



# Board of County Commissioners Agenda Request

**4A**  
Agenda Item #

**Requested Meeting Date:** 4/28/2015

**Title of Item:** 2015 Assessment Summary

<input checked="" type="checkbox"/> REGULAR AGENDA	<b>Action Requested:</b>	<input type="checkbox"/> Direction Requested
<input type="checkbox"/> CONSENT AGENDA	<input type="checkbox"/> Approve/Deny Motion	<input checked="" type="checkbox"/> Discussion Item
<input type="checkbox"/> INFORMATION ONLY	<input type="checkbox"/> Adopt Resolution (attach draft)	<input type="checkbox"/> Hold Public Hearing* <i>*provide copy of hearing notice that was published</i>

<b>Submitted by:</b> Mike Dangers	<b>Department:</b> County Assessor
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<b>Presenter (Name and Title):</b> Mike Dangers, County Assessor	<b>Estimated Time Needed:</b> 30 minutes
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**Summary of Issue:**  
This is an annual update of the property assessment in Aitkin County. The presenter will also give some information on the 2016 assessment and the board of appeal and equalization training.

**Alternatives, Options, Effects on Others/Comments:**

**Recommended Action/Motion:**

**Financial Impact:**  
 Is there a cost associated with this request?  Yes  No  
 What is the total cost, with tax and shipping? \$  
 Is this budgeted?  Yes  No *Please Explain:*



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AITKIN COUNTY ASSESSOR**  
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## MEMO

April 14, 2015

To: County Board of Commissioners  
Township Boards and City Councils of Aitkin County  
Nathan Burkett, County Administrator

From: Mike Dangers, County Assessor 

Re: 2015 Assessment Summary, 2016 Assessment Preview, and Board of Appeal Information

The 2015 property assessment is complete and the Notices of Valuation and Classification were mailed in late March along with the Property Tax Statements. This memo summarizes the attached charts and schedules that thoroughly describe the changes made this year. There are numerous changes so please review the attached documents closely. The Township Boards and City Councils will have sales lists for their areas included with this packet.

I had thought that by this time we would see an overall increase in County valuation. Unfortunately, we are in the sixth consecutive year of declining overall estimated market value. Page 4 shows a ten year history of overall estimated market value, net tax capacity, and new construction value. The rate of value loss reduction has slowed and new construction is showing strength with the second consecutive year of increases. Page 5 gives greater detail of the changes between this year and last year with countywide increases in agricultural homestead, residential, commercial/industrial, and apartment valuations. The amount of commercial and industrial new construction is higher this year than in several years and accounts for the majority of this value increase. Also worth noting, the JOBZ program has run its course for the property enrolled in Aitkin County and there are currently no active JOBZ properties. The Green Acres and Rural Preserve programs continue to provide no valuation benefit for enrolled property owners since the agricultural land markets in Minnesota are still strong. The MN Department of Revenue continues to provide counties with the values to use for the Green Acres and Rural Preserve programs.

The pie chart on Page 6 shows the size of each of the major property types in Aitkin County. This chart looks largely the same as last year. Seasonal recreational property leads the way with 40% of the valuation, followed by single family residential property at 33%. The rest of the portions of the pie include rural vacant land at 15%, agricultural productive property at 7%, commercial and

industrial property at 3%, and both resort and apartment each coming in at just under 1% of total county valuation.

Page 7 is an attempt to condense several key statistics that the assessors are asked every year. Hopefully this provides valuable information to all readers. Starting at the top of the page, the number of ad valorem parcels is simply the number of taxable parcels in Aitkin County. This number is slowly declining which may just be due to parcel combinations. However, it also points to the fact that fewer new subdivisions and splits are taking place today than in the past. The number of parcels reassessed is how many properties were physically inspected by the appraisers in that assessment year. The five year valuation cycle is still being maintained in accordance with State Law. The number of CRV's is the total number of property transfers and sales in the County in one year. This is rising which shows a strengthening real estate market. The total number of homesteads is in a slow decline in both residential and ag areas which may be a result of more thorough verification. It is also likely due to a population growth standstill in recent years.

Continuing on page 7, the number of sustainable forest incentive act (SFIA) acres has increased substantially in recent years. This program, while not administered by the County, plays an important role in lowering the costs of ownership for wooded property. Hopefully this program will continue to be funded by the State and encourage owners to practice sustainable management of their forest. The next four items below the SFIA is average values for various property types in the County. This is an often asked question and these figures may surprise you. Next are the valuation reduction amounts for the disabled veterans' exclusion program. These values continue to rise resulting in tax shifts to other classes of property. The final two items are the number of total local board appeals and new tax court appeals each year. These sets of figures are both in a decline which is a positive sign.

Before we go any further, it's important to point out that the sales ratio is a key part of measuring the level of assessments. The sales ratio is the estimated market value divided by the sales price at the time of sale. When all these individual ratios are arrayed from smallest to largest, the computer picks the middle ratio number in a group of ratios. This is called a median ratio. The State Board of Equalization, which is comprised of Department of Revenue staff, typically requires that areas with 6 or more good sales of a certain class have a median ratio between 90% and 105%.

Next on Page 8 is the ten year history of the sales ratio study for the residential and seasonal class properties in the County. Since these classes hold over 70% of the total Aitkin County value and taxes paid, this sheet should be important. The chart on the right side of the page says a lot about the market with the dip in the middle years and the gradual increase in recent years. It is also worth noting that our assessment consistency as measured by the COD is not nearly as good as last year but still at a historically low and good rate. The median sales ratios for residential and seasonal property are now well below 100% but still within State guidelines.

Page 9 shows a detailed view of the sales statistics for the 2015 assessment for each of the property classes in Aitkin County. As is typically the case, some property classes that get few sales may have very high or low ratios. This is normal for most counties, especially in rural Minnesota. The last row on the sheet shows sales statistics for all good sales in the County during this period. The median ratio of 95.3% means that we are about 5% lower than full market value as of the January 2015 assessment date.

Page 10 gives us a view of the foreclosure situation in the County. Sheriff's sales and bank sales have both dropped this past year which are both good things for a stable market. The reduction in sheriff's sales means that fewer people are getting into the financial trouble of foreclosure. The bank sales decline means that fewer of these types of properties are competing with typical non-distressed sales. The fact that there are more bank sales than sheriff's sales shows that the

inventory of bank owned foreclosures in Aitkin County is declining and that supports a stronger market.

Pages 11 through 15 are an itemized list of the major changes to the 2015 assessment. Since there are so many changes, looking through this may be a challenge. However, many of these changes are necessary to properly keep up with the real estate market. The computer aided mass appraisal or CAMA system allows assessors the ability to make fine changes to very specific property types. Without the computer, many of these changes would be impractical to make. Imagine hand calculating and writing thousands of new figures in a field assessment book for just one of the changes listed on these pages.

Page 16 is the acreage schedule for the whole county that includes the base rates for the different land types for each area. This page does not describe the size adjustments for different sizes of land other than the large acreage adjustment which lowers values by 15% for acreages over 110.

Pages 17 and 18 are a representation of the acreage size table from the smallest to largest acreage amounts. The shaded columns in the middle of the pages show the current size factors with a simple example of high wooded acreage. This is intended to describe how a land value changes over different acreage amounts. The other columns on these pages show older years and how values today differ from last year and back in 2012.

