

# CITY OF ONALASKA MEETING NOTICE

**COMMITTEE/BOARD:** Board of Review  
**DATE OF MEETING:** August 28, 2019 (Wednesday)  
**PLACE OF MEETING:** City Hall – 415 Main Street (Common Council Chambers)  
**TIME OF MEETING:** 8:00 A.M.

## PURPOSE OF MEETING

1. Call to Order and Roll Call
2. Approval of minutes from the previous meeting

### **Consideration and possible action on the following items:**

3. Roll review for errors in description, computation, add omitted or eliminate double assessments
4. Presentation of objections for actual real/personal property values by owners or their representatives according to the procedures established in Sec. 70.47(8) of the Wisconsin Statutes
5. Present Annual Assessment Report – City Assessor, Heather Wolf
6. Adjournment

PLEASE TAKE FURTHER NOTICE that members of the Common Council of the City of Onalaska who do not serve on the Board may attend this meeting to gather information about a subject over which they have decision making responsibility.

Therefore, further notice is hereby given that the above meeting may constitute a meeting of the Common Council and is hereby noticed as such, even though it is not contemplated that the Common Council will take any formal action at this meeting.

#### **NOTICES MAILED TO:**

\*Mayor Joe Chilsen -Chair  
\*\* Ald. Tom Smith  
\* Ald. Jim Olson  
\*\* Ald. Dan Stevens  
\* Ald. Diane Wulf – Vice-Chair  
\* Ald. Kim Smith  
\*\* Ald Boondi Iyer  
City Attorney          Dept Heads  
La Crosse Tribune  
Coulee Courier  
WKTY WLXR WLAX  
WKBT WXOW

\*Cari Burmaster-City Clerk  
  
Attorney Sean O'Flaherty  
Milde Appraisal Services  
  
Onalaska City Hall  
Onalaska Omni Center  
Onalaska Public Library

\*Committee Members  
\*\* Alternate Members

Date Notices Mailed: 8/12/19  
Date Notices Posted: 8/12/19

In compliance with the Americans with Disabilities Act of 1990, the City of Onalaska will provide reasonable accommodations to qualified individuals with a disability to ensure equal access to public meetings provided notification is given to the City Clerk within seventy-two (72) hours prior to the public meeting and that the requested accommodation does not create an undue hardship for the City.

## Notice of Board of Review Determination

Under state law (sec. 70.47(12), Wis. Stats.), your property assessment for the current year 2019 as finalized by the Board of Review (BOR) is listed below.

### Property owner

### General information

Jupiter Investments LLC  
 N5854 Abbott Rd  
 Onalaska, WI 54650

Date issued 8 - 28 - 2019  
 Parcel no. 18-4514-800  
 Address 1149 Stuhr Ct, Onalaska, WI  
 Legal description Certified Survey Map No. 2  
 Vol 11 Lot 2 Doc No. 1353081

Town     Village     City

Municipality Onalaska

### Assessment information

20 <u>19</u> Original Assessment		20 <u>19</u> Final Assessment <i>(determined by BOR)</i>	
Land	\$ 79,700	Land	\$ 79,700
Improvements	\$ 804,300	Improvements	\$ 594,300
Personal property	\$	Personal property	\$
Personal property	\$	Personal property	\$
Personal property	\$	Personal property	\$
Total personal property	\$	Total personal property	\$
Total all property	\$ 884,000	Total all property	\$ 674,000

### Appeal information

If you are not satisfied with the BOR's decision, there are appeal options available. **Note:** Each appeal option has filing requirements. For more information on the appeal process, review the Property Assessment Appeal Guide. Visit [revenue.wi.gov](http://revenue.wi.gov) and search keyword "Assessment Appeal."

#### Appeal to:

**Department of Revenue (DOR)** – must file within 20 days after receipt of the BOR's determination notice or within 30 days after the date specified on the affidavit if there is no return receipt. A \$100 filing fee is required. The fair market value of the items or parcels cannot exceed \$1 million dollars. DOR may revalue the property any time before November 1 of the assessment year or within 60 days after receiving the appeal, whichever is later. If adjusted, the value is substituted for the original value and taxes paid accordingly. (sec. 70.85, Wis. Stats.)

**Circuit Court - Action for Certiorari** – must file within 90 days after receiving the determination notice. The Court decides based on the written record from the BOR. You cannot submit new evidence. (sec. 70.47(13), Wis. Stats.)

**Municipality - Excessive Assessment** – must first appeal to the BOR and have not appealed the BOR's decision to Circuit Court or to DOR. You cannot claim an excessive assessment under sec. 74.37, Wis. Stats., unless the tax is timely paid. A claim under section 74.37 must be filed with the municipality by January 31 of the year the tax is payable.

## Notice of Board of Review Determination

Under state law (sec. 70.47(12), Wis. Stats.), your property assessment for the current year 2016 as finalized by the Board of Review (BOR) is listed below.

### Property owner

John Q Public  
123 N Pleasant St  
Badger WI 53111

### General information

Date issued 10 - 15 - 2016  
Parcel no. 002-0654  
Address 123 N Pleasant St  
Legal description Lot 1, Block 6  
Dexter's Subdivision

Town     Village     City

Municipality Badger

### Assessment information

2016 Original Assessment		2016 Final Assessment <i>(determined by BOR)</i>	
Land	\$45,000	Land	\$45,000
Improvements	\$325,000	Improvements	\$325,000
Personal property	- 0 -	Personal property	- 0 -
Personal property	- 0 -	Personal property	- 0 -
Personal property	- 0 -	Personal property	- 0 -
Total personal property	- 0 -	Total personal property	- 0 -
Total all property	\$370,000	Total all property	\$370,000

### Appeal information

If you are not satisfied with the BOR's decision, there are appeal options available. **Note:** Each appeal option has filing requirements. For more information on the appeal process, review the Property Assessment Appeal Guide. Visit [revenue.wi.gov](http://revenue.wi.gov) and search keyword "Assessment Appeal."

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August 27, 2019

Joe Chilsen, Mayor  
City of Onalaska, La Crosse County, Wisconsin  
415 Main St  
Onalaska, WI 54650

Dear Mayor Chilsen:

Enclosed is my mass appraisal report for the City of Onalaska. This report was prepared before the 2019 Board of Review and contains a summary of the work done and results achieved. If you have any questions about the contents of this report, please do not hesitate to ask.

I am aware of, understand, and have correctly used recognized procedures, methods and techniques necessary to produce a credible mass appraisal of the locally assessable property in the City of Onalaska as of January 1, 2019.

The City of Onalaska is the client, the intended user and the authorized user of this report. Property tax distribution is the intended use. Neither I nor my staff is responsible for any unauthorized use of this report.

This report and the procedures, methods and techniques conform to the requirements of the Wisconsin Constitution, Wisconsin Statutes, case law, Administrative Rules, and the *Wisconsin Property Assessment Manual (WPAM)*.

We have inspected the properties based upon guidelines in the *Wisconsin Property Assessment Manual* and our contract. Please understand that the detail of our inspection was within the scope of property appraisal versus that of a building inspector or engineer. Other than those items identified in this report, on the property record cards, or in the record file, the appraiser knows of no adverse physical conditions affecting the properties as of the effective date of the assignment. Any undisclosed or undiscovered physical problems could adversely affect a property's value.

Authorized users are cautioned that the final opinions of value are based on certain information, assumptions and possible limiting and hypothetical conditions. When and if any of these exist, they are identified in the body of this report and in the individual property records. Any change to these conditions could significantly affect the appraiser's opinion of value. A due diligence review of this report by the City of Onalaska is strongly recommended.

Respectfully submitted,

Heather Wolf, Statutory Assessor  
Assessor certification number WI86748CA (expires on November 30, 2023)

A Mass Appraisal Report Of and Prepared For the  
**City of Onalaska, La Crosse County, Wisconsin**

Presided Over By  
**Joe Chilsen, Mayor**

Prepared By  
**Heather Wolf, Statutory Assessor**  
City Of Onalaska  
415 Main St  
Onalaska, WI 54650

Effective Valuation Date  
**January 1, 2019**



This report was prepared using the Market Drive CAMA software  
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## Executive Summary

### 1.1 Date of Report

This report was submitted to the City of Onalaska on .

### 1.2 Effective Date of Appraisal

The State of Wisconsin requires all property valued for ad valorem tax purposes to be valued as of January 1st of the tax year. Therefore, the appraisal date for this report is January 1, 2019.

### 1.3 Intended Use of this Report

The City of Onalaska in La Crosse County, Wisconsin is the intended user of this report.

This is an annual mass appraisal report for ad valorem tax purposes and is specifically made for property tax distribution. The intended use of this report and its conclusions is limited to the administration of property taxes according to the governing laws of the State of Wisconsin.

