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RCC Manager

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MEMO

DATE: April 9, 2018
TO: Mayor and City Council
FROM: Reed Heidelbergger, City Assessor
SUBJECT: Annual Report

**CITY OF ALEXANDRIA ASSESSING DEPARTMENT
2018 ANNUAL REPORT**

The following report reflects the Estimated Market Value determined as of January 2, 2017 upon which the real estate taxes payable in 2018 are based.

The January 2, 2017 Estimated Market Value includes new construction that took place during the 2016 calendar year. In that time, 27 single family homes were built in the City of Alexandria and 275 residential remodeling permits were issued for a total value of \$8,116,913. There was \$12,443,857 of new commercial and industrial construction permitted in 2016. There were 437 building permits issued in the City of Alexandria in 2016, which represents an 11% decrease from 2015.

The Assessing Department continues to work toward meeting the assessment level requirements of the Department of Revenue and addressing the concerns of the property owners in the City of Alexandria. I would like to thank Deputy Assessor Amy Riedel for her help in completing the responsibilities and duties of the Assessing Department.

1. The following is a breakdown of the Estimated Market Value (EMV) in the City of Alexandria for the 2017 assessment, taxes payable in 2018, and also for the previous year:

	<u>2016 EMV</u>	<u>% of Total</u>	<u>2017 EMV</u>	<u>% of Total</u>
Residential/Ag	\$848,847,300	61.0%	\$885,432,800	61.0%
Apartments	\$143,127,100	10.3%	\$156,929,000	10.8%
Commercial	\$323,219,600	23.2%	\$332,945,300	22.9%
Industrial	\$50,607,900	3.6%	\$51,633,200	3.6%
Public Util./Att. Mach.	\$18,295,800	1.3%	\$18,030,600	1.2%
Personal Property	\$2,004,100	0.1%	\$1,967,800	0.1%
Mobile Home Parks	\$4,477,900	0.3%	\$4,476,800	0.3%
TOTAL	\$1,390,579,700	100%	\$1,451,415,500	100%
New Construction	\$24,559,400		\$23,732,100	
Tax Exempt Property	\$327,473,600 *		\$324,194,900 *	
Parcel Count	6,769		6,822	

*See page 6, item #7 for more detailed information on tax exempt property

The Estimated Market Value (EMV) for the 2017 assessment, taxes payable in 2018, for the neighboring townships and also for the previous year:

	<u>Alexandria</u>		<u>LaGrand</u>	
	<u>2016 EMV</u>	<u>2017 EMV</u>	<u>2016 EMV</u>	<u>2017 EMV</u>
Residential/Ag	\$340,380,200	\$352,689,500	\$556,256,400	\$572,591,300
Apartments	635,200	656,800	4,777,900	4,860,600
Comm./Indus.	10,808,500	11,411,000	26,710,400	26,431,500
Pub. Utilities/Att.	6,765,100	7,685,400	27,340,500	27,345,400
Mobile Home Parks	<u>0</u>	<u>0</u>	<u>128,900</u>	<u>129,300</u>
TOTAL	\$358,589,000	\$372,442,700	\$615,214,100	\$631,358,100
New Construction	\$1,564,700	\$5,744,300	\$5,033,900	\$4,941,400

The total Estimated Market Value of Douglas County for the 2017 assessment, taxes payable 2018, and also the previous year:

	<u>2016 EMV</u>	<u>% of Total</u>	<u>2017 EMV</u>	<u>% of Total</u>
Residential/Ag	\$4,686,961,800	85.0%	\$4,838,020,800	84.9%
Apartments	158,845,400	2.9%	173,363,800	3.0%
Commercial	457,475,400	8.3%	466,632,800	8.2%
Industrial	76,376,200	1.4%	84,752,800	1.5%
Pub. Utilities/Att. Mach.	125,213,300	2.3%	126,971,700	2.2%
Personal Property	2,005,300	0.0%	1,969,000	0.0%
Mobile Home Parks	<u>5,579,000</u>	0.1%	<u>5,580,500</u>	0.1%
TOTAL	\$5,512,456,400	100%	\$5,697,291,400	100%
New Construction	\$64,562,600		\$70,267,300	

2. The following are 2017 Estimated Market Value totals for the computation of the taxes payable in 2018, compared to the previous year:

<u>Taxing District</u>	<u>2016 EMV</u>	<u>2017 EMV</u>
Douglas County	\$5,512,456,400	\$5,697,291,400
ISD #206	4,286,017,400	4,438,025,400
City of Alexandria	1,390,579,700	1,451,415,500
Sanitary Sewer District	3,115,225,500	3,230,791,500

3. From the above figures, the following percentages have been computed (previous year in parentheses):

The City of Alexandria comprises 25% (25%) of the total Taxable Market Value of Douglas County.

