
WA 24**Property Revaluation Plan**

To see if the town will vote to raise and appropriate the sum of \$11,000 each year over a 5 year period for the purpose of conducting a cyclical revaluation of every property in Town, with \$1,800 to come from the Revaluation Capital Reserve Fund each year, and the remainder to come from taxes. Recommended by the Select Board.

Town Revaluation Options:

Towns are required by law to have a revaluation completed once in every 5 year period. There are 3 different ways in which we could opt to meet that requirement:

Option #1: Statistical Revaluation:

Pros: Cheapest

Cons: Least Accurate/Property Data Not Verified

Process: On the 5th year in a five year period, a DRA licensed appraisal firm reviews the properties that were sold within that year, if there weren't enough sold that year to provide a good percentage they may include the last few of the previous year, those sales are analyzed statistically and a math equation is used to take all of the other parcel evaluation values in town and raise or lower them in accordance with how those properties evaluated at the time of sale. This process does include a drive by field review which provides a brief glance intended to see any glaringly obvious discrepancies from the tax card on file.

Process Explanation from KRT: The NH Department of Revenue (DRA) requires that every Municipality in NH complete a Statistical Revaluation at least every five years. The NH DRA defines a Statistical Revaluation as "the process of a revaluation of all taxable and nontaxable properties in a Municipality, using existing property data, to arrive at full and true value as of April 1". This process would update all property assessments to the current market value as of April 1, 2026 using the existing property data on file. All sales that occur in Landaff at least one year prior to the date of value will be visited to verify the property data and conditions of the sale. A drive by field review is performed to check for glaring data and value discrepancies. The goal is to update the assessments to market value using the existing property data on file.

Cost: Approximately \$18,000.00 in 2026

Option #2: Cyclical Revaluation:

Pros: Highest Accuracy/Cost Benefit

Cons: Takes 5 years, More Expensive than Statistical

Process Explanation from KRT: The NH DRA defines a Cyclical Revaluation as "the revaluation of all taxable and nontaxable properties in a Municipality, combining a complete measure and listing of all taxable and non-taxable properties over time and updating an establishment of the new base year, to arrive at full and true value as of April 1". A Cyclical Revaluation includes updating all assessments as described in Option #1 above but adds data verification of all parcels annually over a period of time. In this case 1/5 of all 550 parcels will be visited annually beginning in 2022 and be completed by 2026. Once the data collection is complete, the values will be updated using the most current property data.

Cost: Approximately \$55,000.00 distributed over 5 years

Warrant Article Proposition:

$\$55,000/5 \text{ years} = \$11,000 \text{ per year}$

Would not need to put \$5,000 in statistical reval fund for those 5 years so could discontinue that \$5,000

Statistical Revaluation Fund Current Balance \$9,000+ If the long-term plan was possibly to do one round of cyclical revaluation and then a statistical revaluation for the next round and either alternate or every 3rd then there would be time to build this fund back up, so this \$9,000 could be distributed over the 5 years of the cyclical reval at approximately \$1800.00 per year to help offset the \$11,000

$\$11,000 - \$1800 = \$9,200$ then if you calculate that the additional 5000 wouldn't get added back to the fund the additional tax burden over usual for the revaluation expense would be \$4,200.00

Option #3: Full Revaluation:

Pros: All Parcels Visited and Valued in One Year

Cons: Most Expensive/Costs Not Spread Out Over Time

Process Explanation from KRT: The NH DRA defines a Full Revaluation as “the revaluation of all taxable and nontaxable properties in a Municipality, combining a complete measure and listing of all taxable and nontaxable properties to occur at the same time as the establishment of the new base year, to arrive at full and true value as of April 1.” All work, the data verification and valuation, would occur in the fifth year of the cycle (2026).

Cost: Approximately \$55,000 in or by the year 2026