### 1.4 Statement of Assumptions and Limiting Conditions

The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. This mass appraisal uses the guidelines and standards prescribed in the *Wisconsin Property Assessment Manual* published for the current assessment year. The *Wisconsin Property Assessment Manual* is located at <https://www.revenue.wisconsin.gov/documents/wnam19.pdf>
2. The appraiser is not responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser believes the title is correct and marketable.
3. The appraiser will provide testimony and appear in court as required for the office of municipal assessor and for any contractual agreements with the municipality.
4. The appraiser has noted on the individual property record cards any adverse conditions observed during the inspection of the subject properties. Unless otherwise stated on the property record card, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property.
5. This appraisal is prepared for ad valorem tax purposes. This report and the procedures, methods and techniques conform to the requirements of the Wisconsin Constitution, Wisconsin Statutes, case law, Administrative Rules, and the *Wisconsin Property Assessment Manual (WPAM)*. Depending on the property, there may be specific valuation guidelines and the reconciliation of data must be performed according to statutes, such as with agricultural property. Because of this, the Jurisdictional Exception applies in some instances.
6. Each property has been appraised as though under responsible ownership and competent management.
7. All property within the municipality has been assessed as of January 1, 2019.
8. Unless noted, it is assumed that all required licenses, certificates of occupancy, consents or other instruments of legislative or administrative authority from any private, local, state, or national government entity have been obtained for any use on which the value opinions contained within this report are based.
9. Information, estimates and opinions furnished to the appraiser and incorporated into the analysis were obtained from sources assumed to be reliable and a reasonable effort has been made to verify such information. However, no warranty is given for the reliability of this information.
10. The Americans with Disabilities Act (ADA) became effective January 26, 1992. Neither a compliance survey nor a specific analysis has been conducted for any property to determine if it conforms to the various detailed requirements identified in the ADA. It is possible that such a survey might identify non-conformity with one or more ADA requirements, which could lead to a negative impact on the value of the property(s). Because such a survey has not been requested and is beyond the scope of this appraisal assignment, adherence or non-adherence to ADA was not taken into consideration in the valuation of the properties addressed in this report.
11. The term "appraiser" and "assessor" are used synonymously throughout this report.

## 1.5 Property Excluded

The value of some property has been excluded from this report. Excluded property is all property that is exempt from property tax and all property that is assessed by the Wisconsin Department of Revenue, such as manufacturing properties. A specific list of excluded properties can be found in:

- Addendum 4.01 (Exempt Real Estate)
- Addendum 4.04 (State Assessed Real Estate)
- Addendum 4.21 (Exempt Personal Property Accounts)
- Addendum 4.22 (State Assessed Personal Property)

## **1.6 Scope of Work Assignment**

### **1.6.1 General Description of the Jurisdiction**

The City of Onalaska is a suburb of La Crosse and is the second largest municipality in La Crosse County. It is bordered to the north by the Village of Holmen and to the south by the City of La Crosse. The 2015 estimated population is 18,468. There are approximately 7,331 households in the city and the median age is 38.5 years old. It is a relatively affluent city as the median family income is \$76,854, compared to the national median family income is \$64,585. Onalaska has a large medical presence with both Gundersen Health and Mayo Clinic having medical campuses located within the City limits.

## 1.6.2 Types of Real Estate Work to be Done

All real estate assessment work (summarized below) is to be done in accordance with the *Wisconsin Property Assessment Manual* as specified in sections 70.32 and 70.34 of the Wisconsin State Statutes.

The purpose of the *Wisconsin Property Assessment Manual* is to establish standards, procedures and guidelines to be followed by local assessing officials in the appraisal of taxable property in the State of Wisconsin.

The types of work to be done to complete the work that the City of Onalaska is responsible for can be summarized as follows:

**Discover** - Identify all real property located within the City of Onalaska to be valued by the municipal assessor. This includes the parcel identifier, legal description and current owners' names and addresses.

**List (measure and grade)** - Record in the property records for each parcel all land and building information needed to determine the market value of each property using the cost, comparable sales and income approach to value.

**Discover, record and validate all sales** - Identify all sales involving property located within the City of Onalaska on an ongoing basis. Review each sale to determine which are valid arms-length transactions. For each valid sale, record detailed land and building information needed for analysis.

**Provide the DOR with validated 2018 sales data** - Provide the DOR (via the PAD system) with the following information on each sale that involved property located within the City of Onalaska:

1. Whether or not the sale represents a valid arms-length transaction.
2. The assessed value of the property from the same year.
3. Whether or not the sale can be included in the DOR's ratio study.
4. Detailed information about the property sold.

**Collect, validate and analyze income and expenses** - Identify all income producing real property located within the City of Onalaska. Collect actual income and expense data from each income producing property to determine market rents and expense. This information is also combined with sales data to determine the capitalization rates used by the income approach.

**Classify** - Assign the correct statutory tax classification to all land and buildings on each property. The tax classification will determine the value of the property for ad valorem tax purposes.

**Value** - Determine the value of each real estate parcel for ad valorem tax purposes.

**Review and verify** - Review the assessed value and tax classification for each property to ensure accuracy.

**Report results** - Notify each property owner having a change in their assessed value. Provide the assessment roll to the City of Onalaska Clerk, Board of Review and County Real Property Lister (where applicable). Provide the required summary reports to the Wisconsin Department of Revenue.

**Answer questions** - Provide prompt answers to questions about valuations to property owners.

**Defend values** - Support and defend the assessed value of each property as needed. This includes providing testimony and appearing in court as required for the office of municipal assessor.

### 1.6.3 Types of Personal Property Work to be Done

All personal property assessment work (summarized below) is to be done in accordance with the *Wisconsin Property Assessment Manual* as specified in sections 70.32 and 70.34 of the Wisconsin State Statutes.

The purpose of the *Wisconsin Property Assessment Manual* is to establish standards, procedures and guidelines to be followed by local assessing officials in the appraisal of taxable property in the State of Wisconsin.

The types of work to be done to complete the work that the City of Onalaska is responsible for can be summarized as follows:

**Discover** - Identify all personal property located within the City of Onalaska subject to personal property tax and valued by the municipal assessor. This includes the account number, location of assets and current owners' names and addresses.

**List** - Mail each owner a statement of personal property. Record the assets declared in the property records for each account.

**Value** - Determine the value of each personal property account for ad valorem tax purposes.

**Review and verify** - Review the assessed value of each account to ensure accuracy.

**Report results** - Notify each account owner having a change in their assessed value. Provide the assessment roll to the City of Onalaska Clerk, Board of Review and County Real Property Lister (where applicable). Provide the required summary reports to the Wisconsin Department of Revenue.

**Answer questions** - Provide prompt answers to questions about valuations to property owners.

**Defend values** - Support and defend the assessed value of each account as needed.

## 1.6.4 Types of Mobile Home Municipal Permit Work to be Done

All mobile home municipal permit work (summarized below) is to be done in accordance with the *Wisconsin Property Assessment Manual* as specified in sections 70.32 and 70.34 of the Wisconsin State Statutes.

The purpose of the *Wisconsin Property Assessment Manual* is to establish standards, procedures and guidelines to be followed by local assessing officials in the appraisal of taxable property in the State of Wisconsin.

The types of work to be done to complete the work that the City of Onalaska is responsible for can be summarized as follows:

**Discover** - On a monthly basis, identify all mobile homes and associated out buildings located within mobile home parks in the City of Onalaska to be valued by the municipal assessor.

**List (measure and grade)** - Record in the property records for each lot all building information needed to determine the market value of each building using the cost and comparable sales approach to value. Send each new owner an application for a mobile home municipal permit.

**Discover, record and validate all sales** - Identify all sales involving mobile homes located within a mobile home park in the City of Onalaska on an ongoing basis. Review each sale to determine which are valid arms-length transactions. For all valid sales, record detailed building information needed for analysis.

**Classify** - Assign the correct statutory tax classification to all mobile homes and associated out buildings on each lot within each mobile home park. The tax classification will determine the value of the property for ad valorem tax purposes.

**Value** - Determine the value of each property for ad valorem tax purposes.

**Review and verify** - Review the assessed value and tax classification for each building on each lot to ensure accuracy.

**Create and distribute tax documents** - Calculate the permit fee for each mobile home owner and create a notice showing amount of the tax. Create a worksheet for each park operator showing how much to collect monthly from each mobile home owner.

**Answer questions** - Provide prompt answers to questions about valuations to property owners.

**Defend values** - Support and defend the assessed value of each property as needed.

## 1.7 Summary of Work Done

To complete the work assignment which includes producing fair and equitable values for the purpose of property tax distribution, the tasks listed in each of the following sub-sections have been completed.

### 1.7.1 Real Estate Work Done

#### Discover

Identified 6,608 properties in existence on Jan 1, 2019. Updated the legal description and ownership on each as needed.
---

#### List (Measure and Grade)

Created property records for 18 new properties. A sample of the property records kept can be found in Addendum 4.13 (Sample Residential DOR Property Records) and Addendum 4.14 (Sample Commercial DOR Property Records).
---

Transferred land and/or buildings from 25 properties to 35 other new and/or existing properties due to boundary changes (a.k.a splits or combinations) and re-listed the 60 properties involved.
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Continued to track the progress on 59 building permits carried over from 2017. Of those permits, 45 will affect the market value of their respective property. See Addendum 4.09 (Open Building Permits as of Jan 2, 2018) for a list of permits carried over.
--

Identified 274 new building permits issued during 2018.
---

Of the 274 building permits issued during 2018, identified 138 that would affect the market value of their respective property.
---

Performed 159 building permit inspections. Updated the assessed value of these properties to reflect the work completed.
--

Closed 134 building permits that were either completed during 2018 or did not affect the market value of their respective property and therefore do not need to be tracked. See Addendum 4.10 (Open Building Permits as of Jan 2, 2019) for a list of permits that remain open as of Jan 2, 2019. Permits that remain open and affect the value of their respective property will change the 2020 assessment of each property.
--

Updated the property records of 6,169 properties that changed. A sample of the property records kept can be found in Addendum 4.13 (Sample Residential DOR Property Records) and Addendum 4.14 (Sample Commercial DOR Property Records).
--

Performed a full inspection of 2,022 properties (30.6% of all properties). See Addendum 4.06 (Properties Inspected).
--

Performed an exterior inspection of 2,312 properties (35.0% of all properties). See Addendum 4.06 (Properties Inspected).
---

Performed a drive-by inspection of 2,201 properties (33.3% of all properties).
--

