

Rumson 2023 Reassessment Report

11/1/22



[Reassessment FAQ](#)

[Appeal FAQ](#)

[2022 Reassessment Report](#)

[2021 Reassessment Report](#)

[2020 Reassessment Report](#)

A Message from the Assessor

The past three years have been an exceptional period for real estate. Property values have increased steadily, and prices had not yet abated as of the valuation date for the 2023 Reassessment (10/1/2022). The Borough is required to reassess all properties annually in order to maintain fair tax distribution. The goal of the reassessment is to react to the market, rather than predict it. While the higher interest rate environment will likely have impacts on property values in the future, the assessments are still catching up to the recent period of historic appreciation. The continued market changes highlight the importance of the assessment function, which serves as the *distribution* mechanism of county, school, and municipal tax levies.

The New Jersey constitution requires annual tax levies to be distributed based on market value. Contrary to popular belief, property assessments do not generate taxes. They simply *distribute* them. Despite technological advances, many municipalities in the state still take a “portfolio snap-shot” at a given point in time and distribute their property taxes the way that picture looked for the subsequent 10 or 20 years (*see exhibit A*). By not implementing a proactive assessment maintenance approach, tax distribution becomes less accurate each year that passes. A static assessment model operates on the assumption that all property values within a municipal boundary appreciate or depreciate at the same rate over time. This assumption is not accurate since property values do not necessarily change in a uniform manner across all property types, price points, and sectors. The various real estate markets in the Borough of Rumson have been prime examples of how different price points and submarkets move at different rates (and sometimes, *even in different directions*). Annual assessment maintenance is simply about tax distribution fairness (as defined by the NJ constitution).

Through the 2023 reassessment, changes to the global assessment modeling were made to target market value. Adjustments were also made to all individual properties, neighborhoods and submarkets to refine assessment accuracy. The goal of a reassessment is to annually target 100% market value so that statistical measurements represent better assessment accuracy. For the upcoming 2023 tax year, the total overall aggregate value of Rumson will be 12.66% greater than it was in 2022. In turn, most property assessments will go up in value as a reflection of this increase. This does not mean your taxes will go up 12.66%.

It means that the overall value of properties in The Borough has increased. The aggregate value of Borough property and the tax rate have an inverse relationship. The higher property assessments will cause a lower tax rate. We anticipate that the 2023 tax rate will be lower than the 2022 tax rate due to the increase in property values (*see figure 8*). Contained in this report is more detail on the reassessment process and results.

Erick Aguiar, CTA



Assessor
Borough of Rumson

Prior Year (2022) Assessment Accuracy Reflection

Each October, the NJ Division of Taxation conducts statistical studies which measure the accuracy of current year assessments. These studies could be considered the “assessor’s gradebook” for that year’s assessments and resulting tax distribution. Nevertheless, recognition must be made that the assessments are produced the prior year based on past sales, and the study is done the subsequent year based on future sales. Appreciating markets would likely result in a ratio under 100%, while depreciating markets would likely result in a ratio over 100%.

As anticipated, the dynamic and volatile market has affected assessment accuracy/market predictability statewide and beyond. It should be well understood that when markets are more volatile (up or down), assessment coefficients will statistically be higher. The incredible price appreciation experienced since COVID comes with volatility and an inherent level of difficulty for the market participants (buyers and sellers) to discover a tight range of “Fair Market Value (FMV)”. In such an environment, FMV understandably has a wider range, and it is expected for assessment coefficients to rise to some degree. Further, when markets move so rapidly (like the 1-2% per month appreciation we have seen in recent years), the dataset of sales within the sampling period will contain sales from various points in time when the market was different. Since the sampling period extends the entire timeframe, without accounting for market changes, the State’s Coefficient of Deviation (COD) measurements are expected to be higher.

While CODs will be higher in both; reassessment and non-reassessment districts, the fact remains that the reassessment districts are better suited to deal with this higher level of volatility. Coefficients in stagnant assessment districts will continue to deteriorate each year the assessment maintenance is ignored. On the other hand, reassessment districts can adjust assessments accordingly with the changing market. Municipalities that regularly reassess stand the best chance of providing their constituents the fairest level of tax distribution possible, even in the most difficult of times. It should be no surprise that municipalities that take proactive steps in maintaining fair tax distribution consistently outperform those that ignore such an initiative (*see exhibit A*).

For municipalities that do not take any proactive approach to maintaining fairness, the trajectory is ominous. The continued spike in interest rates will likely cause further volatility. Projected price depreciation, in this case, will not be equal across the board. All markets and price points will be affected differently. The opposite occurred on the way up, with a noticeable market compression (likely attributable to historically low interest rates as the monthly payment is a bigger market diving force on lower priced homes than it is on higher priced homes). Tax Distribution fairness in non-reassessment municipalities will be completely at the mercy of the volatile market changes. Proactive municipalities will continue to adapt annually, incorporating the various market changes into the subsequent year tax distribution.

Director’s Ratio

Rumson’s 2022 Director’s Ratio was 95.42%. While the “Director’s Ratio” is a complex calculation, this measurement is intended to express the typical relationship between assessments and sale prices in a given municipality. The sampling period used for the Director’s Ratio contains sales that took place between January and June. It is then blended with the Director’s Ratio from the prior year to stabilize shared levy impacts. With assessments being set during the pre-tax year (based on sales that took place during the prior two-year period), it is expected that ratios will be lower than 100% when markets are appreciating. The opposite would hold true for declining markets. Typically, real estate markets do not appreciate significant amounts year over year. However, the recent market changes have been exceptional, so the calculation is worth noting in this report to provide context to the declining ratio.

General Coefficient of Deviation (COD)

The General Coefficient of Deviation is widely held as the best indicator in determining proper tax distribution. It is a way to measure how tightly clustered individual assessment ratios are in relation to the average ratio. A lower COD means more accurate and fair tax distribution. The COD normalizes ratios to show accuracy within a municipality regardless of what the Director's Ratio is in any given year.

The more homogeneous the properties in a municipality are, the lower the COD should be. For example, a municipality that is comprised of mostly townhouses would be expected to yield better assessment accuracy than a municipality that is comprised of a complex range of property types and values (like Rumson). Through annual reassessments, Monmouth and Somerset Counties are showing much lower CODs compared to historical or statewide data.

Despite the complexity of the Borough, Rumson's COD is more accurate than the norms in the rest of the state, meaning that the assessments and resulting tax distribution are more fair. Rumson is also trending to be more accurate than historical coefficients. Prior to the COVID market volatility, the 2020 COD was **8.38** which was the lowest COD on record for Rumson (in at least the past 30 years). While a historical comparison is an important measurement, the COD must continue to be analyzed over time as coefficients will inevitably be higher during years that the underlying market is more volatile (like the 2021 & 2022 market). While the 2022 COD was still lower than the historical average in Rumson, market volatility has been a challenge. It will likely take a few years for volatility to subside and maintain a COD in the single digits.

