

# 2023 Assessor's Report

2023 Valuation Data and  
Assessing Overview



## The Assessor

Property tax assessors in Maine occupy a unique place in the governmental structure, fulfilling a dual role of municipal official and agent of the State.

*Professional Assessors are required to be certified by Maine Revenue Services (36 MRS § 327 (3))*

### The City of Auburn Assessing Division

City Assessor: Karen Scammon, CMA-4

Deputy Assessor: Joseph St. Peter, CMA-4

Senior Appraiser: Natalie Andrews, CMA

Appraiser: Azadeh Mashhadi

The definitive duty of property tax assessors is to annually ascertain as accurately as possible the nature, amount, and value of all property as of April first, and to estimate and record separately the land value, exclusive of buildings, for each parcel of real estate (36 MRS § 708).

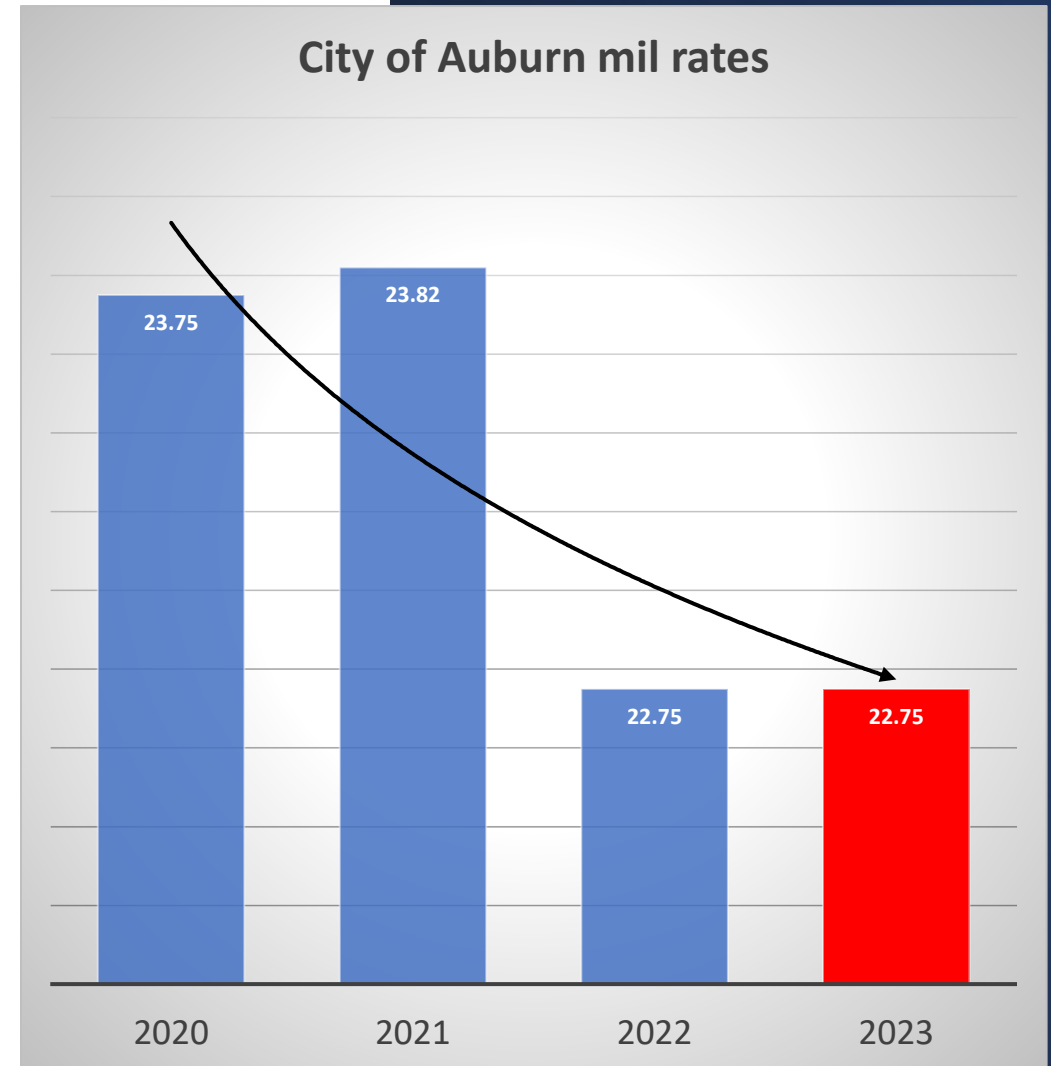
Tax assessors have a constitutional obligation to assess all property fairly, equally, and according to just value, and it is presumed that assessors act in good faith and in conformity with legal requirements (Frank v Skowhegan)



