

**TOWN OF DUNBARTON  
BOARD OF ASSESSORS  
MINUTES OF MEETING**

**October 19, 2010**

Present: Tim Terragni, Chairman  
Mary LaValley  
Bryan Clark

Joe Lessard, Municipal Resource Inc.  
Chuck Reese, NH Department of Revenue Administration.  
Janice VandeBogart, Recording Secretary

October 19, 2010

Public present: Chuck Williamson and Ralph Fellbaum

Note: Mr. Fellbaum placed a tape recorder on the table to record this meeting.

The meeting was called to order at 7 pm by Chairman Tim Terragni, seconded by Mary LaValley. Tim Terragni introduced Mr. Lessard and Mr. Reese.

Chuck Reese from the DRA stated that in August he did a random check of the properties in Dunbarton and was able to go out with the old records to look at properties and look at the new assessments as well. He took approximately 16 properties and scored them from 1 to 6, 6 being unacceptable. One did score 2 but he spoke with John Hatfield from the revaluation company of Commerford, Neider and Perkins in regard to the central air on this property and this was corrected. Also he had a question on property K1-10-06, questioning if this was a qualified sale or not. There was one garage that was off by two feet, (being lot G2-05-18). Based on what he saw, things were done to his satisfaction. He acknowledged his full report submitted to the board.

Mr. Reese stated that he found that there was pretty good data for sales. Early in September he went out and took these sale properties into consideration. Nothing seemed to jump out at him as being misapplied. He stated that he looked at the sale properties and compared them to others in their neighborhoods and felt they were all in line. He said he had received a book from CNP and everything looked good from what he could see. He will provide a full report later this fall. He said he would be happy to come out and meet with the board if they want to review his report. He added that based on his review everything looked decent.

The Board moved on to their appointments this evening.

Chuck Williamson, F2-02-08: Mr. Williamson stated that he had questions regarding the assessment of outbuildings on his property. He said he did not have a review with the appraisers after he received his assessment in the mail. He has looked at other assessments in town to compare with his. He stated that all outbuildings, garages, barns, sheds, driveways were not changed in the revaluation. He felt that when a piece of property sells that everything is inclusive. If values dropped then the drop should have been applied to all buildings. He could not understand why they were not included.

Joe Lessard from Municipal Resources, Inc. stated that Scott Marsh was unable to attend the meeting tonight so he was here to answer any questions. He stated that John Hatfield from CNP had responded to Mr. Williamson's questions, in writing. A copy of this response was provided to Mr. Williamson at this meeting. Mr. Lessard read the following from Mr. Hatfield's letter:

*"According to Marshall & Swift, the current cost of a pole barn is \$17.03 per square foot and \$10.94 for a shed. This was determined by using the national cost of a pole barn at \$17.21 a square foot and a multiplier of .98 and a local multiplier of 1.01. The costs that were previously used for the town assessments were \$13 a square foot for a pole barn and \$8 a square foot for a shed; both are approximately 37% below the actual costs for these buildings. I did not increase these costs because I felt that the value that outbuildings contribute to the property is usually a little less than the actual cost. I also felt that lowering outbuilding costs from what they were would make their value too low.*

*It is important to recognize that when updating values for a town, values do not all increase or decrease at the same level; this is the reason the State of New Hampshire requires values to be updated every five years. If the taxpayer feels that there should be more depreciation on their outbuildings, then I would suggest filing an abatement and we can address the value at that time."*

(See a copy of this letter attached.)

Mr. Lessard went on to say that not everyone's assessment went down 11%, some features did not go down 11% and that is why DRA requires a revaluation because things do not change at the same rate.

Chuck Williamson stated that the town spent money for a complete revaluation in 2005 and inspected every building and the state backed up those values. So are you saying they were all wrong? Mr. Lessard stated that that was not what he was saying. The market went up for a year or so and now it has gone down and when that happens some things go down faster than others and some go up faster than others. This is not to say that they were wrong. It was all based on sales. The real test is some one person's property and how does that relate to the market. If someone thinks there is something wrong with their assessment, then we have the abatement process. He stated that he thought Mr. Hatfield's explanation was clear.

Mr. Williamson disagreed. He stated that replacement value does not represent values. Sale prices dictate what fair market is not replacement costs. In a revaluation, it should be fair market value.

Chuck Reese stated that the basic rule of thumb is to abate the entire assessed value not only the outbuildings. It is not unusual for the reval companies to focus on the homes.

