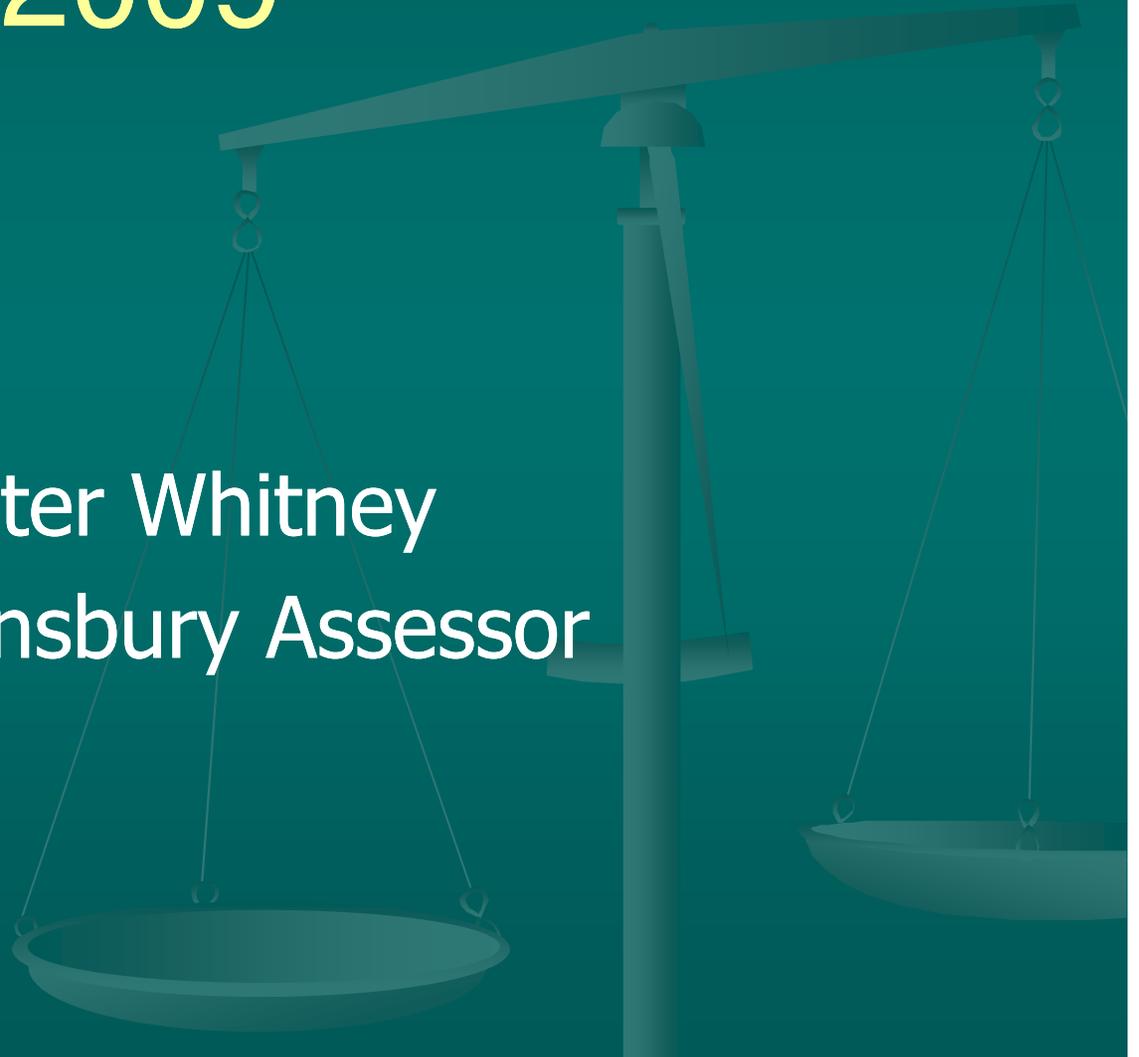


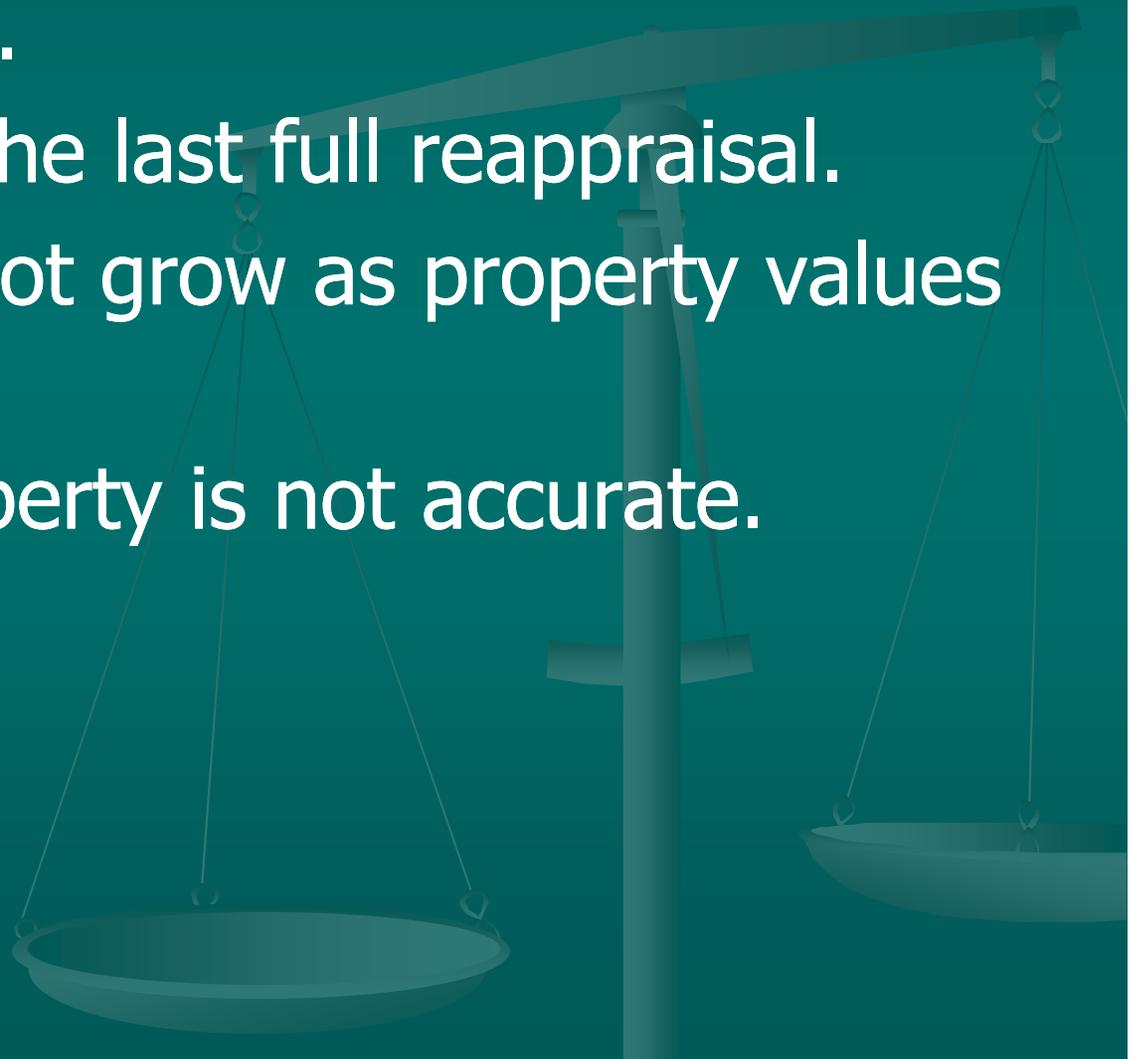
# Town Wide Reappraisal 2009

Peter Whitney  
St Johnsbury Assessor

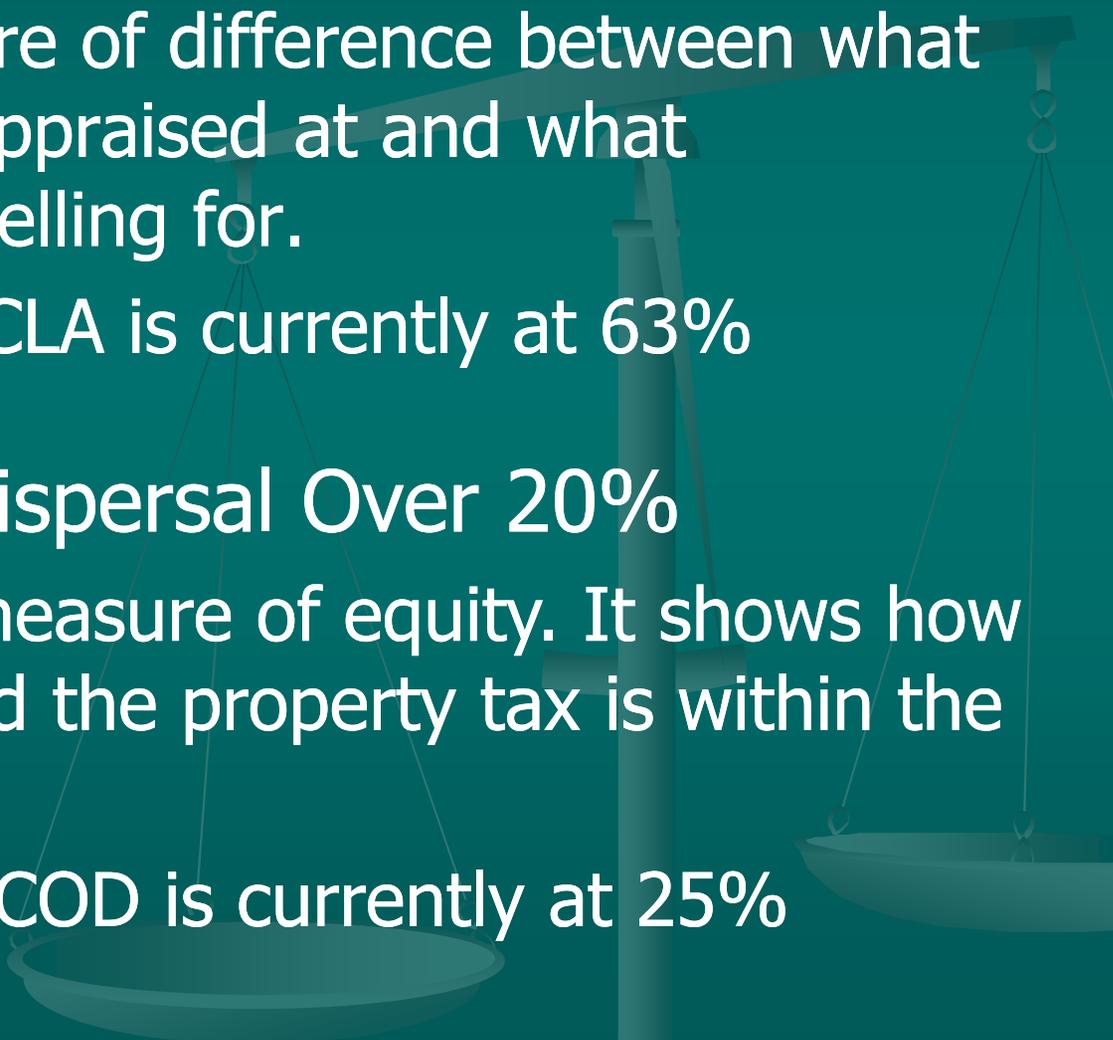


# Why Reappraise?

- State Mandated.
- 16 years since the last full reappraisal.
- Grand List did not grow as property values grew.
- Data about property is not accurate.
- Equity.

