CITY BOARD OF EQUALIZATION

AGENDA

MANDAN CITY COMMISSION

APRIL 16, 2019

ED "BOSH" FROEHLICH MEETING ROOM,

MANDAN CITY HALL

7:00 P.M.

ROLL CALL: Roll call of City Commissioners.

CITY BOARD OF EQUALIZATION SUMMARY: Presentation of the City Board of Equalization documentation by the Mandan City Assessor.

OPEN FORUM: The public is invited to express any questions, comments or concerns at this time.

ADJOURN:

City of Mandan
City Board of Equalization
April 16, 2019
7:00 PM

Photo credit: N.D. Department of Transportation

TO: MAYOR HELBLING & CITY COMMISSIONERS
FROM: KIMBERLY MARKLEY, CITY ASSESSOR
DATE: APRIL 16, 2019
SUBJECT: 2019 ANNUAL ASSESSMENT REPORT

This is the 2019 Annual Assessment Report of the City Assessing Department and is a summary of the 2019 assessment roll. It will summarize what has happened in terms of real estate and appraisal activity of this department January 1 through December 2018.

The market value of taxable real property, property transfers, sales, new construction, expired exemptions and annexations are all combined to estimate a real property value tax base, to which the 2019 consolidated mill levy (not yet determined) will be applied.

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. Any changes in value that the Local, County or State Boards of Equalization may make will be reflected in the final assessment.

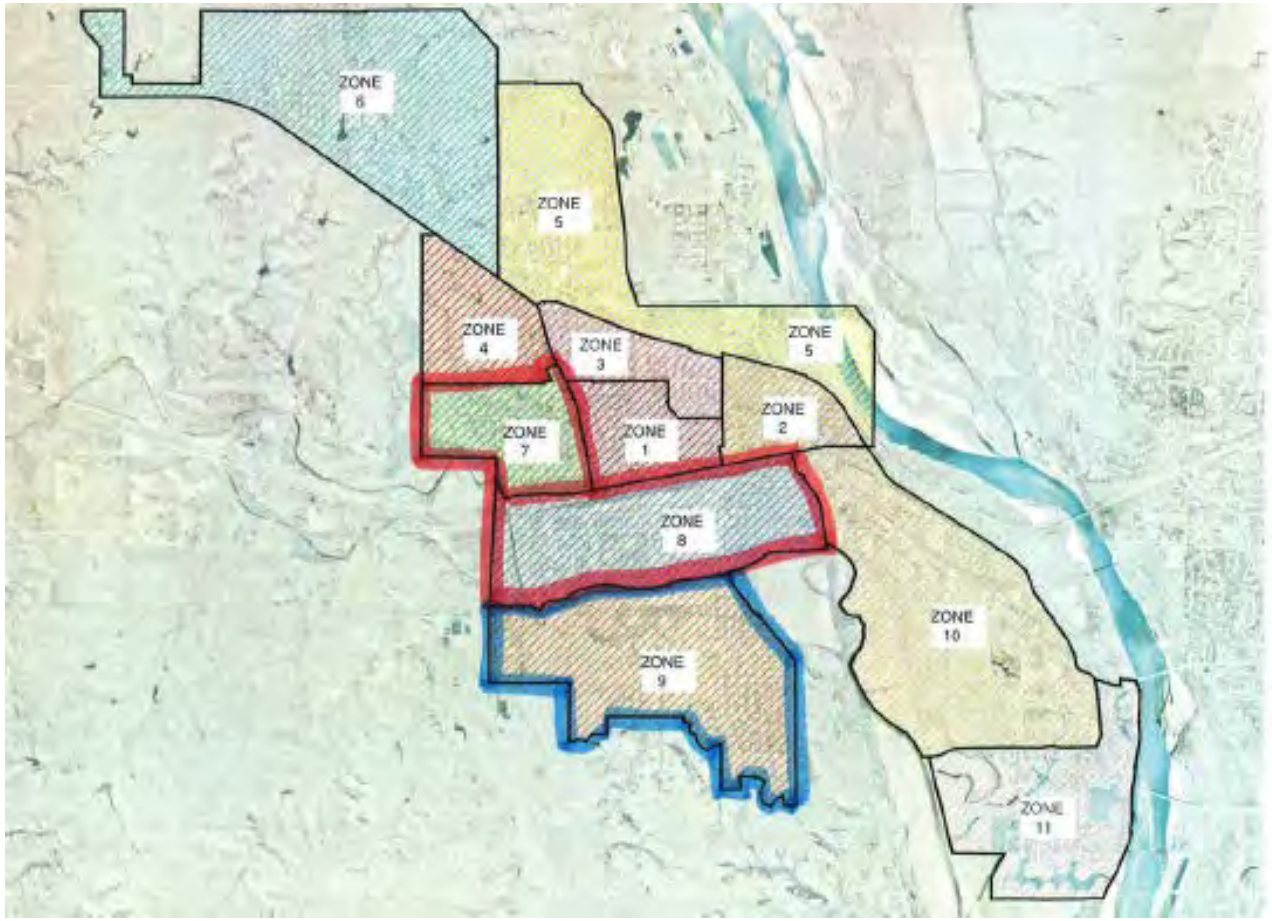
The City Assessing Department uses the cost approach in our mass appraisal for estimating values. Our valuation software also provides depreciation tables and replacement cost values. In addition, the software allows us to integrate the sales comparison approach to value. We are continually comparing assessments of properties with actual market sales from the same neighborhoods or similar neighborhoods.

All sales information collected by the City Assessing Department is analyzed throughout the year.

