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# Office of the Legislative Auditor

## Best Practices Reviews: Minnesota's System of Property Assessments

### Survey of City and Local Assessors

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Thank you for answering this survey. Because we want to focus on a full year's worth of assessment activity, the questions pertain to the 1994 calendar year. Please answer for assessment services provided only in the jurisdiction on the mailing label below, even if you assessed other cities or townships in 1994. Direct questions about the survey to Jody Hauer at 612/296-4708.

*Please return the completed survey in the enclosed postage-paid envelope by **October 18, 1995.***

1. Respondent's Name \_\_\_\_\_
2. Position \_\_\_\_\_
3. Jurisdiction \_\_\_\_\_
4. Phone number \_\_\_\_\_

#### ORGANIZATIONAL STRUCTURE AND WORKLOAD

*This section of the survey deals with the organization of assessment services in this city or township.*

5. Does this jurisdiction have its assessment services provided by either the county, a city, or a local assessor by contract, or does it have its own assessors on staff? (n = 273)

<u>Number</u>	<u>Percent</u>	
187	68.5%	a. County assessor's office provides the service
0	0	b. Another city assessor's office provides the service
56	20.5	c. Contract with a local assessor <i>(If you contract with a local assessor, please forward the survey to the assessor with whom you contract, if this has not already been done, and go to Question 6.)</i>
30	11.0	d. Own assessors on staff <i>(If the jurisdiction has its own assessors on staff, go to Question 6.)</i>

If you use a county or other city assessor, you may stop here and return the survey in the enclosed envelope. Thank you for your cooperation.

6. How many parcels of the following classifications of property were in this jurisdiction in 1994? (Do not include parcels outside this jurisdiction even if you assessed other cities or townships in 1994.)

<u>Total Parcels</u>	<u>Median Parcels</u>	
410,440	729	a. Number of residential, 1 to 3 units (n = 76)
7,517	3	b. Number of apartments, 4 or more units (n = 76)
7,693	34	c. Number of agricultural (n = 77)
24,765	41	d. Number of commercial-industrial (n = 78)
2,049	0	e. Number of seasonal residential recreational (n = 78)
162	0	f. Number of lakeshore resorts (n = 77)
43,697	40	g. Number of all other property (n = 75)
500,455	1,900	h. TOTAL number of parcels for which you and your office were responsible (n = 77)

**7. How many parcels of property did you and your staff appraise in 1994 (including your quartile for that year and any other parcels you appraised)?**

Total Parcels 159,838      Median Parcels 600      Number of parcels appraised in 1994 (n = 75)

**8. Of the improved land and buildings you and your office viewed in your 1994 assessments, what percent do you estimate received interior observations? (Check one box.)**

	(n = 81)		0-20%		21-40%		41-60%		60-80%		80-100%	
	#	%	#	%	#	%	#	%	#	%	#	%
a. Percent receiving interior observations	13	16.0%	29	35.8%	25	30.9%	7	8.6%	5	6.2%		
b. Not applicable	2	2.5%										

**9. How frequently do you and your office adjust all parcels' value (not only parcels appraised in a year or in the quartile)?**

	Annually		Every Two Years		Every Three Years		Every Four Years		(n = 77)
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
	71	92.2%	2	2.6%	1	1.3%	3	3.9%	

**10. How do you and your office adjust values of property not in the quartile? (Check the appropriate boxes for each property class.)**

