

2015 Annual Report

Ottawa County Equalization Department

This report does not take the place of the "Equalization Report", statutorily required to be presented to the County Board of Commissioners for adoption in April each year.

Michael R. Galligan mmao(4)
Ottawa County Equalization Director
February 9, 2016



The activities and programs of this department are brought to you by the members of the Ottawa County Board of Commissioners.

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Equalization Department Staff

As of February 1, 2016



- ❑ **Michael R. Galligan mmao (IV), Director**
- ❑ **Brian Busscher mmao (IV), Deputy Director**
- ❑ **Lori Brassard maa (III) Administrative Assistant**
- ❑ **Equalization Appraisals Team**
 - ❑ Tina Pickler maa (III), Appraiser III, Senior Appraiser
 - ❑ Craig Zysk maa (III), Appraiser III
 - ❑ John Brassard mcao (II), Appraiser I
 - ❑ Cheryl Deal ½ time Abstracting/Indexing Clerk
- ❑ **Local Unit Assessment Administration Team**
 - ❑ Joshua Morgan maa (III) Assistant Assessor
 - ❑ Rodger Murphy mcao (II), Appraiser II
 - ❑ Sarah Goldman mcat, Abstracting/Indexing Clerk (member of 2 teams)
- ❑ **Maintenance of Property Descriptions & Property Tax Maps Team**
 - ❑ Troy Young, Property Description and Mapping Technician
 - ❑ Christopher Van Horn mcat, Property Description and Mapping Technician
 - ❑ Julie Friedgen mcat, ½ time Abstracting/Indexing Clerk (member of 2 teams)
 - ❑ Jennifer Milanowski mcat, ¾ time Abstracting/Indexing Clerk (member of 2 teams)
- ❑ **Deeds Processing Team**
 - ❑ Susan Young mcat, Senior Abstracting/Indexing Clerk
 - ❑ Sarah Goldman mcat, Abstracting/Indexing Clerk (member of 2 teams)
 - ❑ Jennifer Milanowski mcat ¾ time Abstracting/Indexing Clerk (member of 2 teams)
 - ❑ Julie Friedgen mcat, ½ time Abstracting/Indexing Clerk (member of 2 teams)

Breakdown of Department Personnel (Full time Equivalents FTE)

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|-------------------|-------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Equalization/PD&M | 14.5 | 14 | 13.5 | 13.5 | 12.8 | 12.05 | 12.05 | 11.75 | 11.5 | 11.5 |
| Local Assessing | 0 | 0 | 0 | 0 | 0 | 1.75 | 1.75 | 1.75 | 2.25 | 2.25 |
| Total | 14.5 | 14 | 13.5 | 13.5 | 12.8 | 13.8 | 13.8 | 13.5 | 13.75 | 13.75 |

Recent Changes

- ❑ Brian Busscher achieved the top certification level from the Michigan State Tax Commission as a Michigan Master Assessing Officer (Level IV).
- ❑ Lori Brassard achieved certification from the Michigan State Tax Commission as a Michigan Advanced Assessing Officer (Level III).
- ❑ The Michigan Certified Assessing Technician (mcat) class was taken and the test passed by Susan Young, Jennifer Milanowski, Julie Friedgen, and Sarah Goldman
- ❑ Brian Busscher was also elevated to Deputy Director when James Bush, the former Deputy Director left us to become the new assessor for the City of Holland
- ❑ After a three month search, John Brassard was hired to join our Equalization Appraisal Team, refilling Brian Busscher former position.



Main Functions of the Equalization Department

❑ Set up of this Report

- ❑ This report is divided up into two sections.
 - ❑ The first is a narrative describing the two main functions of the department.
 - ❑ The second is a report of various facts and figures.



❑ Main Functions of the Department

- ❑ The two main functions of the Equalization Department are to assist the County Board of Commissioners with;
 - ❑ Preparation of the Board of Commissioner's Equalization Report
 - ❑ Preparation of the Board of Commissioner's Apportionment Report.



❑ Where to Start?

- ❑ The next few pages provide a short explanation of each function.
- ❑ We will start with the Equalization Report.



MCL 211.34 establishes the Equalization Department to assist the Board of Commissioners with preparation of their Annual Equalization Report.



- ❑ 211.34 (1) M.C.L. The county board of commissioners in each county shall meet in April each year to determine county equalized value which equalization shall be completed and submitted ... to the state tax commission before the first Monday in May. ...
- ❑ 211.34 (2) M.C.L. The county board of commissioners shall examine the assessment rolls of the townships or cities and ascertain whether the real and personal property in the respective townships or cities has been equally and uniformly assessed at true cash value. If, on the examination, the county board of commissioners considers the assessments to be relatively unequal, it shall equalize the assessments by adding to or deducting from the valuation of the taxable property in a township or city an amount which in the judgment of the county board of commissioners will produce a sum which represents the true cash value of that property, and the amount added to or deducted from the valuations in a township or city shall be entered upon the records. The county board of commissioners shall also cause to be entered upon its records the aggregate valuation of the taxable real and personal property of each township or city in its county as determined by the county board.
- ❑ 211.34 (2) M.C.L.(continued) The county board of commissioners shall also make alterations in the description of any land on the rolls as is necessary to render the descriptions conformable to the requirements of this act. After the rolls are equalized, each shall be certified to by the chairperson and the clerk of the board and be delivered to the supervisor of the proper township or city, who shall file and keep the roll in his or her office.
- ❑ 211.34 (3) M.C.L. The county board of commissioners of a county shall establish and maintain a department to survey assessments and assist the board of commissioners in the matter of equalization of assessments, and may employ in that department technical and clerical personnel which in its judgment are considered necessary. The personnel of the department shall be under the direct supervision and control of a director of the tax or equalization department who may designate an employee of the department as his or her deputy. The director of the county tax or equalization department shall be appointed by the county board of commissioners. The county board of commissioners, through the department, may furnish assistance to local assessing officers in the performance of duties imposed upon those officers by this act, including the development and maintenance of accurate property descriptions, the discovery, listing, and valuation of properties for tax purposes, and the development and use of uniform valuation standards and techniques for the assessment of property.



