

THE 2017 TENTATIVE ASSESSMENT ROLL - FILED JUNE 1, 2017 PROCESSES, PROCEDURES AND HELPFUL INFORMATION

The 2017 tentative assessment roll comprises mostly assessments that carry forward from the 2016 final assessment roll, in addition to new assessments that were issued for a limited number of properties that have undergone physical changes/improvements - either additions, renovations, demolitions, or entirely new construction. There were approximately 264 property assessments reviewed for the 2017 tentative assessment roll of which 165 assessments were changed. All 2017 assessments and corresponding 2017 property characteristics (aka property inventory) are now available on the on-line property inquiry link @ www.scarsdale.com. *Only the 165 property owners whose assessments were changed in 2017 were issued a 2017 Notice of Change of Assessment, which were mailed on June 2, 2017.*

In furtherance of the desire to maintain fairness and equity in assessments, new assessments posted to the 2017 tentative assessment roll for the 165 properties noted above were created using the same mass appraisal processes and procedures used in the 2016 revaluation, with the exception of the valuation of land and for the valuation of properties that were subdivided over the last year.

On April 1, 2017, the Office of Real Property Tax Services officially posted both the 2017 Equalization Rate and 2017 Residential Assessment Ratio (RAR) for the Town/Village of Scarsdale @ 90.50%. Because the level of assessment for Scarsdale has fallen below 100%, 2017 assessments for properties that were physically changed/improved, have been calculated at the 90.50% ratio.

Please review the *hypothetical* assessment calculation example below, which applies to all properties on the 2017 tentative assessment roll:

2016 Final Assessment =	\$1,000,000
2017 Tentative Assessment @ 100% of Market Value Resulting From New Improvements/Physical Changes =	\$1,500,000
2017 RAR =	<u>x .9050</u>
2017 ACTUAL TENTATIVE ASSESSMENT =	\$1,357,500
Assessment Increase from 2016 to 2017 =	+\$357,500

Where renovations/additions, etc., at a property were less than 95% complete by the May 1, 2017 taxable status date, the assessment issued in 2017 represents a partial assessment, with the potential for the remaining assessed value balance to be added to the 2018 Tentative Assessment Roll. Whether that partial 2017 assessment will, in fact, change again in 2018, as a result of the completion of those renovations, will depend on market conditions at that time and the 2018 RAR that will be issued on April 1, 2018.

CONSTRUCTION GRADE/QUALITY OF CONSTRUCTION AND CONDITION CODES:

The designations for overall condition and quality of construction grades for all Scarsdale residential properties were first determined by the data collectors and staff hired by Tyler Technologies for the 2014 revaluation. Of those hired, some worked full time and others worked part-time collecting data and all had a minimum level of real-estate related backgrounds.

Prior to the data collectors going door-to-door to collect property characteristics for each property, they were trained for four days, one day of which was in-the-field training, to learn the proper procedures for collecting and reporting property characteristics in conformity with the NYS Data Collection Manual.

The 2014 revaluation monitor contract for J.F. Ryan Associates, required that Ryan review 25% of the property record cards produced by the Tyler data collectors, or approximately 1,340 residential property reviews. The remaining property record card reviews were the responsibility of the one on-site Tyler supervisor and perhaps, one other designated person, all while other phases of the 2014 revaluation were simultaneously in progress. All 1,340 property record card files reviewed by Ryan contained all of the work of the data collectors and computer data entries of the Tyler personnel, not just the construction grade and overall condition designations.

Each residential property record card contains approximately 58 different data fields, or a total of approximately 311,000 data fields for all Scarsdale properties, which creates a substantial probability for data collection and/or data entry errors. There were other random data checks, cross checks and edits for accuracy during the 2014 revaluation other than those completed by Ryan; however, data errors that have been subsequently revealed require corrective action.'

Designations for construction grade and overall property condition, in particular, that were originally assigned during the 2014 revaluation will always be subject to review and change and when found to be in error, must be corrected, regardless that they were previously

already established by Tyler in 2014, or by Ryan in 2016. There is constant need for data clean-up after revaluation, which serves to mitigate the impact of data errors on future valuations.

Over the course of the last three years, the Assessor's valuation staff has made a concerted effort to correct errors of construction grade, condition, bathroom counts and finished basement area that are either brought to our attention by property owners, or that became apparent during other phases of the assessment process, i.e., Board of Assessment Review, Small Claims Assessment Review, or during the review of building permits for the subsequent year assessment roll.

The NYS Data Collection Manual applicable to mass appraisal broadly defines construction grade and condition and provides a couple of illustrations and examples, but does not and cannot specifically identify and categorize all possible variations of housing styles, or grades of construction and condition for every property in a given municipality. In mass appraisal, these categories, therefore, are broadly defined, where properties not fitting squarely, clearly, or entirely into a grade classification, or condition category require individual review. Often times, a property will have physical attributes of two grade categories, or of one condition on the outside and another condition on the inside, or a combination of both, which requires the Assessor use her judgment and experience when designating properties for 'overall' grade and condition.

3

TWO REASONS FOR A CODE CHANGE

- 1) A property was incorrectly coded during the 2014 and/or 2016 revaluations;
- 2) A property has undergone additions, renovations and physical changes, which requires the property be re-designated for grade and/or condition;

THE 'INFORMAL' REVIEW PROCESS

By law, an Assessor has authority to reduce an assessment after the posting of a tentative assessment roll from the date the roll is filed until the close of business on Grievance Day. Many property owners seek to avail themselves of the opportunity to meet directly with the Assessor, instead of going through the formal grievance process.

It is beneficial to the village to also use this period to resolve assessment complaints; however, because the grievance-filing period is short, the informal review process is limited to those claims that do not require extensive research, analysis, validation of submitted evidence, or a negotiation process.