



**CITY OF
MANDAN**

"WHERE THE WEST BEGINS"

City of Mandan City Board of Equalization

April 15, 2014

7:00 PM

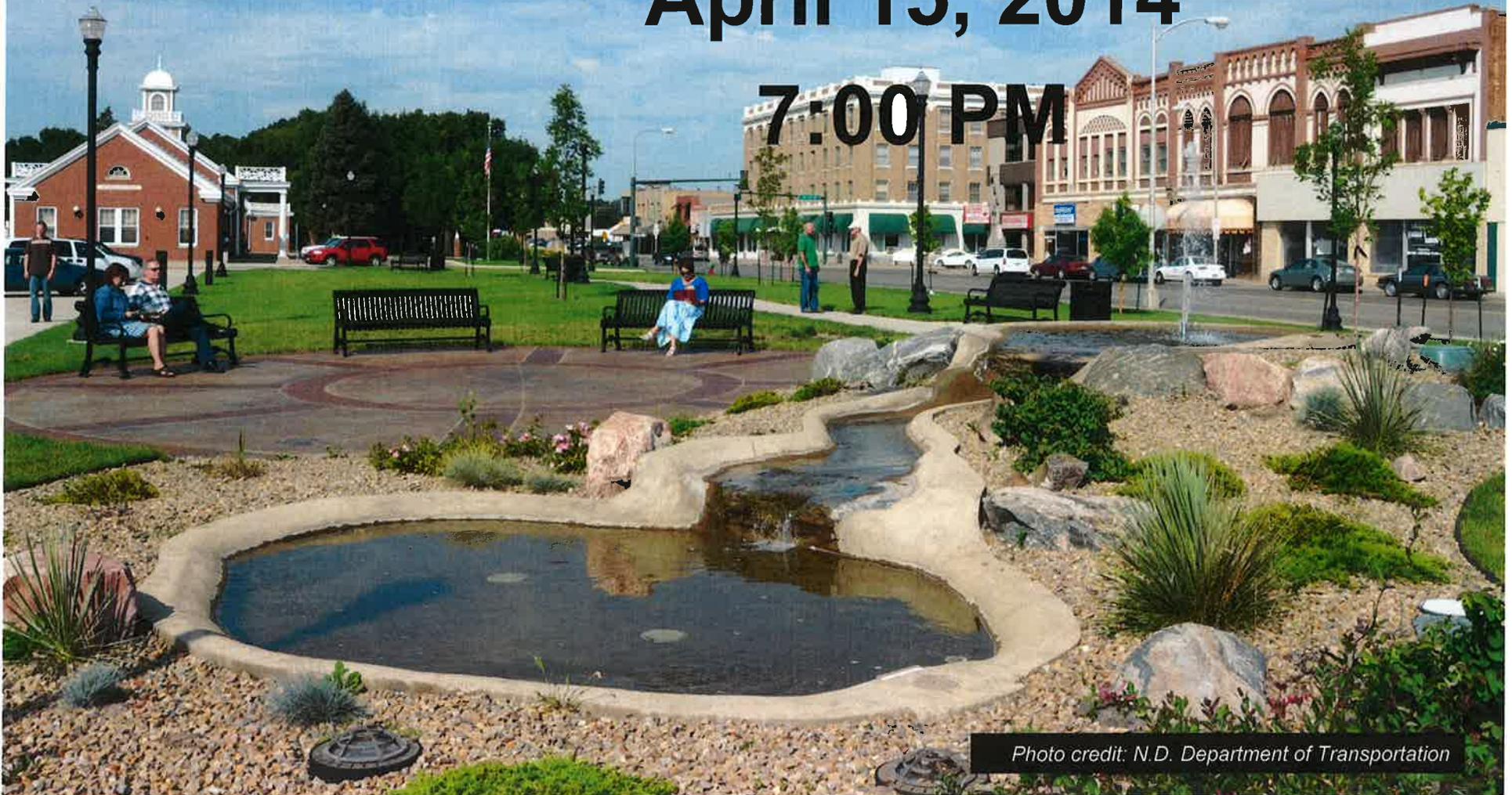


Photo credit: N.D. Department of Transportation



TO: MAYOR VAN BEEK & MANDAN CITY COMMISSIONERS
FROM: SHIRLEY SHAW, CITY ASSESSOR
DATE: APRIL 15, 2014
SUBJECT: 2014 ANNUAL ASSESSMENT REPORT

This 2014 annual report of the Mandan Assessing Division is a summary of the 2014 assessment roll and a review of what has occurred in terms of real estate value and appraisal activity of this division through December 2013. Procedures of assessment and appraisal are conducted under guidance from the North Dakota Tax Commissioner's Office, the North Dakota Century Code and nationally recognized standards of mass appraisal of real property. North Dakota law requires assessors to value or appraise property at true and full value as of February 1 of each year. This amount can also be referred to as market value. Basically, it is the value most people would likely pay for a given property in its present condition. Assessors apply mass appraisal techniques. The Assessing Department is responsible for determining the true and full value of each tract of real property subject to taxation and all taxable improvements and structures located on it. The assessing department maintains all property records for each parcel within our jurisdiction. This condensed report is a summary of the final assessment roll. Any changes in value that the Local, County or State Boards of Equalization may make will be reflected in the final assessment.

