

**VILLAGE OF GERMANTOWN
N112 W17001 MEQUON ROAD
GERMANTOWN, WI 53022**

**MEETING: BOARD OF REVIEW –
Meeting to Adjourn to a Later Date.**
DATE AND TIME: THURSDAY, MAY 9, 2019 2:00 P.M.
**LOCATION: Germantown Village Hall Board Room
W112 N17001 Mequon Rd**

- I. Call To Order: *This meeting has been given public notice in accordance with Section 19.83 and 19.84, Wis. Stats, in such form that will apprise the general public and news media of subject matter that is intended for consideration and action.*
- II. Roll Call.
- III. Election of Chairperson And Vice Chairperson.
- IV. Approval of Minutes From May 23, 2018.
- V. Board of Review Training and Review Procedures.
- VI. Board of Review - Set To Later Date To Hear Appeals On 2019 Assessments.
No hearings will take place at this meeting due to the fact the 2019 assessment roll is not yet completed.
- VII. Adjourn to a Later Date.

UPON REASONABLE NOTICE, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service please contact the Village Clerk at (262)250-4740 at least 2 days prior to the meeting.

NOTICE is given that a majority of the Village Board may attend this meeting to gather information about an agenda item over which they have decision making responsibility. This may constitute a meeting of the Village Board per State ex rel. Badke v. Greendale Village Board, even though the Village Board will not take formal action at this meeting.

BOARD OF REVIEW
MEETING MINUTES
May 23, 2018
VILLAGE HALL BOARD ROOM

Call To Order:

The 2018 Board of Review was called to order at 9:00 a.m. by Village Clerk Boldrey.

Roll Call

Present: Miller, Niggemeier, Schneider, Shadid and Leukert. Also present: Clerk Boldrey and Assessor Mark Brown.

Election of Chairperson and Vice Chairperson

Motion by Niggemeier, second by Miller to Nominate Leukert as the Chairperson.

Motion carried unanimously.

Motion by Schneider, second by Shadid to Nominate Niggemeier at Vice Chairperson.

Motion carried unanimously.

Approval of Minutes: MOTION BY Shadid, second by Schneider to approve minutes of August 3, 2017. Motion carried unanimously.

Verification of Training: Miller, Niggemeier, and Boldrey attended training on April 26, 2018. The Affidavit has been filed with the Department of Revenue.

Review Procedures: Board of Review Procedures were distributed and reviewed.

Policies Related to Testimony and Waiver of Hearings: Board of Review Procedures related to testimony and waiver of hearings were distributed and reviewed.

Review Roll:

The assessor distributed the 2018 Assessment Year document as attached to the minutes. Assessment Roll books to Board of Review members for review. Mark Brown lead discussion on the revaluation process for the upcoming year.

Hear Objections:

There were no appointments.

Meridian Germantown LLC had submitted a request for Waiver of Board of Review.

Motion by Schneider, second by Shadid to accept the Request for Waiver of Board of Review. Motion carried unanimously.

ADJOURNMENT:

MOTION Schneider, second by Shadid to adjourn the meeting sine die at 11:00 a.m., carried.

Respectfully submitted,

Deanna Boldrey
Village Clerk

Associated Appraisal Consultants, Inc.

Appleton ■ Hurley ■ Lake Geneva



2018 ASSESSMENT YEAR Village of Germantown

The Village of Germantown has contracted with Associated Appraisal Consultants, Inc. to assume the role of the statutory assessor for the 2018 Assessment year.

I have a few things I'd like to touch base on before we begin the board of review proceedings, the first being a brief statement regarding the 2018 assessment roll and assessment value changes in the community.

This year was considered a maintenance year as defined by the Wisconsin Department of Revenue. Most of the changes to assessed values were due to new construction or some other type of physical change that occurred during the calendar year of 2017. There were some additional properties that were reviewed for various other reasons. As we have not made large scale market changes to the assessments this year, we estimated our 2018 assessment ratio to be approximately 92%. This represents a change of approximately 4% from the estimated 2017 ratio of 96%. This change would indicate a positive appreciation of property values in the Village over a one-year period.

The estimated assessment level was computed through a tabulation of recent 2017 sales showing the ratio of total assessment to total selling prices of properties sold (see attached historical ratio study report).

The following values represent the total assessed value of all locally assessed real estate in the Village of Germantown as of January 1, 2018:

Property Class	Land	Improvements	Total
Residential	\$464,941,200	\$1,249,754,700	\$1,714,695,900
Commercial	\$148,149,000	\$377,547,300	\$525,696,300
Agricultural	\$1,387,600	-	\$1,387,600
Undeveloped	\$4,196,500	-	\$4,196,500
Forest & 5M	\$5,778,100	-	\$5,778,100
Other	\$2,720,800	\$5,380,700	\$8,101,500
Personal Property	-	-	\$18,222,100
Total RE	\$627,173,200	\$1,632,682,700	\$2,259,855,900
Total RE & PP	-	-	\$2,278,078,000

The above real estate data represents an increase of \$23,373,400 from the January 1, 2017 locally assessed real estate totals of \$2,236,482,500 or approximately 1%.

