

FAQS ABOUT REVALUATION

1. What is revaluation?

Municipalities in Connecticut are required by state statute to revalue all real property in town every 5 years. "Revaluation or revalue means to establish the present true and actual value of all real property in a town as of a specific assessment date" (CT General Statute Section 12-62). This means that every five years, there is a revaluation of all real property in Ashford. The last revaluation was for the October 1, 2016 Grand List. The current revaluation is for the October 1, 2021 Grand List and will be effective through the 2025 Grand List.

2. How does revaluation affect property taxes?

Each town has an annual budget approval process where the level of expenditure for town services and education is set for the next fiscal year. The town raises funds to pay for the budget from three general sources: fees and charges, state funding and property taxes. The amount of property taxes to be raised is the amount of the town's budget expenses that are not paid for by fees and charges and state funding.

3. How does revaluation affect my property taxes?

There are two moving parts in property taxes: the value of the property being taxed and the tax rate. The formula is:

Amount of property taxes to be raised = value of taxable property X tax rate.

In CT, the value of taxable property is 70% of the true and actual value as of October 1st. The 70% value is referred to as the assessment. Given a dollar amount of taxes to be raised, the two variables are the assessment and the tax rate. If one variable increases, all other things being held constant, the other variable would decrease.

A hypothetical example:

The town needs to raise \$1,000,000 for the Fiscal Year 7/1/2020-6/30/2021.

The assessed value of all taxable property as of October 1, 2019 is 150,000,000.

Your property is assessed at 120,000.

Amount to be raised by taxes = assessed value X tax rate:

$1,000,000 = 150,000,000 \times \text{tax rate}$

$1,000,000 / 150,000,000 = 0.0067$ per 1 of assessed value or 6.7 per 1,000 of assessed value, for a mill rate of \$6.7 per 1,000 assessment.

Taxes on your property would be:

$6.7 \times (120,000/1000) = 6.7 \times 120 = \$804.00.$

As you can see, if the total taxable assessed value increases, the mill rate would decrease. If the amount to be raised by taxes increases and the assessments do not, the mill rate will increase.

4. How do I know if I am being assessed fairly?

There are ratio standards that must be met before a revaluation can be approved by the Assessor.

A revaluation is a mass appraisal, meaning multiple properties are valued at the same time. It differs from a single property appraisal you get for financing, probate, estate planning, etcetera.

Unlike a single property appraisal, there are not separate comparable sales used to value each property. Instead, sales in the one year period prior to the revaluation date that meet certain conditions are used to develop a valuation model that is then used to revalue all properties. A list of the sales considered for the revaluation is attached to this document. The property cards for these sales are on the Assessor's page of the town website: <https://ashfordtownhall.org/directory/assessors-office/>.

There are state standards for uniformity, meaning classes of properties (residential, commercial, vacant land, public utility, apartments, use assessment) are valued with similar dispersions around the mean, and standards for the level of assessment, meaning that lower valued properties are not valued at a higher percentage than high valued properties. The revaluation process and performance standards are overseen by the CT Office of Policy and Management.

5. Why at if I disagree with the value put on a (fill in the blank), e.g. garage, shed, barn, finished basement?

The breakdown of values on the property card is done to allocate the true and actual value to the different characteristics of the property. The 100% value is representative of the market value of the entire property on 10/1/2021. The property is a package, individual buyers and sellers may place greater weight on one attribute over another. One person's must-have swimming pool, for instance, is another person's must-have air conditioning.

6. I disagree with the value on my property. My concerns were not addressed by the informal hearing.

You may file an appeal with the Ashford Board of Assessment Appeals. Appeal applications are available on the Board's page of the town website, <https://ashfordtownhall.org/document-category/board-of-assessment-appeals/>, and in the Assessor's Office. Keep in mind that all appeals have an October 1, 2021 date of value.