The 2014 assessment roll total market value after exemptions is **\$1,267,394,414**. This is an increase from the 2013 assessment roll total of **\$154,219,463**. or **11.38 %**. Of this increase, new construction contributed **\$94,092,540**; North Annexation contributed **\$4,910,800**. An extensive review of existing properties indicated that an update in market values was needed to accurately reflect Mandan's increasing market, that average increase for residential properties was **9%**. To comply with North Dakota State Tax Department guidelines, and the State Board of Equalization 2013 recommendation that the City of Mandan reappraise all vacant land and equalize improved commercial properties for 2014, the review indicated that existing vacant lots saw an average increase of **15%**, and existing commercial properties saw an average increase of **3%**. Adjustments have been made on individual properties within all classes of real estate.

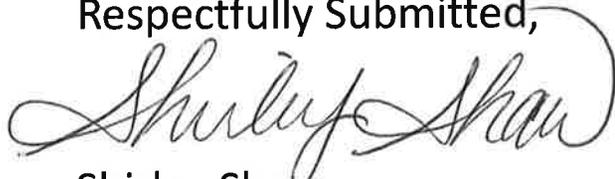
Our office sent out 1,079 notices of increase this year, and of those we had 21 phone calls. The City of Mandan has a total parcel count of 8,624.

As your new city assessor, I would like to take this opportunity to acknowledge our assessing staff, and extend my gratitude to them for the hard work they do. Jon Benz has been with our office for 26 years, he is an Assessor/Building & Plumbing Inspector. George Railsback has been with our office for 11 years, he is an Assessor/Building Inspector. Steve Roe has been with our office for 1 ½ years, he is an Assessor/Building & Plumbing Inspector. Rachel Hastings has been with our office for 1 ½ years, she is our Administrative Assistant & Data Collector.

The assessing department was able to implement our new assessing program; Vanguard's appraisal CAMAvision software.

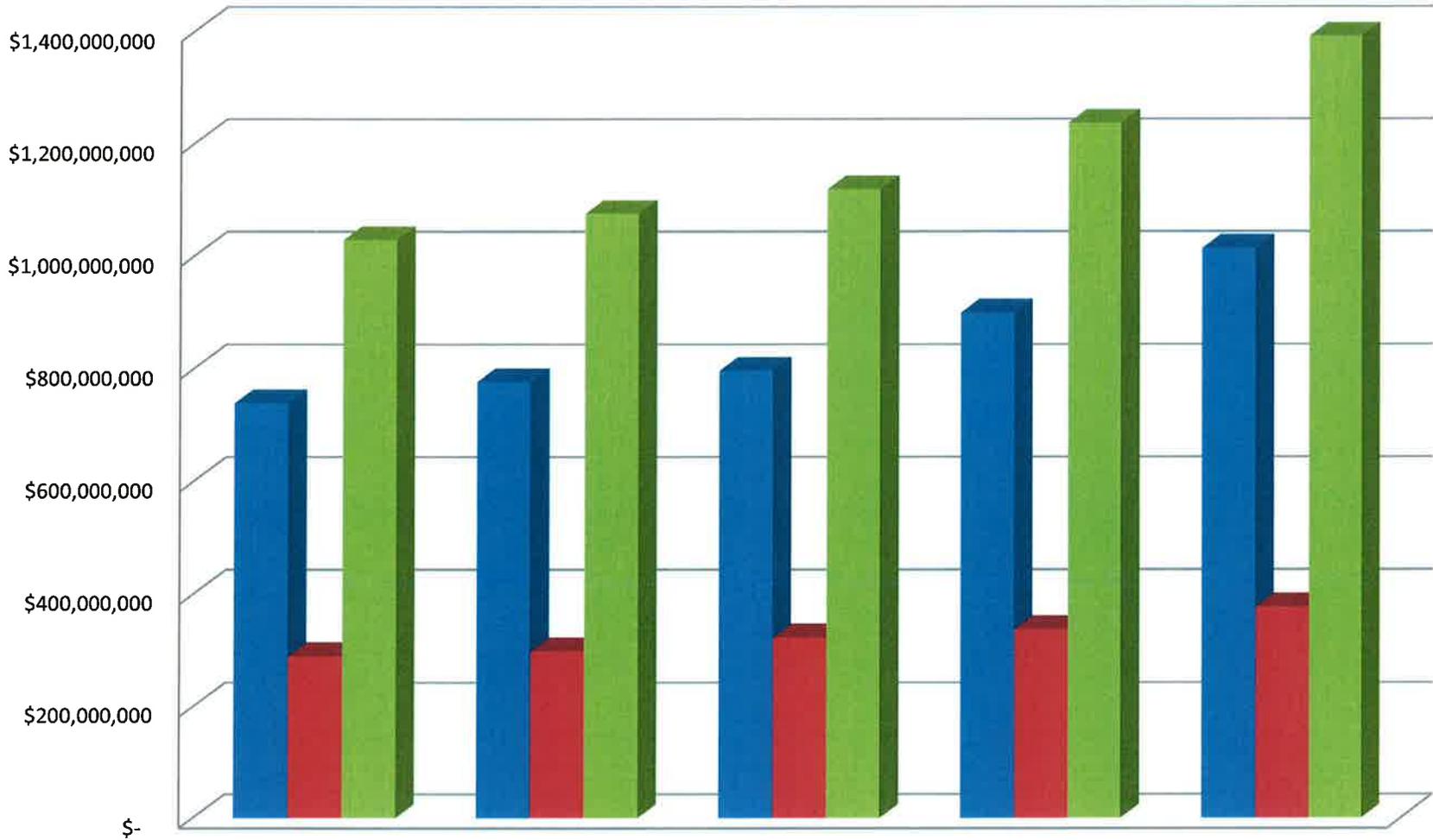
The Mandan Assessing Division respectfully recommends that the assessment roll be approved as submitted. Should anyone appear before the Board to protest an assessment in the 2014 report, the Mandan Assessing Division will employ the abatement process pursuant to the State law.