	(n = 86)		Class of Parcels									
			Residential		Commercial-Industrial		Apartments		Agricultural		Seasonal Recreational	
	#	%	#	%	#	%	#	%	#	%	#	%
a. By applying a flat percentage or dollar change to all parcels	7	8.1%	1	1.2%	0	0.0%	11	12.8%	2	2.3%		
b. By applying a flat percentage or dollar change to all parcels within a property classification	11	12.8	8	9.3	5	5.8	13	15.1	3	3.5		
c. By applying a percentage or dollar amount that varies according to type of construction	16	18.6	10	11.6	8	9.3	6	7.0	4	4.7		
d. By applying a percentage or dollar amount that varies according to neighborhood	30	34.9	14	16.3	10	11.6	14	16.3	10	11.6		
e. By applying a percentage or dollar amount that varies according to value of the parcel	9	10.5	2	2.3	1	1.2	2	2.3	0	0.0		
f. By applying a percentage or dollar amount that varies according to the year of last appraisal	3	3.5	3	3.5	3	3.5	3	3.5	0	0.0		
g. By comparing current sales with those of prior year sales	31	36.0	21	24.4	14	16.3	19	22.1	6	7.0		
h. By comparing current year sales with prior year assessments	45	52.3	37	43.0	29	33.7	28	32.6	17	19.8		
i. By applying revised cost schedules	41	47.7	33	38.4	27	31.4	28	32.6	16	18.6		
j. Other (Specify.) _____	4	4.7	5	5.8	8	9.3	5	5.8	2	2.3		
k. Not applicable	1	1.2	4	4.7	3	3.5	8	9.3	13	15.1		

**APPEALS AND ABATEMENT PROCESSES**

*This section of the survey focuses on the system your city or township uses for appeals and abatements.*

*Questions 11 through 14 pertain to property owner questions on value or classification that you and your office received but that were not heard by the 1994 local board of review.*

**11. How many parcels representing owners dissatisfied with their value or classification did you and your office handle in 1994 prior to the meeting of the local board of review?**

Total Parcels	Median Parcels								(n = 80)
11,186	25	a.	Number of parcels						
		b.	Unknown	19	23.8%				

**12. Of these parcels representing dissatisfied property owners, what percent do you estimate that you and your office resolved prior to the 1994 local board of review?**

0 to 25%		26 to 50%		51 to 75%		76 to 100%		Unknown		(n = 77)
<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	
15	19.5%	4	5.2%	7	9.1%	43	55.8%	8	10.4%	

**13. How many staff-hours would you estimate you and your office spent in resolving value and classification questions prior to the local board of review in 1994 (not including appeals that actually went to the board)?**

Total Staff Hours	Median Staff Hours								(n = 80)
8,395	30	a.	Number of staff-hours						
		b.	Unknown	33	41.3%				

**14. How satisfied are you with the overall fairness and ease for you and your office of the process for handling property owners' questions prior to the local board of review? (n = 78)**

Very Satisfied		Moderately Satisfied		A Little Satisfied		Moderately Dissatisfied		Very Dissatisfied		Not Applicable		(n = 78)
<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	
42	53.8%	26	33.3%	3	3.8%	1	1.3%	5	6.4%	1	1.3%	

Comments:

**15. Does your city council or township board serve as the board of review or do the council members appoint a special board?**

<u>Number</u>	<u>Percent</u>	a.	Township board serves as board of review (Go to Question 19.)						
27	32.9%	b.	City council serves as board of review (Go to Question 19.)						(n = 82)
47	57.3	c.	City council appoints a special board (Go to Question 16.)						
8	9.8								

Note: We received responses from 273 communities for a response rate of 86 percent.

Questions 16 through 18 apply only to cities with **appointed** special boards of equalization.

**16. How many members are appointed to your city's special board?**

Three		Four		Five		Six		Seven		Eight		Nine		Other	
Among those who appoint a special board:															
#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
--	--	2	25.0%	4	50.0%	--	--	1	12.5%	--	--	1	12.5%	--	--
(Specify.) _____															

**17. Of those appointed in 1994, what share was either an appraiser, realtor, or other person familiar with property valuations in the county?**

1 to 25%		26 to 50%		51 to 75%		76 to 100%		(n = 7)
Number	Percent	Number	Percent	Number	Percent	Number	Percent	
--	--	--	--	3	42.9%	4	57.1%	

**18. What compensation do the appointed members receive?**

Number	Percent		
2	25.0%	a.	Members do not receive compensation
--	--	b.	Travel expenses only
--	--	c.	Travel and meal expenses
3	37.5	d.	Per diem
1	12.5	e.	Expenses and per diem
--	--	f.	Salary
2	25.0	g.	Other (Specify.) _____

(n = 8)

Questions 19 through 26 pertain to all jurisdictions with local boards of review.

