



PDC 7 - 8 - 9

Small Assessing Units

NYSAA has created tools to help assessors prepare for the annual pre-decisional collaboration meeting with their ORPTS customer relationship manager (CRM). Both PDC 1-2-3 Level of Assessment and PDC 4-5-6 Trending guide the assessor in a step-by-step routine to determine the level of assessment over a specific time period.

In recognizing that there are many small communities across New York that have few sales on an annual basis, it becomes necessary to utilize sales for multiple years to have enough sales information to allow for a statistically valid ratio study.

Let's assume your community has 15 valid residential sales annually over the past three years and 45 sales are needed to complete your analysis. It is important to know the trends of your market area for the past two years, so that those sales are brought current and match your current year sales.

For purposes of demonstrating this procedure, it is assumed that the trend for your sales in year three is a positive 3% and for year two a positive 1% with current year being a negative 1%. The trends for years two and three have previously been calculated by ORPTS and were utilized on past calculations for the level of assessment and equalization rate previously for your community.

Depending on the market in your area, trends may be negative over three years or both positive in one year and negative in another or any combination. In either case, sales should reflect the actual trend for a given time period. Should you have information that would indicate a different trend from what ORPTS has calculated for those time periods, it is up to you to make that decision or run both numbers to make your point at the PDC meeting. It is important to note that the more years of sales that go into the study the more unreliable it may become as trends are not always exact snapshots of your market but are averages of those sales that were observed over a specific time period.

This exercise demonstrates the steps using RPS-V4. If you have another system, there will be different keystrokes or methods to arrive at the same conclusions. In either case, most current systems can develop a reasonable conclusion.

Please note the following steps to create your report:

Assuming VALUATION DATE is July 1, 2019

STEP 1 - Determine trends for each of the past three years using instructions from PDC 4-5-6 Trending. For demonstration purposes, assume the yearly trends are as listed below:

July 1, 2016- June 30, 2017	+3%
July 1, 2017- June 30, 2018	+1%
July 1, 2018- June 30, 2019	-1%

STEP 2 – Create Time Adjustment File and Adjust Sales Prices.

Click on Mass Appraisal Module from Main Menu.

Click on Miscellaneous Module and then Time Adjust Sales Prices.

Click on create, enter a name for the file, and click OK.

Click Option 1

Enter Valuation Date of 07/2019.

Select your assessing unit.

Enter sale date range of 07/01/2016 thru 06/30/2019

Place sales in one group.

Click Option 2

Click add row and enter from 07/2016 to 06/2017 and enter 3.

Tab to next row and enter from 07/2017 to 06/2018 and enter 1.

Tab to next row and enter from 07/2018 to 06/2019 and enter -1.

Click on Save Icon.

Click on Running Man. (Your report is being created.)

You now have a report that has trended sales over a three-year period to make them current based upon your trends. Close out of this program. Go back to main menu and Click on Reports/Letters. (You may now refer to instructions from PDC 1-2-3 Level of Assessment.)

Click Sales Analysis.

Click Standard Reports.

Click your assessing unit.

Click Roll Year 2019.

Add dates 07/01/2016 thru 07/01/2019.

Click on Select Time Adjusted Sales Price.

You now have the information to estimate your residential level of assessment. If there are other significant types of property on your roll, such as vacant land or farms, that affect your level of assessment based upon sufficient sales, you may run this same report by running a separate report for those properties.

If you have any suggestions or comments regarding this, or if there is any other topic you would like to see addressed on our NYSAA website, please let us know. Your input would be greatly appreciated.