

MINUTES OF BOARD OF REVIEW
June 4, 2009

I. Call to Order, Roll Call

The meeting of the Village Board of Review of the Village of Slinger was called to order by Administrator/Clerk at 300 Slinger Road, Slinger, WI, at 1:00 p.m. on Thursday, June 4, 2009 with the following members present: Administrator/Clerk Murphy, Trustee Foerster and Deputy Administrator/Clerk Wilber. Also present was Village Assessor Michael Grota of Grota Appraisals.

II. Hear Waiver Requests Regarding Notice of Intent to File Objection for Extraordinary Circumstances - None

III. Hear Objections to Property Assessments and Take Action as Necessary

A. Tax Key #V5-0253-00A 113 Kettle Moraine Drive S, Joe Mechenich

Deputy Administrator/Clerk Wilber introduced the first hearing for tax key #V5-0253-00A located at 113 Kettle Moraine Drive S and swore in all witnesses to this hearing, which were property owner Joe Mechenich and Assessor Grota.

Mr. Mechenich informed the Board he was objecting to the assessment of \$142,100 in view of the age and condition of his building. He stated in his opinion the building was worth only \$115,800, which was what it was assessed for in 2008. Mr. Mechenich stated a former neighbor of his, Mr. Bielinski, had sold a very similar property in 2008 and had gotten only \$95,000 for it. Mr. Mechenich stated that other factors he felt should be considered were that the property has a shared driveway and no garage, plus its location downtown gives it very limited parking area for a commercial operation.

Assessor Grota stated he did not have the complete database on this property at this time and apologized to the Board for the lack of information. He stated that his records were on the way and should be available soon, however in order to avoid causing any further delay he would have to evaluate the property based on the income approach. After discussing the various income sources coming in for the property with Mr. Mechenich, Assessor Grota informed the Board the income method would place the property's value at \$120,000.

Mr. Mechenich stated he had no further summary information and felt that the items he had already discussed should be enough to justify a reduction in the property's assessment.

In his summation, Assessor Grota stated he believed that a review of the comparables used to assess this property would support the original value assigned to it, however the income approach was also an acceptable method of evaluation.

Motion Wilber/Foerster to determine that the taxpayer has presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor and to modify the assessed value to \$120,000. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Assessor Grota and Deputy Administrator/Clerk Wilber provided Mr. Mechenich with the Notice of Board of Review Determination and further appeal procedures information.

B. Tax Key #V5-0266 314 Elm Street, Greg and Kelly Koehler

Deputy Administrator/Clerk Wilber introduced the next hearing for tax key #V5-0266 located at 314 Elm Street and swore in all witnesses to this hearing, which were property owner Greg Koehler and Assessor Grota.

Mr. Koehler began his presentation by stating that he had attended the Open Book session primarily to gain information on how his assessment was calculated, however after discussing that with the assessor, he did not agree with the comparables that were used. He stated that all the comparables given were from 2007 and most were located in Hartford. He stated that one house on Kettle Moraine Drive S was used, but that house is much larger than his and did not think it was an acceptable comparison either. Mr. Koehler offered three similar properties in the Village that he considered to be comparable to his and that are presently listed for sale at less than the assessment value of his property. He stated one of these was listed for \$161,000 and has been on the market for 90 to 120 days, which shows how much the market has declined.

Mr. Koehler stated that the assessed value of \$194,500 was too high for his property and in his opinion the value should be \$159,900. He stated he arrived at that value after speaking with several realtors and obtaining an informal market analysis. He further stated that he had taken out the required permits for each of his renovations or additions and the property assessment had been adjusted each time a change was made, so the increase made now should not be caused by the work he had done on the house. Mr. Koehler explained that the house was originally purchased for \$120,000 and he had worked on the roof, garage and siding on his own. He stated the improvements had cost him approximately \$9,600 because he had done the work himself, however if he assigned a market value to them it would bring the value of his house up to the \$159,900 figure.

