

LOCAL BOARD OF APPEAL AND EQUALIZATION MEETING
(BOARD OF REVIEW)
CITY OF CROSSLAKE
FRIDAY, APRIL 29, 2011
10:00 A.M. – CITY HALL

The annual Board of Appeal and Equalization Meeting (Board of Review) for the City of Crosslake, Minnesota was held in the Council Chambers of City Hall on Friday, April 29, 2011 at 10:00 A.M. The following Council Members were present: Mayor Darrell Schneider, John Moengen, Steve Roe, and Dean Swanson. Absent was Rusty Taubert. Also present was City Administrator Tom Swenson, Community Development Director Ken Anderson, and Ron Rydh, Brian Gust and Shawn McCutchen of the Crow Wing County Assessor's Office. There were two individuals in the audience. (Sign in sheet attached as a permanent record.)

Mayor Schneider called the meeting to order at 10:00 A.M. and stated that the purpose of the meeting was to review property value assessments and classifications for the current assessment year 2011 which will be reflected in taxes payable in 2012. The meeting was then turned over to Ron Rydh of the County Assessor's Office.

Mr. Rydh introduced the staff that was with him. Shawn McCutchen has worked for the Crow Wing County Assessor's Office for five years and Brian Gust was recently hired to take over commercial and industrial assessments for the entire County. Ron stated that he has done the majority of the appraisals in the City of Crosslake for the past sixteen years. Mr. Rydh stated that this meeting was for the public to discuss the classification and value of their property, not to discuss taxes. The outcome of this meeting for individual property values is that they will stay the same, be increased or be decreased. Upon the sale of a property, a Certificate of Real Estate Value (CRV) is completed by the realtor and submitted to the County. The Assessor then determines if the sale involved bare land, lake property or non-lakeshore property. For the 2011 values, sales occurring between October 2009 and September 2010 were used in making a determination. A representative from the MN Department of Revenue picks up the data from the County approximately every two weeks and they track the information to determine whether the Assessor's valuations are between 90 – 105% of market value. Some sales are excluded from the formula such as family sales, foreclosures and business sales. In the period between October 2009 and September 2010, a total of 50 arms length sales were used in determining the valuations. The County's valuation was initially at 103.3% for all classifications citywide, after reviewing and revaluing properties, the overall median ratio for all classifications was at 93.9%.

The meeting was open to the public for comments and several questions were asked. Mr. Novak from Little Pine Lake asked how the valuations on his lake changed. Ron Rydh stated that the valuations on Little Pine Lake went down from \$4500 per front foot to \$3500.

Four business owners arrived at the meeting at approximately 10:15 A.M.

Mr. Novak then asked how the commercial property valuations changed. Ron Rydh stated that there were only 2 commercial sales in the City during the review period. The Assessor's Office reduced the valuation of commercial buildings by 20% and commercial land by 10% across the board.

Nikki Siemers asked if the County treats limited commercial property the same as commercial. Ken Anderson stated that Limited Commercial Zoning only applies to the City and that the County considers all commercial property the same. Ms. Siemers stated that her taxes went up dramatically from 2008 until now. Mr. Rydh replied that State, County and City budgets determine tax amounts, not valuations and that there is no correlation between property values going down and taxes going up. The amount of tax needed to fulfill the budget remains the same. If someone's value goes down a lot and their tax amount goes down too, someone else's tax amount goes up. Steve Roe stated that the taxes don't change, the burden of who pays them changes. Ron Rydh stated that the largest portion of taxes goes to the State and that it no longer comes back to the community or schools.

Bruce Gately addressed the Council and Assessor to discuss the increased value and tax on his commercial property. Ron Rydh noted that the value actually went down approximately 20% from last year, however, there were extenuating circumstances regarding that property over the last few years due to changes in classifications. Mr. Gately stated that he was going to keep a close eye on it in the future.

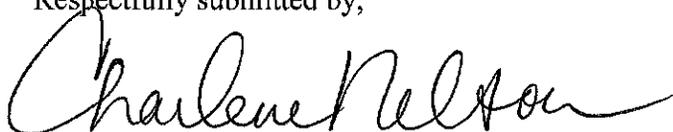
The County Assessor's Office received appeals on several parcels that were reviewed by the Assessor with the members of the City Council. (The listing of these is attached as a permanent record.) A discussion ensued regarding why the County does not use foreclosures to determine the market values.

Colleen Murray and Michael Huber both own land on Riverwood Lane and appealed to the Assessor to have their classifications changed. Surrounding these parcels are commercial businesses, therefore, the County Assessor taxed their land as commercial. But when Ms. Murray went to the Planning and Zoning Department of Crosslake to discuss the possible sale of her property to a commercial business owner, she was told that the City has the land zoned as residential and that she would have to initiate a zoning change and zoning map amendment at a cost of \$500 to change it. Mr. Huber and Ms. Murray have requested that the County change their classifications from commercial to residential so that their costs are reduced and that the City zoning matches the County classification. Mr. Rydh stated that this was a reasonable request and that the City should consider making this change. Mayor Schneider left the Council Chambers for a personal matter. MOTION 04S2-01-11 WAS MADE BY STEVE ROE AND SECONDED BY DEAN SWANSON TO AUTHORIZE THE CHANGE OF COUNTY CLASSIFICATION FROM COMMERCIAL TO RESIDENTIAL ON PROPERTIES 141870010030009 AND 141870010040009. MOTION CARRIED WITH ALL AYES. Mayor Schneider then returned to the meeting.

It was asked from the audience if the residential property values were changed like the commercial values. Ron Rydh replied that there was not an across the board change to residential property values because homes are very different and there were 50 sales to use to determine value changes.