Page 19 is the Local Board of Appeal and Equalization Schedule. This is also posted on the Aitkin County website under the County Assessor page in the appeals section. There are no major changes to the amount or structure of the meetings this year.

Finally, on Pages 20 and 21 is a memo from the Department of Revenue regarding Local and County Board of Appeal and Equalization Training and Compliance. The main change happening is the online training for both Local and County Board of Appeal and Equalization. Voting members will no longer need to schedule appointments to go to training sessions and there is no direct cost associated with the online training. Page 21 describes how the Local Board training compliance deadline is now February 1 instead of December 1 of each year. We will continue to update you as we get more information. Don't hesitate to contact me or Karen Ladd if you have questions about anything regarding Board of Appeal training.

The planning for the 2016 assessment has begun and the County Assessor's Office will be reassessing the following areas: Haugen Township, McGrath City, Shamrock Township, Waukenabo Township, and the Unorganized Townships of 45-24, 50-25, 51-25, and 51-27. The work should begin in late May and last until January of next year.

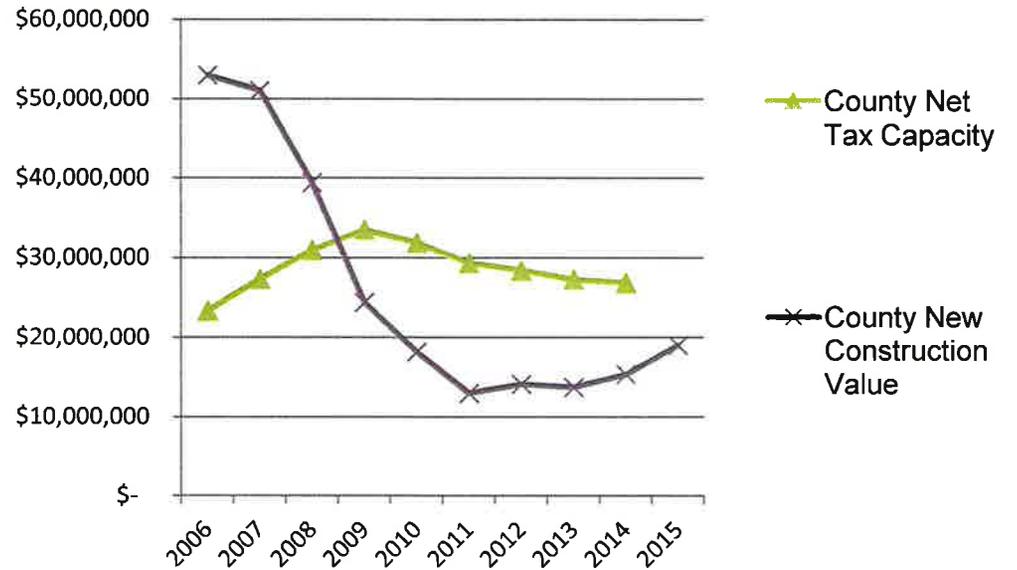
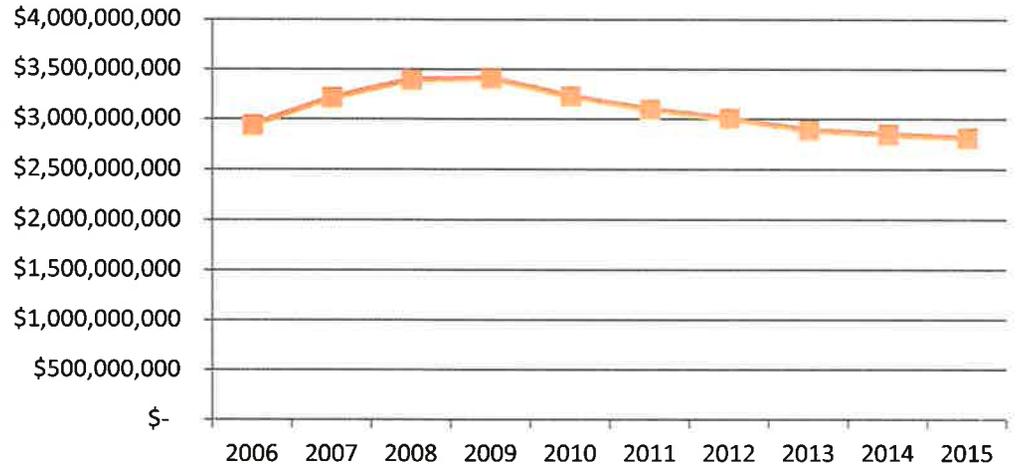
Please contact me at (218) 927-7327 if you have any questions. The assessment staff should have an extra copy of this material at the Local Board meetings this year in case those at the meeting need to use it for reference.



## Ten Year History of Aitkin County Total Valuation 2006 through 2015 Assessment

Asmt Year	County Estimated Market Value	County Net Tax Capacity	County New Construction Value
2006	\$ 2,937,262,200	\$ 23,367,100	\$ 52,973,700
2007	\$ 3,214,779,700	\$ 27,322,700	\$ 51,047,300
2008	\$ 3,392,961,700	\$ 30,944,500	\$ 39,393,300
2009	\$ 3,404,731,300	\$ 33,524,200	\$ 24,373,900
2010	\$ 3,225,887,900	\$ 31,863,500	\$ 18,117,600
2011	\$ 3,096,725,100	\$ 29,328,300	\$ 12,918,500
2012	\$ 3,005,641,600	\$ 28,410,400	\$ 14,051,400
2013	\$ 2,890,442,200	\$ 27,273,700	\$ 13,657,200
2014	\$ 2,848,672,500	\$ 26,863,700	\$ 15,297,200
2015	\$ 2,813,697,800		\$ 18,953,500

### County Total Estimated Market Value





**Countywide Value Changes 2015 Assessment**  
**Taxable Property Only**

	2014		2015		% Change
Overall Estimated Market Value	\$ 2,824,701,200		\$ 2,813,697,800		-0.4%
New Construction Value	\$ 15,188,900		\$ 18,953,500		24.8%
Agricultural Homestead EMV	\$ 228,363,300		\$ 231,457,900		1.4%
Residential EMV	\$ 938,834,200		\$ 940,564,500		0.2%
Seasonal Recreational EMV	\$ 1,138,471,900		\$ 1,126,342,400		-1.1%
Commercial/Industrial EMV	\$ 79,886,600		\$ 84,681,100		6.0%
Apartment EMV	\$ 16,311,400		\$ 16,891,800		3.6%
Green Acres EMV reduction	\$ -		\$ -		
JOBZ EMV reduction	\$ 679,000		\$ -		-100.0%