# Commitment Data:

- Commitment date: **July 21, 2023**
- State Certified Ratio: **93%**
- Mil rate: **22.75**

Due to market adjustments, new valuation, and budget factors – we have been able to keep the mil rate and certified ratio flat.



How did we hold it?

## City of Auburn Valuation Statistics – Real Estate

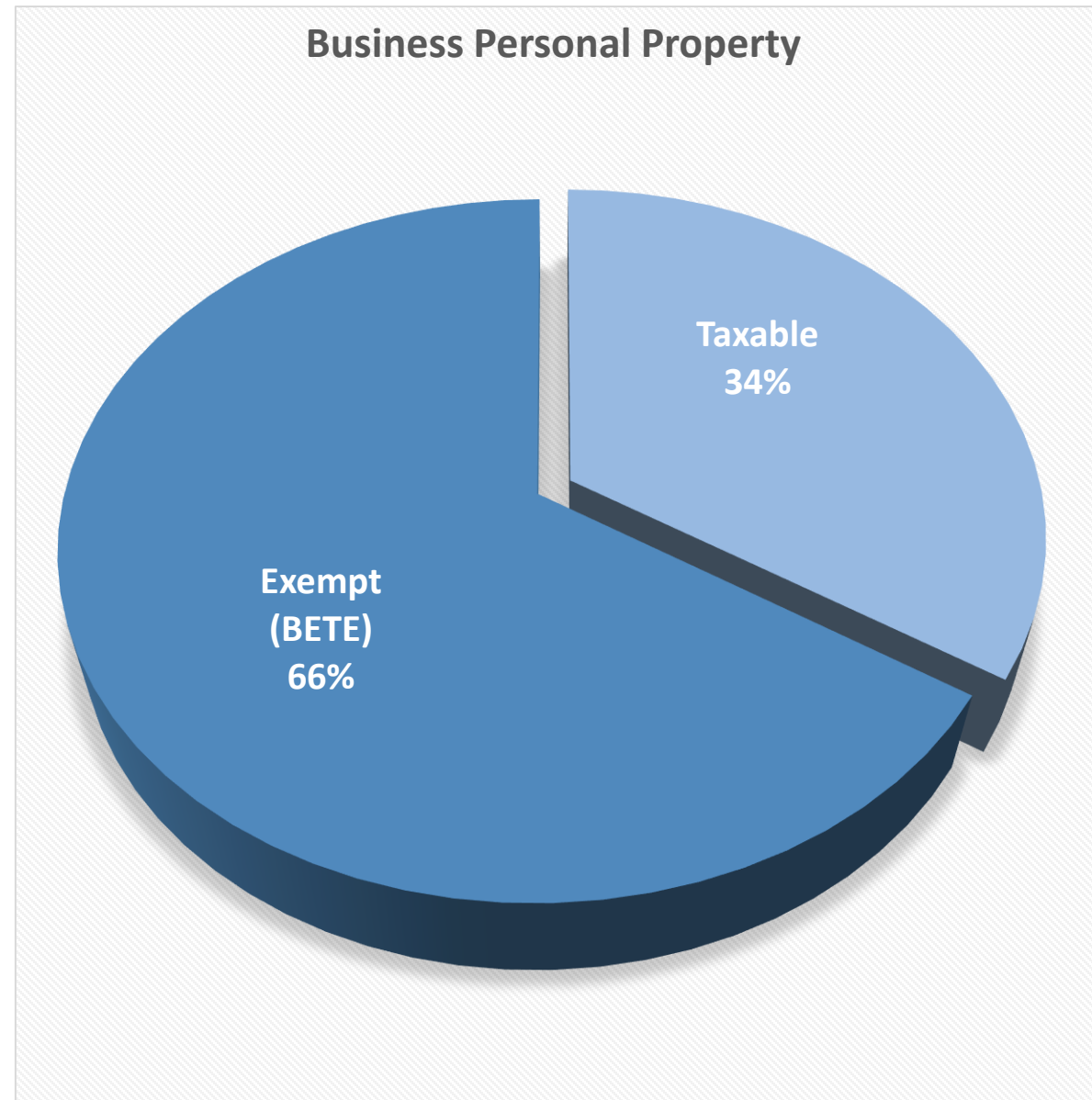
- Real estate: **9461 Parcels.**
- Total land value: \$597,952,264.
- Building value: \$2,071,970,290.
- Total real estate valuation *before* exemptions is: **2,669,922,554.**
- Tax Exempt property makes up 20% of the total valuation base. The taxable real estate value is \$2,144,361,339.



