



# 2020 Revaluation and Tax Rate

December 15, 2020

# Property Revaluation



State Law - At least every 5 years the Town must bring properties to market value.

State Law - Median assessment to sales ratio 90% - 110% of market value.

2019 - Derry's median ratio was calculated to be 89.6%. (Based upon reval information – ratio closer to 84%)

2020 – Anticipate ratio is 97.0% (Final by DRA in Spring 2021)

Town contracts with Whitney Consulting for assessing services

# Derry Assessment Practices

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- Whitney Consultants contracted to manage assessment function
- Reassess property every two years
- Update values every other year (if necessary) to ensure equity among all taxpayers.
- **A revaluation does not increase tax revenues but redistributes the tax burden equitably, so no taxpayer pays more than their proportionate share.**



# Observations

- Sale prices are approximately 17% higher than the most recent assessments.
- The relatively strong real estate market is the cause of increased assessments.
- All property values have not changed in a uniform way.
- Many of the larger increases were in the more affordable end of the single-family market and condominiums - Only one arms-length sale of a single-family property at less than \$200,000 in Derry.
- There are properties that have increased more than average.
- The assessments have been adjusted to account for the increasing demand and relatively short supply in the real estate market.



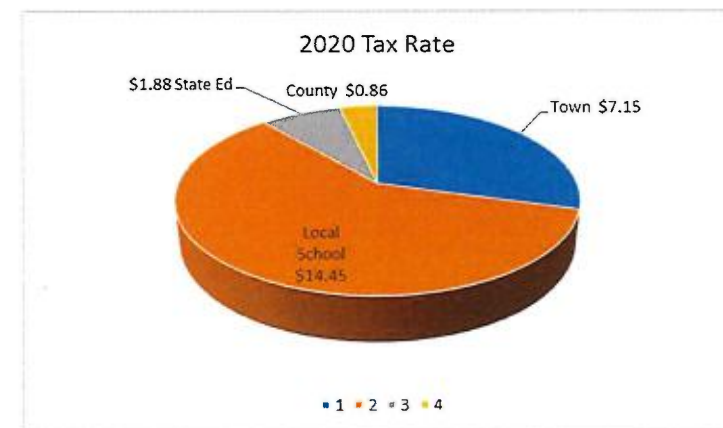
# Legal Obligation to Equalize Values

## 528 Qualified Sales

Property Type	# of Sales	Median Sale Price	Median 2019 Ratio	Median 2020 Ratio
All Property	528	\$300,000	84.1%	97.0%
Single Family	297	\$259,900	83.7%	96.5%
Condominium	181	\$210,000	85.1%	98.7%
2 to 4 Family	26	\$321,300	82.9%	96.0%
Mobile Home	10	\$77,700	71.5%	91.8%
Commercial	8	\$461,500	84.8%	92.2%
Residential Land Only	6	\$132,500	68.0%	94.2%

## Example – 2020 Tax Rate

	Tax Rate 2019	2020 Rate - No Reval	Tax Impact	Tax Rate - Reval
Town	\$ 7.72	\$ 7.84	1.6%	\$ 7.15
Local School	\$ 15.36	\$ 15.87	3.3%	\$ 14.45
State School	\$ 2.06	\$ 2.02	-1.9%	\$ 1.88
County	\$ 0.98	\$ 0.93	-5.1%	\$ 0.86
Total	\$ 26.12	\$ 26.66	2.1%	\$ 24.34
Net Valuation	\$ 3,209,317,945.00	\$ 3,233,019,395.00		\$ 3,555,437,130.00





# The Tax Rate

## Facts:

- Derry is the fourth largest community in the State;
- A community's tax rate is the relationship between funds needed for services and the size of the tax base to pay for those services;
- Derry funds most town and school services through its property tax base;
- Compared to rural/suburban communities, municipal costs are higher in more densely populated communities;
- Derry compares very favorably to the efficient use of taxpayer dollars;