Preparation of the Equalization Report to the Board of Commissioners as required by MCL211.34



❑ Sales Studies

- ❑ From the Register of Deeds system, recorded property transfer documents are electronically received, reviewed, and compared with the local unit assessment rolls. Splits and incorrect property descriptions are set aside for further processing.
- ❑ The remaining documents are then imported into our system. They are matched with PTA's and other documents used to verify sales prices. All documents must then be reviewed to determine their status for use in our sales studies.
- ❑ The Director reviews all sales and compiles sales studies. Sales studies are used to determine the starting ratios in all residential classes. Appraisal studies are used in the other classes.
- ❑ Sales studies are sent to the local units for their review before being entered on the L4018 forms.
- ❑ These sales documents are accessible on *miottawa.org* and provide another means of accessing the Register of Deed's documents.

❑ Appraisal Studies

- ❑ The Appraisers field inspect, list, and analyze all usable vacant sales except small residential lots. They also analyze all improved agricultural, commercial and industrial sales. Of these sales, the appraisers field inspect all sales usable for computing economic condition factors.
- ❑ In cooperation with the appraisers, the deputy director analyzes sales data and computes the land values and economic condition factors used in the current year's appraisal studies.
- ❑ The appraisers select representative, random samples for each class studied, field inspect, draw up and price all parcels selected using land value and ECF data previously derived.
- ❑ The appraisers trade work they have done with other appraisers for review and corrections.
- ❑ Once complete, the studies are submitted to the Equalization Director for review and comments then sent to the local unit for their review before being entered on the L4018 forms.



Preparation of the Equalization Report to the Board of Commissioners as required by MCL211.34

❑ Personal Property Studies

- ❑ We first select random samples of Commercial and Industrial personal property accounts for audit or record verification.
- ❑ For those accounts where we do audits, we review the results with the owners and the local units. The results are then compiled for use on L4018s.
- ❑ From lists provided by the local units, we audit personal property accounts where the business was granted the new personal property tax exemption.

❑ Other Duties

We oversee the printing and mailing of Personal Property forms for most local units.

❑ Note:

- ❑ The implementation of the new law has changed, but not eliminated the work needed in the area of personal property.

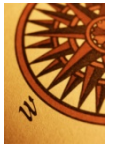
❑ Equalization Forms

- ❑ L4018s are completed and submitted to the STC by December 31 of each year giving the starting ratios in each class, in each unit.
- ❑ The local assessors complete and submit their assessment rolls to the Equalization Department. Assessment rolls are imported, and new, loss and adjustments on the L4021 are audited.
- ❑ L4023 forms are compiled from audited assessment rolls. These forms determine whether or not the local unit has brought their ratios in each class to between 49% and 50%.
- ❑ Results are summarized, the official Equalization Report is completed and presented to the County Board for its approval.
- ❑ We import, review, compile and balance L4025 figures for use in various millage rollbacks.
- ❑ We import, review, compile, and balance principal residence exemption figures.



Maintenance of Accurate Property Descriptions and Property Tax Maps

Assistance ... in accordance with MCL211.34(3)



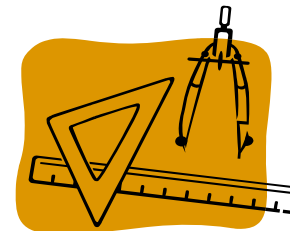
❑ Property System Maintenance

- ❑ Our department assists local units in the development and maintenance of accurate property descriptions, assigning new parcel numbers for all splits, consolidations, subdivision lots, condominium units, and buildings on leased land, along with their use of our parcel mapping.
- ❑ We import and export data to and from the local units. Names and addresses are updated regularly. Values are updated during the equalization process and at other times such as principal residence exemptions deadlines. Our tax descriptions are exported to the local units. Ordered value changes are entered in our assessing system, and compared to the local units values.
- ❑ We work with the County Treasurer's Office and the local units to maintain the accuracy and balance between our systems. Crosschecking and balancing assessment roll data allows us to maintain an accurate countywide database of all assessment rolls. This data is also used as the source for the property information available on the county website.

- ❑ A Split History System is maintained for all splits back to 1975. This information is made available to the local units, other county departments, and the public through the property search function on the county website.

❑ Mapping/GIS Maintenance

- ❑ Our mapping technicians also maintain the parcel and related layers in the county GIS using recorded documents, surveys, and information from local units as the basis for these updates. All work is checked and sent to the local assessors for use in assessment and tax rolls.
- ❑ The mapping technicians continue to make modifications and corrections to data in the GIS. This work improves the quality and reliability of the system.



Property Assessment Services for the Local Units

Assistance ... in accordance with MCL211.34(3)

❑ Assessment Administration for the City of Grand Haven and Crockery Township

- ❑ By the authority given them under MCL 211.34(3), the Board of Commissioners have contracted with the City of Grand Haven and the Township of Crockery to provide them with assessment administration services.
- ❑ As the County Equalization Director, my certification is used and I am held responsible for supervising and preparing the assessment roll and all other associated documents and reports.
- ❑ Joshua Morgan manages these projects, with the assistance of various department staff.



❑ Responsibilities

❑ Assessment Roll Preparation

- ❑ 20% review and update each year of all classes of real property.
- ❑ Land values and ECF computations
- ❑ Building permits and Act 25 forms
- ❑ Name & address changes
- ❑ Review and process sales
- ❑ Uncapping & PRE changes
- ❑ Splits and combinations
- ❑ Personal property discovery and processing
- ❑ Assessment change notices
- ❑ Numerous State forms
- ❑ Full tribunal and small claims appeals
- ❑ March, July and December Board of Review

❑ Other Duties

- ❑ Public contact, questions, etc.
- ❑ Special assessment processing

❑ Special Projects

- ❑ Reappraisal of classes of property, when needed.