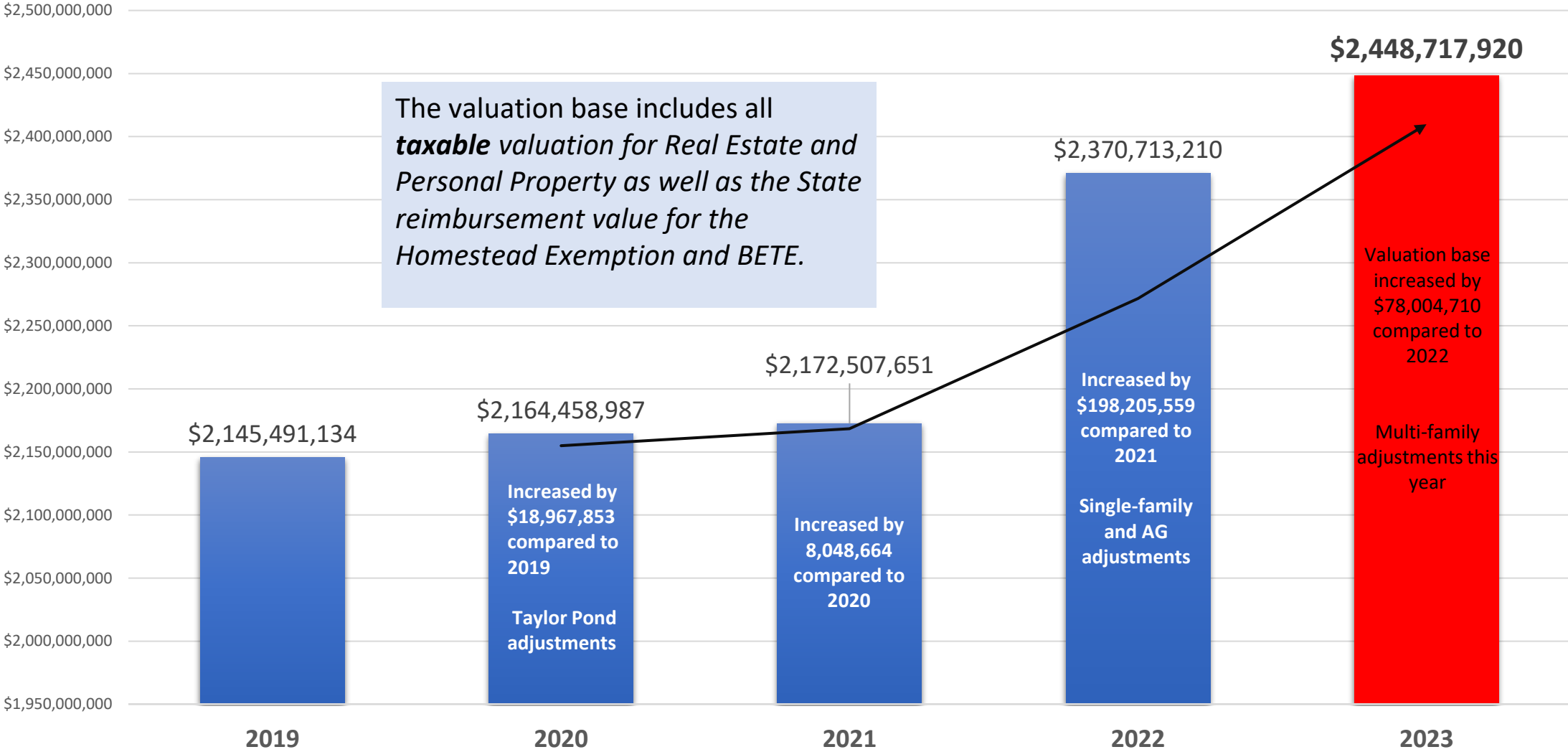
## City of Auburn Valuation Statistics

### Personal Property

- Personal Property: **1,092 open accounts (2023)**
- Taxable value: \$108,809,837.
- BETE exempt value: \$210,875,377
- Total personal property valuation: **\$320,062,156**
- Personal property is subject to “ratioing” which reduces the overall taxable and BETE valuation.



