

CITY OF MONTEVIDEO
BOARD OF EQUALIZATION
April 25, 2011

The Board of Equalization meeting was called to order by President Hodge at 6:30 P.M. in the council chambers at city hall.

Members present: Sandra Hodge, Bryce Curtiss, Karen Nieuwbeerta, Marvin Garbe and Al Johnsrud. Absent: None.

Also present were: City Manager Steven C. Jones, City Clerk Glennis A. Lauritsen, County Assessor Carol Schutz and Deputy Assessor/Appraiser Bonnie Crosby.

Information had been provided by the Chippewa County Assessor's Office which discussed how their office arrived at values for the 2011 assessment. The overall estimated market value (EMV) decreased 1.3%. With the market being softer, depreciation was updated, which resulted in some, but not all, properties having various degrees of decreases in values throughout the county. However, the viewing area this year saw increases, as well as decreases, so there were adjustments up and down, especially in that area of town. Other changes throughout the city occurred in equalization and new construction. The parts of Montevideo that were viewed for the 2011 assessment included north of Ashmore Avenue and most businesses north of Highway 7. New construction throughout the city was also viewed.

The total estimated market value for Montevideo for the 2011 assessment is \$221,434,900.00, which is a decrease of \$2,905,000.00. This total includes the new construction, but does not include personal property, utilities, railroad or state values.

The total new construction in Montevideo in 2011 was \$1,469,500, with a breakdown as follows: Residential - \$962,700 and Commercial/Industrial - \$506,800.

In 2010, the City of Montevideo had a total of 47 residential sales with a median ratio of 101% after the time adjustment given by the state. The time adjustment was needed in order to accurately represent assessment levels in a changing market. Prior to the adjustment, the ratio was 98.2%. Currently, the adjusted median ratio, after local effort, is at 99.3% for residential property. (The DOR requires the ratio to be at 90-105%.) There was only one commercial sale, which is not enough for a sales study.

70-490-0450 - Kenneth Anderson Property at 1601 North 4th Street. Mr. Anderson was present to state that his value had remained the same for quite a number of years; however, this year, the value increased by \$10,000 and he was curious as to why.

Crosby explained that Mr. Anderson's property was within the area viewed for the 2011 assessment; however, she had not viewed the interior of the property. Upon speaking with Anderson earlier today, she offered to view the interior of the property again but that did not happen. She explained the valuation process to Anderson, noting that their goal was to equalize his property valuation with that of similar sales of ramblers in Montevideo. Crosby gave examples of two ramblers in particular, the Glendora Thulin property at 1410 North 5th Street, which sold for \$160,000 (\$74.00/sf), and the Ordell Kuno property at 1105 Ridgeview Drive, which sold for \$165,000 (\$87.97/sf). She further explained Anderson's property contains approximately 2,000 square feet, which is valued at \$61.57/sf. Two additions were added, one in 1975 and the other in 1986. In addition, a garage stall was added in 2001 and approximately \$2,000 was added for patios and concrete on the property. No additional value was added to the land. She considered the property to be 40% remodeled.

Mr. Anderson thanked Crosby for her explanation and stated he was satisfied with the explanation.

70-315-0340 - Bruce Olson Property at 211 North 8th Street. Crosby explained that this property owner had contacted their office to request a decrease in valuation. After review, it is her suggestion that the value be lowered from \$76,600 to \$67,200.

Crosby stated that this was a former Habitat for Humanity house that recently sold at auction. The appraisal conducted on the property showed a value of \$53,000, which is also the purchase price paid by Olson. She could not justify lowering the value to the appraised amount at this time.

It was moved by Garbe, seconded by Johnsrud and unanimously passed to accept the recommendation and lower the estimated market value of the property, from \$76,600 to \$67,200.

Carol Schutz informed the board that additional training for Board of Equalization members will be held in Montevideo August 9th, in the Assembly Room at the Court House, 1:00-4:00 P.M. She stated that three of the five members are certified, as follows: Marvin Garbe - through 2013; Sandra Hodge - through 2012; and, Al Johnsrud - through 2013.

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Crosby stated that in 2011, the downtown area and Original Plat areas will be reviewed.

It was moved by Garbe, seconded by Johnsrud and unanimously passed that the meeting be adjourned.

Meeting adjourned at 7:00 P.M.

Glennis A. Lauritsen, Secretary

Approved by council May 2, 2011:

Sandra Hodge, President