Draft Lister's Meeting ~~April~~ June 5, 2018

Location Community Meeting Room at 10:30 am switched to Lister's Office.

Those present: Mary Ann Wilson, Clark Callender, Ronald L Stancliff, David Bickford, Judy Bickford (representing The United Community Church, and Listers Duane Sprague, Richard Tomlinson, and Charles McArthur. The meeting was brought to order by R. Tomlinson, Chair at 10:30 am. The agenda was read and the chair asked for any agenda changes or additions. Charles suggested that the item heading review of tax exempt status the business of the Church (Methodist) property first and MASP second. This was agreed to by the listers and the representatives of the Church that were present.

The minutes from the previous meeting of 4/5/2018 were read motion to accept made by Duane Sprague and seconded by Charles. Motion carried.

The chairman asked the members of the committee meeting with them if in light of the reappraisal of the value of the church property on 5/30/2018 as a result of grievance they wished to continue with the request for tax exempt status. The reply indicated they thought that the reduction in value was helpful but that they did feel that they should continue with the request for tax exempt status. That being said they indicated that if the tax exempt status was denied they would like to see valuation decrease. They were informed that if they were in agreement with the results of the grievance the next step for them would be an appeal to the Board of Civil Authority. They were also informed the appeal process for the ruling on tax exempt status was also to the same

Board. In addition they were informed that with respect to the appeal on valuation the Board could lower or increase the valuation.

Points made by the committee:

- The members of the Puffer and the Congregational Churches have merged to form the United Community Church in Feb of 2018 with the worship taking place in the Congregational Church and the educational program (which they consider to be an outreach program for the Church) in the Puffer ie Wee Explorers and Green Mountain Kids. Both are non-profits and work with children and families and that they fit the mission of the church. Historically, space has been used for Wee Explorers and Puffer Child care, The Boy Scouts. The objective of the church was to have non-profits use the facilities that provide service to the community. Leases help pay for the upkeep and maintenance of the property. The church is not in it to make a profit.
- Space is also used by the Boy Scouts, Habitat for Humanity as well as other non-profit organizations for meetings which service the community.
- If they have to pay taxes on the space leased to WE and GMK, they anticipate that the state will not increase their aid (these programs are state funded); and to offset the increase they will have to increase the rent, and consequently the cost to the parents who have children enrolled in the programs. The leases are in amounts that just cover expenses. The programs conform to the mission of the Methodist Church.
- They did recognize that the dance studio was leased to a for profit business. They have requested that Alexa institute a sliding scale for economically disadvantaged kids and noted that she is putting

on free concerts and free workshops which they feel aligns with the Church mission.

- They consider the properties to be one campus with two buildings. The stated outreach for the Church is ministry to families and children which is the primary mission of the church. We do this in both buildings.
- They questioned the tax status of The Catholic Church Property and the VFW with regard to their renting space for events.
- The Church does a lot for the community food shelf, community breakfast five days a week, community dinners, for which we do not request any assistance from the community. We operate a teen center for which we do get some financial assistance from the community.
- From previous conversations you know we can't sell it. Clarification, it is saleable but with restrictions.
- The use of the kitchen and the fellowship hall after 7 pm 7 days a week and on weekends can revert or be used by the Church for church functions.
- The portion leased to the dance studio is taxable but believe remainder of property should be tax exempt.

Issues and responses from the listers;

- There is no deed of transfer of the property to the United Community Community Church of Morristown.
- Leases to the two non-profits do contain a clause or provision for raising the rent to include the cost of property taxes.
- Lease to a non-profit does not by itself make the property non-taxable or tax exempt.
- Duane spoke about two instances in Morrisville where 1) there was a lease to the state in tax exempt property that resulted in that

portion being leased becoming taxable. And 2 a building owned privately leasing to Vt. Social Services was taxable.

- Charles spoke about the responsibility of the listers to act in the interest of the town and or the state if there are doubts about tax exempt status and if there is doubt about what the ruling should be then they should vote to not grant tax exempt status.
- When the church was used solely for religious services and Sunday school it was very straight forward in terms of tax exemption, the leases even to non-profits, complicates things
- We believe that the property can be sold but it will probably not be a quick sale and some issues will need to be resolved. We tried to take that into consideration when we revalued the property assesment as a grievance.
- The listers requested feedback from their district adviser and this was read to those present. Basically it indicated that the property does not appear to qualify for tax exempt status under the three criteria that must be met.
- The suggestion was made that if the listers denied tax exempt status, that the Church consider appealing to the BCA both the value set at Grievance and the decision on tax exempt status.

At the end of the conversations Duane called the question and the listers voted to do so. Duane made a motion to accept the tax exempt status and then recused himself from the vote based on a conflict of interest. The motion was voted in the negative and the request for tax exempt status was denied.

The next consideration was the request for tax exempt status for MASP. The motion was made to accept the request seconded. Based on the a review of Request form PVR 317 and the letter of support from their attorney James Mahoney there seemed to be no reason to deny. Motion to accept by Charles second by Duane. Vote was taken all were in favor. Tax exempt status granted.

Motion made to adjourn by Charles, seconded by Duane and passed unanimously. Meeting adjourned at 11:34 am