

Municipal Practice Group Update

Court Upholds Assessor's Adjustments To Mass Appraisal Revaluation

June 2019

As part of Halloran Sage's continuing efforts to inform our clients of significant changes in the law, we are writing to update you on a recent Connecticut Supreme Court case.

In these times of budget tightening and concerns of state cutbacks, many municipalities are focused on their grand lists and the revenue generated by them.

A crucial part of valuating the grand list is the periodic revaluation of all real property in a town as required by state statute. Every five years municipalities are mandated to conduct a town-wide revaluation and

most towns engage the services of revaluation vendors who use data collection and mass appraisal technology to arrive at valuations for all the real property. These computer models have certain checks to ascertain whether or not the median assessment to sales ratio ("ASR") is within accepted parameters.

Sounds complicated? Well it is. But in the recent Connecticut Supreme Court case of Tuohy v. Town of Groton, 331 Conn. 745 (2019), May 28, 2019, the Supreme Court waded into the weeds and analyzed the adjustments Groton's assessor made to a specific water-influence neighborhood to reach an acceptable ASR.

The opinion provides a very complete analysis of the applicable statutory framework and OPM regulations and applies this framework to the revaluation conducted by Groton. The plaintiffs brought this class action to challenge the revaluation but in dismissing those claims, the court provided a road map for towns conducting revaluations and making necessary adjustments to reflect sales and bring the final values as close as possible to what market conditions were on the revaluation date.

The attorneys in our Municipal Practice Group would be happy to discuss this case with your assessor and finance director if you have additional questions. For those towns conducting or about to conduct their 5-year revaluation, a little time reviewing Tuohy and speaking to our professionals, could provide protection against a similar challenge.