The Equalization Department is also to assist the Board of Commissioners with the apportionment of money to be raised.

- ❑ 211.37 M.C.L. The county board of commissioners, either at a session held not later than October 31 in each year or at a special meeting held for a local tax collecting unit that approves under section 44a(2) the accelerated collection in a summer property tax levy of a millage that had been previously billed and collected as in a preceding tax year as part of the winter property tax levy, shall ascertain and determine the amount of money to be raised for county purposes, and shall apportion the amount and also the amount of the state tax and indebtedness of the county to the state among the several townships in the county in proportion to the valuation of the taxable real and personal property as determined by the board, or as determined by the state tax commission upon appeal in the manner provided by law for that year, which determination and apportionment shall be entered at large on county records. The board, at a session held not later than October 31 in each year, shall also examine all certificates, statements, papers, and records submitted to it, showing the money to be raised in the several townships for school, highway, drain, township, and other purposes. It shall hear and consider all objections made to raising that money by any taxpayer affected. If it appears to the board that any certificate, statement, paper, or record is not properly certified or is in any way defective, or that any proceeding to authorize the raising of the money has not been had or is in any way imperfect, the board shall verify the same, and if the certificate, statement, paper, record, or proceeding can then be corrected, supplied, or had, the board shall authorize and require the defects or omissions of proceedings to be corrected, supplied, or had. The board may refer any or all the certificates, statements, papers, records, and proceedings to the prosecuting attorney, who shall investigate and without delay report in writing his or her opinion to the board. The board shall direct that the money proposed to be raised for township, school, highway, drain, and all other purposes authorized by law shall be spread upon the assessment roll of the proper townships, wards, and cities. This action and direction shall be entered in full upon the records of the proceedings of the board and shall be final as to the levy and assessment of all the taxes, except if there is a change made in the equalization of any county by the state tax commission upon appeal in the manner provided by law. The direction for spread of taxes shall be expressed in terms of millages to be spread against the taxable values of properties and shall not direct the raising of any specific amount of money. This section does not apply when section 36(2) applies and shall not prevent the township clerk from providing a certification to the county clerk pursuant to section 36(1). If a certification is provided pursuant to section 36(1), the county board of commissioners shall meet and direct or amend its direction for the spread of millages by local units in the county pursuant to the certification.
- ❑ 207.12 M. C. L. The director of the tax or equalization department in each county in this state, as soon as possible after the equalization of the board of commissioners of the county of the assessment rolls of the municipalities in that county, and not later than December 1 in each year, shall make a report, duly certified, to the state board of assessors, on a form to be provided by the state board of assessors, of the amount of ad valorem taxes to be raised in the municipalities in that county for state, county, municipal, township, school, and other purposes,

Preparation of the Annual Apportionment Report to the Board of Commissioners as required by MCL 211.37 & MCL 207.12

❑ Annual Apportionment Report and Related Forms

- ❑ The Apportionment process begins each year with computing the millage reduction fractions. The millage reduction fractions are used to calculate allowable millage for each tax rate request.
- ❑ Each taxing entity is provided its millage reduction fractions along with a sample tax rate request form and a truth in taxation confirmation checklist.
- ❑ Tax rate and debt service requests are collected and audited by the Equalization Department on behalf of the Board of Commissioners.
- ❑ We also monitor expiration of millages, and ballot language on proposals requesting a millage. This helps insure that each request is timely and will meet the requirements to be levied.
- ❑ Tax rate requests are incorporated into the apportionment report which is used by local units for tax billing. The tax rate requests are also used in various other reports required by the county and local units.
- ❑ Taxable Value can no longer be tracked from the equalization report to the apportionment report. The value of certain “Senior Citizen and Disabled Family Housing” properties are still reported with ad valorem values on the assessment rolls, but are now listed on a separate tax roll.
- ❑ PA 184 & 185 of 2012 allow local units to adopt resolutions authorizing the collection of winter taxes on the summer tax roll for parcels where the total winter amount is \$100 or less.
- ❑ Three cities take advantage of this law.
- ❑ There is now an added millage certification and apportionment in June for those taxes that used to be levied in the winter but will now be levied in the summer. For the most part this is the County Parks millage, the County E-911 millage, and one district library.



Other Duties



☐ **Damage Assessment**

The Equalization Department is responsible for gathering damage assessment information from local units in the event of a disaster. Department staff also assist local units when local units request assistance. We participate in training exercises when requested.

☐ **Other Assistance to Local Units**

In addition, we assist the local units by developing uniform standards and updating them on recent law changes. We also provide technical assistance to the local units in areas such as valuation appeals, assessing procedures, and millage questions.

☐ **Forecasting**

To assist with budgeting, we make projections of future taxable value based on the limited information available.



☐ **Extra**

- ☐ I serve as an instructor for the Michigan State Tax Commission certification program, teaching classes in statistics and depreciation. I have also written texts for use in these classes.



☐ **Requests for Information**

We fill Freedom of Information Act requests for countywide assessment roll data. We also fill requests from the schools, other taxing units, and financial advisory companies for various statistics.

- ☐ In 2015, Brian Busscher served as Vice President of the Ottawa County Assessor's Association

According To The Numbers

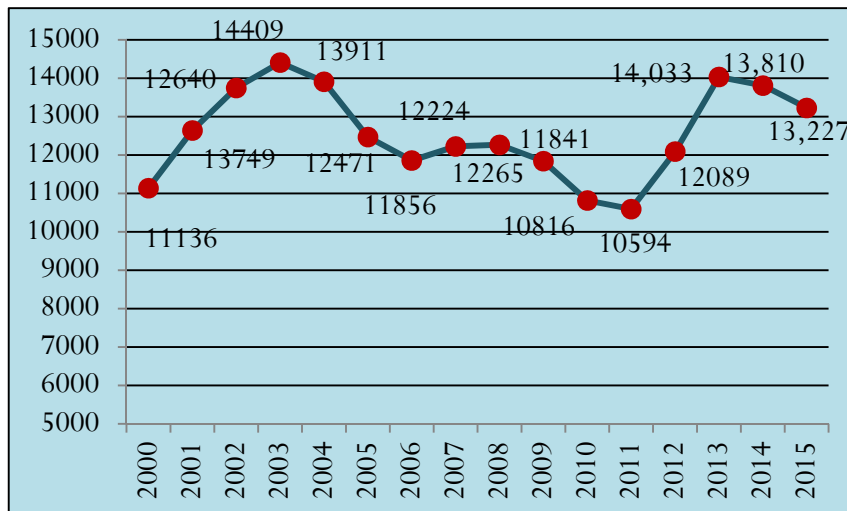
Sales Studies - Analysis of the market begins with sales