The City of Alexandria comprises 33% (32%) of the total Taxable Market Value of Independent School District 206.

The City of Alexandria comprises 45% (45%) of the total Taxable Market Value of the Alexandria Lake Area Sanitary District.

4. The following are the Tax Capacity totals for the computation of taxes payable in 2018 and also the previous year.

<u>Tax District</u>	<u>Tax Capacity</u>	
	<u>2017</u>	<u>2018</u>
Douglas County	\$55,467,169	\$57,577,392
ISD #206	45,075,581	46,792,053
City of Alexandria	16,846,862	17,594,121
ALASD	34,415,493	35,726,234
Alexandria Township	3,483,401	3,638,233
LaGrand Township	6,352,829	6,515,927

From the above figures, the following percentages have been computed (previous year in parentheses):

The City of Alexandria comprises 30% (30%) of the total Tax Capacity of Douglas County.

The City of Alexandria comprises 38% (37%) of the total Taxable Market Value of Independent School District 206.

The City of Alexandria comprises 49% (49%) of the total Taxable Market Value of the Alexandria Lake Area Sanitary District.

5. The dollar amount of levy for each jurisdiction for the last 5 years. A graph plotting these figures is attached.

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City of Alexandria	\$5,763,239	\$6,024,695	\$6,293,125	\$6,466,302	\$6,725,676
Douglas County*	25,591,937	25,470,848	25,470,848	26,500,000	26,449,466
ISD #206**	8,809,346	8,672,425	9,524,336	7,728,606	10,220,284
Alexandria Township	523,603	490,000	535,418	579,128	618,733
LaGrand Township	1,182,001	1,194,390	1,196,593	1,037,428	1,244,425

* Includes levy for County HRA.

** Does not include market value referendum totaling \$3,765,704 for 2018.

6. Tax Capacity Rate for taxes payable in 2018 for properties located in the City of Alexandria, broken down for each levying body as compared to the previous year:

	<u>2017</u>	<u>2018</u>
City of Alexandria	40.942	40.775
ISD #206	17.621	22.439
Douglas County	48.141	47.234
HRA	1.380	1.425
LAEDC	<u>0.794</u>	<u>0.760</u>
TOTAL	108.878	112.633

In addition to the preceding rate, the School District #206 referendum is .12007% of the Taxable Market Value, raising \$1,557,324 from properties in the City of Alexandria. The State General Property Tax is applied to commercial-industrial and seasonal recreational properties. It is paid to the state and is used to fund education. The 2018 rate is 43.865% (commercial) or 20.779% (seasonal) of the tax capacity. Properties in the City of Alexandria will generate \$3,120,968 for this tax in 2018.

The 2018 Tax Capacity Rate for neighboring townships and also the previous year:

	<u>Alexandria</u>		<u>LaGrand</u>	
	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>
Township	13.759	14.055	16.377	15.968
ISD #206	17.621	22.439	17.621	22.439
Douglas County	48.141	47.234	48.141	47.234
HRA	1.390	1.595	1.390	1.595
LAEDC	<u>0.794</u>	<u>0.760</u>	<u>0.794</u>	<u>0.760</u>
TOTAL	81.705	86.083	84.323	87.996

7. Property Tax Distribution

	2017 EMV	% of total	2017 Tax Capacity	% of total	2018 Property taxes	% of total
Residential/Ag	\$871,019,900	60.0%	\$7,859,411	44.7%	\$10,555,284	41.4%
Apartments	\$171,341,900	11.8%	\$2,054,878	11.7%	\$2,710,800	10.6%
Commercial	\$332,945,300	22.9%	\$6,220,191	35.4%	\$9,874,444	38.7%
Industrial	\$51,633,200	3.6%	\$1,009,183	5.7%	\$1,627,512	6.4%
Public Util./Att. Mach.	\$18,030,600	1.2%	\$359,112	2.0%	\$582,342	2.3%
Personal Property	\$1,967,800	0.1%	\$35,385	0.2%	\$53,164	0.2%
Mobilehome Parks	\$4,476,800	0.3%	\$55,961	0.3%	\$79,500	0.3%

