

2017 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 13, 2018



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, 2018



- ❑ **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 maa (III), Appraiser III
 - ❑ Cheryl Deal ½ time Abstracting/Indexing Clerk
- ❑ **Local Unit Assessment Administration Team**
 - ❑ Joshua Morgan maa (III) Assistant Assessor
 - ❑ Rodger Murphy maa (III), Appraiser II
 - ❑ Sarah Goldman, 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, 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, Senior Abstracting/Indexing Clerk
 - ❑ Sarah Goldman, Abstracting/Indexing Clerk (member of 2 teams)
 - ❑ Jennifer Milanowski mcat ¾ time Abstracting/Indexing Clerk (member of 2 teams)
 - ❑ Julie Friedgen, ½ time Abstracting/Indexing Clerk (member of 2 teams)

Breakdown of Department Personnel (Full time Equivalents FTE) 2014 Thru

	2006	2007	2008	2009	2010	2011	2012	2013	2017
Equalization/PD&M	14.5	14	13.5	13.5	12.8	12.05	12.05	11.75	11.50
Local Assessing	0	0	0	0	0	1.75	1.75	1.75	2.25
Total	14.5	14	13.5	13.5	12.8	13.8	13.8	13.5	13.75

Recent Changes

- ❑ We have no staff changes to report.
- ❑ Rodger Murphy and John Brassard both achieved certification as Michigan Advanced Assessing Officers.
- ❑ The Michigan State Tax Commission changed the time frame for sales used in our studies from 10/1/2015 through 9/30/2017 to 4/1/2015 through 3/31/2017.



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.



- ❑ 209.5 (1) At the regular meeting of the boards of commissioners of the several counties held on the Tuesday following the second Monday in April each year, the boards of commissioners shall equalize the assessment rolls in the manner provided by law. The equalization shall be completed before the first Monday in May.
- ❑ 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, Industrial and Utility 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.

❑ Note:

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

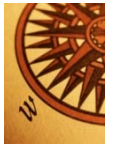


❑ Equalization Forms

- ❑ 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 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, which are used by local units for tax billing, are incorporated into the apportionment report. The tax rate requests are also used in various other reports required by the county and local units.
- ❑ 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.
- ❑ Four 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, the Health 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.

☐ Forecasting

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



☐ 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.

☐ Assistance to Local Units

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.

☐ Assessor's Continuing Education Credit Classes

☐ In 2016 we offered the following classes

<u># Signed up</u>	<u>Class Name</u>
86	Land values and ECFs
127	PRE & Transfer of Ownership
70	Current Assessment Topics

☐ In 2017 we offered the following classes

<u># Signed up</u>	<u>Class Name</u>
71	EMPP/ESA Lessons Learned & Tools to Navigate the 2017 Tax Year
110	Agricultural Training For Assessors
62	Capitalization Rates, Real World

☐ Income exceeded expenses for all classes for both years.

☐ Extra

I serve as an instructor for the Michigan State Tax Commission certification program at the advanced and masters levels. I teach classes in statistics and depreciation and have written texts for both classes.

