

# Reappraisal FAQs

The following are examples of frequently asked questions (FAQs) property owners ask during a reappraisal.

## **What is the Common Level of Appraisal (CLA)?**

The Common Level of Appraisal (CLA) for every Vermont town is the ratio of the grand list assessed value compared to the sale price for all the arms-length sales in the town over the prior three-year period. The study considers sales price as the best measurement of fair market value (FMV). If grand list values are less than sale prices for the recent sales, the town will end up with a CLA less than one hundred percent. If grand list values are generally more than sale prices for the recent sales, the town will end up with a CLA of more than one hundred percent. In Whitingham the most recent (December 2022) CLA was 85.93%.

## **What is the Coefficient of Dispersion (COD)?**

Coefficient of Dispersion (COD) is a measure of uniformity of appraisals for all properties on the Grand List. For example: if a town has valued every property at 100% FMV (every property has an assessment to FMV ratio of 100%), there is 0 dispersion. Similarly, if every property is assessed at 80% of FMV, there is 0 dispersion. However, if the town average assessment to sales ratio is 80% but individual assessments vary markedly either above or below the average, then the disparity of assessments will reflect in a COD greater than 0%. Zero is a perfect COD score and indicates absolute fairness insofar as every taxpayer is appraised at the same percentage of FMV. The higher the number, the greater the dispersion (or disparity in how properties are assessed). Because of market fluctuations, a COD less than 10 is unusual. Statistically, it is the average absolute deviation of a group of numbers from the mean expressed as a percentage of the median. Vermont municipalities must reappraise the properties in their town when the COD rises above 20. (32 V.S.A. § 4041(a)). In Whitingham the most recent (December 2022) COD was 23.71%.

## **How is the market doing now?**

The latest equalization report from Vermont Property Valuation and Review (PVR) has shown an increase in value for many years. Whitingham has also seen an increase in values. The latest CLA (Common Level of Assessment) for Whitingham was 85.93 percent of market value based on the 2022 equalization study conducted by PVR.

## **Do I have to let the appraiser on or in my property?**

No. In the State of Vermont, you have the legal right to refuse access to your property for an inspection by the assessor's office. The assessor is then required to follow State statute and value your property to the best of their ability without seeing the grade, condition, updating and other possible improvements. Appeals to the Board of Civil Authority require a full inspection.

## **I have not done any improvements to my house, how can the value go up or down?**

That is because the market has changed since the last reappraisal. The last reappraisal was completed in 2016. At that time, the assessment base was established and has not been changed since. The purpose of the reappraisal is to bring the values established several years ago to current market values and to establish equity across parcels.

## **How did you determine my value?**

The property characteristics of each property were entered into a computerized assessment system. Property sales in the area, over the past three years, will be examined to develop a model used to predict the market value of the properties that have sold. After finetuning the model, it is applied to all property in the town to establish an updated value, which is used to generate an updated grand list.

## **How come my property value went up or down more than other people I know?**

The purpose of a reappraisal is not only to update the values to current market values, but also to equalize the values across town. Some properties may have physically changed since the last reappraisal (bought or sold land, added or removed finished area). Other properties may be located in areas where the market value has changed at a different rate relative to most properties (lake properties, commercial properties). Still others may have been incorrectly assessed during the last reappraisal (wrong square footage, wrong land size, incorrect bath count, incorrect quality grades, and incorrect land values). Therefore, comparing percent changes in value across properties is not a measure of equity because of changes in properties and changes in the base due to actual sales.

## **If my assessment changes substantially. Does that mean my taxes will increase/decrease by the same amount?**

No. Even if your assessment doubled that does not mean your taxes would double. Remember the total grand list will change as well. Your taxes may be adjusted depending on your income level if you are eligible for a Homestead deduction.

## **How will I be notified of the changes?**

The Town has a duty to advise anyone owning a Whitingham property of changes on the effective date of value (April 1, 2025). All new (and old) values are public record and will be made available to interested parties in advance of the start of an appeals process

## **What to do if I do not agree with my new property value?**

Before the new Grand List is filed there will be informational hearings. These hearings will provide an opportunity for a property owner to review the data and new value with an assessor from NEMRC. Once the new Grand List is filed the formal grievance hearing process will begin.