**19. Did your local board of review meet in 1994 with a quorum of members?**

Number	Percent		
0	0.0%	a.	No
82	98.8	b.	Yes
1	1.2	c.	Not applicable

(n = 83)

**20. How many appeals did your local board of review hear in 1994?**

Total Appeals	Median Appeals		Number of Respondents	Percent	
1,338	6	a.	81	97.6%	(n = 83)
--	--	b.	2	2.4	
--	--	c.	0	0.0	

**21. We would like to know whether 1994 was a typical year in terms of the number of appeals heard by your local board of review. How does the number of appeals in 1994 compare to the average number heard by the board over the previous four years (1990-1993)?**

Number	Percent		
49	59.8%	a.	Approximately the same as appeals in 1994
4	4.9	b.	Less than 25% higher than appeals in 1994
9	11.1	c.	Between 25 and 75% higher than appeals in 1994
2	2.4	d.	More than 75% higher than appeals in 1994
7	8.5	e.	Less than 25% lower than appeals in 1994

(n = 82)

Note: We received responses from 273 communities for a response rate of 86 percent.

**21. Continued . . .**

<u>Number</u>	<u>Percent</u>	
5	6.1	f. Between 25 and 75% lower than appeals in 1994
2	2.4	g. More than 75% lower than appeals in 1994
2	2.4	h. Unknown
2	2.4	i. Not applicable

**22. How many of the appeals before your local board of review in 1994 were for parcels of residential, a apartment, commercial, seasonal recreational, or agricultural property?**

<u>Total Parcels</u>	<u>Median Parcels</u>	
1,066	5	a. Number of residential appeals (n = 79)
28	0	b. Number of apartment appeals (n = 77)
122	0	c. Number of commercial-industrial appeals (n = 78)
31	0	d. Number of seasonal recreational residential appeals (n = 77)
39	0	e. Number of agricultural appeals (n = 79)
24	0	f. Number of other appeals (n = 78)
1,310	6	g. TOTAL number of appeals (n = 83)
--	--	h. Unknown
--	--	i. Not applicable

**23. Of the total number of appeals heard by your local board of review, how many were approved in 1994?**

<u>Total Appeals</u>	<u>Median Appeals</u>	
691	3	a. Number approved (Some reduction in value or classification change) (n = 70)
643	5	b. Number denied (Value held or raised) (n = 71)
--	--	c. Not applicable (n = 13)

**24. How many staff-hours would you estimate your office spent in preparation and consideration of appeals that actually went to your local board of review in 1994?**

<u>Total Staff Hours</u>	<u>Median Staff Hours</u>	
3,040	16	a. Number of staff-hours (n = 37)
--	--	b. Unknown (n = 28)
--	--	c. Not applicable (n = 15)

**25. What was the total percent change in market value resulting from appeals approved by your local board of review in 1994?**

<u>Median Percent Change</u>	
.0023%	a. Percent change in value (n = 42)
--	b. Unknown (n = 26)
--	c. Not applicable (n = 11)

**26. How satisfied are you with the overall fairness and ease for you and your office of the local board of review process?**

Very Satisfied		Moderately Satisfied		A Little Satisfied		Moderately Dissatisfied		Very Dissatisfied		Not Applicable		(n = 81)
Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
39	48.1%	29	35.8%	5	6.2%	1	1.2%	3	3.7%	4	4.9%	

Comments:

*Questions 27 through 29 pertain to your involvement with the county board of equalization.*

**27. How many staff-hours would you estimate you and your office spent on appeals to the county board of equalization in 1994?**

Total Staff Hours	Median Staff Hours	
1,098	0	a. Number of staff-hours (n = 40)
--	--	b. Unknown (n = 8)
--	--	c. Not applicable (n = 27)

