

Assessing Standards Board Regular Board Meeting

Approved as written

DATE: April 14, 2023

TIME: 9:30 p.m.

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

BOARD MEMBERS

(E) Excused absence.

Senator James Gray

Senator Rebecca Perkins-Kwoka *(E)*

Representative Peter Schmidt *(E)*

Representative Joe Guthrie

Betsey Patten, Public Member, Chair

Robert Gagne, NHAAO, City Official

Sam Greene, NHDRA Commissioner, Designee

Jim Wheeler, Municipal Official, City, Designee

Vacant, Municipal Official, Towns >3,000

Robert Edwards, Municipal Official, <3,000

David Marazoff, NHAAO, At-Large Member *(E)*

Loren Martin, NHAAO, Towns, <3,000

Joe Lessard, NHAAO, Towns >3,000 *(E)*

Tom Thomson, Public Member

Vacant, Public Member

MEMBERS of the PUBLIC

Stephanie Shurtleff, Preti Flaherty

Chair Patten convened the meeting at 9:35 a.m.

Introductions of the Board and members of the public followed. The Board welcomed Representative Joe Guthrie.

Minutes

Mr. Gagne ***motioned to accept the minutes of the March 31, 2023, regular board meeting***; Mr. Edwards ***seconded the motion***. No Discussion. Chair Patten called the motion to approve the minutes of March 31, 2023, as written. Representative Guthrie abstained. All others approved. ***Motion passed with majority vote.***

2022 Annual Report

Mr. Gagne ***motioned to accept the revised annual report for 2022***; Ms. Martin ***seconded the motion***. There was a correction in bullet three to add the “1” to the second reference of HB 552. No further changes or discussion. Chair Patten called the motion to approve the amended annual report. ***Motion passed unanimously.*** The report will be distributed to the Governor, President of the Senate, Speaker of the House, Senate and House Clerks and the State Library. It will also be posted on the Department’s website on the Assessing Standards Board page.

There was a question about whether the public forum notes from 2022 had been accepted by the Board. They had been presented however there was no record found in previous meeting minutes. Senator Gray ***motioned to accept the notes from the November 17, 2022, public forums***; Mr. Gagne ***seconded the motion***. Chair Patten called the motion. ***Motion passed unanimously.***

Equalization Subcommittee

Mr. Gagne reported the subcommittee met on April 10, and voted to recommend the following changes to the Equalization Manual. Mr. Gagne ***motioned for the following changes to be approved by the full Board, effective for the next equalization year:***

- ***Section 3.03.01 (b) 3. To increase the threshold for providing an explanation for a change in value from \$3,000 to \$5,000 and***
- ***Section 3.05.04 (c) to change the threshold for which value is used from \$3,000 to \$5,000.***

Ms. Martin ***seconded the motion.*** It was noted that Mrs. Kennedy of the DRA Equalization Bureau agreed with the proposed changes. Chair Patten called the motion. ***Motion passed unanimously.***

Ms. Martin ***motioned to approve the Equalization Manual for 2023, with approved changes;*** Mr. Wheeler ***seconded the motion.*** Chair Patten called the motion. ***Motion passed unanimously.***

Mr. Gagne reported the subcommittee had another discussion and voted to recommend changing the method utilized for rounding in the calculation of equalization statistics from banker's rounding to standard rounding in the next system update. Standard rounding uses the simple, consistent method of rounding down when a number ends in 1 through 4 and rounding up if 5 or above. There were a couple of explanations for banker's rounding that involved alternating values based on odd and even numbers. Mr. Greene added when the DRA implemented the new system, Axiomatic was directed to use the same the rounding system as the previous system, which was banker's rounding. He added there did not appear to be any reason not to make the change in the next system upgrade.

Ms. Martin ***motioned to recommend the method of rounding for calculating equalization statistics to be changed to standard rounding in the next system upgrade;*** Mr. Wheeler ***seconded the motion.*** Mr. Gagne clarified when the upgrade of the Department's system was due, which had been stated in a year or two. In the year of the change, notice would be provided to the municipalities of the change. No further discussion. Chair Patten called the motion. ***Motion passed unanimously.***

Mr. Gagne noted he will be calling a subcommittee meeting later this year to discuss the treatment of sales with personal property and whether or not they should be excluded.

Subcommittee to Review Assessment Review Standards

Mr. Edwards reported the subcommittee took a final look at the suggested edits and changes that were submitted at the last full board meeting. The final proposed recommended changes were provided to the Board for review. Mr. Edwards asked for any further comments or suggestions. There were none.