□ Sales Entered in the Equalizer database

All classes of property
(December 1 through November 30)

| | | |
|---------------|---------------|---------------|
| 2000 - 11,136 | 2006 - 11,856 | 2012 - 12,089 |
| 2001 - 12,640 | 2007 - 12,224 | 2013 - 14,033 |
| 2002 - 13,749 | 2008 - 12,265 | 2014 - 13,810 |
| 2003 - 14,409 | 2009 - 11,841 | 2015 - 13,227 |
| 2004 - 13,911 | 2010 - 10,816 | |
| 2005 - 12,471 | 2011 - 10,594 | |



□ Results of Residential Sales Studies (Percent change does not include net new construction, etc.)

| Study Year | Percent Change | # of Sales 2 yr period | Sales Used | # of 1 yr Studies |
|-----------------|----------------|------------------------|------------|-------------------|
| 2002 for 2003Eq | 6.55% | 8,799 | 8,799 | 0 |
| 2003 for 2004Eq | 4.78% | 8,989 | 8,989 | 0 |
| 2004 for 2005Eq | 5.09% | 8,868 | 8,868 | 0 |
| 2005 for 2006Eq | 6.07% | 8,478 | 8,478 | 0 |
| 2006 for 2007Eq | 4.66% | 8,006 | 8,006 | 0 |
| 2007 for 2008Eq | 1.14% | 7,101 | 5,716 | 8 |
| 2008 for 2009Eq | -3.42% | 5,867 | 2,568 | 19 |
| 2009 for 2010Eq | -6.61% | 3,676 | 1,638 | 22 |
| 2010 for 2011Eq | -3.52% | 4,086 | 2,333 | 19 |
| 2011 for 2012Eq | -2.84% | 4,562 | 2,208 | 19 |
| 2012 for 2013Eq | 1.17% | 5,203 | 4,871 | 6 |
| 2013 for 2014Eq | 5.15% | 6,966 | 6,951 | 1 |
| 2014 for 2015Eq | 6.33% | 8,204 | 8,204 | 0 |
| 2015 for 2016Eq | 6.93% | 8,976 | 8,976 | 0 |

According To The Numbers

Appraisal Studies are done where there are insufficient sales for a Sales Study.

❑ First is an analysis of the market

- ❑ About 377 Agricultural, Commercial, and Industrial sales documents were analyzed and investigated by staff appraisers.
 - ❑ About 113 improved sales were field inspected and appraised, then added to the ECF studies as follows;
 - ❑ 5 in the Agricultural ECF
 - ❑ 80 in the Commercial ECF
 - ❑ 28 in the Industrial ECF
 - ❑ 25 Commercial and Industrial condominium sales were analyzed, field reviewed, and listed for use in appraisal studies.
 - ❑ 121 new Agricultural, Commercial, and Industrial vacant land sales were appraised and added to the vacant land sales studies.
- ❑ 42 new sales of improved residential properties were appraised and added to the Residential ECF study for use in the Agricultural appraisal studies.



❑ Appraisal Studies

- ❑ Representative samples are selected and appraised. The following is the breakdown of the appraisals used in the 2015 studies for 2016 equalization;

370 Agricultural parcels
542 Commercial parcels
403 Industrial parcels
16 Developmental parcels
1,331 Total Appraisals for studies



❑ Total approximate number of appraisals done in 2015 for 2016

301 Total Appraisals of sales
1,331 Total Appraisals for studies
1,632 Total Appraisals

- ❑ Staff appraisers also spent time assisting the local assessing team.

According To The Numbers



Personal Property Studies & The Apportionment Report

❑ Personal Property Studies

- ❑ 14 Personal property audits were conducted during 2015 for use in the Equalization studies (L4018s)
- ❑ 101 record verifications were conducted during 2015 for use in the Equalization studies (L4018s)
- ❑ 2 audits of the new small taxpayer personal property tax exemption were conducted.

❑ Industrial Personal Processing Exemption Begins

- ❑ Qualified industrial personal property will start the process of becoming exempt beginning in 2016.
- ❑ A substantial loss in taxable value due to this exemption will be seen in 2016, with a large portion of the loss reimbursed by the State.



❑ Apportionment Report.

- ❑ 52 Preliminary L4029 Tax Rate Request forms were prepared and sent to taxing authorities, some for the July levy and some for the December levy.
- ❑ 12 ballot proposals requesting new or renewed millage rates were reviewed prior to going on the ballot.
- ❑ 52 returned L4029 Tax Rate Request forms were audited on behalf of the Board of Commissioners to see that all certificates, statements, papers, or records were properly certified and are in no way defective.
- ❑ 49 page Ottawa County Apportionment Report was prepared, listing by local unit, all millage rates levied along with estimated tax dollars.
- ❑ The “Statement Showing Mills Apportioned by the County Board of Commissioner” is prepared, signed and sent to the State Tax commission along with copies of all L4029s.
- ❑ 24 Preliminary 591s listing all taxes to be levied in each local unit are prepared and sent to local clerks, then reviewed upon their return
- ❑ 24 County Clerk’s Statements are prepared from the returned 591s.