**28. On how many appeals to the board of equalization did you and your office work in 1994?**

Total Appeals	Median Appeals	
261	0	a. Number of appeals (n = 44)
--	--	b. Unknown (n = 5)
--	--	c. Not applicable (n = 26)

**29. How satisfied are you with the overall fairness and ease for your office of the board of equalization process?**

Very Satisfied		Moderately Satisfied		A Little Satisfied		Moderately Dissatisfied		Very Dissatisfied		Not Applicable		(n = 73)
Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
18	24.7%	20	27.4%	2	2.7%	1	1.4%	1	1.4%	31	42.5%	

Comments:

*Questions 30 through 32 pertain to Minnesota Tax Court appeals.*

**30. How many staff-hours would you estimate your office spent on Tax Court appeals in 1994?**

Total Staff Hours	Median Staff Hours	
13,522	0	a. Number of staff-hours (n = 46)
--	--	b. Unknown (n = 10)
--	--	c. Not applicable (n = 25)

**31. On how many Tax Court appeals did your office work in 1994? (Include work you did on cases filed in 1994 as well as work done in 1994 on cases filed earlier.)**

Total Appeals	Median Appeals	
2,415	0	a. Number of Tax Court appeals worked on (n = 53)
--	--	b. Unknown (n = 3)
--	--	c. Not applicable (n = 25)

**32. How satisfied are you with the overall fairness and ease for your office of appeals handled through the Tax Court?**

Very Satisfied		Moderately Satisfied		A Little Satisfied		Moderately Dissatisfied		Very Dissatisfied		Not Applicable		(n = 70)
Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
8	11.4%	8	11.4%	3	4.3%	7	10.0%	6	8.6%	38	54.3%	

Comments:

*Questions 33 through 38 pertain to abatements in 1994 and affect only cities that have city assessors and 20,000 or larger populations. If you are responding on behalf of a township or a smaller city, please go to Question 39.*

**33. How many abatement applications did your city receive in 1994?**

Total Applications	Median Applications		
4,267	60.5	a. Number of abatements for homestead changes	(n = 16)
319	10.5	b. Number of abatements for value changes	
558	6.0	d. Number of other abatement applications	
5,144	97.0	e. TOTAL number of abatement applications	

**34. Of the total number of abatement applications your office received in 1994, how many were approved (by the assessor, county auditor, and county board)? (n = 15)**

Total Abatements	Median Abatements		
4,850	91	a. Number of abatements approved	(n = 15)
145	1	b. Number of abatements denied	

**35. What change in property value did the abatements approved in 1994 represent?**

Median Percent Change	
0.007%	a. Percent of property value abated (n = 8)
--	b. Unknown (n = 8)
--	c. Not applicable

**36. How many staff-hours would you estimate your office spent on considering and processing abatements in 1994?**

Total Staff Hours	Median Staff Hours	
2,252	160	a. Number of staff-hours (n = 11)
--	--	b. Unknown (n = 5)
--	--	c. Not applicable

Note: We received responses from 273 communities for a response rate of 86 percent.

**37. Does your city have an explicit policy on considering and granting abatements?**

Number	Percent		
9	56.3%	a. No	(n = 16)
7	43.8	b. Yes ( <i>If yes, please attach a copy of the policy to the completed survey.</i> )	
0	0.0	c. City is currently considering a policy on abatements.	