There being no further comments, MOTION 04S2-02-11 WAS MADE BY JOHN MOENGEN AND SECONDED BY STEVE ROE TO ADJOURN THE BOARD OF REVIEW MEETING AT 11:30 A.M. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,

A handwritten signature in cursive script that reads "Charlene Nelson". The signature is written in black ink and is positioned above the typed name.

Charlene Nelson
Deputy Clerk

Deputy Clerk/Minutes/4-29-11 Board of Review.doc

2011 Assessment for City of Crosslake

According to the state guidelines the sales study period for the 2011 assessment was from 10/2009 thru 09/2010. During that time period there were 50 good arm length sales. The median ratio was 103.3%, for the City of Crosslake. The state of Mn. Says we must be between 90 and 105%. After revaluing the ratio is 93.9% to the sales.

Crosslake value was changed from the high of \$5200. Per front foot to \$4400 per front foot. That's an \$800. Difference.

Trout Lake and Whitefish lake went from \$ratio is 93.9% to the sales.

Crosslake value was changed from the high of \$5200. Per front foot to \$4400 per front foot. That's an \$800. Difference.

Trout Lake and Whitefish lake went from \$4600. To \$4400.

Rush Lake went from \$4600 to \$4000. Per front foot.

Daggett Lake went from \$ 4400. To \$3500.

Little Pine Lake went from \$4500 to \$3500.

Goodrich and O'Brien Lakes went from \$1800 to \$1600 per front foot.

Big Pine Lake went from \$1300 to 1200.

Ox Lake went from \$2400 to \$2300.

City of Crosslake
Friday, April 29, 2011
Appointments

Time	Property Owner	Parcel Code
10:00	Thomas Novak	
10:10	Bruce Gateley	12032140800009
10:20		
10:30		
10:40		
10:50		
11:00		
11:10		
11:20		
11:30		
11:40		
11:50		
12:00		
12:10		
12:20		
12:30		
12:40		
12:50		
1:00		
1:10		
1:20		
1:30		
1:40		
1:50		
2:00		
2:10		
2:20		
2:30		
2:40		
2:50		
3:00		
3:10		
3:20		
3:30		
3:40		
3:50		
4:00		

MINNESOTA · REVENUE

Local Board of Appeal and Equalization Certification Form for 2011

The Local Board of Appeal and Equalization (LBAE) must complete and sign the LBAE Certification Form for each meeting of the local board. Since all local boards are required to comply with the training and quorum requirements, **this form must be completed even if no appeals are heard.** At the end of each LBAE meeting, the county assessor or authorized city assessor takes possession of the completed form.

Section 1 – The following information must be completed at the beginning of the meeting.

County name Crow Wing		Jurisdiction name (indicate city or town) City of Crosslake	
Meeting (circle one): convened or reconvened	Date 04-29-2011	Time 10:00	<input checked="" type="checkbox"/> a.m. <input type="checkbox"/> p.m.

Township/City Board Members

Please list all voting members of the LBAE. For each voting member, check "Present" or "Absent" to indicate which members were in attendance. For each voting member present, check "Yes" or "No" indicating if the member has completed the training required under Minnesota Statutes, Section 274.014 within the last four years. **All voting members present at the meeting must sign this form.** By signing this form, you certify that you attended the LBAE meeting. You are also certifying that no board member participated in actions concerning the valuation or classification of a property owned by the board member, the board member's spouse, parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle aunt, nephew, or niece of a board member, or any property in which the board member has a financial interest (the relationships may be by blood or marriage).

Print names of all voting members	Title	Attendance	Training certified	Signature (for those in attendance only)
Darrell Schneider	Mayor	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	X <i>Darrell Schneider</i>
Dean Swanson	Council	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	X <i>Dean L Swanson</i>
John Moengen	Council	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	X <i>[Signature]</i>
Steve Roe	Council	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	X <i>Stephen J. Roe</i>
C. "Rusty" Taubert	Council	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	X
		<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input type="checkbox"/> No	X
		<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input type="checkbox"/> No	X

Assessment Personnel

This section must be completed by the county assessor (or an assistant delegated by the county assessor) or authorized city assessor present at the meeting.

Local assessor information		County assessor (or delegate) / authorized city assessor information	
Does this jurisdiction have a local assessor? <input type="checkbox"/> Yes <input type="checkbox"/> No		Name	Title
If yes, was the local assessor present? <input type="checkbox"/> Yes <input type="checkbox"/> No			License no.
Local assessor name	License no.	County assessor (or delegate) / authorized city assessor certification	
Other assessment personnel present		By signing below, I certify I was present at the meeting and (please check one):	
Please list additional names on back of this form.		<input type="checkbox"/> A quorum was present and a training certified member was present; or	
Name		<input type="checkbox"/> I took over the meeting and changed it to an open book format because:	
Title		<input type="checkbox"/> A quorum was not present and/or	
Name		<input type="checkbox"/> A trained member was not present.	
Name		County assessor (or delegate) / authorized city assessor signature	
Title		X	
Name		Board member acknowledges loss of LBAE for this and following assessment year (due to reason checked above).	
Title		X	

Section 2 – The following information must be completed at the end of the meeting.

Meeting (circle one): recessed or adjourned	Time	<input type="checkbox"/> a.m. <input type="checkbox"/> p.m.
---	------	--

Scheduling for Reconvene Meeting (if needed)

The LBAE must resolve all issues before the meeting is adjourned. If issues are unresolved, the board should recess until the next meeting. The LBAE must complete and sign a LBAE Certification Form for each reconvene meeting. The date and time for the reconvene meeting must be determined before the initial meeting is recessed. **Once the LBAE has adjourned it cannot reconvene.**

Date for reconvene meeting	Time	<input type="checkbox"/> a.m. <input type="checkbox"/> p.m.
----------------------------	------	--