Below is a summary of Rumson's general COD for the past 8 years (*see figure 1*). Rumson's average COD prior to implementation of annual reassessments (years 1991-2014) was 13.68.

Year	General Coefficient of Deviation
2015	18.95
2016	11.74
2017	12.50
2018	12.57
2019	9.45
2020	8.38
2021	10.69
2022	12.62

(figure 1)

Inspections (data collection)

The Borough completed the first five-year inspection cycle in 2018. The second cycle was front loaded to be complete as a 50/50 schedule split between 2019 and 2020. That cycle is now complete (see figure 2).

Unfortunately, the Division of Taxation recently established a regulation that requires all annual reassessment districts to inspect properties every five years (see exhibit B). Rumson had planned on operating under a previously permissible eight-year inspection cycle which *would have been* a lower cost and would have inconvenienced residents with inspections less frequently. The law allowing the eight-year cycle was put in place only a few years ago as a cost saving measure for municipalities. Recently, a new law was passed to allow virtual inspections (and established some other changes). In the new law, the language specifically allowing the eight-year cycle was removed and no longer specifies a timeframe. Division of Taxation’s decision to regulate as a five-year cycle removes the Borough’s ability to spread the cost over the eight-years. On the bright side, the Borough has been granted permission to deviate from the “20% per year” inspection routine and instead shall comply with the schedule set forth in figure 2.

Inspection Plan

1341 Rumson				
First Cycle (COMPLETE)	Year	Original Planned	Completed	Notes
	2014	20%	20%	5 yr cycle (2014-2018)
	2015	20%	20%	
	2016	20%	20%	
	2017	20%	20%	
	2018	20%	20%	1st cycle complete in 2018
Approved Second Cycle (COMPLETE)	Year	Approved Plan	Completed	Notes
	2019	20%	50%	County/State approved modification to plan to front load all to 2019&2020
	2020	20%	50%	2nd Cycle complete in 2020
	2021			5 yr cycle (2019-2023)
	2022			
	2023			
Planned Third Cycle (plan approved 8/19/21)	Year	Planned	Completed	Notes
	2024			
	2025	RFP		Plan to RFP in 2025 for 2026/2027
	2026	50%		5 Year Cycle (2024-2028)
	2027	50%		
	2028			

(figure 2)



General Comments on the Current Real Estate Market

Another extraordinary year for the real estate market in the books. The 2021 market experienced continued price appreciation driven by lower interest rates. This story continued during the winter months of 2022, with local markets seeing a steady 1-2% per month appreciation rate. As inflation shot up, the Federal Reserve began tightening money supply and has not yet stopped. Interest rates continue to ominously spike. The most extraordinary aspect of the 2022 market has been the muted reaction to the higher rates. Prices continued to increase until at least the summer of 2022, despite rates more than doubling YTD. In the most recent month or so, we are finally seeing signs suggesting that price appreciation has slowed to a crawl and may begin to stabilize or even decline.

30 Year Fixed Mortgage Rates

This page provides average 30 year fixed mortgage rates from several different surveys including Mortgage News Daily (daily index), Freddie Mac (weekly survey), Mortgage Bankers Association (weekly survey) and FHFA (monthly survey).

See also: [30 Year Fixed](#) | [15 Year Fixed](#) | [30 Year FHA](#) | [30 Year Jumbo](#) | [5/1 ARM](#) | [30 Year VA](#)

Zoom 1YR 5YR MAX Oct 26, 2017 - Oct 26, 2022

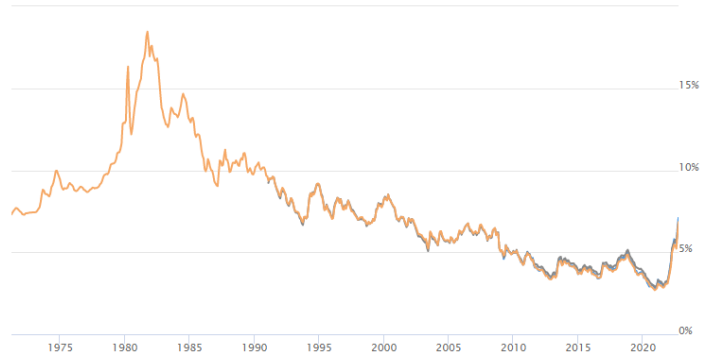


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Zoom 1YR 5YR MAX Apr 1, 1971 - Oct 26, 2022