**Notes:**

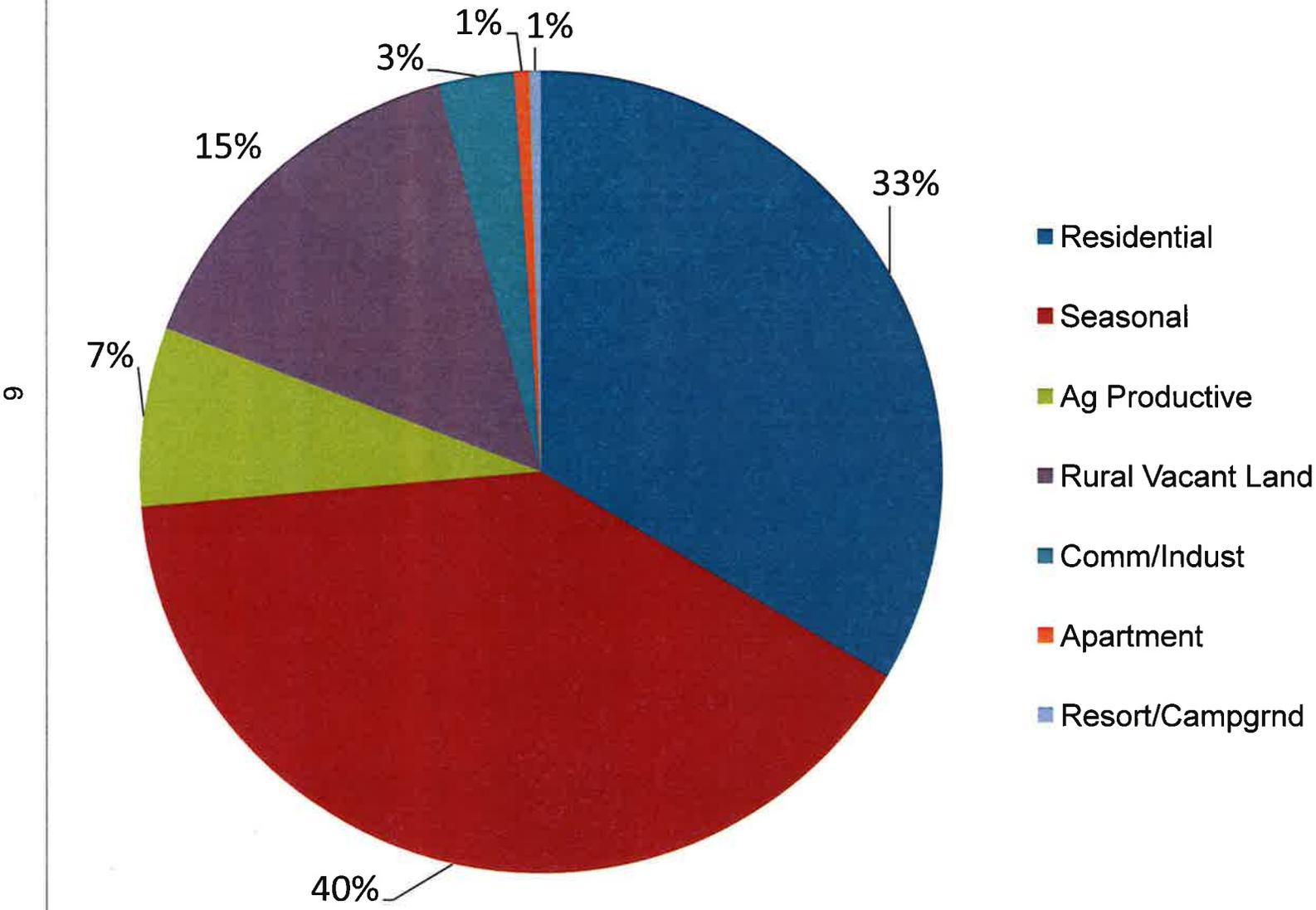
Green Acres is an agricultural value reduction program. Currently, there is no benefit to Green Acres

JOBZ is a business tax incentive program which included a property tax reduction.

All figures above are as of April 1, 2015. A few minor changes were made to the assessment after this report was drafted.

See the letter that accompanies this chart for a discussion of the above data.

# Aitkin County 2015 Assessment % Share of Estimated Market Value





**Aitkin County Assessor's Office**  
**Four Year History of Key Countywide Figures**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Number of Ad Valorem Parcels	34,211	34,205	34,177	34,079
Taxable Parcels Reassessed	6,985	8,174	6,771	5,725
Number of CRV's (total transactions)	636	699	774	775
Total Residential Homesteads	5,189	5,089	5,065	4,982
Total Ag Homesteads	874	865	864	840
SFIA Enrolled Acres	30,108	37,842	39,350	41,362
Average Residential Homestead Market Value	178,900	171,900	166,000	164,600
Average Agricultural Homestead Market Value	306,800	294,000	281,600	283,400
Average Seasonal Residential Market Value	99,400	96,100	92,200	92,400
Average Commercial/Industrial Market Value	114,100	110,300	111,700	119,300
Total Disabled Veterans Exclusion Value	\$ 12,470,820	\$ 12,924,040	\$ 13,856,916	\$ 15,072,666
Local Board Appeals	93	216	144	86
New Tax Court Appeals	8	7	11	6

**Notes:**

Number of Parcels does not include personal property

There are approx 600 personal property parcels

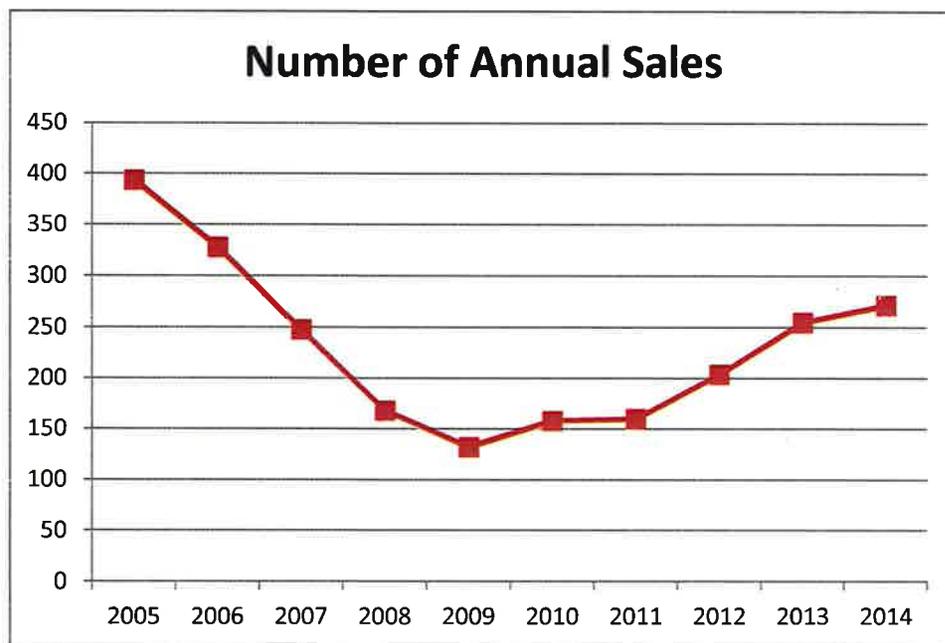
See the letter that accompanies this chart for a discussion of the above data.



