

## AD HOC TAXATION/ASSESSMENT ADVISORY COMMITTEE MEETING

March 14, 2011, 9:00 A.M., COUNCIL CHAMBERS

### 1. Call to order

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

Present were Committee Members Robert Dillon (acting chairman), Joel Hellmann, Donald Nessing, and Joop Nagtegaal (secretary). Absent was Robert Manchester. Also present were Peter DeAngelis, Town Manager, Michael Minardi, Tax Assessor, as well as Douglas Gablinske and Scott Nagy of AppraiseRI, consultants hired by the town.

### 2. Approval of Minutes

Upon a motion duly made and seconded, the minutes of the meetings of March 8th were approved unanimously.

### 6. Review weekly Appraisal Resource report

The Committee agreed to move this point up on the agenda. It was noted that Appraisal Resource will attempt to inspect ALL sold properties, including those that are considered suspect and may not be used as valid sales. Don moved to accept the report as submitted, Joel seconded, and the report was accepted unanimously. The report is attached at the end of these minutes.

### 3. Review Neighborhood Map

Doug Gablinske then led a discussion about neighborhood definitions. He noted that for the sake of making assessments, it is the value of properties that defines the neighborhood. Hence, the term “value block” is perhaps be a better description than “neighborhood”.

Doug first showed a Plat map, and observed that Plats are defined for administrative and historic reasons, and do not necessarily provide a reflection of neighborhoods.

Subsequently, he overlaid a Zoning map, and observed that Zoning does specify lot sized

and building requirements but does not necessary yield an indication of the value of neighborhoods. He then showed the neighborhood map created by Vision Appraisal and the overlay prepared by four realtors with many years experience in Barrington (Lisa Browning, Beth Davis, Gerald Carrick and CeCe Sartor). Lisa Browning explained that the creation of the overlay had been a 5 hour project, and that it provided only a rough characterization of the major neighborhoods. She confirmed that the selection of neighborhoods in the overlay was based on property values, as judged by the four realtors. She said that the overlay did not include enough detail to be used directly for the revaluation.

Appraisal Resource has stated that they intend to work with the neighborhood map prepared by Vision Appraisal as a starting point. Doug said that a “homogenized” VA map might indeed be a good starting point. As an example, he mentioned that instead of assigning a different neighborhood code to properties along a busy street such as Middle Highway or Sowams Road, this be noted on the field card, in a similar way as Vision did for waterfront properties. He also said that Appraisal Resource intends to work that way; it is a different methodology, resulting in a less patchy neighborhood map. Joel and Joop agreed that it would indeed be better to start with a neighborhood map that would have a “coarse” neighborhood definition, and then refine that map based on the sales data. The current VA map has too many “small” neighborhoods in it, and such neighborhoods would continue to exist even if there was no sale to indicate a different value.

Doug suggested that the Committee could perhaps review the map in sections. Mike said that had a drawback, since one section of town might influence another section. There was also a general concern that this would take too much time. Don said that we really should have a preliminary map by next week. Bob agreed that we indeed need a starting point next week, otherwise we might not get the results in time. Bob Dillon remarked that

according to the schedule, Appraisal Resource would produce the preliminary neighborhood map today. In the meantime, Mike had a telephone discussion with Bob Battey of Appraisal Resource and reported that AR will present a preliminary neighborhood map next week. He also noted that there wasn't a neighborhood map for the 2005 revaluation.

Lisa Browning mentioned that one of the problems was that the assessment of the lower valued properties went up during the 2008 revaluation. Joel said that was understandable, because before the 2008 crash the prices of these properties went up; people want to move to Barrington because of the school system, and financing was available. Lisa pointed out that the vast majority of low end sales were below the assessed value during the last two years. Joel says that was logical, since the recession hit hardest in that segment of the population, much more so than in the high end segment, where owners can afford to wait with selling their homes.

#### 4. Property sales flagged for review

Scott Nagy said that he looked through all sales that happened during 2009 and 2010, and observed that prices in the lower end range (less than ~\$300K) had dropped. In fact, he said that many sales in this range were bank sales, short sales and estate sales, and that in some neighborhoods such sales were completely dominant. Hence, he said that such sales could not automatically be eliminated – they give a valid indication of value. He also said that “flips” that sold initially for a very low value often sold for a high price after they had been rehabbed. Scott also said that the mid range (~\$300K to ~\$1M) sold more or less normally, and that there were very few sales in the high end range (over ~\$1M).

Mike had sent out a spreadsheet with sales that he thought should be checked, and Joop presented a modified sheet with some corrections of the assessed values (2005 values were used instead of 2008 values for some sales), some personal notes, and notes

provided by realtors Beth Davis and Gerald Carrick of Coleman realtors. Mike noted that he had taken the data from the MLS listings, and that the assessed values were apparently not up to date. Mike promised that he would check the data and send out a revised spreadsheet soon. [This was completed the same day.]

5. Consultant's Presentation regarding the ABR

Doug said that the Assessing Board of Review should have a good knowledge of the process that was followed, and hence it would be good for the ABR members to attend the sessions of the Ad Hoc Committee. However, he had heard that the current members of the ABR might not continue. Peter confirmed that there is one vacancy on the ABR for which so far no volunteer has been found, that the term of one of the two current members is ending next month, and that it is not clear whether the other member will continue. Doug said we then need to do the education afterwards when the members of the ABR are known. The Committee agreed.

6. Discussion regarding Taxpayer communications with the Committee

The Committee reaffirmed that all taxpayer communications regarding the revaluation to the Committee, Appraisal Resources, the Tax Assessor, the Town Manager or the Consultant should be shared. It was also agreed that any requests for documents related to the revaluation other than the meeting minutes should be handled by the Town.

8. Date for next meeting

It was agreed that the next meeting will be held on the scheduled time of March 21, 2011 at 9AM. Peter said he would tell Appraisal Resource that they must attend the meeting.

9. Agenda for next meeting

Joop will work with Bob Manchester to create the agenda for the meeting, including the required presentations by Appraisal Resource.

10. Adjourn

Upon a motion duly made and seconded, it was voted unanimously that the meeting be adjourned at 10:38AM.

Respectfully submitted,

Joop Nagtegaal, Secretary

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TOWN OF BARRINGTON  
2010 STATISTICAL UPDATE  
PROGRESS REPORT 3/11/2011

Project managers John Hocking and Bob Battey met with the ad-hoc committee on 3/8/2011. Items under discussion included delineation of neighborhoods, discussions between ARC and the monitoring committee, sales being considered for exclusion from the revaluation process and items being addressed by Appraisal Resource.

The first attempt at inspection of the arms-length sales was finished on 3/7/2011. 195 letters sent to those homes that we were unable to inspect were sent on 3/11/2011. Homeowners were given 10 days to respond. We will begin inspecting these the week of 3/14.

Data entry has begun on the sales which have been fully inspected. This includes making all changes which were observed in the field. All data entry on the inspected building permits will be done the week of 3/14.

Bob Battey has had several conversations with the monitoring committee. These conversations are mostly about maps, cost tables and updates.

John Hocking has been working with the assessor in calibrating the cost and depreciation tables. Valuation analysis is ongoing.

Respectfully submitted,

Appraisal Resource Revaluation Group LLC