



Board of Appeal and Equalization Meeting
Wednesday April 12, 2023 4:00 PM

The Orrock Township Board of Appeal and Equalization met on Wednesday April 12, 2023 at 4:00pm, at the Orrock Town Hall, 26401 -180thSt. NW, Big Lake, Minnesota with Chair Bryan Adams, Supervisors Paul Ellinger, Anne Felber, Gary Goldsmith, Bob Hassett and Clerk Chris Weber present. Attending from the Sherburne County Assessor's Office were Assessor Michelle Moen and Appraiser Mark Wingert. There were four audience members present. Bryan Adams, Paul Ellinger and Anne Felber held current Board of Appeal and Equalization Certificates.

A quorum was present and the meeting was called to order by Chair Adams, at 4:00PM with the reciting of the Pledge of Allegiance.

A brief description of the market valuation changes and information about the valuations of township properties was given by Michelle Moen. The Minnesota Department of Revenue requires the Assessor to maintain a median ratio between 90-105% of estimated market value (EMV) to the sale price of property. Sales from 10/01/2021-09/30/2022 were used to determine the EMV for the 2023 assessment. State statute states that values after final adjustments need to be within 90% and 105% of what was sold in the year.

Residential and Seasonal Values: The sales ratio study of residential and seasonal off-water improved properties in Orrock Township indicated a median sales ratio of 88.6% with an adjusted ratio of 92.4%, using 63 arms-length township sales with a median sales price of \$457,300. Residential and Seasonal value adjustments increased overall market value by approximately 7%. Lakeshore value adjustments increased 10%-15%.

Rural Vacant Land: County-wide there were 7 sales. The media ratio started as 65.11% and the final ratio is 98.4%. Vacant land adjustments increased 25%.

Commercial and Industrial Values: County-wide there were 30 sales – 23 commercial and 7 industrial. The commercial median ratio started as 64.66% and the final adjusted ratio was 93.9%. The industrial median ratio started as 72.93% and the final adjusted ratio was 97.4%.

Agricultural Estimated Market Value: There were 19 good sales of parcels over 34.5 acres used in the study with a median sales ratio of 68.4%. Agricultural rates were increased by 10% and Rural Vacant Land Values were increased by 30%. There was no change to waste rates. The ending ratio after these changes is 98.9%.

Orrock Township 2023 Taxable New Construction: \$9,817,500

Orrock Township 2023 Total Township Estimated Market Value: \$633,650,000

Orrock Township Permits: In 2022, there were 27 permits for single-family homes and 1,127 permits for other improvements for residential, commercial and industrial properties, for a total of 1,154 permits. This is compared to 2021

where there were 32 permits for new homes and 124 additional permits. The reason for the surge in other improvements permits was the hailstorms that affected the township in May 2022.

2023 Re-Assessment: A total of 434 residential properties, 50 commercial/industrial/exempt properties and 4 agricultural properties were appraised for the 2023 Assessment Adjustments.

The following changes were made for Assessment Year 2023.

- Vacant Land Adjustments** +25%
- Residential Home Adjustments** +7%
- Lakeshore Adjustments** +10%-15%

After all the changes were made the **adjusted sales ratio (market value/sales price)** is 92.4%.

The full report will be retained as a part of the Official Minutes, which are available in the Clerk's Office.

Assessor Recommended Valuation Changes:

Thomas and Maria Skoog, PID 35-423-0445 22890 160th Street NW Elk River, MN 55330

Thomas Skoog told the board that they purchased their property at the end of August. The original 2023 appraisal was approximately \$180,000 more than the \$421,450 purchase price of the home. Mr. Skoog presented an appraisal that valued the home at \$476,000. He stated that there are foundation issues with the home. They need to put tie backs in the foundation at a cost of approximately \$21,000. Appraiser Mark Wingert told the board that he had inspected the property and noted the bowing of two walls in the basement.

The parcel's value was estimated because the appraiser was not able to view the interior of the improvements. The subject property was re-appraised on 4/4/2023. The valuation decreased after the initial reassessment. The house was given some functional depreciation for issues with the foundation viewed on that date, allowing for a little more depreciation to more accurately reflect the current condition of exterior and interior issues.

Mr. Skoog's opinion is that the assessment value should be closer to what they paid for the home. Appraiser Wingert stated that 2% of the value was decreased due to repairs that would be needed. Assessor Michelle Moen suggested a 10% decrease from the original assessed value of the building. Supervisor Goldsmith felt that adjustment would be fair. Supervisor Felber would like to see more of an adjustment due to the foundation issues. Suggested adjustments after discussion:

PID: 35-423-0445

	2023 Original	2023 Suggested Change
Land	\$140,300	\$140,300
Building	<u>\$416,800</u>	<u>\$378,500</u>
Total	\$557,100	\$518,800
Decrease of \$38,300		

Motion/Second to accept the recommended adjustments made by appraiser Mark Wingert and Assessor Michelle Moen for PID# 35-423-0445 reducing the total value by \$38,300 by: Adams/Goldsmith. In Favor: Adams, Ellinger, Felber, Goldsmith and Hassett. Opposed: None. Abstained: None. **Motion Carried.**

Adjournment:

Motion/Second to adjourn the Board of Appeal and Equalization meeting by: Goldsmith/Hassett. In Favor: Adams, Ellinger, Felber, Goldsmith and Hassett Opposed: None. Abstained: None. Motion passed, adjourning the Annual Board of Appeal and Equalization Meeting, on Wednesday, April 12, 2023 at 4:34PM.

Respectfully Submitted,
Chris Weber
Orrock Township Clerk

Accepted this **26th day of April, 2023**, by the Orrock Township Board of Supervisors.

Chairperson

Attest: _____
Town Clerk