Assessor Grota explained how the assessment for the house had been calculated. He stated the house had been purchased in 2003 for \$132,900. Mr. Koehler disputed the purchase price and Assessor Grota stated it was possible that credits had been given during closing which he would not have record of, but the sale price recorded with the Register of Deeds was \$132,900.

Assessor Grota reviewed some of the comparables used to reach the assessed value and pointed out that they show the comparable market value to be \$233,300, which would support his original assessment. He explained that even though the assessment had been adjusted each time an improvement was made to the property, those changes would not have addressed the fact that the base assessment was not in proportion to market value and that was what was being corrected with the revaluation.

In his summation, Mr. Koehler stated he did not feel that present market conditions could justify the value given to his property with this assessment. He stated he felt the various improvements he had made to the house were possibly being used to increase the value a second time when they were already accounted for at the time they were done.

Assessor Grota summarized by stating it was his opinion that the sales history supported the original valuation for this property.

Motion Wilber/Foerster to determine that the taxpayer has not presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor and to affirm the Assessor's valuation of \$194,500. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Assessor Grota and Deputy Administrator/Clerk Wilber provided Mr. Koehler with the Notice of Board of Review Determination and further appeal procedures information.

C. Tax Key #V5-0611-801 547-549 Lou's Way, Sarah and John Follett

Deputy Administrator/Clerk Wilber introduced the next hearing for tax key #V5-0611-801 located at 547-549 Lou's Way and swore in all witnesses to this hearing, which were property owner John Follett and Assessor Grota.

Mr. Follett informed the Board that he was not objecting to the assessment on the improvements for the property, which were set at \$208,300, but he felt the land assessment of \$78,000 was too high and should be \$65,000. He stated that lots in the subdivision have been selling for \$80,000, however those lots have had a more regular shape than the lot in question which is basically pie-shaped. He stated the odd shape of the lot removed the possibility of having any type of backyard and that had a negative impact on the value of the property that he did not feel was sufficiently reflected in the assessed value.

Assessor Grota stated that no discount had been given for the irregular shape of the property and explained that such a consideration is usually only given to vacant lots that may be hard to market because of such irregularities. Mr. Follett stated that even though they had been able to fit a residence onto the property, the lack of a proper backyard would still be considered a drawback to any future sale of the property and this should have an impact on the assessed value.

Assessor Grota went over the comparables used to calculate the value of this property and stated they supported a comparable market value of \$304,100.

Discussion was held on whether a single-family house could have been placed on the property to create a larger backyard area. Mr. Follett explained that a side-by-side duplex unit was determined to be the highest possible use for the land and that was why the larger building had been used.

Motion Foerster/Wilber to determine that the taxpayer has not presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor and to affirm the Assessor's valuation of \$286,300. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Assessor Grota and Deputy Administrator/Clerk Wilber provided Mr. Follett with the Notice of Board of Review Determination and further appeal procedures information.

D. Tax Key #V5-0173 124 Storck Street, Tax Key #V5-0275-00A 125 Storck Street, Tax Key #V5-0281 415 Kettle Moraine Drive S, and Tax Key #V5-0288-00D 605A Kettle Moraine Drive S, Edward and Minette Wolf/Wolf Tracks LLC/Wolf Tracks Too LLC

Deputy Administrator/Clerk Wilber introduced the next hearing for tax key #V5-0173 located at 124 Storck Street, tax key #V5-0275-00A located at 125 Storck Street, tax key #V5-0281 located at 415 Kettle Moraine Drive S and tax key #V5-0288-00D located at 605A Kettle Moraine Drive S and swore in all witnesses to this hearing, which were property owners Edward and Minette Wolf and Assessor Grota.