## Aitkin County Sales Ratio Study and Assessment Quality Information

### Ten Year History of Residential and Seasonal Improved Sales

Asmt Year	# of Residential and Seasonal Sales	Residential Median Sales Ratio	Seasonal Median Sales Ratio	Residential COD	Seasonal COD
2005	393	88.1	82.6	19.6	20.7
2006	327	88.1	87.0	18.3	22.3
2007	247	93.1	90.8	19.8	19.8
2008	167	99.4	97.1	17.0	16.7
2009	131	102.7	93.2	13.0	18.6
2010	157	100.9	100.6	13.3	18.7
2011	159	104.4	106.5	13.3	14.9
2012	203	101.0	99.1	15.4	18.7
2013	254	98.0	101.0	14.1	13.1
2014	271	94.5	93.3	14.3	14.2



**Notes:**

Sales Ratio is the assessor's Estimated Market Value divided by the Sale Price of a property.

Median Sales Ratio is the middle ratio in an array of all sales ratios. The closer the median is to 100.0, the more accurate the assessment level.

COD is the Coefficient of Dispersion or a measure of how consistent assessor valuations are with respect to the sale price.

The lower the COD, the greater the assessment quality and consistency.

Factors that help to improve the COD include implementation of a CAMA system, more thorough sales analysis, more thorough physical inspections, and a less volatile market.



**Aitkin County Assessor's Office  
Detailed Sales Ratio Study Data - 2015 Assessment**

Property Group #	Property Type	Median Ratio	COD	PRD	Number of Sales	Median EMV	Median Price
1	Residential Improved	94.50	14.3	1.03	149	\$ 89,500	\$ 94,800
3	Seasonal Improved	93.30	14.2	1.02	120	\$ 215,200	\$ 230,800
6	Commercial Improved	106.00			2	\$ 134,100	\$ 127,800
14	Resorts	71.40			1	\$ 1,182,300	\$ 1,656,400
21	Residential Land Only	94.10			3	\$ 64,900	\$ 69,000
23	Seasonal Land Only	98.80	25.3	1.08	30	\$ 13,000	\$ 13,300
32	Ag Productive Land Only 34+ Acres	81.30			1	\$ 50,000	\$ 61,500
33	Rural Vacant Land and Bldgs 34+ Acres	124.70			4	\$ 153,500	\$ 122,500
34	Rural Vacant Land Only 34+ Acres	96.70	16.5	1.01	31	\$ 14,500	\$ 15,000
36	Ag Productive Land and Bldgs <34 Acres	101.60			2	\$ 113,300	\$ 110,000
39	Rural Vacant Land Only <34 Acres	99.70	20.7	1.00	20	\$ 35,300	\$ 35,500
47	Ag Land and Bldgs 34+ Acres	101.50			4	\$ 145,000	\$ 142,300
48	Ag Land Only 34+ Acres	105.30	10.9	1.04	9	\$ 51,500	\$ 48,900
49	Ag Land and Bldgs <34 Acres	76.70			2	\$ 153,000	\$ 199,500
99	All Good Sales	95.30	16.1	1.05	378	\$ 132,900	\$ 139,400

**Notes and Definitions:**

Median Ratio is the average relationship between the assessed value and the sale price. 100.00 is a perfect ratio.

COD is the Coefficient of Dispersion. Lower numbers equal greater assessment quality and consistency.

PRD is the Price Related Differential. This statistic shows if low value properties are assessed too high or low in comparison to high value properties. 1.00 is a perfect PRD.

Median EMV is the median or average market value of the set of properties that sold on each line above.

Median Price is the median or average sale price of the set of properties that sold on each line above.

Only good arm's length sales are included on this chart.



## Aitkin County Foreclosures by Property Type - Year 2014

Based on Aitkin County Sheriff's Department Data

	# of properties	% of total
Residential Homestead	14	51.9%
Residential Non-homestead	3	11.1%
Seasonal Recreational	7	25.9%
Agricultural Homestead	0	0.0%
Agricultural Non-Homestead	1	3.7%
Rural Vacant Land	2	7.4%
<b>Total Homestead</b>	<b>14</b>	<b>51.9%</b>
<b>Total Non-Homestead</b>	<b>13</b>	<b>48.1%</b>
<b>Total Foreclosures</b>	<b>27</b>	<b>100.0%</b>

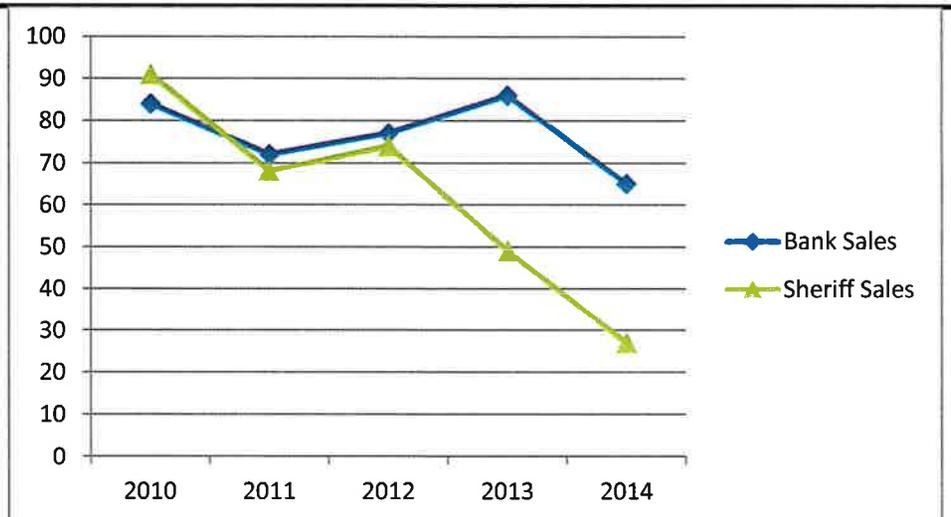
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### Five Year Comparison of Sheriff Sales to Bank Sales

	Bank Sales	Sheriff Sales
2010	84	91
2011	72	68
2012	77	74
2013	86	49
2014	65	27

**Notes:**

Multiple parcels owned by a common owner counted as one foreclosure.  
 Sheriff Sales are when properties are sold to the banks.  
 Bank Sales are when banks re-sell properties to new owners.  
 More Bank Sales than Sheriff Sales mean fewer vacant foreclosed homes.  
 Fewer Bank Sales tend to support increased market values..



# 2015 Assessment Changes List (FINAL)

(Note: All of the adjustment percentages listed below are for each specific item. Since there are so many changes, many properties may be subject to multiple changes and may appear to be different than what is listed.)