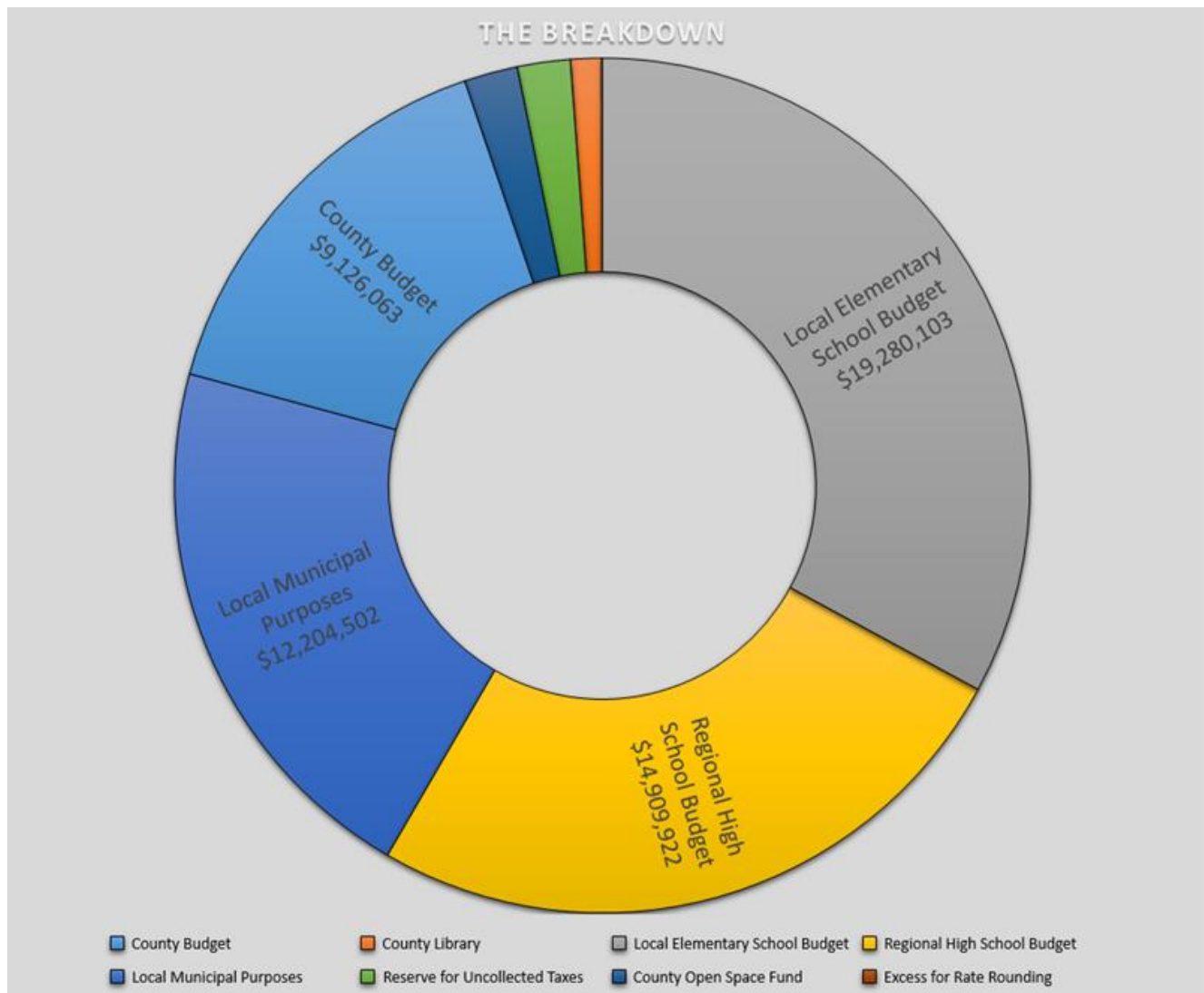


The 2023 Reassessment takes the market changes into account. Sales from 2021 and 2022 were used in the reassessment modeling, giving greater weight to the more recent sales. The 2023 aggregate value of Rumson's assessments will increase by 12.66%. This 12.66% can be seen as the baseline for apportionment change. Any property increasing greater than 12.66% will pay a greater proportionate share of the tax levy. Conversely, any property increasing less than 12.66% (or decreasing) will pay a lesser proportionate share of the tax levy.

It is important to keep in mind that shared budgets (like the Regional School and County budgets) are apportioned to the participating towns based on the respective net values of those towns. Should appreciation in Rumson outpace our 52 counterparts in the County, Rumson will be assigned to pay a higher proportionate share of the County Tax Levy. Should Rumson outpace Fair Haven, Rumson would be assigned to pay a higher proportionate share of the Regional School Levy (*see figure 3*). The way the market behaves is mainly out of our control, but it is important to keep a pulse on how other towns are assessing their properties. All towns should be on an equal playing field so that shared budgets get apportioned fairly.

Rumson Tax Levy History

Tax Levy Component	2016 Tax Levy	2017 Tax Levy	2018 Tax Levy	2019 Tax Levy	2020 Tax Levy	2021 Tax Levy	2022 Tax Levy	Percent of Bill
County Budget	\$ 8,860,091	\$ 8,813,226	\$ 8,999,865	\$ 8,865,086	\$ 9,273,390	\$ 9,096,853	\$ 9,126,063	16%
County Library	\$ 608,173	\$ 617,595	\$ 637,924	\$ 634,189	\$ 674,967	\$ 682,800	\$ 685,879	1%
Local Elementary School Budget	\$ 15,467,271	\$ 16,059,502	\$ 16,899,627	\$ 17,332,020	\$ 18,103,124	\$ 18,800,648	\$ 19,280,103	33%
Regional High School Budget	\$ 12,681,878	\$ 12,989,474	\$ 13,534,345	\$ 13,898,869	\$ 14,451,437	\$ 14,728,336	\$ 14,909,922	25%
Local Municipal Purposes	\$ 10,289,019	\$ 10,514,109	\$ 10,849,768	\$ 11,157,169	\$ 11,376,795	\$ 11,866,525	\$ 12,204,502	21%
Reserve for Uncollected Taxes	\$ 988,067	\$ 1,016,115	\$ 1,050,634	\$ 1,087,578	\$ 1,409,296	\$ 1,157,193	\$ 1,171,908	2%
County Open Space Fund	\$ 508,863	\$ 517,809	\$ 999,527	\$ 1,023,753	\$ 1,082,820	\$ 1,093,431	\$ 1,182,563	2%
Excess for Rate Rounding	\$ 12,339	\$ 22,994	\$ 26,173	\$ 29,725	\$ 15,147	\$ 28,377	\$ 15,375	
Total Tax Levy	\$ 49,415,700	\$ 50,550,825	\$ 52,997,862	\$ 54,028,387	\$ 56,386,976	\$ 57,454,164	\$ 58,576,315	



(figure 3)

Total Change of Net Valuation Taxable

The net valuation of the Borough is increasing by 12.66% in 2023 (see figure 4). About 576M has been added to the Rumson ratable base (partially related to new construction and partially related to market appreciation).

2022 Final Net Valuation	4,551,384,227
2023 Preliminary Net Valuation	5,127,640,398
Change	576,256,171
Change %	12.66%

(figure 4)

Property Class Breakdown (Year over Year)

