

AD HOC TAXATION/ASSESSMENT ADVISORY COMMITTEE MEETING

APRIL 11, 2011, 9:00 A.M., COUNCIL CHAMBERS

1. Call to order

Meeting called to order at 9:06 A.M. by Bob Manchester.

Present were Committee Members Robert Manchester (chairman), Joel Hellmann, Donald Nessing, and Joop Nagtegaal (secretary). Absent was Robert Dillon. Also present were Michael Minardi, Tax Assessor; Peter DeAngelis, Town Manager; Bob Battey of Appraisal Resource; Douglas Gablinske of AppraiseRI; Allan Booth, Newport Tax Assessor; and June Speakman, Town Council President, for Jeff Brenner, Ad Hoc Committee Liaison on the Town Council.

2. Approval of Minutes

Upon a motion duly made and seconded, the minutes of the meetings of April 4, as amended, were approved unanimously.

3. Public Comments

There were no comments on subjects that were not on the agenda.

4. Review and Discuss Weekly Appraisal Resource report

The report, which is attached to these minutes, discusses several aspects of the ongoing work. Currently, two field reviewers are working, and on Wednesday a third field reviewer will be added. In addition, a fourth reviewer will be assigned for the commercial properties. John Hocking is finishing the waterfront pricing today.

Gary Morse of 2 Westwood Lane asked whether the depreciation will be changed based on just an exterior inspection. Bob Battey answered that adjustments may be made for some properties, based on the exterior condition and age of the house. Exterior condition and age determine the depreciation. Gary said he worries about the accuracy of such adjustments. Doug Gablinske said that one has to assume that the outside condition is indicative of the inside condition. Bob Battey said that it must be quite obvious from the exterior inspection that the current condition is not consistent with the condition on the

field card, otherwise the condition will be left the same. Gary asked whether it would be possible to ask for an interior inspection if the condition is being changed. Bob said that wasn't feasible due to time constraints. Joop asked how often the condition is changed. Bob said he didn't have an exact number, but he thought there might be in the order of 10 changes for the 1500 properties inspected so far, and that the number of changes would typically be in the order of 1% of the inspected properties, and definitely not 10%. Bob said he would try to present actual figures during the next meeting.

Joop asked whether the field reviews could lead to a change in neighborhood code. Bob said that was definitely possible, and that therefore any current neighborhood map created by Appraisal Resource would be preliminary.

5. Review and Discuss Current list of Sold Properties Tagged for Exclusion

There was a long discussion regarding the properties that Joop had discussed in his memo of 3/24/2011, which is attached to the minutes of the meeting of 3/28/2011. The focus was in particular on the properties in the "Vision Appraisal 400" neighborhood since there are only 7 sales in that neighborhood in 2009 and 2010, and one of these sales (11 Elm Lane) is a bank sale and is disqualified for that reason.

The Committee had an extensive discussion about the 1/22/2009 sale of 136 Adams Point Road. Information from the MLS database indicates that the purchase and sales contract was actually signed on 7/14/2008, before the market crash of October 2008. There was also a question whether the buyer was sufficiently knowledgeable about the local conditions to make this sale a "fair market value" transaction. After a lengthy discussion it became clear that the committee was split on this issue. The consultants also recommended strongly that this sale should not be disqualified.

A further discussion followed about the sale of 8 Holly Lane, which closed on 2/1/2011 but where the purchase and sales agreement was signed on 11/18/2010 (i.e. in 2010). As Doug Gablinske had stated in an earlier meeting, such a sale cannot be used as a comparable sale: there is clear legal precedence for this.

There was also an extensive discussion about the sale of 285 Rumstick Road, which was disqualified for "other" reasons, though it was clearly an arms length transaction. Doug

said that Scott Nagy had recommended disqualification, because this sale was “obviously” outside the normal fair market value. Joop pointed out that this statement could be doubted, since two properties on the southern end of Rumstick Road (181 and 340) have been for sale for \$895,000 since well before 12/31/2010 and have not sold, and the homes on these properties are certainly not inferior to the one on 285 Rumstick Road. Joel argued that if the high end sale on 136 Adams Point is included although there are clearly some concerns about this sale, one should not exclude the low end sale on 285 Rumstick Road. Doug Gablinske said that, in contrast to what Scott Nagy had advised, he agreed that the sale on 285 Rumstick should be included.

There was some further discussion about a few other sales but general agreement was reached about these sales after the circumstances of these sales became clear. In the end, the following recommendations were made by the Committee:

1. Include the 11/05/2010 sale of 285 Rumstick Road as a valid sale;
2. Include the 12/9/2009 combined sale of two adjacent properties on Libby Lane (end of South Meadow Lane) as a land sale (this may have been done already);
3. Include the 7/12/2010 sale of 173 Mathewson Road as a land sale.