Item	Name	Appraiser	Major Changes For Each Area
A	COUNTYWIDE LAND		Reduced countywide lakeshore size table factors 5% for frontage amounts from 106 through 305 feet. This was due to a three year countywide lake frontage sales study where 187 sales of lakeshore ranging from 101 to 300 feet had a median of 107%.
B	COUNTYWIDE LAND		Reduced Zone C land values by 5.6%. This does not include sites. The 3 year median ratio of 22 good bareland sales in this area from 5/11 thru 5/14 was 106%.
C	COUNTYWIDE LAND		Reduced large acreage land values over by an additional 5% so the discount is now 15%. Also made the transition to the size discount more gradual so it occurs from 100 to 130 acres instead of from 110 to 120 acres. This change is based on a 3 year bareland median ratio of 102% on 8 sales that were over 110 acres in size.
D	COUNTYWIDE LAND		Made a new land Zone D which includes Farm Island, Nordland, and Hazelton Townships. Increased land values 5% in this area. The 3 year history median of 11 bare land sales in this area from 5/11 thru 5/14 is at 81%.
E	COUNTYWIDE LAND		Increased the base value for Low Wooded (LWD) land types by \$50 per acre.
F	COUNTYWIDE LAND		Increased the base value for Open/Pasture (OPN) by \$100 per acre.
G	COUNTYWIDE LAND		Increased the base value for Swamp (SWP) by \$100 per acre.
H	COUNTYWIDE LAND		Decreased site values in Zone A and the new Zone D from \$19,000 to \$17,000 or 10.5%. The partial site values were also reduced by 10.5% in this zone. Now all Aitkin County non-commercial building sites are on the same schedule. This has the effect of lowering low value improved sales ratios more than higher value sale ratios.
I	COUNTYWIDE LAND		Reduce small acreage values by changing size adjustments of less than 15 acres by approximately 5%.
J	COUNTYWIDE LAND		Increased campground RV sites from \$1200 to \$1500 each. Neighborhood adjustments were removed so this is now a countywide flat value. Change made to catch up to nearby counties.
K	COUNTYWIDE LAND		Increased pothole lake/pond values and backlot values by 10% in Zone B and Zone C due to neighborhood exemption code added to CAMA tables.
L	COUNTYWIDE BUILDING		Increased pole building and steel building base rate 5% due to three year sales history with 20 pole building sales at 91.5%.
M	COUNTYWIDE BUILDING		Increased pole building and steel building concrete floor rate from \$1.50 to \$2.00 per square foot. This was done due to cost increases and the three year countywide sales history with 20 pole building sales at a median ratio of 91.5%
N	COUNTYWIDE BUILDING		Increased house quality grade D7 base rate by 5% and increased all grades higher than D7 by 5%.

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(Note: All of the adjustment percentages listed below are for each specific item. Since there are so many changes, many properties may be subject to multiple changes and may appear to be different than what is listed.)

Item	Name	Appraiser	Major Changes For Each Area
O P Q R S	COUNTYWIDE BUILDING		<b>Decreased the D5 quality grade or lower house and cabin building square footage size adjustment factors to match the regular house size adjustment factors.</b> This change only applies to buildings with square footages of less than 1000 square feet. This reduces the value of lower square footage and lower quality homes and cabins countywide. Basis for this was the review of improved sales stratified by price countywide where the sales of just these properties of lower quality and square footage showed a median sales ratio of 126% on 24 good sales from 5/2011 to 5/2014.
	COUNTYWIDE BUILDING		<b>Single wide mobile homes and double wides reduced 10%.</b> The overall 3 year countywide median ratio for single wides was 110%. The overall 3 year countywide median ratio for double wides was 106%.
	COUNTYWIDE BUILDING		<b>Reduced the base square footage rate of all D2.5 through D4.5 grade cabins and homes by 5%.</b>
	COUNTYWIDE OTHER		<b>Lessened the gun range land and building discount to 20% less than the prevailing neighborhood rate.</b> Building discount was previously 30% less than the neighborhood.
	COUNTYWIDE OTHER		<b>Increased 4+ unit apartment values approximately 5% due to market conditions.</b> Some buildings were not increased and others were increased more. Mike has a list.
12			
1	AITKIN TWP	TS & DM	<b>Reassessment. Increased base rate of Bass Lake and Poor Farm Lake by 20% to \$250 per front foot. This did not actually raise values by this much since adjustments to frontage rates were changed.</b>
2	BALL BLUFF	DM	<b>Reduced land value on Vanduse Lake 10% to \$450 per front foot base.</b>
3	BALSAM	DM	No major changes.
4	BEAVER	TS	No major changes.
5	CLARK	TB	No major changes.
6	CORNISH	DM	No major changes.
7	FARM ISLAND	LT & SW	<b>Reassessment. Increased building values 6.3%. Increased land value on Spirit Lake by 5% to \$1050 per front foot base. Now part of new land zone D resulting in off water land value increase of 5%.</b>
8	FLEMING	JH	<b>Increased land value on Wilkens Lake by 5% to \$1050 per front foot base.</b>
9	GLEN	JH	<b>Reduced building values 11.8%. Reduced land value on Long Lake by 6.3% to \$750 per front foot base. Reduced land value on Rabbit Lake by 7.7% to \$600 per front foot base.</b>
10	HAUGEN	TB	No major changes.

# 2015 Assessment Changes List (FINAL)

(Note: All of the adjustment percentages listed below are for each specific item. Since there are so many changes, many properties may be subject to multiple changes and may appear to be different than what is listed.)

Item	Name	Appraiser	Major Changes For Each Area
11	HAZELTON	SW & TB	<b>Now part of new land zone D resulting in off water land value increase of 5%. Increased land value on Round Lake by 5% to \$1050 per front foot base. Reduced Sherwood Forest park model values 5%. Reduced land value on Birch Lake by 14% to \$300 per front foot base.</b>
12	HILL LAKE	JH	No major changes.
13	IDUN	TS	No major changes.
14	JEVNE	DM	<b>Added Jevne to land Zone B resulting in a 10% off water land reduction. Jevne had a 5 year median of 116% on 4 sales of 30+ bare acres.</b>
15	KIMBERLY	DM	No major changes.
16	LAKESIDE	TB	<b>Reassessment. Increased building values 6.7%. Raising Mille Lacs Lake doesn't raise the median high enough to avoid a State increase.</b>
17	LEE	TS	No major changes.
18	LIBBY	TB	<b>Moved Libby Township to Zone A from Zone C resulting in a land value increase of 11.1%. From 5/2011 through 9/2014, 5 good bareland sales show a median of 84.2%.</b>
19	LOGAN	DM	<b>Increased building values 6.3%. This is due to a 5 year history mean ratio of residential seasonal improved sales of 87.2%.</b>
20	MACVILLE	JH	<b>Reduced building values by 13.3%. This is due to a 5 year history mean ratio of residential seasonal improved sales of 110.8%</b>
21	MALMO	LT	No major changes.
22	MCGREGOR TWP	LT	No major changes.
23	MORRISON	LT	Reduced building values 5.9%.
24	NORDLAND	DM & LT	<b>Increased building values 13.3%. Increased land value on Lone Lake by 11.5% to \$1450 per front foot base. Increased land value on Ripple Lake by 7.7% to \$700 per front foot base. Nordland is now part of new land zone D resulting in off water land value increase of 5%.</b>
25	PLINY	TS	No major changes.
26	RICE RIVER	TS	No major changes.
27	SALO	SW	No major changes.
28	SEAVEY	TB	No major changes.

# 2015 Assessment Changes List (FINAL)

(Note: All of the adjustment percentages listed below are for each specific item. Since there are so many changes, many properties may be subject to multiple changes and may appear to be different than what is listed.)