Respectfully Submitted,

A handwritten signature in cursive script, reading "Shirley Shaw". The signature is written in black ink and is positioned to the left of the typed name.

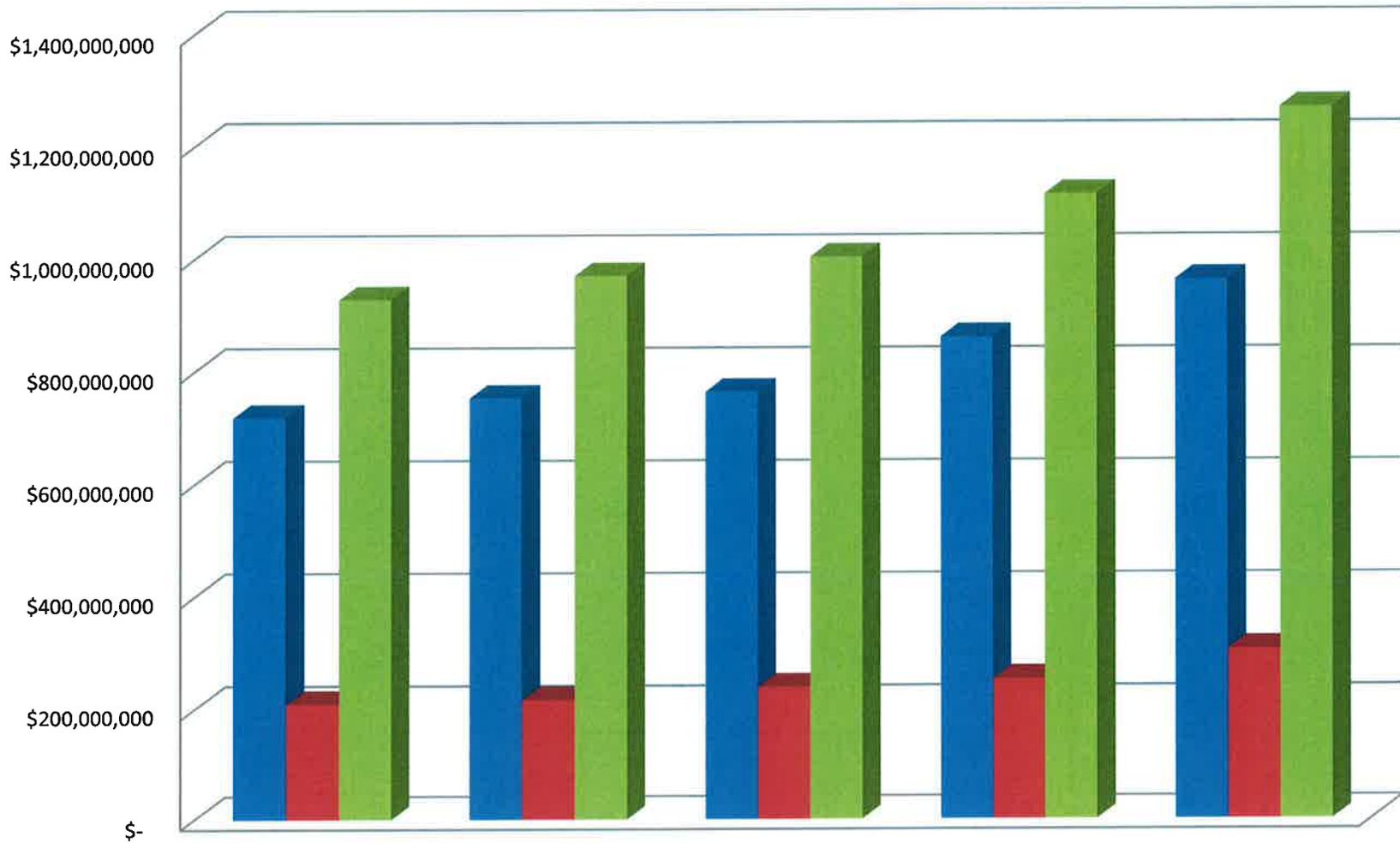
Shirley Shaw
City Assessor
City of Mandan