Upon a question asked by Joop, Doug said that if the 12/31/2010 for sale price of a property is substantially lower than the assessed value of a property, this should be looked at. He also said that the same should be done if a property is sold for a substantially lower value than the assessed value during the first three months of 2011.

6. AppraiseRI Report

Allan Booth reported about his review of the transfer of data from the Vision system to the AssessPro system. He explained that he had checked various quantities, and said that in his opinion the transfer was done without major errors, although he was of course not able to check every field card.

Doug Gablinske said that unfortunately the article for the Barrington Times was not published last week, to his surprise and the surprise of the journalist. However, he has been assured that it will appear this week. Doug will also make sure that Bill Rupp of the

Barrington Patch is kept informed. Other than that, the publication plan will proceed as described before. Bob Manchester announced that he will be out of town on April 27, when the public meeting is scheduled, and that he can hence not chair the meeting. An acting chairman will need to be appointed, which will be done in a subsequent committee meeting. Bob said that in his view, the role of the committee in this meeting was to explain the process as it has taken place and to provide information about the informal hearing process. It is not the role of the committee, nor the purpose of the meeting, to discuss the results of the evaluation and to answer specific questions about values.

8. Policies and Procedures for Informal Hearings

Doug and Allan requested that we move up this point on the agenda so they could leave after this point. Michael reported that he had received a rewritten document from Rich Nagle, as well as comments from Joop, but that he hadn't had time to do anything with them. Both contributions mainly intended to make the document a bit more taxpayer friendly, without substantially changing the contents. It was agreed that Michael would circulate Richard's document and that the committee members would make suggestions for improvements to that document.

Upon a question from Joop, it was confirmed that the list of qualified comparable sales will be posted on the web, either on the Assessor's or Appraisal Resource's website. Bob Manchester suggested that a link to a downloadable spreadsheet with all properties be made available on the website. There were some concerns about this but it will be considered further.

Bob also asked whether it would be possible for taxpayers to obtain field cards online instead of having to obtain them from the Tax Assessor's office. Bob Battey said that the software doesn't foresee in this at the moment, and that this could certainly not be added in the short timeframe available. The committee was of the opinion that such functionality would be useful and should be considered by Appraisal Resource and Patriot as a future development.

Joop asked that it be made clear to the taxpayers that field cards of the taxpayer's property and of properties the taxpayer wishes to use for comparison can be obtained

from the Tax Assessor's office. At this point, Doug Gablinske and Allan Booth left the meeting.

7. Comparison Between Sold Properties to Assessed Values in 2008 Assessment

Bob Manchester said he had put this point on the agenda again so he could present his handout to Appraisal Resource so they could give some comments. He handed the document to Bob Battey, and explained that his major concern was that there were a large number of properties for which the sales price differed a lot from the assessed value. Bob Battey accepted the document and said he would look at it further.

9. Review 2008 Appeal Results

Considering the late hour it was agreed to table this review till the next meeting.

10. Agenda for the next meeting

It was agreed that Bob Manchester will prepare the draft agenda for the next meeting and at least include the items for which the discussion wasn't completed today.

11. Date for next meeting

The next meeting will be held Monday, April 18, 2011 at 9AM.

12. Adjourn

Upon a motion duly made and seconded, it was voted unanimously that the meeting be adjourned at 11:35AM.

Respectfully submitted,

Joop Nagtegaal, Secretary

TOWN OF BARRINGTON
STATISTICAL REVALUATION
PROGRESS REPORT 4/8/2011

All preliminary building cost and land value tables have been entered into AssessPro. This has allowed us to generate preliminary values for field review.

The field review of all parcels began on Monday the 4th. As of Friday the 8th staff have reviewed 1500 of the 5700 residential parcels. This would include state codes 01, 02, 13 and 23. Data entry maintenance of the reviewed parcels is done on a daily basis with only a one day lag time.

Of the 144 certified letters which have been sent we have scheduled 49 appointments. This is for the interior inspection of sales.

Preliminary Income analysis has been completed. This includes the analysis of all returned I & E's and inspection of all commercial sales. Preliminary market rents and capitalization rates have been established. Approximately 80% of the adjustments to the commercial tables have been completed. The generation of preliminary values is expected to be completed by April 15th with field review to begin the same day.

Preliminary residential cost, depreciation, quality, grade and land tables have been turned over to the monitoring committee for review.

We have provided initial training on the AssessPro cama program to the assessing department.

AR has provided the Assessor with a live database so that he can monitor the work on a daily basis. He consults with John Hocking regularly regarding a wide variety of valuation decisions..

Respectfully submitted,
Appraisal Resource Revaluation Group LLC