Derry's 2020 Tax  
Rate Relative  
to NH's 10 Largest  
Communities (DRA  
-2020)

Community	Population	Tax Rate
Concord	42,982	\$26.76
Dover	31,795	\$24.85
Manchester	110,712	\$24.66
Rochester	30,992	\$24.61
Derry	33,249	\$24.34
Merrimack	26,237	\$24.06
Nashua	88,872	\$22.61
Salem	29,957	\$22.02
Hudson	25,514	\$21.37
Londonderry	26,266	\$20.11





## Derry's Assessment Base Relative to NH's 10 Largest Communities (DRA -2020)

Community	Population	AV/Capita
Londonderry	26,266	\$177,468.00
Salem	29,957	\$156,121.00
Merrimack	26,237	\$135,212.00
Hudson	25,514	\$124,598.00
Dover	31,795	\$119,960.00
Nashua	88,872	\$116,302.00
Concord	42,982	\$107,784.00
Derry	33,249	\$106,933.00
Rochester	30,992	\$89,622.00
Manchester	110,712	\$82,873.00



## Slide 9

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**DC1**

David Caron, 12/8/2020

Derry's Tax  
Burden/Capita  
Relative  
to NH's 10 Largest  
Communities (DRA  
-2020)

Community	Population	Taxes Assessed	Tax Effort/Capita
Londonderry	26,266	\$91,635,989.00	\$ 3,488.77
Salem	29,957	\$102,157,204.00	\$ 3,410.13
Merrimack	26,237	\$84,309,995.00	\$ 3,213.40
Dover	31,795	\$93,714,678.00	\$ 2,947.47
Concord	42,982	\$124,727,581.00	\$ 2,901.86
Hudson	25,514	\$66,960,741.00	\$ 2,624.47
Nashua	88,872	\$231,335,273.00	\$ 2,603.02
Derry	33,249	\$86,442,151.00	\$ 2,599.84
Rochester	30,992	\$67,428,106.00	\$ 2,175.66
Manchester	110,712	\$224,271,285.00	\$ 2,025.72



# Derry's Tax Burden Annual Change 2017-2020



Community	Population	Taxes Assessed	Tax Effort/Capita		Annual Change
			2020	2017	
Dover	31,795	\$93,714,678.00	\$ 2,947.47	\$ 2,632.01	4.0%
Rochester	30,992	\$67,428,106.00	\$ 2,175.66	\$ 1,961.53	3.6%
Nashua	88,872	\$231,335,273.00	\$ 2,603.02	\$ 2,374.04	3.2%
Hudson	25,514	\$66,960,741.00	\$ 2,624.47	\$ 2,397.59	3.2%
Londonderry	26,266	\$91,635,989.00	\$ 3,488.77	\$ 3,236.63	2.6%
Salem	29,957	\$102,157,204.00	\$ 3,410.13	\$ 3,181.16	2.4%
Manchester	110,712	\$224,271,285.00	\$ 2,025.72	\$ 1,894.19	2.3%
Concord	42,982	\$124,727,581.00	\$ 2,901.86	\$ 2,713.79	2.3%
Derry	33,249	\$86,442,151.00	\$ 2,599.84	\$ 2,444.77	2.1%
Merrimack	26,237	\$84,309,995.00	\$ 3,213.40	\$ 3,079.18	1.5%



## Additional Information

- You can review your assessment information on-line at [www.visionappraisal.com](http://www.visionappraisal.com).
- Owners who still disagree with their new assessment can file a formal abatement request with the Town of Derry before March 1, 2021.
- Information on the abatement process is located on the Assessing Department page at:  
<https://www.derrynh.org/assessor/pages/abatements>
- The abatement application form can be downloaded or printed at:  
[https://www.derrynh.org/sites/g/files/vyhlf3026/f/uploads/municipal\\_abatement\\_application.pdf](https://www.derrynh.org/sites/g/files/vyhlf3026/f/uploads/municipal_abatement_application.pdf)



Questions?