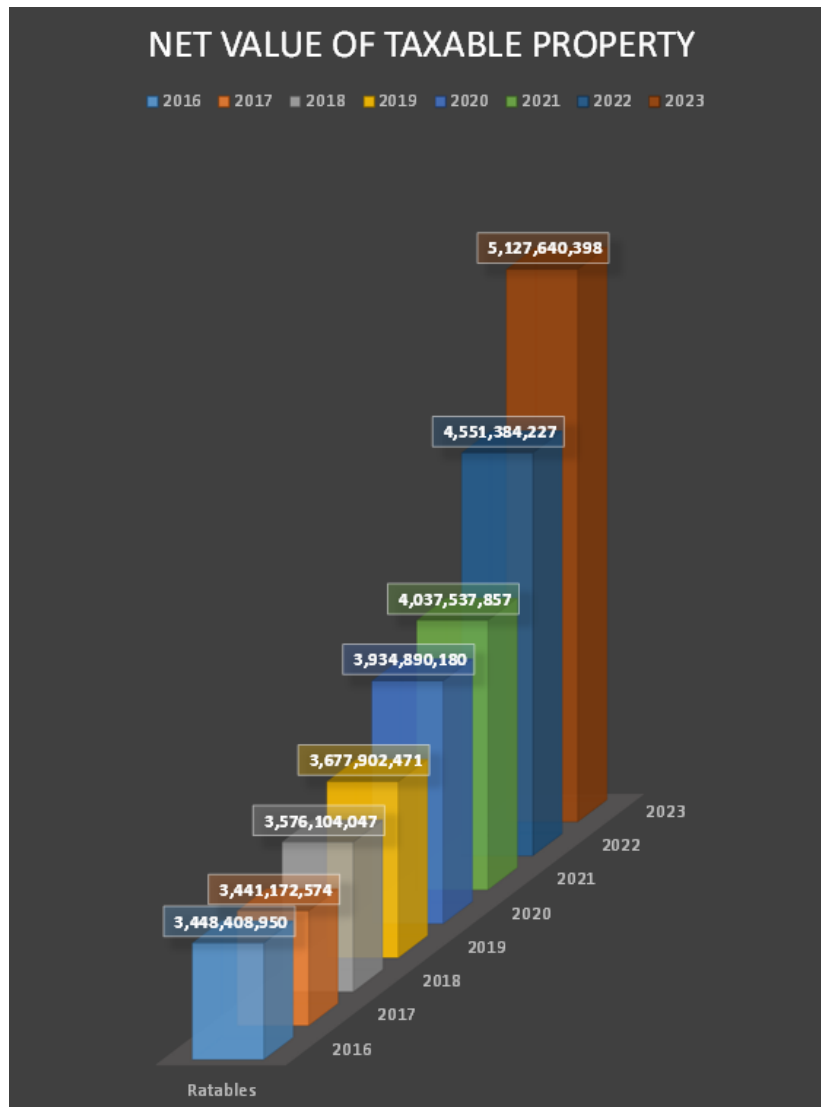
2022 Final Tax List					
Class	Property Type	Count	Value	Average	Share of Borough
1	Vacant Land	63	64,728,300	1,027,433	1.42%
2	Residential	2516	4,303,620,100	1,710,501	94.56%
3A	Farm House	7	28,610,200	4,087,171	0.63%
3B	Farm Land	8	10,200	1,275	0.00%
4A	Commercial	67	152,042,400	2,269,290	3.34%
4C	Apartment	1	1,084,900	1,084,900	0.02%

Total	4,550,096,100
Verizon	1,288,127
Net Valuation Taxable	4,551,384,227

2023 Preliminary Tax List					
Class	Property Type	Count	Value	Average	Share of Borough
1	Vacant Land	51	62,723,600	1,229,875	1.22%
2	Residential	2529	4,867,117,300	1,924,522	94.92%
3A	Farm House	7	31,582,100	4,511,729	0.62%
3B	Farm Land	8	10,200	1,275	0.00%
4A	Commercial	66	163,658,000	2,479,667	3.19%
4C	Apartment	1	1,220,600	1,220,600	0.02%

Total	5,126,311,800
Verizon	1,328,598
Net Valuation Taxable	5,127,640,398

(figure 5)



(figure 6)

2016 -2023 Tax Levy and Net Taxable Value			
Year	Tax Levy	Ratables	Tax Rate
2016	49,415,700	3,448,408,950	1.433%
2017	50,550,825	3,441,172,574	1.469%
2018	52,997,862	3,576,104,047	1.482%
2019	54,028,387	3,677,902,471	1.469%
2020	56,386,976	3,934,890,180	1.433%
2021	57,454,164	4,037,537,857	1.423%
2022	58,576,315	4,551,384,227	1.287%
2023	TBD	5,127,640,398	TBD
		576,256,171	Ratable base change 2022 to 2023 (Prior to Appeals)
		12.66%	Increase Prior to Appeals

(figure 7)

2023 Tax Rate Prediction

Year	Ratables	Tax Levy	Tax Rate
2022	4,551,384,227	58,576,315	1.287%
2023*	5,127,640,398	58,576,315	1.142%
2023**	5,102,002,196	60,333,604	1.183%

*Rate if levy was the same year over year and no reductions from appeals

**Assumes a 0.5% reduction in ratables from appeals & 3% increase in Tax Levy

Realistic 2023 Tax Rate Range 1.150%-1.185%

(figure 8)

Minimal Apportionment Volatility

Volatility, in terms of 2023 tax apportionment change, is minimal (see figures 9 & 10).

- 91% of residential properties changed between 5% and 15% (baseline is 12.66%).
- 70% of residential properties will decrease their proportionate share of the tax levy in 2023
- Half of the residential properties changed between 10% and 12.66% (marginally decreasing proportionate share)

Reassessment reports in prior years highlighted the notable market compression that had been occurring for the past decade. Lower property values were appreciating at much greater rates than higher valued properties. This dynamic was likely caused by the low interest rate environment, as lower priced home prices are more sensitive to interest rate changes. With higher rates in 2022, the compression has appeared to finally stop and we are even starting to see signs of higher valued properties outperforming.

Assessment change of all residential properties

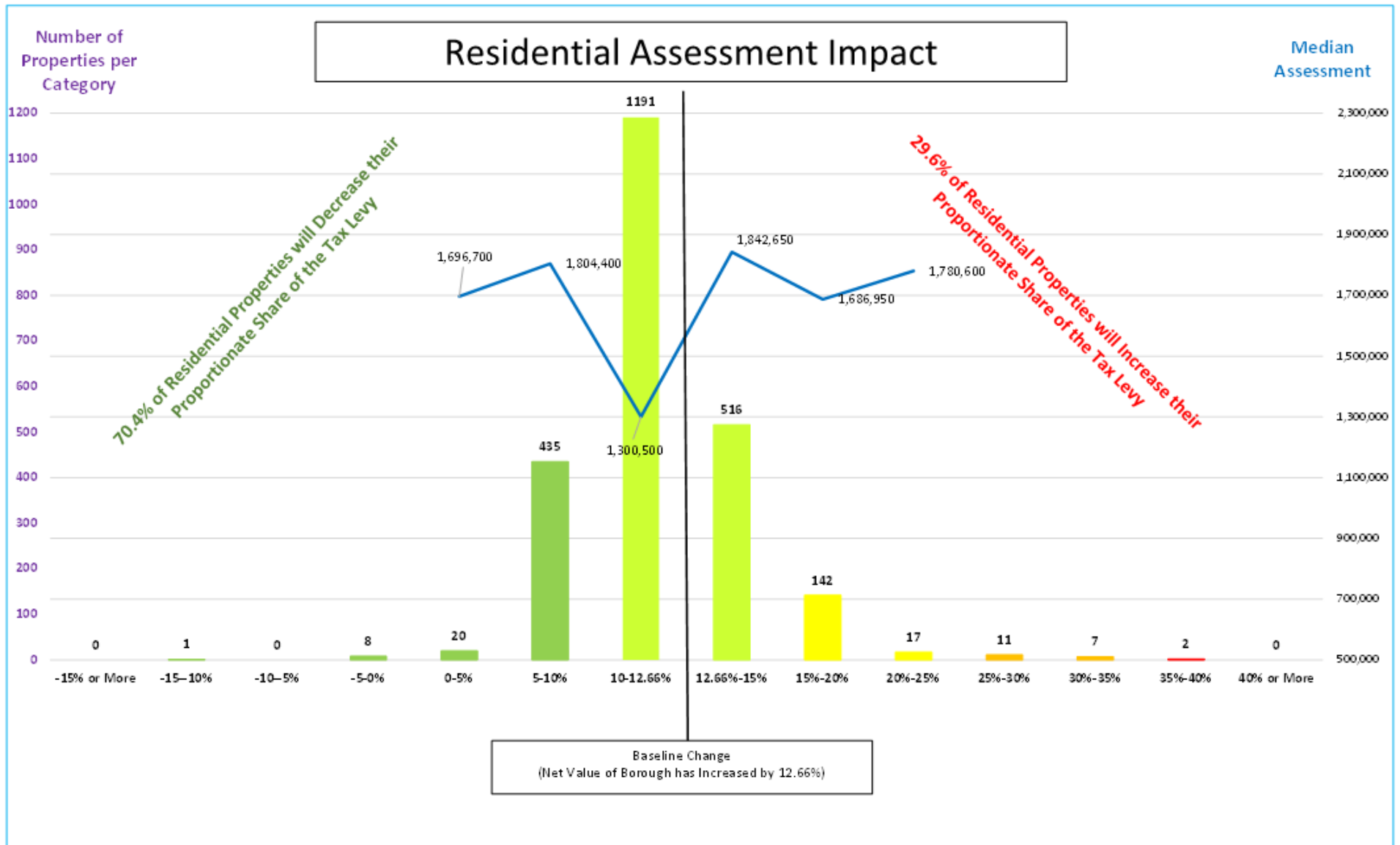
(excluding new construction and properties that had renovations)

