

Assessing Standards Board  
Regular Board Meeting

**Approved as written**

**DATE:** October 7, 2021

**TIME:** 9:30 a.m.

**LOCATION:** Department of Revenue – Training Room, 109 Pleasant Street, Concord

**BOARD MEMBERS**

(A) Not in attendance.

Senator James Gray	Paul Brown, Municipal Official, Towns >3,000
Senator Kevin Cavanaugh (A)	<i>Vacant, Municipal Official, &lt;3,000</i>
Representative Peter Schmidt	David Marazoff, NHAAO, At-Large Member
Representative Tony Piemonte	Loren Martin, NHAAO, Towns, <3,000
Betsy Patten, Public Member, Chair	Joe Lessard, NHAAO, Towns >3,000
Robert Gagne, NHAAO, City Official	<i>Vacant, Public Member</i>
James Gerry, NHDRA	Thomas Thomson, Public Member (A)
Jim Wheeler, Municipal Official, City	

**MEMBERS of the PUBLIC**

Peter Roth, NHDRA	Lisa Mudge, NHDRA	Phil Bodwell, NHDRA
Sam Greene, NHDRA		

Introductions of the Board and members of the public followed.

**Minutes**

Mr. Gagne *motioned to accept the minutes of the September 10, 2021, regular board meeting*; Ms. Martin *seconded the motion*. No discussion. Chair Patten called the motion to approve the minutes of September 10, 2021, as written. *Motion passed unanimously*.

**Administrative Rules – JLCAR**

Chair Patten reported that she attended the September 16 JLCAR meeting; the Committee did not have any questions for the Asb 300 various rules filed. Mr. Gagne *motioned to adopt the Asb 300 various rules approved by JLCAR*; Mr. Lessard *seconded the motion*. No discussion. Chair Patten called the motion. Representative Schmidt abstained; all others approved. *Motion passed with a majority vote*.

**DRA Presentation**

Sam Greene, Assistant Director of the Municipal and Property Division, gave a presentation to explain the responsibilities, experience and qualifications of DRA personnel who monitor assessing and perform assessment review throughout the state and to respond to concerns brought forth by Ms. Martin about the lack of experience and qualifications of DRA employees who attain DRA-certified designations, in particular, DRA-certified property assessor supervisor.

## RSA 21-J:3, Duties of the Commissioner.

Mr. Greene outlined the duties of the Commissioner, under RSA 21-J:3, relating to assessing:

- Provide general supervision over the administration of assessment and taxation laws of the state and over all assessing officers in the performance of their duties;
- Meet with, confer, advise and give necessary instructions and directions to local assessing officers as to their duties;
- Petition Board of Tax and Land Appeals (BTLA) to issue orders for reassessment of property; and
- Review and report each municipality's assessments once within every 5 years
- Assessment report
- Auditing authority

### Monitoring

Monitoring begins with a review of a contract to understand the assessing work occurring within the municipality and the personnel doing the work. Types of contracts include general assessing which is the day-to-day assessing work and does not require much monitoring and cyclical inspection work which is a measuring and listing process whereby an assessor is updating information on property record cards over at specified period of time and revaluation contracts. A list of personnel is required to be submitted with each contract and DRA reviews the list to make sure each individual is doing the work they are certified to do under the Asb rules. Monitoring depends on the type of contract. For cyclical inspections, the DRA does a random sample of the properties visited within the specified time-period; for revaluation contracts a random sample of sale properties. DRA is in the field reviewing, measuring, listing and verifying the information on each of those samples of properties.

### Assessment Review

Assessment review is a review of assessing practices and procedures within municipalities, occurring at least once every five years, to consider substantial compliance with applicable statutes and rules relating to levels of assessment and uniformity, assessment practices, exemption and credit procedures, and accuracy of data and proportionality within various property types.

