

**Lanesboro City Council  
Special Meeting Agenda  
Local Board of Appeal and Equalization  
Tuesday, April 16, 2024 at 4:00 p.m.  
Lanesboro Community Center Meeting Room and Zoom**

\*Zoom is provided as a way to offer more accessibility to council and committee meetings.  
However, due to potential technical issues, full functionality is not guaranteed\*

Join Zoom Meeting

<https://us02web.zoom.us/j/88408396618?pwd=UDdjcGJCOUNFUWFMa1V2Ri9TVmdJUT09>

Meeting ID: 884 0839 6618      Passcode: 969816

Dial by your location • +1 305 224 1968 US • +1 309 205 3325 US • +1 312 626 6799 US (Chicago)

**Call the Special Meeting to Order 4:00 p.m.**

A. Agenda: Additions or Corrections

**New Business:**

A. Local Board of Appeal and Equalization

**Adjourn Special Meeting**

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**OFFICE OF THE COUNTY ASSESSOR**

**TO THE CLERK OF THE** Lanesboro City of **FILLMORE COUNTY, MINNESOTA:**

**NOTICE IS HEREBY GIVEN that on** 4/16/2024 at 4:00 P.M. has been fixed as the date and time for the meeting of the Board of Appeal & Equalization in your city for 2024 Assessment year.

This meeting shall be held in the Lanesboro Community Center as provided by law.

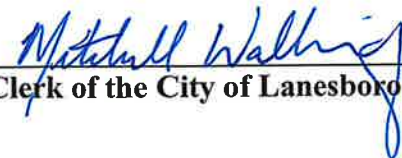
Pursuant to the provisions of Minnesota Statutes Section 274.03, you are required to give notice of said meeting, by publication and posting, not later than ten days prior to the date of said meeting.

Given under my hand this 2<sup>nd</sup> day of February, 2024.



County Assessor  
Fillmore County, Minnesota

Filed in my office this 1<sup>st</sup> day of April, 2024

  
Clerk of the City of Lanesboro

# 2024 ASSESSMENT

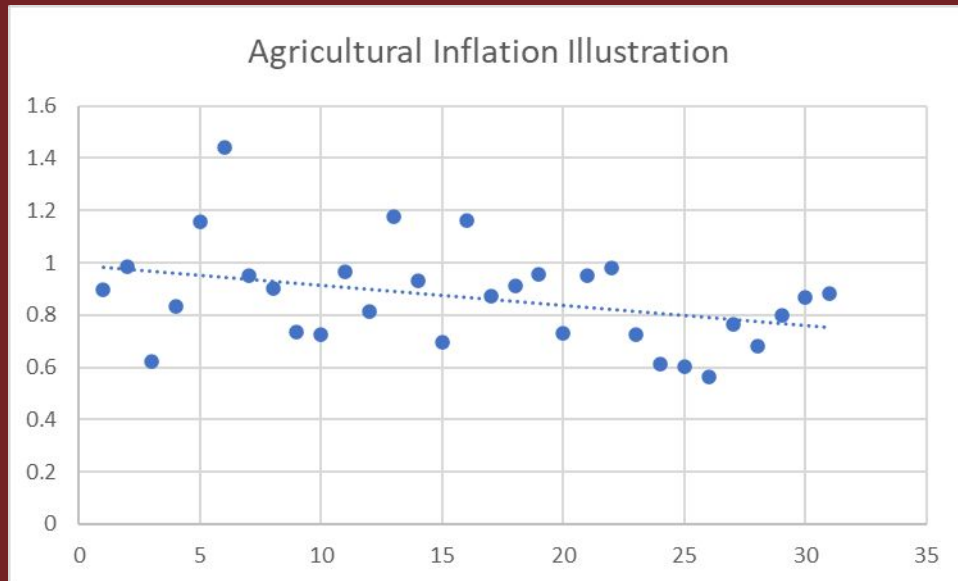
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*Review of changes and adjustments*



# TIME ADJUSTMENTS

- Time adjustments once again had a large impact on changes administered.  
*PT 91 – Residential – DOR calculated a 4.8% annual inflation*  
*PT 93 – Agricultural – DOR calculated a 17.7% annual inflation*



- Remember the calculation of a sale ratio is **Estimated Market Value Divided by Sale Price**.
- As the Sale Ratios fall, it indicates Sale Prices are inflating.

