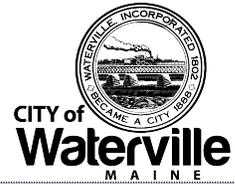


CITY OF WATERVILLE

REVALUATION THIS SPRING

The Assessing department is conducting a city-wide property revaluation of all properties beginning in January 2025. A revaluation is the process of updating all property values in the city to reflect their current market value (i.e., to maintain reasonable estimates of what each property could sell for on the open market).



WHY?

FAIRNESS

Property owners should pay no more or no less than their fair share of the property tax burden. Currently, some taxpayers may be paying more than their fair share of taxes, while others may be paying less. A revaluation redistributes the existing tax base so all property owners pay their share based on the market values of their property.

Did you know?

A revaluation is revenue-neutral. By itself, a revaluation does not increase or decrease total tax revenue collected by the City. The amount of taxes needed to be raised typically changes if the City, School, and County budgets change. Your assessed value may go up, but the tax rate will go down.

COMPLIANCE

The City of Waterville aims to stay within compliance with State assessment requirements. When the City is not within compliance the State will reduce many reimbursements and exemptions.

Did you know?

Maine State Law requires that assessments be maintained between 70-110% of market value. **Maine Revenue Services has determined that Waterville is currently at 87% of market value.** A revaluation will bring assessed values back in alignment with market value, keeping us in compliance and eligible for higher reimbursements and exemption values.

BACKGROUND

The City of Waterville last conducted a statistical revaluation in 2023. Before that, the last full City-wide revaluation, done by Vision Government Solutions, was completed in 2016. Here's how the upcoming revaluation will be different:

- ✓ Work performed in-house by City Assessing Staff
- ✓ No in-home inspections, unless specifically requested; existing data will be used to revalue all town properties
- ✓ More community engagement and public outreach efforts

WHAT'S NEXT?

JUNE: NOTICE OF VALUATION



Preliminary new valuations will be mailed to property owners in June. Review your updated property record card to ensure it is accurate and free of errors. If corrections are needed, please contact us.

REVIEW PROCESS

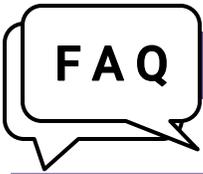


If you believe the new assessed value does not represent fair market value of your property, you will be able to schedule an informal hearing to review details and ask questions. If after the informal appeal you still disagree with the findings, you may file a formal appeal. Details to come.

Look at the back for some of our Frequently Asked Questions

Go to www.waterville-me.gov/446/property-valuation-adjustments-revaluati

Call 207-680-4220 between 7:00 a.m. and 5:30 p.m. Monday-Thursday



FREQUENTLY ASKED QUESTIONS & TIMELINE

Q: How does the Assessor determine my property’s value?

The Assessor considers **three standard approaches** in determining the fair market value of a property:

- 1) The **sales comparison (market) approach** bases a valuation on sales data of similar types of properties in town;
- 2) The **cost approach** bases a valuation on what it would cost to replace your property minus any depreciation;
- 3) The **income approach** bases a valuation on what the potential future income would be for that property.

Q: My assessment went up, does this mean I’ll be paying more on my tax bill this year?

Maybe. During a revaluation year, the tax (mill) rate often goes down when the total valuation of all property in town is higher. Adjustments to the tax (mill) rate may reduce or eliminate the impact of a higher valuation. However, a tax (mill) rate reduction may not fully compensate for a significant property valuation increase. This can only be determined once the budget is finalized and a tax (mill) rate is set for the upcoming year in August.

Q: Why did my new assessment go up even if I didn’t make any improvements to my home?

Home values have changed significantly since the last revaluation process 2 years ago. **Your assessment will be based on the market value as of April 1, 2025.** If your home value went up it is likely because homes around you are selling at a higher value in recent years.

Q: Why did my taxes go up?

Annual property tax bills can increase for a variety of reasons. For example: 1) any home improvement or renovation could potentially increase the assessed value of your property; 2) a data correction to accurately reflect the description of the property could increase the assessed value; 3) a revaluation of town properties to bring them to current market value could increase the assessed value, relative to other properties; and/or 4) an increase in the city budget can raise your tax bill.

Q: Can I multiply the current tax rate times my new value (per thousand) to determine my new tax bill?

No. The tax (mill) rate represents the amount per every \$1,000 of your property’s value (or millage rate). The Assessor has not yet set a new tax (mill) rate for the 2025-2026 fiscal year. Multiplying the current tax (mill) rate times your new assessed property value will likely result in a number much higher than your prospective tax liability. The tax (mill) rate is determined by taking the total Tax Levy (combined municipal, school, and county budgets minus all revenues) and dividing it by the total Taxable Valuation. In short, Tax Levy/Taxable Valuation = Tax (mill) Rate.

PROJECT TIMELINE	
Month/Year	Activity
Jan 2025 – Apr 2025	Assessor to analyze all sales and update cost tables.
Apr 2025 – May 2025	Field and building permit work
June 2025	Preliminary new valuation notices mailed to property owners
June 2025 – July 2025	Owners may appeal the appraised value of their property through informal hearings
Aug 2025	FY2026 Tax Rate set based on final city-wide taxable valuation and City council approved FY2026 budget.
Sept 2025	Tax bills mailed reflecting new assessment and new tax rate
Feb 2026	Formal appeals deadline.