The concern expressed relates to RSA 21-J:14-f, Certification Required. *“Every person, whether working individually, for a firm or corporation, or as a municipal employee, making appraisals of a municipality for tax assessment purposes, except elected officials making appraisals pursuant to RSA 75:1, shall be certified by the department according to rules adopted by the assessing standards board as provided in paragraph II. **Department of revenue administration employees shall be certified at the level appropriate to their duties.**”*

A discussion took place relating to the exception in RSA 21-J:14-f, “[...] *except elected officials making appraisals pursuant to RSA 75:1 [...]*,” and whether or not there are currently any municipalities whose selectmen or board of assessors are doing the assessing work and setting values and if so, should they be certified. While the selectmen and boards of assessors do grant or deny abatement requests, they do not participate in the actual process of setting values. The Assessing Reference Manual published by the ASB, is a good resource for selectmen and boards of assessors that explains what their role is and what their responsibilities are.

Rev 600 PROPERTY ASSESSMENT

Rev 601.35 “Monitoring” means the DRA’s:

- (a) **Review** of accuracy of appraisal work by inspecting, evaluating and testing in whole or in part of the data collected for the municipality by their appraiser(s);
- (b) **Review** of the appraiser(s) compliance with the terms of a contract or in-house work plan; and
- (c) **Review** that the appraisal work complies with all applicable statutes and rules.

The first part of the monitoring process is a review of the contract to determine the work being performed and the work that needs to be reviewed and monitored. Each type of contract has different criteria.

Rev 601 through 608 pertain to all assessing personnel. Rev 609 pertains specifically to DRA.

Rev 609 DRA MONITORING OF REVALUATIONS, PARTIAL UPDATES, OR CYCLICAL REVALUATIONS

In general, the DRA does not meet with towns and assessors when a general assessing contract is submitted. As this pertains to day-to-day assessing functions, the work is consistent and well established by either the town, assessor or both. However, the DRA may request a conference if it is found that requirements of a contract are not being completed.

DRA personnel will schedule a conference with a town, either in-person or on-line, when a contract for revaluation work has been submitted. The conference is generally held at the beginning of the revaluation attended by a DRA district supervisor or assessor; town officials and any other municipal personnel that may be involved and assessing personnel. It is important to note that a district supervisor is not the same as a DRA-certified assessor supervisor.

During a revaluation, the DRA will monitor a random sample of sale properties by measuring and listing the properties; reviewing the information on property record cards and noting any errors that may be found. Mr. Greene briefly described the monitoring sheets and categories used by the Department during the review. The Department then reports the collected information to the assessor (in-house or contract) and provides a minimum of 30-days for the opportunity to respond and a final letter is then sent to the town with the final results of the monitoring

The DRA uses a checklist to review USPAP reports to determine compliance with USPAP. A final letter documenting the process, requirements and results of the revaluation are provided to the municipality to keep on record until the next revaluation.

Mr. Greene reiterated DRA personnel do not set values; their duties include monitoring, reviewing, reporting, comparing, validating and testing to determine compliance with applicable statutes and rules and standards.

<b>Monitoring Work</b>	<b>Level of DRA-Certified Personnel</b>
Review Proposed Contract	Assessor
Review Contract; In-house Work Plan; Employee List, Insurance, Bonding	Assessor, Supervisor
Hold Start-up Meeting	Assessor Assistant, Assessor, Supervisor

Implement & Report on Field Card Monitoring	Any level
<b>Monitoring Work</b>	<b>Level of DRA-Certified Personnel</b>
Review Preliminary Analysis	Assessor, Supervisor
Attend and/or Report on Informal Hearings	Any level
Review USPAP Report for Compliance	Assessor, Supervisor
Perform Desk and Field Review Testing	Assessor, Supervisor
Provide Final Monitoring Report/Letter	Assessor Assistant, Assessor, Supervisor

Asb 300 Certification of Assessors

The duties of DRA personnel closely follow the duties outlined in Asb 304 Duties, but are ultimately reflective of the obligation to perform “assessing review” or “appraisal review” work. This applies to all DRA-certification levels.

Assessment Review

The DRA is performing reviews based on the standards of assessing practices and record keeping set by the ASB.