According To The Numbers

Sales Studies - Analysis of the market begins with sales

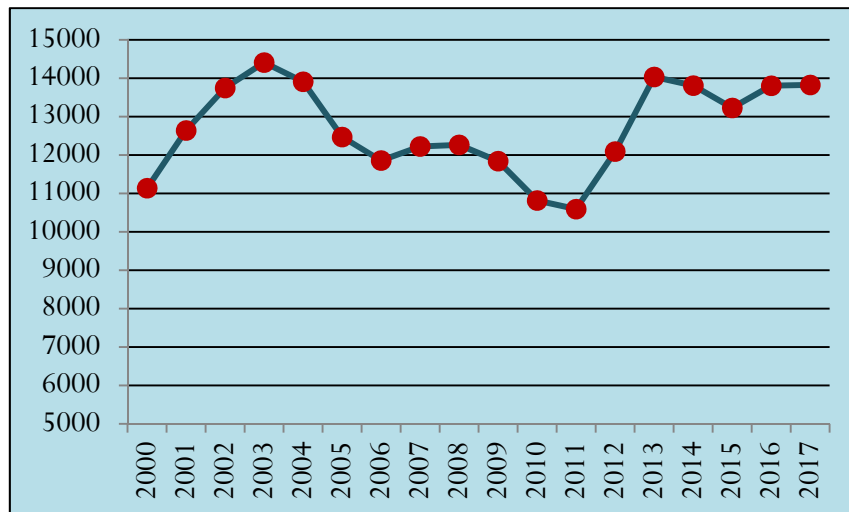


□ Sales Entered in the Equalizer database

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	2016 - 13,806
2005 - 12,471	2011 - 10,594	2017 - 13,827



□ 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
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
2016 for 2017Eq	7.54%	9,589	9,589	0
2017 for 2018Eq*	3.41%	9,900	9,900	0

* 2 year sale study time frame moved back 6 months to now end March 31

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 291 Agricultural, Commercial, and Industrial sales documents were analyzed and investigated by staff appraisers.
 - ❑ About 91 improved sales were field inspected and appraised, then added to the ECF studies as follows;
 - ❑ 7 in the Agricultural ECF
 - ❑ 65 in the Commercial ECF
 - ❑ 19 in the Industrial ECF
 - ❑ 23 Commercial and Industrial condominium sales were analyzed, field reviewed, and listed for use in appraisal studies.
 - ❑ 145 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.
- ❑ Note: For the 2017-2018 studies, the ending date for the two year sales studies was changed from 09/30 back to 03/31. 6 months of the sales listed above were also include in last years report.



❑ Appraisal Studies

- ❑ Representative samples are selected and appraised. The following is the breakdown of the appraisals used in the 2017 studies for 2018 equalization;

366 Agricultural parcels
481 Commercial parcels
409 Industrial parcels
4 Developmental parcels
1,260 Total Appraisals for studies



❑ Total approximate number of appraisals done in 2017 for 2018

301 Appraisals of sales
1,260 Appraisals for studies
1,561 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

- ❑ 12 Personal property audits were conducted during 2017 for use in the Equalization studies (L4018s)
- ❑ 89 record verifications were conducted during 2017 for use in the Equalization studies (L4018s)
- ❑ 4 audits of the small taxpayer personal property tax exemption were conducted.

❑ Industrial Personal Processing Exemption

- ❑ Qualified industrial personal property became exempt beginning in 2016.
- ❑ A substantial loss in taxable value due to this exemption was seen in 2016 and again in 2017.

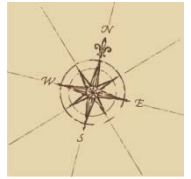


❑ Apportionment Report.

- ❑ 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.
- ❑ 21 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.
- ❑ 58 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

- ❑ 2,126 new real parcel numbers assigned, property records created, tax descriptions written and checked.
- ❑ 623 new personal property and special acts parcels were created.
- ❑ 818 old (parent) parcels were retired.
- ❑ 3,240 descriptions were edited.
- ❑ 108,368 real and 8,347 personal property records maintained and regularly updated. These figures include exempt properties and special rolls.
- ❑ About 962 ordered changes to assessment rolls processed and verified with local units.
- ❑ 207 name and address imports, and over 100 values imports from local units were processed.
- ❑ 2 FOIA requests for county wide data were processed.
- ❑ As of mid 2017, FOIA export requests are now handled through the miottawa website.
- ❑ 14 FOIA export requests were processed through the miottawa web site.

❑ Mapping/GIS Maintenance

- ❑ 8 new plats were recorded in 2017 with a total of 278 lots. In 2016 there were 11 new plat with a total of 273 lots.
- ❑ 17 new condominiums were recorded in 2017 with a total of 360 units, 219 of which were site condos. In 2016 there were 16 new condominium recorded with a total of 244 units, 99 of which were site condos.
- ❑ In 2017, GIS converted to a new parcel fabric. It is no longer possible to report the number of parcels created or modified by our Property Description and Mapping Technicians.



