

MINUTES OF THE
ASSESSING STANDARDS BOARD

Approved as Amended

DATE: September 30, 2016

TIME: 9:30 a.m.

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

BOARD MEMBERS:

Senator Bette Lasky ~ <i>Absent</i>	Eric Stohl, Municipal Official, < 3,000
Senator Regina Birdsell ~ <i>Absent</i>	Robert Gagne, NHAAO
Representative Peter Schmidt	Rick Vincent, NHAAO, City Official
Representative Mark Proulx	Loren Martin, Assessing Official, < 3,000
Stephan Hamilton, NHDRA	Marti Noel, Assessing Official, > 3,000
Len Gerzon, Public Member, Chairman	Betsey Patten, Public Member
Jim Wheeler, Municipal Official, City	Thomas Thomson, Public Member ~ <i>Absent</i>
Paul Brown, Municipal Official, Towns >3,000 ~ <i>Absent</i>	

MEMBERS of the PUBLIC:

Barbara Reid, NHMA	Scott Dickman, NHDRA
Teresa R. Rosenberger, Devine Millimet	Jon Duhamel, Nashua
Sue Golden, Concord	Tom Hughes, BTLA

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

Introductions followed.

Minutes

Ms. Betsey Patten voiced her concern on the minutes and the Board's duty towards RSA 91-A. She spoke of maybe a short synopsis of who was present and pertinent information to keep in step with RSA 91:A and until the clerk of the board is able to pick up board duties. Mr. Steve Hamilton spoke of a thinner than normal staff and this being a critical and busy time for utility work at the DRA, which the clerk of the board has been assisting with. Representative Peter Schmidt agreed with Ms. Patten's observation. A discussion followed on how best to handle this out of the ordinary situation. Ms. Barbara Reid quoted RSA 91-A:2 II. It was decided that the Board would endeavor to follow RSA 91-A:2 II in relation to minutes etc.

Report of Progress, Rules Subcommittee

Ms. Loren Martin (Chairman) spoke of the progress of the Rules Subcommittee. She advised the meetings are moving along nicely including changes to the rules, definitions and her belief they have one more meeting and the subcommittee will be ready to present to the full Board after that. Mr. Bob Gagne and Ms. Patten acknowledged Ms. Mary Pinkham-Langer's work as being instrumental in having things progress smoothly in the meetings. Mr. Hamilton and Ms. Martin spoke of having things ready for the public and the board members for perusal. Ms. Patten spoke of the subcommittee's care in making sure that the Asb rules are compatible with the Rev 600 rules, which she acknowledged Ms. Pinkham-Langer's work on. Chairman Gerzon spoke well of Ms. Martin's (Chairman) leadership in the subcommittee.

Income & Expense Subcommittee

Chairman Gerzon spoke of the lengthy conversation on the I & E subcommittee led by Ms. Marti Noel, who was unable to attend the last meeting, he wanted to be sure to have a “rollover” conversation” to recap. He advised the conversation is still ongoing and asked Mr. Gagne to speak on fellow assessors’ input etc. Mr. Gagne recapped that he asked members to read the paperwork and give their thoughts. He is unsure how the vote will go and reiterated this paperwork is just something to refer to. Chairman Gerzon hoped to get to a point where they’re comfortable with the product so it can be posted and used by the greater community, legislators and public. Ms. Noel agreed with Chairman Gerzon and spoke of her belief that there were mixed ideas even with the members of the Board, and thought this would be a helpful tool to post as an opinion paper. She spoke of her hope that this could someday go before legislature again, especially as an educational tool etc. Ms. Patten referred to page 2 and Standard 6 under USPAP and commented on what they will do on this regarding removal of that mention etc. Ms. Noel felt it would be premature to make changes and would like it to stand at this time. Mr. Gagne commented this can be approved later on – it’s just a snapshot in time. Ms. Martin commented that she did not feel it was excluding anything etc. She felt that it appeared to just flow with the paper - not specifically state what ASB is following. Mr. Gagne suggested the possibility (if needed later) of just crossing out the “Standard 6” as the rest is still appropriate; if the law changes, then the reference can be changed. **If a motion is needed, he suggested putting a footnote today to revise the paper if and when the law changed. Ms. Patten seconded that motion regarding the footnote. All were in favor of the motion.**