**38. How satisfied are you with the overall fairness and ease for your office of the abatement process?**

Very Satisfied		Moderately Satisfied		A Little Satisfied		Moderately Dissatisfied		Very Dissatisfied		Not Applicable		
Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
1	6.3%	8	50.0%	7	43.8%	--	--	--	--	--	--	(n = 16)

Comments:

**ASSESSMENT PRACTICES**

*This section deals with methods you use when assessing property in your city or township.*

**39. Do you and your office use computer-assisted mass appraisal?**

Number	Percent		
31	39.2%	a. No	(n = 79)
38	48.1	b. Yes	
10	12.7	c. The city or township is in the process of developing a computer-assisted mass appraisal system	

**40. For which of the following tasks do you and your office use computers? (Check all that apply.)**

Number	Percent		
34	43.6%	a. In the appraisal process	(n = 78)
24	30.8	b. To generate valuation notices	
25	32.1	c. To produce assessment rolls	
35	44.9	d. To record property sales	
37	47.4	e. To conduct sales ratio studies	
5	6.4	f. We do not use computers	
29	37.2	g. We do not use computers, but the county with whom we work does	
9	11.5	h. Other ( <i>Specify.</i> ) _____	

**41. Do you and your office use a land information system (LIS) or geographic information system (GIS) to assist in your assessments?**

Number	Percent		
45	58.4%	a. No	(n = 77)
16	20.8	b. Yes	
16	20.8	c. The city or township is in the process of developing a LIS or GIS system	

**42. Do you and your office have a complete set of assessment maps showing the size, shape, and location of parcels?**

Number	Percent		
16	20.0%	a. No set of maps	(n = 80)
4	5.0	b. Incomplete set	
9	11.3	c. Nearly complete set	
51	63.8	d. Complete set	

**43. Do you and your office have adequate equipment and training to perform your assessment duties?**

Number	Percent		
74	91.4%	a. Adequate equipment and adequate training	(n = 81)
1	1.2	b. Adequate equipment but inadequate training	
5	6.2	c. Inadequate equipment and adequate training	
1	1.2	d. Inadequate equipment and inadequate training	
0	0.0	e. Not applicable	

**44. Do you and your office notify property owners in advance of visiting the parcels in your quartile?**

Number	Percent		
53	65.4%	a. No advance notification	(n = 81)
3	3.7%	b. Yes, with notices in local newspapers	
10	12.3	c. Yes, with notices mailed to property owners	
14	17.3	d. Yes, by other means ( <i>Specify.</i> ) _____	
0	0.0	e. Not applicable	
1	1.2	f. More than one response	

*Question 45 applies only to cities that issue their own valuation notices. If the county issues valuation notices to property owners in your city or township, go to Question 46.*

**45. For cities that send valuation notices, which of the following pieces of information does your office include on property valuation notices (in addition to that which is required by statute such as market value, limited market value, "this old house" value, etc.)? (Check all that apply.)**

Number	Percent		
3	3.5%	a. Non-technical summary of the methods used to assess property	(n = 86)
10	11.6	b. Procedures for appealing property value with assessor	
10	11.6	c. Procedures for appealing value with local board of review	
10	11.6	d. Procedures for appealing value with county board of equalization	
8	9.3	e. Procedures for appealing value with tax court	
0	0.0	f. Sales ratio information	
1	1.2	g. Distinction between value notice and tax bill	
2	2.3	h. Explanation of how value is related to tax bill	
0	0.0	i. Description of how tax bills are calculated	
4	4.7	j. Definitions of uncommon terms	
9	10.5	k. Contact phone numbers for people with questions	
3	3.5	l. Other ( <i>Specify.</i> ) _____	

**PERSONNEL AND RESOURCES**

*This section of the survey deals with your level of staffing and other resources for assessing.*

**46. How many assessors/appraisers in the following licensure categories were on your staff in 1994 (in full-time equivalents or FTEs)?**

Total FTE Staff	Median FTE Staff		
71.74	1	a. Certified Minnesota Assessor (CMA) (n = 48)	
14.25	1	b. Certified Minnesota Assessor Specialist (CMAS) (n = 11)	
18	5	c. CMA plus completion of income-producing property appraisal courses (n = 3)	
8	1	d. CMAS plus completion of income-producing property appraisal courses (n = 8)	

Note: We received responses from 273 communities for a response rate of 86 percent.

