

# 2023 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	600	14%
New construction review	160	4%
Parcel records maintenance	1880	45%
Parcel viewing	720	17%
Sales analysis	480	12%
Special programs administration	240	6%
Training	80	2%
<b>Total</b>	<b>4,160</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 staffing needs of the Assessing Department are always a topic of discussion when we have our budget review. The last number of years, that discussion has focused on the current staffing level and the workload of the Department. There is an added wrinkle this year in that the Assistant City position is currently vacant, following Shelly Gelo's transfer to the Finance Department. The Department traditionally has had two full-time positions—City Assessor and Assistant City Assessor. That 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, 2022, there are 6,807 parcels in the city. Of those 6,807 parcels, approximately 5,750 (84%) are improved with a structure valued at more than \$1,000. Such improved parcels require more time and attention when maintaining assessment records.

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. It has always been my plan to keep exploring options for additional part-time or shared staffing assistance. Over the last two years, there has been mixed progress on that issue, mainly due to staff turnover.

When Amy Riedel left the Assessing Department after 14 years, we were fortunate to be able to fill her former position by hiring Shelly Gelo as the Assistant City Assessor. Shelly came to the city with over 17 years of assessing experience and was able to make an immediate and significant contribution in helping with the workload in the department. We are fortunate the both Amy and Shelly are still employed by the City and available to share their knowledge and expertise with the

Assessing Department. Amy's help is especially invaluable at this time when we are short one full-time staff person. I anticipate that with this help from Amy, we will be able to meet our departmental work goals through the Summer. As we move into the busy Fall schedule and begin gearing up for the new assessment year, however, it will be critical that we fill the vacant Assistant City Assessor position. I am also hopeful that we will be able to continue drawing on Amy's assessing experience to help provide the shared clerical staffing assistance that we need and have discussed for several years. I believe those two key pieces 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 2020-Proposed 2023**

GL Number	Description	2020 Budget	2020 Activity	2021 Budget	2021 Activity	2022 Budget	2022	2023 Dept Requested	2022/23 Change
							Activity (as of 6/27/22)		
101-41550-50101	FULL-TIME EMPLOYEES REGULAR	\$ 141,531	\$ 147,219	\$ 130,097	\$ 169,929	\$ 169,929	\$ 73,742	\$ 169,929	0.0%
101-41550-50102	FULL-TIME EMPLOYEES OVERTIME	\$ 61	\$ 250	\$ 1,081	\$ 250	\$ 250	\$ -	\$ 250	0.0%
101-41550-50104	TEMPORARY EMPLOYEES REGULAR								
101-41550-50121	PERA	\$ 10,700	\$ 11,041	\$ 9,838	\$ 11,384	\$ 11,384	\$ 5,531	\$ 11,384	0.0%
101-41550-50122	FICA	\$ 9,820	\$ 11,262	\$ 9,179	\$ 13,000	\$ 13,000	\$ 5,164	\$ 13,000	0.0%
101-41550-50131	EMPLOYER PAID HEALTH	\$ 25,650	\$ 24,287	\$ 21,651	\$ 23,674	\$ 23,674	\$ 11,648	\$ 23,674	0.0%
101-41550-50133	EMPLOYER PAID LIFE	\$ 134	\$ 134	\$ 114	\$ 157	\$ 157	\$ 61	\$ 157	0.0%
101-41550-50211	GENERAL SUPPLIES	\$ 107	\$ 200	\$ 256	\$ 200	\$ 200	\$ -	\$ 200	0.0%
101-41550-50331	TRAINING/TRAVEL EXPENSE	\$ 1,609	\$ 2,380	\$ 45	\$ 2,380	\$ 2,380	\$ 952	\$ 2,380	0.0%
101-41550-50430	MISCELLANEOUS	\$ 48	\$ 200	\$ 6	\$ 200	\$ 200	\$ -	\$ 200	0.0%
101-41550-50433	DUES AND SUBSCRIPTIONS	\$ 1,807	\$ 1,500	\$ 2,224	\$ 1,500	\$ 2,200	\$ 1,102	\$ 2,200	0.0%
101-41550-50447	CLOTHING-UNIFORMS		\$ 200		\$ 200	\$ 200	\$ -	\$ 200	0.0%