According To The Numbers

Property Assessment Services for Grand Haven City and Crockery Township

☐ Preparations for 2017 Assessment Roll

- ☐ January of 2017 through April of 2017 was spent analyzing and applying market data, valuing personal property, and assisting the March Board of Review as they certify the completed 2017 assessment roll.

☐ Preparations for 2018 Assessment Roll

- ☐ April of 2017 through January of 2018 have been busy with processing sales and Principal Residence Exemption data, inspecting new construction, and reviewing existing assessment data in preparation for the 2018 assessment roll.

☐ Inspections and Analysis

- ☐ Over 1,715 real property parcels were inspected.
- ☐ Over 987 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

- ☐ 62 parcels were appealed to the March Board of Review in Grand Haven City and Crockery Township 43 were at least partially granted.

☐ 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 MTT full tribunal appeals from a high of 18 filed in Grand Haven City in 2009 to 1 full tribunal appeal in 2017 in Grand Haven City, filed then withdrawn, and none in Crockery Township. In 2017, there was one MTT small claims appeals in Crockery Township and none in Grand Haven City.
- ☐ Since Joshua Morgan started with us in 2011, he has successfully negotiated favorable settlements on a majority 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	1.37%	0.30%
2017	3.73%	0.90%
2018*	4.50%	2.10%



*From 2017 Current TV after order changes 5.2%

*The 2018 Taxable Value increase is an estimate only as the 2018 assessment rolls are not yet complete.

❑ 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
2017	\$13,388,939,597 SEV	22% in previous	7 years

Note, the 2017 SEV is 12% higher than the 2008 previous pre-recession high of \$11,997,727,095 SEV and 30% higher than the 2012 low of \$10,261,010,969 SEV.

❑ Industrial Facilities Exemptions

Year	Eq TV Real	Eq TV Personal (PP)
2011	341,827,600	305,415,421
2012	344,782,448	334,745,822
2013	358,854,247	353,467,434
2014	133 527 568	534,620,600 *
2015	158,587,609	399,741,800
2016	185,422,925	238,941,700 **
2017	198,621,665	150,945,800

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

**2016 PP Taxable Value is lower because of the exemption of some industrial personal property. By 2023, all eligible industrial personal property will be exempt.