#### Discover, Record and Validate All Sales

Identified and recorded 547 sales that occurred in 2018 and an additional 178 sales that occurred between 1/1/2019 and 5/29/2019.
---

Validated 547 of 547 sales that occurred in 2018 and an additional 113 of 178 sales that occurred between 1/1/2019 and 5/29/2019. Found 367 to be usable (i.e. valid arms-length transactions).
---

Recorded the land and buildings included in 367 usable sales.
---

**Provide the DOR With Validated 2018 Sales Data**

Validated (for equalization) 547 sales that occurred during 2018 and sent that information to the DOR.
--

Provided the DOR with detailed property and assessment information on 316 valid improved arms-length sales that occurred during 2018.
---

**Classify**

Verified that 14 of the 14 properties benefiting from agricultural use valuation met the qualifications.
--

Assigned the correct statutory tax classification for all land and buildings on 18 new properties.
--

Changed the statutory tax classification on 49 properties.
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**Value**

Appraised 18 new properties.
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Re-appraised 6,169 properties.
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**Review and Verify**

Reviewed and verified the assessed value and tax classification of all land and improvements on 386 properties whose assessed value changed for 2019.
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**Report Results**

Sent a notice of assessment to the owners of the 18 new properties on 6/28/2019.
--

Sent a notice of assessment on 6/28/2019 to 6,169 owners whose assessed value changed.
--

Sent the preliminary assessment roll to the clerk on 6/28/2019.
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Gave the final assessment roll to the clerk at the Board of Review on 7/31/2019.
--

**Answer Questions**

Responded to 1,257 questions from taxpayers about the assessed value of their property.
---

**Defend Values**

Supported and defended the assessed value of 335 properties during the Open Book period.
--

**Other Work**

Buyer verification letter recieved (completed 2 times).
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Change of address (completed 2 times).
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Denial of Full inspection (completed 146 times).
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Denial of Interior Inspection (completed 373 times).
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Letter sent (completed 13,022 times).
---------------------------------------

Low-Income Housing Form Filed (PR-231) (completed 4 times).
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Other Correspondence (completed 89 times).
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Retured unable to forward (completed 1 time).
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2019 Revaluation (completed 170 times).
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2020 Concerns (completed 2 times).
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## 1.7.2 Personal Property Work Done

### Discover

Identified 869 personal property accounts in existence on Jan 1, 2019. Updated the physical location and ownership on each as needed.

Set aside 9 accounts that the DOR claimed they would assess in 2019.

### List

Created property records for 55 new accounts.

Exempted 4 accounts that qualified for an exempt status.

Sent a Statement of Personal Property (form PA-003) on 12/11/2018 to the owners of 853 accounts. A sample of the statement sent can be found in Addendum 4.24 (Sample Statement of Personal Property).

Recorded all personal property assets listed on 625 Statements of Personal Property returned. A list of statements not returned can be found in Addendum 4.25 (Personal Property Statements Not Returned).

### Value

Valued all personal property assets listed on 643 accounts.

Placed a dooamage assessment on 213 accounts whose owners did not return their Statement of Personal Property.

### Review and Verify

Reviewed and verified the assessed value of all personal property on 3 accounts.

### Report Results

Sent a notice of assessment on 6/28/2019 to 856 owners.

Sent the preliminary assessment roll to the clerk on 6/28/2019.

Gave the final assessment roll to the clerk at the Board of Review on 7/31/2019.

### Answer Questions

Responded to 25 questions from taxpayers about the assessed value of their personal property.

### Defend Values

Supported and defended the assessed value of 11 accounts during the Open Book period.

### Other Work

Added to Personal Property Roll (completed 50 times).

Change of address (completed 2 times).

Letter sent (completed 1,746 times).

### 1.7.3 Mobile Home Municipal Permit Work Done

#### Discover

Received 3 new applications for mobile home municipal permits since December 1st, 2018.
Closed 0 mobile home municipal permits since December 1st, 2018 because the mobile home and/or owner left the park.
Identified 411 existing mobile homes in 5 mobile home parks on December 1st, 2018.

#### List (Measure and Grade)

No building permits were closed during 2019 because all have work that is ongoing.
Sent a 2019 Application for Mobile Home Municipal Permit to the clerk for 411 current permit holders on 2/5/2019. A sample application can be found in Addendum 4.29 (Sample App for Mobile Home Permit).
Continued to track the progress on 4 building permits carried over from 2018. Of those permits, 3 will affect the market value of their respective property. See Addendum 4.27 (Open Building Permits as of Dec 1, 2018) for a list of permits carried over.
Identified 2 new building permits issued so far in 2019.
Of the 2 building permits issued so far in 2019, identified 2 that would change the market value of the property. This brings the total number of building permits tracked so far in 2019 to 6.
Performed 3 building permit inspections. Updated the assessed value of these properties to reflect the work completed.

#### Discover, Record and Validate All Sales

Validated all sales and found 22 to be usable (i.e. valid arms-length transactions).
Recorded the property included in all usable sales.
Identified and recorded 22 sales so far in 2019.

#### Value

Appraised all property on 414 permit applications.
--

#### Review and Verify

Reviewed and verified the assessed value and tax classification of all mobile homes and out buildings on 0 mobile home municipal permit applications.
---

#### Create and distribute tax documents

Provided the municipal clerk with all monthly municipal permit fees notices on 2/5/2019. A sample of the notice can be found in Addendum 4.31 (Sample Notice of Monthly Mobile Home Municipal Permit Fee).
Sent an updated monthly municipal permit fee collection worksheet for each mobile home park to the clerk as needed.

#### Answer Questions

Responded to all questions from taxpayers about the assessed value of their property.
---

#### Defend Values

There were no Open Book appointments.
---------------------------------------

#### 1.7.4 Summary of Required Dates and Reports

To comply with the *Wisconsin Property Assessment Manual* as specified in sections 70.32 and 70.34 of the Wisconsin State Statutes. The following tasks have also been completed.

Art IV Sec 28	I took the assessor's oath of office on February 23, 2015.
70.35(1), 70.35(2)	I sent personal property returns on December 11, 2018.
70.365	I mailed real estate assessment change notices on June 28, 2019.
	I mailed personal property assessment change notices on June 28, 2019.
70.10, 70.49(1), 70.32(2), 70.30	I signed the affidavit and attached it to the roll on July 31, 2019.
70.44(1), 70.44(3)	No omitted real or personal property was discovered. No corrections were required.
70.45	I held the Open Book from July 8, 2019 to July 18, 2019.
	There were 346 parcel valuations reviewed at the Open Book.
	I changed 302 parcel valuations after considering the merits of each review.
	I sent revised Notice of Changed Assessments on July 30, 2019.

## 1.8 Summary of Results

### 1.8.1 Identification of the Property Rights Appraised

The property rights appraised are defined in Chapter 70.03 Wis. Stats., case law and further described in the *Wisconsin Property Assessment Manual*. The attributes of each property can be found in the Property Record Cards or files maintained in the assessor's office. These include legal descriptions, parcel identifiers, addresses, photos and sketches. Section 70.03 Wis. Stats., states in part, "Real property', 'real estate' and 'land', when used in chapters 70 to 76, 78 and 79, include not only the land itself but all buildings and improvements thereon, and all fixtures and rights and privileges appertaining thereto..."

### 1.8.2 Jurisdictional Exceptions

When the guidelines in Uniform Standards of Professional Appraisal Practice (USPAP) conflict with state statute or case law, state law governs. This is stated in USPAP and is referred to as the "jurisdictional exception." The Wisconsin Constitution, state statute, administrative rule and the Wisconsin Property Assessment Manual (WPAM) establish a hierarchy of valuation methods.

Section 70.32 Wis. Stats. states that the most reliable valuation evidence is a sale of the subject property but only if that sale is recent, meets all of the requirements of an arm's-length sale, and is confirmed by an analysis of sales of reasonably comparable properties.

The second best valuation evidence are sales of properties similar to the subject. If no reliable comparable sales are available, then other factors may be used to value the property. Cases often refer to this hierarchy as the "three tiers."

For further discussion, see the WPAM, Chapter 21 State ex rel. Markarian v City of Cudahy (1970).

Market value is the standard of value as part of the scope of work. Due to state statutes, we are required to value some properties at a level other than market value, so the following would be considered jurisdictional exceptions. Since 1998, the assessed value of "farmland" for property tax purposes has been based on the productive capacity of the land. The 1995-97 Budget Act changed the standard for assessing farmland from market value to use value assessment. In a use value assessment system, an agricultural property's use is the most important factor in determining its assessment classification. Chapter Tax 18 specifies the use value calculation. Agricultural building sites and residences of the farm operator's spouse, children, parents, or grandparents are classified as "Other" and should be assessed at market value.

Section 70.32(2)(c)1d Wis. Stats. defines "agricultural forest" as "land that is producing or is capable of producing commercial forest product... and shall be assessed at 50% of its full value."

Wisconsin Act 33 specifies how "undeveloped land" is valued for assessment purposes under sec. 70.32(4) at 50% of its full value. Undeveloped land includes areas commonly called marshes, swamps, thickets, bog or wet meadows.

Two unique agricultural products, cranberries and fish, are produced on "specialty land" and are assessed at use value rates. Fish ponds used for animal aquaculture qualify as agricultural as they are analogous to pasture.

Wisconsin courts have ruled that the use of the discounted cash flow for subdivisions violates the principle of uniformity. This uniformity provision also extends to condominiums.

Restrictions on the valuation of Subsidized Housing as specified in sec. 70.32 (1g) Wis. Stats., and in court cases as explained in WPAM Chapter 9, directly affect the outcome of Subsidized Housing valuation. These restrictions, including not allowing income tax credits or subsidized mortgage rates to be used in the valuation of these properties, are a jurisdictional exception.

