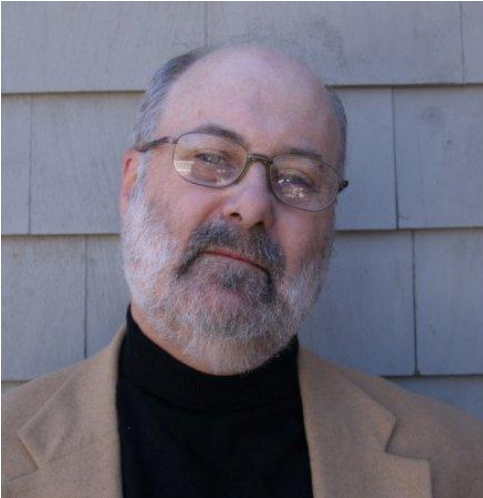


THE BEDFORD CITIZEN

R. Bruce Murphy – Candidate for Assessor

Incumbent and Caucus Nominee



Events:

No events scheduled

Contact information:

rbrucemurphy@comcast.net

[Visit Bruce's Linked in Page](#)

Candidate Q&A - February 18, 2016

What major challenges do you expect to face during the next three years?

Of the fifty or so amendments included in Governor Baker's recently filed Municipal Modernization Act approximately half of them relate to the operations of the Assessor office. Integrating the changes that make it through the legislative process will be a challenge but most of them are administrative in nature so the challenge will be a matter of paying attention to the details.

There is one significantly substantive change included in Governor Baker's proposed legislation and that relates to assessing the values for the Personal Property belonging to wireless telecommunications companies. If that legislation passes it will mean a significant change in the way values are assessed for this particular grouping of business assets.

Currently, state law dictates that this class of Personal Property is "centrally valued" – the Commonwealth, rather than the individual communities, sets the opinion of value for this class of property and then parses out the values to the communities for billing and tax collection purposes. Governor Baker's bill proposes a transfer of the assessing responsibilities from the Commonwealth to the individual communities.

This will generate two challenges for local assessors. The first is primarily technical, creating the local processes and acquiring the expertise to determine value for this class of property. The second, and more challenging, is organizational.

The wireless telecommunications business community has taken a very adversarial and litigious approach with the Commonwealth with respect to the Personal Property Tax. Here in Bedford we have many open abatement cases with the Appellate Tax Board and the Courts of Appeal covering millions of dollars' worth of wireless telecommunications Personal Property dating back as far as 2005. Because, this property is centrally valued, adjudication of the issues raised by the taxpayer falls to the Commonwealth and Bedford, and nearly every other community in Massachusetts, is cast in a role as an interested bystander in the many law suits.

If this component of Governor Baker's proposed legislation passes, then going forward, local assessors will need to be prepared to deal face-to-face with this very adversarial business community and the wireless telecommunications companies will need to be prepared to deal with three hundred and fifty-one adversaries instead of one. Our role will change from bystander to combatant but our fate will be in our own hands.

Residential taxpayers are interested in this issue because they share the local property tax burden with the wireless telecommunications companies. Any increase or decrease in the share of obligation for the wireless telecommunications companies will have the opposite effect for the residential taxpayer.

As Assessors it is our job to make sure that our opinions of value are based on the facts and treat all taxpayers with equal consideration. The dynamics of this change should be very interesting.

How can the Assessors assure a fair and equitable valuation for commercial, F and residential property in Bedford?

The short answer to this question is that the Board bases its opinions of value on the facts, uses standard, well-accepted methods and provides the taxpayers an opportunity to question our opinions of value through the abatement process.

For residential properties there are hundreds of sales in Bedford every year. This allows us to build a data base and utilize a method called the Sales Approach. Briefly the Sales Approach uses the sale price as the predicted value in an estimation model that associates the sales prices with the features of each residential property. Doing this allows us to establish values of the features and then apply those values to all residential properties. We test the accuracy of our estimating model by applying the model to the properties with recent sales. If the model produces an opinion of value that is very close to the sales price we know we have a

good model. We inspect every residential property in Bedford, with the owner's permission, on a six year cycle to maintain good records of the features of the properties.