Chairman Gerzon commented about a motion to put on the web. A lengthy discussion followed advising there were several inputs and several attendees etc. Chairman Gerzon encouraged posting this now and calling it “draft” and let it become part of the record. **Ms. Martin made that motion to put it out there. Mr. Gagne seconded.** Mr. Hamilton advised he liked the idea of having it available but wanted to be certain it was clear that it was not in any way a suggestion or direction that the ASB is prepared to move in at this time – he felt that would be premature although he was unsure how to limit that. Chairman Gerzon reiterated it is just an informational “whitepaper” - it is not the ASB voting into Legislation at this stage. Mr. Jim Wheeler agreed with Chairman Gerzon and advised he felt the goal is to keep pushing the envelope of the assessing practice toward that objective. He felt the paper makes a lot of points towards some changes that should be entertained at some point. Representative Schmidt pointed out a key word in the title itself “Overview”. He agreed it is a helpful tool. Mr. Eric Stohl liked the document although he thought it weak on the security of the information and referred to page 13 – “confidentiality” as an example. He felt more time should be spent on that. Mr. Gagne agreed that if some legislation is passed, it should be strong on protecting that information and who has access etc. Mr. Hamilton discussed protection, penalties, fines and the need for “appropriately phrased” information. Chairman Gerzon concurred with Mr. Hamilton on the importance of his points if it’s posted. Ms. Patten referred to page 10, *“National standards, along with the NH regulating authorities (The Assessing Standards Board and the Department of Revenue) acknowledge the need to consider this data when conducting a revaluation and spoke on this being stated and where it is headed.* Chairman Gerzon pointed out the cover of the paper: “ASB Subcommittee Report”. A discussion followed including Mr. Hamilton’s concerns. Representative Schmidt commented that maybe they should not put it out even as a subcommittee report and send it back to the subcommittee to have the issues addressed. He advised he had no problem putting it out there just as an overview – not as a recommendation, just as it is (overview). **Representative Schmidt suggested moving to table to address minor concerns.** Ms. Martin still suggested modifying and having it stand as an “overview”. Ms. Noel agreed although she mentioned she wished suggestions had been submitted while it was being built. Mr. Gagne felt it would be more appropriate to withdraw the motion. Ms. Martin disagreed and stated she felt it would be a disservice to the subcommittee to do so and felt sufficient attention to the paperwork and the work put into it was not made outside the subcommittee. She advised respectfully that she “really did not want to rescind her motion”. Mr. Gagne understood the frustration and explained. He also suggested that maybe the NHAEO should put together a committee and put something on their web site. Mr. Hamilton and Ms. Patten discussed more on their views. **Ms. Patten seconded Representative Schmidt’s motion. Motion passed to table - 9 for and 2 against.**

Mr. Hamilton mentioned that maybe the NHAEO could possibly post on their website; Ms. Martin advised she would bring that up in their next meeting. A discussion followed with Mr. Hamilton and Chairman Gerzon on whether the public can view the overview/posting the overview etc. Mr. Rick Vincent voiced his concern

regarding it still being “linked to the ASB Subcommittee” as stated on the front page so he is unsure what difference it makes on which website it is posted – it’s still linked to the ASB Subcommittee. Chairman Gerzon agreed. Mr. Stohl was concerned with Chairman Gerzon agreeing with it being posted on a different website as the Board had voted to table it and work on it some more. Chairman Gerzon felt it is a matter of public transparency and disclosure. Representative Schmidt stated it is not a confidential document – it is already out there; he reiterated that he motioned to table it so it can be worked on and then it would come back to the Board etc. He advised they cannot prevent it from being published on some other site; it is out there - although he would prefer to see it go through the stated process. Representative Proulx is all for transparency and putting it out there - but when the document is ready. Mr. Gagne and Ms. Patten discussed the next steps and bringing notes to the next meeting and going through page by page. Ms. Barbara Reid pointed out that at their NHMA meeting, the I & E paperwork was presented in their policy process as the “ASB Subcommittee report *being presented to the ASB*”.