<b>Monitoring Work</b>	<b>Level of DRA-Certified Personnel</b>
Collect Municipal Data for Record Sampling	Any level
AR Meeting w/Town and/or Assessor	Assessor Assistant, Assessor, Supervisor
Perform Field Card Review for Accuracy of Data	Any level
Perform Inventory Field Card Review for Revised Inventory	Any level
Perform Field Reviews for Assessing Practices and Assessing Records	Assessor Assistant, Assessor, Supervisor
Identify USPAP Report Compliance	Assessor, Supervisor
Review Equalization Statistics	Assessor, Supervisor
Provide Assessment Review Letter and Report to ASB	Assessor, Supervisor

Mr. Greene provided a brief summary of the current DRA staff of 12 who monitor mass appraisals and perform assessment review. All personnel are DRA-certified; two hold an NHAAO CNHA, six hold or have held, licenses with the NH REAB, seven have worked for in-house assessor or assessing contractors, one has worked as a municipal assessing clerk and two have come into property appraisal without any assessing background but have been trained and certified as building measurer and listers. The various backgrounds and experiences are shared and enhance the knowledge of the DRA personnel as they continue to learn and apply appraisal knowledge and practices.

Discussion followed about whether or not DRA employees require assessor certification to perform their work. It was pointed out that to review the work being performed by assessors, it was important DRA personnel have similar appraisal knowledge and experience to complete their work. Many employees have acquired certification levels prior to working at the DRA. There are some limitations to gaining higher certifications when working with the Department as they are not establishing values however they can and do meet other field and education requirements. Concern was reiterated about DRA employees leaving to work in municipalities and performing tasks they could not have attained

by working at DRA and the lack of opportunities for any individual to attain the experience of defending values at DRA or superior court. The point was also made that no individual, DRA employee or other, prior to attaining the property assessor supervisor designation has set a value.

A brief conversation followed about the difference between DRA certification levels and state job titles including district supervisors versus property assessor supervisors and real estate appraisers versus assessors. It was stated that one designation is not contingent on the other. All DRA employees in the property bureau are DRA-certified at various levels. It was pointed out that having knowledge of assessing practices and procedures does not require certification.

### Legislation

The checklist relating to moving the ASB to the OPLC provided to Administrative Rules to be drafted into legislative language has been assigned. Once drafted, there will be several opportunities to review and suggest changes.

House Bill 411 relating to the study commission on equalization will be meeting in February 2022.

A brief discussion about the Board's responsibilities relating to equalization; and statutory change relating to how utilities are equalized from using DRA values to using the values reported on the MS-1 by municipalities; and new legislation changing how PILOTs are equalized and what ratios are applied.

### Other Business

Mr. Gagne brought forward a court decision relating to when a data correction or change may be applied to an assessment and brought to light an issue in RSA 75:8 Revised Inventory. It appears that when RSA 75:8 was revised, an important concept was left out creating an alternative interpretation of the statute referenced in the court decision.

The previous version of RSA 75:8 I., stated in part, “[...] shall reappraise all such real estate as has changed in value in the year next preceding, and shall correct all errors that they find in the then existing appraisal [...]”

The current version of RSA 75:8 I., states in part, “Annually, and in accordance with state assessing guidelines, the assessors and selectmen shall adjust assessments to reflect changes, so that all assessments are reasonably proportional within that municipality [...]”

It is unclear if the omission was intentional or not however Mr. Gagne felt the Board should consider the following change despite the outcome of the court decision, which is under appeal.

RSA 75:8 I. “Annually, and in accordance with state assessing guidelines, the assessors and selectmen shall adjust assessments to reflect changes and shall correct all errors that they find in the existing appraisal, so that all assessments are reasonably proportional within that municipality [...]”

After a very brief discussion, it was agreed there was high importance on this decision and it was suggested that Mr. Haley be asked to review and provide his recommendation on whether or not the Board should move forward with the proposed statutory change. Mr. Gerry will consult with the Commissioner, Attorney Roth and Mr. Haley and notify the chair and vice-chair of the information provided.

Public Forum

Wednesday, November 17, 2021 at 10:45 a.m. at the  
NH Municipal Conference at the DoubleTree by Hilton  
700 Elm Street, Manchester NH

Mr. Gerry *motioned to adjourn*; Representative Schmidt *seconded the motion*.

Chair Patten adjourned the meeting at 11:58 a.m.

Respectfully submitted,

Stephanie Martel, ASB Clerk  
Municipal and Property Division  
NH Department of Revenue Administration

All meetings are recorded and available upon request.

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

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In writing to:  
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