

# 2022 Assessing Department Budget - Discussion Document

## Introduction

The Assessing Department directs and manages the valuation and classification of all real property in the City, consistent with Minnesota Statutes and acceptable assessment practices with the goal of excellence in accuracy, transparency, and efficiency through the following initiatives:

- ✓ Physically inspecting all properties in the city.
- ✓ Setting values for all properties in the city on an annual basis.
- ✓ Responding to inquiries from members of the public about property values, taxes, and the property tax system.

## PBB Inventory & Costing Estimate

Program	hrs/yr	%
Inquiries and assistance	300	14%
New construction review	80	4%
Parcel records maintenance	940	45%
Parcel viewing	360	17%
Sales analysis	240	11%
Special programs administration	120	6%
Training	40	2%
<b>Total</b>	<b>2,080</b>	<b>100%</b>



The following includes some of the activities within each program element noted in the PBB estimate table above:

**Inquiries and assistance:** Answer questions from the general public, private appraisers, realtors, and/or City employees regarding ownership, property characteristics, assessment laws, property classification and the valuation process (both verbally and in report form) and develop tax estimates.

**New construction review:** Review building permits, inspect new construction to establish valuations for tax purposes.

**Parcel records maintenance:** Record annual valuation changes, review classifications, electronically transmit information to CAMA system and proofread records for accuracy.

**Parcel viewing:** View, physically inspect, measure and value parcels of property in accordance with a five year viewing plan and as otherwise necessary.

**Sales analysis:** Analyze, compare, and maintain current sales data on all classes of property for support of the assessment, prepare and analyze sales ratio reports and neighborhood trends and annually adjust valuations accordingly to assure a uniform and equalized assessment.

**Special programs administration:** send out, collect, review, and process applications for various special programs, especially the homestead program.

**Training:** Attend training to obtain continuing education hours required to maintain licensure, to enhance existing knowledge and acquire new.

The only non-personnel budget change being requested for 2022 is to increase the Training/Travel Expense line item by \$500, from \$2,380 to \$2,880 and the Dues & Subscriptions line item by \$700, from \$1,500 to \$2,200. The reason for these increases is that Amy will continue to maintain her assessing license (with required continuing education hours) in addition to the continuing education required for Reed and Shelly to maintain their licenses. We will also maintain Amy's membership in the MN Association of Assessing Officers in order to qualify for discounted education for her. Finally, I expect that Shelly will be more involved in professional organizations and professional development than Amy was, e.g., Shelly is a member of the International Association of Assessing Officers (IAAO), so those dues will be a new expense for us. (I am a member of IAAO as well, but Amy never was.)

Over the last several budget cycles, we have had a discussion about the staffing needs of the Assessing Department. The Department currently has two full-time positions—City Assessor and Assistant City Assessor—which has been the case for at least the last 40 years. Over that same 40 year period, the City of Alexandria has experienced significant growth, especially with the implementation of the Orderly Annexation Agreement with Alexandria Township, beginning in 2003. The city had 4,363 unique tax parcels in assessment year 2002. Annexation and natural growth increased that number to 4,818 for assessment year 2003 (Phase I annexation), 5,338 for 2006 (Phase II), 6,084 for 2009 (Phase III), and 6,647 for 2012 (Phase IV). As of the most current assessment year, 2020, there are 6,828 parcels in the city.

The Assessing Department has kept pace with the additional workload related to this increase in parcels due to several factors:

- Some of the annexation parcels—particularly in Phase II—have been vacant land, which do not require the same amount of assessing resources;
- New technology, including improvements in the computer system used to manage parcel data, improved aerial photography, and using iPads in the field; and
- Improvements in processes used to manage parcel records, most notably eliminating paper records in favor of electronic record storage and maintenance.

As the number of parcels continues to grow and the Minnesota property tax law continues to add programs and complexity, however, we will continue to evaluate the staffing levels in the department. After Amy Riedel left the Assessing Department, we were fortunate to be able to fill her former position by hiring Shelly Gelo as the Assistant City Assessor. Shelly began employment as the Assistant City Assessor on October 26, 2020. She comes to the city with over 17 years of assessing experience in the City of Minnetonka and has already made a significant contribution in helping with

the workload in the department. I know Shelly will provide even more assistance as she becomes familiar with our computer system and the local markets. It is also plan my plan to keep exploring options for additional part-time or shared staffing assistance that will enable us to provide information and support in the most accurate, timely, and efficient manner possible. Support that will remain valuable as the City of Alexandria continues to grow and develop.

### Budget Activity 2019-Proposed 2022

GL Number	Description	2019 Budget	2019 Activity	2020 Budget	2020 Activity	2021 Budget	2021 Activity (as of 6/7/21)	2022 Dept Requested	2021/22 Change
101-41550-50101	FULL-TIME EMPLOYEES REGULAR	\$ 140,250	\$ 141,531	\$ 147,219	\$ 130,097	\$ 169,929	\$ 65,079	\$ 153,691	-9.6%
101-41550-50102	FULL-TIME EMPLOYEES OVERTIME	\$ 500	\$ 61	\$ 250	\$ 1,081	\$ 250	\$ -	\$ 250	0.0%
101-41550-50104	TEMPORARY EMPLOYEES REGULAR								
101-41550-50121	PERA	\$ 10,700	\$ 10,700	\$ 11,041	\$ 9,838	\$ 11,384	\$ 4,881	\$ 11,527	1.3%
101-41550-50122	FICA	\$ 11,000	\$ 9,820	\$ 11,262	\$ 9,179	\$ 13,000	\$ 4,594	\$ 11,757	-9.6%
101-41550-50131	EMPLOYER PAID HEALTH	\$ 25,668	\$ 25,650	\$ 24,287	\$ 21,651	\$ 23,674	\$ 11,596	\$ 26,694	12.8%
101-41550-50133	EMPLOYER PAID LIFE	\$ 140	\$ 134	\$ 134	\$ 114	\$ 157	\$ 56	\$ 134	-14.6%
101-41550-50211	GENERAL SUPPLIES	\$ 200	\$ 107	\$ 200	\$ 256	\$ 200	\$ (3)	\$ 200	0.0%
101-41550-50331	TRAINING/TRAVEL EXPENSE	\$ 2,380	\$ 1,609	\$ 2,380	\$ 45	\$ 2,380	\$ 215	\$ 2,880	21.0%
101-41550-50430	MISCELLANEOUS	\$ 200	\$ 48	\$ 200	\$ 6	\$ 200	\$ -	\$ 200	0.0%
101-41550-50433	DUES AND SUBSCRIPTIONS	\$ 1,000	\$ 1,807	\$ 1,500	\$ 2,224	\$ 1,500	\$ 1,030	\$ 2,200	46.7%
101-41550-50447	CLOTHING-UNIFORMS	\$ 200		\$ 200		\$ 200	\$ 104	\$ 200	0.0%