Locally assessed business personal property values saw a decrease from \$41,078,300 in 2017 to \$18,222,100 in 2018, which represents a decrease of \$22,856,200 or approximately 56%. The main reason for this decrease was due to a new exemption of Machinery, Tools and Patterns for the 2018 Assessment Year. The removal of these assets (238 accounts) represented a loss of \$17,974,400 or 44%. Some of the additional loss was an unintended consequence from the exemption attributed to a new definition of what constitutes a machine. However, as part of this legislative change, Municipalities will receive state aid payments based on the reported 2017 machinery values of \$17,974,400.

Maintenance Year.

Under assessing by 8%.

State bid Payment indexed and removed.

Village of Germantown Wisconsin

<u>Residential Class</u>	2012	2013	2014	2015	2016	2017
Total Sales Transactions	196	273	177	254	266	313
Total Assessed Value	\$46,976,500	\$61,723,100	\$34,574,000	\$55,129,000	\$61,171,300	\$69,986,800
Total Sales Value	\$41,527,974	\$57,558,313	\$35,375,577	\$57,476,123	\$64,729,275	\$76,166,046
Aggregate Ratio	113.12	107.24	97.73	95.92	94.50	91.89
Mean Ratio	118.65	108.69	102.02	103.50	95.97	92.53
Median Ratio	112.76	105.74	99.57	97.33	95.95	90.78
Price Related Differential	1.05	1.01	1.04	1.08	1.02	1.01
Coefficient of Dispersion	13.28	13.09	11.59	14.78	8.88	8.99
Coefficient of Concentration (within 15% of the median)	75.0	73.6	78.0	86.6	88.4	87.2

A major objective of assessment/sales ratio studies is to determine the degree of assessment uniformity. This measure of assessment performance is gauged by looking at the level of assessment and the degree to which individual assessments differ from that level. The above ratio studies only include transactions of valid or arm's-length sales in accordance with the Wisconsin Property Assessment Manual. Sales data and statistics correspond to the calendar year of the sale as recorded via the Real Estate Transfer Return provided to the Assessors office. A series of ratios by itself does not tell much about assessment performance. A basic understanding of statistics is needed to successfully interpret the above ratios.

Definition of Statistical Terms

Aggregate ratio—As applied to real estate, the ratio of the total assessed value to the total selling price. Advantage is that it takes dollar values into account. Disadvantage is that it is sensitive to extreme ratios.

Mean ratio—A measure of central tendency equal to the sum of the values divided by the number. Also referred to as **arithmetic average** or **arithmetic mean**. Advantage is that it is easily calculated and understood. Disadvantage is that it is sensitive to extreme ratios.

Median ratio—A measure of central tendency equal to that point in a distribution above which 50% of the values fall and below which 50% of the values fall. The 50th percentile is the 2nd quartile. The median is the ratio in the middle. Advantage is that it is not sensitive to extreme ratios.

Price-related differential—As applied to real estate, an analytical measure of the vertical uniformity of values in a given distribution calculated by dividing the mean ratio by the aggregate ratio; a ratio of more than one being generally indicative of the relative undervaluation of high priced properties as compared to the less valuable properties, whereas a ratio of less than 1 would indicate the converse relationship. Price-related differentials above 1.03 tend to indicate assessment regressivity; price-related differentials below .98 tend to indicate assessment progressivity.

Coefficient of dispersion—As applied to an assessment-to-sale ratio distribution, is the average distance in percentage terms that individual ratios lie from the median ratio. A reasonable dispersion is 10% - 15%; good is under 10%. Big is bad.

Coefficient of Concentration—A single statistic expressed in percentage terms which tells how many ratios are within +/- 15% of the median ratio.

Village of
Germantown
Wisconsin

2018 BOARD OF REVIEW MEMBERS

The following is a brief summary of how the average level of assessment must be taken into consideration when hearing a petitioner at today's board of review.

A property owner must be able to present competent evidence to the BOR which establishes the current market value of the property. Market value is defined as the price a property will bring in an arm's-length sale of the property between a willing and informed buyer and a willing and informed seller under normal market conditions. The law provides that all assessments must be based upon the current market value of the property.

When current market value of a property has been proved, the assessment, as a percentage of the market value may be compared to the average percentage level of assessment of all property in the municipality. If the percent of assessment of the taxpayer's property compared to its market value can be shown to greatly exceed the average percentage level of all property in the municipality, this evidence furnishes conclusive proof to the BOR that the assessor's assessment of the property is in error and should be reduced. The assessment level of the taxation district may be obtained by contacting the assessor. An indicated assessment level may also be computed through a tabulation of recent sales showing the ratio of total assessment to total selling prices of properties sold. The greater number of sales used for this tabulation, the more accurate the indicated assessment level will be.

THE CURRENT RESIDENTIAL LEVEL OF ASSESSMENT FOR 2018 IS 92%, WHICH WAS BASED ON THE 2017 ASSESSMENT TO SALE RATIO STUDY.

Example 1: 2018 Assessment of \$276,000 adjusted to the LOA would indicate an estimated market value of \$300,000

$$\$276,000 / 92\% = \$300,000$$

Example 2: 2018 Market Value of \$300,000 adjusted to the LOA would indicate an assessment value of \$276,000

$$\$300,000 \times 92\% = \$276,000$$