BRAY
TOWN CLERK
Nancy A. Bray

Members Attending: J.Becker, L.Curtis, E.Gillman, A.Savitsky, D.Wasniewski

Others attending: S.Soby (Board of Selectmen), A. Turner (Town Planner),
C.Bourque (New London County Farm Bureau),
J.Chaponis (Assessor), J.Preisner (Deputy Assessor),
R.Lambert (Assistant to the Assessor), T.Tanganelli,
A.Zimmerman, D.Wells, F.Wells, J.Ryan (Civics Teacher, Bacon Academy)
and the following students from the Bacon Academy Civics Class:
J.Abbatamarco, K.Gallagher, N.Obey, T.Sirois, M.Gilday, C.Tuttle,
T.Geisman, C.Nolin, C.Putnam, T.McLaughlin, J.Ruitto, R.Ruitto,
J. Ruitto, H.Hunt, H.Nebelski, S.Raber, and others who did not sign the
attendance list.

1. Call to Order:

Meeting was called to order by Chairman E.Gillman at 6:32 P.M.

2. Additions to Agenda:

MOTION: L.Curtis moved to “add the Approval of the Agricultural Commission minutes of the March 18, 2013 meeting to the meeting agenda.” A.Savitsky seconded.

L.Curtis noted that these minutes had been submitted to the Town Clerk's office on April 12, 2013 by J.Savitsky but were not posted to the Town website until Friday, April 26 at 3:05 P.M.

Unanimously approved.

MOTION: J.Becker moved to approve the minutes of the March 18, 2012 Agricultural Commission. A.Savitsky seconded.

L.Curtis proposed that J.Savitsky's name be added at the end of to these minutes, identifying him as the author of this document.

Motion passed. Voting in favor were A.Savitsky and D.Wasniewski. Abstaining were J.Becker and L.Curtis who were not present at the March meeting..

3. Approve Minutes of the Agricultural Commission on April 15, 2013:

MOTION: D.Wasniewski moved that the minutes of the April 15, 2013 Agricultural Commission be approved. J.Becker seconded. Motion was Unanimously approved.

4. **Citizen's Comments:** None.

5. **Chairman's Report:** None.

6) **Old Business:**

a) Discussion and possible action with Town Assessor John Chaponis concerning assessment policies on agricultural lands and businesses. This discussion will include, but not be limited to issues such as 490 program, farm buildings and equipment, and exploring ways to bring parity between taxation on farms and the cost of services provided to farms by the town.

A list of specific assessment issues and questions had been prepared by members of the farming community and forwarded to the Agriculture Commission Secretary who then emailed the question list to the Assessor's office in advance of this meeting. This list of questions was the basis for the discussion at this meeting between members of the commission and other attendees and the Assessor and is appended to these minutes as part of the public record.

The discussion consisted of Assessor J.Chaponis explaining the general state statutes that govern the way his office must do its work and then taking questions from the commission members and others present at the meeting (both from the prepared list and also other questions from the floor) with J.Chaponis providing answers and insights into how the Assessment process works in the Town of Colchester, particularly as it pertains to the concerns of the agricultural community.

To summarize, J.Chaponis explained that the assessment protocol is governed by state statutes which essentially say that the Assessor's job is to provide a "real estate appraisal" look at each parcel of land and all improvements thereto, and the assessment of personal and commercial property values to arrive at a "fair market values for the entire property". This value assumes both a willing seller and willing buyer and does not consider current usage of any of the property or outbuildings on the parcel. He said that this is by its nature not 100% scientific but is, by necessity, subjective in nature--an expression of professional opinion of values considering any number of variables, including the state of the general economy, property condition, etc.

The Grand List of assessed values of all the categories of property in every Town in the state must, by law, be created once a year by the Assessor's Office. People who are aggrieved by the Assessor's Office valuations may, within 60 days of the notification of current assessment amounts, make an appeal to the Board of Assessment Appeals (BoAA). This Board consists of elected members and is independent from the Assessor's Office. Any changes to valuations recommended by the BoAA after the hearing with the property owner is binding on the Assessor's Office for one year. The value of the property in question may subsequently be changed at the discretion of the Assessor when the next year's Grand List is prepared. If an appeal is denied by the BoAA, the applicant can still escalate the situation within 60 days of the BoAA judgment by appealing the decision in Superior Court.