Mr. Williamson asked in a rural community why couldn't they apply the 11% to everything? Barns in this state are a liability not an asset. Jim Stone got hit hard. He read from the minutes of the Board of Assessors of August 13, 2010 as follows: "Scott (Marsh) stated that typically if the values go down, the tax rate will go up. So if someone's values stay the same then they would be paying more taxes. He said that most Commercial properties stayed the same because of the economy so the tax burden will shift from the residential to the Commercial properties." Mr. Williamson stated that in fact the commercial properties were decreased with this revaluation and that has shifted the costs to the barns. This is not giving a break to the people who have old barns.

Joe Lessard stated that what you are saying is that if 11% was applied to homes, therefore it should be applied to outbuildings. There is no comparison and the analysis didn't tell them that outbuildings

changed which would change the base rates. He went on to say that four communities in the state had a similar occurrence in their revaluation where their outbuildings did not change. They took another look at it to see if they were correct. Two made a slight change on outbuildings and the other two did not. It is not usual to see not every building change. The two communities that changed their outbuilding assessments were in the southern part of the state, where there is more activity and they were able to find more information on sales.

Chuck Williamson said the town could manipulate the numbers to work. On properties that have few buildings, two buildings, no outbuildings, could be 20% less than values. Chuck Reese said he would be happy to look at them. The real burden of the proof is the entire assessment of the properties not just the outbuildings. He agreed it was at the discretion of the revaluation company. Your only recourse is to appeal.

Chuck Williamson stated that it would cost \$20,000 for materials to build his barn and \$20,000 for labor. So he figured it would be about \$45,000 to build a brand new barn. The assessment put on his barn is \$26,300 at 50% condition on the 2005 values. This figures out to be \$53,000 to rebuild the barn which would cost \$45,000 to rebuild. You can't tell me that these figures apply throughout the country.

Joe Lessard stated that Marshall and Swift is divided into areas. Material is still what it costs but might be more costly in some areas. This is not a nation wide cost estimate.

Chuck Williamson point out that the town has shifted the tax burden to the rural taxpayers. Tim Terragni stated that you just have to look at large properties in Current Use and see that this shifts the tax burden to other property owners. It is a good thing but there is an impact on other taxpayers. Chuck Williamson stated that Mr. Terragni was missing the whole concept of Current Use. If there wasn't Current Use everyone would have sold their property. Can you imagine the impact on everyone's taxes that would be? Current Use does not create the tax burden. Current Use is not a shift of the burden.

Chuck Reese stated that all properties don't go up at the same rate. The whole town does not go up at the same rate. Can't do an across the board up or down. Chuck Williamson said he feels that outbuildings should have been decreased some.

Mr. Lessard stated that the issue is - is the value on the total property correct? Then the value has been distributed correctly. That is the test. Similar values. Because taxes go up or down does not make it wrong. In other towns, there is a market for barns and outbuildings.

Mr. Williamson stated that he is not the only person complaining about the outbuildings. He will be telling more people in town and the board will have more people coming in questioning this. Mr. Lessard advised that because the tax rate had already been set, his only recourse would be to file an appeal. The process will protect his right to appeal his taxes. If the town finds there is a problem with the way outbuildings were assessed then they can change it.

Ralph Fellbaum, H2-04-02: Mr. Fellbaum stated that he did not meet with the revaluation people because he was unable to get a copy of his card. He stated that his new assessment is actually higher than the appraisal he had for 2009. His attempts to rectify this with Scott Marsh have been

unsuccessful. Stated that his assessment went up and everyone's went down. It actually came in \$900 more than the appraisal. He then asked about the ratio and stated that the ratio for 2009 was 109%. He stated that Scott Marsh said he would change the 2010 assessment by 5%, (meaning 5% lower). This would be in line, he felt.

After much discussion, Joe Lessard pointed out that Scott Marsh was not the one who placed the value on his property for 2010. The specific things that Mr. Fellbaum differed from with Scott were changed and he relayed that to CNP. So that all properties are in line with yours.

Mr. Fellbaum explained that the bank appraisal was at \$375,000. The value for 2009 was \$403,000. Drop that number 11% or take \$375,000 and drop that by 5% and you get the same number. Scott Marsh, he stated, said he could do the 5% off the appraisal figure in 2009.

Joe Lessard stated that the reval people did not have any figures from the assessment when they started. They started from scratch based on sales and came up with \$426,800 reviewing the changes discussed in the past, make those changes, came up with \$375,900. This was determined as the value as of April 1, 2010.

Mr. Fellbaum was advised to file for a abatement to protect his rights to appeal. This is the only process now because the tax rate has been set and the tax bills are already out in the mail.

Tim Terragni stated that the town does not spot assess. This is why we have these people here to make sure we are doing it correctly. We are here to protect the values.