The State Public Records Board has published the Wisconsin Municipal Records Manual which establishes minimum record retention times of 7 years for public records, with the following exceptions:

- No assessment roll containing forest acreage may be destroyed without prior approval of the Secretary of Revenue.
- Real Estate Transfer Returns need only be retained for five years.

A public record as defined in sec. 19.32, Wis. Stats., "includes but is not limited to, handwritten, typed or printed pages, maps, charts, photographs, films, recordings, tapes (including computer tapes) and computer printouts."

Many assessors are required to live in their jurisdiction or they and/or their relatives own property in their jurisdiction and therefore receive a tax bill directly related to the amount of the value opinion. This interest in the property is disclosed in the Certification and is considered a jurisdictional exception.

A written summary of the Assessor's Board of Review Testimony does not need to be added to the workfile, because the Clerk's summary of the Board of Review and the official record of the proceedings if kept by the Clerk are deemed sufficient.

Personal Property may be valued using the Statement of Personal Property per sec. 70.35 Wis. Stats., in lieu of the analysis and model requirements for Personal Property.

Other jurisdictional exceptions may be found in the Wisconsin Property Assessment Manual (WPAM) and substantiated by case law.

### 1.8.3 Uniformity and Equity

The ultimate goal of mass appraisal is to have uniform and equitable values across the entire assessment jurisdiction. In this case, uniformity means that properties are valued in a consistent fashion such that two similar improvements (buildings) have a similar value and two similar pieces of land in equally desirable locations have a similar value. To have values that are equitable means the total assessed value of all property (and therefore the tax burden that goes with those values) is distributed across all properties in a fair manner. Since uniform values distribute value fairly, uniformity leads to equity.

#### Measuring Uniformity

Uniformity can be measured by comparing the level of assessment of different groups of properties. The level of assessment is the ratio between actual market values (represented by actual sale prices) and assessed values.

For example, if a property valued at \$90,000 during the last revaluation now sells for \$100,000, then that property is being assessed at 90% of its market value.

By grouping similar properties together (also called *stratification*), calculating the level of assessment of each group (*stratum*) and then comparing the level of assessment between groups (*strata*), uniformity can be quantified numerically. One such measurement is called the coefficient of dispersion, or COD. The COD is a measure of the variance between groups of properties (*strata*). A high COD means lots of variance which means poor uniformity. A low COD means low variance which means good uniformity.

Although a low coefficient of dispersion is better because it indicates high uniformity, a number that is too low (e.g. less than 5) could indicate problems with the sales data (because the market isn't that perfect) or could simply indicate that there are too few sales for the analysis to be meaningful.

**Using 652 valid sales from 1/1/2017 to 12/31/2018, I performed a ratio analysis which indicated the overall coefficient of dispersion to be 19.8%. See Addendum 4.12 (Assessment-to-Sale Ratios) for a detailed copy of the analysis.**

**However, due to an insufficient number of valid sales I had to consider other factors including the results of the Department of Revenue's ratio analysis found at <http://www.revenue.wi.gov/DORReports/2018sramon.pdf>. Based on this and other factors, I estimated the overall coefficient of dispersion to be 0.0%.**

## Revaluations

When uniformity becomes a problem, a revaluation should be done. During a revaluation, the valuation models are adjusted to reflect changes in costs and market conditions so that all properties are once again assessed uniformly at 100% of market value.

**The last year that all properties in the City of Onalaska were revalued was 2019.**

When a revaluation is not done every year, the level of assessment usually moves away from 100%. Since all types of properties in all locations do not change in value at the same rate, values become less uniform (meaning the level of assessment is not the same between properties) and therefore less equitable.

The state legislature has set a goal to have all properties assessed at 100% of market value (regardless of the coefficient of dispersion). If the overall level of assessment is less than 90% or more than 110% a revaluation is required within 5 years.

**Using 652 valid sales from 1/1/2017 to 12/31/2018, I performed a ratio analysis which indicated the overall assessment ratio for the City of Onalaska to be 101.19% as of Jan 1, 2019. See Addendum 4.12 (Assessment-to-Sale Ratios) for a detailed copy of the analysis.**

**However, due to an insufficient number of valid sales I had to consider other factors including the results of the Department of Revenue's ratio analysis found at <http://www.revenue.wi.gov/DORReports/2018sramon.pdf>. Based on this and other factors, I estimated the overall assessment ratio to be 100.00%.**

Any overall assessment ratio is an estimate and can vary depending on the 'as of' date, the range of sale dates used and a few other procedural variations.

While assessing all properties at 100% of market is a worthwhile goal and cannot be ignored (it is law), it is more important for equity (fairness) that all properties are valued at the same level of assessment (whatever it is) because you will have an equitable (fair) distribution of the property tax burden if they are.

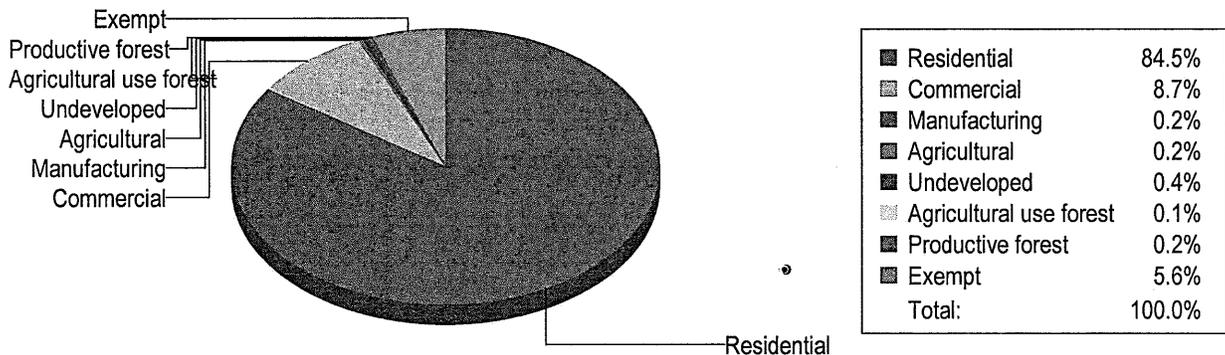
### 1.8.4 Assessed Values by Class

Below is a summarization of the assessed value of all real estate within the City of Onalaska. There are no values shown for manufacturing property because all manufacturing property is assessed by the state (see section 1.5 Excluded Property). A more detailed report can be found in Addendum 4.07 (Statement of Real Estate Assessments)

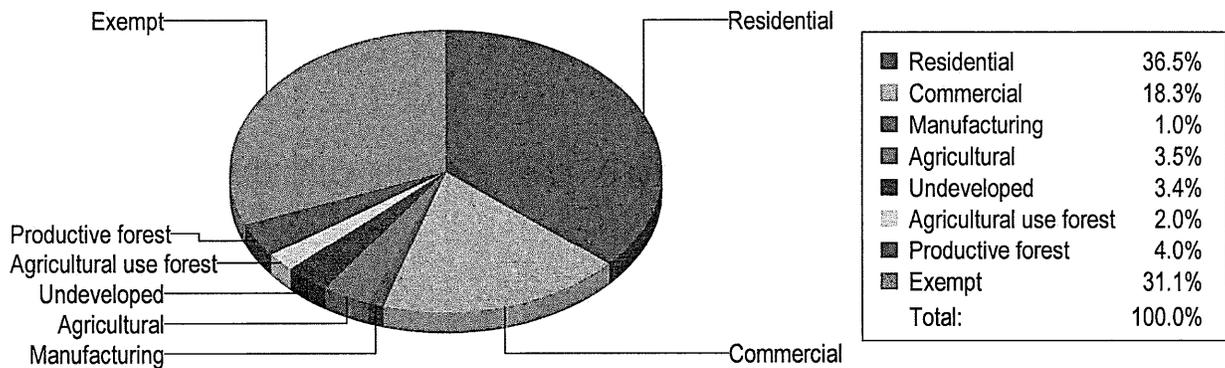
Tax Classification	# Parcels	Acres	Land	Improvements	Total
Residential	5,611	2,168.959	\$238,192,500	\$1,124,466,400	\$1,362,658,900
Commercial	578	1,089.369	\$206,086,300	\$454,457,600	\$660,543,900
Manufacturing	14	62.196	\$0	\$0	\$0
Agricultural	14	210.970	\$44,000	\$0	\$44,000
Undeveloped	29	204.487	\$166,700	\$0	\$166,700
Agricultural use forest	9	121.560	\$276,700	\$0	\$276,700
Productive forest	12	237.580	\$817,100	\$0	\$817,100

Exempt	372	1,848.663	\$0	\$0	\$0
Totals for all classes		5,943.784	\$445,583,300	\$1,578,924,000	\$2,024,507,300