## 46. Continued . . .

Total FTE Staff	Median FTE Staff	
16	1	e. Accredited Minnesota Assessor (n = 16)
52.83	1	f. Senior Accredited Minnesota Assessor (n = 32)
1.25	0.625	g. Other assessors (n = 2)
184.32	1	h. TOTAL FTE assessors (n = 82)

## 47. What number of other FTE staff did you employ in 1994 to perform the functions of administration, data processing, mapping and drafting, clerical, and other support services? (Do not double-count employees you reported in Question 46, even if they performed some of these functions.)

Total FTE Staff	Median FTE Staff	
51.1	1	Number of FTE staff (n = 28)

## 48. Of the total time spent by you and your staff in 1994 on assessment duties, what do you estimate is the percent of time spent on the following tasks? (Estimate time only for those tasks that you performed for this city or township.)

Average Percent Time	Median Percent Time	
44.1%	45%	a. Mass property appraisal of existing properties (n = 79)
13.5	11	b. Appraisal of new construction and remodeling (n = 79)
1.9	0	c. Rent and lease analysis (n = 77)
4.0	3	d. Sales ratio analysis (n = 79)
6.7	5	e. Administration (n = 78)
6.7	5	f. Homestead classification (n = 79)
1.6	0	g. Special assessments (n = 79)
6.4	2	h. Reviewing assessments and defending appeals (n = 78)
0.8	0	i. Considering and deciding abatements (n = 78)
1.9	0	j. Other (Specify.) _____ (n = 77)
		TOTAL

## 49. What do you estimate that you and your office spent in 1994 on assessment services? Include the expenses listed in items b. through j. below. Exclude expenses for assessment services you and your office may have provided to other cities and townships. Assessors on contract should specify costs to the city or township for the contract. (Check the box of any item(s) that your expenditure estimate does not include.)

Total	Median		Not Included In Estimate	
\$8,967,458	\$15,600	a. Total expenditures (n = 71)		
			Number	Percent
		b. Salaries and benefits	1	1.4%
		c. Supplies (e.g., office and car supplies, mapping, printing, mailing, data processing supplies)	9	12.7
		d. Contract services	4	5.6
		e. Travel	9	12.7
		f. Training	7	9.9
		g. Insurance	12	16.9
		h. Data entry and processing	8	11.3

**49. Continued . . .**

		Not Included In Estimate	
		<u>Number</u>	<u>Percent</u>
i.	Office building use and maintenance (e.g., space rental, utilities)	19	26.8%
j.	Other current expenditures (excluding capital expenses for furniture, office equipment, computers, cars, land, and other capital purchases).	11	15.5

**50. We would like to know whether 1994 was an atypical year in terms of your expenditures on assessing. Did any unusual circumstances substantially affect any of the expense items you included in your 1994 expenditure estimate?**

<u>Number</u>	<u>Percent</u>		
67	88.2%	a.	No (n = 76)
9	11.8	b.	Yes ( <i>Specify.</i> ) _____

**51. Did you and your office provide assessment services for any additional cities or townships in 1994?**

<u>Number</u>	<u>Percent</u>		
42	53.2%	a.	No ( <i>If no, go to Question 54.</i> )
37	46.8	b.	Yes (n = 79)

**52. If you did assess other cities or townships in 1994, for how many other cities and townships did you and your office provide assessment services?**

<u>Total</u> Cities and <u>Towns</u>	<u>Median</u> Cities and <u>Towns</u>		
201	3		Number of other cities and townships (n = 37)

**53. If you did assess other cities or townships in 1994, how many parcels were in the other cities and townships?**

<u>Total</u> <u>Parcels</u>	<u>Median</u> <u>Parcels</u>		
235,326	1,750		Number of parcels (n = 36)

**54. What information do you want or need in your jurisdiction regarding property assessment organization, appeals, or abatements in other Minnesota jurisdictions?**

**55. What innovations or effective methods do you employ, or would like to employ, to improve the organization of property assessment services, the appeals process, or the abatements process?**

**56. Do you have any additional comments?**

**Thank you for answering this survey!**

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Note: We received responses from 273 communities for a response rate of 86 percent.