True and Full Values before Exemptions



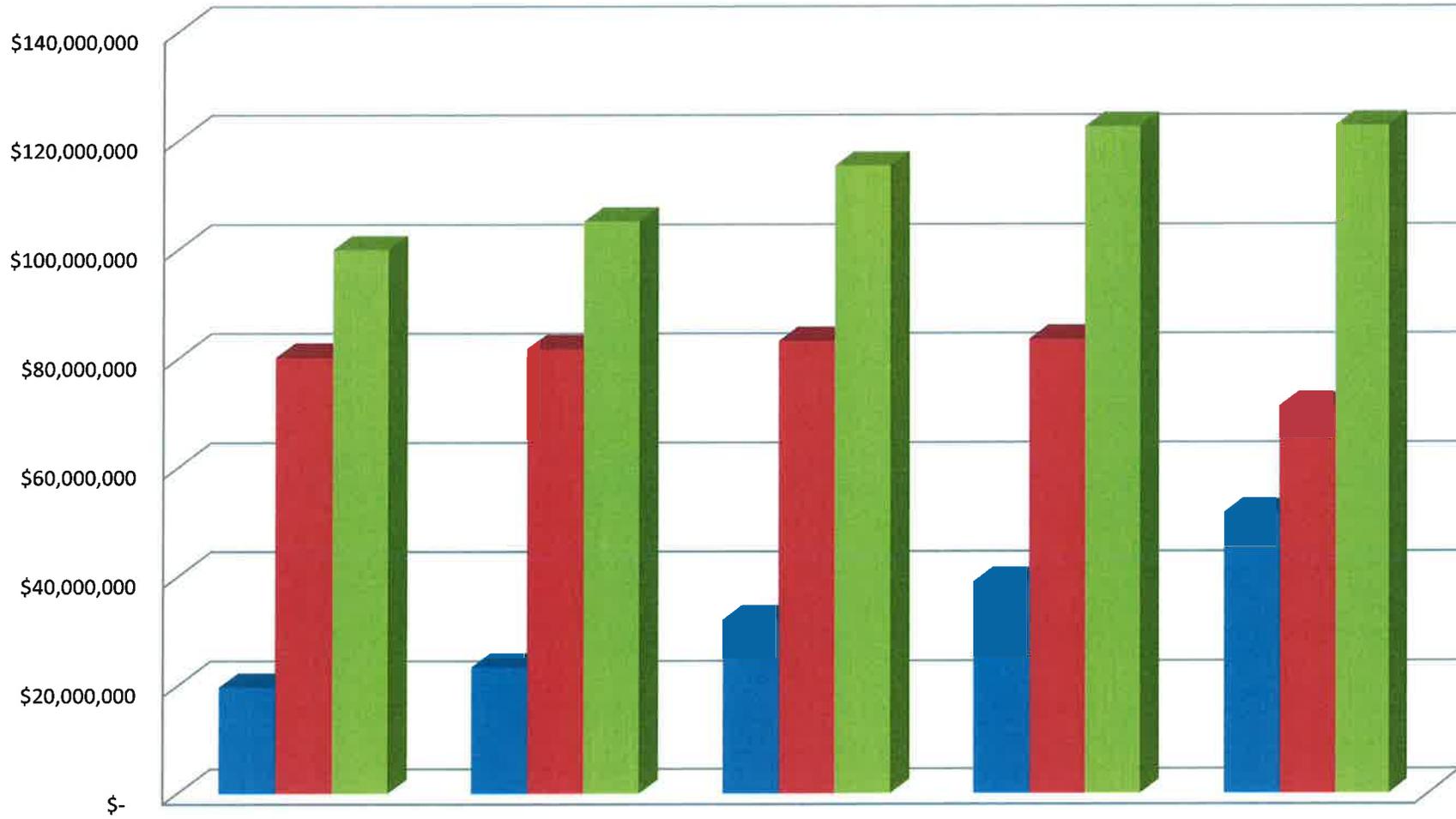
	2010	2011	2012	2013	2014
Residential	\$738,167,170	\$776,147,968	\$795,503,475	\$898,817,115	\$1,013,054,650
Commercial	\$289,828,330	\$298,387,332	\$322,253,725	\$336,803,585	\$376,996,433
Total	\$1,027,995,500	\$1,074,535,300	\$1,117,757,200	\$1,235,620,700	\$1,390,051,083

True and Full Values after Exemptions



	2010	2011	2012	2013	2014
Residential	\$718,430,500	\$752,737,381	\$763,368,602	\$859,822,595	\$961,463,414
Commercial	\$209,645,579	\$216,687,653	\$239,089,218	\$253,352,356	\$305,931,000
Total	\$928,076,079	\$969,425,034	\$1,002,457,820	\$1,113,174,951	\$1,267,394,414

