

## **Town of Sanbornton Reassessment**

**Docket No.: 19517-03RA**

### **ORDER**

Pursuant to the hearing notice in its January 26, 2005 order, the board held a hearing on March 28, 2005 to receive testimony and evidence whether the concerns raised in the board's earlier orders of December 2, 2004 and January 26, 2005 (collectively "Earlier Orders") have been addressed and to determine, in general, if the board's October 2, 2003 order for reassessment ("Order") has been satisfactorily complied with. RSA 71-B:17. Attending the hearing was Christopher Boldt, counsel for the Town of Sanbornton ("Town"), a number of Town officials and employees, representatives of the Town's contract assessing firm, Vision Appraisal Technology ("Vision"), and several Sanbornton taxpayers. In addition to presenting documents relative to the assessment analysis performed for the 2003 reassessment, the Town outlined its plan to perform an assessment update for tax year 2005 and a general long-term plan for maintaining assessment data quality and assessment equity in future years.

### **Board's Rulings**

Based on the Town's short and long term plans to perform assessment updates and to improve the sales analysis supporting the update, the board removes its Order. However, it should be made clear that removing the Order is predicated on the Town's prospective plans to

improve the assessment quality and not on a finding that the 2003 reassessment was satisfactorily performed. In fact, if the Town was not planning to perform such an update, the board would have ordered an update or some similar remedy. As the board's Earlier Orders and the board's review appraiser's October 29, 2004 final report ("Final Report") indicate, both the adequacy and transparency of Vision's sales analysis was lacking and assessment equity immediately following the 2003 reassessment, as detailed in the Final Report at p. 13, had deteriorated to an undesirable level as indicated by an overall coefficient of dispersion (COD) of 20.82 percent and by the land sales stratum showing even greater disparity.<sup>1</sup>

The board, during its deliberations, considered whether it was necessary to retain jurisdiction to ensure the 2005 assessment update was performed adequately. While such a conclusion could be justified, on balance the board concluded it need not retain jurisdiction for a number of reasons.

First, the Town has laid out comprehensive short term and long term plans for maintaining assessment equity that it had never had in the past.

Second, the summary of the components of the 2005 assessment update (Municipality Exhibit F) contained the requirement that the update contain a new analysis of all sales subsequent to the last reassessment "on spreadsheets to reflect DRA & BTLA specifications, groupings and sorts." The board expects clearer analysis during the update because of provisions in the assessment update and the open discussion during the hearing that sales analyses of both

<sup>1</sup> The Town argued that the Final Report's statistical indices may be skewed based on the inclusion of certain sales that may not be arm's-length transactions. However, the Town presented no alternative ratio study or any evidence as to which sales might be causing the unacceptable statistical conclusions. While certainly qualification of sales is an important part of any ratio study testing the effectiveness of a reassessment, the Final Report's ratio studies did exclude certain sales based on information contained in the department of revenue administration's ("DRA") PA-34 reports and the further exclusion of certain outliers. Also, as noted at the hearing, the Final Report's ratio studies overlapped the time period of the sales utilized and/or known by Vision at the time of the 2003 reassessment, and thus one could assume the ratio studies would likely result in better assessment indications than if they had included only sales subsequent to Vision's conclusion of the reassessment.

vacant parcels and improved ones by the land residual procedure must be transparent and identify the base rate and significant adjustments (index factors, condition factors, etc.) so that local assessing officials and taxpayers can understand the market analysis that resulted in the assessed values. The board believes Vision and the Town understand that the process of assessment model development must be extracted and constructed from market data, displayed in residual type analyses, applied in assessing properties and then tested and refined through sales ratio studies. (See, Robert J. Gloude-mans, International Association of Assessing Officers (“IAAO”), Mass Appraisal of Real Property, 21 (1999) (“The final step in the mass appraisal process is a sales ratio study designed to measure the overall quality of appraisals. Values generated by mass appraisal models are compared with a representative sample of sales, preferably including some sales not used in calibration.”))

Third, the Town has the expertise of both its separate assessing contractor, Mr. Gregory Heyn, and the DRA, through its RSA 21-J:11 authority, to oversee and monitor the 2005 assessment update.

Last, as the board has noted in other decisions, it is not the board’s jurisdiction or role, as set out by statute or rules, to micromanage the assessing functions in municipalities. Rather the board’s role is to ensure that, when brought to its attention, reassessments are properly performed in compliance with applicable statutes and rules. As always, the statutes provide for either 50 or more taxpayers or the DRA to petition the board if, in their opinion, assessment equity deteriorates in the future enough to warrant the board’s investigation.

With the board’s removal of the Order, this docket is closed.

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

---

Paul B. Franklin, Chairman

---

Douglas S. Ricard, Member

---

Albert F. Shamash, Esq., Member

**Certification**

I hereby certify a copy of the foregoing Order has this date been mailed, postage prepaid, to Edward D. Philpot, Esq., 354 South Main Street - #1, Laconia, New Hampshire 03246, counsel for the Lead Petitioners; Chairman, Board of Selectmen, Town of Sanbornton, Post Office Box 124, Sanbornton, New Hampshire 03269; Robert M. Derosier, Esq., Robert D. Ciandella, Esq. and Christopher L. Boldt, Esq., Donahue, Tucker & Ciandella, 225 Water Street, Exeter, New Hampshire 03833, counsel for the Town; Vision Appraisal Technology, 44 Bearfoot Road Northborough, Massachusetts 01532, Contracted Assessing Firm; and Interested Parties: Anne and Carmine Cioffi, 328 Black Brook Road, Sanbornton, New Hampshire 03269; Guy Petell, State of New Hampshire, Department of Revenue Administration, 57 Regional Drive, Concord, New Hampshire 03301; Concord Monitor, Attn: Rebecca Tsaros Dickson, 54 Canal Street, Laconia, New Hampshire 03246; and The Citizen, Attn: Gordon King, 171 Fair Street, Laconia, New Hampshire 03246.

Date: April 13, 2005

---

Anne M. Stelmach, Clerk