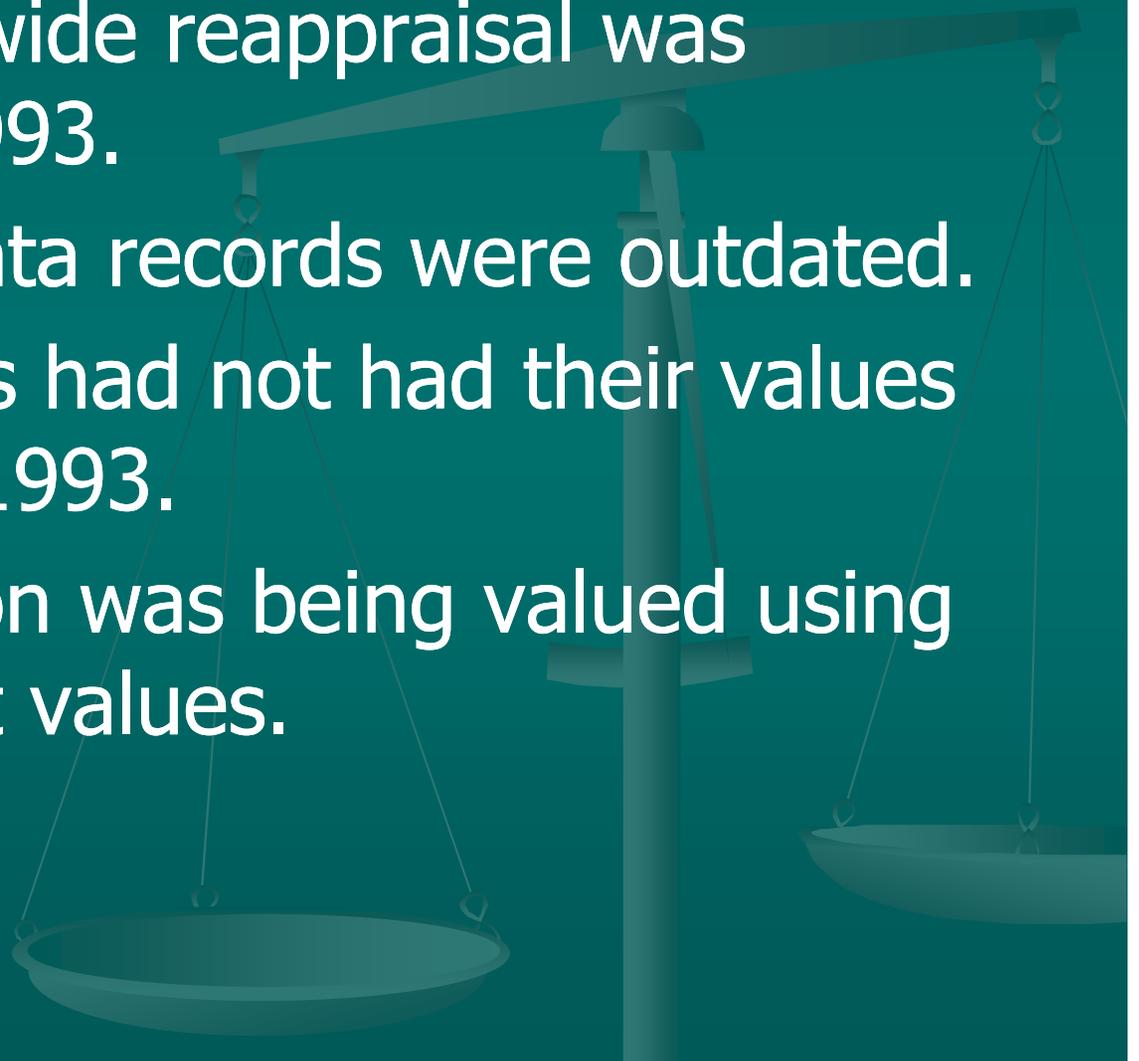


# State Mandate

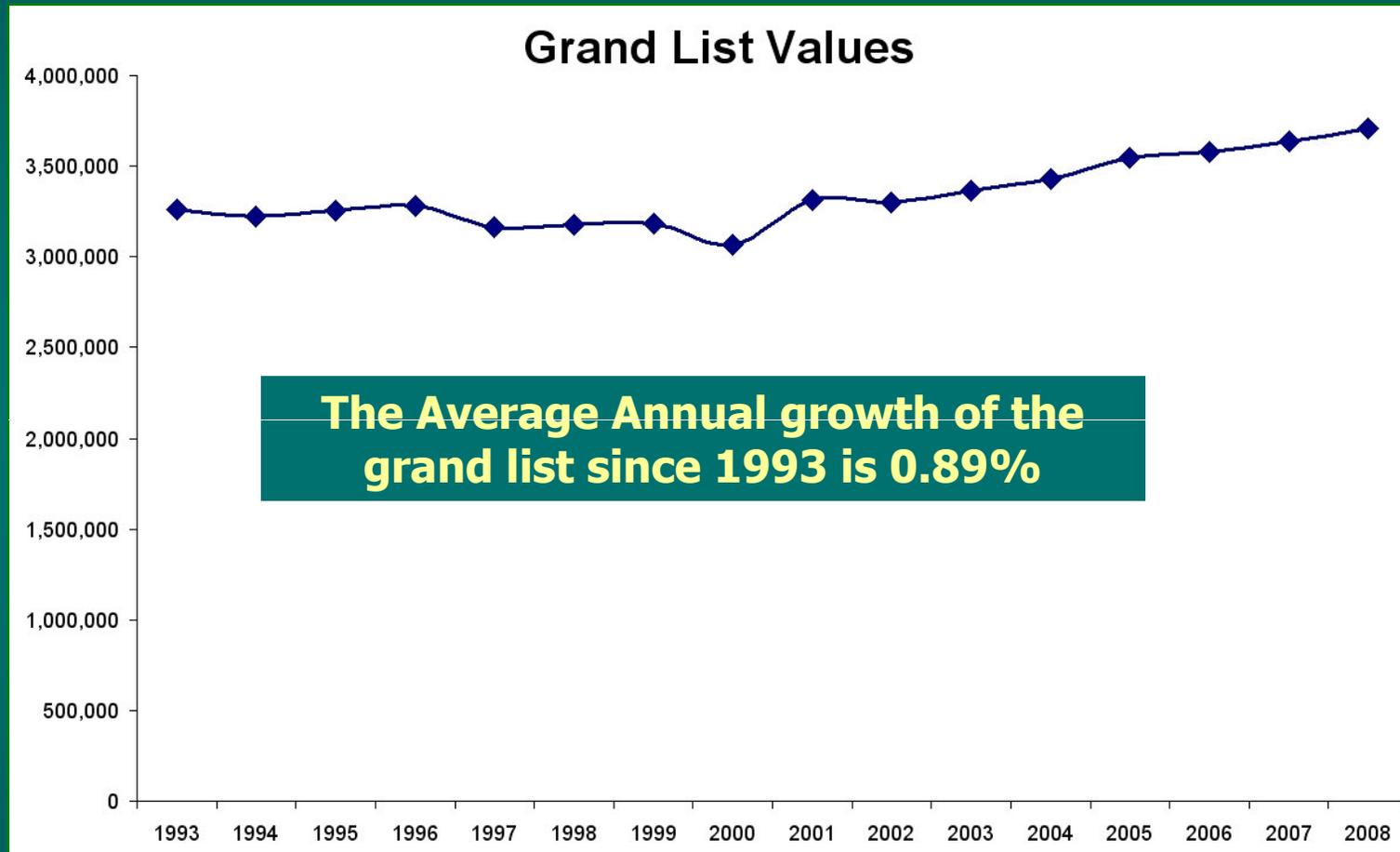
- Common Level of Appraisal under 80%
    - This is a measure of difference between what all property is appraised at and what properties are selling for.
    - St Johnsbury's CLA is currently at 63%
  - Coefficient of Dispersion Over 20%
    - The COD is a measure of equity. It shows how fairly distributed the property tax is within the town.
    - St Johnsbury's COD is currently at 25%
- 