Exempted Values



	2010	2011	2012	2013	2014
■ Residential	\$19,736,670	\$23,410,587	\$32,134,873	\$38,994,520	\$51,591,236
■ Commercial	\$80,182,751	\$81,699,679	\$83,164,507	\$83,451,229	\$71,065,433
■ Total	\$99,919,421	\$105,110,266	\$115,299,380	\$122,445,749	\$122,656,669

PROPERTY EXEMPTIONS OFFERED IN CITY OF MANDAN
EXEMPTIONS CLAIMED PURSUANT TO ONE OF THE SECTIONS OF THE
NORTH DAKOTA CENTURY CODE

AN EXEMPTION IS A REDUCTION IN VALUE OF A PROPERTY, AUTHORIZED BY LAW, AND MAY BE DISCRETIONARY (AT THE DISCRETION OF THE LOCAL GOVERNING BODY) OR NON-DISCRETIONARY (REQUIRED BY LAW). AFFECTED POLITICAL SUBDIVISIONS FOREGO TAXES THAT WOULD OTHERWISE HAVE BEEN LEVIED ON THE EXEMPT PROPERTY.

Non-Discretionary Exemptions: (Absolute Exemption: absolutely exempt from all process, levy or sale: NDCC 28-22-02 & 40-01-07)

- Public Hospital
- Churches
- Cemeteries
- Nursing Home
- Non Profit Lodges/Organizations
- Public Schools
- City/County/State owned property
- Utilities & Northern Pacific

Total of Fully Exempt Properties: 830

Total Market Value: \$80,489,900

Discretionary Exemptions: (Left to or regulated by one's own discretion or judgment. Voted on & approved by City Commission as offered to the public. NDCC 57-02)

- New & Expanding Business
- Commercial Remodeling
- Residential Remodeling
- Renaissance Zone
- 2 year New Home Construction
- Blind
- Wheelchair