Residential Classified Properties				
	Assessment Change Category	Number of Properties In Change Category	% of Total	Median Assessment of Group
70.4% of Residential Properties will Decrease their Proportionate Share of the Tax Levy	-15% or More	0	0.00%	
	-15--10%	1	0.04%	
	-10--5%	0	0.00%	
	-5-0%	8	0.34%	
	0-5%	20	0.85%	1,696,700
	5-10%	435	18.51%	1,804,400
29.6% of Residential Properties will Increase in their Proportionate Share of the Tax Levy	10-12.66%	1191	50.68%	1,300,500
	12.66%-15%	516	21.96%	1,842,650
	15%-20%	142	6.04%	1,686,950
	20%-25%	17	0.72%	1,780,600
	25%-30%	11	0.47%	
	30%-35%	7	0.30%	
	35%-40%	2	0.09%	
40% or More	0	0.00%		
Total Properties In Group		2350	100.00%	

*Net Value of Borough has Increased 12.66%

(figure 9)

Residential Change Report



(figure 10)

2023 Tax List Accuracy

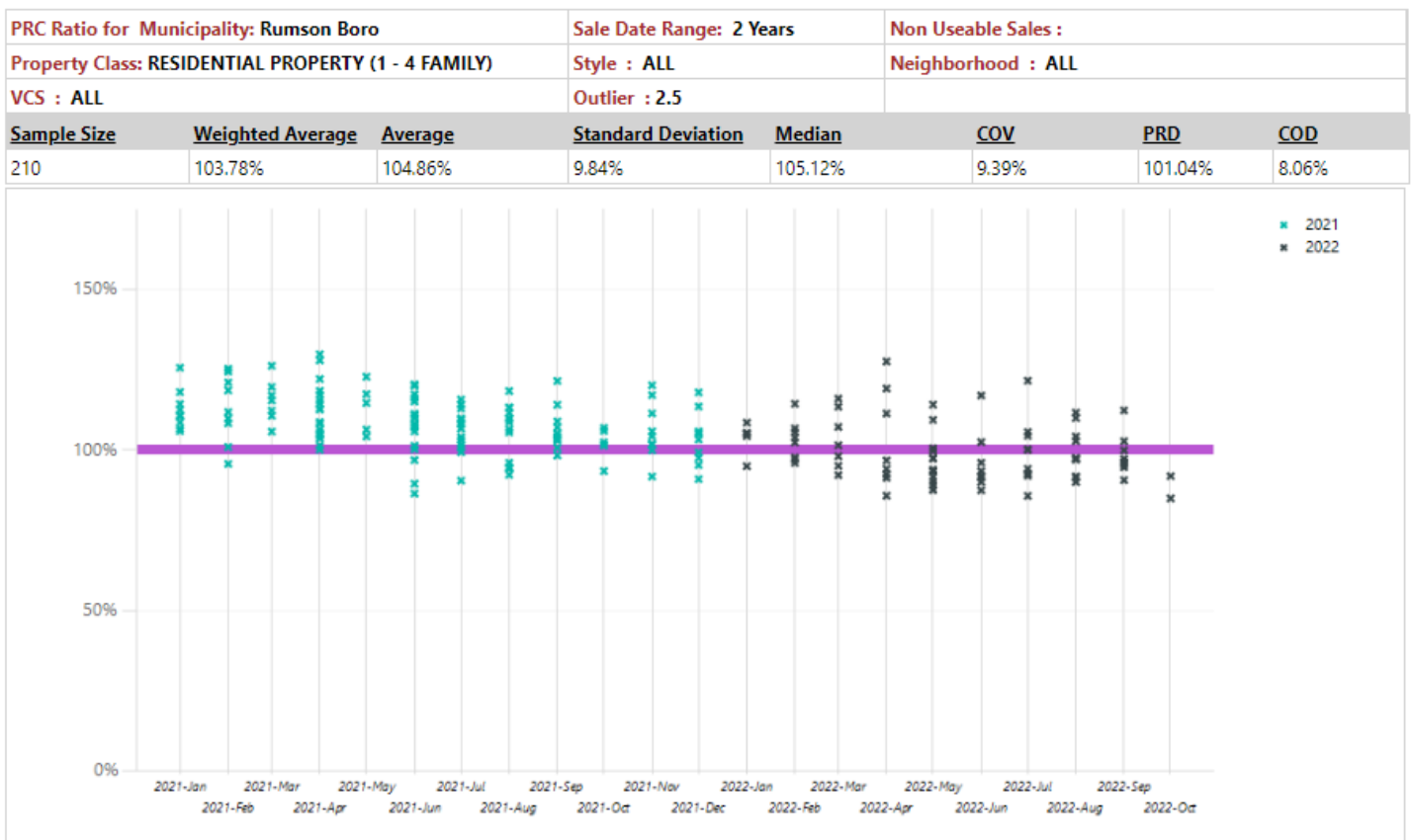
The primary driver of a reassessment is recent “arms-length market transactions”. Statutorily, properties are assessed for what they would have sold for on October 1st of the pretax year. The 2023 valuation date is October 1st, 2022.

