

# CITY OF HIGH POINT

## AGENDA ITEM

**Title: Guilford County Reappraisal – Information Item**

**From:** Stephen M. Hawryluk  
Budget and Performance Manager

**Meeting Date:** February 7, 2022

**Public Hearing:** No

**Advertising Date /**  
**Advertised By:** N/A

**Attachments:** None

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**PURPOSE:**

To present information on the Guilford County 2022 Property Reappraisal (Revaluation).

**BACKGROUND:**

Guilford County's 2022 reappraisal is an in-depth process of assigning new values to all the real property in the county at its current market value. All real property in the Guilford County portion of city limits is included. Guilford County is on a 5-year reappraisal cycle with the last occurring in 2017.

The reappraisal is conducted by in-house Guilford County appraisers who are certified by the state of North Carolina. They examine and analyze market activity including recent qualified sales.

New values are effective as of January 1, 2022, with property owners receiving notification starting in February. The new values will be reflected on tax bills that go out in July.

**BUDGET IMPACT:**

The cost of the reappraisal is covered completely by Guilford County.

**RECOMMENDATION / ACTIONS REQUESTED:**

There is no action requested. This item is for information purposes only.

# GUILFORD COUNTY 2022 PROPERTY REAPPRAISAL



Stephen M. Hawryluk  
Budget & Performance Manager  
Budget and Evaluation Division  
Financial Services Department

# WHAT IS A REAPPRAISAL?

- ▶ Reappraisal (Revaluation)
  - ▶ Process in which all real property is assessed at its market value
  - ▶ Does not include personal property (cars, boats, etc.)
  - ▶ Create equity within the tax base
  - ▶ Required by NC General Statutes (at least every 8 years)
  - ▶ Last Guilford County revaluation - 2017

# MARKET VALUE

- ▶ Market Value
  - ▶ Most probable or most likely price that the property would sell for
  - ▶ Requires a willing buyer and a willing seller
  - ▶ Implies buyer and seller are fully informed of all the purposes to which the property is best adapted and capable of being used
  - ▶ Recognizes current as well as potential use(s)

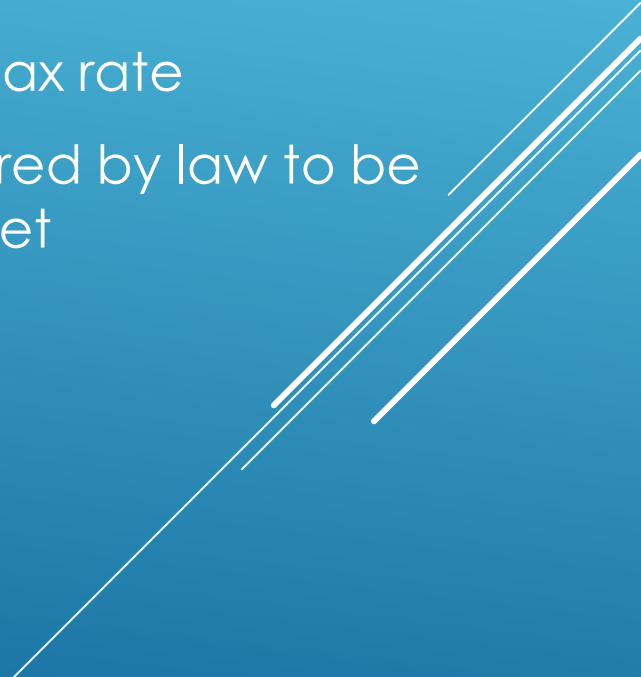
# PROCESS

- ▶ Conducted by in-house Guilford County appraisers
  - ▶ Certified by the State of NC
  - ▶ Appraisers examine and analyze market activity including recent qualified sales
- ▶ Valuation Methods of Appraisal Industry
  - ▶ Market Approach – compare property to recent sales of similar properties
  - ▶ Cost Approach – determine current cost of replacing property
  - ▶ Income Approach – Consider how much income the property could produce (common for commercial properties)


# TIMELINE

- ▶ January 1, 2022 – new values effective
  - ▶ February 2022 – property owners notified
  - ▶ July 2022 – new values reflected on tax bills
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- Several white lines of varying lengths and slopes are positioned in the bottom right corner of the slide, creating a modern, abstract graphic element.

# TAX IMPACT

- ▶ 2022 tax rates will be adopted by the City Council as part of the FY 2022-23 budget in May/June
  - ▶ Tax Bill = Assessed value/100 x tax rate
  - ▶ Revenue-neutral tax rate required by law to be published with proposed budget
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# REVENUE- NEUTRAL TAX RATE

- ▶ Rate estimated to produce same amount of property tax revenue (with new tax values) as previous year
  - ▶ Factors in natural growth
  - ▶ If tax base goes up in revaluation, revenue-neutral tax rate would be lower than current rate
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# REVENUE- NEUTRAL TAX RATE EXAMPLE

- ▶ Tax Bill = Assessed value/100 x tax rate
- ▶ Current
  - ▶ \$200,000 (value)/100 x 0.6475 (current tax rate)
  - ▶ Equals: \$1,295 tax bill
- ▶ Revaluation
  - ▶ 10% increase in value
  - ▶ \$220,000 (new value)/100 x 0.5886 (revenue-neutral tax rate)
  - ▶ Equals \$1,295 tax bill

# QUESTIONS?

Additional information

<https://www.guilfordcountync.gov/our-county/tax/2022-reappraisal>