

Memo

From: Scott J. Holzhauer, Tax Assessor

Date: January 13, 2023

Re: Reassessment for Tax Year 2023

Reassessment Program Update:

During the course of 2021 thru early 2022 I have had several discussions with the mayor and members of the governing body regarding the need for Franklin to conduct a Reassessment Program in response to our aggressively declining ratio. In Oct 2021 the mayor had received a direct notification from the Division of Taxation to alert him to the over 10% drop in the ratio for Tax Year 2022 vs. 2021. Franklin was again notified in Oct 2022 of another 10% drop in the ratio for Tax Year 2023 vs. 2022. These ratio drops are dramatic indicators of the need for a reassessment. Considering the relatively stagnant valuation of the Borough's commercial properties over the past several years – compared to the dramatic ratio declines – the risk for large-scale appeals on our highest assessed commercial ratables presented a true financial threat level to the Borough that needed to be addressed.

In early 2022 I had requested and received a professional services proposal from Rick DelGuercio of Appraisal Systems, Inc. (ASI) to perform a Complete Reassessment as the initial part of a 5-yr Reassessment Program. ASI was the company that conducted the last Revaluation of Franklin for 2010, and the latest Reassessment for 2014.

At the direction of the governing body via resolution in February 2022, I appeared before the Sussex County Board of Taxation at their March meeting to discuss the need for Franklin to conduct a reassessment for 2023 as part of a 5-yr program. The commissioners and County Tax Administrator strongly supported the plan as being proactive and necessary, and agreed to sign off on the Application for Reassessment (form AFR). This application was sent to the County Tax Board in June after the Borough had agreed to hire Appraisal Systems to assist on the project. After being immediately signed by the County Tax Administrator, the form was sent to the Division of Taxation for their final approval, which was obtained at the end of June 2022.

In July 2022 a detailed introduction letter signed by both myself and ASI was mailed to all taxpayers in the Borough to advise them of the Reassessment Program that would be starting. This letter, along with a separate post on the Borough's website, provided information for an online webinar to be held on July 25 by ASI regarding the entire reassessment process. This webinar provided both information, and an opportunity for participants to ask questions directly of ASI. Afterwards, a recording of the webinar was posted via link on the Borough's website, and also on the ASI website. Information on how to access the ASI website was contained in the introduction letter.

Inspections of all properties in Franklin began at the end of July 2022 and proceeded thru the end of November. This process went very smoothly, with only a handful of questions or issues coming into our office.

A detailed valuation analysis was undertaken by both ASI and myself during December 2022. Subsequently, valuation letters were just sent out to all taxpayers on January 9, 2023. These letters provided the new proposed assessment for 2023, along with an “estimate” of the taxes that might result. This tax estimate is based strictly on the existing 2022 tax levy and does not anticipate any budget changes for the school, county, or municipality for 2023.

This valuation letter provides details on the access to additional information, and how to contact the appraisal company to review your assessment if you have any questions. The review process will continue from now thru the end of January 2023. For reference, the pertinent information regarding reviews is copied from the valuation letter and shown below:

For additional information regarding sales data, estimated tax impact worksheet, list of proposed assessments, and neighborhood map can be found at www.asinj.com by clicking on “Current Revaluation Information” on the homepage and following the “Franklin” link.

If you desire, you may speak with an Appraisal Systems Inc. representative to discuss any relevant information regarding your new proposed 2023 assessed value as it relates to the market value of your property. Meetings can be arranged by calling **(201) 493-8530** Monday-Friday between the hours of 9:30 A.M and 4:00 P.M. within 7 days of receipt of this letter.

If you wish to request a copy of your property record card for your review, please email franklin@asinj.com. Please allow up to 72 hours to receive your property record card by email.

The County Board of Taxation has received monthly progress reports regarding the Reassessment and has been satisfied that everything was accomplished in accordance with the AFR form. As Tax Assessor, I am satisfied with all the work performed by ASI.

Both ASI and myself will be reviewing any taxpayer concerns raised during the review process over the next 3 weeks. If additional time is required for this review, the County Tax Board has granted Franklin until February 10th to file the new Tax Book for 2023.

I encourage anyone with specific questions relating to their property to contact ASI for further information.

Final valuation letters will be sent to anyone having a review. The traditional postcard notification will also be mailed out to all taxpayers around February 20th. If anyone remains dissatisfied after their review, they can file an appeal with the Sussex County Board of Taxation up to May 1, 2023 (extended from the normal April 1 deadline for any reassessment district).

Scott Holzhauer
Tax Assessor