

**MINUTES OF THE CITY OF ZIMMERMAN
BOARD OF APPEAL AND EQUALIZATION
MONDAY, APRIL 21, 2014**

CALL TO ORDER: The Board of Appeal and Equalization was called to order at 9:00 a.m. at the Zimmerman City Hall by Mayor Earenfight.

ROLL CALL: Present: Mayor Earenfight, Council Members Mathison and Merwin. Members Brisbin and Clough were not present. Sherburne County Assessor Dan Weber, with staff members Greg Olson (Chief Deputy Assessor), Shelly Maloney (Residential Appraiser), and Kristi Botzek, (Residential Appraiser). Also present was Kary Tillmann, City of Zimmerman Clerk/Treasurer.

BOARD OF APPEAL AND EQUALIZATION

County Assessor Dan Weber explained the process used to set valuations and the state requirements for ratios. A sales ratio study compares the Assessor's estimated market value to sales of property. Sales from October 1, 2012 – September 30, 2013 were used to determine the estimated market values for the 2014 assessment. Ratios are examined to see how close the market values are in comparison to actual selling prices of homes. The ratios are figured by dividing the estimated market value by the sale price. This ratio must then be between 90-105%. If the ratio is below 90% or above 105% then the market values must be adjusted.

Member Brisbin was present at 9:02 a.m.

There were 31 residential sales in Zimmerman during the study period. Zimmerman calculated at 78.5%, which is outside of the allowable ratio. Sherburne County's building schedule increased by 7% and the City of Zimmerman's building schedule increased by an additional 9% for the 2014 assessment. Also, in the City of Zimmerman, some neighborhoods received additional adjustment based on sales in those neighborhoods. In addition, residential and agricultural improved sites were increased from \$15,000 from \$18,000, while residential vacant sites were remained at \$12,000. The remaining acres (acreage over one acre) rate stayed constant at \$4,000 per acre and the Lake Fremont front foot lakeshore schedule did not change for the 2014 assessment. The ending ratio for the City of Zimmerman after all changes were taken into consideration is 92.90%.

In 2013, there were six single-family home permits issued, plus 2 mobile home sets and 102 structural alterations, compared to four single-family home permits and 97 structural alterations in 2012.

Reassessment was completed in a portion of the City of Zimmerman in the summer and fall of 2013. There were 478 properties reassessed. Properties reassessed were located in Maefield Estates, Woodland Meadows North, Morrison Addition and Mickelson Addition.

PUBLIC QUESTIONS

Michele Nelson, (PID #95-417-0336): Believes that her property located at 26469 E. Timberhill Road is valued too low and would like to see the value increased to a more reasonable level.

Assessor Weber responded that the Assessor's Office uses arm-length transactions or sales with no undue duress during the study period which included sales from October 1, 2012 – September 30, 2013, per the Minnesota Department of Revenue. Valuations are always 1 - 2 years behind the current trend. Appraiser Maloney commented that the property was re-assessed in 2012, however she has not viewed the interior of the home and was open to re-evaluating the assessed value if the owner would allow her to review the property. Merwin commented

that the estimated market value would have no impact on the sale of the home. Real Estate Agents use sales of comparable properties to establish an appropriate sales price.

Mathison/Brisbin unanimous to make no changes to the assessed value for PID #95-417-0336, owned by Michele Nelson.

Randy Hanson, (PID #95-417-0145): Commented that the estimated market value of his home is proposed to increase by 16% and the taxable market value increased approximately 20%. He has made no improvements to his home and feels that the residential value is valued too high.

Appraiser Maloney responded that she last viewed the house in 2012. At that time, the value was adjusted downward based on depreciation of the home. The value is scheduled to increase at this time because values city-wide are increasing by 14%. Mr. Hanson's neighborhood also received an additional 2% increase based on home sales in the development.

Brisbin/Merwin unanimous to make no changes to the assessed value for PID #95-417-0145, owned by Randy Hanson.

Mathison/Brisbin unanimous to adjourn the meeting at 9:21 a.m.

Approved this 5th day of May, 2014.

s/s Kary Tillmann, City Clerk/Treasurer

Approved 05/05/2014