❑ New IFT Certificates Issues

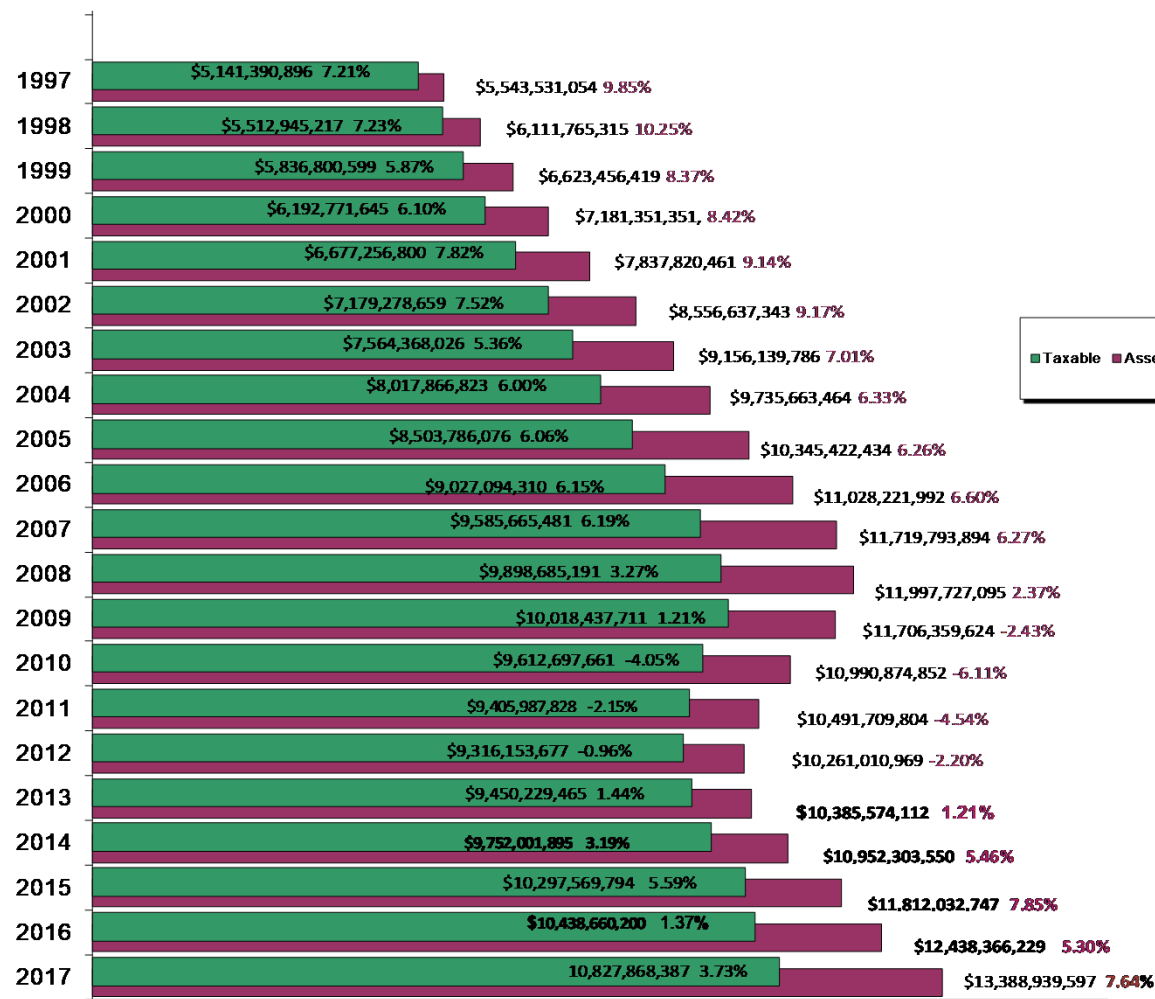
Year / # of Cert.	Real Investment	PP Investment
2010	35	\$58,133,618 \$119,196,403
2011	34	\$11,091,423 \$ 71,313,358
2012	63	\$49,247,532 \$178,283,438
2013	55	\$96,527,104 \$179,120,266
2014	61	\$75,850,604 \$73,326,921
2015	43	\$102,816,947 \$163,327,415
2016	26	\$115,813.190 \$22,276,190
2017	14	\$37,723,208 \$ 0

❑ There may be more yet to come , but to date

2018	27	\$89,203,975	\$58,206
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According To The Numbers

County Equalized and Taxable Value by year (From 2017 EQ Book)