### City of Auburn, Valuation Base Trend



## What is a sales ratio?

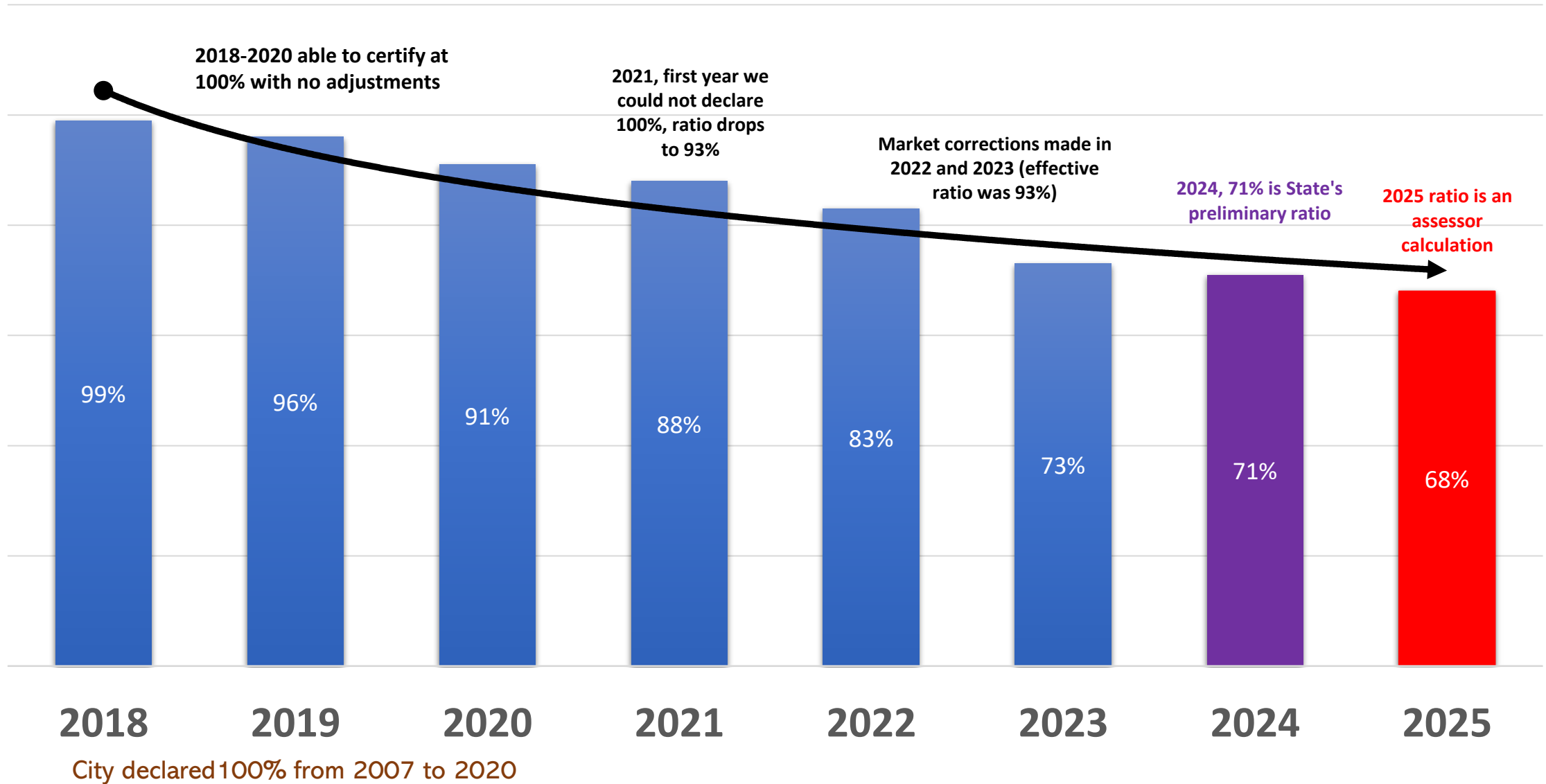
A **sales ratio** is a relationship between the assessed value and the market value of a property. The lower the ratio, the higher the sale price is compared to the assessed value.



