Ms. Patten welcomed those in attendance. Introductions followed.

Minutes

Mr. Brown motioned to approve the minutes of December 8, 2017. Mr. Hamilton seconded the motion. No discussion. Chair Patten called the motion to approve the minutes of December 8, 2017, as written. Ms. Martin and Mr. Thomson abstained. All others approved.

Mr. Lessard motioned to approve the minutes of October 13, 2017 as amended.

- Page 1, third paragraph, second line
  - Delete the word “looking”. Sentence to read “…the municipal values and the diversity of value between them.”

Mr. Brown seconded the motion. No further discussion. Chair Patten called the motion to approve the minutes of October 13, 2017 as amended. Mr. Marazoff, Mr. Gerzon and Mr. Gagne abstained. All others approved.

Correspondence

Chair Patten stated she received correspondence from

- Representative Abrami,
Chair Patten stated a copy of the e-mail will be distributed. She then read the correspondence from Representative Abrami into the record:

“I’m writing you concerning the e-mail that Sansoucy sent out to towns saying it was alright to violate the statute that outlines the pole assessment guidelines worked on for a year by the ASB. As Chair of the ASB it appears you have a major ethics violation committed by one who is overseen professionally by the ASB. The ASB should take action against Sansoucy immediately and communicate to all assessors as well as all towns that it is not lawful to ignore the new statute. Teresa Rosenberger is the one that brought this to my attention. Norm Major and I are very concerned with the actions of this rogue assessor among the ranks of all those who try to do the best for those they assess for. Please communicate what actions you plan. Thanks and Merry Christmas.”

Chair Patten stated a copy of the FairPoint communications has been made available. It is about the update on the implementation of HB 1198 relative to the valuation of poles and conduits owned by telephone companies. A few minutes was taken for the board to review the FairPoint correspondence. A discussion followed about how to proceed with the information received. It was determined the correspondence would be viewed as a complaint and forwarded to the DRA. Further discussion took place including interpretation of the information received, how complaints should be submitted pursuant to Asb 307.01 (a), and how the individuals who submitted the complaints should be responded to. Mr. Thomson restated his support of a bill that was put forward to license and oversee assessors which would have taken care of this. He expressed frustration at the lack of licensure and accountability for assessors, who are assessing the largest asset of taxpayers. Ms. Martin disagreed stating it would be the same issue. The DRA certifies assessors and makes sure everyone is meeting the rules and processes that are in place. Instead of a licensing board, it is the DRA who hold assessors to higher standard.

Pertaining to the response to the individuals who submitted complaints, in keeping with Asb 307.01 (a), it was agreed to communicate to the individuals that the board has received their information and has been forwarded it to the Commissioner. Mr. Thomson moved to forward the correspondence received from Representative Abrami and FairPoint to the Commissioner of DRA. Chair Patten will send a response letter to both along with a copy of Asb 307.01 (a), letting them know their correspondence has been received and forwarded to the Commissioner of DRA. Mr. Brown seconded the motion. Chair Patten called the motion. Mr. Wheeler abstained. All others approved.

Chair Patten described an e-mail she received from Representative Belanger relative to towers which included a recent Supreme Court decision, Direct TV Inc. v. The Town of New Hampton, February 16, 2017 and the opinion dated May 25, 2017. With this, he has come up with a conclusion that the bottom line is towers are taxable, antennae are not. She suggested the manual subcommittee review the information to determine if something should be added to the manual. A concern was expressed that this information was about one property and not about all property and that no action was necessary. Mr. Gerzon thought this an interesting topic to discuss despite the lack of clarity in the decision and should be included in the subcommittee’s review of decisions that have impacted the property tax.

Mr. Hamilton motioned to reply to Representative Belanger thanking him for the information and to let him know we will be forwarding that to the Manual Subcommittee for its consideration and possible inclusion in the Assessing Reference Manual. Mr. Gagne seconded the motion. Chair Patten called the motion. All Approved.
A brief discussion took place pertaining to correspondence received from the town of Wakefield in opposition to HB 324. The letter was sent to the Science, Technology and Energy Committee and was copied to the ASB. Chair Patten will send a letter to the Town of Wakefield acknowledging receipt of the letter.

2016 Assessment Review Summary

Mr. Hamilton reported in 2016 there were 50 communities that an assessment review report was completed for. He explained part of the DRA’s duty is to provide that information to the municipality and to this Board, so you can see how the communities are doing with the assessment review standards we have adopted. Every 5-years there is a new cycle for assessment review. The department will be bringing forward a new set of assessment review standards as a recommendation for the ASB to adopt for the next 5-year cycle to begin in 2018.

The DRA applies the standards adopted by the ASB against each community to see how they are doing with their assessing practices and recordkeeping. It is a process to help the communities see where they might want to apply their limited resources to make the assessing process a little bit better within the community and we can see overall how well the communities are doing.

The results are based on a calculation for the number or percentage of the criteria that is met. The important thing to remember is there is no harm, foul or penalty even for those communities that do not meet any or all the assessment review standards. This is informational only and helps to inform the community as to what they might focus on if they want to improve their assessing practices or recordkeeping. It also helps to inform this board as to how far we have come and how well the communities are doing with their assessing practices.

Referring to the summary on page 11, Mr. Hamilton explained most categories are being met by the communities. The recordkeeping for the Current Use program and the requirement for current use maps, has seen progress since the change in 2012 to allow municipalities to substitute the information and use their best judgement if they could not retrieve the information. This change is still working its way through the process as many towns were educated on their option and ability to make that substitute record available he is encouraged this requirement will see improvement moving forward. Another area where there could be some improvement is the test in Asb III (c) 1. (a) Exemptions and Credits, which is about 68%, and we are encouraging communities to focus on the processing and proper granting of exemptions and credits in that process. For the most part, the specific requirements are being met by most of the communities.