Our Supreme Court has held “value for purposes of taxation has some measure of permanence which renders it secure against general temporary inflation or deflation.” (Hackensack Water Co. v. Division of Tax Appeals, 2 N.J. 157, 163 (1949)); and “True value must be fairly constant and must be gauged by conditions, not temporary and extraordinary, but by those which over a period of time will be regarded as measurably stable.” (Berkeley Arms Apartment Corp. v. City of Hackensack, 6 N.J. Tax 260, 286 (Tax 1983)).

These quotes are more important now than ever. While the local market has appreciated at significant rates, assessors must view sales data used in the study in its totality while mass modeling assessments. While more recent sales are certainly given more credibility in the analysis, older sales will still be a stabilizing factor with annual reassessments. Inevitably, older sales will pull the modeling in the direction that the market was in the past.

A reassessment generally measures sale prices from the past two years (giving more credibility to the more recent transactions.) The Monmouth County Tax Board has a standardized review process to measure new assessments against sale prices from the current and prior year (*see figures 11 & 12*).

**Tax Board Assessment Data Analysis Module (ADAM360) Standardized Review:
All 2021/2020 residential usable sales
(removing top & bottom 2.5% outliers and properties that had renovations after the sale)
*Data addendum with sales attached**

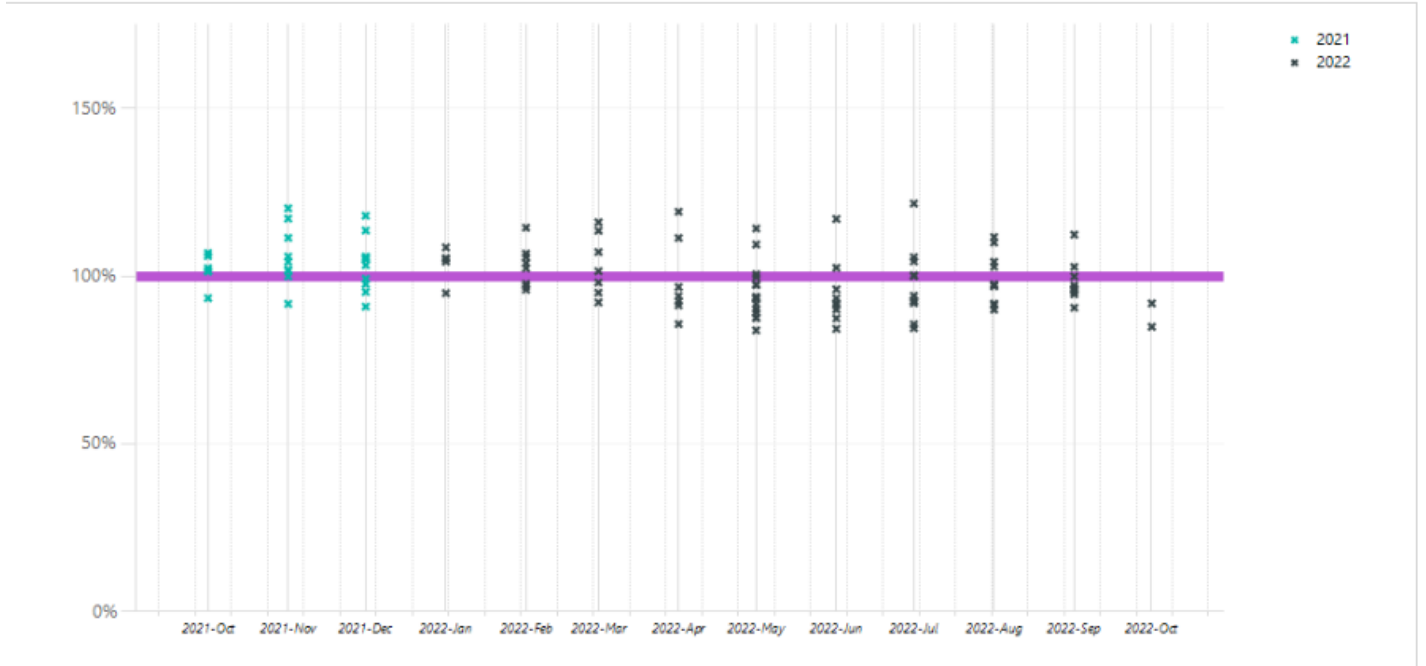


(figure 11)

Tax Board Assessment Data Analysis Module (ADAM360) Standardized Review:
All residential usable sales during the past 1 year period
(removing top & bottom 2.5% outliers and properties that had renovations after the sale)

**Data addendum with sales attached*

PRC Ratio for Municipality: Rumson Boro			Sale Date Range: 1 Year		Non Useable Sales :		
Property Class: RESIDENTIAL PROPERTY (1 - 4 FAMILY)			Style : ALL		Neighborhood : ALL		
VCS : ALL			Outlier : 2.5				
<u>Sample Size</u>	<u>Weighted Average</u>	<u>Average</u>	<u>Standard Deviation</u>	<u>Median</u>	<u>COV</u>	<u>PRD</u>	<u>COD</u>
108	98.57%	99.74%	8.81%	97.91%	8.83%	101.19%	7.24%



(figure 12)

Lot Valuation Matrix (Acreage Costed VCS)

*does not include property specific adjustments (Traffic, flood zone, economic obsolescence, etc.)

