

Minutes of the 2019 Board of Review held on Thursday, August 1, 2019 at 9:00 a.m. pursuant to notice duly given.

1. Chairperson Benesh called the meeting to order at 9:00 a.m.
2. Roll call: Mike Loomis, Greg Benesh, Becky Wendt, John Wittkopf and Don Nerenhausen.  
Also present: Ryan Raatz, Assessor, Mayor Heier (excused at 9:50 a.m.) and Sara Perrizo Administrator and as recording secretary.
3. **Moved by Wendt, seconded by Nerenhausen to approve of the agenda as presented. Motion carried upon verbal voice vote. 5 ayes**
4. Correspondence/public input  
None.
5. Procedural Comments  
Perrizo informed the Board that there are two walk-ins who are requesting to have their cases heard.
6. Hearing of any and all objections to values placed on the assessment roll  
Mark Soderlund of EIII Properties was sworn in. Ryan Raatz of R&R Assessing was sworn in. Soderlund stated that his company purchased the property located at 203 Smith Avenue four years ago for \$160,000. Money was spent on renovations. The assessment increased from \$352,000 to \$470,700. Soderlund stated that part of the property is currently vacant. He attended the city's Open Book and was told to get a market analysis done. He did so, but only received a number on a piece of paper, with no back up and the realtor who did the analysis is on vacation. According to Soderlund, the taxes on the building are \$8,500 per year and it is an asset to the community. He would agree to an increase, but not one as high as \$118,000. The requested assessment per the objection form was \$354,000, but Soderlund stated that he would agree to up to \$400,000.

Raatz stated that the sale of this building in 2015 was deemed not valid as the building was listed for sale for \$350,000. At the time of sale, the building was assessed at \$352,000. The reason for the change in the assessment is the increased size of the building. An addition was put on in 2017. Raatz received no notice of the addition then, so he is now assessing it for the last three years. Raatz concurred that the market analysis was a suggested value of \$350,000, but also noted there was no support for that number.

Solderlund stated that it was never brought to his attention that the addition to the building wasn't assessed. He feels that a 33% increase is too high. Raatz indicated that the new assessment amount is calculated by using the cost approach. Solderlund stated that the building needed to be gutted when it was purchased.

Upon questioning, Raatz explained that, if the Board upholds the new assessment, taxes will be assessed based on that amount for 2017, 2018 and going forward. Three notices

were sent to EIII Properties – one for each year. Perrizo indicated that the additional taxes would be approximately \$2,800 per year.

At this time, testimony was closed, and the Board began deliberations. Benesh stated that he has no issue with the assessment but is concerned about going back two years. Wendt opined that the property owners should have noticed that taxes didn't increase after the addition was complete. Loomis doesn't feel the assessment should be changed.

**Moved by Wendt, seconded by Loomis to uphold the assessment of \$470,700.  
Motion carried unanimously upon verbal roll call vote. 5 ayes**

Victoria Bostedt – 224 Third Street – was next to present her objection. She was sworn in. Bostedt stated that the City reassessed all properties in 2005. She contacted the assessment firm at that time and asked that they look at the inside of her house but was told that it was too late in the process to do so. There have been no improvements made to the house in 30 years and she believed that the assessment at that time was too high. In 2007 and 2008, a new porch was put on as well as new windows and siding. The back of the house is not finished. Bostedt handed out copies of the building permits and estimates for the cost of that work and then showed pictures of her house. Regarding the comparables used in the new assessment, Bostedt also showed pictures and stated that she does not believe they are comparable due to the condition of her house.

Perrizo stated that the current assessment is \$67,900. The property was reassessed this year because a building permit was pulled to install a new furnace. The assessment reflects a \$9,800 increase. Bostedt stated that the increase should be \$6,500 in her opinion.

Raatz handed out the detailed assessment information for this property. There is no value change for the furnace, but upon inspection it was noted that there was vinyl siding, a porch and newer windows that had not been previously assessed. The two comparisons used have an assessment per square foot that is nearly equal to the property in question. Raatz also noted that construction value does not equal assessed value.

Bostedt stated that her assessment indicates three bedrooms, when there is only one bedroom as the upstairs space in her house is considered an “attic”. The basement is half dirt flooring and there have been no updates to the interior.

At this time testimony was closed.

**Moved by Wittkopf, seconded by Loomis to uphold the assessment of \$67,900.  
Motion carried unanimously upon verbal roll call vote. 5 ayes**

Robert Lane was sworn in and presented his objection to the assessment at 471 Jackson Street. He did research on comparable homes and noted that they are all paying less in property taxes – up to \$1,000. He questioned why he is paying more. The home is “pretty basic” and is next to a swamp.

Raatz stated that size is only one factor. Others include the design, quality of materials, location and the goal is to have the level of assessment match other homes in the community. The current assessment is \$210,700 and Lane is asking for \$185,000. The property was purchased and house built for \$205,000 in 2015. Raatz reiterated that construction cost does not equal assessment.

At this time the meeting was recessed while Raatz obtained more detailed information from Lane about his house.

After the meeting reconvened, Raatz stated that the would reduce the assessment to \$196,200 based on the new information obtained. Lane argued that is still higher than other comparable properties. Raatz will flag this property for review in 2020.

**Moved by Loomis, seconded by Wittkopf to uphold the revised assessment of \$196,200.**

**Motion carried unanimously upon verbal roll call vote.**

**5 ayes**

- 7. Moved by Nerenhausen, seconded by Wittkopf for the Final Adjournment of the 2019 Board of Review.**

Meeting adjourned at 11:05 a.m.

Respectfully Submitted:  
Sara J. Perrizo, CPA  
Administrator