Minutes
Board of Assessor's Meeting
September 21, 2009

Members Present: John McSorley, Eugene Reed and Jason Neuman
Guests: Jeffrey Earls from Cross Country Appraisal and Mark Nieder from Commerford, Nieder Perkins, LLC
Others: Heidi Seaverns.

6:55 PM Chairman McSorley called the meeting to order.

The Board addressed the correspondence file.
The Board reviewed and approved an invoice from Commerford, Nieder, Perkins, LLC (CNP) for completion of the data verification project in the amount of $ 1820. The Board reviewed the Lien List of 2008 taxes provided by the Tax Collector. Mr. Jeffrey Earls arrived at 7:07PM and gave each Board member a list of personnel that would be involved in the 2010 update. Mr. Reed asked when DRA stopped doing appraisal work. Chair McSorley stated that 2 towns were done in 2000 (Belmont & Nelson) due to contractual obligations but that technically 1999 was the last year that DRA was involved in appraisal work.

At this time, Chair McSorley recognized Mr. Earls from Cross Country Appraisal Group. First item to be discussed was the personnel that would be involved in the job. Mr. Earls stated that he would be the supervisor for the job. Sue Serino & Tim Northcott would be the individuals involved in the sales measure & list and callbacks. Mandy Irving and Mr. Earls would be the ones doing the sales analysis. Chair McSorley asked Mr. Earls if he was familiar with the 2007 update that Nottingham had done on the parcels on Pawtuckaway Lake. He explained that this group of taxpayers were very organized and were instrumental in demonstrating the need for the Board of Assessors. Mr. Earls stated he was familiar with the situation and his firm was very familiar with waterfront property. Chair McSorley asked Mr. Earls how much involvement he would have on the project. Mr. Earls stated he would be doing all the utility work, as well as sales analysis and review. Chair McSorley then asked if utility values were included in the quoted cost of the update. Mr. Earls that the cost of utility values was in the update cost and he would use the Handy Whitman tables to determine value. Chair McSorley then asked about if the firm does their own quality control or do they rely on the DRA supervision. Mr. Earls explained that they do not send people out from the firm to remeasure work completed. He further stated that if someone is not measuring/listing properly, they do not work for the company for long. Data collectors are primarily trained by Sean Main and Dan Ward, along with Mandy Irving & Dave Marazoff. Chair McSorley asked Mr. Earls about the company's on time schedule for job completion. Mr. Earls stated that the company has finished all of their projects this year on time with the exception of one. The reason for the delay on that project was the Town was making a software change and took quite a bit of time to make the decision on a vendor. Mr. Earls went on to say that if awarded the contract, they would start work within 30 days of authorization of funds. The first component of the project would be the measure and listing of all the sale properties and callbacks scheduled, if needed. Chair McSorley asked what Mr. Earls' thoughts are on DRA supervision of the project. Mr. Earls stated that the firm gets along with DRA even though they do not always agree with DRA's operations and has a good relationship with the Director & Assistant Director. The next question asked by Chair McSorley was about supervision of the Nottingham Board of Assessors (BOA) over and above DRA's involvement. Mr. Earls stated he would welcome the BOA's input as long as the job was not slowed up by it.

Mr. Reed asked how sales would be verified. Mr. Earls explained that all sales would be reviewed and determined if they were qualified or unqualified. This would be accomplished by reviewing the information the Town has on the sale, review of PA 34's, MLS information and speaking with the taxpayer, if possible. There are a series of about 10 questions that are asked to assist in determining if the sale is qualified or not. Mr. Reed then asked if Mr. Earls has had any experience with personal property as part of a sale. Mr. Earls said that this is a common occurrence up north with sale of condos and you will see it once in a while with waterfront property. There is a question that is asked of the taxpayer in regard to the sale of personal property. Chair McSorley then asked Mr. Earls for a true accounting for the bid price. He explained that the BOA would have to make the case at Town Meeting for this expenditure. Mr. Earls stated that there is a cost determined for a full revaluation and there is a percentage attached to each portion of the job. He went on to say that update of utility values are usually not included in a project like this. The sales analysis number may be high so there could be a change in that figure. He said that the hearing process is expensive especially with night & Saturday hearings. He stated there was room to move within the quoted price. Mr. Reed asked about familiarity with the Avitar system. Mr. Earls stated they were very familiar with the system. Mr. Reed asked if Mr. Earls would use the neighborhood designations created in the last update or create new ones. Mr. Earls replied that if awarded the contract, they would expand/contract neighborhoods based on their sales analysis & field review. Mr. Reed then asked what Mr. Earls' definition of a neighborhood was. Mr. Earls stated a neighborhood was a group of like properties. Mr. Reed asked if the company would perform their own sales analysis or use the software. Mr. Earls went on to explain that they would extract the data from the assessing software and perform their own separate sales analysis. Depreciation was discussed briefly. Mr. Earls stated that they would try to base it on sales, providing there was enough data. Chair McSorley asked how many update contracts Cross Country presently had for 2010. Mr. Earls replied that with Nottingham, they would have 6 jobs for 2010. A discussion of market trends and values followed. Highlights of the discussion were NH market is different than the national market (NH values have not fallen to the degree of other areas in the country), all sales would be reviewed to determine whether or not they were arms length transactions, and Mr. Earls felt confident he would be able to justify the values to the taxpayers if awarded the job. Mr. Earls went on to say that he would be able to negotiate price if the BOA feels that his company is the right one for the job. Mr. Earls thanked the Board for their time and left at 8:00PM. The Board took a short break.