According To The Numbers

Maintenance of accurate property descriptions and property tax maps



Property System Maintenance

- ❑ 1,588 new real parcel numbers assigned, property records created, tax descriptions written and checked.
- ❑ 594 new personal property and special acts parcels were created.
- ❑ 666 old (parent) parcels were retired.
- ❑ 2,772 descriptions were edited.
- ❑ 107,101 real and 8,302 personal property records maintained and regularly updated. These figures include exempt properties and special rolls.
- ❑ 834 ordered changes to assessment rolls processed and verified with local units.
- ❑ 219 name and address imports, and over 100 values imports from local units were processed.
- ❑ 6 FOIA requests for county wide data were processed.

Mapping/GIS Maintenance

- ❑ 13 new plats were recorded in 2015 with a total of 268 lots. In 2014 there were 5 new plat with a total of 154 lots.
- ❑ 17 new condominiums were recorded in 2015 with a total of 316 units, 111 of which were site condos. In 2014 there were 12 new condominium recorded with a total of 175 units, 20 of which were site condos.
- ❑ 9,744 parcels were modified or created along with road right-of-ways and related associated layers. 1,049 of these edits were newly created parcels. 9,167 parcels were modified in 2014, with 1,092 of these being newly created parcels.



According To The Numbers

Property Assessment Services for Grand Haven City and Crockery Township

☐ Preparations for 2015 Assessment Roll

- ☐ January of 2015 through April of 2015 was spent analyzing and applying market data, valuing personal property, and assisting the March Board of Review as they certify the completed assessment roll.

☐ Preparations for 2016 Assessment Roll

- ☐ April of 2015 through January of 2016 have been busy with processing sales and Principal Residence Exemption data, inspecting new construction, and reviewing existing assessment data in preparation for the 2016 assessment roll.

☐ Inspections and Analysis

- ☐ Over 1,900 real property parcels were inspected.
- ☐ Over 700 sales, spread over 103 neighborhoods, (Market areas) were reviewed and analyzed to determine current neighborhood land values and Economic Condition Factor (used to adjust the State manual to the current neighborhood real estate market.)



☐ March Board Of Review

- ☐ 72 parcels were appealed to the March Board of Review, 48 were at least partially granted. In 2010 there were 137 March Board of Review Appeals.

☐ Michigan Tax Tribunal Cases

- ☐ By our review of many assessment records as well as working directly with taxpayers prior to appeal, we have been able to steadily reduce the number of appeals from a high of 18 filed in 2009 to 2 Full Tribunal appeals filed in 2015. In 2015, there were no MTT small claims appeals.
- ☐ Joshua Morgan has successfully negotiated settlements or received favorable judgments on many of these cases; a difficult and time consuming task.



According To The Numbers



❑ Ottawa County Equalized Values

Year / Taxable Value Change/ Inflation Rate

| | | |
|-------|--------|--------|
| 2006 | 6.15% | 3.30% |
| 2007 | 6.19% | 3.70% |
| 2008 | 3.27% | 2.30% |
| 2009 | 1.21% | 4.40% |
| 2010 | -4.05% | -0.30% |
| 2011 | -2.15% | 1.70% |
| 2012 | -0.96% | 2.70% |
| 2013 | 1.44% | 2.40% |
| 2014 | 3.19% | 1.60% |
| 2015* | 5.59% | 1.60% |
| 2016* | -0.45% | 0.30% |



*The 2016 rolls are not yet complete. 2016 Taxable Value lowered by exemption of most industrial personal property.

❑ Ottawa County Totals

| Year | State Equalized Value | % increase in Equalized value of County | |
|------|-----------------------|--|----------|
| 1970 | \$ 477,412,668 SEV | | |
| 1980 | \$ 1,455,332,260 SEV | 205% in previous | 10 years |
| 1990 | \$ 3,159,698,040 SEV | 117% in previous | 10 years |
| 2000 | \$ 7,181,351,351 SEV | 127% in previous | 10 years |
| 2010 | \$10,990,874,852 SEV | 53% in previous | 10 years |
| 2015 | \$11,812,032,747 SEV | 7% in previous | 5 years |

❑ Industrial Facilities Exemptions

Year / # of Cert. / Eq TV Total /Eq TV Pers.

| | | | |
|------|-----|-------------|---------------|
| 2010 | 722 | 665,112,511 | 310,312,920 |
| 2011 | 703 | 647,243,021 | 305,415,421 |
| 2012 | 752 | 679,528,270 | 334,745,822 |
| 2013 | 765 | 712,321,681 | 353,467,434 |
| 2014 | 677 | 668,148,168 | 534,620,600 * |
| 2015 | 673 | 558,329,409 | 399,741,800 |

* CP Zeeland Generators moved to PP from real. Expired for 2015

The 2016 rolls are not yet complete. 2016 PP Taxable Value will be lowered by exemption of some industrial personal property..

❑ New IFT Certificates Issues

Year / # of Cert. / Real Investment/ P P Investment

| | | | |
|------|----|---------------|---------------|
| 2010 | 35 | \$58,133,618 | \$119,196,403 |
| 2011 | 34 | \$11,091,423 | \$ 71,313,358 |
| 2012 | 63 | \$49,247,532 | \$178,283,438 |
| 2013 | 55 | \$96,527,104 | \$179,120,266 |
| 2014 | 61 | \$75,850,604 | \$73,326,921 |
| 2015 | 43 | \$102,816,947 | \$163,327,415 |