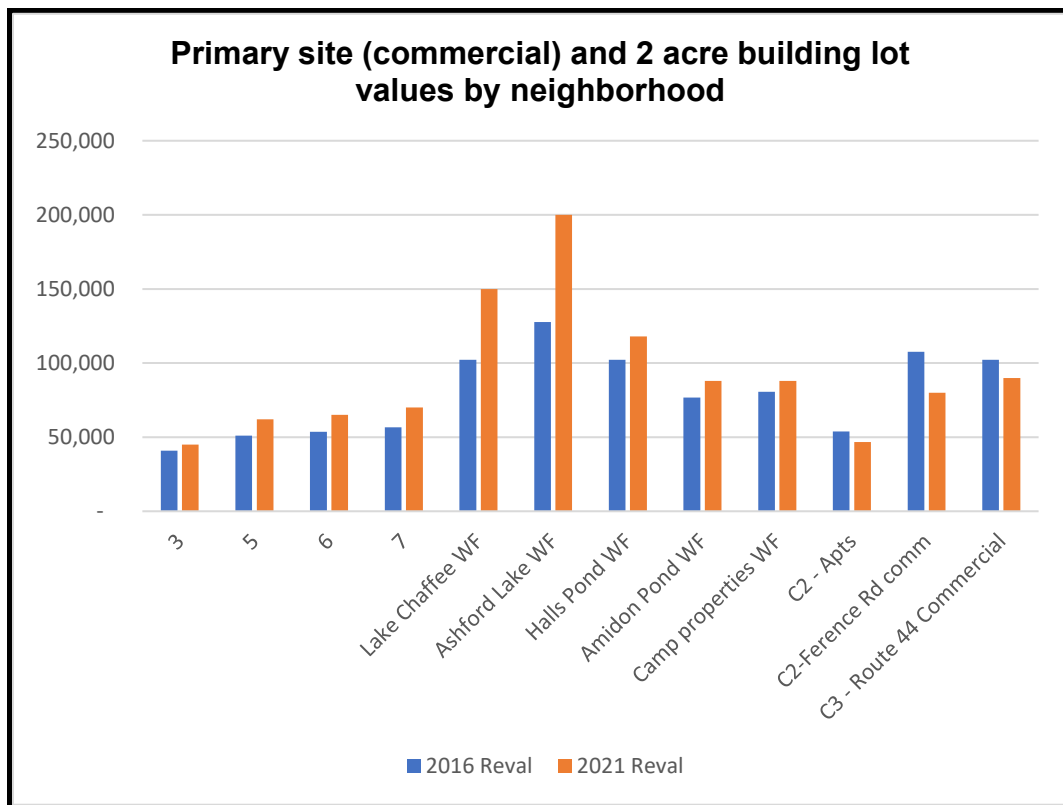
Preliminary Revaluation results, prior to meeting of the Board of Assessment Appeal:

2021 Revaluation Increases from the 2016 Revaluation

All Residential	21%
Capes	24%
Contemporaries	16%
Cottages	32%
Ranches	20%
Colonials	13%
Duplexes	11%
Raised Ranches	29%
Condominiums	16%
Mobile Homes	17%
Split Levels	1.22
Waterfront Lake Chaffee	29%
Waterfront Ashford Lake	24%
All Commercial	28%
Apartments	46%
Cell Tower properties	37%
Other commercial properties	16
Properties affected by defective concrete	
Properties with over a 74% negative adjustment for foundation condition	Ranges from 26 - 47%, with an average of 24%
Properties with less than a 74% negative adjustment for foundation condition	Ranges from 9-40% with an average of 13%

**Changes in Base Site Value (commercial) and Two Acre Building Lot Value (residential)
of improved properties**

Neighborhood	Revaluation 2016	Revaluation 2021	Change
3	40,900	45,000	10%
5	51,100	62,000	21%
6	53,650	65,000	21%
7	56,700	70,000	23%
Lake Chaffee WF	102,200	150,000	47%
Ashford Lake WF	127,750	200,000	57%
Halls Pond WF	102,200	118,000	15%
Amidon Pond WF	76,650	88,000	15%
Camp properties WF	80,700	88,000	9%
C2 - Apts	53,800	46,806	-13%
C2-Ference Rd comm	107,600	80,000	-26%
C3 - Route 44 Commercial	102,220	90,000	-12%



Vacant land in residential neighborhoods is valued at a 20% discount from the improved land in the same neighborhood. The above values do not contain adjustments for site conditions, access, et cetera.

Status of Properties with Foundations Affected by Defective Concrete

GL Year	No. properties receiving reduced assessments	Assessment loss	Mill rate	Tax loss (\$)
2021	25	2,459,280	-	-
2020	24	2,127,590	36.369	77,378
2019	31	2,435,895	36.836	89,729
2018	21	2,049,695	35.461	72,684
2017	15	1,353,200	34.767	47,047
2016	13	1,107,400	34.368	38,059

Since 2015, the:

No. Foundations Replaced with captive insurance co funds (CSFIC)	14
No. Foundations fixed through other means	4
No. Properties where no assessment reduction has been requested	2

Preliminary Assessment of Taxable Real Estate by Property Class

<u>Property Class</u>	<u>2020</u>	<u>2021</u>
100 - Residential improved	228,327,781	271,979,130
200 - Commercial	12,167,800	15,529,580
300 - Industrial	1,512,290	1,693,800
400 - Public utility	30,200	46,340
500 - Vacant land	7,538,616	7,226,680
600 - Farm, forest + open space	3,651,720	4,151,300
700 - 10 mill land	9,710	26,460
800- apartments	<u>8,173,480</u>	<u>10,902,080</u>
Total	261,411,597	311,555,370
Preliminary change		50,143,773

1/14/2022