Section	VCS	Description	Site	Per Acre- Up to Standard Size 1 or 1.5 (see Section)	Per Acre of Excess (After Standard Size)	1 Acre Lot	1.5 Acre Lot	2 Acre Lot	2.5 Acre Lot	4 Acre Lot (w/ one site)
R1- Non Waterfront Residential 1.5 Acre Standard Lot	R101	North of Ridge	1,125,000	300,000	160,000	1,425,000	1,575,000	1,655,000	1,735,000	1,975,000
	R102	Between Rumson & Ridge	1,125,000	300,000	160,000	1,425,000	1,575,000	1,655,000	1,735,000	1,975,000
	R103	South of Rumson	1,100,000	300,000	160,000	1,400,000	1,550,000	1,630,000	1,710,000	1,950,000
	R104	Woods End to Fair Haven Rd	1,000,000	260,000	150,000	1,260,000	1,390,000	1,465,000	1,540,000	1,765,000
R2- Non Waterfront Residential 1 Acre Standard Lot	R201	Circle / Edgewood	1,000,000	300,000	160,000	1,300,000	1,380,000	1,460,000	1,540,000	1,780,000
	R202	Sugar Maple	1,060,000	300,000	160,000	1,360,000	1,440,000	1,520,000	1,600,000	1,840,000
	R203	East of Ave of Two Rivers	1,150,000	300,000	160,000	1,450,000	1,530,000	1,610,000	1,690,000	1,930,000
	R204	East of Navesink Ave	1,375,000	350,000	175,000	1,725,000	1,812,500	1,900,000	1,987,500	2,250,000
	R205	West of Golf Course	1,120,000	300,000	160,000	1,420,000	1,500,000	1,580,000	1,660,000	1,900,000
	R206	Riverside / Ivins	1,090,000	300,000	160,000	1,390,000	1,470,000	1,550,000	1,630,000	1,870,000
W1- Waterfront Residential 1.5 Acre Standard Lot	W101	West River Waterfront	2,700,000	700,000	500,000	3,400,000	3,750,000	4,000,000	4,250,000	5,000,000
	W102	North Ward Waterfront	2,475,000	650,000	400,000	3,125,000	3,450,000	3,650,000	3,850,000	4,450,000
	W103	Eastside Shrewsbury River	1,900,000	500,000	150,000	2,400,000	2,650,000	2,725,000	2,800,000	3,025,000
	W104	Non-Premium Shrews-Large Sections of Marshland	1,725,000	475,000	50,000	2,200,000	2,437,500	2,462,500	2,487,500	2,562,500
W2- Waterfront Residential 1 Acre Standard Lot	W201	Navesink Waterfront	2,300,000	500,000	300,000	2,800,000	2,950,000	3,100,000	3,250,000	3,700,000
	W202	Non-Premium Nav-Large Sections of Marshland	1,725,000	475,000	50,000	2,200,000	2,225,000	2,250,000	2,275,000	2,350,000
	W203	Blackpoint Horseshoe	2,175,000	500,000	125,000	2,675,000	2,737,500	2,800,000	2,862,500	3,050,000
	W204	Shrewsbury Riverfront	1,725,000	475,000	125,000	2,200,000	2,262,500	2,325,000	2,387,500	2,575,000
	W205	Inlets West of Golf Course	1,200,000	400,000	200,000	1,600,000	1,700,000	1,800,000	1,900,000	2,200,000
	W206	Oyster Bay	1,600,000	350,000	225,000	1,950,000	2,062,500	2,175,000	2,287,500	2,625,000

(figure 14)

Lot Valuation Matrix (Front Foot Costed VCS)

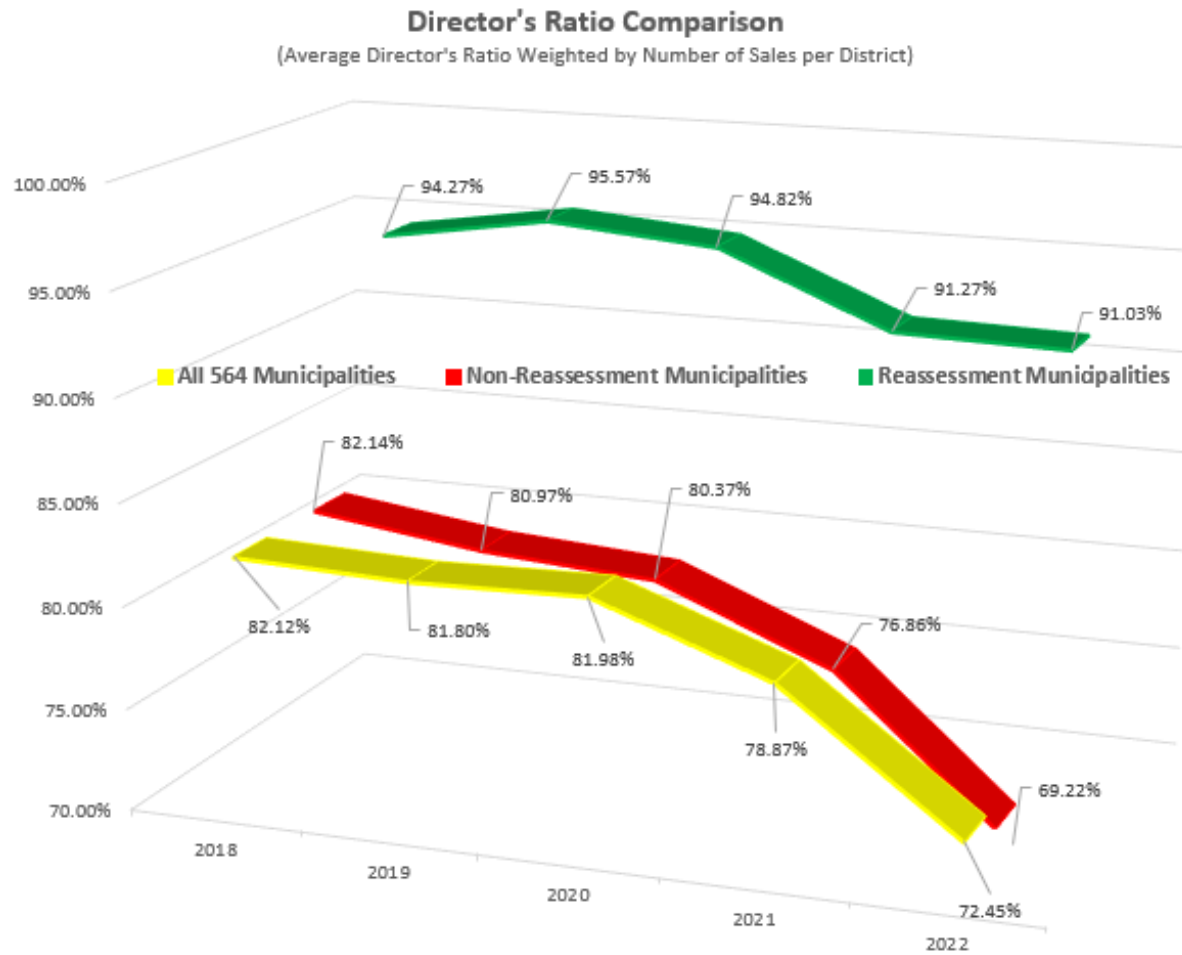
*does not include property specific adjustments (Traffic, flood zone, economic obsolescence, etc.)