# 16 Years?

- The Last town wide reappraisal was completed in 1993.
- The property data records were outdated.
- Some properties had not had their values adjusted since 1993.
- New construction was being valued using 15 year old cost values.



# Growth of the Grand List



# Equity

A reappraisal levels the tax burden across all property owners.

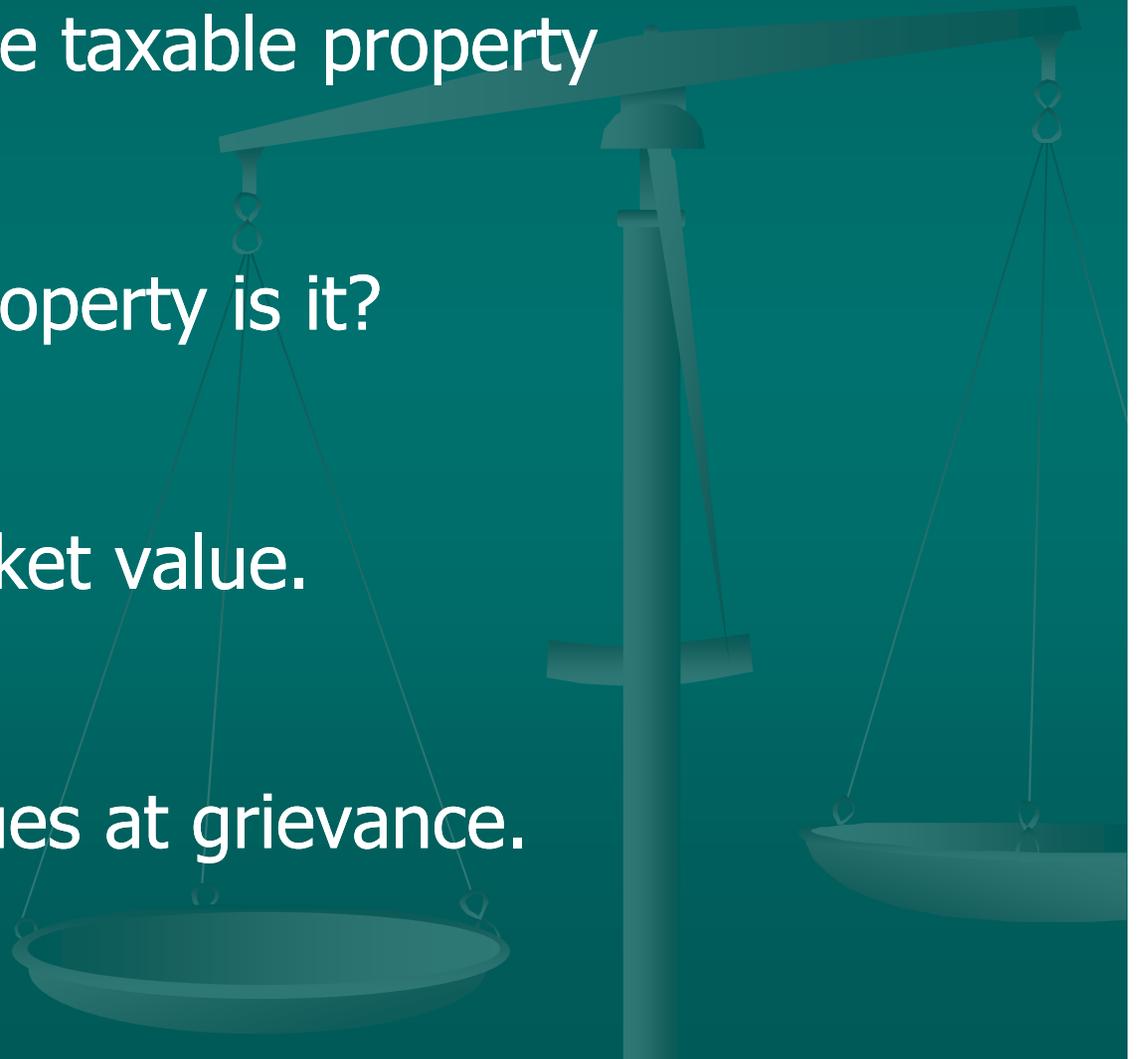


# Data about property was not accurate

- Updates to buildings that do not require permits.
  - Parts of buildings that have deteriorated or were taken down.
  - Following up on old permits that were never completed.
  - Number of apartments in apartment buildings.
  - Additions, decks and buildings built without permits.
- 

# Basic overview of the Process

- Discovery
  - Finding all of the taxable property
- Category
  - What kind of property is it?
- Value
  - Establish a market value.
- Defend
  - Defend the values at grievance.