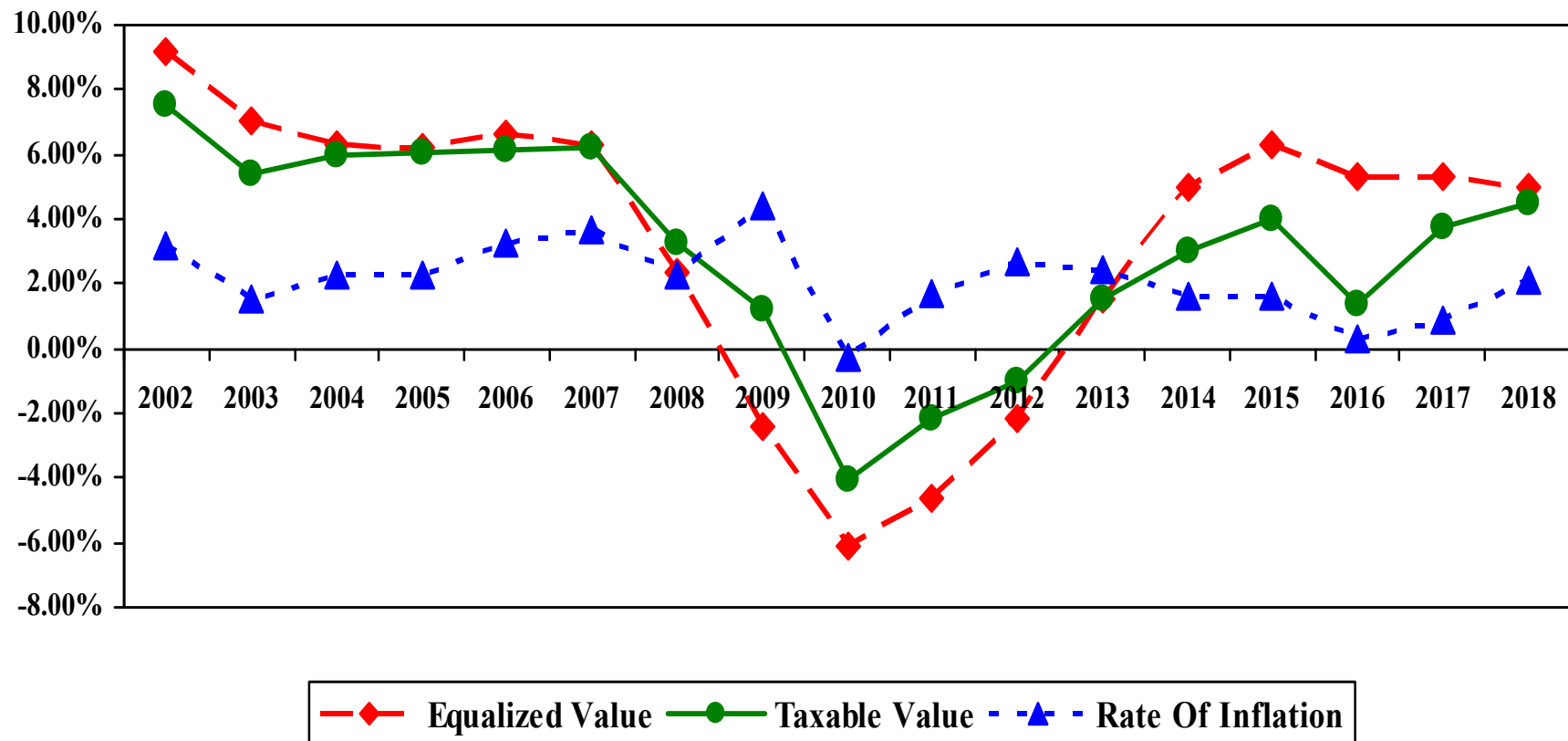
2018 Estimate 4.50%TV increase 5.00% SEV increase*

- Estimate only. The 2018 assessment rolls are not yet complete — Increase limited by CP Zealand MTT Settlement.

According To The Numbers

Change in Assessed and Taxable Values vs. 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 in 2010.
- ❑ This trend was interrupted for 2016 when a large portion of the industrial personal property tax base went to exempt.
- ❑ The potential 2018 assessed and taxable values increases will be negatively affected by an approximate \$60,000,000 reduction due to the recent settlement of the Consumers Energy vs Zeeland City MTT case.
- ❑ *PLEASE NOTE: 2018 numbers are estimated!! The equalization studies are not yet complete.*



According To The Numbers

Summary of 2017 Studies for 2018 Equalization

- ❑ ***Explanation of “Tentative 2018 Ottawa County Equalization” and the impact it will have on our tax base.***
- ❑ On the next page titled “Tentative 2018 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 2017 Equalization, as adopted by the Board of Commissioners, and studies conducted by the Ottawa County Equalization Department during 2017. 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 2018 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 2.10% will be used for the 2018 assessment rolls.