Mr. Chaponis also said that, alternatively, any taxpayer is welcome to come to the Assessor's Office to have an informal discussion of valuation issues and that he or his staff would be very willing to come out to a property to take a look at the whole property again based on the specific issues that may be raised in these discussions.

Revaluation, by state statute, must now be done every five years. In Colchester, in 2001 the revaluation was done property by property with on-site physical inspections (wherever possible) at a cost to the town of about \$300,000. In 2006 the revaluation was done largely by property-owners mailing in standardized forms to the Assessor's Office at a cost to the town of about \$185,000. In 2011

the revaluation was done by using the protocol of a mass evaluation by the firm Vision Appraisals and their proprietary computer models at a cost to the town of roughly \$135,000. Vision Appraisal performs this service for about 80% of the local governments in the state of CT and the expectation is that there could be up to a 10% “corridor of error” (meaning that these mass valuations can be off either by being too low or too high from what an individual property assessment might be by up to 10%) when basing the property values on these computer algorithms. The revaluation is done for the whole town at a given point in time in an attempt to be fair to all taxpayers.

J.Chaponis said that his office does not recognize the term “agriculture buildings”, rather they use the general term “outbuildings” for all structures on a parcel of land that are not the primary residence. As to how the residential portion of a farm is broken out from the rest of the agricultural lands, for example, he said that a parcel of land in the R-60 zone that contains a residence is standardized to be 1.38 acres and in the 2011 revaluation that portion of the land--the building lot-- is valued at \$80,000 throughout that zone. Excess acreage over the minimum in the underlying zoning areas in town is valued at \$1440 per acre (according to Mr. Chaponis this is one of the lowest such valuations in our state) unless the land has qualified for the preferential tax treatment available to farms and forest lands through the state's 90A (Agriculture) and 490F (Forest) tax designations which must be specifically applied for by the property owner.

Regarding how the 490 program works, Mr. Chaponis said that it is up to the property owner to fill out and submit to the Assessor's Office the specific forms required to apply for this tax status. When ownership of a parcel that was in 490A or 490F changes, it is the policy of the Assessor's Office to notify the new owner(s) in writing of the options they have with regard to re-applying for the former tax-favored designation or not. There is no assumption by the Assessor's Office that new owners, whether they are family members of the previous owner not, will want to continue to use the property in the same way that the previous owner did. Also Mr. Chaponis said that if a farm is in the 490A program in Colchester, all its tillable land except for the “orchards” category is designated as “Tillable D”, this is the lowest per acre stratum within the state Department of Agriculture list of soil type guidelines for arable working lands. Lands in 490F are assessed at even lower values. Currently in Colchester the valuation for “Tillable D' is set at \$225 per acre and for 490F land it is \$130 per acre.

As to the outbuildings, Mr. Chaponis said that the town has developed its own coding system for assessment purposes with numerous specialized classifications for such structures as barns, garages, swimming pools, equipment sheds, decks, etc. which take into account materials used in constructions, whether utilities are present in the structure, whether the floor is improved or not, and a host of other variables. He explained that each town in the state has its own codes for assessment purposes. These coding systems are not standardized by state statute and it is up to each Assessor's office to develop relevant coding systems that work fairly to all taxpayers for the types of structures in their own municipalities. He expressed the view that more codes for a given general category of structure (barns, for example, have 9 possible different codes within the Colchester system) are ultimately fairer to all taxpayers because more fine distinctions can be drawn about valuation than when fewer numbers of more generalized code designations are available within the system.

Mr. Chaponis explained that when anything changes on a property the change must be considered in the context of how it affects the fair market value of the entire parcel, not just a piecemeal adjustment up or down in relation to one specific change to a parcel. Such changes, for example, may come to the attention of the Assessor's Office by the Building Department who issue permits for various kinds of improvements to a property. He reiterated that by state law the Assessor must always try to find the fair market value for the entire property, and that this valuation may or may not be affected by changes to any individual component of the whole property. In the event that a property owner denies access to

any representatives of the Assessor's Office for the purposes of assessing the value of a property after a mass revaluation or the addition or improvement of structures on the property, the Assessor's Office must rely on the best information available to make a determination of value. This alternative scrutiny may include the inspection of aerial photographs or views of the property from public roads.