Mr. Gagne ***motioned to accept the subcommittee's recommendations for the Standards for Monitoring of Local Assessment Practices by the Department of Revenue Administration, as provided on April 14, 2023, and approve for the next five-year assessment review cycle;*** Ms. Martin ***seconded the motion.*** No discussion. Chair Patten thanked the committee for their work. Mr. Edwards thanked Chair Patten for the opportunity and considered this a good learning experience. Chair Patten called the motion. ***Motion passed unanimously.***

Mr. Edwards asked how this information will be distributed. Mr. Greene explained the information will be posted on the Department's website on the Assessment Review page. He added an Assessment Review mini course is being created to hold in May and another up North within the same week or two to educate municipalities going through assessment review this year. The DRA also meets individually with the municipalities in the year of a revaluation and assessment review and for those the DRA has already met with, another meeting will be scheduled to go over the changes.

Legislative Update

Chair Patten distributed copies the letter she submitted to the Senators and Representatives and Director Lindsay Courtney, stating the Board's opposition to the proposed changes is HB2 (and HB655) relating to the ACB and continue to support the language in HB1552.

Mr. Wheeler reported HB202, relating to the ratio used for abatements, was retained to get a better understanding of the proposal, process and impact.

There was also a development relating to the previous HB410 study commission. Mr. Wheeler explained the HB 410 study commission was formed to study the reporting requirements and method of valuation of utility power generation facilities. The commission held several meetings however did not complete its work. There is current legislation to re-form and continue the commission's work however during discussions, an idea had been proposed to remove power generation facilities from RSA 83-F. The association representing power generation facilities has taken that idea and is seeking to add language to HB2 to remove the valuation of power generation facilities from RSA 83-F and the \$6.60 utility tax to be taxed at the state-wide education property tax (SWEPT) rate, which is significantly lower. Mr. Wheeler suggested a big issue with the idea is that it has not been studied and the impact and potential unintended consequences is unknown.

Mr. Gagne suggested the power generators want this, so they pay a lower rate, but this is also a way to divide and conquer. Currently the DRA, is getting all the information necessary from the power generators to value these properties, municipalities are not and cannot get the same information. He questioned whether there would be a statutory change to address that? There was also no fiscal note included with the proposed legislation which, due the amount of revenue at stake, it should.

Correspondence

Chair Patten introduced correspondence received from Matt Jancar and read it into the record.

To the Assessing Standards Board:

I am a property owner in Mont Vernon. A representative of Commerford Nieder Perkins, LLC contacted me on March 22 to request access to my property. I expressly denied access and asked that I not be contacted in the future. The representative of CNP acknowledged and confirmed both requests.

On March 27, an employee of CNP accessed my property, driving past several posted No Trespassing signs, through an entrance gate that was temporarily open for a service visit, continued up my entire driveway, parked near my residence and garage, then exited the vehicle for several minutes. The employee then reentered the vehicle and drove further into the back section of my property and encountered my caretaker, who demanded that the CNP employee leave immediately. The employee did not comply.

I have several security cameras that captured extensive video footage of this incident, which has been provided to Chief Slavin of the Mont Vernon Police Department.

Chief Slavin recommended that I contact you to seek guidance on what recourse is available to me as the result of this incident and to inquire about the procedures for filing a formal complaint against CNP.

Thank you for guidance and assistance with this matter.

Sincerely,
Matt Jancar

Chair Patten mentioned the topic of no trespassing signs was discussed during the subcommittee meetings. Ms. Martin stated if a property owner has not notified her company to stay off their property, and the property is posted, her staff will go to the door to seek permission, as directed by their attorney, and if they are not home, they leave. Due to the increase of properties being posted, her company notifies owners they will be coming out to their property, and they now have the option to opt out. Any options to not visit or visit by appointment only are noted on the property record card. This means they will have to estimate to the best of their ability and there are now various ways to gather information.

Mr. Greene stated the Department has responded to the e-mail, completed a preliminary review and the investigation is still in process. The DRA responded to the individual that they could file a PA-71 against the individual and file a complaint with the NHAAO. The Board agreed their response would have been to file a PA-71 and notify the local police department.

Mr. Thomson questioned whether towns not using inventory forms creates some of this issue. It was suggested it does not. There are various tools available to assessors to do their job and it is ultimately the property owner's responsibility to make sure their information is correct.

Meeting Schedule

Next meeting will be at the Call of the Chair.

Mr. Gagne ***motioned to adjourn***; Mr. Greene ***seconded the motion***. ***Motion passed unanimously.***

Chair Patten adjourned the meeting at 11:00 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:

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

In person at:
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In writing to:
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