Section	VCS	Desc	Site	FF Calc (up to 75ft then 0.5 factor)	25x75 (.5DF)	50x75 (.5DF)	100x75 (.5DF)	25x150 (1.00DF)	50x150 (1.00DF)	100x150 (1.00DF)	25x250 (1.26DF)	50x250 (1.26DF)	100x250 (1.26DF)
R4- FF Method (Medium Sized Lot Areas)	R401	Cherry/Crabapple	650,000	5,900	723,750	797,500	908,125	797,500	945,000	1,166,250	835,850	1,021,700	1,300,475
	R402	Bingham/Park	520,000	5,900	741,250	667,500	778,125	667,500	815,000	1,036,250	705,850	891,700	1,170,475
	R403	Robin/Blossom	675,000	5,900	896,250	822,500	933,125	822,500	970,000	1,191,250	860,850	1,046,700	1,325,475
	R404	Residential North of E River	475,000	4,600	647,500	590,000	676,250	590,000	705,000	877,500	619,900	764,800	982,150
	R405	Oak Tree/Park	575,000	5,900	796,250	722,500	833,125	722,500	870,000	1,091,250	760,850	946,700	1,225,475
	R406	Small Lots East of Ave of Two Rivers	575,000	5,900	796,250	722,500	833,125	722,500	870,000	1,091,250	760,850	946,700	1,225,475
R5- FF Method (Small Sized Lot Areas)	R501	Church/Lafayette	450,000	5,900	671,250	597,500	708,125	597,500	745,000	966,250	635,850	821,700	1,100,475
	R502	Lennox/Lakeside	420,000	5,900	641,250	567,500	678,125	567,500	715,000	936,250	605,850	791,700	1,070,475
	R503	E River/Center	420,000	5,900	641,250	567,500	678,125	567,500	715,000	936,250	605,850	791,700	1,070,475
	R504	Holly/Bay	450,000	5,900	671,250	597,500	708,125	597,500	745,000	966,250	635,850	821,700	1,100,475
	R505	Ave of Two Riv/Ridge	400,000	5,900	621,250	547,500	658,125	547,500	695,000	916,250	585,850	771,700	1,050,475
	R506	West park Non-Waterfront	470,000	5,900	691,250	617,500	728,125	617,500	765,000	986,250	655,850	841,700	1,120,475
	R507	West of Golf Course Non-Waterfront	415,000	5,900	636,250	562,500	673,125	562,500	710,000	931,250	600,850	786,700	1,065,475
W5- FF Method (Small Sized Lot Areas Waterfront)	W501	Highland Ave Waterfront	720,000	7,500	1,001,250	907,500	1,048,125	907,500	1,095,000	1,376,250	956,250	1,192,500	1,546,875
	W502	West Park Waterfront	720,000	7,500	1,001,250	907,500	1,048,125	907,500	1,095,000	1,376,250	956,250	1,192,500	1,546,875
	W503	West of Golf Course Waterfront	720,000	7,500	1,001,250	907,500	1,048,125	907,500	1,095,000	1,376,250	956,250	1,192,500	1,546,875

(figure 15)

EXHIBIT A (1 of 2)

Statewide Comparison of Reassessment vs. Non-Reassessment Districts



****Reassessment Municipalities are the 84 districts that reassessed every year for the past five years***

*****Non-Reassessment Municipalities are the 394 districts that have done no reassessments or revaluations in at least five years***

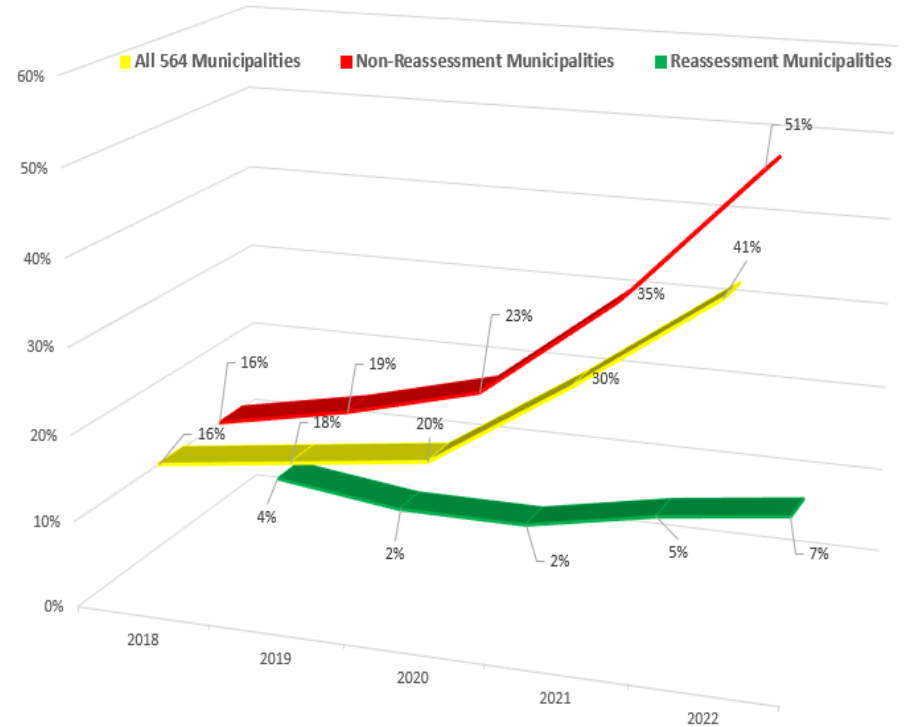
EXHIBIT A (2 of 2)

Statewide Comparison of Reassessment vs. Non-Reassessment Districts

Coefficient of Deviation (COD) Comparison
(Average COD Weighted by Number of Sales per District)



Percent of Group with a Coefficient of Deviation (COD) Over 15%



****Reassessment Municipalities are the 84 districts that reassessed every year for the past five years***

*****Non-Reassessment Municipalities are the 394 districts that have done no reassessments or revaluations in at least five years***

EXHIBIT B

Division of Taxation removed ability to spread inspections over 8-Year period



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
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State Treasurer

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MEMORANDUM

TO: Municipal & County Assessors, County Tax Board Administrators & Commissioners

FROM: Shelly Reilly, Assistant Director, Property Administration

DATE: August 18, 2021

SUBJECT: Interior Inspection Cycles for Annual Reassessments

This memorandum is in regard to the inspection cycles for annual reassessments and supersedes the memorandum of August 10, 2018. Pursuant to Chapter 136, Laws of 2021, N.J.S.A. 54:4-23b was amended to remove the language permitting interior inspection cycles to occur over an eight-year period. Now, the statute allows for "an ongoing inspection cycle," with no specified time period in the law.

Since the statute no longer specifies a particular length of interior inspection cycle, the provisions of N.J.A.C. 18:12A-1.14(i) now govern. The maximum permissible length of an interior inspection cycle for annual reassessment is five years. This will be applied prospectively to ensure uniformity amongst the properties within each county.

The Division of Taxation will contact the assessors and county tax administrators for municipalities currently in the midst of eight-year interior inspection cycles on how to proceed with the law's amendment based on the particular facts and circumstances of that municipality.

It remains the policy of the Division of Taxation to have the percentage of inspections equally distributed throughout the inspection cycle. That is, the assessor should inspect 20% of line items each year over the five-year period. If an assessor wishes to deviate from this policy, he or she must provide a written request and justification of the circumstances in the particular municipality to the County Tax Administrator and the Division of Taxation.

If you have any questions, contact the Division of Taxation at (609) 292-7974 or (609) 292-7975.

SR: KB