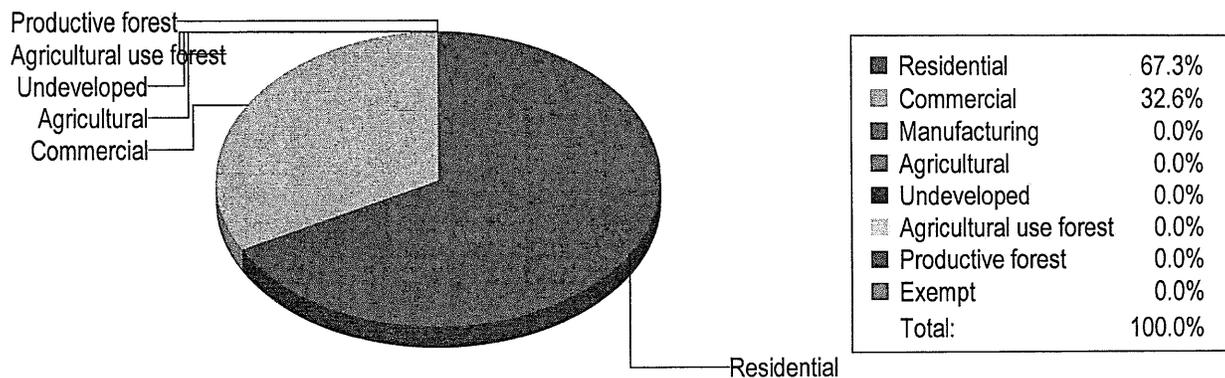
### Number of Parcels by Tax Class



### Acres by Tax Classification



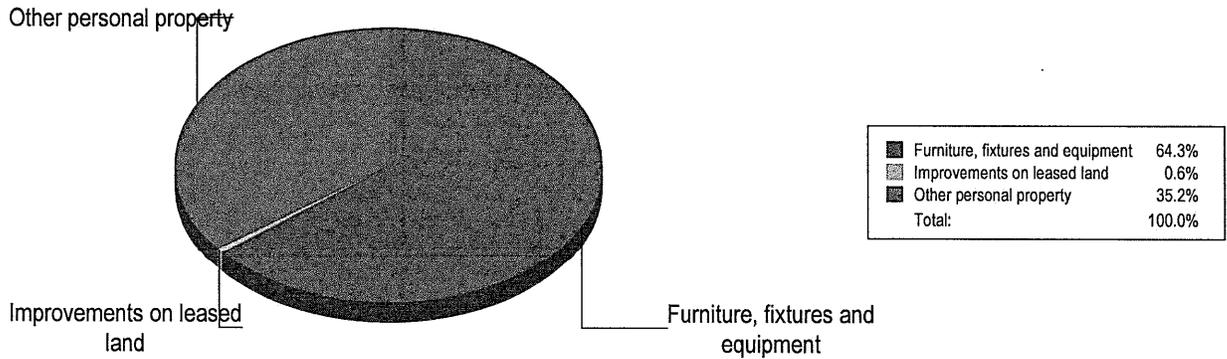
### Total Assessed Value by Tax Classification



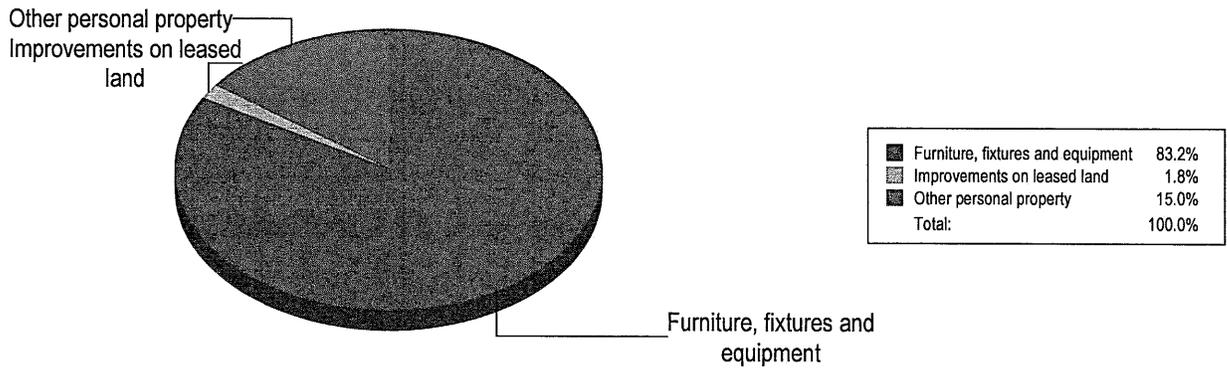
Below is a summarization of the assessed value of all personal property within the City of Onalaska. There are no values shown for manufacturing property because all manufacturing property is assessed by the state (see section 1.5 Excluded Property). A more detailed report can be found in Addendum 4.23 (Statement of Personal Property Assessments)

Asset Class	# Accounts	Declared Value	Assessed Value
Furniture, fixtures and equipment	807	\$31,073,911	\$31,073,400
Improvements on leased land	7	\$660,647	\$660,600
Other personal property	442	\$5,595,163	\$5,596,700
Totals for all classes	841	\$37,329,721	\$37,330,700

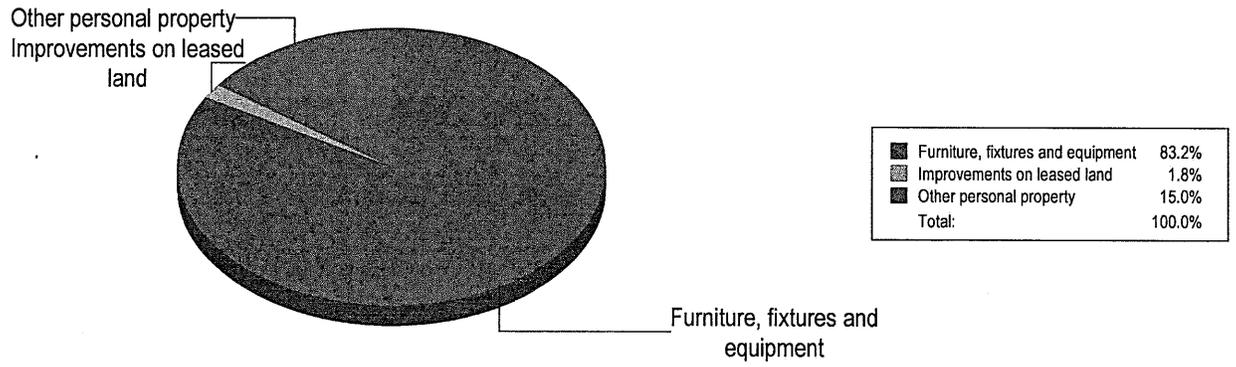
### Number of Accounts by Asset Class



### Total Declared Value by Asset Class



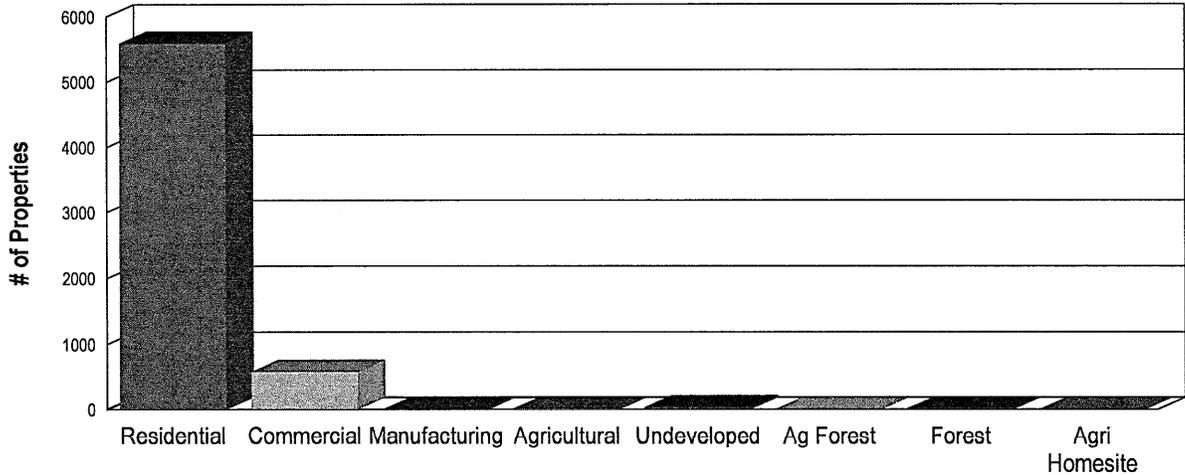
## Total Assessed Value by Asset Class



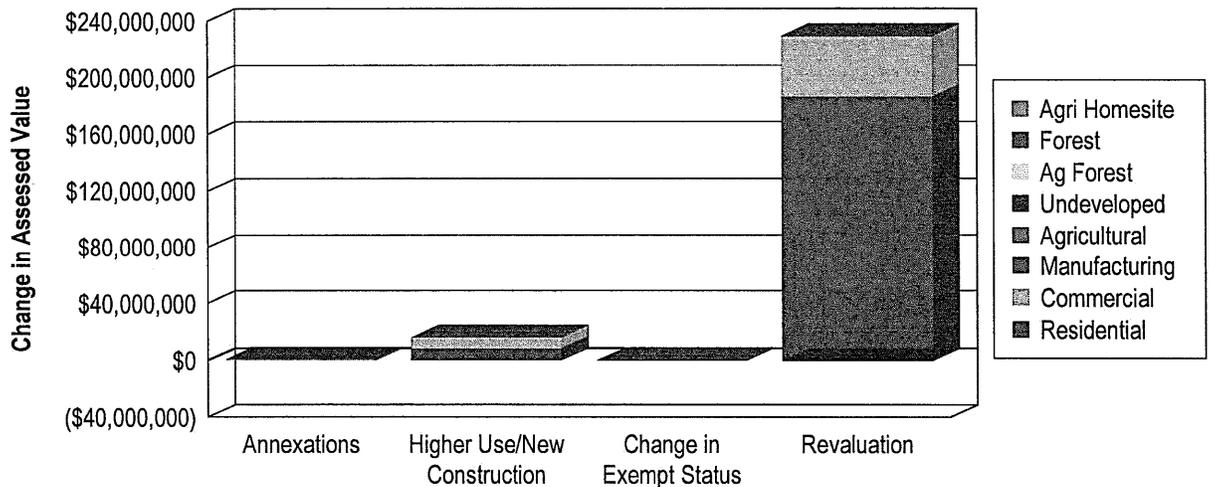
### 1.8.5 Changes from Prior Year

Below is a summarization of the change in assessed value for all real estate within the City of Onalaska. There are no values shown for manufacturing property because all manufacturing property is assessed by the state (see section 1.5 Excluded Property). A more detailed report can be found in Addendum 4.08 (Summary of Reasons for Change)

#### Number of Properties Whose Value Changed



#### Change in Assessed Value by Reason and Class



## 1.9 State of Property Records

### 1.9.1 Compliance with the DOR's Electronic Records Requirement

The Wisconsin Department of Revenue requires electronic (digital) assessment data for the 2019 assessment year.