# Discovery

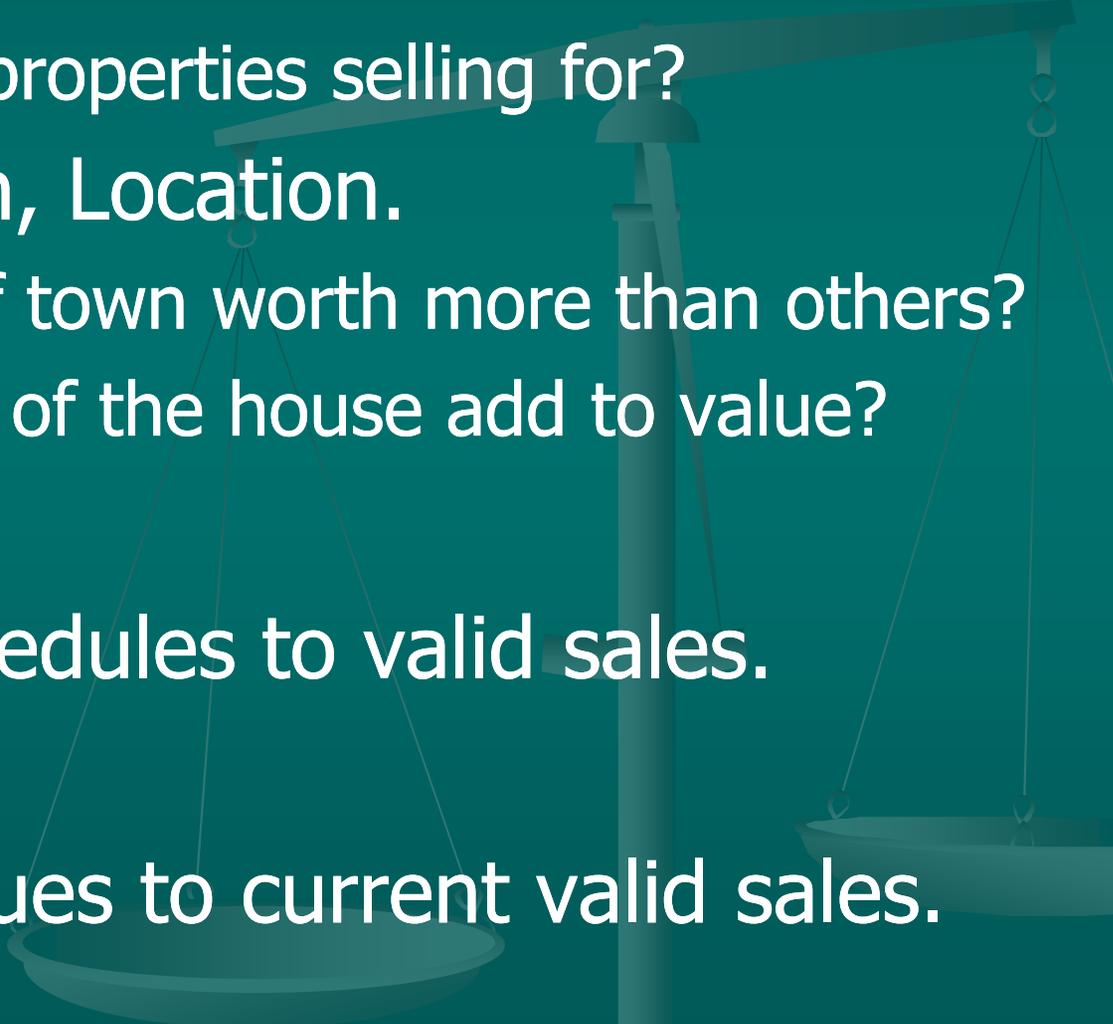
- Permits
- New Construction
- Drive around

# Category

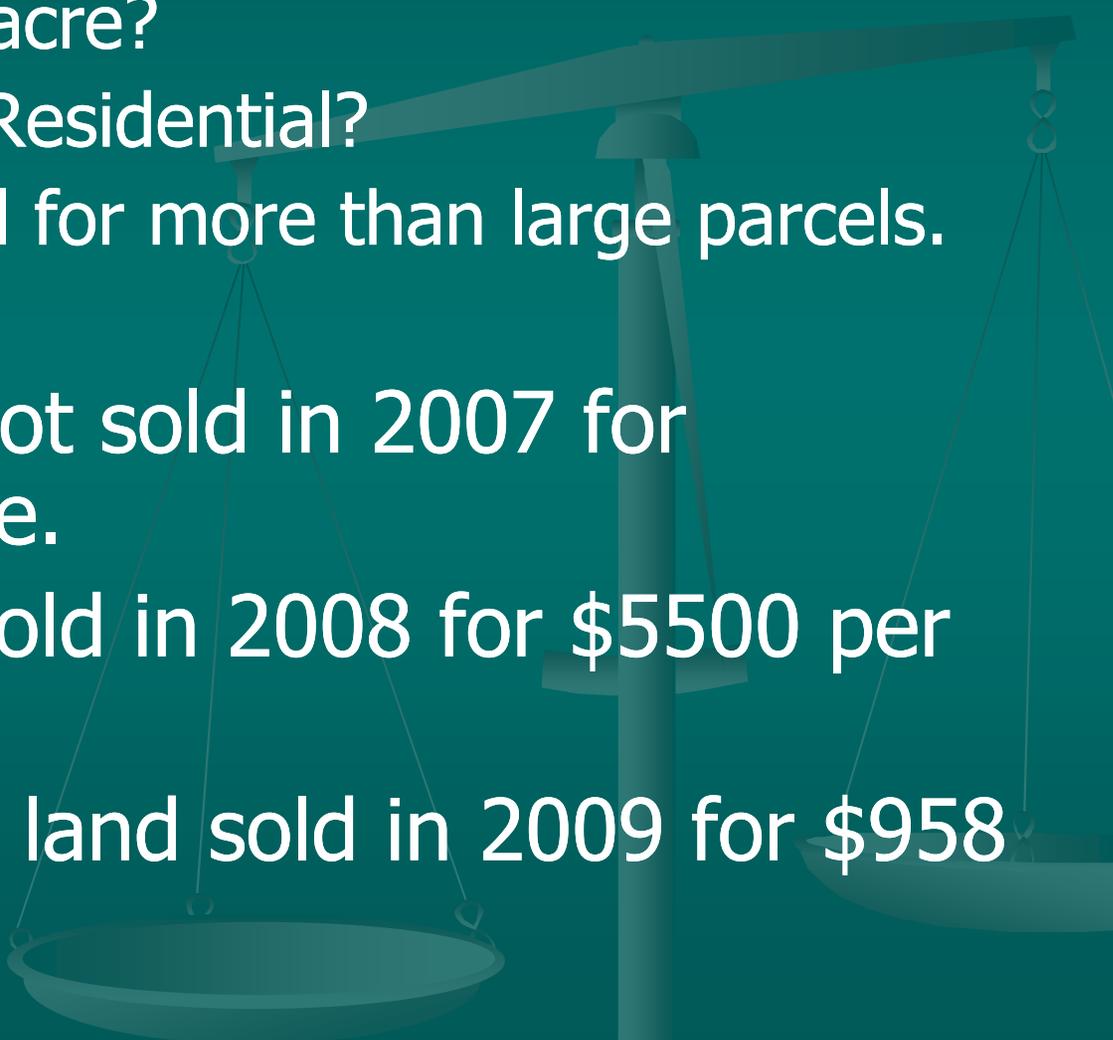
- Single Family – multifamily?
- Commercial Office or Store?
- Industrial?
- Vacant land?