Item	Name	Appraiser	Major Changes For Each Area
29	SHAMROCK	JH, SW, DM, LT	Increased building value of Big Sandy Lodge and Resort neighborhood 10.5%. Reduced Horseshoe Lake frontage value by 12.5% to \$700 per front foot base. Increased Minnewawa Lake frontage value by 4.6% to \$1150 per front foot base. Increased Big Sandy Lake frontage value by 4.6% to \$1150 per front foot base. Increased Savanna Ridge building value by 17.7%. Specific neighborhood changes are meant to fix a high PRD statistic noted by the 2014 State Board of Equalization.
30	SPALDING	TS	No major changes.
31	SPENCER	SW	Increased building values 6.7%.
32	TURNER	TS	Increased land neighborhood on Big Sandy lake by 11.1% to match the rest of the lake. Median ratio on last 5 sales on Big Sandy in Turner is 86.5% since 10/2012.
33	VERDON	DM	No major changes.
34	WAGNER	LT	Added Wagner to land Zone B resulting in a 10% off water land reduction. Wagner and Williams had a 3 year median of 118% on 6 sales of 30+ bare acres.
35	VAUKENABO	TS	No major changes.
36	WEALTHWOOD	JH	Increased building values by 2.7% to help close the gap between Wealthwood Twp building rates and Malmo and Hazelton building rates.
37	WHITE PINE	TB	No major changes.
38	WILLIAMS	TB	Added Williams to land Zone B resulting in a 10% off water land reduction. Wagner and Williams had a 3 year median of 118% on 6 sales of 30+ bare acres.
39	WORKMAN	SW	No major changes.
41	MILLWARD	JH	No major changes.
42	UNORG 51-22	DM	No major changes.
43	UNORG 52-22	DM	Reassessment.
44	UNORG 45-24	TB	No major changes.
45	UNORG 47-24	DM	No major changes.
46	UNORG 52-24	LT	No major changes.
47	UNORG 50-25	TB	No major changes.

# 2015 Assessment Changes List (FINAL)

(Note: All of the adjustment percentages listed below are for each specific item. Since there are so many changes, many properties may be subject to multiple changes and may appear to be different than what is listed.)

Item	Name	Appraiser	Major Changes For Each Area
48	UNORG 51-25	TB	No major changes.
49	UNORG 52-25	LT	No major changes.
50	UNORG 50-26	TS	No major changes.
51	UNORG 48-27	TB	<b>Reassessment.</b>
52	UNORG 49-27	LT	No major changes.
53	UNORG 50-27	TS	No major changes.
54	UNORG 51-27	TB	No major changes.
55	UNORG 52-27	TS	No major changes.
15			<b>Increased building values as follows: 18.8% in south neighborhood, 16.7% in blackrock neighborhood, and 6.3% in east neighborhood.</b> When south and blackrock are combined into one area, the median sales ratio was 89% on 9 sales from 10/12 thru 9/14. <b>Made a new neighborhood for parcels in floodplain within the city limits. Floodplain land values reduced 25% in northwest neighborhood and reduced 10% in northeast neighborhood. Floodplain building values reduced 18.8% in northwest neighborhood and reduced 13.3% in northeast neighborhood.</b> This was done because of a 119.1% median sales ratio from 10/2011 through 9/14 in the floodplain area. <b>Residential lot size range from 50 to 90 front feet were reduced up to 6%. Sizes of 95 front feet or more were increased up to 10%.</b> All of these changes are meant to fix a high PRD statistic noted by the 2014 State Board of Equalization.
56	AITKIN CITY	SW	<b>Increased non-quadna residential building values by 7.1%. Increased building values on quadna loft units by 4.6%. Lowered quadna residential site values by \$1000. Changed size adjustments on non-quadna residential lots. Size range from 50 to 90 front feet were reduced up to 6%. Sizes of 95 front feet or more were increased up to 10%.</b> This was done to fix the high PRD statistic indicating the higher valued properties were under assessed.
57	HILL CITY	TS	
58	MCGRATH CITY	TB	No major changes.
59	MCGREGOR CITY	TS	<b>Reduced most commercial land square foot values 5.9%. Commercial site values changed to a flat \$17,000 each.</b> Previously commercial and industrial site values varied from \$20,000 on or near highway 210/65 to \$12,800 downtown.
60	PALISADE CITY	LT	No major changes.
61	TAMARACK CITY		<b>Reduced building neighborhood 10%. Reduced residential base rate 12.5% to \$70 per front foot.</b> These are both due to a 5 year history residential seasonal improved mean ratio of 112.2% on 5 sales.

(Current as of 4/13/15)

**Aitkin County Acreage Land Schedule 2015 Assessment (FINAL)**

<u>Unorg 52-27</u>	<u>Hill Lake</u>	<u>Unorg 52-25</u>	<u>Unorg 52-24</u>	<u>Ball Bluff</u>	<u>Unorg 52-22</u>
<u>Unorg 51-27</u>	<u>Macville</u>	<u>Unorg 51-25</u> HWD 1405 LWD 1065 OPN 1360 LOP 980 SWP 385 TIL 1360 LTL 980 SITE 17000	<u>Verdon</u>	<u>Cornish</u>	<u>Unorg 51-22</u>
<u>Unorg 50-27</u>	<u>Unorg 50-26</u>	<u>Unorg 50-25</u>	<u>Libby</u>	<u>Turner</u>	<u>Balsam</u>
<u>Unorg 49-27</u>	<u>Waukenabo</u>	<u>Logan</u>	<u>Workman</u>	<u>Shamrock</u>	<u>Haugen</u>
<u>Unorg 48-27</u>	<u>Morrison</u>	<u>Fleming</u> HWD 1650 LWD 1250 OPN 1600 LOP 1150 SWP 450 TIL 1600 LTL 1150 SITE 17000	<u>Jevne</u>	<u>McGregor</u>	<u>Clark</u>
<u>Aitkin</u>	<u>Spencer</u>	<u>Kimberly</u>	<u>Unorg 47-24</u>	<u>Spalding</u>	<u>Salo</u>
<u>Farm Island</u>	<u>Nordland</u>	<u>Glen</u>	<u>Lee</u>	<u>Rice River</u>	<u>Beaver</u> HWD 1485 LWD 1125 OPN 1440 LOP 1035 SWP 405 TIL 1440 LTL 1035 SITE 17000
<u>Hazleton</u> HWD 1735 LWD 1315 OPN 1680 LOP 1210 SWP 475 TIL 1680 LTL 1210 SITE 17000	<u>Wrightwood</u>	<u>Maimo</u>	<u>Unorg 45-24</u>	<u>White Pine</u>	<u>Millward</u>
<b>Definitions:</b> HWD: High Wooded LWD: Low Wooded OPN: High Open/Pasture LOP: Low Open/Pasture SWP: Swamp/Waste TIL: High Tillable LTL: Low Tillable/Rice Paddy SITE: Full Building Site Value (Access \$1700, Electric \$2550, Septic \$6800, Well \$5950) Values listed above are per acre values. Green Acres and Rural Preserve program values are the same as estimated market values for this year.		<u>Lakeside</u>	<u>Seavey</u>	<u>Pinv</u>	
			<u>Idun</u>	<u>Williams</u>	<u>Wagner</u>

Green Zone C Values →

Blue Zone A Values →

Red Zone B Values →

← Orange Zone D Values

Off public road acreage values are typically 10% less than values listed.  
Tracts under 31 acres carry a positive size adjustment.  
Tracts over 110 acres carry a size discount of 15%.