The Board reconvened at 8:05PM. Mark Nieder from Commerford, Nieder, Perkins LLC (CNP) was next to address the members. He gave members a list of personnel that would be involved with the project. Assigned to the project would be Mr. Nieder, Cindy Perkins, John Hatfield and Cheryl Gilpatrick. Mr. Nieder would be the project supervisor. Ms. Perkins (CNHA) and Mr. Hatfield are both Certified Property Assessor Supervisors as well. Ms. Gilpatrick is a Certified Measurer & Lister. Mr. Nieder went on to explain that there would be a supervisor on the job almost 100%. Chair McSorley asked if CNP had internal quality control measures or if they relied on DRA's review. Mr. Nieder explained that either Ms. Gilpatrick or 1 of the supervisors would be collecting data on the sale properties. Ms. Gilpatrick reviews card before data entry and the cards would be reviewed as part of the field review process. Chair McSorley asked how Mr. Nieder what his thoughts are on DRA supervision of the project. Mr. Nieder stated that overall the company has an amicable relationship with DRA. There have been problems with certain individuals but overall they welcome DRA's input. Chair McSorley asked how Mr. Nieder would feel about the Nottingham BOA's involvement in the update over and above that of DRA. Mr. Nieder replied that he expects the BOA's involvement in the process. He went on to say that typically the BOA tends to be more involved in the assessing process than the Board of Selectmen. Chair McSorley commented that the personnel list seem top heavy with supervisors and questioned if that plays a part in the quoted price for the update. He also asked if the quoted price of $ 79,800 was negotiable. Mr. Nieder explained that this update will require a comprehensive and detailed analysis which will be very time consuming; he estimates the sales analysis will take about 40 man days to complete. Chair McSorley then asked Mr. Nieder what his approach to the Pawtuckaway Lake properties would be given the events that occurred as a result of the 2007 update. Mr. Nieder responded that they would review those properties from the water in addition to the land review of all properties. Chair McSorley requested a detailed breakdown of the costs. Mr. Nieder stated he would get a detailed breakdown to the Board. He also added that costs for abatements at the local level as well as at BTLA are included in the quoted price. Chair McSorley asked how many update contracts CNP presently had for 2010. Mr. Nieder replied that at this time the company was committed to 5 other updates. He informed the Board that they had completed Tamworth (5 year project), Belmont (2 year project) and Mont Vernon (1100 parcels) this year. Another discussion of market values followed and how best to keep the public informed of the process. Mr. Nieder explained that he would probably have a public forum before the informal hearings were held to make it easier for taxpayers to understand the whole process. Chair McSorley asked how Mr. Nieder planned to value utilities. Mr. Nieder stated he would most likely use Handy Whitman to value the 3 utilities in Town. This was not stated in the contract but using this reference would not affect the price of the job. Mr. Nieder then asked the Board how flexible they were the completion date of August 12, 2010. He explained that it would be very difficult to close the job by the current deadline. He stated he is figuring on about 40 man days to complete the sales analysis and about 15 man days to measure & list the sale properties. He went on to say that the sales analysis would be generated from the data extracted from the assessing software. Mr. Reed then asked what Mr. Nieder's thought were about neighborhoods & depreciation of buildings as they exist now. Mr. Nieder explained that the sales analysis would help determine the neighborhoods-they may be somewhat different than they are now but he didn't think they would have to reinvent the wheel. He explained that the depreciation scale that the company uses is similar to what DRA had used. Chair McSorley asked Mr. Nieder to forward a detailed breakdown of job costs to the BOA. Mr. Nieder told the Board he would forward the list and thanked the Board for their time and left the meeting at 8:55PM.

Regarding outstanding minutes,
Motion: McSorley, second Neuman to accept as written the minutes of the meeting on September 8, 2009.
Vote: 2-0 in favor, Mr. Reed abstained as he was not in attendance at this meeting.

Having no further business,
9:00 PM **Motion:** McSorley, second Neuman to adjourn.
Vote: 3-0 in favor.

Respectfully Submitted,

Heidi Seaverns

Approved as amended
10/05/09