If the **Assessed Value** is \$200,000 and the **Sale Price** is \$200,000 then the **Ratio** = 1  
( $\$200,000 \div \$200,000 = 1$ )

If the **Assessed Value** is \$200,000 and the **Sale Price** is \$250,000 then the **Ratio** = .8  
( $\$200,000 \div \$250,000 = .80$ )

## City of Auburn - State Determined Ratio





# Assessing Goals:

100%



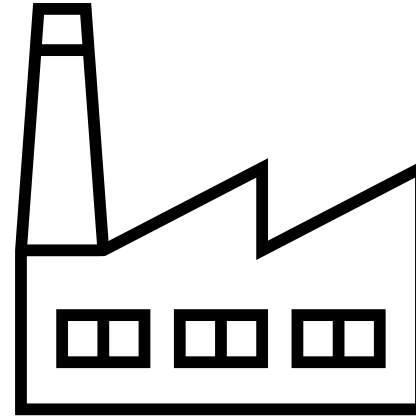
Single Family

100%



Multi-family

100%



Commercial & Industrial

100%



Land

## Ideal – Classes are in balance

*All property is assessed at market value, this is the goal.*

*When classes are **not** in balance adjustments may be required to the declared ratio, assessed values, or both*

Consequences to the residential property owner when the certified ratio drops...

The value of all *partial* exemptions must be adjusted to the declared ratio, meaning the tax benefit to the property owner is lessened:

	<b>100%</b>	<b>tax reduction</b>	<b>93%</b>	<b>tax reduction</b>	<b>78%</b>	<b>tax reduction</b>
Homestead	\$25,000	\$568.75	\$23,250	\$528.94	\$19,500	\$443.63
Veterans	\$6,000	\$136.50	\$5,580	\$126.95	\$4,680	\$106.47

