A special meeting of the Town Assembly of the Village of Arden was held on January 6, 1986, Chairman William Press presiding.

In attendance were:

Don Berman  Betty Knott  Mary Brent Whipple
Tom Colgan  Patrick Mahr (NV)  Jim Schwaber
John Berk  Sam Starr  Elizabeth Varley Walker
Virginia Shaw  Gene Shaw  Larry Walker
Alfred Bratten  Lee Starr  Frank Akutowicz
Lanier Colgan  Rae Gerstine  Bernard Brachman
Tim Colgan  Gail Rinehart  Tony Falkowski (NV)
Bill Press  Pat Liberman  Marion McCullough
Sally Hamburger  John Grimaldi  Arthur Hurwitz
Patricia Press  Joan W. Colgan  K. D. Kelly
Leonard Sophrin (NV)  Clara Dossett  Paul Thompson
Pat Pyle  John Dossett  Sue Drury
Shaul Gladstone  Susan Rohrbach  Ellen Dolmetsch
Harvey Neal  Molca Budin  Ralph Luker
Ethel Monfort  Ruth Estes  S. R. Moore
Don Holcomb  Temma Tanzer  Rowena Austin
Ruth Holcomb  Maria Burslem  Yvonne King
Marge Roberts  Alan Burslem  A. Barnes King
Kate Threefoot (NV)  Leon Tanzer  Debbie Theis
Steven Threefoot (NV)  Bertha Brooks  Bill Theis
Houston Roberts  Cecilia Vore  Bob Wynn (NV)
Stephanie Enie  Milton Isaacs  Aaron Hamburger
Cy Liberman  Romeo Hubner  Carl Falco

Purpose of the meeting: To resolve the impasse created by the failure of the recent referendum to approve an assessment rate for the upcoming year.

Bill Press opened the meeting with a clarifying statement of the problem to be considered. Neither the Assessors' rate nor the alternative proposal submitted to referendum received a majority vote from the eligible voters. A decision must be made on this issue. It is not time for land rent bills to be made up, so it is important that this issue be settled now. According to the Act to Reincorporate, there is no Board of Assessors currently functioning. The past board was empowered to serve until a new board was elected; the new board has not yet been sworn in. Therefore, in accordance with section 1. (b) of the Act to Reincorporate which reads "If no procedure or manner of exercise be prescribed herein the same shall be exercised by an appropriate ordinance or resolution of the Town Assembly of Arden," Mr. Press moved that the Town Assembly confirm either the Assessors' proposal or the alternate proposal by a majority vote. Motion seconded.

Discussion of the procedure:

Cons:
- We should accept the fact that the Assessors' proposal has already been rejected by the June and September Town Assembly and by a majority of those who voted in the referendum.
- A precedent was set in 1966 when an alternate to the Assessors' report was submitted to referendum. The alternate report
received a majority of votes cast but not a majority from the registered voters. The alternate report was declared defeated and the Assessors' report stood.

- It is not fair for this assembly to decide this issue, it should be resubmitted to referendum.

- Excerpts from a letter from Carl Von Dreele (Carl could not attend the meeting due to ill health). "I do not believe that a Town Assembly meeting has the authority to approve either the rate reported by the Board of Assessors or the alternative rate which received a two-thirds vote of the meeting last September. Special care is taken in selecting the members of the Board of Assessors through a general election process. The Board is required to hold two public hearings and report the result of its deliberations to the Town Assembly in June. The report is not subject to approval of the meeting. A possible alternative is provided through a two-thirds vote at the following September meeting and a majority of qualified residents in a general referendum. There is no mention of the outcome if neither receive the majority vote. The writers of the Act evidently intended that there be no "tinkering" with the findings of the Board of Assessors by making alteration difficult. The Assessors' rate did not require approval initially and hence does not require a later approval. Therefore, since the alternative failed to secure the required majority vote, it is eliminated and the Assessors' report stands without change."

**Pro:**

- Town Assembly is our most democratic forum and should decide this issue.

- There is little possibility of either side achieving a clear majority through the referendum process.

The motion that this assembly has the power to decide this issue passed.

**Discussion of the issue:**

**For the Assessors' Report:** A garbage collection factor collected on an equal basis from each leasehold, established at $178 per leasehold. The balance of land rent to be collected on the basis of $49.30 per M sq. ft. for the "first 6500 sq. ft." and $30.10 per M sq. ft. for above 6500 sq. ft.

- Garbage collection, the largest item in the budget, should be assessed per leasehold, otherwise the larger lots are unfairly taxed. We have other factors, why not this one?

- Garbage collection differs from other services since it is not an unavoidable expense. Not all communities provide garbage collection, it does not have to be a public expense. Large leaseholders should not be forced to pay more for garbage collection than they would if they contracted privately.

- The Arden system has changed since many people signed their leases. A large leaseholder no longer has the option to subdivide.
For the Alternative Proposal: Collect land rent by the method used in recent years. There will be no separate garbage collection factor. The proposed rates are $61.05 per M sq. ft. for the "first 6500 sq. ft." and $37.25 per M sq. ft. for "above 6500 sq. ft."

- The Assessors' report should be based on land value. Garbage collection is a service.

- Extracting separate factors for services is un-Georgist. The Georgist system has a social purpose, the wealthy are expected to pay more because they have more.

- The land rent leases clearly state that yearly rent shall be assessed at the full rental value of the land excluding improvements. This system is not based on services. The other factors employed pertain to the value of the land.

- Garbage collection continues to be the choice of the majority of the residents as evidenced by the budget referendum.

- The Assessors do not have the power to legislate what they can and cannot tax. The Assessors' proposal is an illegal assessment and the Trustees are loath to carry it out.

- The unfairness problem might better be addressed by more heavily taxing the smaller portion of each leasehold. That would be within the framework of the present system.

Vote for the Assessors' Report: 30
Vote for the Alternative Proposal: 32

Alternate Proposal Approved.

[Signature]

Secretary