About the \$100,000 tax exemption for farm equipment, Mr. Chaponis said that it is up to the owner to file an application every year in the Assessor's Office to be eligible for this special tax treatment. It is possible that such an application may be subject to more auditing by the Assessor's Office to validate the information on the form and it is also possible that the application might be denied by the Assessor.

To the question of how the valuation of land might change if a property owner, for example, sells a conservation easement on the land to an entity like the Colchester Land Trust (which is a 501(c)3 charitable organization) to forever prohibit future residential development, the Assessor answered that it may or may not make any difference, depending upon the previous tax status of the land before the sale or donation of the conservation easement. Property that has been tax advantaged under the 490A or 490F tax programs, for example, are already taxed at a very low rate vs. land categorized as "excess acreage" to temporarily encourage land preservation rather than development. So making this change permanent (instead of just temporary under 490) may have little effect on the total market value of the land after the transaction is completed. There would likely be a difference if the land, now encumbered by a conservation easement, had previously been taxed as "excess acreage" rather than under the lower 490A or 490F designations.

In the end the message is that the Assessor's Office is charged with valuing all land on the town's Grand List each year, whether currently in agricultural usage or not, at its opinion of each parcel's fair market value for that year.

d) Discussion and possible action on nomination and election of candidates for Agriculture Commission officers.

The Board of Selectmen have approved A. Zimmerman as an Alternate of the Agriculture Commission, but in order for this appointment to be official Mr. Zimmerman must be sworn in by the Town Clerk. Currently there is one vacancy as Alternate for this board of five members and two alternates. Chairman Gillman reiterated her wish to resign her position as Chairman and to apply for the vacant position of Alternate instead. Individual commission members are recruiting other potential members for consideration by the Board of Selectmen for appointment to the commission to fill what will likely become an empty member's seat on the commission once E. Gillman formally submits her request for change of status on this commission.

c) Any other old business deemed necessary: None.

7. New Business:

a) Any other new business deemed necessary:

D. Wasniewski said that he has planned a meeting at Bacon Academy on Wednesday, May 22, 2013 at 5:00 P.M. to meet with several of the teachers and students there to encourage their interest in and involvement with the educational mission of of the Agriculture Commission. He solicited other commission members to join him at this meeting, but there were no commitments made to do this. Because it seems as if there will be only one, or certainly no more than two commission members

present, there is no requirement under CT F.O.I statutes to announce this as a special meeting of the Ag Commission, according to S.Soby our liaison to the Board of Selectmen.

C.Bourque noted that Colchester now has 7 students who are currently enrolled in the Vocational Agriculture program at Lyman High School in Lebanon, up from about 3 last year. He expressed the opinion that the Agriculture Commission should be reaching out to these students as a possible pipeline for future involvement in this commission and its mission.

8. Adjournment:

MOTION: L. Curtis moved to **adjourn the meeting at 8:325 P.M.** J.Becker seconded.
Unanimously approved.

Respectfully submitted,



Leslie Curtis
Secretary

TAX QUESTIONS FOR ASSESSOR at AGRICULTURE COMMISSION MEETING 5/20/13:

What are the codes for Ag buildings and description?

Who determines the code for a building?

What are the assessment implications for different barn codes (BRN1- BRN9)?

If you feel that your Ag building has been miscoded how can you get it changed?

What is the difference between a barn and an equipment shed and assessment?

How are Stressed Fabric Structures assessed and what is the code?

On a farm how do you break off the acreage that qualifies for 490A and the house lot?

How do you determine if acreage is 490A or 490F on a working farm?

How do you determine soils value and use for 490A?

Greenhouses have a tax code, do temporary high tunnels fall into that code?

What is the definition of a milk room?

How do you determine if a farm qualifies for tax exempt status?

During the reevaluation if no one came to you farm how was a new assessment determined?

Are movable structures assessed as farm equipment?

If a farm is handed down in a family does the assessment change?

Do barns depreciate in value and how much?