



# Town of Randolph

FY2024 Tax Classification Presentation

November 13, 2023

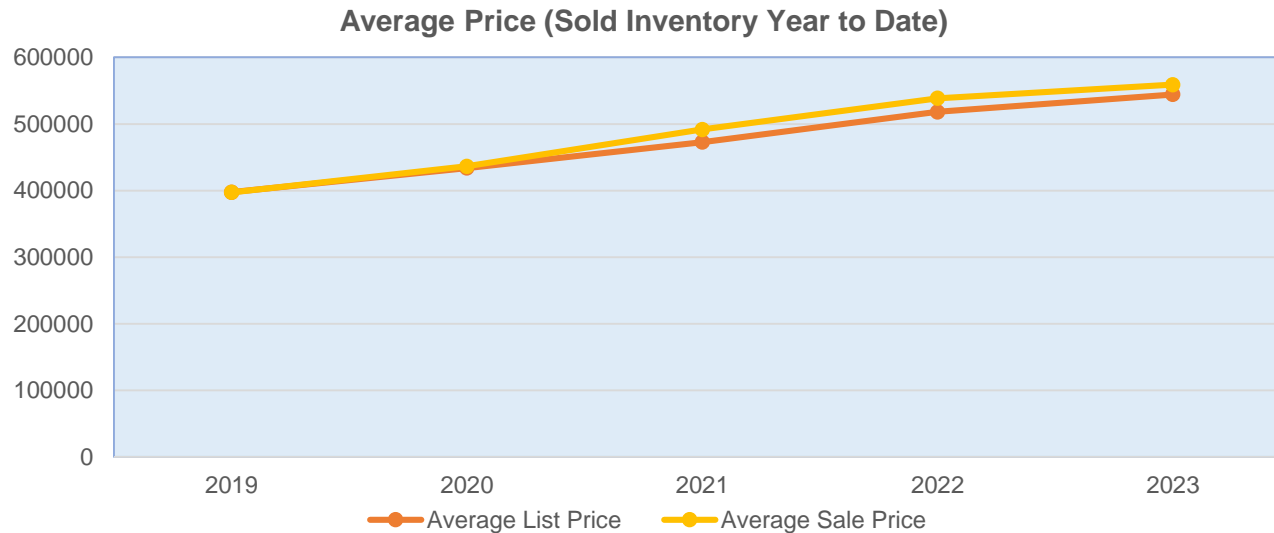
# What Is The Purpose Of This Presentation?

1. Select a single or split tax rate
2. Whether to adopt open space discount
3. Whether to adopt residential exemption
4. Whether to adopt small commercial exemption

# Full and Fair Cash Value\*

| Class       | FY2023  | FY2024  | % Change     |
|-------------|---|---|--------------|
| Residential | \$4,678,445,003                               | \$5,168,672,276                               | 10.4%        |
| Comm/Ind/PP | \$634,209,062                                 | \$664,689,819                                 | 4.8%         |
| % of Total  | 88.1 <sub>(res)</sub> / 11.9 <sub>(CIP)</sub> | 88.6 <sub>(res)</sub> / 11.4 <sub>(CIP)</sub> | .05% / -.05% |
| Total Value | \$5,312,654,065                               | \$5,833,362,095                               | 9.8%         |

# Values Continue to Rise In Randolph



| Solds / Year | 2019         | 2020         | 2021         | 2022         | 2023         |
|--------------|--------------|--------------|--------------|--------------|--------------|
| List Price   | \$397,577.25 | \$433,840.64 | \$472,738.78 | \$518,265.80 | \$544,492.44 |
| Sale Price   | \$397,331.81 | \$436,630.48 | \$491,762.10 | \$538,599.51 | \$558,927.52 |

Data courtesy of Pinergy MLS

# What Is Causing The Market to Increase?

- Record Low Mortgage Rates
  - 30-year fixed rates were in the mid 3's, significantly increasing buying power. By the end of calendar year 2022, the rates doubled to 7%.
- Despite high interest rates, there is still high demand.
  - High interest rates are contributing to low inventory. Nobody wants to move and give up their low interest rates.
  - Randolph has always been an affordable “pocket” close to Boston, which is beginning to change.
  - As seen on the previous slide, sale prices seem to be stabilizing as we progress through calendar year 2023.