(updated 3/17/15)



## Size Factors for all Acreages - 2015 Asmt Land Schedule

### Aitkin County

Basic valuation formula: (acreage amount X factor X land rate)

Partial acres have a factor in between the factors in this table due to interpolation

**Green Factors Reduced for 2015 Asmt**

Acreage rate of \$1650 per acre high wooded for example below

Acreage Amount	2014 Size Factor	2014 Asmt Value Example	New 2015 Size Factor	New 2015 Asmt Value Example	% Reduction since 2014	Old Factor for 2012 Asmt	Old 2012 Asmt Value Example	% Reduction since 2012
1	4.50	\$ 7,425	4.26	\$ 7,029	5%	4.50	\$ 7,425	5%
2	4.20	\$ 13,860	4.00	\$ 13,200	5%	4.50	\$ 14,850	11%
3	3.90	\$ 19,305	3.70	\$ 18,315	5%	4.50	\$ 22,275	18%
4	3.50	\$ 23,100	3.34	\$ 22,044	5%	4.20	\$ 27,720	20%
5	2.95	\$ 24,338	2.80	\$ 23,100	5%	3.40	\$ 28,050	18%
6	2.55	\$ 25,245	2.42	\$ 23,958	5%	3.00	\$ 29,700	19%
7	2.25	\$ 25,988	2.14	\$ 24,717	5%	2.60	\$ 30,030	18%
8	2.08	\$ 27,456	1.98	\$ 26,136	5%	2.30	\$ 30,360	14%
9	1.90	\$ 28,215	1.80	\$ 26,730	5%	2.10	\$ 31,185	14%
10	1.85	\$ 30,525	1.75	\$ 28,875	5%	1.90	\$ 31,350	8%
11	1.75	\$ 31,763	1.67	\$ 30,311	5%	1.80	\$ 32,670	7%
12	1.64	\$ 32,472	1.56	\$ 30,888	5%	1.70	\$ 33,660	8%
13	1.53	\$ 32,819	1.49	\$ 31,961	3%	1.60	\$ 34,320	7%
14	1.44	\$ 33,264	1.41	\$ 32,571	2%	1.50	\$ 34,650	6%
15	1.37	\$ 33,908	1.35	\$ 33,413	1%	1.40	\$ 34,650	4%
16	1.31	\$ 34,584	1.31	\$ 34,584	0%	1.40	\$ 36,960	6%
17	1.28	\$ 35,904	1.28	\$ 35,904	0%	1.35	\$ 37,868	5%
18	1.24	\$ 36,828	1.24	\$ 36,828	0%	1.35	\$ 40,095	8%
19	1.19	\$ 37,307	1.19	\$ 37,307	0%	1.30	\$ 40,755	8%
20	1.18	\$ 38,940	1.18	\$ 38,940	0%	1.30	\$ 42,900	9%
21	1.16	\$ 40,194	1.16	\$ 40,194	0%	1.25	\$ 43,313	7%
22	1.15	\$ 41,745	1.15	\$ 41,745	0%	1.25	\$ 45,375	8%
23	1.13	\$ 42,884	1.13	\$ 42,884	0%	1.20	\$ 45,540	6%
24	1.13	\$ 44,748	1.13	\$ 44,748	0%	1.20	\$ 47,520	6%
25	1.10	\$ 45,375	1.10	\$ 45,375	0%	1.15	\$ 47,438	4%
26	1.09	\$ 46,761	1.09	\$ 46,761	0%	1.15	\$ 49,335	5%
27	1.06	\$ 47,223	1.06	\$ 47,223	0%	1.10	\$ 49,005	4%
28	1.05	\$ 48,510	1.05	\$ 48,510	0%	1.10	\$ 50,820	5%
29	1.02	\$ 48,807	1.02	\$ 48,807	0%	1.05	\$ 50,243	3%
30	1.01	\$ 49,995	1.01	\$ 49,995	0%	1.05	\$ 51,975	4%
31 thru 99	no adjustment							
100	1.00	\$ 165,000	0.99	\$ 163,350	1%	1.00	\$ 165,000	1%
101	1.00	\$ 166,650	0.99	\$ 164,984	1%	1.00	\$ 166,650	1%
102	1.00	\$ 168,300	0.98	\$ 164,934	2%	1.00	\$ 168,300	2%
103	1.00	\$ 169,950	0.98	\$ 166,551	2%	1.00	\$ 169,950	2%
104	1.00	\$ 171,600	0.97	\$ 166,452	3%	1.00	\$ 171,600	3%



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**Green Factors Reduced for 2015 Asmt**

Acreage rate of \$1650 per acre high wooded for example below

Acreage Amount	2014 Size Factor	2014 Asmt Value Example	New 2015 Size Factor	New 2015 Asmt Value Example	% Reduction since 2014	Old Factor for 2012 Asmt	Old 2012 Asmt Value Example	% Reduction since 2012
105	1.00	\$ 173,250	0.97	\$ 168,053	3%	1.00	\$ 173,250	3%
106	1.00	\$ 174,900	0.96	\$ 167,904	4%	1.00	\$ 174,900	4%
107	1.00	\$ 176,550	0.96	\$ 169,488	4%	1.00	\$ 176,550	4%
108	1.00	\$ 178,200	0.95	\$ 169,290	5%	1.00	\$ 178,200	5%
109	1.00	\$ 179,850	0.95	\$ 170,858	5%	1.00	\$ 179,850	5%
110	1.00	\$ 181,500	0.94	\$ 170,610	6%	1.00	\$ 181,500	6%
111	0.99	\$ 181,319	0.94	\$ 172,161	5%	1.00	\$ 183,150	6%
112	0.98	\$ 181,104	0.93	\$ 171,864	5%	1.00	\$ 184,800	7%
113	0.97	\$ 180,857	0.93	\$ 173,399	4%	1.00	\$ 186,450	7%
114	0.96	\$ 180,576	0.92	\$ 173,052	4%	1.00	\$ 188,100	8%
115	0.95	\$ 180,263	0.92	\$ 174,570	3%	1.00	\$ 189,750	8%
116	0.94	\$ 179,916	0.91	\$ 174,174	3%	1.00	\$ 191,400	9%
117	0.93	\$ 179,537	0.91	\$ 175,676	2%	1.00	\$ 193,050	9%
118	0.92	\$ 179,124	0.90	\$ 175,230	2%	1.00	\$ 194,700	10%
119	0.91	\$ 178,679	0.90	\$ 176,715	1%	1.00	\$ 196,350	10%
120	0.90	\$ 178,200	0.89	\$ 176,220	1%	1.00	\$ 198,000	11%
121	0.90	\$ 179,685	0.89	\$ 177,689	1%	0.99	\$ 197,654	10%
122	0.90	\$ 181,170	0.88	\$ 177,144	2%	0.98	\$ 197,274	10%
123	0.90	\$ 182,655	0.88	\$ 178,596	2%	0.97	\$ 196,862	9%
124	0.90	\$ 184,140	0.87	\$ 178,002	3%	0.96	\$ 196,416	9%
125	0.90	\$ 185,625	0.87	\$ 179,438	3%	0.95	\$ 195,938	8%
126	0.90	\$ 187,110	0.86	\$ 178,794	4%	0.94	\$ 195,426	9%
127	0.90	\$ 188,595	0.86	\$ 180,213	4%	0.93	\$ 194,882	8%
128	0.90	\$ 190,080	0.85	\$ 179,520	6%	0.92	\$ 194,304	8%
129	0.90	\$ 191,565	0.85	\$ 180,923	6%	0.91	\$ 193,694	7%
130	0.90	\$ 193,050	0.85	\$ 182,325	6%	0.90	\$ 193,050	6%
131	0.90	\$ 194,535	0.85	\$ 183,728	6%	0.85	\$ 183,728	0%