Administrator/Clerk Murphy asked how the parties wished to handle these multiple hearings procedurally. Mr. Wolf stated that the vacant lot located at 605A Kettle Moraine Drive S next to their residential property was unlike the other three and should be discussed on its own, while the other three parcels had pretty much the same type of issues and could be reviewed together. Administrator/Clerk Murphy asked the Wolfs to present their case for the first property, tax key #V5-0288-00D located at 605A Kettle Moraine Drive S.

Ms. Wolf began by stating she realized this objection should have been made right after the parcel was divided in 2001, but at that time they had failed to realize the impact made by the land division. Mr. Wolf stated that the assessment of \$53,500 on this property was too high and the property was only worth \$14,309 in their opinion because it was not a truly buildable property. He explained that most of the lot was a large kettle with a very steep slope with an approximately 75' drop that would cause problems for any type of development on the property. He stated another issue was the lack of public access, since there is only approximately 15 feet of frontage onto the public road and he knew this was not adequate for a residential lot. Mr. Wolf stated there would also be difficulties in getting sewer or water to the property because the topography and location of the lot would require a lift station for any type of sewer connection. Mr. Wolf stated it was very unlikely that the Village would authorize a building to be placed on the lot with septic and well.

Assessor Grota asked if there was anything preventing the property owners from combining this parcel with their larger property, since that would make the land significantly less valuable than it is as a stand-alone parcel. Mr. Wolf stated they had not looked into doing that yet because their son owns the parcel on the other side of this lot and he was possibly interested in purchasing a portion of it. He stated they would definitely consider doing that if it meant a reduction in the parcel's assessment.

Assessor Grota reviewed the calculations used to assess this property and stated they were based on the lot being zoned residential and considered fully buildable. He confirmed that the lot was unique and comparable parcels were not available. He stated the problems brought up today such as lack of street and utilities access would not have been known during the assessment process and could have an impact on the value of the lot, although combining the lot with a neighboring parcel would be the most direct way to adjust its value.

Motion Foerster/Wilber to determine that the taxpayer has presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor and to modify the Assessor's valuation to \$14,309. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Assessor Grota asked if the Board would reconsider the motion to modify the parcel's value to an even dollar amount as this would help to simplify administration.

Motion Foerster/Wilber to reconsider the motion to modify the Assessor's valuation to \$14,309. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Motion Foerster/Wilber to determine that the taxpayer has presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor and to modify the Assessor's valuation to \$14,300. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Mr. Wolf informed the Board that they considered the assessments on the other three parcels to be too high due to the prior contamination on the properties and the very limited uses available for each of the lots. He stated that 415 Kettle Moraine Drive S, tax key #V5-0281, was land that was purchased from the railroad so it had not even been on the tax roll before they acquired it. He stated the lot has a 48" stormwater easement running through it and that seriously restricts its use.

Mr. Wolf stated that the lots at 124 and 125 Storck Street were contaminated and had to undergo remediation. He stated that restrictions placed on the parcels by the Department of Natural Resources (DNR) have a negative impact on the values for all the properties.

Mr. Wolf stated they believed the value of 415 Kettle Moraine Drive S should be \$26,894 instead of the \$180,900 it was assessed at because the property is listed on the DNR registry as contaminated with development restrictions. He stated they believed the property at 124 Storck Street should be valued at \$120,000 instead of the \$182,200 assessment and the parcel at 125 Storck Street should be valued at \$120,000 instead of the \$149,100 assessment for the same reasons. Mr. Wolf stated that apart from a couple of buildings that were on the property previously, they have installed only pole building structures due to the fact that boring into the soil is strictly limited.

Mr. Wolf stated they also had questions about how the personal property on 125 Storck Street was assessed, as most of the equipment and structures on that property should be assessed to the leaseholder.

Assessor Grota stated that the fuel pumps and other structures were included in the personal property, which was assessed to the leaseholder as it should have been. He reviewed the assessment procedures for each of the three parcels and stated that because of the many unique circumstances here, there were no comparable properties that could be used for valuation and the land residual valuation method had to be used instead. Assessor Grota explained this method and stated it was an effective way to calculate value when comparable properties are not available.