# Value.

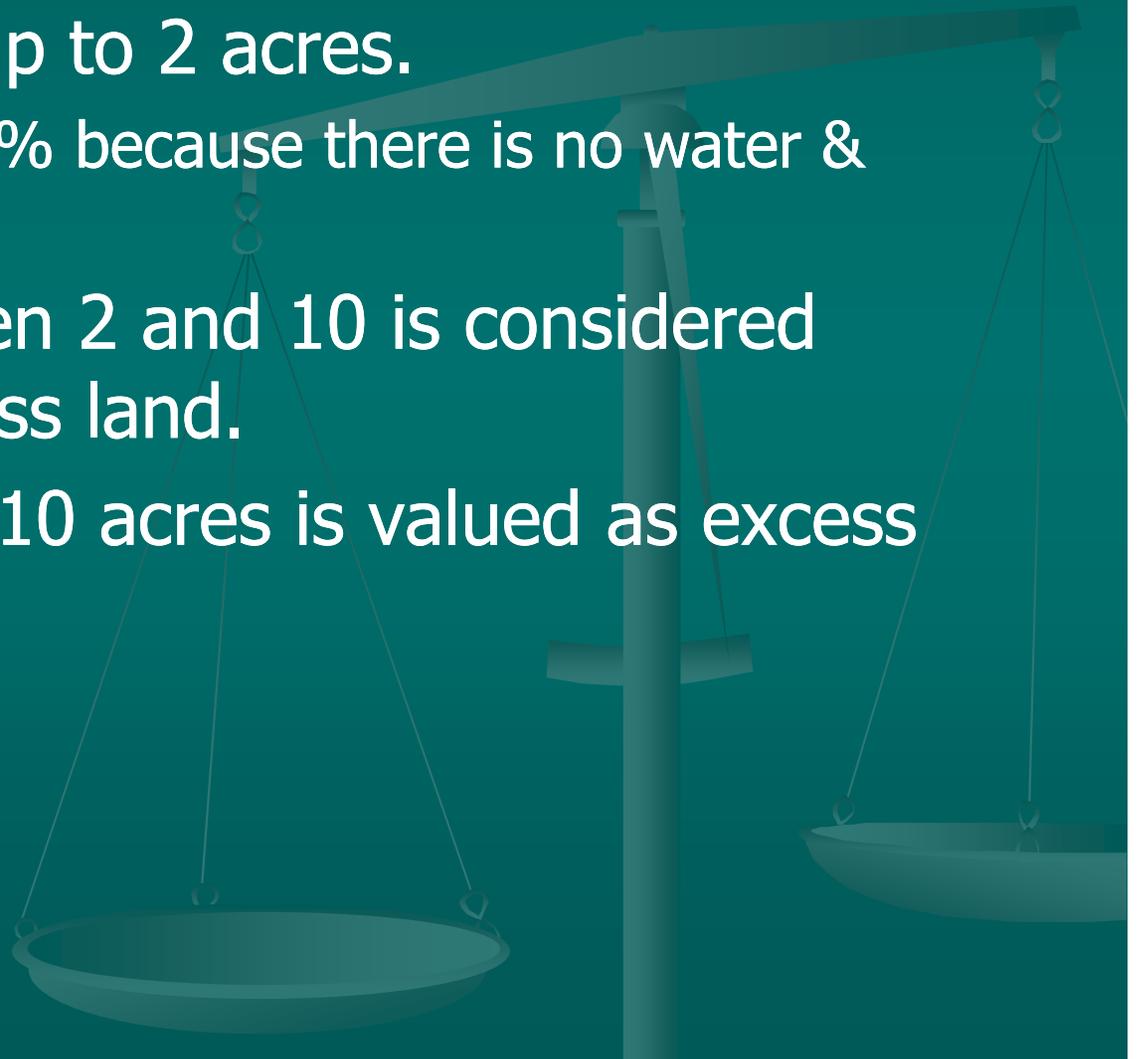
- Sales, Sales, Sales.
    - What are similar properties selling for?
  - Location, Location, Location.
    - Are some parts of town worth more than others?
    - Does the location of the house add to value?
  - Calibrate cost schedules to valid sales.
  - Calibrate land values to current valid sales.
- 