**Single family sales (including condos)**

Address	Style	Sale Price	Sale Date	Total Assessed Value	Sales Ratio	
26 Fairview Court	SF Cape	\$330,000	9/20/2023	\$160,800	0.49	outlier
27 Cedarwood Rd	SF Ranch	\$260,000	9/29/2023	\$127,300	0.49	
26 Vernon St	SF Salt Box	\$243,000	9/14/2023	\$121,200	0.50	
27 Country Club Dr	SF Split	\$370,000	9/25/2023	\$192,400	0.52	
447 Danville Corner Rd	SF Split	\$410,000	9/12/2023	\$214,700	0.52	
12 Hemlock Circle	Condo	\$270,000	9/5/2023	\$149,500	0.55	
79 Portland Way	SF Ranch	\$265,000	9/18/2023	\$152,000	0.57	
154 Cook St	SF Cape	\$275,000	9/1/2023	\$159,800	0.58	
16 Hillside Ave	SF Ranch	\$299,000	9/8/2023	\$177,600	0.59	
47 Crest Ave	SF Ranch	\$200,000	9/22/2023	\$119,300	0.60	
503 Turner St	SF Cape	\$232,000	9/26/2023	\$139,600	0.60	
130 Hickory Dr	SF Col	\$645,000	9/29/2023	\$393,800	0.61	
323 Minot Ave	SF Col	\$605,000	9/19/2023	\$371,500	0.61	
26 Streamside Dr	SF Split	\$297,780	9/1/2023	\$189,700	0.64	
80 Vickery Rd	SF Cape	\$312,000	9/25/2023	\$202,500	0.65	
243 Trapp Rd	SF Cape	\$270,000	9/11/2023	\$187,200	0.69	
335 Minot Ave	SF Col	\$231,000	9/7/2023	\$169,500	0.73	
462 Lake St	SF Cape	\$500,000	9/1/2023	\$376,800	0.75	
6 Hemlock Circle	Condo	\$200,000	9/5/2023	\$152,000	0.76	
10 Dana Ave	SF Ranch	\$130,000	9/15/2023	\$140,500	1.08	outlier

N=20

Average Ratio 0.61

Median Ratio 0.61

**Recent single family sales sample**

SF Sale prices are, *on average*, selling \$127,000 over the assessed value.

### Multi-family sales

Recent multi-family sales sample

Address	Style	Sale Price	Sale Date	Total Assessed Value	Sales Ratio
269 Turner St	3 Family	\$330,000	9/15/2023	\$118,700	0.36
51 Ninth St	3 Family	\$420,000	9/28/2023	\$168,600	0.40
6 Grove St	3 Family	\$350,000	9/11/2023	\$173,300	0.50
46 Winter St	2 Family	\$305,000	9/25/2023	\$152,000	0.50
8 Myrtle Ave	2 Family	\$204,500	9/15/2023	\$106,700	0.52
66 Webster St	2 Family	\$375,000	9/27/2023	\$196,300	0.52

N=6

Average Ratio 0.47

Median Ratio 0.5

MF Sale prices are, *on average*, selling \$178,000 over the assessed value.

# Assessing Choices

When assessed value and market value are not equal, options are;

## Lower the ratio:

- The mil rate will likely increase.
- We lose taxable value. For example: We lost \$22,400,000 in personal property value in 2023 due to ratioing at 93%. Value is lost in other value categories as well, such as utility assessments and more.
- We do not correct equity issues, leading to increased risk of high value abatement requests.
- The exemption value decreases for taxpayers. For example, the homestead exemption is decreased from its full value \$25,000 to \$23,250.

## Make market adjustments:

- We correct **equity** between property classes and decrease our exposure to high value abatements.
- Assuming a stable budget, we are likely to decrease or hold the mil rate.
- Moderates future market adjustments. Prevents, “falling off a ratio cliff”. For example: due to market adjustments in 2022 and 2023 we lessened a potential ratio drop in 2024.
- Preserves the value of exemptions for taxpayers.
- Maintains the overall certified ratio.
- No additional loss of personal property/new assessment value (the overall taxable value base is stable)

Where are we now?

- Sales ratios are dropping, the equity gap is widening.
- Under current market conditions we will likely be making both ratio and market adjustments for the foreseeable future.

Where we want to be?

How do we achieve it?

- At or near **100% overall ratio**.
- **Equalization** brings all classes of properties to a ratio of 100% and substantially increases the taxable valuation base.
- “**Flat**” market adjustments improve equity but are a temporary fix only.

- A **complete revaluation** of both real and personal property is highly recommended.
- All cost and land tables would be updated. Any existing equity issues would be eliminated, and the certified ratio would be back at ~100%.