Assessor Grota stated that a 50% discount had been given on the land and a 10% discount had been made for the buildings on two of the lots, the one at 415 Kettle Moraine Drive S and the one at 125 Storck Street. He stated this had been done in consideration of the contamination and other issues, although he pointed out that remediation on the properties was closed out in 2002. Assessor Grota agreed that the lots had very limited uses and stated that the Wolfs had made the best possible use for each of the lots. He stated he felt this supported the value that had been assessed for each of the parcels.

After summations were given by both parties, the Board deliberated on each of the properties. Board members noted that the increase in assessment for 124 Storck Street did not seem to be consistent with the valuations placed on the other properties, even though the lots were shown to have very similar circumstances.

Motion Wilber/Foerster to determine that the taxpayer has not presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor for the properties located at 415 Kettle Moraine Drive S and 125 Storck Street and to affirm the Assessor's valuation of \$180,900 for 415 Kettle Moraine Drive S and \$149,100 for 125 Storck Street. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Motion Wilber/Foerster to determine that the taxpayer has presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor for the parcel located at 124 Storck Street and to modify the Assessor's valuation to \$120,000. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Assessor Grota and Deputy Administrator/Clerk Wilber provided Mr. and Ms. Wolf with the Notices of Board of Review Determination and further appeal procedures information.

E. Tax Key #V5-0611-303-001 496 Glacier Pass, David and Ruth Brand

Deputy Administrator/Clerk Wilber introduced the next hearing for tax key #V5-0611-303-001 located at 496 Glacier Pass and swore in all witnesses to this hearing, which were property owners David and Ruth Brand and Assessor Grota.

Ms. Brand read a prepared statement and informed the Board that they felt the assessment on their property should be \$175,000 instead of the \$195,400 value given by the assessor. She stated that they strongly objected to the comparables used to calculate the value of their property. She stated that two different sets of comparables had been given to them during the Open Book meeting and in later discussions and they felt that it was suspicious that comparables would be changed around like that. Ms. Brand stated they did not agree with the traffic level given, which was light and stated that traffic is much heavier than that because of the lot being near the middle school.

Ms. Brand stated that comparables used to assess the property should have been taken from the immediate neighborhood and gave a number of examples that she felt were better suited to be used for comparison. She stated that the property at 621 Lou's Way was the model used for their house and should be considered an exact comparison, and that property was assessed at only \$173,200. She stated that a property at 537 Olympic Drive was assessed at \$176,600 and the parcel at 535 Olympic Drive was assessed at \$175,500. Ms. Brand stated that these should have been used as comparables instead of the ones selected by the assessor.

Ms. Brand stated that the building directly across the street from them, 1119 Glacier Pass had been assessed at \$209,900 but was now on the market for \$179,900, which showed that the housing market was another factor that should have been considered in this valuation. She stated that the other side of that building just sold for \$149,900 even though it was assessed at \$204,700.

Assessor Grota reviewed each of the properties suggested by the Brands as comparable to theirs and pointed out that none of them had finished rec rooms like the Brand property. He went over the comparables that had been given to the Brands and explained that many combinations of comparables are used when they are available and the fact that two different sets were provided does not mean that those were the only ones considered. He pointed out that each set of comparables supports the valuation of \$195,400 and explained how each comparable is adjusted to make up for differences between it and the subject property.

Assessor Grota stated that a 3% discount had been given on the land valuation for the Brand parcel based on its location on a corner lot. He further stated that the properties referred to on Glacier Pass were both considered distressed sales such as foreclosures and would not be included in any comparison. Assessor Grota also stated that very recent sales would not be taken into consideration since the assessment was supposed to show conditions as of January 1, 2009.