Business real estate presents a different problem. We do not have large numbers of sales each year so we cannot build a database to support the Sales Approach. Instead we use a method called the Income and Expense Approach. We require business property owners to provide us with the income and expense data for the property. With this information we can establish an opinion of value, establish values for the features of the property and apply those values to all properties. This is also the method that the Appellate Tax Board uses in adjudicating appeals to abatement decisions for business real estate by local Boards of Assessors. We conduct a cyclical inspection program for business real estate to make sure we have a good record of the features of the properties.

For Personal Property we require that each business provide a list of taxable property and we base the values on that list. Verifying those lists and establishing the values for the items listed requires specialist knowledge and, like many firms in the private sector, we hire consultants to provide that specialist knowledge. We chose the firm we hired based on the results of benchmark study of similar communities that the Board conducted. The Associate Assessor conducts quality spot checks of the consulting firm's work on a sampling basis.

At the end of the day you can question the Board's opinion of value through the Abatement process. If you disagree with the Board's determination in the Abatement process you can appeal that decision to the Appellate Tax Board. Bedford has about five thousand real properties and slightly more than three hundred Personal Property accounts. This year the Board received a total of thirty-three abatement requests.

2016 Citizen's Caucus Statement

I would like to start by thanking Mike for his kind words. Given Mike's long and illustrious service to the community I am honored that he agreed to nominate me.

I have been involved with Bedford Town government in one fashion or another since the 1980's and in that time I have come to one conclusion. In the main, Bedford works well. There is, of course, always room for improvement and we have our disagreements at the margin. But in the main, Bedford works well.

A large part of the credit for that goes to our staff and management team. Part of the credit goes to our elected and appointed citizen committees. But the main underlying reason that Bedford works well is that our citizens see the value of the services delivered by our local government. They believe they are receiving quality services at a fair price. And it is in the "fair price" is where the Assessors make their contribution.

As you know, when you vote to approve budget at Town Meeting you are also committing yourselves and your fellow taxpayers to an overall tax obligation. When the Selectmen certify the tax rate, they are determining which portion of that obligation goes to business sector and which will be paid by the residents. Once those two steps are complete the Assessors establish the individual tax obligations by establishing an opinion of value for every taxable property –in doing so they establish the price each of us pays for the services provided by the Town.

Since I am asking for the job of establishing a fair price I believe it is incumbent upon me to let you know how I define the term “fair” with respect to the job the Assessors are asked to do.

My definition of the term with respect to my role as an Assessor has two components: adherence to the law and adherence to the facts.

Let me speak to the former first.

Compared to many jurisdictions The Commonwealth has a highly centralized and highly regulated process for property valuation. I have to admit that there are times when I feel this system is constrictive and bureaucratic. That is the downside of a highly centralized system.

However, the upside of this system is that it is specifically designed to prevent a bunch of yahoos from getting on your Board of Assessors and working their personal agendas. For me, this upside considerably outweighs the downsides of the system.

With this in mind, I will commit to you to be a strict constructionist when it comes to my duties as an Assessor. I believe that it is my job to understand and administer the law – not to write it. This means I am committing to establish the value of each and every property on a consistent basis according to the laws and best practices of the Commonwealth. You can be assured that you will receive the same treatment as your fellow taxpayers.

My commitment to the adherence to the facts has more to do with who I am and what I have learned. I have spent my entire career working to establish systems of fact based management in the public and private sectors and on a local and global basis. I am currently teaching the next generation of leaders to do the same. I passionately believe that we perform better when we stick to the facts.

So what does that mean for you?

First, it means I understand the importance of high quality data. If you cannot measure it correctly; you cannot manage it correctly. This is fundamentally critical. I will commit to you that I will work with the professional staff in the Assessor’s office to make sure your values are established on highest quality data.

Secondly, it means that I understand that no human organization ever gets it 100% right all the time. If you present me with facts that demonstrate that we have your value wrong, I will be happy to hear them. It is not about who is right; it's about getting it right.

Finally, it's an unfortunate artifact of human behavior that wherever there is money there will be those who try to generate unfair advantage by gaming the system. Typically they do so by trying to pervert the process or distort the facts. Experience has taught me that the best way to defeat this behavior is to insist on sticking to the facts. I commit to protecting you from this sort of behavior.

It has been my privilege and pleasure to contribute, in my small way, to a Bedford that works well over the last eight years. I would very much like to continue to do so. To do that, I need your vote in our upcoming election.

I want to thank you for your time and attention and for your participation in this important part of our democratic process.