IN-HOUSE REVALUATIONS

PLAN FOR FUTURE MARKET UPDATES

ASSESSOR'S REPORT TO THE TOWN COUNCIL DECEMBER 2, 2020



LAST TOWN-WIDE REVALUATION

WHAT DID WE LEARN?

- ➤ TOO INFREQUENT (15 Years)
 - Large Value Changes
 - Inequities Gradually Increase
- **COMMUNICATION**
 - o Improve Outreach & Education
- > TIME
 - o More Review Before Implementation

OTHER LESSONS

- Reval Company vs. In-House
- Costs (Direct & Indirect)

FUTURE REVALUATIONS

PLAN MOVING FORWARD

~ More Frequent & In-House Market Updates ~

> ROUTINE 3-YEAR CYCLE

- Maintains Equity
- Predictability for Taxpayer

➤ WHY EVERY 3 YEARS?

- Market Data
 - Sufficient Sales for Town-Wide Analysis
 - New Data-Set each "Market Update"
- Time for Process Tasks
 - Improve Accuracy & Consistency
 - Gather New Information
 - Analysis & Review
 - Taxpayer Communication

EXPLANATION OF METHODS

VALUE CHANGES

WHEN & WHY PROPERTY ASSESSMENTS CHANGE

ANNUALLY

(Pre-Existing Practice: Will Continue)

New Value Created

- Construction / Renos
- Land Subdivisions

Property Changes

Change in Use

Individual Properties

&/or

Groups of Related

Properties

- Physical Damage
- Obsolescence

New Information

- Encumbrances (ex. ROW)
- Condition Factors (ex. Wetlands)
- Surveys (ex. Acreage)
- Errors Requiring Correction
 - ~ Taxpayer Initiated
 - ~ Town Review / Discovery

EVERY 3RD YEAR

(Future Market Updates: Will Begin)

Market Update

- Pricing Tables Updated
- Sales Analysis
- Adjust All Properties to Bring In-Line with Current RE Market

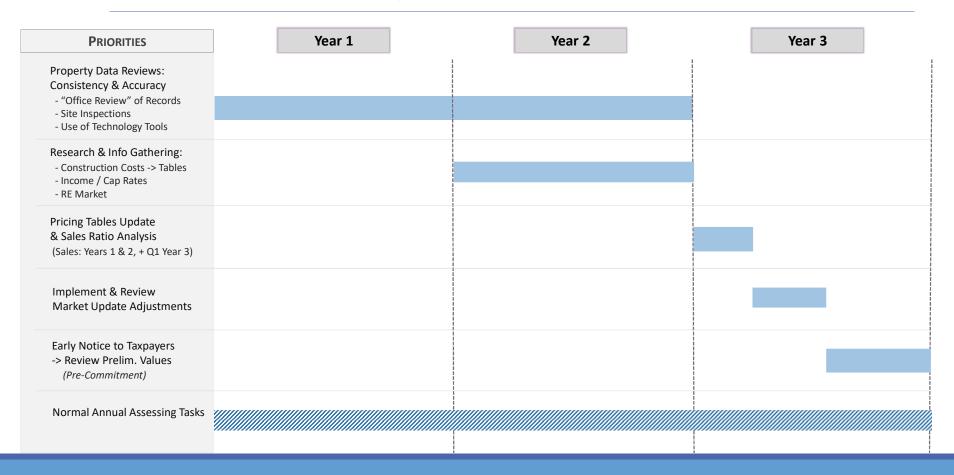
Mass Appraisal

- Cost Approach
- Sales Comparison Approach
- Income Approach (Commercial)
 - ~ Acquire Income Data
 - ~ Cap Rates

Town-Wide
* All Properties *

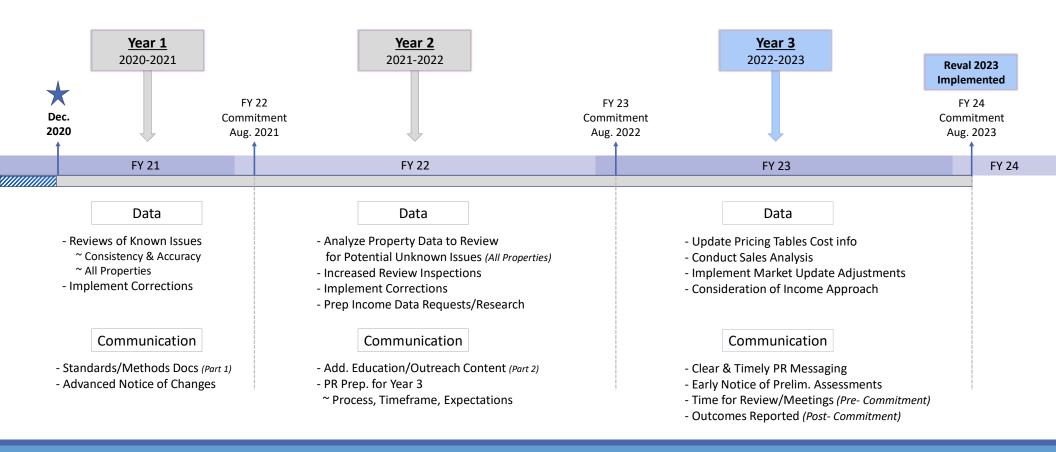
TIMELINE OF PRIORITIES

3-YEAR CYCLE EXAMPLE



NEXT MARKET UPDATE: 4/1/2023

TIMELINE OVERVIEW



MARKET UPDATE 2023

PROJECTED NEEDS

FY 22 BUDGET

1 New Full-Time Assessing Staff position —

~ Current PT Admin Assistant position to become FT

- Proper match for Complexity of Scarborough
- Increased Workload (In-House Reval tasks)
- Ongoing Inspections throughout Town

FY 23 BUDGET

Contracted Services

 $^{\sim}$ 2023 Market Update Processes -- Pricing Tables / Sales Analysis

- Hands-On Guidance: Market Update Specialist

- Scarborough Assessor: Solo in Future Years

Assessing Dept. Staffing Comparisons		
Portland	6	
South Portland	6	
Lewiston	5	
Biddeford	4	
Saco	4	
Wells	4	
Windham	4	
* Scarborough = 3		

FUTURE REVALUATIONS

BUDGET COSTS COMPARISON

2018/2019 REVALUATION

2018 Comm.	2019 Res.	Total
\$66 k	\$325 k	\$391,000
\$658 k	\$738 k	\$1,396,000
		\$1,787,000 (300,000)

KRT Reval Contracts

Abatements & Settlements*

* Not Including Legal Fees re: Appeal Cases

Normative Abatements\$150 k X 2 years

> \$1.48 Million

1 Reval

(Budgeted Over 2 Year Span)

IN-HOUSE MARKET UPDATES

Add. FT Assessing Staff Member**

** Including Benefits Package

• Contracted Services: 2023 Only

• Add. Postage, Mileage, ...

\$765,000

3 Revals

(Budgeted Over 10 Year Span)

Annually	10 Years
\$60 - 70 k	\$700 k
N/A	\$15 k
\$5 k	\$50 k
\$75 k	\$765 k

IN-HOUSE REVALUATIONS PLAN

SUMMARY

- ❖ LESSONS LEARNED
- PLAN MOVING FORWARD
- ❖ 3-YEAR CYCLE
- ❖ NEXT REVALUATION: 4/1/2023
- ❖ PROJECTED NEEDS