Property Record Card Discussion

Mr. Bob Gagne expressed his regret that Mr. Tom Thomson was unable to attend, but he advised he was uncertain how they could get to where Mr. Thomson would like them to be without human involvement. He is all for having as much clear information for the public out there as possible as that saves them time and money in their offices. However, the cards can only have so much data on them. He felt there are always going to be things that cannot be shown on the card as there is not enough room etc. He advised that he thinks the cards are in “pretty good shape as they stand today”. Mr. Thomson was unavoidably absent from the meeting today, but Chairman Gerzon advised that Mr. Thomson did request that if the record card discussion went forward that he wanted to be present for any final votes. Mr. Vincent did not wish to go too deep into the conversation without Mr. Thomson but spoke of CAMA systems and cards and the “many layers” involved. He thought it would be helpful for some Board members to maybe see what is involved with the different tables etc. Ms. Martin did bring some samples of property record cards and passed samples out for review. She spoke briefly of their use of the technology, resources available, approachability etc. Mr. Hamilton spoke of the difficulty of so much real estate being put on cards, what to use for codes, descriptions, CAMA systems becoming more and more complex, tables involved, commonly used codes, charts on the walls (town hall) etc. He advised he believed the best they can do is to establish a minimum standard. Representative Schmidt commented that he believed they’re doing an excellent job of making things as understandable as they can be given the reality/complexity of the process. Ms. Martin advised that she believed that in the Rev 600 rules now there is already a minimum of requirements of what needs to be displayed. Mr. Gagne would like possible clarification from Mr. Thomson of what he is looking for to be addressed on the property cards. Ms. Patten talked of Mr. Vincent’s suggestion of a demonstration and thought it would be a good idea. Mr. Gagne wanted to make clear that he would not want any decisions made without Mr. Thomson being present. A discussion followed regarding putting together a demonstration. Mr. Hamilton advised that he and Ms. Martin could put something together.

Other Business

Ms. Patten questioned appeals to PSNH, NH Electric Coop either to BTLA or the Superior Court and where that’s going. Mr. Hamilton advised that BTLA issued a decision on two cases in a number communities (PSNH, NH Electric Coop – summer of 2015). They (taxpayers) have appealed those decisions to the Supreme Court. The appeals that they brought were about individual assessments of their properties, and in the individual municipalities the Board consolidated them for hearing and issued two consolidated opinions in the case. The individual property tax appeals are not something the ASB normally gets involved with. Usually the NH DRA does not get involved either; however in those cases, the taxpayer presented the DRA’s Utility Appraisal as part of their evidence in their appeal cases at the BTLA. Subsequently, the utility appraiser was subpoenaed to be deposed and testify in the case (unwillingly and attempted to convince the BTLA not really their fight). In the decision that the BTLA wrote on both these cases (that are being appealed to the Supreme Court) the BTLA used a lot of language that the only reliable use of the DRA’s utility value would be the RSA 83-F (Utility Property Tax). This could become a significant problem as this could spill over to the Assessing Standards Board if those rulings are upheld because they rely on the state’s utility value for the equalization process. If the finding of the BTLA is upheld and not changed, they may have to consider how they approach the determination of the total equalized values of municipalities if those appraisals are not reliable evidence of value for the

property in a municipality. Mr. Hamilton does not see an immediate concern; but down the road, if those are upheld, there may be a dramatic change to our equalization process. Equalization is a duty and a responsibility of the ASB.

Chairman Gerzon asked about the date for the next meeting. Friday, October 28, 2016 is set for the next date.

Chairman Gerzon asked for a motion to adjourn; Mr. Stohl and Ms. Noel so moved.

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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Facsimile: (603) 230-5947

Web: www.revenue.nh.gov

E-mail: asb@dra.nh.gov

In person at:

109 Pleasant Street, Concord

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Assessing Standards Board

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