



TOWN OF BERKLEY

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October 30th, 2024

RE: Debt Exclusions and the Tax Rate

This office has received a few questions regarding debt exclusions and the tax rate, especially surrounding specific projects currently paid through exclusion.

The Town of Berkley had three items paid through exclusion for fiscal year 2024:

- Somerset Berkley Regional High School debt service
- Town Hall Building debt service
- "Municipal Purpose" debt service

The first two projects are likely familiar to citizens, the final project may require a refresher. The "municipal purpose" exclusion was passed at the ballot box on May 7th, 2022 and again at Annual Town Meeting on June 6th, 2022.

Ultimately, this exclusion raised \$750,000.00 to pay the costs of purchasing two police cruisers for the Police Department, one plow sanders, a water trailer, a lift and a street sweeper for the Highway Department, a new heating system for the Public Safety Building and as to make heating (system) improvements to the Public Safety Building.

In following the table attached, you can see the effect of the retirement of debt on the overall rate of taxation through exclusion. The rate dropped briefly in FY2023, prior to the passage of the aforementioned municipal purpose item. FY2025 includes estimates that show the beginning of the payment of the Bristol-Plymouth debt, the most recently passed exclusion in May of 2024.

To find a specific project's impact to your tax bill in FY2025, use the calculated rate in the attached table. For example, the Bristol-Plymouth Technical exclusion will run a household with an assessed value of \$500,000 around \$90 this year. The same home will see a nearly identical impact (\$90) for the Town Hall building debt. Rates are calculated *per thousand dollars* of assessed value.

The difficulty in producing a single calculator can be seen in the table. Over the previous four fiscal years, the rate required to cover each remaining project has declined. This is possible through the continued increase in the **total value of all real and personal property in town**. As the valuation rises and the amount to be raised remains the same, **the rate must decline**. The agreement, after all, is to cover the borrowing and nothing more. Debt exclusions are not subject to proposition 2 ½ increases, they reflect the amount that must be paid, rising higher or lower to cover that amount.

Total Valuation	\$1,360,937,959	(per thousand)	\$1,259,050,270	(per thousand)
Debt Exclusions	FY2025 (estimated)**	FY2025 Rate (Estimated)**	FY2024	FY2024 Rate
Bristol Plymouth Technical*	\$239,782	\$0.18		
Somerset Berkley Regional High School	\$524,219	\$0.39	\$558,412	\$0.44
Town Hall Building	\$239,600	\$0.18	\$239,550	\$0.19
Municipal Purpose	\$264,963	\$0.19	\$274,938	\$0.22
Town Well				
Multi-Use Land				
School Renovation II				
Total	\$1,268,564	\$0.93	\$1,072,900	\$0.85

Total Valuation	\$1,123,204,756	(per thousand)	\$1,051,207,280	(per thousand)
Debt Exclusions	FY2023	FY2023 Rate	FY2022	FY2022 Rate
Bristol Plymouth Technical*				
Somerset Berkley Regional High School	\$567,036	\$0.50	\$581,896	\$0.55
Town Hall Building	\$239,350	\$0.21	\$244,150	\$0.23
Municipal Purpose	\$11,554	\$0.01		
Town Well			\$20,600	\$0.02
Multi-Use Land			\$72,100	\$0.07
School Renovation II			\$10,300	\$0.01
Total	\$817,940	\$0.73	\$929,046	\$0.88

*New for FY2025

**Estimated until approved by Berkley Board of Selectmen and calculated by Berkley Board of Assessors

If you have additional concerns regarding the debt exclusions, old or new, please reach out to my office or the Board of Assessors and we will be happy to answer questions. I also encourage citizens to visit the DLS Municipal Databank (<https://www.mass.gov/info-details/division-of-local-services-municipal-databank>) for an absolute wealth of data on debt for our Town and others. The Town of Berkley will set its tax rate at a public hearing on Wednesday, November 20th, 2024 at 6PM in the Moitoza-Petty Hearing Room and citizens are encouraged to attend.

Matthew Chabot
Town Administrator