The City of Mandan has a total parcel count of 8,840 consisting of:

Residential = 6,582
Commercial = 779
Vacant Lots = 939
Exempt Parcels = 537
Ag Land = 3

In 2018 our staff started reviewing zones 7 & 8.
2019 we will complete 7 & 8 and
start reviewing zone 9.



2019 Sales Ratio Report

Mandan 2019 4/9/2019	COMMERCIAL		RESIDENTIAL	
	Prior Year 2018	Current Year 2019	Prior Year 2018	Current Year 2019
TRUE AND FULL VALUE	633,589,300	666,117,850	1,399,749,800	1,441,574,300
TRUE AND FULL VALUE MINUS VACANT LOT VALUE	633,589,300	666,117,850		
SUPPLEMENTARY ABSTRACT				
INCREASES		11,640,000		34,151,500
DECREASES	3,162,300		20,100	
ADJUSTED T&F VALUES	630,427,000	654,477,850	1,399,729,700	1,407,422,800
INDICATED T & F/SALES RATIO %	89.4%		93.1%	
INDICATED MARKET VALUE	705,175,615		1,503,469,066	
CURRENT T & F/MARKET VALUE RATIO %		92.8%		93.6%
MKT VALUE MINUS Current T & F		50,697,765		96,046,266
INDICATED CHANGE NEEDED TO				
REACH 100% VALUE		8%		7%

The 2019 assessment roll total market value $2,107,692,150.

This is an increase from the 2018 assessment roll total of $74,353,050 or 3.7%.

- Of this increase, new construction contributed $41,746,500 consisting of:
  - Residential = $30,995,600
  - Commercial = $10,750,900

RESIDENTIAL INCREASES

275 sales that took place in 2018 were used for determining the 2019 assessment year. No market increase for 2019.

Residential increased $41,824,500 or 3% overall

(new construction, remodel, exemption expired, zone review)

COMMERCIAL INCREASES

38 sales were used in the study that took place for the 2019 assessment year they included 2017 and 2018 commercial sales.

Commercial increased $32,528,550 or 5.1% overall

(These are overall totals and do not reflect any decreases for example; annexations, taxable to exempt).

Notices of Increase

Our office sent out 439 notices of increase this year (down from the previous year's 890 notices) consisting of:

New construction = 175
Lots-new plats filed = 122
Exemptions removed or reduced = 20
2 year new construction expired = 67
Remodeling & other adjustments = 55

Non-Discretionary Exemptions

(Are required by law NDCC 28-22-02 & 40-01-07)

- Public Hospitals
- Cemeteries
- Nursing Homes
- Non-Profit Organizations
- Public Schools
- City/County/State owned property (If properties are leased they are taxed)
- Blind Exemption
- Wheel Chair Exemption
- Churches
- Non Profit/Clubs

Discretionary Exemptions

(These are at the discretion of the local governing body/presented before the commission/offered to the public NDCC 57-02)

- 2 Year New Construction = 162
    - 2018 & 2019 = 64
    - 2019 & 2020 = 98
- 1 Year New Construction = 3
- Renaissance Zone/TIF = 13
- New Business Exemption = 4
- Residential Remodel Exemption = 1
- Commercial Remodel Exemption = 1
- Payments In Lieu Of Taxes = 1

Total = 185

Property Class

Residential = 74.49%

Commercial and Vacant Lots = 19.41%

Exempt = 6.07%

Ag Land = 0.03%

Percentage Allocation by Exemption Type

(Exemptions requiring applications)

Non-Discretionary = 3.3% of total assessed value

- Blind Exemption
- Wheelchair Exemption
- Non-Profits/Clubs

Discretionary = 1.5% of total assessed value

- 2 Year New Home Exemption ($75k)
- Renaissance/TIF
- New Business Exemption
- Payments In Lieu Of Taxes Exemption
- Commercial/Residential Remodel Exempt
- 1 Year New Home Exemption (75k)

2 Credits Offered - Reimbursed by the State

- **Homestead Property Tax Credit**

The homestead property tax credit is a North Dakota property tax credit that reduces the property taxes of eligible individuals. Eligibility requirements:

Individuals who are 65 years of age or older, or individuals who are permanently and totally disabled and if your income is $42,000 or less per year.

  - **As of March 27, 2019 we have 306 participants**

- **Disabled Veterans Property Tax Credit**

Enacted in 2009 by the North Dakota State Legislature, the disabled veterans credit is a property tax credit that is available to veterans of the United States armed forces with a disability of 50% or greater.

  - **As of March 27, 2019 we have 133 participants**

In Closing

If any property owner has a question regarding the value of their property, we encourage you to bring in a recent appraisal, realtor's market analysis, or current sales to provide written evidence to support your own opinion of market value for your property if it differs from ours.

Tonight, if anyone in the audience would like to have their value reviewed, please print your name, property address and the best phone number to reach you at on the sign-up sheet. We will contact you within the next few weeks to review your property, and make adjustments if warranted.

If adjustments are warranted we will submit the changes to the County prior to the Morton County Board of Equalization at the June 10, 2019 meeting at 6:00pm.

The City Assessing Department respectfully recommends that the assessment roll be approved as submitted. Should anyone appear before the Board to protest an assessment in the 2019 report, the City Assessing Department will employ the abatement process pursuant to the State law.

Respectfully Submitted,

Kimberly Markley
City Assessor
City of Mandan

Kimberly Markley, City Assessor
Lila Teigen, Appraiser III
George Railsback, Appraiser II
Mary Himmelspach, Administrative Assistant Data Collector

For more information
Contact the City Assessing Department at
701-667-3232

www.cityofmandan.com