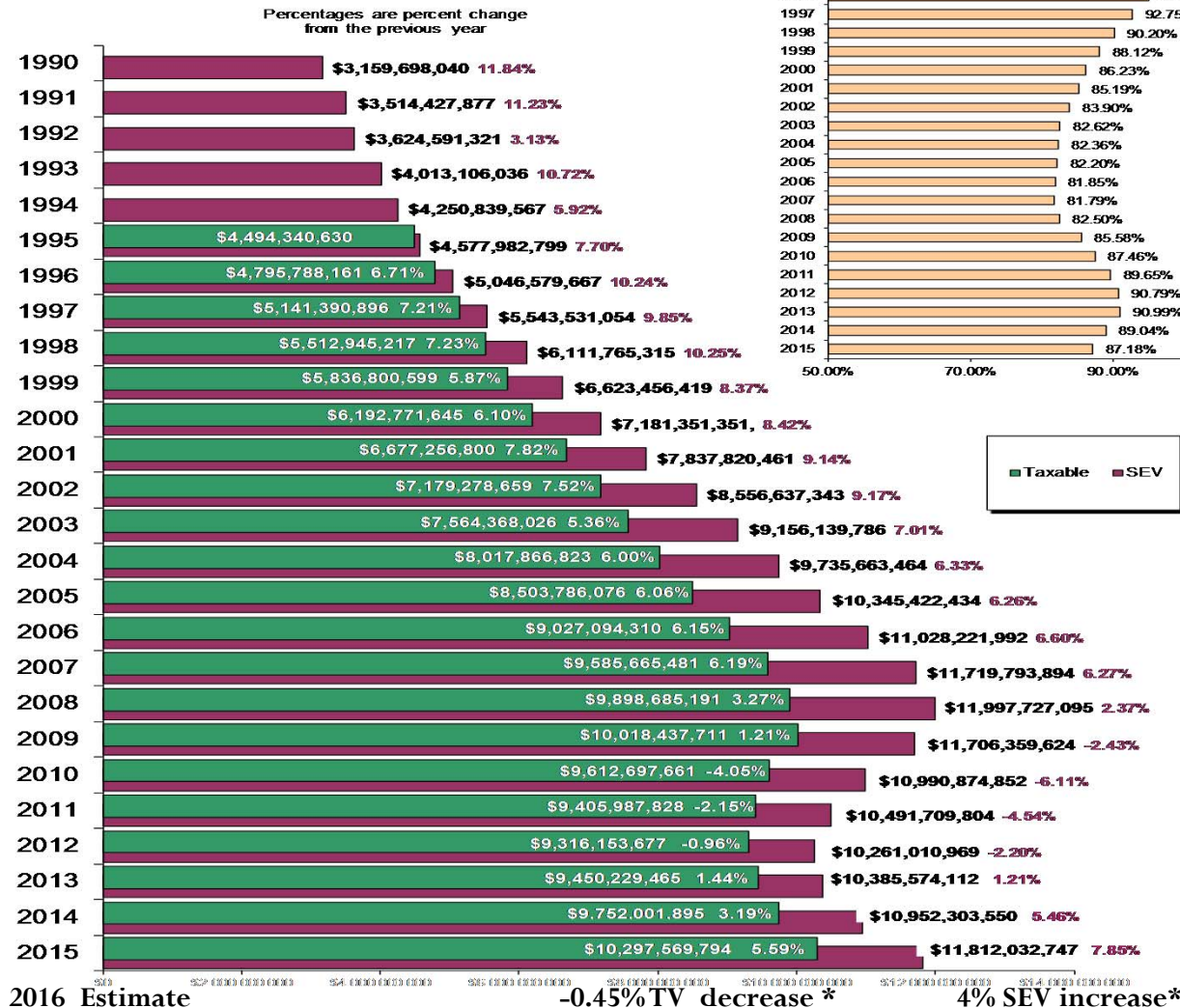
❑ As of January 12, 2016

| | | | |
|------|----|---------------|--------------|
| 2016 | 27 | \$115,834,690 | \$22,482,190 |
|------|----|---------------|--------------|

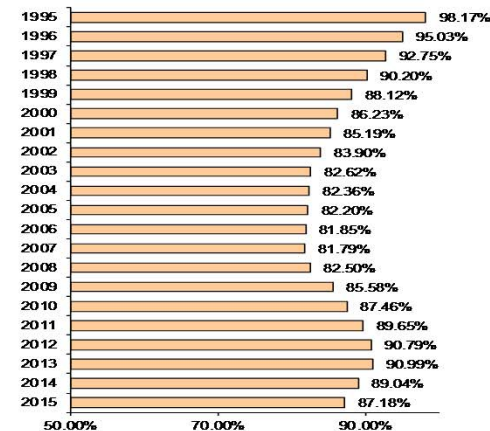
According To The Numbers

County Equalized and Taxable Value by year (From 2015 EQ Book)