In their summation, the Brands again stated they did not at all agree with the assessor's selection of comparables and they felt it was unfair that comparables from their neighborhood were not used instead. They stated that they had made very little improvements to the property since purchasing it in 1997 for \$137,800 and they did not feel that the value had increased as much as given by the assessor, particularly with the housing market being as depressed as it is currently.

Assessor Grota stated he felt the many comparables used supported his valuation. He stated that one set of comparables used indicated a comparable market value of \$197,000 and another set reached a comparable market value of \$219,500.

Motion Foerster/Wilber to determine that the taxpayer has not presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor and to affirm the assessed value of \$195,400. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Assessor Grota and Deputy Administrator/Clerk Wilber provided Mr. and Ms. Brand with the Notice of Board of Review Determination and further appeal procedures information.

F. Tax Key #V5-0619-033 615 Lou's Way, Richard and Sherri Glick

Deputy Administrator/Clerk Wilber introduced the next hearing for tax key #V5-0619-033 located at 615 Lou's Way and swore in all witnesses to this hearing, which were property owners Richard and Sherri Glick and Assessor Grota.

Ms. Glick informed the Board they objected to the valuation of \$312,600 given to their property and they felt the value should be set at \$275,000. She stated their objection was due to the poor market conditions everywhere and further stated that housing values have decreased by 30 to 50% across the country.

Ms. Glick stated that comparable properties are only selling in the range around \$250,000 and this showed that the market did not support the valuation given to their property. Ms. Glick stated they had tried to sell the property twice, first in 2004 for a list price of \$310,000 with no offers received and then in 2007 for an asking price of \$299,900 with only one offer for \$270,000 received and that offer was contingent on the sale of the buyer's house which did not take place. She stated their house could not be sold for market value before the housing crisis began, so it was not possible that it could be worth more than that now.

Ms. Glick also questioned the description of the property as level and stated the yard drops off by a large degree in the back, which limits the use of the backyard area.

Assessor Grota reviewed the market comparisons and stated that the comparables supported the valuation given. He stated that the sales data used was from 2006 and 2007, which is considered recent enough for comparison purposes. He agreed that ranch-style homes are not selling very frequently at this time, however one did sell on Nordic Court in December 2008 for \$303,000 and this would indicate they are retaining their value when sold even in this market.

Motion Foerster/Wilber to determine that the taxpayer has not presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor and to affirm the Assessor's valuation of \$312,600. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Assessor Grota and Deputy Administrator/Clerk Wilber provided Mr. and Ms. Glick with the Notice of Board of Review Determination and further appeal procedures information.

G. Tax Key #V5-0611-303-002 498 Glacier Pass, Joy Brand

Deputy Administrator/Clerk Wilber introduced the next hearing for tax key #V5-0611-303-002 located at 498 Glacier Pass and swore in all witnesses to this hearing, which were property owner Joy Brand and Assessor Grota.

Ms. Brand read a prepared statement for the Board and asked that the assessment on her property be reduced from \$194,400 to \$173,000. She stated she disagreed with the method used by the assessor in calculating the value of her property and it was her opinion he did not use comparable properties. She cited sections of the Wisconsin Property Assessment manual and stated she did not feel that comparable condominium projects had been used for this comparison. Ms. Brand stated that the condominiums used are located in multi-building developments that have condo association fees, however her unit is in a 1-building development consisting of only 2 units with no association fee. She stated that many of the comparables are located on cul de sacs that are much quieter and less traveled than her street.

Ms. Brand stated that the many adjustments that were given to the comparable properties used by the assessor showed how there were too many differences between those properties and hers and that proved they should not be used for comparison calculations.

Assessor Grota stated there may be some confusion about the comparison process and explained that various adjustments are made to sales prices of comparable properties to compensate for features they did not have or to subtract for features not found in the subject property. He stated that it was very rare to find two properties that are exactly alike, so adjustments are needed for differences in square footage, building conditions and various improvements.

Assessor Grota went over the comparables used and stated that both sets supported the assessed value, with one set showing a comparable market value of \$205,900 and the other set giving a comparable market value of \$231,900.

