

CITY OF MONTEVIDEO
BOARD OF EQUALIZATION
April 24, 2023

The Board of Equalization meeting was called to order by President Schmidt at 6:00 P.M. in the City Hall Council Chambers.

Present: Nathan Schmidt, Dan Sanborn, Steve Sulflow, Beverly Olson and Bryce Curtiss. Absent: None.

Also present: City Manager Robert Wolfington, County Assessor Bonnie Crosby, Montevideo Assessor Kerri Heim and City Clerk Glennis Lauritsen.

A memorandum had been provided by the Chippewa County Assessor's Office which discussed changes made to the 2023 assessment values. Changes throughout the city included normal depreciation, equalization and new construction.

The total estimated market value for Montevideo for the 2023 assessment was \$372,698,900, which is an increase of \$54,477,900 (17.12%). This total includes the new construction, but does not include personal property, utilities, railroad or state values. The total new construction in Montevideo for the 2023 Assessment was \$2,894,213, the number of sales was 92, and the median ratio was 93.1%. There were not enough commercial sales to do a study for the 2023 assessment. It was explained that the Department of Revenue requires the median ratio to be at 100%; however, 90-105% is acceptable on all classes of properties. Therefore, the city's overall median ratio of 93.1% meets that threshold.

County Assessor Crosby briefly discussed the effect of the residential sales market on property values. She stated that the housing market has been crazy, with homes continuing to sell well above the value placed on the property.

Scott VanBinsbergen, 105 South 19th Street (70-065-0148) was present to ask how values are determined. County Assessor Crosby explained the process, with the main components being square footage, quality of finish and effective age of the property. VanBinsbergen discussed his concern over the value of his home, noting that the property has been up for sale for quite some time with an asking price of just \$4,000 over the estimated market value.

Lynn Willeke, 1637 North 4th Street, was present as an observer only. The Willeke's had relocated from the Minneapolis area and had purchased the home in August of 2021. She indicated that she had spoken with the assessor's office a couple of times with questions she had and to obtain additional information. Willeke stated that the purpose for her attending this meeting was to listen to any public testimony/appeals and to educate herself on the process.

County staff presented information relative to the property at 1512 North 6th Street, owned by George (Andy) & Cherri Kahmann, which included a spreadsheet prepared by the Kahmann's for review by the Board. The Kahmann's purchased the property in October 2021 for \$210,000. The original 2024 proposed EMV was

\$226,400 and the Kahmann's had requested a revised value of \$215,000. The assessors indicated that they had taken another look at the property and had adjusted the EMV to \$225,400. No further adjustments were recommended.

County staff then presented the following recommendations:

- 410 North 3rd Street (70-375-0850) - Due to an adjustment in condition of the property, from "good" to "average," it was recommended that the proposed 2024 EMV be decreased by \$42,600, from \$185,100 to \$142,500.
- 418 South 19th Street (70-293-0105) - During a review of the property, it was discovered that there were some items that needed to be adjusted, including basement access (resulting in a 5% functional depreciation), foyer area feature vs. a full second story, the addition of a half bath and noting that the property has a heated garage. Therefore, it was recommended that the total proposed 2024 EMV be decreased by \$56,900, from \$583,400 to \$526,500.
- 301 South 1st Street (70-165-1605) - This commercial structure is in very tough shape and, therefore, it was recommended that the proposed 2024 EMV be decreased by \$39,200, from \$63,700 to \$24,500.
- 816 Grove Avenue (70-220-0130) - Due to a change made in the condition of a fireplace from "good" to "average," it was recommended that the proposed 2024 EMV be decreased by \$1,100, from \$241,900 to \$240,800.

It was moved by Curtiss, seconded by Sanborn and unanimously passed to accept the recommendations of the County Assessor's Office, as provided.

Meeting adjourned at 6:32 P.M.

Glennis A. Lauritsen, Secretary

Approved by council May 1, 2023:

President - City Council