# Land

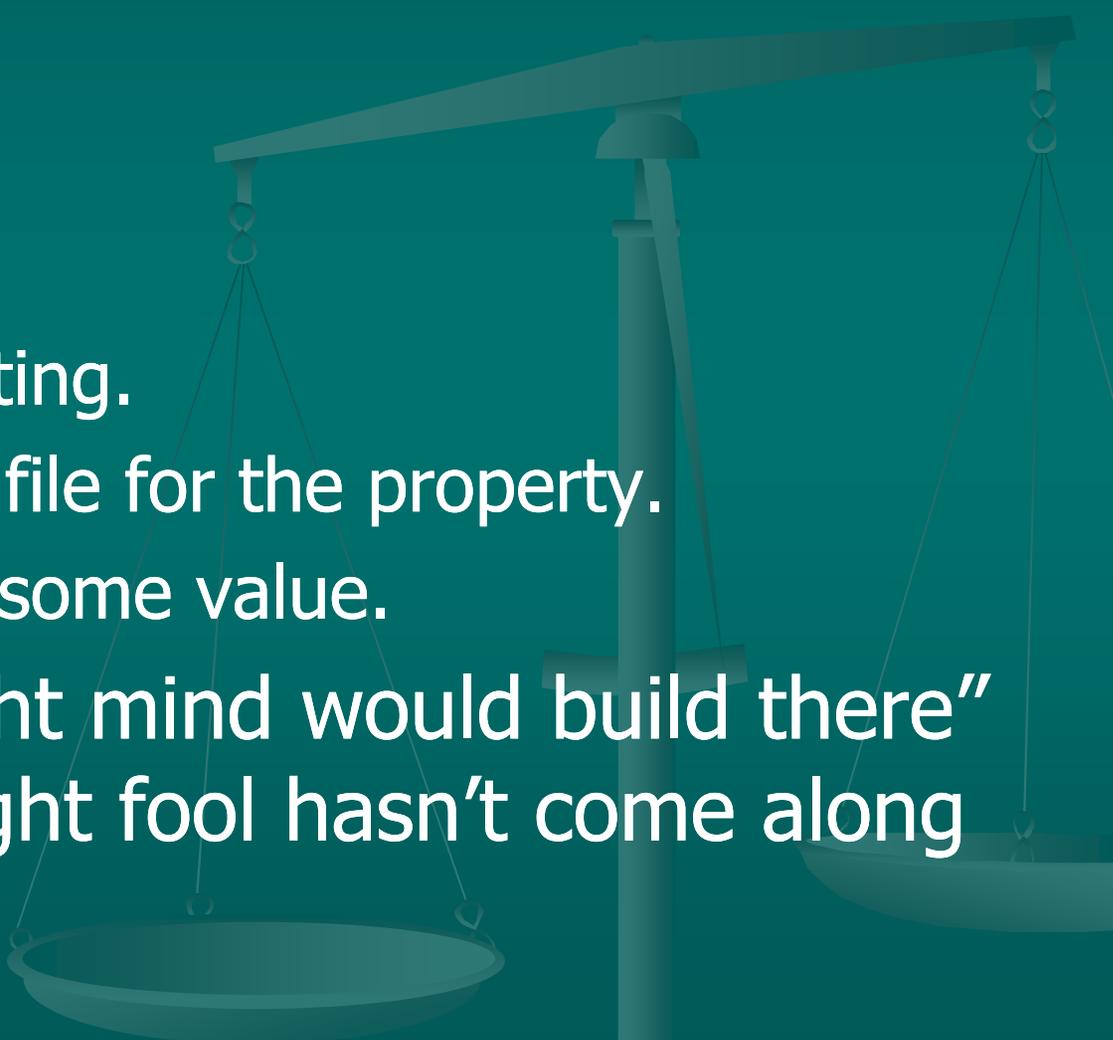
- We reviewed sales of Vacant Land
    - How much per acre?
    - Commercial or Residential?
    - Building lots sell for more than large parcels.
  - 6 acre building lot sold in 2007 for \$12,321 per acre.
  - 20 acre parcel sold in 2008 for \$5500 per acre.
  - 300 acre vacant land sold in 2009 for \$958 per acre.
- 

# Vacant Land

- Each vacant parcel of land has a site value
  - A site value is up to 2 acres.
    - Adjusted by 20% because there is no water & septic.
  - Acreage between 2 and 10 is considered residential excess land.
  - Acreage above 10 acres is valued as excess acreage.



# Lot Not-Buildable?

- Who determined that the lot was unbuildable?
    - State?
    - Zoning?
    - Access issues?
    - I need that in writing.
    - It will go into the file for the property.
    - The land still has some value.
  - “No fool in his right mind would build there” just means the right fool hasn’t come along yet.
- 