\$9,762,001,895 3.10%



Taxable Value as a Percent of Assessed Value from 1995 to present

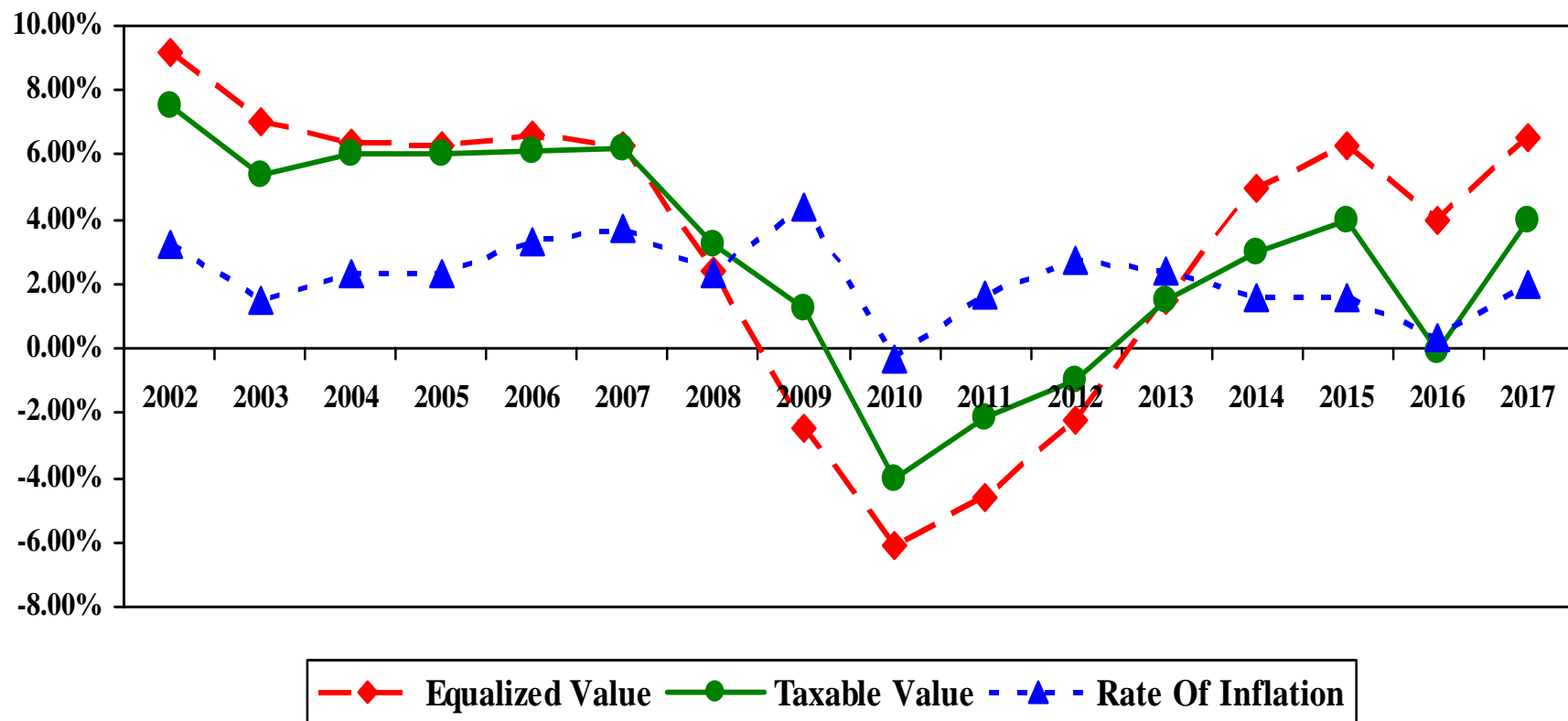


* Estimate only. This years assessment rolls are not yet complete

According To The Numbers

Change in Assessed and Taxable Values vs. The Rate of Inflation

- ❑ The figures below are taken from each year's Equalization Report and include net new construction.
- ❑ It is interesting to note the steady climb out of the depths of the recession back in 2010.
- ❑ This trend will be interrupted for 2016 when a large portion of the industrial personal property tax base goes to exempt.
- ❑ *PLEASE NOTE: 2016 and 2017 numbers are estimated!! The equalization studies are not yet complete.*



According To The Numbers

Summary of 2015 Studies for 2016 Equalization

- ❑ ***Explanation of “Tentative 2016 Ottawa County Equalization” and the impact it will have on our tax base.***
- ❑ On the next page titled “Tentative 2016 Ottawa County Equalization” are the factors and ratios for each class of property in each local unit. They will be published, as required, in the Grand Rapids Press before the third Monday in February.
- ❑ These figures are based on 2015 Equalization, as adopted by the Board of Commissioners, and studies conducted by the Ottawa County Equalization Department during 2015. These ratios and multipliers are prior to any adjustment by the local assessor.
- ❑ If the ending ratio in a class, after adjustment, is under 49.00% or over 50.00% when local assessors have completed their 2016 assessment rolls, the class of property is subject to a County Equalization Factor to bring the class to 50.00%.
- ❑ 1998 was the last year any County Equalization Factors were needed. After adjustment by the local assessors and Boards of Review, a 1.0000 factor is again expected in all classes.
- ❑ Note that property taxes are paid on Taxable Value which may be unrelated to Equalized Value. The rate of inflation of 0.30% will be used for the 2016 assessment rolls.