All assessment data, such as parcel attributes, sketches, and photographs, must be stored in an electronic format. This includes all data that was applied to determine the assessed value. The requirement excludes information in assessment work files such as handwritten notes, correspondence, building permits, or field sketches.

A thorough audit was complete on June 25, 2019 to determine the City of Onalaska's level of compliance with this electronic records requirement. The results of this audit are as follows:

Type of Assessment Roll	Level of Compliance	Copy of Audit Report Found In
Real Estate	98.1%	
Personal Property	98.2%	
Mobile Home Municipal Permits	92.0%	

Because the audit is rather black and white, there can be a small number of items raised by the audit which are not actually problems. For example, a land locked parcel will not border any street and therefore may not have a street address, although the audit will list any property without one. When these exceptions occur, the level of compliance will be less than 100% but still should be close to it.

### 1.9.2 Paper Records

If a municipality's computer software is able to produce (when requested) a paper copy of a property record card showing all current property information, then a paper copy of that same property record card does not need to be maintained.

The assessment records for the City of Onalaska are being maintained using the Market Drive CAMA software. The Market Drive CAMA software has the ability to store a complete set of electronic property assessment records. The Market Drive software can also print a Property Record Card containing all current property information. Because of this, a separate set of paper records does not need to be maintained.

A sample of a residential property record card can be found in Addendum 4.13 (Sample Residential DOR Property Records).

A sample of a commercial property record card can be found in Addendum 4.14 (Sample Commercial DOR Property Records).

Currently, paper records for the City of Onalaska are being maintained for some properties not added to the Market Drive CAMA software. The state of the electronic assessment records kept in the Market Drive CAMA software is described in section 1.9.2 Compliance with the DOR's Electronic Records Requirement.

### 1.9.3 Location of Records

After the completion of the Board of Review and other tasks that are done after the Board of Review, a copy of the electronic records for the City of Onalaska as stored in the Market Drive CAMA software will be available. Also available is a copy of the Market Drive CAMA software to view the data.

#### **1.9.4 Property Records on the Internet**

There is no requirement that property and assessment data be available on the internet.

Currently, basic assessment information is available on the internet at [www.assessordata.org](http://www.assessordata.org). Complete property information is available at [www.assessordata.com](http://www.assessordata.com) to frequent requestors (there is a nominal convenience fee). A sample of a property report available from the .com site can be found in Addendum 4.16 (Sample Public Property Records from Assessordata.com).

## 1.10 Recommendations

### 10.1 Control Errors in Values Caused by Incorrect Property Data

Problems with the property data collected can greatly affect the fairness in how the property tax burden is distributed. Some deliberate plan to minimize these "listing" errors is recommended.

Property records maintenance should be an on-going activity, not something done only in a revaluation year. By separating property record maintenance from the recalibration of the the valuation models, errors in the property data upon which all valuations are based can be controlled and the cost of inspections can be reduced to a predictable annual amount. This also allows the recalibration of the valuation models to happen whenever uniformity becomes unacceptable, since the high cost typically associated with revaluations is mostly due to inspection costs.

There are two types of inspections: full and exterior. Full inspections involve looking at the inside and outside of structures whereas exterior inspections look at a property from the outside only. Full inspections are more intrusive and more costly and therefore are not done often. Exterior inspections can still find changes that were missed and also ensure that the physical condition has not changed unexpectedly.

Currently, each property in the City of Onalaska should be fully inspected every 4 years. A list of properties not fully inspected in the last 4 years can be found in Addendum 4.05 (Full Inspection Required). In addition, the exterior of each property should be inspected every 4 years.

It is recommended that each property in the City of Onalaska be fully inspected every 4 years. In addition, the exterior of each property should be inspected every 4 years.

## 1.11 Certification

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved. If either my property or property owned by any family member is within the municipality, I certify that I have complied with the ethical provisions of Wisconsin Statutes when appraising these properties.
4. I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
8. Inspections of properties that are the subject of this report are outlined in section 1.6 Scope of Work Assignment of this report.
9. I affirm that my data collection program incorporates quality control measures including checks and audits to ensure current and consistent records.
10. If anyone provided significant mass appraisal assistance, I have provided their name, certification level, certification number, and a description of the work provided by those individuals in the addenda of this report.
11. I have been the primary assessor since February 14, 2015.
12. The last revaluation was completed in 2019.

Heather Wolf, Assessor 2 City Of Onalaska 415 Main St Onalaska, WI 54650 Phone: (608)781-9535 Email: milde.heather@gmail.com	Certification number WI86748CA Certification expires on Nov 30, 2023 Signature: _____ Date signed and submitted:
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## 1.12 Other Significant Contributors

Alisa Theis Property appraiser Phone: (608)495-2564 Email: assessoroffice@gmail.com	Certification number WI13919CA Certification expires on Mar 31, 2023 Signature: _____ Date signed:
Daniel Furdek Assessor 2 Phone: (414)403-3512 Email: daniel@realestateappraisalsinc.org	Certification number WI87612CA Certification expires on Dec 31, 2021 Signature: _____ Date signed:
Jean Milde Assessor 1 Phone: (608)797-9432 Email: jeanmilde@gmail.com	Certification number WI88924CA Certification expires on Nov 30, 2022 Signature: _____ Date signed:
Jen Not certified Phone: Email:	Certification number Certification expires on Signature: _____ Date signed:
Kat Enevold Property appraiser Phone: (608)785-1111 Email: katarina@assessoroffice.com	Certification number WI2109CA Certification expires on Nov 30, 2021 Signature: _____ Date signed:

## Mass Appraisal Methods

### 2.1 Definition of Market Value

According to the *Wisconsin Property Assessment Manual (WPAM)*, the definition of market value is the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Both buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

### 2.2 Highest and Best Use

Highest and Best Use is defined in Chapter 7 of the *Wisconsin Property Assessment Manual* as follows:

Highest and best use is defined as that use which over a period of time produces the greatest net return to the property owner. The possible uses of a property have a significant influence on its value. Because most properties could be put to a number of different uses, it is necessary to determine which of the possible uses is the highest and best use. There are a number of factors that influence the highest and best use of a property.

The contemplated use must be legal. That is, it must not violate any government regulations. This would include such items as zoning, building codes, health codes, criminal laws, and other regulations. For example, an office building may represent the greatest net return on a parcel of real estate; however, if this use is prohibited by zoning laws, it does not represent the highest and best use.

The use must be complementary. It must be in balance with the uses of the property around it. This is explained in the principle of conformity.

The highest and best use should not be a highly speculative use. The use should produce the greatest net return over a reasonable time period. An income stream of high return over a short time may not be as valuable as that use which generates a smaller income but over a longer period of time.

The highest and best use of a property can change over time. Changes in the economy, society, and neighborhood can result in new uses of properties. Therefore, the assessor should be periodically reviewing the data on highest and best use and change the conclusions if necessary.

It's important to recognize that the current use of a particular property does not necessarily represent the highest and best use or the full market value of the property. All of the available uses of the property should be considered. According to the book, *Readings in Highest and Best Use*, "The fact that a property is adaptable to secondary uses may be an important consideration to a prospective buyer and thus influence market value."

In summary, highest and best use represents the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible and that results in the highest value. For purposes of this report it is assumed that the current use of the property represents the highest and best use unless stated otherwise on the property record card or in the file.

## 2.3 Real Estate Valuation Methods

There were three approaches to value that were considered for every property. They were:

1. Sales comparison approach
2. Income approach
3. Cost approach

How each method was applied is described in the sections that follow. In all cases, valuation models are used to ensure that all properties are valued uniformly.

A valuation model equates measurable property attributes to market value. The goal of any valuation model used for mass appraisal is to produce uniform and equitable values (see section 1.8.3 Uniformity and Equity).

Each of the valuation models is configured to reproduce market values. Not all properties are assessed at 100% of their market value. Jurisdictional exceptions allow some property to be assessed at less than 100% of their full market value (see section 1.8.2 Jurisdictional Exceptions).

In the case of agricultural use land, there is no relationship between market value and assessed value. Because of this and the scope of this assignment, the market value of such land need not be determined.

## Neighborhoods

All of the valuation methods (sales comparisons, income and cost) require a method to identify similar properties in similar locations. A neighborhood is used to do this. Properties within the same neighborhood have similar uses and compete for the same buyers. Neighborhoods that are similar but in different locations are grouped together into a neighborhood group. Neighborhood groups are useful to create larger sets of sales and income data when there isn't enough of such data in an individual neighborhood.

The following table shows the neighborhoods and neighborhood groups created for the City of Onalaska and used in each of the valuation methods.