Total: 246

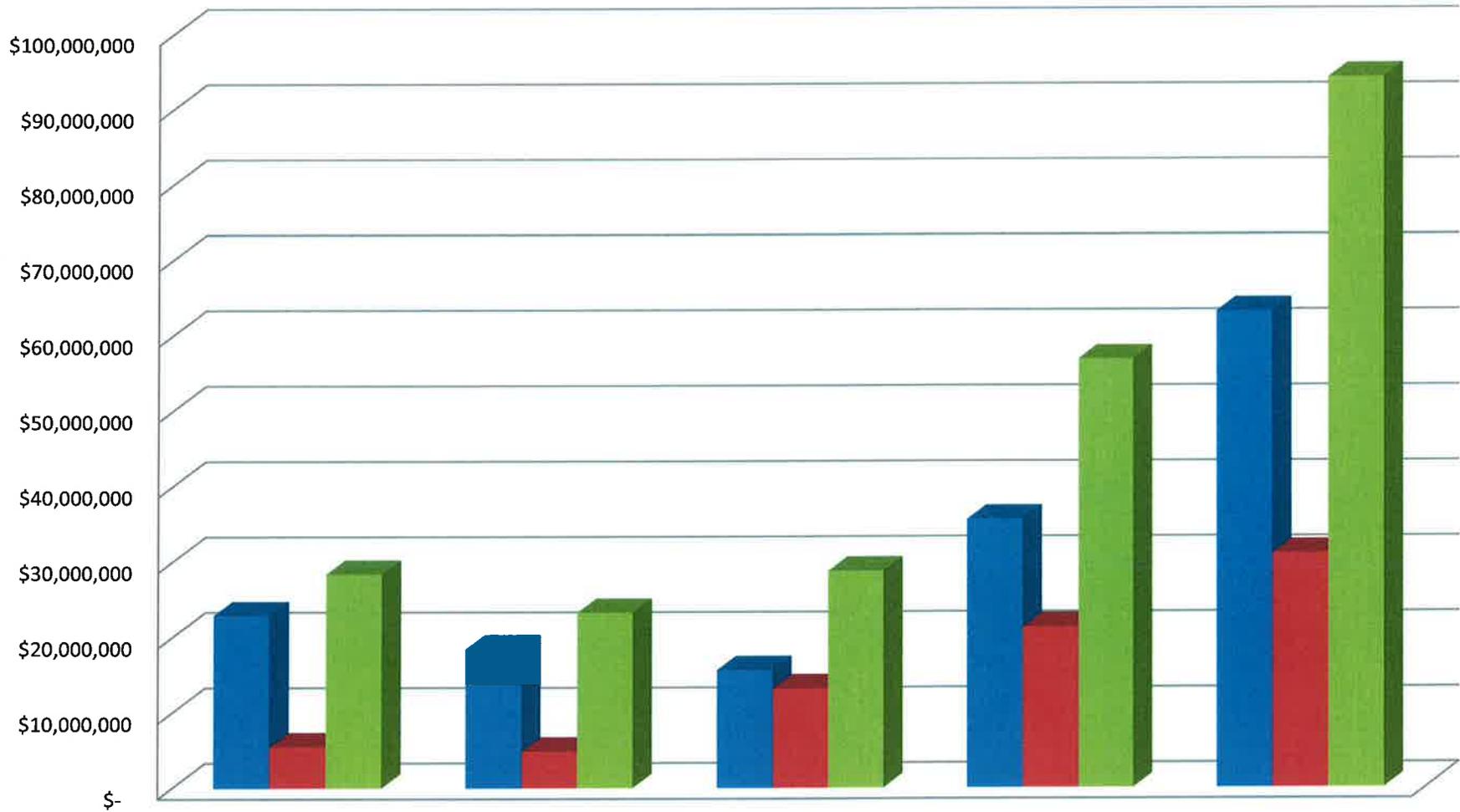
Total Market Value: \$42,166,769

2014 BUSINESS EXEMPTIONS

City ID	Address	Business	Land Value	Structure Value	Exempted Amt	Yr Comes Off
37	600 Meadow Ridge Lp NW	Jessara Properties, LLC	\$ 267,900	\$ 969,300	\$ 969,300	2014
2691	2916 34th St NW	RBros Developers, LLC	\$ 199,800	\$ 776,800	\$ 776,800	2018
7568	1000 Old Red Trail NW	Terra Vallee, LLP II	\$ 1,825,800	\$ 8,986,900	\$ 8,986,900	2015
2686 A	2901 37th St NW	RBros Developers, LLC	\$ 125,300	\$ 1,112,500	\$ 1,112,500	2018
3263	113 3rd Ave Nw	Commercial Properties	\$ 69,000	\$ 265,700	\$ 265,700	2018
3254	308 West Main	Harvest, LLC	\$ 29,300	\$ 133,500	\$ 133,500	2017
9703	4101 30th Ave NW	3C Construction, LLC	\$ 347,300	\$ 461,100	\$ 461,100	2015
3251	300 W Main	Larry Goetzfridt	\$ 16,500	\$ 71,900	\$ 71,900	2018
10118	2801 39th Ave SE	Lakewood Landing	\$ 374,400	\$ 4,820,100	\$ 4,820,100	2018
6408	4401 21st St SE	Edgewood Vista	\$ 427,200	\$ 4,984,700	\$ 4,984,700	2018
10692	2522 Memorial Hwy	Remmesmo Family	\$ 343,900	\$ 1,963,800	\$ 579,100	2016
1183	1006 E Main St	Railway Credit Union	\$ 121,000	\$ 687,200	\$ 687,200	2017
9604	2701 46th Ave SE	Bayside, LLC	\$ 211,500	\$ 652,500	\$ 652,500	2018
1483	3801 Memorial Hwy	Kevin Ressler	\$ 74,900	\$ 504,000	\$ 90,000	2017
9880-B	4610 21st St SE	Diversity Homes	\$ 50,500	\$ 379,700	\$ 379,700	2017
10100 S	150 Riverwood Ave SE	McFarland Properties	\$ 128,000	\$ 458,600	\$ 458,600	2018

- 2 Credits offered: Reimbursed by the State
- Homestead Credit (203 active applicants)
- Disabled Veteran (50% or greater disabled) (95 active applicants)

New Construction Values



	2010	2011	2012	2013	2014
■ Residential	\$22,878,500	\$18,372,947	\$15,577,600	\$35,531,860	\$63,075,800
■ Commercial	\$5,465,200	\$4,854,700	\$13,149,000	\$21,255,200	\$31,016,740
■ Total	\$28,343,700	\$23,227,647	\$28,726,600	\$56,787,060	\$94,092,540

NEW CONSTRUCTION INCREASES BREAKDOWN 2014

- COMMERCIAL PROPERTY

<u>LAND:</u>	\$8,779,440
<u>STRUCTURES:</u>	\$22,237,300
<u>TOTAL:</u>	\$31,016,740

- RESIDENTIAL PROPERTY

<u>LAND:</u>	\$8,413,900
<u>STRUCTURES:</u>	\$54,661,900
<u>TOTALS:</u>	\$63,075,800

2014 COMPLETED EXEMPTIONS/NEW VALUES ADDED TO CITY OF MANDAN

- **2 YEAR NEW HOME CONSTRUCTION EXEMPTION:**

TOTAL: 61

STRUCTURAL VALUE ADDED: \$4,575,000

- **RENAISSANCE ZONE EXEMPTION:**

TOTAL: 9

STRUCTURAL VALUE ADDED: \$3,032,400

- **NEW BUSINESS EXEMPTION:**

TOTAL: 3

STRUCTURAL VALUE ADDED: \$2,444,300

New Subdivisions for Mandan 2013

Building Permits Issued 2013

Single Family Dwelling:	162
Condominiums:	44
Townhouse:	77
Residential Remodels:	139
Garages:	62
Sheds:	44
Apartment Bldgs.:	8
New Commercial Bldgs.:	18
Commercial Remodel:	35
New Mobile Homes:	12
Decks:	76
Signs:	43
Utility Permits:	273
Gas Permits:	320
Plumbing Permits:	495
Fireplace permits:	68
Miscellaneous Permits:	23
Total Permits Issued:	1,899