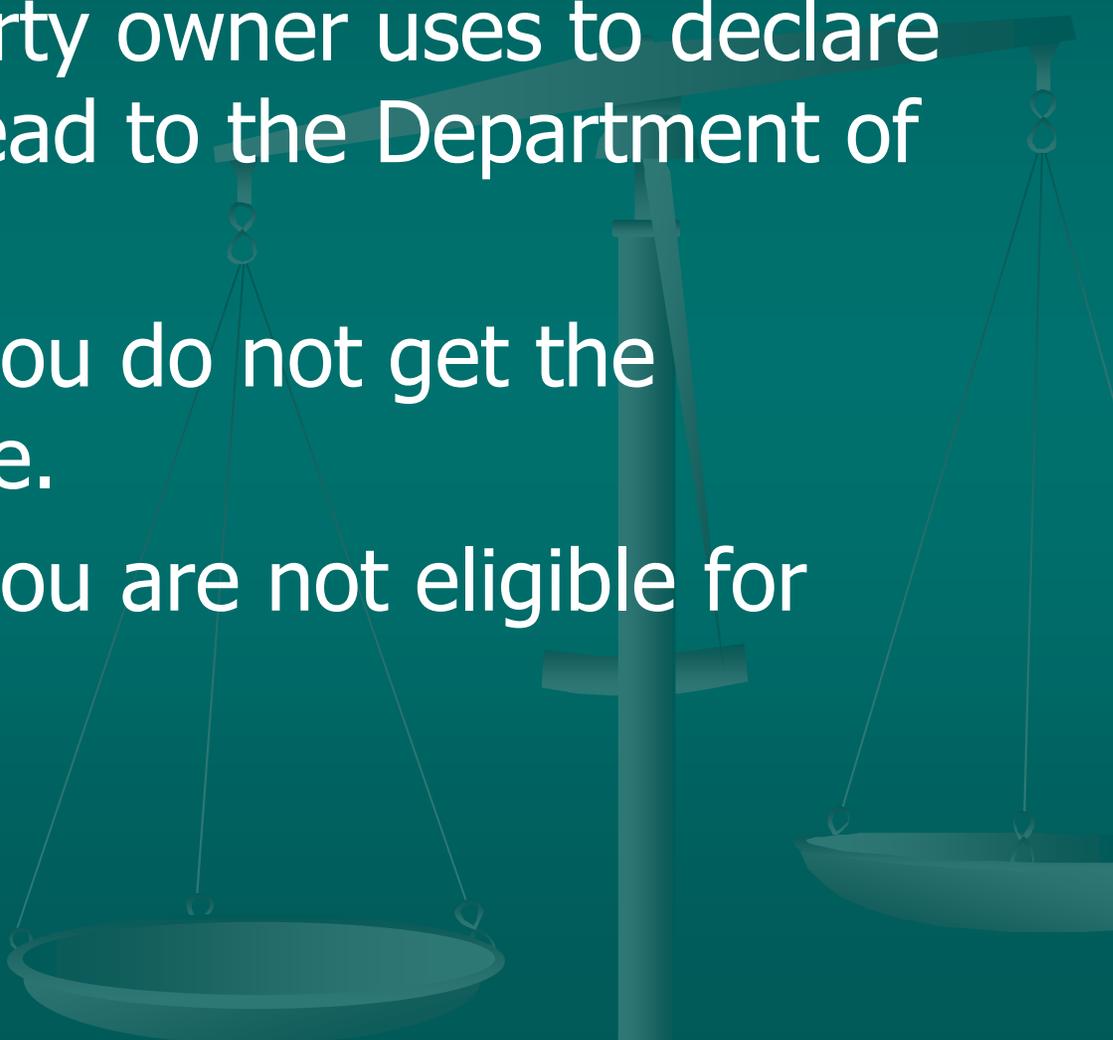
# Homestead

- A **homestead** is the principal dwelling owned and occupied by a Vermont resident individual as the individual's domicile. A homestead includes the entire parcel of land surrounding the dwelling, determined without regard to any road, river or stream that intersects the land.
- A homestead does not include buildings or improvements detached from the home and used for business purposes, and does not include that portion of a principal dwelling used for business purposes if the portion used for business purposes includes more than 25 percent of the floor space of the building.
- The value of outbuildings and other improvements not used for business purposes are included in the value of the homestead, e.g. swimming pools, tennis courts, landscaping. See 32 VSA § 5401(7) and Reg. § 1.5401(7) for details and examples.

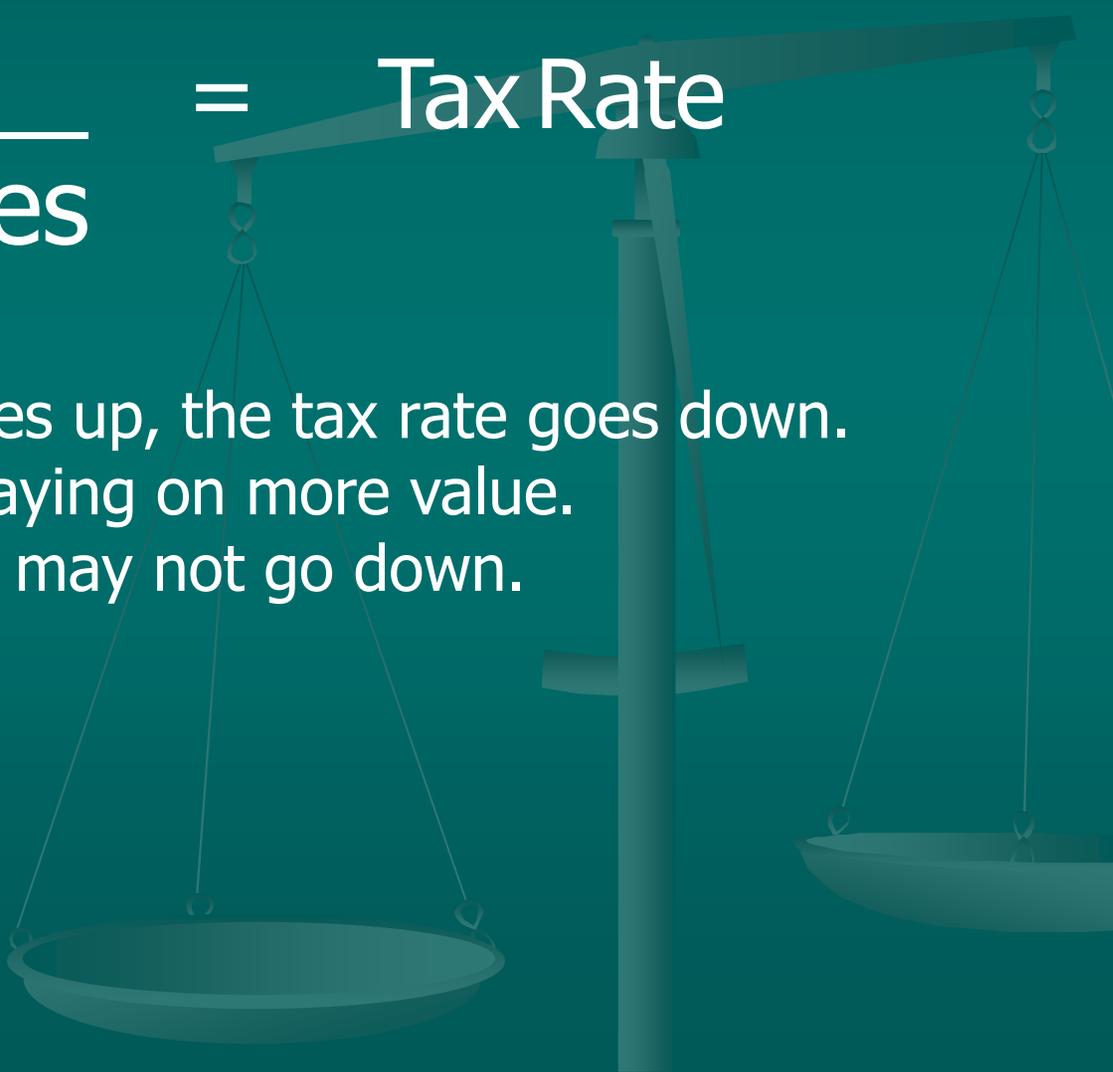
# Housesite

- A housesite is that portion of a homestead that includes the principal dwelling and as much of the land surrounding the dwelling as is reasonably necessary for use of the dwelling as a home.
- In no event more than two acres per dwelling unit, and in the case of multiple dwelling units, no more than two acres per dwelling unit up to a maximum of 10 acres per parcel. See 32 VSA § 5401 (11).

# Homestead filing

- The homestead declaration (HS-122) is the document a property owner uses to declare his or her homestead to the Department of Taxes.
  - If you do not file you do not get the homestead tax rate.
  - If you do not file you are not eligible for income sensitivity.
- 

# Municipal Tax Rate Math

$$\frac{\text{Budget}}{\text{Assessed Values}} = \text{Tax Rate}$$


If the assessed value goes up, the tax rate goes down.  
BUT you are paying on more value.  
So you're bill may not go down.

# Residential School Tax Rate

State base tax rate: = .86

School Per pupil

spending over the base rate:\* = 1.34

Common level of Appraisal: = 100%

Tax Rate = **\$ 1.15**

Rate with current CLA of 63% = **\$ 1.82**

\*Per pupil amount based on budget voted at town meeting.

# Non-Residential Tax Rate

State Base Rate: \$ 1.35

CLA = 100%

Tax Rate = 1.35

Rate with current CLA of 63% = \$ **2.14**

# Questions?