Neighborhood Group / Neighborhood	Predominant Land Use	Predominant Water Front	Avg Land (Acres)	Avg Bldg Size (SF)	Avg Yr Built	# of Properties
<b>(not in any neighborhood group)</b>						
E Hwy 16	Commercial	None	1.7	9,132	1999	15
Oak Avenue South	Commercial	None	0.9	6,418	1973	7
Original Core	Residential	None	0.2	1,343	1925	152
<b>Cedar Creek</b>						
Cedar Creek	Residential	None	0.8	2,396	1993	39
<b>Chestnut/Johnson/Cedarridge/Skyview</b>						
Skyview Addition	Residential	None	0.3	2,081	1984	60
Cedar Ridge	Residential	None	0.3	1,872	1992	104
Johnson Estates	Residential	None	0.3	2,187	1994	72
Chestnut Estates	Residential	None	0.3	1,718	2000	91
<b>Commercial</b>						
Golf Courses	Commercial	None	47.5	6,554	1994	4
Braund/Rudy St/County Rd. PH	Commercial	None	1.0	10,059	1991	34
Hwy 16 Commercial Corridor	Commercial	None	6.1	37,734	1993	52
Pralle Center	Commercial	None	3.0	35,740	1996	11
South Kinney Coulee Commercial Apartments	Commercial	None	9.3	65,393	2004	18
Commercial North of Menards	Commercial	None	0.8	7,930	1989	125
Abbey/Mason	Commercial	None	0.0	0		0
Abbey/Mason	Commercial	None	2.3	3,770	2005	30
Eagle Business Park	Commercial	None	0.3	2,457	2006	53
Hwy 35 Corridor	Commercial	None	3.6	5,071	1966	98
Market Pl	Commercial	None	5.5	53,959	2002	9
Industrial Park/Warehouse	Commercial	None	1.5	9,913	1987	22
Class A Office Buildings	Commercial	None	12.7	71,227	1997	2
Main St Commercial	Commercial	None	3.0	5,964	1978	205
Class C Office Buildings	Commercial	None	0.5	14,370	1997	1
Mobile Home Park	Commercial	None	6.2			8
Oak Forest/12th Ave S	Commercial	None	1.7	9,739	1999	24
North Kinney Coulee Commercial	Commercial	None	8.0	13,564	1984	14
Class B Office Buildings	Commercial	None	0.0			0
Theater Rd/Midwest Dr	Commercial	None	2.4	15,861	2005	36
Menards Area & North of Menards	Commercial	None	9.5	24,908	2002	34
Crossing Meadows	Commercial	None	2.4	25,859	1995	20
<b>Condos</b>						
Barson Village	Residential	None	0.1	1,385	2010	63
French Rd.	Residential	None	2.7	1,424	2006	44
Heritage Estates	Residential	None	0.2	1,264	1998	26
Oaks Condos	Residential	None	0.6	1,285	1981	6
Brandywine/Whispering Winds/North	Residential	None	0.1	977	1990	68
Lauderdale Area Condos	Residential	None	0.8	1,720	1989	66
Fairway Creek/Marcou Rd. Condos	Residential	None	0.3	2,101	2004	41
<b>Country Club</b>						
Marcou Rd.	Residential	None	1.5	3,098	1980	14
Country Club	Residential	None	2.5	3,857	2003	117
<b>Elmwood Hills</b>						
Elmwood Hills	Residential	None	0.8	2,604	1995	127

Neighborhood Group / Neighborhood	Predominant Land Use	Predominant Water Front	Avg Land (Acres)	Avg Bldg Size (SF)	Avg Yr Built	# of Properties
<b>Grandview/Country Air</b>						
Country Air Estates	Residential	None	0.3	1,530	1987	111
Grandview Addition	Residential	None	0.5	2,270	1987	84
<b>Hilltopper Heights/East of Sand Lake</b>						
Heather Hills Addition	Residential	None	0.2	1,248	1974	105
Harmony Hills Addition	Residential	None	0.3	1,385	1979	69
Hilltopper Heights	Residential	None	0.2	1,466	1975	125
<b>Holiday Heights</b>						
Holiday Heights	Residential	None	0.4	1,489	1973	72
<b>Kingswood</b>						
Kingswood Addition	Residential	None	0.3	1,824	1978	123
<b>Lauderdale</b>						
Lauderdale Area	Residential	River	0.6	2,340	1973	17
<b>Mayfair/D. Kellicut</b>						
Mayfair Addition/Court Acres	Residential	None	0.4	1,347	1962	207
<b>Meier Farm</b>						
Crosstown Addition	Residential	None	0.2	1,488	1997	109
Meier Farm	Residential	None	0.3	1,656	2006	280
<b>North of Main St.</b>						
North of Main St.	Residential	None	0.3	1,335	1959	664
Guenther Estates	Residential	None	0.3	2,064	1992	54
<b>North of Quincy</b>						
Shelly Addition		None	0.0			0
North of Quincy	Residential	None	0.3	1,424	1981	748
Page Terrace Addition	Residential	None	0.2	1,231	2003	44
<b>Oak Park</b>						
Oak Park	Residential	None	0.7	1,294	1973	180
<b>Outlying Residential Subdivisions</b>						
South Kinney Coulee Residential	Residential	None	2.1	2,029	1997	127
Nathan Hill Estates	Residential	None	0.6	1,499	2009	61
Sunny Dell Acres	Residential	None	0.7	1,345	1962	22
<b>Rural Area- Unplatted Neighborhoods</b>						
Rural Area	Swamp	None	6.9	1,327	1975	16
<b>Savannah/Clearwater/Stonebridge/Maplewood</b>						
Clearwater Subdivision	Residential	None	1.0	2,938	2004	54
Aspen Valley	Residential	None	0.9	2,392	2004	174
Stonebridge Estates	Residential	None	0.6	2,468	1994	111
Maplewood	Residential	None	1.5	2,356	1993	35
Walnut Grove	Residential	None	4.2	4,346	2016	14
Savannah Oaks	Residential	None	0.9	2,607	2011	101
<b>South of Main</b>						
Highland Park Addition	Residential	None	0.2	1,040	1969	174
South of Main St.	Residential	None	0.3	1,347	1957	359
<b>South of Wilson</b>						
Fruit Acres Addition	Residential	None	0.4	1,264	1966	29
Lincoln Heights	Residential	None	0.2	1,436	2005	12
South of Wilson	Residential	None	0.7	1,466	1972	198
Birchwood Hills Addition	Residential	None	0.2	1,347	1975	46
<b>Wellington Greens</b>						
Wellington Greens	Residential	None	0.3	1,842	2003	141

A map showing the boundaries of each of these neighborhoods can be found in Addendum 4.17 (Neighborhood Map).

### **2.3.1 Sales Comparison Approach to Value**

The sales comparison approach is used to value land and buildings together (they are not valued separately). Unlike the cost and income approach, the sales comparison approach starts with a sale price and then makes adjustments for differences between the subject property and the property sold.

Since a separate land value is required, the final comparable value is divided into a value for land and value for improvements using the same land valuation model used with the cost approach. This provides consistent land and therefore consistent improvement values regardless of the valuation method used. Individual land or improvement values cannot be argued and are not defended separately.

While sales of comparable properties are the best indicator of value for all types of properties, this approach has great deficiencies when used for mass appraisal. The reliability of the market value produced by this approach depends on the existence of sufficient sales of similar properties.

For example, it is difficult to apply the sales comparison approach to commercial properties because there are fewer of these properties to begin with and even fewer of those have sold in recent years. As a result, there often aren't enough sales to use this approach for most commercial properties. Even if there are sufficient sales, the comparability rating (a measure of how similar the subject property is to each comparable property sold) can vary greatly as commercial property is typically not homogeneous. This variance in the comparability ratings means the market value assigned to one property using the sales comparison approach will be less reliable (and harder to defend) than the market value assigned to another.

The sales comparison approach cannot be discarded however. It is very useful to verify that the value assigned to a property using another method is correct when there are sufficient sales of similar properties. It is the tool of choice when defending the market value assigned to an individual property.

The sales comparison approach was considered for each property in the City of Onalaska whose value changed in 2019 (excluding ag use land whose value has no relation to market value). For each property, a search for similar properties that were sold recently was conducted. If any sales of similar properties could be found, those sales were used to derive a comparable market value for the subject property. A measure of similarity (a.k.a. comparability rating) was assigned to each comparable sale and used to combine (weight) all comparable sales to produce a single market value for the subject property.

Taking into account the number and quality of the comparable sales, the comparable market value produced by the sales comparison approach was then compared to the cost and income approach (where applicable) to verify that the method chosen (cost or income) is both uniform and equitable.

### 2.3.2 Income Approach to Value

Like the sales comparison approach, the income approach is used to value land and buildings together (they are not valued separately). Unlike the cost and sales comparison approach, the income approach starts with an annual net operating income and then capitalizes (determines a present value for) the stream of all future annual income to arrive at a total value. The total value is attributed to the land and buildings that produce the income and will exclude land and/or buildings not needed to realize the annual net operating income.

Since a separate land value is required, the final value is divided into a value for land and value for improvements using one of several methods, including the option to use the same land valuation model used with the cost approach. This provides consistent land and therefore consistent improvement values regardless of the valuation method used. Individual land or improvement values cannot be argued and are not defended separately.

The income approach was considered for properties in the City of Onalaska that were rented or were of a type commonly rented in the area, even if a property valued was not itself rented. An example of a commonly rented property is an owner occupied retail building; the value of the property is equal to the present value of all income the owner forgoes by not renting it.

**There were 320 properties identified in the City of Onalaska that produce income from rent. A list of those properties can be found in Addendum 4.02 (Rental Properties).**

The income approach was not used to value properties that are typically not rented such as single family residential homes in a neighborhood with few other single family homes that are rented. The owners of such properties generally have few if any people to rent to so they are not forgoing income by living there themselves.

While there are exceptions (such as low-income housing), most income producing property must be valued using typical (or market) rents. In order to establish typical income and typical expenses, income surveys are sent to the owners of each rental property. Without sufficient income producing properties or sufficient survey data, typical income and expenses cannot be determined so the income approach will not provide a good measure of market value.