8. Tax Exempt Property Summary

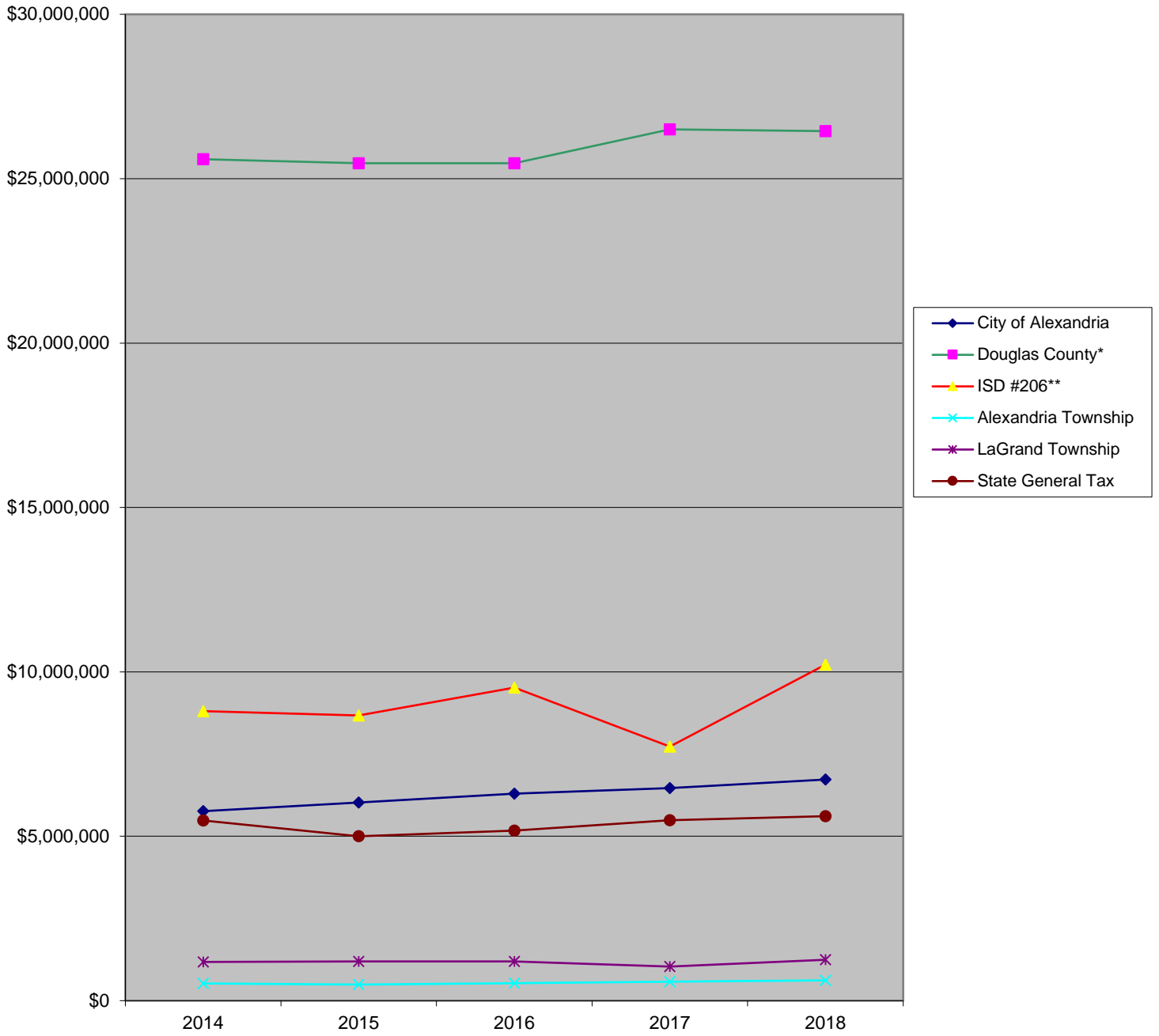
Exempt Comparison as of 2016 (Courtesy of MN Department of Revenue)

CITY	POPULATION	TAXABLE MARKET VALUE	EXEMPT MARKET VALUE	TOTAL MARKET VALUE	EXEMPT AS A PERCENT OF TOTAL
Alexandria	13,575	\$1,300,460,342	\$322,418,200	\$1,622,878,542	20%
Bemidji	15,119	\$793,292,000	\$809,983,400	\$1,603,275,400	51%
Brainerd	13,679	\$595,486,870	\$431,429,600	\$1,026,916,470	42%
Buffalo	16,119	\$1,063,068,800	\$294,728,800	\$1,357,797,600	22%
Fergus Falls	13,652	\$784,520,850	\$326,027,200	\$1,110,548,050	29%
Grand Rapids	11,435	\$726,743,826	\$226,574,100	\$953,317,926	24%
Hutchinson	14,146	\$807,736,000	\$265,094,300	\$1,072,830,300	25%
Marshall	13,799	\$901,159,942	466,807,100	1,367,967,042	34%
Monticello	13,409	\$1,749,839,800	\$205,373,700	\$1,955,213,500	11%
Willmar	19,891	\$1,012,804,407	\$348,238,800	\$1,361,043,207	26%