## 2015 Board of Appeal and Equalization Schedule

Date	Twp/City	Meeting Location	Time
Monday	4/20/2015	Workman Township	Workman Town Hall
	4/20/2015	Cornish Township	Cornish Town Hall
Tuesday	4/21/2015	Salo Township	Salo Town Hall
	4/21/2015	Spalding Township	Spalding Town Hall
Wednesday	4/22/2015	Morrison Township	Morrison Town Hall
	4/22/2015	Kimberly Township	Glen/Kimberly Town Hall
Thursday	4/23/2015	Lakeside Township	Malmo Community Hall
	4/23/2015	Verdon Township	Verdon Town Hall
	4/23/2015	Ball Bluff Township	Jacobson Fire Hall
Friday	4/24/2015	Farm Island Township	Farm Island Town Hall
		Turner Township	Turner Town Hall
Monday	4/27/2014	Shamrock Township	Shamrock Town Hall
Tuesday	4/28/2015	Macville Township	Swatara Town Hall
		City of Hill City	Hill City Community Room
		Malmo Township	Malmo Town Hall
Wednesday	4/29/2015	Glen Township	Glen/Kimberly Town Hall
		Jevne Township	Jevne Town Hall
		City of McGregor	McGregor City Hall
Thursday	4/30/2015	Nordland Township	Bethlehem Lutheran Church
		Clark Township	Clark Town Hall
		Haugen Township	Haugen Town Hall
Friday	5/1/2015	Waukenabo Township	Waukenabo Town Hall
		Fleming Township	Fleming Town Hall
Monday	5/4/2015	Hazelton Township	Hazelton Town Hall
		Wealthwood Township	Wealthwood Town Hall
Tuesday	5/5/2015	Rice River Township	Rice River Town Hall
		City of Aitkin	Aitkin City Hall
		Aitkin Township	Aitkin City Hall
Wednesday	5/6/2015	Seavey Township	Seavey Town Hall
		Williams Township	McGrath Fire Hall
Thursday	5/7/2015	Wagner Township	Wagner Town Hall
		Idun Township	Holden Lutheran Church
		Spencer Township	Spencer Town Hall
Friday	5/8/2015	Open Book Meeting	Assessor's Office
Monday	5/11/2015	Open Book Meeting	Assessor's Office
Tuesday	6/16/2015	County Board of Equalization	County Board Room
2015 Reassessments		Unorg 48-27 & Unorg 52-22	
Open Book Meetings:		Hill Lake Township	
		Balsam, Beaver, Lee	
		Libby, Logan, McGrath	
		Millward, Pliny, Palisade	
		Tamarack, White Pine, Unorgs	
		Mcgregor Township and	
		Hill Lake Township	

# MINNESOTA • REVENUE

## Memo

**Date:** March 12, 2015

**To:** All Assessors, Local and County Boards of Appeal and Equalization

**From:** Andrea Fish, Supervisor  
Information and Education Section, Property Tax Division

**Subject:** **Changes to Board of Appeal and Equalization Training & Compliance Certification**

There will be many changes for boards of appeal and equalization this year:

- moving to online training
- creating new online reporting forms
- new compliance certification dates

Please share this information with county staff, local board of appeal and equalization (LBAE) board members, and county board of appeal and equalization (CBAE) board members.

## Online Registration and Training for Boards of Appeal and Equalization

**Online registration is now open.** You can register anytime, but please allow up to 7 business days after you register to access the training online.

- To register, visit the Minnesota Department of Revenue's website and access either the local board or county board homepage via the following links.
  - **Local Board** - Search "Local Board Training" at [www.revenue.state.mn.us](http://www.revenue.state.mn.us)  
or: [http://www.revenue.state.mn.us/local\\_gov/prop\\_tax\\_admin/Pages/lbaetraining.aspx](http://www.revenue.state.mn.us/local_gov/prop_tax_admin/Pages/lbaetraining.aspx)
  - **County Board** - Search "County Board Training" at [www.revenue.state.mn.us](http://www.revenue.state.mn.us)  
or: [http://www.revenue.state.mn.us/local\\_gov/prop\\_tax\\_admin/Pages/cbaetraining.aspx](http://www.revenue.state.mn.us/local_gov/prop_tax_admin/Pages/cbaetraining.aspx)
- You must provide an active email address when registering for the training.
- A confirmation email will be sent to you with login. **Note:** If you register prior to July 1, you will not receive login information until July 1 or shortly thereafter.
- Step-by-step instructions regarding how to access the training will be provided in the email.

Online training will be **launched on July 1, 2015.**

- The training will be closed (unavailable) after January 31, 2016
- Remember, the training is designed using a module format; you will complete one module at a time
  - You do not need to complete the entire training in one day.
  - The system will keep track of where you left off
  - Each module may take 5-15 minutes, depending on your pace.
  - The entire training takes about 70-90 minutes.

- The training is easy to access and use.
  - No special software is needed, just a browser (Internet Explorer is recommended).
- Check the [Minnesota Department of Revenue's website](#) for more information, as well as updates regarding BAE online training.

## County Board of Appeal and Equalization Record Form

You will see changes to the CBAE record forms coming soon.

- The record form is no longer a Microsoft Office Excel document; it is now an Adobe LiveCycle form.
- You no longer have to submit the form through the EDE (electronic data exchange); it can be submitted by a push of a button.
- The form, instructions and an FAQ document will be sent to all counties in May.
- You may also reference the memo we sent on February 13, 2015.
- We will be looking for a **number of counties to test this form** during the month of April.
  - If you are interested in testing the form, please contact Ricky Perez at [ricky.perez@state.mn.us](mailto:ricky.perez@state.mn.us) by no later than 3/27/15

## LBAE Compliance Certification Date is now February 1

Local Boards of Appeal and Equalization must prove quorum and training compliance by February 1 of the same assessment year (this used to be December 1 of the year **prior** to the board's assessment year).

LBAEs must certify in writing to the county assessor by February 1<sup>st</sup> of the current assessment year that:

- At least **one voting member** at each board meeting has completed the appeals and equalization course within the last four years
- A **quorum** was present at each board meeting for the previous assessment year

Other dates affecting LBAEs have also been moved to February 1. For example:

- If a board lost its LBAE powers and moved to open book, resolutions and proof must also be provided to the county assessor by February 1<sup>st</sup> of the current assessment year to reinstate its powers.
- If a local board wants to transfer their powers to the county and move to open book meetings, the notification of the decision must be provided by February 1<sup>st</sup>.

We are seeking legislation to have the County Board certification moved to February 1 for the 2016 assessment year.

If you have any questions regarding these changes or about boards of appeal and equalization, please contact the Information and Education section at [proptax.questions@state.mn.us](mailto:proptax.questions@state.mn.us).