

MINUTES OF THE
ASSESSING STANDARDS BOARD

Approved as Amended

DATE: August 19, 2016

TIME: 9:30 a.m.

LOCATION: NH Dept. of Revenue, 109 Pleasant Street, Concord, NH 03301

BOARD MEMBERS:

Senator Bette Lasky ~ *Absent*
Senator Regina Birdsell
Representative Peter Schmidt
Representative Mark Proulx ~ *Absent*
Stephan Hamilton, NHDRA
Len Gerzon, Public Member, Chairman
Jim Wheeler, Municipal Official, City
Paul Brown, Municipal Official, Towns >3,000

Eric Stohl, Municipal Official, < 3,000
Robert Gagne, NHA AO
Rick Vincent, NHA AO, City Official
Loren Martin, Assessing Official, < 3,000 ~ *Absent*
Marti Noel, Assessing Official, > 3,000 ~ *Absent*
Betsey Patten, Public Member
Thomas Thomson, Public Member

MEMBERS of the PUBLIC:

Barbara Reid, NHMA
Teresa R. Rosenberger, Devine Millimet
Sue Golden, Concord
Andrea Curtis, GES

Scott Dickman, NHDRA
David Cornell, NHDRA
Jim Rice, Durham

Chairman Gerzon convened the meeting at 9:30 a.m.

Introductions followed.

Minutes

For the June 28, 2016 minutes, Representative Schmidt asked that “opened” be changed to “open” on page 2 middle of the page, second bolded sentence. All were in favor of accepting the minutes, **minutes approved.**

Report of Progress, Rules Subcommittee

Mr. Steve Hamilton spoke on Chairman Martin’s behalf (in her absence) for the Rules Subcommittee. He advised that the meetings are progressing satisfactorily with good input from the members, and they are appropriately updating the assessing levels. He also spoke of adopting the interim rules for 205 and 206 etc. The rules were conditionally approved with one modification under Asb 206.05, b. 1. Media Access regarding excluding members of the media if the capacity of the room would not support the media that were present. Rules cannot be adopted that would exclude anyone from the meeting. Renumbering was required of the rules with one being struck (three down to two). **Mr. Hamilton motioned to approve the conditional approval for interim rulemaking on part Asb 205 and Asb 206. Mr. Gagne seconded.** Representative Schmidt explained conditional approval. **All were in favor of the motion – motion passed.** (*note: also refer to meeting minutes of June 28, 2016 on interim rulemaking etc.*).

Chairman Gerzon took a moment to ask the board if scheduling future meetings at the end of each meeting still meets with the approval of the members. The input was in the affirmative to keep it the way it is at this time.

Income & Expense Subcommittee

Mr. Bob Gagne spoke in Ms. Marti Noel’s absence on this subject. He referred to “An Overview of Property Income and Expense Information and its Impact on Property Assessments” that had been passed out

previously. Ms. Betsey Patten spoke of possibly pooling the information at the DRA level for the confidentiality and redaction etc. She wondered if it would be possible to allow the DRA to be able to pool the information. She felt the whitepaper is very good overall, and explains a lot of things; however she wondered if there is a way to look at it a little differently. Mr. Gagne spoke of making the process transparent, and he felt this should be a two way street. He hoped that if legislature is adopted, there would be penalties for taxpayers that do not disclose information; he felt that is a reasonable approach if they're ever to move forward on this. He added it is often referred to as an income tax, and it isn't – property rental/property income. He added that even if "framed" in that direction, that's not a reason to hide that information. Mr. Gagne advised, in response to Chairman Gerzon's question, that the committee's (I & E) goal was not to get it through the Board and have Legislation proposed. The committee's goal was to have something in place to hand out should this come up for discussion. He feels this should be a public document. Mr. Tom Thomson and Mr. Gagne then discussed fee simple, three approaches to value, using the appropriate approach for the property, income data, condo owners etc. Mr. Gagne explained that for the City of Manchester, questionnaires were sent out to collect income and expense data and at last count he believed they had a less than 15% return rate. Mr. Hamilton and Mr. Gagne then discussed the process regarding the 15% returned information, pooling data, setting tables, common data, income data etc. Mr. Gagne explained in more detail. Mr. Scott Dickman spoke of financial operating detail (utility) virtually 100%, audit function, quality and quantity, being audited.. Mr. Gagne and Mr. Dickman then discussed gathering data vs. using information, reporting income, gross, net, income approach etc.