City of Alexandria Exempt Property By Type

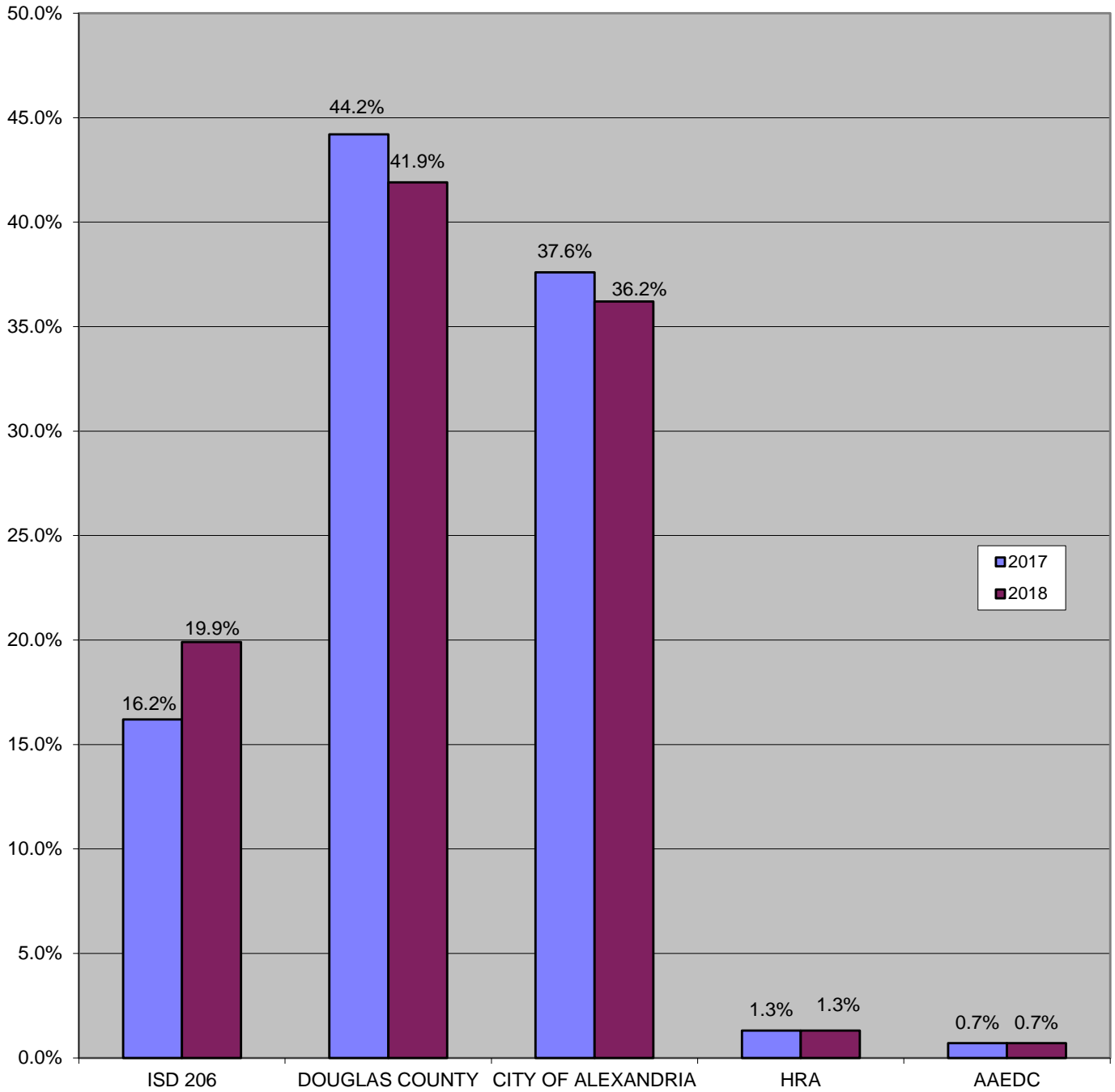
Owner	% of total exempt value
Schools	41%
County	19%
Churches	13%
City	10%
Charitable organizations	5%
Other	12%

TAX DOLLAR LEVIES



* Includes levy for County HRA

TAX DOLLAR DISTRIBUTION-RESIDENTIAL



TAX DOLLAR DISTRIBUTION-COMMERCIAL/INDUSTRIAL