According To The Numbers

Summary of 2017 Studies for 2018 Equalization



TENTATIVE 2018 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.	49.19	1.01654	49.45	1.01113	49.09	1.01862	48.40	1.03306	-	-	-	-	50.00	1.00000
Blendon	49.82	1.00362	48.31	1.03499	48.24	1.03645	47.35	1.05597	-	-	-	-	50.00	1.00000
Chester	49.84	1.00314	48.65	1.02775	49.81	1.00381	48.94	1.02166	-	-	-	-	50.00	1.00000
Crockery	47.78	1.04647	49.02	1.02000	48.94	1.02169	48.49	1.03115	-	-	-	-	50.00	1.00000
Georgetown Ch.	46.81	1.06815	46.52	1.07487	47.22	1.05888	48.25	1.03627	-	-	-	-	50.00	1.00000
Grand Haven Ch.	51.44	0.97201	46.16	1.08314	46.55	1.07412	48.78	1.02502	-	-	-	-	50.00	1.00000
Holland Ch.	47.01	1.06361	46.14	1.08376	46.49	1.07551	48.14	1.03864	-	-	-	-	50.00	1.00000
Jamestown Ch.	47.03	1.06316	46.65	1.07182	49.33	1.01359	48.70	1.02670	-	-	-	-	50.00	1.00000
Olive	49.80	1.00402	48.20	1.03735	46.91	1.06593	47.43	1.05419	-	-	-	-	50.00	1.00000
Park	47.17	1.06000	47.81	1.04581	-	-	48.87	1.02313	-	-	-	-	50.00	1.00000
Polkton Ch.	48.79	1.02475	49.58	1.00848	49.51	1.00993	48.26	1.03606	-	-	-	-	50.00	1.00000
Port Sheldon	49.75	1.00503	49.93	1.00141	49.96	1.00073	48.32	1.03477	-	-	-	-	50.00	1.00000
Robinson	49.64	1.00726	48.46	1.03178	47.98	1.04218	48.42	1.03264	-	-	-	-	50.00	1.00000
Spring Lake	49.99	1.00020	48.98	1.02079	47.37	1.05553	48.83	1.02397	-	-	-	-	50.00	1.00000
Tallmadge Ch.	45.91	1.08909	47.97	1.04232	45.69	1.09430	47.66	1.04910	-	-	-	-	50.00	1.00000
Wright	49.66	1.00685	51.61	0.96881	49.11	1.01813	47.85	1.04494	-	-	-	-	50.00	1.00000
Zeeland Ch.	49.61	1.00787	49.76	1.00483	49.64	1.00719	47.82	1.04559	-	-	-	-	50.00	1.00000
CITIES														
Coopersville	49.91	1.00181	45.98	1.08742	47.95	1.04276	47.49	1.05286	-	-	-	-	50.00	1.00000
Ferrysburg	-	-	52.53	0.95184	49.78	1.00442	49.87	1.00261	-	-	-	-	50.00	1.00000
Grand Haven	-	-	50.10	0.99801	47.76	1.04691	48.32	1.03477	-	-	-	-	50.00	1.00000
Holland	49.06	1.01926	47.62	1.04993	47.66	1.04920	47.66	1.04910	-	-	49.78	1.00452	50.00	1.00000
Hudsonville	47.62	1.04998	48.98	1.02083	49.18	1.01675	47.67	1.04888	-	-	-	-	50.00	1.00000
Zeeland	-	-	47.64	1.04954	49.47	1.01072	47.68	1.04866	-	-	67.25	0.74352	50.00	1.00000

Ottawa County Equalization Department
Michael R. Galligan, Director

According To The Numbers

Summary of 2017 Studies for 2018 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.
- ☐ The analysis of market change for this year was influenced by the State Tax Commission moving the required time frame for market data back by six months .

2017 RATIO As listed on 2016 for 2017 L4018	PROPERTY CLASS	2018 RATIO As listed on 2017 for 2018 L4018	2018 % CHANGE	
			To 50%	To 49%
48.46%	Agricultural	48.94%	2.17%	0.12%
45.79%	Commercial	47.84%	4.52%	2.42%
45.85%	Industrial (Without CP)*	47.77%	4.67%	2.57%
46.50%	Residential	48.35%	3.41%	1.34%
-NA-	Timber Cutover**	-NA-	-NA-	-NA-
45.00%	Developmental***	63.68%	-21.48%	-23.05%
46.59%	TOTAL REAL	48.33%	3.46%	1.39%

- ☐ 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 4 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.



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.

