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Agenda #1

**TOWN OF ACTON**  
472 Main Street  
Acton, Massachusetts, 01720  
Telephone (978) 264-9622  
Fax (978) 264-9630

**Assessors**

**INTERDEPARTMENTAL COMMUNICATION**

February 27, 2004

To: John Murray

From: Brian McMullen *Brian*

Subject: Enterprise Rental Car

Based on the historical data below, I've made these assumptions:

- In order for the Town to realize \$150,000 in motor vehicle excise from Enterprise, they would have to run approximately 800 plus cars through the towns billing system.

Here's why.

2001 only represents a partial year of excise for Enterprise. It appears they were billed from August to December of 2001. 2002 looks like the only full 12 month billing cycle for them. Mr. Rhodes had ordered them to remove the vehicles from 20 Main Street, on February 2003 because of a zoning violation. This resulted in a severe drop off in motor vehicle excise bills in 2003 and the current year.

- Looking at 2002 as the most reliable and the only full 12 month period of motor vehicle, I've based my conclusions on this year. In 2002 we had 123 bills for \$21,513.79 or an equivalent of 48.6 vehicles. Using this data to arrive at \$150,000.00 presumed revenue; I assumed that the length of time and the bill amount would be approximately the same.

**\$150,000 divided by \$175.00 = 857 or an equivalent of 338 motor vehicles for 12 months.**

	Total Excise	Avg. Bill Amount	No. of Bills	Avg. No Months	Equivalent Vehicles	No. Abatements
2001	30,680.57	171.40	179	5.73	85.5	33
<b>2002</b>	<b>21,513.79</b>	<b>174.91</b>	<b>123</b>	<b>4.74</b>	<b>48.6</b>	<b>104</b>
2003	3,538.25	235.88	15	7.93	9.9	6
2004	1,300.00	325.0	4	12.0	4	0

If I use Enterprise's excise figures of 200-400 vehicle's, and based it on the 2002 data, here is my conclusion.

Best Case Scenario: 400 vehicles @ \$175.00 an average bill = \$70,000.00 of motor vehicle excise.  
Or an equivalent of 158 motor vehicle bills for 12 months.

I have concerns over the number of abatements that Enterprise could conceivably create. Based on the 2002 data, if Enterprise produces enough excise tax bills to generate their projected \$150,000 in revenue we could potentially see 500-600 additional abatements.

Staff is currently struggling to keep up with the demands of the daily tasks. This is attributed to the implementation of CPA, betterments, tax base growth and consumer needs. With the implementation of the new tax billing system, added pressure on our office and finance as a whole will certainly be assured. My general concerns are; the least important but necessary things are not getting done or are getting pushed off and neglected. For example; tax title; although we are making progress, much preparation is need prior to a taking. Staff does not have enough time to properly research the history (deeds, plans, ownership) on the property for council to review. Field review and home inspections are necessary but we are not keeping up with it as much as we should to comply with DOR guidelines.

These are just a couple of things that come to mind.