- Living Water Addition
- Mandan Industrial Park 8th Addition
- Titan Subdivision
- Plainview Heights 14th Addition
- Riverwood Commercial Park 3rd
- Macedonia Hills 1st Addition
- Replat of Lot 10B Block 2 Lakewood 6th Addition
- Meadow Ridge 2nd Addition
- Meadow Ridge 3rd Addition
- River Garden Addition
- Replat Lot 3 Block 1 Lakewood Commercial Park 2nd
- Heart Ridge Replat of Lots 27, 28 & 29 Block 1
- Replat Lots 2B, #a1, 3A2 & 3B of Lot 3 Block 2 Lakewood Commercial Park
- Midway 14th Addition
- Addie's Acres
- School District 6th Addition
- Meadow's 7th Addition
- Replat of Lots 4B & 5 Block 3 Lakewood Commercial Park 3rd
- Southbay Townhomes Addition
- Keidels South Heart Terrace 3rd Addition
- Big Sky Estates 4th Addition
- Replat of Lots 1-4 & 2A Block 3 Lakewood Commercial Park 3rd
- Eagle Ridge 1st Addition
- Zachmeier Subdivision (North Annexation)
- Hatzenbeler Estates (North Annexation)
- Kraft Subdivision (North Annexation)
- Pioneer Industrial (North Annexation)
- 28 Vogel's 1st Addition (North Annexation)
- Del's Estates (North Annexation)
- Zachmeiers 3rd (North Annexation)
- Vogel's 2nd Addition (North Annexation)

- **57-01-06.1. Statement of legislative Intent concerning use of sales, market, and productivity studies.**

It is the intent of the legislative assembly that local assessors, county directors of tax equalization, and city, township, county, and state boards of equalization use the results of sales, market, and productivity studies as a guide in making assessments and in equalizing assessments of property in this state. The legislative assembly recognizes that sales of property alone provide insufficient information to make accurate judgments concerning the market value of property within the various counties of this state, particularly in view of the limited number of sales which occur within a given period of time in many counties, and that, in order to get an accurate picture of market value, consideration must be given to such factors as property appraisals, productivity, and current usage of property.

- North Dakota law requires assessors to value, or appraise property at true and full value as of February 1 of each year. This amount can also be referred to as market value. Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.
- Each property's share of the property tax is based on the assessor's value. Although the work of the assessor doesn't determine the total amount of taxes paid, it does affect the uniform distribution of the property tax burden.
- **North Dakota Century Code § 11-18-02.2**, provides for statements of full consideration to be filed with either the state board of equalization or the county recorder. The purpose of the statements of full consideration is to provide information for the Assessment Sales Ratio Study (ASRS) which is done annually. The ASRS consists of comparisons of the assessment to the sale price of property in the year which the property sold. The ASRS for the current year reflects sales prices and assessments during last year, referred to as the base period. The ASRS, Assessment Abstract and the Supplementary Abstract form the basis by which the state board of equalization performs its equalization duties prescribed by law.
- **Use of the Sales Ratio Study for Mass Appraisal Performance Analysis** N.D.C.C. § 57-02-27.1 : N.D.C.C. § 57-01-06
- The sales ratio study is intended to be a tool assessment officials may use to measure and evaluate their assessments. Assessment officials should examine what the statistics are indicating, and correct valuations that do not represent market value and are inequitable. It is improper for assessment officials to change assessments of property that sell to the indicated sale price without reviewing assessments of other similar properties that have not sold. By changing assessments of only the properties that sell, assessment officials create inequities instead of correcting them. The State Board Of Equalization lowered the tolerance level for 2012 agricultural, residential, and commercial property assessments from 95 to 100 percent of true and full value down to 90 to 100 percent for counties and the major cities. The main reasons for lowering the tolerance level were the significant increases in agricultural land values statewide and the increases in residential and commercial property assessments, with most of the significant increases taking place in the western part of the state. Even though we have lower tolerance levels, SBOE encourages assessors to work on getting assessments as closer to 100% of T&F values as required by statute.

