

Town of Springfield - Board of Abatement

Selectmen's Hall - 96 Main Street - Third Floor

Via Zoom

Thursday, October 1, 2020 at 5:45 pm Minutes

Board of Civil Authority Members Present:

A. Richard Hunter
Alice M. Emmons
Warren Cross
Scott Farr
Mark Greenvall
Ernest Lamphere
Kathleen Stankevich
Melissa A. MacKenzie
Stephen J. Matush
Charlotte Osterlund
Kristi C. Morris
Peter E. MacGillivray
George T. McNaughton
Michael E. Martin
Walter E. Martone
John A. Bond
Barbara A. Courchesne, Town Clerk

Others:

Nichole Knight, Assessor
Maxine Aldrich, Assistant Town Clerk

The meeting of the Board of Abatement was called to order at 5:45pm by Chairperson Ernest Lamphere. Town Clerk took roll call of Zoom participants, and a quorum was present. Town Clerk swore in the Board.

1. Additions to Agenda

No additions.

George McNaughton and John Bond recused themselves from the hearings relating to Springfield Medical Care Systems Inc. Peter MacGillivray clarified he has no fiduciary responsibility and is co-chair of development committee which raises funds for the hospital. He checked with the town attorney and has no conflict. Rick Hunter asked if knowing the board members is a reason to recuse himself. All agreed not a reason to recuse.

2. Requests for Tax Abatement

Thurber, David B. – 693 Eureka Road, Parcel 007/1/25

Appellant was not present. Town Clerk read aloud Appellant's request for abatement. Copies of Appellant's abatement request under "Reason No. 6" (24 V.S.A. § 1535(a)(6)),

letter and tax bill were provided to all parties. Town stated the tax bill presented is in the name of John Barnes Trust, from which Appellant purchased the property. Town Clerk confirmed Appellant made a payment and the payment was short, with \$34.45 remaining due which he paid and now wants abated.

Walter Martone asked what category Appellant is applying under, he does not fall under any category. Alice Emmons suggested taxes in which there is a manifest error. Town Clerk stated it can be argued he made a mistake, not paying enough and didn't have tax bill at closing. Walter Martone asked if manifest error is of the listers. Scott Farr asked is there no way to verify tax bill was not at closing; Appellant is a seasoned tax payer and there is a level of awareness that taxes are due.

MOTION: Mark Greenvall moved to deny the application for abatement; seconded by Scott Farr.

ROLL CALL VOTE: Rick Hunter-no; Scott Farr-yes; Melissa MacKenzie-no; Kristi Morris-no; Michael Martin-no; Alice Emmons-yes; Mark Greenvall-yes; Stephen Matush-no; Charlotte Osterland-yes; Peter MacGillivray-no; Walter Martone-yes; Warren Cross-no; Kathleen Stankevich-yes; George McNaughton-yes; John Bond-yes; and Barbara Courchesne-yes.

VOTE: 9-yes; 7-no. Motion passed.

Stone, Alexander & Bridget – 448 Will Dean Road, Parcel 010/3/40

Appellant, Alexander Stone, was present. Appellant and Assessor Nichole Knight were sworn in. Copies of Appellant's abatement request, letter and tax bill were provided to all parties. Appellant confirmed he received the Board's rules of procedure. Town Clerk read aloud Appellant's request for abatement. Nichole Knight confirmed Appellant purchased property on April 3, 2020 and removed the house between June 29, 2020 and July 1, 2020. The grand list closed on June 23, 2020 so the Assessor was not able to make any changes without it being abated. Appellant had no further testimony. Warren Cross asked the amount of the abatement. Town Clerk explained tax calculation: value of house removed is \$56,300 at non-residential tax rate of \$3.6935 is \$2,079.44. It was removed at the beginning of the July 1, 2020 tax year, and Appellant paid the first quarter taxes. Even though request does not state which rule, it is clear it is under Rule 5. This rule does not allow for interest to be paid. Town Clerk would suggest the abatement be considered a credit because taxes are still due for the 2nd, 3rd and 4th quarters.

MOTION: Warren Cross moved to abate \$2,079.44; seconded by Stephen Matush. Mark Greenvall requested Reason 5 be included in motion. No further discussion. **Motion passed unanimously.**

Springfield Medical Care Systems Inc – 192 Park St, Parcel 025/2/45
Springfield Medical Care Systems Inc – 2 Ridgewood Rd, Parcel 025/4/47
Springfield Medical Care Systems Inc – 29 Ridgewood Rd, Parcels 025/1/53.11,
025/1/53.12, 025/1/53.14, 025/1/53.2, 025/1/53.24, and 025/1/53.3

George McNaughton restated his recusal and left the meeting. John Bond had previously recused himself and did not participate. Peter MacGillivray pointed out an incorrect name on the notice of hearing, and all agreed it is a typo. Town Clerk reminded all that this is a

hearing in view of public but not to be participated in by public and took roll call of the Board.

