

Summer 2017

VALA Newsletter

Calling all Members!!!

Now is the time to renew your VALA membership. The VALA membership year runs from July 1st through June 30th. You might have noticed some recent changes in the VALA membership process. In response to member requests, invoices for membership renewal AND registration for the annual conference have been combined into one form and have been mailed to members. Invoicing was done this way to facilitate the processes for the VALA Membership Coordinator, the VALA Annual Conference Attendance Coordinator, and the Members themselves. The new process will make it quicker and easier for the Municipal Treasurer to process both items with just one bill, saving time, postage and trees. Invoicing was timed so changes to municipal assessing officials could be made and the invoice submitted to your treasurer for payment in the fiscal year beginning July 1st. If you or your municipality would prefer to process each item separately you can download the membership/annual conference registration form from the website at <http://www.valavt.org/2017-membership-draft-final-posted-on-website/>.

I urge you to renew your membership! I have been a lister for 18 years and a VALA member for 3. I was reluctant to join but my county rep said to me, "Come to our next meeting and listen and see what we're doing." I went, saw some familiar faces, heard some familiar problems and complaints. Then I learned what VALA, PVR and NEMRC were doing to resolve those problems and complaints as well as learning what VALA, PVR, NEMRC and the legislature had planned and how VALA is guiding those plans. I've met and gotten to interact with a great group of people. I am glad I joined!

Val Almosnino
VALA Membership Coordinator



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Legislative session 2017

VALA was there!

While not direct, the 2017 Miscellaneous Tax Bill has an impact to Listers & Assessors.

We are all aware of the Municipal impact of valuation appeals that progress past the Board of Civil Authority (BCA). Listers & Assessors strive to find fair and equitable valuation solutions while Governing Bodies lead with the pocket book. Appeals past the BCA tend to get expensive but most of all the decision to continue the appeal is switched from the Listers & Assessors to the Governing Body and therefore becomes a financial decision. At risk during these appeals is a refund of tax dollars due to a reduction in value, a refund of not only the Municipal taxes, but the Education taxes as well. Yes, up to this year Municipalities were required to refund the reduction in Education tax dollars out of the Municipal budget (there was one almost impossible exception). Worse yet, the Municipality was required to fund the entire legal costs. The 2017 Miscellaneous Tax Bill made changes which alter the tax and legal liability to a certain extent. The new language can be viewed within the Miscellaneous Tax Bill via the VALA Website at <http://www.valavt.org/articles/2017/06/h-516-as-passed-by-both-house-senate-2017/>.

The concept of the state sharing in appeal outcomes has been gathering momentum for a few years. There have been several large impact appeals that have brought to light the need for an improved shared responsibility between towns and the state.

While VALA was instrumental in facilitating these changes, our work is not done. VALA will continue to work on increasing the State refund cap as well as participating in a study committee to determine how the state might best contribute to the costs of litigation during appeals.

The Legislative Committee spent many hours at the State House and in local meetings on this. VALA especially appreciates the work of Bill Hinman, Todd LeBlanc, Randy Viens, Camilla Roberts. There were several champion Legislators who worked with VALA on this: Ginny Lyons, Maida Townsend, Matt Trieber, and Jeanette White.

Then there are the bills that did not pass. There were a few...VALA provided testimony on several ideas that were floated in committees that needed some reality checks! We assessment folks who work in the trenches sometimes know a thing or two that helps to shed light on the proposals that legislators must sort out. It is just as important to be there to avoid poor legislation as it is to work hard to promote a bill that we know is needed!

VALA is also working on making improvements to the Equalization Study process. This may be done with PVR and not require legislation. But we continue to work on several ways to improve the study and gain a more reliable CLA for towns. There is information on this at the VALA website at <http://www.valavt.org/eq-recommendations-approved-2016-annual-meeting-002/>

Tom Vickery and the Town Stowe has been working hard to promote the changes that the VALA membership approved at the 2016 annual meeting.

VALA also supports improvements to the process of state hearings of appeals, to be more efficient especially. We continue to follow this goal with PVR.



Reappraisal trends in VT

VALA members are continually evaluating data in the name of fairness & equity. One way to do this is to analysis trends. We asked PVR for some data on reappraisals in general and here is what they had to say.

Questions are in black and responses in red.

Note for all info provided below:

2016 counts Essex UTG as 6 towns,
2017 assumes all completions as scheduled

On average how long in years are towns going between town-wide reappraisals?

How many towns per year are reappraising?
Partial or statistical?
What is the trend?

	Full	Partial	Statistical	Total
2017	15	1	1	17
2016	21	1	1	23
2015	9		2	11
2014	16		1	17
2013	14	5	1	20
2012	17	4		21
2011	16	6	1	23

	Total Reappraisals (all types)	Reappraisals with Date of previous reappraisal	Average Years since last reappraisal
2017	17	17	8.3
2016	23	23	7.1
2015	11	11	7.7
2014	17	17	6.6
2013	20	19	5.6
2012	21	20	6.2
2011	23	19	5.1

Is it the COD or the CLA that triggers a reappraisal more often? COD

Any numbers on that?

Starting in 2014, all Reappraisal Orders have been issued due to COD > 20.

Starting in 2014, all towns have maintained a CLA > 80

Do many towns reappraise prior to being mandated to do so by PVR? Yes

How many towns are doing in-house reappraisals this year? 8 out of 17

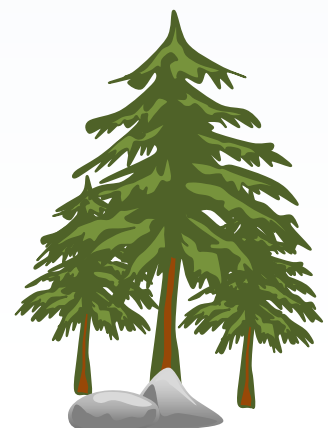
	Own Initiative	Due to Reappraisal Order	TOTAL REAPPRAISALS		In-house	Contractor	TOTAL
2017	12	5	17	2017	8	9	17
2016	20	3	23	2016	13	10	23
2015	7	4	11	2015	5	6	11
2014	11	6	17	2014	9	8	17

Considering it is possible to "fail" the three PVR tests of a reappraisal, how often does that happen per year? Rarely

How many in the last five years? 1 in last 3 years. No compilations beyond that.

Any other perspectives from PVR on overall reappraisal picture?

While the problem in the past had been municipalities with low CLAs, the issue now is more appropriately framed in terms of the number of municipalities with CLAs more than 100%. In 2016, a total of 159 municipalities or 62% of Vermont municipalities had a CLA over 100%. This is a concern not only in terms of appraisal accuracy, but also as a potential legal issue. Grand list valuations should not exceed 100% of fair market value. It is reasonable to see some minor variation around the 100% mark because markets are dynamic, and the evaluation and reporting of the grand list is a snapshot at a specific time. Given the significance of the issue, it is especially concerning that in 2016 there were 29 municipalities with CLAs more than 110%.





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