Mr. Hamilton then spoke of valuating property, impossibility to see factors that drive value, problems with reporting, building a larger pool etc. Chairman Gerzon commented that the Board will soon decide on whether they will be formally accepting the product, which means the public can completely see the product so it can be the tool it should be. He further stated he supported all those goals and felt that it could even reside on the NHAAO website. Mr. Gagne advised his intent wasn't to convince the board members so much as trying to clarify and rectify misconceptions. *Chairman Gerzon asked Mr. Hamilton if he was seeking a motion to adopt the paper.* Mr. Gagne spoke up and advised not so much adopt as accept; he was unsure he would ask the Board to adopt. Chairman Gerzon clarified accepting it so it would be in the public records so it could be published. Mr. Gagne agreed to that. *Representative Schmidt agreed and seconded.* Ms. Betsey Patten asked about a drop dead date, read and digest the paper as "homework" and then accept and adopt at a future meeting so everyone has a chance to read. Mr. Gagne agreed. Mr. Gagne also asked Mr. Dickman if he would do a paragraph with his thoughts. It was decided to table for a future meeting.

Property Record Card Discussion

Mr. Hamilton then passed out property record card samples and spoke briefly on this. Mr. Gagne then spoke about codes along with descriptions that explain them etc. Mr. Rick Vincent commented on his concern that there is so much information and not enough room on the card, especially to clarify for a taxpayer. Chairman Gerzon asked about the four types of CAMA and asked if they covered about 90, 95% of towns? Mr. Hamilton replied that they covered about 95%. A discussion then followed about what can be done to make it better, code references, reference boxes, putting it on a website with all the codes so there is a centralized point etc. Mr. Vincent commented about the codes differing from town to town. Mr. Hamilton made a couple of suggestions including how the town communicates that information to its taxpayers or adding to our Assessment Review process a few questions about what is contained on a property record card and how useful it is. He does not feel it could be mandated especially at the local level. Mr. Thomson asked why the codes differ. Mr. Vincent explained. Mr. Thomson expressed his concern on taxpayers not knowing how or unsure how to read their cards. Chairman Gerzon asked if it was possible that a card system wouldn't have an index. Mr. Vincent and Mr. Gagne discussed. Mr. Gagne advised that codes are all extended on the cards. He felt most cards are accurate and consistent. Land use would be different and can vary even within a jurisdiction. Ms. Patten asked if this information is already in a manual. Mr. Hamilton advised that for the most part they are described in a manual, but the challenge is that there may be several pages/tables to go through. Ms. Patten questioned if this information could be alphabetized and the manual break down all factors. Senator Regina Birdsell asked why a town can't just post information for homeowners to refer to. Mr. Hamilton responded with his thoughts. Mr. Thomson reiterated he would like the Board to come up with a simpler solution/system for the public to understand their cards. He encouraged towns to make it easier for homeowners to do so. Mr. Gagne asked Mr. Thomson if there was a particular example he was thinking of. Mr. Thomson replied Steve Allen, but they were unsure of the CAMA system. Mr. Gagne and Mr. Thomson discussed in more detail regarding examples etc. Mr. Vincent questioned Ms. Patten on her thoughts on where they would draw the line on codes etc. A discussion followed. Chairman Gerzon agreed that it is complicated and needs a review situation. He

suggested towns could do better at this. Mr. Hamilton thought maybe have assessors attempt to collect examples of a kind of language that might explain. Mr. Gagne commented that he believed Mr. Gary Karp had the Vision card broken into sections with a couple page descriptions at one time.

Chairman Gerzon moved to adjourn; Representative Schmidt and Mr. Vincent seconded.

Respectfully submitted,

Elizabeth McGill

Municipal and Property Division
NH Department of Revenue Administration

All meetings are recorded and are available upon request.

Documentation relative to the Assessing Standards Board may be submitted, requested or reviewed by:

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