According To The Numbers

Summary of 2015 Studies for 2016 Equalization



TENTATIVE 2016 OTTAWA COUNTY EQUALIZATION

| TOWNSHIPS | AGRICULTURAL | | COMMERCIAL | | INDUSTRIAL | | RESIDENTIAL | | TIMBER-CUTOVER | | DEVELOPMENTAL | | PERSONAL | |
|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|----------------|-----------------|---------------|-----------------|------------------------|---------|
| | REAL Ratio | (100) Factor | REAL Ratio | (200) Factor | REAL Ratio | (300) Factor | REAL Ratio | (400) Factor | REAL Ratio | (500) Factor | REAL Ratio | (600) Factor | (All classes) Ratio | Factor |
| Allendale Ch. | 49.97 | 1.00061 | 49.42 | 1.01174 | 47.95 | 1.04275 | 46.46 | 1.07620 | - | - | - | - | 50.00 | 1.00000 |
| Blendon | 49.60 | 1.00797 | 49.41 | 1.01195 | 48.84 | 1.02376 | 46.80 | 1.06838 | - | - | - | - | 50.00 | 1.00000 |
| Chester | 47.47 | 1.05336 | 49.10 | 1.01834 | 49.68 | 1.00636 | 46.39 | 1.07782 | - | - | - | - | 50.00 | 1.00000 |
| Crockery | 49.15 | 1.01730 | 48.00 | 1.04167 | 49.45 | 1.01122 | 47.81 | 1.04581 | - | - | - | - | 50.00 | 1.00000 |
| Georgetown Ch. | 50.69 | 0.98649 | 47.64 | 1.04945 | 47.14 | 1.06068 | 46.70 | 1.07067 | - | - | - | - | 50.00 | 1.00000 |
| Grand Haven Ch. | 49.47 | 1.01072 | 47.05 | 1.06270 | 45.29 | 1.10400 | 47.54 | 1.05175 | - | - | - | - | 50.00 | 1.00000 |
| Holland Ch. | 49.67 | 1.00665 | 48.25 | 1.03633 | 49.11 | 1.01813 | 45.86 | 1.09028 | - | - | - | - | 50.00 | 1.00000 |
| Jamestown Ch. | 45.08 | 1.10914 | 47.10 | 1.06158 | 49.05 | 1.01937 | 46.15 | 1.08343 | - | - | - | - | 50.00 | 1.00000 |
| Olive | 49.28 | 1.01462 | 49.00 | 1.02041 | 49.10 | 1.01833 | 46.42 | 1.07713 | - | - | 49.78 | 1.00447 | 50.00 | 1.00000 |
| Park | 48.86 | 1.02334 | 48.12 | 1.03907 | - | - | 47.16 | 1.06023 | - | - | - | - | 50.00 | 1.00000 |
| Polkton Ch. | 47.76 | 1.04691 | 47.59 | 1.05065 | 49.27 | 1.01482 | 47.01 | 1.06361 | - | - | - | - | 50.00 | 1.00000 |
| Port Sheldon | 48.60 | 1.02881 | 47.41 | 1.05463 | 50.07 | 0.99869 | 48.06 | 1.04037 | - | - | - | - | 50.00 | 1.00000 |
| Robinson | 48.49 | 1.03120 | 48.94 | 1.02166 | 49.44 | 1.01131 | 46.77 | 1.06907 | - | - | - | - | 50.00 | 1.00000 |
| Spring Lake | 48.98 | 1.02083 | 49.67 | 1.00664 | 49.39 | 1.01236 | 46.69 | 1.07090 | - | - | - | - | 50.00 | 1.00000 |
| Tallmadge Ch. | 46.57 | 1.07366 | 48.23 | 1.03670 | 48.91 | 1.02219 | 47.62 | 1.04998 | - | - | - | - | 50.00 | 1.00000 |
| Wright | 49.65 | 1.00705 | 49.47 | 1.01072 | 47.97 | 1.04232 | 45.58 | 1.09698 | - | - | - | - | 50.00 | 1.00000 |
| Zeeland Ch. | 46.79 | 1.06861 | 46.94 | 1.06513 | 48.53 | 1.03030 | 46.59 | 1.07320 | - | - | - | - | 50.00 | 1.00000 |
| CITIES | | | | | | | | | | | | | | |
| Coopersville | 49.50 | 1.01011 | 47.69 | 1.04848 | 48.89 | 1.02271 | 46.12 | 1.08413 | - | - | - | - | 50.00 | 1.00000 |
| Ferrysburg | - | - | 48.85 | 1.02364 | 47.70 | 1.04823 | 47.04 | 1.06293 | - | - | - | - | 50.00 | 1.00000 |
| Grand Haven | - | - | 44.13 | 1.13302 | 47.58 | 1.05087 | 46.28 | 1.08039 | - | - | - | - | 50.00 | 1.00000 |
| Holland | 50.82 | 0.98390 | 46.44 | 1.07675 | 48.94 | 1.02159 | 46.24 | 1.08132 | - | - | 49.99 | 1.00028 | 50.00 | 1.00000 |
| Hudsonville | 47.24 | 1.05832 | 48.44 | 1.03221 | 48.60 | 1.02875 | 45.86 | 1.09028 | - | - | - | - | 50.00 | 1.00000 |
| Zeeland | 42.53 | 1.17552 | 47.92 | 1.04341 | 48.06 | 1.04047 | 46.35 | 1.07875 | - | - | - | - | 50.00 | 1.00000 |

Ottawa County Equalization Department
Michael R. Galligan, Director

According To The Numbers

Summary of 2015 Studies for 2016 Equalization



Below is a county wide analysis by class of the studies reported on the previous page.

- ☐ The percent change listed **does not include new value added** to the roll, **nor value lost** from the roll. Individual changes will vary by unit (See previous page) and by individual parcel.
- ☐ Note, the county will accept the local units assessed values if the overall class in that unit is between 49% and 50% as compared to our studies.
- ☐ A ratio of 50% represents no market adjustment.

| 2015 RATIO As listed on 2014 for 2015 L4018 | PROPERTY CLASS | 2016 RATIO As listed on 2015 for 2016 L4018 | 2016 % CHANGE | |
|---|--------------------------|---|---------------|--------|
| | | | To 50% | To 49% |
| 47.98% | Agricultural | 48.21% | 3.71% | 1.64% |
| 48.47% | Commercial | 47.49% | 5.29% | 3.18% |
| 49.59% | Industrial (Without CP)* | 48.18% | 3.78% | 1.70% |
| 47.02% | Residential | 46.76% | 6.93% | 4.79% |
| -NA- | Timber Cutover** | -NA- | -NA- | -NA- |
| 49.81% | Developmental*** | 49.81% | 0.38% | -1.63% |
| 47.42% | TOTAL REAL | 47.07% | 6.22% | 4.10% |
| 50.00% | TOTAL PERSONAL | 50.00% | -NA- | -NA- |
| 47.59% | TOTAL REAL & PERSONAL | 47.30% | 5.71% | 3.59% |

* About 35% of the Industrial real class is the Consumers Power plant in Port Sheldon Township. It is entered on our studies as being at 50%.

** No Parcels remain in the Timber Cutover class

*** Only 16 parcels remain in the Developmental class

Next Steps



☐ Statutory Duties

- ☐ Our emphasis will again be on performing the required audits of the local unit assessment rolls and preparation of the annual apportionment report.
- ☐ We will also continue to maintain uniform standards and to help local units balance their assessment rolls.
- ☐ We will continue to provide high quality assessing services to the City of Grand Haven and Crockery Township.
- ☐ When requested , we will provide estimated costs for assessing services for other local units.

☐ New Challenges

- ☐ The recent changes to the assessment of personal property will present many new challenges and adjustments to how we assess and study personal property.
- ☐ Our mapping technicians will be putting in many hours preparing the for upcoming GIS's parcel fabric conversion .



Conclusion

□ Summary

We have performed the statutory duties in the area of equalization studies, apportionment reports and statistical reports, as well as providing property tax maps and description maintenance along with other guidance and assistance to local units. In addition we provided assessment administration services to the City of Grand Haven and Crockery Township.

□ In Conclusion

I would like to thank the Equalization Department staff for their cooperative effort and am grateful for their valuable input.

I would also like to thank the local unit assessors for their cooperation and their willingness to work together.