Assessor Grota stated there were 353 sales of condominiums in the Village between 2006 and 2008 and the average assessment to sales ratio for these units was 95%, which shows that assessments have been very close to market values. He stated that of those 353 condos, 86 of the sales have been of side by side condominiums and the assessment to sales ratio for those was 95.96%. He also stated that the coefficient of dispersion for this statistic was 5.5% and explained this was a pretty technical statistical measurement that indicated an acceptable degree of accuracy. He stated that a coefficient of up to 15% was considered acceptable, but his standards are more restrictive than that.

In her summation, Ms. Brand stated she did not feel the assessor was following statutory requirements in his selection of comparable properties for this assessment.

Assessor Grota summarized by stating that his comparables are valid and the adjustment process is in compliance with all applicable State statutes.

Motion Foerster/Wilber to determine that the taxpayer has not presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor and to affirm the Assessor's valuation of \$194,400. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Assessor Grota and Deputy Administrator/Clerk Wilber provided Ms. Brand with the Notice of Board of Review Determination and further appeal procedures information.

H. Tax Key #V5-0720-043 625 Hunters Crossing S, Perry and Michelle Pace

Deputy Administrator/Clerk Wilber introduced the next hearing for tax key #V5-0720-043 located at 625 Hunters Crossing S and swore in all witnesses to this hearing, which were property owner Michelle Pace and Assessor Grota.

Ms. Pace informed the Board she objected to the assessed value of \$90,000 placed on her property and stated she felt the value should be \$72,800. She provided a history of the property and stated they had purchased the lot in 2004 for \$74,900 with the intent to build on it, but their plans had to change due to an unexpected change in her spouse's employment. She stated that since that time, they have had the lot on the market and have received no offers on it, even though they have reduced their asking price on several occasions.

Ms. Pace provided written documentation of the various sale prices and stated the asking price was originally \$92,900 in 2005, then reduced to \$89,900 in May 2006, to \$85,900 in December 2006, to \$84,900 in July 2007 and most recently reduced to \$79,900 in October 2008, which is their asking price at this time. She informed the Board there has been no interest in this property by any potential buyer.

Ms. Pace also submitted a market analysis that was prepared on the property by Patricia Weske of Shorewest Realtors that showed that lot 50 in the same subdivision had sold for \$77,500 in July 2008. The analysis showed that the average sale of comparables used was \$80,167 and the average listing for such properties was now \$63,156. Ms. Pace pointed out that the analysis was prepared in September 2008, which was prior to the current economic downturn.

Assessor Grota informed the Board that the residual land methodology had been used to determine the value of this property and the valuation was consistent with other vacant lots within the subdivision.

In her summation, Ms. Pace stated she felt the poor market conditions should be taken into consideration in assessing this property. She stated it was her opinion that the listing history she provided for this lot was proof that the value of \$90,000 was too high.

Assessor Grota stated that the residual land method of assessment was a valid methodology that supported the assessment given. He stated that one sale of a comparable property would not normally justify making an adjustment to the valuation.

Motion Wilber/Foerster to determine that the taxpayer has presented sufficient evidence to rebut the presumption of correctness granted by law to the Assessor and to modify the Assessor's valuation to \$75,000. A roll call vote was taken on the motion with the following result: Murphy: Yea, Foerster: Yea, Wilber: Yea. The motion was passed.

Assessor Grota and Deputy Administrator/Clerk Wilber provided Ms. Pace with the Notice of Board of Review Determination and further appeal procedures information.

IV. Adjourn to Next Meeting

Motion Wilber/Foerster at 5:15 p.m. to adjourn the Board of Review to reconvene on Wednesday, June 10th at 1:00 p.m.; carried.

Maureen A. Murphy, Village Administrator/Clerk

Minutes submitted by Margaret Wilber, Deputy Administrator/Clerk