Mr. Hamilton continued the next cycle will not change much from the previous cycle however there are a couple of improvements we want to make sure flow through into the way that we apply the test so that especially when there are small sample sizes in the smallest of communities, we want to make sure that one failure or one property that doesn’t meet the expected standard won’t cause them to not meet the standard itself no matter what percentage that represents. We are probably going to add a circuit breaker to that kind of a test so that it is not too finely tuned when it comes to the very smallest communities.

Mr. Gagne inquired about the communities who did not meet the level of uniformity of assessments, the ratio requirement. Mr. Hamilton explained the department encourages towns to sync up their assessment review year with their revaluation cycle however some communities do not want to do that, therefore, the result is informational.

Mr. Marazoff reiterated the informational and educational aspect of assessment review and recognized the DRA for their increased availability of mini-courses on exemptions and credits, current use and other topics held throughout the state in 2017; he attended a few and stated they did a good job with them. He added the State does a commendable job in sending their monitors out and looking into the assessing practices of the communities and that is all the DRA can do, is educate. Mr. Hamilton thanked Mr. Marazoff for recognizing the Department’s educational effort.
A discussion followed pertaining to an amendment to SB 340 put in by Senator Daniels which adds a sentence under RSA 21-J:11, (a) II., to read, “The assessment report shall be limited to assessment activities and practices that have taken place subsequent to the completion of the most recent report issued by the commissioner.” The bill started out about audits and was completely amended. Senator Gray offered to look at the bill and provide an update at the next meeting. Mr. Hamilton summarized his interpretation of the change as an idea to limit the records the department reviews to those that were updated since the previous assessment review. Mr. Lessard felt it would streamline some of the department’s review activity for those communities that have little activity, if nothing has changed, you wouldn’t have to review the same records and come up with the same results. Mr. Brown felt it would create additional burden on municipal staff. Mr. Gagne added some things need a periodic review and if you can’t go back and check records, you are not really testing what is on file and the department does sample, they are not looking at all records.

Mr. Michaud asked if there was a comprehensive report of the five-year assessment review. Mr. Hamilton stated a cycle to date report was submitted at the time the standards were last readopted. Mr. Michaud followed stating there is no written appeal mechanism for the community or contractor on the assessment review component. Mr. Hamilton explained there is a process in which the community is provided an opportunity to respond, provide feedback or additional information. The department does invite and receive feedback about a community’s report and in some cases does change how the information is reported but because there is no penalty for a community from this process, there is no technical appeal process for their determination.

**Annual Report**

No comments received by e-mail for changes to the annual report.

**Other Business**

Mr. Hamilton advanced a nomination for the Chair of the ASB for the ensuing year of Betsey Patten; seconded by Mr. Thomson. No other nominations were received. Mr. Gagne motioned to close the nomination; seconded by Mr. Lessard. Chair Patten called the motion to close nomination for Chair. All approved. Chair Patten called the motion to nominate her as Chair. All approved.

Chair Patten opened nominations for Vice-Chair. Mr. Hamilton nominated Bob Gagne; seconded by Mr. Lessard. No other nominations were received. Mr. Brown motioned to close nominations; seconded by Mr. Wheeler. Chair Patten called the motion to close nominations for Vice Chair. All approved. Chair Patten called the motion to nominate Bob Gagne as Vice Chair. All approved.

A brief discussion took place about how a public member is nominated. Chair Patten stated she would submit a letter from the ASB to the Governor expressing concern that the Board does not have a full complement of board members.

**Annual Report**

Ms. Derosier reported there were no comments received by e-mail for changes to the annual report. Chair Patten summarized suggested changes received by Mr. Michaud.

- Third paragraph – “the Asb rules 205 and 206 were put on hold”
  - remove “for a year”
- Change “full committee” to “Board voted to accept the report.”
- Correct “Esty” to “Estey”
- Tressa and Jonathan gave us a presentation on “explaining valuation practices
Mr. Gagne motioned to accept the 2017 Annual Report as amended; seconded by Mr. Lessard. Chair Patten called the motion to accept the 2017 Annual Report as amended. All approved.

Next Meeting

Friday, February 9, 2018, at DRA – Training Room:

- 9:30 a.m. Regular Board Meeting
- 1:00 p.m. Equalization Subcommittee Meeting
- 1:00 p.m. Rules Subcommittee. - Conference Room 334
  Rules Committee: Ms. Martin, Chair, Ms. Pinkham-Langer, Mr. Lessard, Ms. Patten, (One more)

Friday, March 9, 2018, at 9:30 a.m., location TBD

Legislation Update

Mr. Michaud stated there was a hearing on House Bill 1381 (Representative Abrami), Ways and Means Committee, scheduled for January 23, 2018, time TBD pertaining to the utility proposal for net book value of utilities.

Mr. Gagne motioned to adjourn; seconded by Mr. Thomson.

Chair Patten adjourned meeting at 11:30 a.m.

Respectfully submitted,
Stephanie Derosier

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:

Telephone: (603) 230-5096
Facsimile: (603) 230-5947
Web: www.revenue.nh.gov
E-mail: asb@dra.nh.gov

In person at:
109 Pleasant Street, Concord

In writing to:
NH Department of Revenue
Assessing Standards Board
PO Box 487
Concord, NH 03302-0487