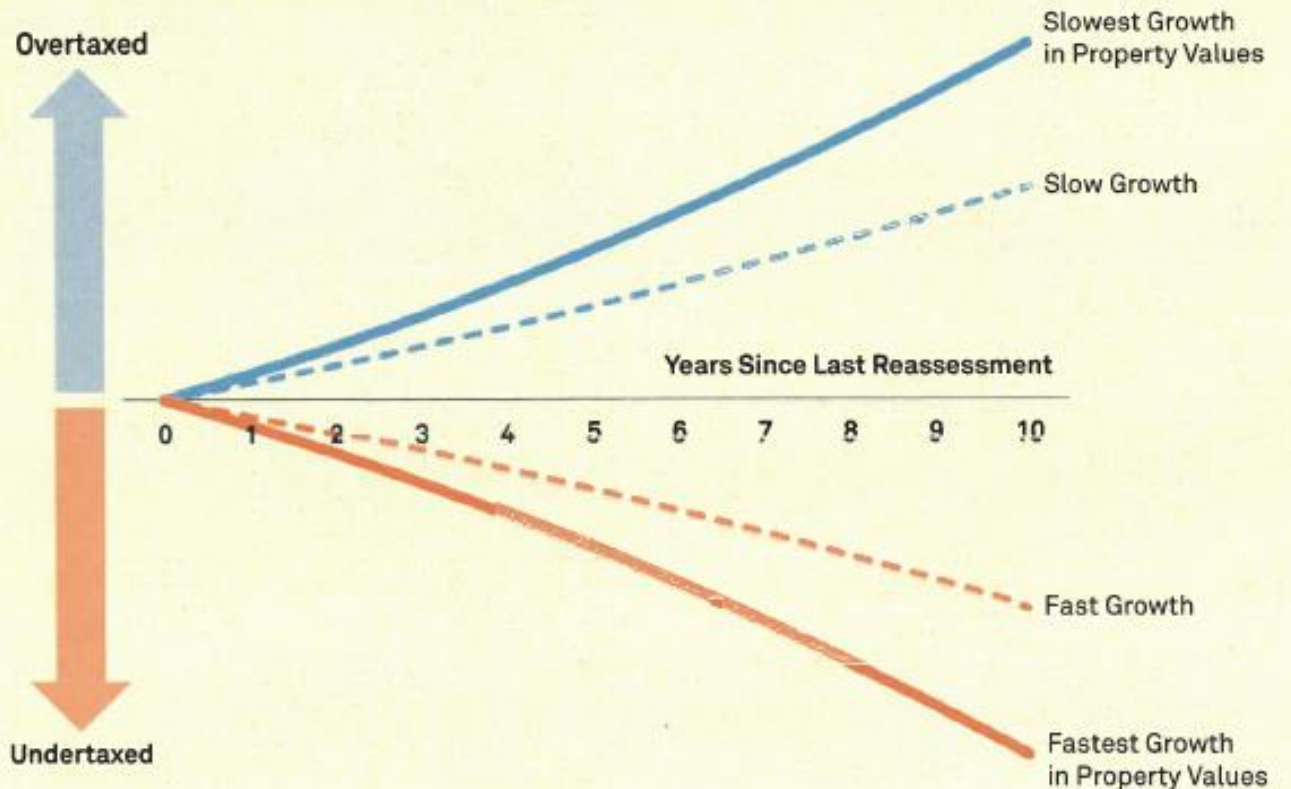
The best outcome

## Quality Assessment Practices Are Essential for Tax Fairness

Accurate assessments are essential for equity under a market-value property tax system. Without them, the distribution of property taxes becomes unfair and arbitrary. Assessment accuracy depends on regular revaluations, and it is enhanced by modern valuation techniques, state oversight of local assessing offices, and effective appeals systems.

The most common cause of inaccurate assessments is that too much time has passed since the last revaluation. The longer a jurisdiction goes without reassessing property values, the greater the tax inequities. Properties with the slowest growth in values (or largest declines) become increasingly overtaxed. Properties with the fastest growth become increasingly undertaxed.

### Tax Inequities Grow Without Reassessment



In our CAMA, value is driven by: **Land Tables, Building Tables, and Depreciation.**  
All must be accurate to produce credible valuation.