STATE OF NORTH DAKOTA
OFFICE OF STATE TAX COMMISSIONER

2013 - 2014 RATIO ADJUSTMENT WORKSHEET

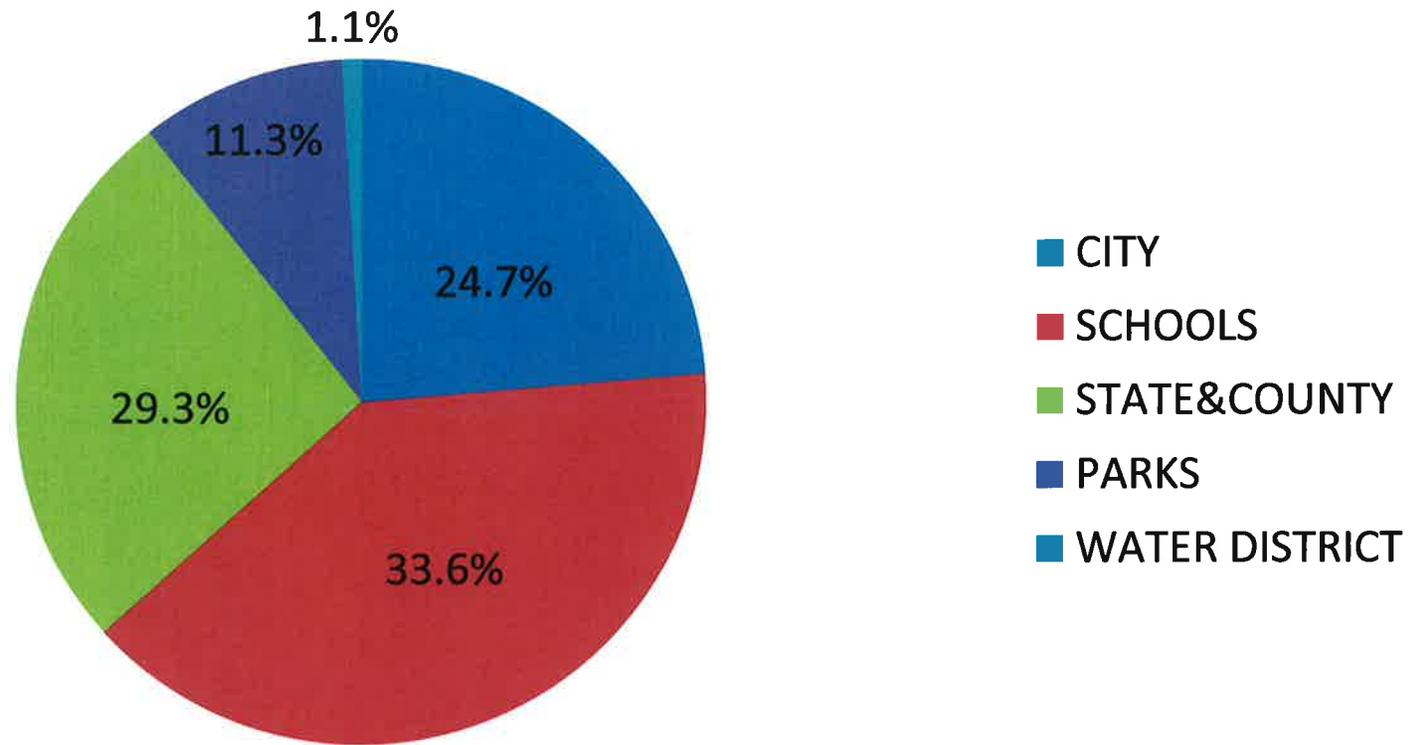
COUNTY OR CITY: MANDAN

	COMMERCIAL		RESIDENTIAL	
	2013	2014	2013	2014
1. TRUE AND FULL VALUE	251,622,200	305,931,000	862,895,035	965,600,914
2. SUPPLEMENTARY ABSTRACT 2013 INCREASES		31,790,040		67,213,300
3. 2013 DECREASES	7,794,250		4,975,800	
4. ADJUSTED TRUE AND FULL VALUE LINE 1 MINUS LINE 2 OR LINE 3	243,827,950	274,140,960	857,919,235	898,387,614
5. 2013 T&F/SALES RATIO	85.2 %		87.4 %	
6. INDICATED MARKET VALUE 2013 LINE 4 / LINE 5	286,183,040		981,600,955	
7. 2014 T&F / MKT VAL RATIO 2014 LINE 4 / LINE 6		95.8 %		91.5 %
8. MKT VALUE MINUS 2014 T&F LINE 6 MINUS 2014 LINE 4		12,042,080		83,213,341
9. INDICATED CHANGES NEEDED TO REACH 100% VALUE LINE 8 / 2014 LINE 4		4 %		9 %

2013 REAL ESTATE PROPERTY TAX BREAKDOWN

"WHERE DO YOUR LOCAL PROPERTY TAXES GO?"

TAXES



2013 COMPARISON OF THE 12 LARGEST ND CITIES

<u>CITY</u>	<u>JULY 1, 2012</u>	<u>2013</u>	<u>2013 MILL LEVY</u>	
	<u>ESTIMATED POPULATION</u>	<u>TAXABLE VALUATION</u>	<u>CITY</u>	<u>TOTAL</u>
WILLISTON	18,532	\$85,848,776	39.55	185.42
DICKINSON	19,697	\$87,409,476	55.91	235.61
FARGO	109,779	\$360,271,576	57.25	325.71
BISMARCK	64,751	\$254,647,467	69.35	206.81
MINOT	43,746	\$190,733,335	76.05	249.16
MANDAN	18,978	\$51,346,602	81.78	331.16
WEST FARGO	27,478	\$88,770,277	89.11	337.93
VALLEY CITY	6,589	\$12,991,175	91.92	331.11
JAMESTOWN	15,323	\$30,528,629	98.20	367.82
DEVILS LAKE	7,231	\$13,001,525	101.77	343.34
GRAND FORKS	53,456	\$162,284,145	110.25	367.71
WAHPETON	7,800	\$14,598,928	123.60	413.13

For more information
Contact the Assessing office at
701-667-3232

www.cityofmandan.com