

Town of Columbia

Docket No. 18361-00RA

ORDER

In an order dated February 5, 2001 (“Order”), the “Town” was ordered, pursuant to RSA 71-B:16, to perform a reassessment update of manufactured homes for 2002 and a town-wide reassessment effective for tax year 2004. The Order also directed: 1) the Town to report to the board every six months on its progress in carrying out the 2004 town-wide reassessment; and 2) the board’s RSA 71-B:14 review appraisers to be involved in reviewing the procedures and analyses performed during the reassessment.

As a result of the periodic reporting by the Town and review by the board’s review appraisers, the board received a copy of the department of revenue administration’s (“DRA”) June 8, 2004 final monitoring report (“Final Report”) submitted by Mr. Ronald R. Cote, under the DRA’s RSA 21-J:11 monitoring responsibilities. The Final Report indicates the Town’s contract assessing firm, Avitar Associates of New England, Inc. (“Avitar”), completed the reassessment for 2004, sent valuation notices to the taxpayers, and held informal hearings. The Final Report stated Avitar analyzed 45 sales from October 1, 2002 to April 1, 2004 in establishing the assessment models which resulted in a post-reassessment level of assessment of 100.8% with an overall coefficient of dispersion (“COD”) of 5.06. Further stratification of the

sales into land-only sales and improved sales indicated levels of assessments respectively of 101.61% and 100.18% and CODs of 5.61% and 3.76%.

RSA 71-B:17 provides that once the board has ordered a reassessment, such order stands until it is removed by the board after it determines the reassessment was performed satisfactorily. TAX 208.06 outlines the procedure the board normally follows to determine whether such reassessment has been performed satisfactorily. The procedure involves waiting for a period of time after the reassessment to allow for sufficient sales to occur, not relied upon during the reassessment, to perform a subsequent sales ratio study. While this process provides for a sample of sales subsequent to the reassessment to be analyzed to determine whether the assessment models properly reflect the market, the results of such studies are not known for many months after the tax bills (resulting from the reassessment) have been mailed. In this case, where Avitar has already completed the reassessment based on sales up to April 1, 2004, the board concludes a review of the reassessment at this time would be beneficial and helpful to the Town prior to the issuance of the fall 2004 tax bills. Consequently, the board waives its normal procedure outlined in TAX 208.06¹ and will hold a hearing to receive further information primarily from Avitar as to the documentation and analysis that resulted in the levels of assessments and CODs summarized in the Final Report. This hearing is held under the board's broad authority contained in RSA 71-B:5, I, to "institute its own investigation, or hold hearings, or take such other action as it shall deem necessary" to determine if, in this case, the reassessment was performed satisfactorily. RSA 71-B:17.

Consequently, a hearing will be held at the board's offices located in Johnson Hall, Third Floor, 107 Pleasant Street, Concord, New Hampshire on July 29, 2004 at 11:00 a.m. The

¹ The board has reserved the right to waive its rules. TAX 201.41; In re: Appeal of Land Acquisition, 145 N.H. 492, 496 (2000); RSA 541-A:22, IV.

purpose of this hearing is for the board to receive testimony and evidence as to the reassessment's compliance with the DRA's 600 rules (Order at p. 5) and the RSA 21-J:11, I contract between the Town and Avitar to allow the board to expedite its determination of compliance with the Order.

At the hearing, representatives of Avitar should be present that have an understanding of, and can provide an explanation of, the sales analysis, assessment modeling and ratio studies that have produced the assessment statistics summarized in the Final Report. To assist the board in understanding Avitar's presentation, the board instructs the following documents be submitted at least 14 days prior to the hearing for the board's review in preparation for the hearing:

- 1) the manual of appraisal prepared during the reassessment;
- 2) the reassessment sales survey and maps showing the location of the analyzed sales;
- 3) copies of the assessment-record cards used in the sales survey;
- 4) a list of all sales during the same sales survey time period not utilized and the assessment-record cards for any of the sales excluded that were deemed to be questionable transactions;
- 5) documentation of the development of unit costs for improvements; and
- 6) any additional documentation or explanation of the assessment models created during the reassessment (e.g., an explanation of the land base rates; the standard size of the primary site or lot and the basis for it; any systemic neighborhood or property-specific land adjustment factors; neighborhood delineations, etc.).

Given the voluminous nature of these documents, the Town, through its contract assessing firm, Avitar, need file only one copy of such documents with the board (see TAX 201.14) and need not copy the DRA. Presumably, many or all these documents have

already been reviewed by the DRA during its RSA 21-J:11 monitoring process. To the extent the DRA or any other entity wishes to view such documents, they will be available at the board's offices.

After the hearing, the board will determine whether the reassessment has been performed satisfactorily (RSA 71-B:17) or may direct its review appraisers to perform a subsequent sales analysis to provide additional insight as to the effectiveness of the 2004 reassessment.

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

Paul B. Franklin, Chairman

Michele E. LeBrun, Member

Douglas S. Ricard, Member

Certification

I hereby certify a copy of the foregoing Order has this date been mailed, postage prepaid, to: Chairman, Board of Selectmen, Town of Columbia, Post Office Box 157, Colebrook, New Hampshire 03576; Avitar Associates of New England, Inc., Post Office Box 981, Epsom, New Hampshire 03234, assessing contractor for the Town; Mark Bennett, Esq., Department of Revenue Administration, 57 Regional Drive, Concord, New Hampshire 03302, counsel for the DRA; and Guy Petell, Department of Revenue Administration, 57 Regional Drive, Concord, New Hampshire 03302, Interested Party.

Date: June 22, 2004

Anne M. Stelmach, Deputy Clerk