Appellant, Joshua Dufresne, Acting CEO of Springfield Medical Care Systems Inc, and Gary Franklin, counsel for Appellant, were sworn in by Town Clerk. George Lamb, Chair of Springfield Medical Care Systems Inc Board, was present but did not participate. Assessor Nichole Knight was sworn in. Copies of abatement request under "Reason No. 4" (24 V.S.A. § 1535(a)(4)), notice of award forms, tax bills and tax calculations were provided to all parties. Additional email evidence including tax bills, letters previously submitted, list of members of the board, certificate of incorporation as non-profit, letter from IRS confirming tax exempt status, award as FQHC previously submitted, and Springfield's financial aid policy, was provided by Gary Franklin by email and forwarded to all parties by email.

Nichole Knight stated she did not agree with the manifest error by lister's office seeing as there was never a request made. Ms. Knight spoke with the previous assessor, the town attorney and her state advisor: there was no request made so town did not know to make change. She asked Mr. Dufresne why, 8 years later, is Appellant now filing, what changed, Mr. Dufresne told her the former CEO wanted to support the town. Ms. Knight stated there are other ways to support the town like HCRS and the Housing Authority. She agrees it should be tax exempt and has discussed this with the State and Mr. Ankuda, but the Hospital knowingly did not request and now they want to go back to 2016.

Josh Dufresne stated Springfield Medical Care Systems Inc is going through financial hardship, currently in Chapter 11 reorganization. They have filed an exit plan to exit from Chapter 11 and have looked at every opportunity they can to reduce the cost structure that is the environment with the federal qualified health center to better their financial position in the future for a long-standing relationship with the town. He acknowledged there are other ways they can support the town and wants to move forward with tax exempt property status.

Gary Franklin clarified the request for an exemption is for the current tax year. He acknowledged that is not 100% consistent with the correspondence, but that's a decision that the board of the medical center made which is to have the exemption be for the current tax year and going forward. The abatement requests were issued prior to this year's tax bills going out. He believes there should be a refund for the 1st quarter paid and exemption going forward. He explained the other exhibits submitted.

Josh Dufresne stated 192 Park Street is back office functions, accounting and finance for the health center. It is where they do the majority of their high-level financials, not billing. He stated 2 Ridgewood is also a financial building, used for coding validation before being sent to insurance billing. He stated 29 Ridgewood is a medical clinic building.

Nichole Knight asked for confirmation that Appellant is not asking for abatement back to 2016. Josh Dufresne confirmed that is correct based on conversation with board of directors last Wednesday in which they decided it to be just this year going forward not going back.

Stephen Matush asked Town Clerk for difference in amounts. Town Clerk referred to spreadsheet in evidence with the total 1st quarter taxes for all properties having been paid in amount of \$11,488.29. The 2nd, 3rd and 4th quarters are not yet due. The total interest is \$114.88: that is September's interest. Town Clerk asked for confirmation from Josh Dufresne and he agreed. Rick Hunter asked for confirmation that Appellant is no longer asking for all amounts for previous years, and Josh Dufresne stated that is correct.

Peter MacGillivray stated he is still on the board of members of incorporation and recused himself from this vote.

Discussion ensued about the calculation of interest and the amounts to be rebated. Michael Martin confirmed we charge 1% a month so have to give back 1% a month and confirmed total abatement amount of \$46,068.04 of which we refund \$11,603.17 of which \$114.88 is interest. Rick Hunter confirmed the total for other three quarters as \$34,464.87. Discussion ensued as to form of motion.

MOTION: Michael Martin moved to abate \$45,953.16; seconded by Scott Farr. Town Clerk asked when grand list closed. Nichole Knight responded grand list closed June 23 and letter received July 17. Warren Cross asked if we had a letter asking for that and how can we move if we don't have a request. Nichole Knight confirmed she has a letter for tax exemption July 1, 2019 through June 30, 2020 and moving forward. Kristi Morris stated the original request has been amended by the minutes of this meeting and the testimony from the hospital staff so that should suffice as the request. Mark Greenvall asked if this Zoom meeting is being recorded for future reference. Town Clerk confirmed it is. No further discussion.

ROLL CALL VOTE: Rick Hunter-yes; Scott Farr-yes; Melissa MacKenzie-yes; Kristi Morris-yes; Michael Martin-yes; Alice Emmons-yes; Mark Greenvall-yes; Stephen Matsush-yes; Charlotte Osterland-yes; Walter Martone-yes; Warren Cross-yes; Kathleen Stankevich-yes; George McNaughton-yes; John Bond-yes; and Barbara Courchesne-yes.

Motion passed unanimously.

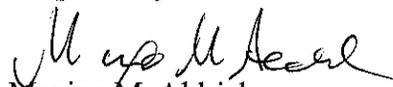
MOTION: Michael Martin moved to direct treasurer to refund \$11,488.29 plus interest of \$114.88 for total of \$11,603.17; seconded by Char Osterlund. No further discussion.

Motion passed unanimously.

Josh Dufresne thanked the Board, and Town Clerk advised Appellant would have a written decision in 30 days. Kristi Morris confirmed that these minutes contain the reference that Springfield Medical Care Systems Inc. will not be seeking reimbursement for the previous tax years so that in another subsequent year these minutes will count as evidence. He acknowledged the cooperation of Mr. Dufresne and recognized the importance of the medical care system in our community. Scott Farr confirmed that this Board does not have to take any action on the exemption.

Rick Hunter moved to adjourn; seconded by Mark Greenvall. Motion passed. Meeting was adjourned at 7:00 pm.

Respectfully submitted,



Maxine M. Aldrich
Assistant Town Clerk