# FY24 Residential Shift

| Shift | Rate    | Avg SFR Bill | Compared to Last Year's Average |
|-------|---------|--------------|---------------------------------|
| 1.70  | \$11.53 | \$5,974      | \$161                           |
| 1.71  | \$11.51 | \$5,964      | \$151                           |
| 1.72  | \$11.50 | \$5,959      | \$146                           |
| 1.73  | \$11.48 | \$5,948      | \$135                           |
| 1.74  | \$11.47 | \$5,943      | \$130                           |
| 1.75  | \$11.45 | \$5,933      | \$120                           |

\*Average (Single Family Residential) SFR Value FY24 \$518,172

\* Single Tax Rate would be \$12.67 Average Tax Bill \$6,565

# Single Family FY23 Vs. FY24

| Res Rate FY23       | FY23 Avg Value | FY23 Avg Bill |
|---------------------|----------------|---------------|
| \$12.08 *1.74 Shift | \$481,271      | \$5,813       |
| Res Rate FY24       | FY24 Avg Value | FY24 Avg Bill |
| \$11.45 *1.75 shift | \$518,172      | \$5,933       |

# FY24 CIP Shift

(Commercial, Industrial, Personal)

| Shift | Rate    | Tax      | Compared to Last Year's Average |
|-------|---------|----------|---------------------------------|
| 1.70  | \$21.54 | \$17,807 | \$-393                          |
| 1.71  | \$21.67 | \$17,915 | \$-285                          |
| 1.72  | \$21.79 | \$18,014 | \$-186                          |
| 1.73  | \$21.92 | \$18,122 | \$-78                           |
| 1.74  | \$22.05 | \$18,229 | \$29                            |
| 1.75  | \$22.17 | \$18,328 | \$128                           |

\* Average CIP value is \$826,729

\* Single Rate would be \$12.67 Avg Tax Bill \$10,474



# CIP FY23 VS. FY24

| CIP Rate FY23       | FY23 Avg Value | FY23 Avg Bill |
|---------------------|----------------|---------------|
| \$23.36 *1.74 Shift | \$779,126      | \$18,200      |
| CIP Rate FY24       | FY24 Avg Value | FY24 Avg Bill |
| \$22.17 *1.75 Shift | \$826,729      | \$18,328      |

# Fiscal Year 2024 Levy Limit

|                                       |                       |
|---------------------------------------|-----------------------|
| <b>FY 2023 Levy Limit</b>             | <b>\$71,343,668</b>   |
| <b>Plus 2.5%</b>                      | <b>+ \$1,783,592</b>  |
| <b>Plus New Growth</b>                | <b>+ \$458,140</b>    |
| <b>FY 2024 Levy Limit</b>             | <b>= \$73,585,400</b> |
| <b>Debt Exclusion</b>                 | <b>+ 334,518</b>      |
| <b>FY 2024 Maximum Allowable Levy</b> | <b>\$73,919,918</b>   |

# Minimum Residential Factor (MRF)

| Shift | Res Factor | Res Tax Rate | CIP Tax Rate |
|-------|------------|--------------|--------------|
| 1.70  | 0.9100     | \$11.53      | \$21.54      |
| 1.71  | 0.9087     | \$11.51      | \$21.67      |
| 1.72  | 0.9074     | \$11.50      | \$21.79      |
| 1.73  | 0.9061     | \$11.48      | \$21.92      |
| 1.74  | 0.9048     | \$11.47      | \$22.05      |
| 1.75  | 0.9036     | \$11.45      | \$22.17      |

# History of Classification Shifts

| Fiscal Year | Shift |
|-------------|-------|
| 2023        | 1.74  |
| 2022        | 1.75  |
| 2021        | 1.74  |
| 2020        | 1.74  |

# Comparison of Surrounding Communities

\*These are FY23 numbers, many towns do not have an FY24 tax rate set as of today

| Community        | FY23<br>Residential | Commercial     | Shift       | Average Single<br>Family Value | Average<br>Single<br>Family Bill |
|------------------|---------------------|----------------|-------------|--------------------------------|----------------------------------|
| <b>Randolph</b>  | <b>\$12.08</b>      | <b>\$23.36</b> | <b>1.74</b> | <b>\$481,271</b>               | <b>\$5,813</b>                   |
| Braintree        | \$ 9.76             | \$21.18        | 1.75        | \$613,913                      | \$5,992                          |
| Avon             | \$13.62             | \$27.00        | 1.42        | \$445,240                      | \$6,064                          |
| Stoughton        | \$13.55             | \$22.63        | 1.48        | \$474,512                      | \$6,430                          |
| Holbrook         | \$15.38             | \$30.47        | 1.75        | \$419,109                      | \$6,446                          |
| Abington         | \$14.21             | \$14.21        | No Shift    | \$497,978                      | \$7,076                          |
| Canton           | \$10.57             | \$21.57        | 1.63        | \$727,124                      | \$7,686                          |
| Milton           | \$11.40             | \$18.22        | 1.56        | \$935,876                      | \$10,669                         |
| <b>State Avg</b> | <b>\$14.38</b>      | <b>\$17.53</b> | <b>N/A</b>  | <b>\$600,855</b>               | <b>\$7,056</b>                   |

# Action

1. Town Council is choosing a shift of \_\_\_\_\_

2. Was a discount granted to Open Space?

Yes \_\_\_\_\_ No \_\_\_\_\_

3. Was the Residential Exemption Adopted?

Yes \_\_\_\_\_ No \_\_\_\_\_

4. Was a Small Commercial Exemption adopted?

Yes \_\_\_\_\_ No \_\_\_\_\_

# Thank You!



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