

In Re: Town of Northumberland

Docket No.: 22579-07RA

ORDER AND HEARING NOTICE

In its January 17, 2008 Order (the “Reassessment Order” at pp. 5 and 7), the board directed the “Town” to perform an assessment update for tax year 2008 (the “Update”) and “to continue with the rolling data and measurement review” for “at least 60% of the Town’s improved properties” in connection with the Update. The board also directed one of its review appraisers (Theresa M. Walker, CNHA) to perform (once the Update was completed and a sufficient number of sales occurred) a subsequent ratio study and present a report addressing whether the Update resulted in acceptable assessment equity and whether it was compliant with all applicable statutes and rules. (*Id.* at p. 7.) The Town completed the Update and the 60% measurement and listing process and a subsequent ratio study has been performed by Ms. Walker.

The board has reviewed the March 10, 2010 report (“Report”) filed by Ms. Walker. Copies of the Report have also been sent to the lead petitioners (Ronald and Linda Caron and Deborah Weeks), the Town’s board of selectmen and its contract assessor, Brett S. Purvis & Associates (“Purvis”) and the director of the Property Appraisal Division at the department of revenue administration (“DRA”). This Order will discuss the Report and explain what the board

finds the next step should be in carrying out its responsibilities under RSA 71-B:16, et seq. to help the Town achieve the objective of attaining assessment equity.

Following receipt of the Reassessment Order, the Town, in April, 2008, contracted with Purvis for the assessing work described above. Purvis' work, however, did not accomplish all that was expected with respect to the Update, even though Purvis was aware of the board's concerns. (See Reassessment Order, p. 7 and p. 2.¹)

As discussed and documented in more detail by Ms. Walker, the sales used by Purvis in the Update "were not adequately researched, verified and inspected." (Report, p. 5.) Among other things, not enough time was expended for thorough research and verification, numerous sale properties were not inspected, Purvis made an automatic exclusion of specific classes of properties from the sales analysis and there was inconsistent documentation and a lack of analysis in the 2008 Assessment Manual prepared by Purvis.² (Id. at p. 13.) In addition, Ms. Walker found in her subsequent study that the calculated median ratio (1.25), COD (29.58) and PRD (1.25) are all "outside the guidelines recommended by the ASB." (Id., pp. 11 and 13.)

One possible remedy for this outcome would be to order another reassessment to be performed as soon as possible. (See RSA 71-B:16-a (Criteria for Ordering Reassessment), quoted in the Reassessment Order at pp. 3-4.) This remedy, however, may be overly simplistic and may not practically or equitably address all of the relevant factors, including those mentioned below.

¹ Commenting on Purvis' prior work for the Town, the board noted "the market analysis performed by Purvis for the [2006] Update was not accurate due to the lack of verification of sales and verification of the accuracy of the data listed on the assessment-record cards." (Id. at p. 2.)

² Problems with the documentation for the Update are also discussed in the DRA's report on the Update, included by Ms. Walker as an addendum to the Report.

On the positive side, Ms. Walker found “no evidence of selective reappraisal” in the Update performed by Purvis, the Town’s assessment-record cards (“ARCs”) and tax maps are “in compliance” with the statutes, “[I]and values and building base rates were applied consistently throughout the Town” and the “Town has an assessing plan which includes annual maintenance, cyclical inspections and an update in 2013.” (Id. at p. 13.) The Town’s next scheduled assessment review by the DRA will be in 2013 pursuant to RSA 21-J:11-b. Moreover, the Town has also remedied the problems caused by the tax “freeze” arrangements previously entered with several property owners. (See Report, p. 12.)

In its deliberations, the board has also considered the continuing weak real estate and economic environment, especially in the North Country, and the fact the Town’s budget resources are limited and strained.³ Faced with these challenges, the Town’s elected representatives and staff are to be commended for the cooperation and good faith demonstrated throughout these proceedings and their understanding of the statutory and regulatory framework spelling out the respective roles of the board and the DRA (see, e.g., RSA 71-B:16 and 16-a and RSA 21-J:11-a) in this process, as well as the ongoing need to achieve and maintain assessment equity.

Consequently, and in light of all these considerations, the board will hold a hearing to obtain feedback from interested parties regarding the Report and to listen to any practical suggestions they may have regarding how best to help the Town achieve assessment equity without causing undue strain on its limited resources and in light of the proximity of the next scheduled update in 2013. This hearing should be attended by representatives from the Town,

³ In the Reassessment Order (p. 6), the board noted: “While appreciating the cost incurred by taxpayers, the board has no statutory authority to order a reassessment be done by a contractor at no expense to the Town.”

the DRA and Purvis (at no further cost to the Town), as well as any of the petitioners or taxpayers who wish to do so.

The board has scheduled a hearing for **Thursday, June 17, 2010 at 10:00 a.m.** at the board of tax and land appeals' office, 107 Pleasant Street, Johnson Hall, Concord, New Hampshire 03301. The Town shall provide notice of this hearing in accordance with RSA 91-A:2, II.

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

Paul B. Franklin, Chairman

Michele E. LeBrun, Member

Albert F. Shamash, Esq., Member

CERTIFICATION

I hereby certify a copy of the foregoing Order and Hearing Notice has this date been mailed, postage prepaid, to: Ronald and Linda Caron, 10 State Street, Groveton, NH 03582, Deborah Weeks, 103 Lancaster Road, Groveton, NH 03582, Lead Petitioners; Chairman, Board of Selectmen, Town of Northumberland, 2 State Street, Groveton, NH 03582; Brett S. Purvis & Associates, Inc., 3 High Street, 2A PO Box 767, Sanbornville, NH 03872, Contracted Assessing Firm; Stephan W. Hamilton, Director, Property Appraisal Division, State of New Hampshire Department of Revenue Administration, PO Box 487, Concord, NH 03302, Interested Party; and a courtesy copy to: Commerford Nieder Perkins, LLC, 556 Pembroke Street, Suite #1, Pembroke, NH 03275.

Date: May 3, 2010

Anne M. Stelmach, Clerk