Mr. Lessard, Mr. Williamson, Mr. Reese and Mr. Fellbaum left the meeting at this time.

The board reviewed and accepted the minutes of September 21, 2010 as written. The minutes were signed.

An invoice was approved for payment from Municipal Resources Inc. in the amount of \$811.00.

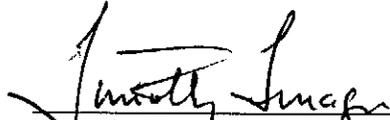
A letter addressed to the Trustee of Trust Funds was sign. This letter requested that \$6,097.50 be withdrawn from the capital reserve fund to reimburse the general fund for the cost of the Revaluation.

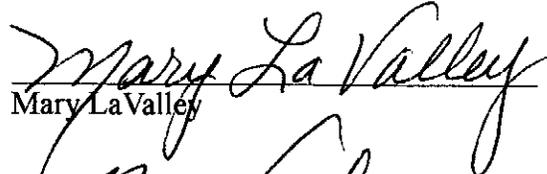
The assessment of Utility properties in the Town received from the State of New Hampshire was reviewed.

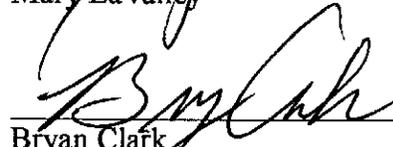
It was noted that the Town Administrator has prepared a "Meeting Request" form which will be used by those wishing to meet with the board at their monthly meetings (see attached). This is only for informational reasons so that the board can better serve the public.

It was noted that George Nicholau, lot #D3-03-01, will be meeting with the board at their November 16<sup>th</sup> meeting. He has contacted the town office saying that his appeal from the New Hampshire Board of Tax and Land Appeals has stated that he must meet with the town to try to come to some agreement before his appeal goes any further. The board will schedule Mr. Nicholau for 7 pm on that evening.

Having no further business, the meeting was adjourned at 8:30 pm.

  
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Timothy Terragni, Chairman

  
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Mary LaValley

  
\_\_\_\_\_  
Bryan Clark  
Dunbarton Board of Assessors

Recorded by: Janice VandeBogart, Recording Secretary

.....COMMERFORD ♦ NIEDER ♦ PERKINS, LLC.....  
*APPRAISAL AND ASSESSMENT SERVICES*

PLEASE READ AND INITIAL

October 18, 2010

CW  
Rue  
WLF

Board of Assessors  
Town of Dunbarton  
1011 School Street  
Dunbarton, NH 03046

Dear Members of the Board,

During my research for the sales analysis I determined that the outbuilding values previously used were already below actual current market costs and that residential homes were higher in comparison. The costs that I used were taken from the Marshall & Swift cost manual, this is a national cost estimator used by appraisers and assessors across the country.

I will use Mr. Williamson's outbuildings as examples for showing the current costs. According to Marshal & Swift, the current cost of a pole barn is \$17.03 per square foot and \$10.94 for a shed. This was determined by using the national cost of a pole barn at \$17.21 a square foot and a shed at \$11.05 a square foot. These numbers are then multiplied by a regional current cost multiplier of .98 and a local multiplier of 1.01. The costs that were previously used for the town assessments were \$13 a square foot for a pole barn and \$8 a square foot for a shed; both are approximately 37% below the actual costs for these buildings. I did not increase these costs because I felt that the value that outbuildings contribute to the property is usually a little less than the actual cost. I also felt that lowering outbuilding costs from what they were would make their value too low.

It is important to recognize that when updating values for a town, values do not all increase or decrease at the same level; this is the reason the State of New Hampshire requires values to be updated every five years. If the taxpayer feels that there should be more depreciation on their outbuildings, then I would suggest filing an abatement and we can address the value at that time.

Sincerely,



John M. Hatfield  
Assessor Supervisor

556 PEMBROKE STREET STE #1  
PEMBROKE, N.H. 03275

PHONE: 603-410-6444 ♦ FAX: 603-410-6441 ♦ E-MAIL: CNPAPPRAISAL@COMCAST.NET

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CNP



# TOWN OF DUNBARTON, N.H.

Board of Assessors

1011 School Street, Dunbarton, N. H. 03046

Telephone: 774-3541 Fax: 774-5541

\_\_\_\_\_  
Date of Request

Date of Meeting request: \_\_\_\_\_

Property Owner(s) name: \_\_\_\_\_

Address: \_\_\_\_\_

Parcel number: \_\_\_\_\_

Please complete this form in order for the Board to properly prepare to answer any questions you may have that may require document research and schedule the meeting agenda accordingly:

General subject description: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sincerely,

Line Comeau  
Town Administrator