**To determine typical income and typical expenses, an income survey was sent to owners of 312 income producing properties. A sample of an income survey can be found in Addendum 4.15 (Sample Income Survey).**

Owners who are sent an income survey are not required to complete it. However, if they do not provide the information requested in the survey and the income approach is used to value their property, they lose their right to contest the value assigned to their property.

**Of the 312 income surveys sent, 101 were completed and returned. A list of those owners who did not return their income survey can be found in Addendum 4.03 (Income Surveys Not Returned).**

Using the survey data collected, an income valuation was completed for 395 properties. This includes properties that produce income from rent as well as those that are owner occupied but commonly rented. The value for land and improvements as determined by the income approach was used as the final assessed value for 305 properties.

### 2.3.3 Cost Approach to Value

The cost approach cannot be used to value land, because land has no cost (although it does have value). The cost approach can only be used to value improvements made to land (typically buildings).

Unlike the other valuation methods considered (sales comparisons and income), the cost approach starts with the cost to build the same improvement again (a.k.a. replacement cost new). Subtractions are then made for physical depreciation (deterioration due to aging) and then for functional depreciation (a defect that reduces its usefulness). In summary, the cost approach is:

$$\text{Market Value} = \text{Replacement Cost New} - \text{Physical Depreciation} - \text{Functional Depreciation}$$

The formula above is true for a *pure* cost approach and is based on the principle of substitution where a person won't pay more for a building than they would if they just built it over again.

However, it is widely recognized that cost does not equal market value and so the formula listed above isn't quite right. For example, if you spend \$30,000 installing an in-ground pool and then sell your home the next day, you will probably get something substantially less than the value of your home plus the \$30,000 it cost you to build the pool (even though the pool is brand new and there is nothing wrong with it).

To arrive at a market value using the cost approach, adjustments for what the market will pay must be made. While commonly referred to as a cost approach, most municipal assessors actually use a market-adjusted (i.e. market-modified) cost approach. In this approach:

$$\text{Market Value} = \text{Replacement Cost New} - \text{Physical Depr} - \text{Functional Depr} - \text{Economic Depr}$$

Economic depreciation could be a positive or a negative adjustment. When market adjustments are applied broadly (not individually to individual properties), a market-modified cost model does a good job valuing improved properties in a uniform and equitable manner, which is what we are trying to achieve.

All properties valued using the cost approach in the City of Onalaska were actually valued using a market-modified cost approach. The term 'cost approach' and 'market-modified cost approach' are used to mean the same thing from here forward.

**A market value using the market-modified cost approach was developed for 6,608 properties.**

Used in conjunction with the land "unit-value" method, the value of land and improvements as determined by the market-modified cost approach was used as the final assessed value for 6,302 properties.

The configuration of the market-modified cost model used to value residential buildings in the City of Onalaska can be found in Addendum 4.19 (Residential Cost Model Configuration).

The configuration of the market-modified cost model used to value other building improvements (OBIs) in the City of Onalaska can be found in Addendum 4.20 (OBI Cost Model Configuration).

### 2.3.4 Valuing Land

As previously stated, land has no cost but still must be valued. For all of the previously mentioned approaches to value (sales comparison, income, cost), a method to value land separately is needed. The method most commonly used is a unit-value model which describes the market value per unit of land given its highest and best use and its location (neighborhood). This is the method used to value land in the City of Onalaska when the sales comparison, income or cost approach was used.

**There were 6,392 parcels of land valued using the land "unit-value" model. Some properties may have more than one parcel of land because land use for different purposes within the same property may be valued or assessed differently.**

The unit values used to value all land in the City of Onalaska can be found in Addendum 4.18 (Land Model Configuration).

### 2.4 Personal Property Valuation Methods

To provide a uniform estimate of the market value of personal property, all personal property assessed by the City of Onalaska (as opposed to the Wisconsin Department of Revenue) was valued using the composite conversion factors published by the Wisconsin Department of Revenue for use in the 2019 assessment year.

These factors combine a 150% declining balance depreciation schedule with an inflation factor based on the Producer Price Index and are incorporated into the Statement of Personal Property (PA-003).

### 2.5 Mobile Home Municipal Permit Valuation Methods

Mobile homes assessed for municipal permit purposes were assessed using the same market-adjusted cost approach as if they were assessed as real estate with a few important differences:

1. There is no land value since the permit holder does not own the land. The land was assessed to the owner of the mobile home park.
2. Mobile homes and other buildings owned by the permit holder are assessed at 100% of market value each year.

The configuration of the market-modified cost model used to value mobile homes (assessed as real estate) in the City of Onalaska can be found in Addendum 4.32 (Mobile Home Cost Model Configuration).

The configuration of the market-modified cost model used to value other building improvements (OBIs) in the City of Onalaska can be found in Addendum 4.33 (OBI Cost Model Configuration).

## Measures of Uniformity and Equity

### 3.1 Model-to-Sale Ratios

Each of the valuation models used to value property are calibrated to reproduce market values each revaluation year. In a revaluation year, the level of assessment as measured by the overall model-to-sales ratio should be very close to 100%.

In non-revaluation years, the same analysis helps to measure how much the market has changed. A copy of this analysis which was done for 2019 can be found in Addendum 4.11 (Model-to-Sale Ratios).

**Important note: The results shown on the model-to-sale ratio analysis by themselves are inconclusive due to an insufficient number of valid sales.**

### 3.2 Model Calibration Errors versus Listing Errors

Differences between actual sales prices and market values produced by the valuation models can be caused by:

1. Modeling calibration errors
2. Listing errors
3. Natural variances in the market (i.e. the market isn't perfect)

The valuation models are calibrated during a revaluation year. As time passes and market conditions change, the valuation models become less accurate. Modeling calibration errors can be fixed by re-calibrating the models which is done during a revaluation. Revaluation does not mean re-inspection. Recalibration of the models should be done when uniformity or the overall level of assessment are unsatisfactory.

**The last time the valuation models for the City of Onalaska were recalibrated was 2019. The coefficient of dispersion (a measure of uniformity) is estimated to be 0.0% and the level of assessment is estimated to be 100.00%.**

Listing errors are caused by errors in the property data collected. Property data collection is an on-going activity for municipal assessors. Building permits help the assessor identify changes to properties that will affect their opinion of value. Assessors may also re-inspect properties when they are sold to ensure an accurate calculation of the level of assessment.

However, changes to properties are still missed as permits are not always taken out as they should be and human error causes some to slip through the cracks.

Since problems with the property data collected can greatly affect the fairness in how the property tax burden is distributed, some deliberate plan to minimize listing errors is recommended. Inspecting each property on a regularly scheduled basis helps to control listing errors.

There are two types of inspections: full and exterior. Full inspections involve looking at the inside and outside of structures whereas exterior inspections look at a property from the outside only. Full inspections are more intrusive and more costly and therefore are not done often. Exterior inspections can still find changes that were missed and also ensure that the physical condition has not changed unexpectedly.

Currently, each property in the City of Onalaska should be fully inspected every 4 years. A list of properties not fully inspected in the last 4 years can be found in Addendum 4.05 (Full Inspection Required). In addition, the exterior of each property should be inspected every 4 years.

**It is recommended that each property in the City of Onalaska be fully inspected every 4 years. In addition, the exterior of each property should be inspected every 4 years.**

For a summary of full inspections done in 2019, see Addendum 4.06 (Properties Inspected).

### 3.3 Assessment-to-Sale Ratios

Each year a municipal assessor is required to estimate the overall level of assessment *for each county* that the municipality resides in. This value is used to assess locally assessable personal property (as opposed to state assessed or exempt personal property).

While a model-to-sales ratio analysis measures how well the valuation models are re-producing market values, not all property is assessed at market value (see section 1.8.2 Jurisdictional Exceptions). Therefore, the level to which market values are being reproduced is not the same as the level of assessment.

To measure the level of assessment, property whose assessed value is subject to a jurisdictional exception must be excluded. A second analysis was done and the results reported in section 3.4 Level of Assessment.

### 3.4 Level of Assessment

The 2019 overall level of assessment for the City of Onalaska was estimated to be 100.00%. A copy of the analysis can be found in Addendum 4.12 (Assessment-to-Sale Ratios).

**Important note: Due to an insufficient number of valid sales, the results shown on the ratio analysis are inconclusive. I had to consider other factors including the results of the Department of Revenue's ratio analysis found at <http://www.revenue.wi.gov/DORReports/2018sramon.pdf> to determine the overall level of assessment.**

### 3.5 Uniformity

Problems with uniformity can greatly affect the fairness in how the property tax burden is distributed. As discussed in section 3.2 Modeling Calibration Errors versus Listing Errors, accurate property data is very important and any errors in the physical property attributes collected will adversely affect uniformity. Errors found in the physical property attributes should be corrected as they are discovered.

Uniformity can also degrade over time due to changes in market conditions. Changes to values due to market conditions should not be made on an individual-by-individual property basis, but rather on a broad basis across all properties affected. This ensures that each taxpayer shares the property tax burden in a fair and equitable manner.

2019 was a revaluation year for the City of Onalaska. The valuation models were calibrated to account for all current market conditions. The coefficient of dispersion is now 0.0%.

A more detailed breakdown of the overall coefficient of dispersion can be found in Addendum 4.12 (Assessment-to-Sale Ratios).

**Important note: Due to an insufficient number of valid sales, the results shown on the ratio analysis are inconclusive. I had to consider other factors including the results of the Department of Revenue's ratio analysis found at <http://www.revenue.wi.gov/DORReports/2018sramon.pdf> to determine the overall coefficient of dispersion.**