# TIME ADJUSTMENT CALCULATION

- Sale occurs in May 2022 for \$580,000
- Sale price after time adjustment: \$644,300
- Estimated Market Value: \$630,600
- Adjust for 8 months to January

*Sale Ratio before time adjustment:  $630,600/580,000=108.7\%$*

*Time adjusted Sale Ratio:  $630,600/644,300= 97.9\%$*

*$\$644,300/ \$580,00=$  time adjusted sale price 11.1% higher*

## 2023 ASSESSMENT MARKET CHANGES

- Need to understand our obligations

### *Sales Ratio Print*

- If a Jurisdiction has 6 or more sales, we are **REQUIRED** to maintain the Median Sale Ratio at a compliant level (90% - 105%).

### *5 Year Small Sample Study*

- It is expected the Assessor will review this study for trends in the data and administer adjustments to maintain compliance with the Median Sale Ratio.

*Nearly all significant residential adjustments for the 2024 Assessment were in response to this study.*

## PT 92 – RURAL VACANT LAND

- Timber base rates were increased from \$4,300 to \$5,300 per acre
- Pasture base rates were increased from \$3,600 to \$4,000 per acre
- We saw many sales that had higher price per acre, but they were primarily on mixed land type properties I.E. Tillable/wooded properties.

## PT 95- BARE LAND MORE THAN 34.5 ACRES

- We finally had enough sales, and parcels converted, in the new CPI Valuation Methodology where the market adjustment applied reflected the specific level of assessment for each.

*The "ABC" methodology required an increase of 12%*

*The "CPI" methodology was increased of 4.8%*

*Ratio's*

*PT 95 bare land: 94.85%*

*PT 95 improved: 96.07%*

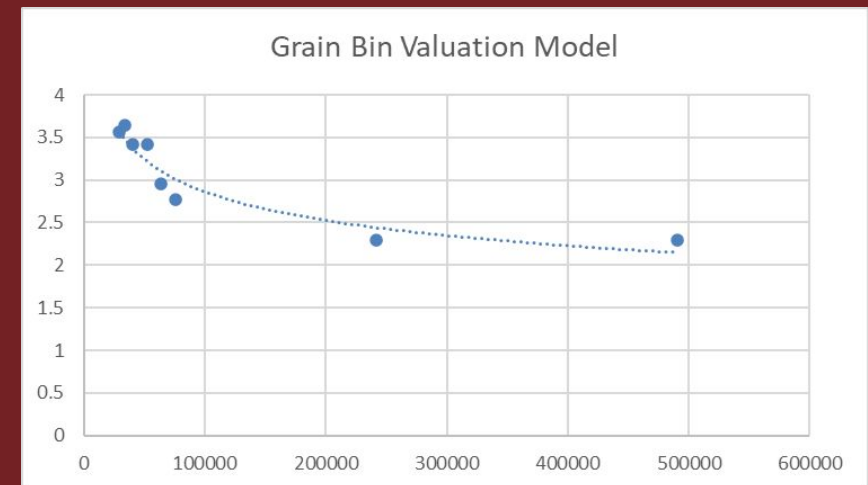


# GRAIN BIN BASE RATES

- After researching multiple sources, it was evident grain bin base rates understated the marketability of these improvements, requiring an adjustment.
- Several contractors were referenced in the update to the base rates applied to these improvements.

The contractors in question utilized a price per bushel in their estimates, while Fillmore County's tables reference bin dimensions. The following formula was used to convert the dimensions to bushels in the development of the model.

$$\text{Radius} \times \text{Radius} \times 3.14 \times \text{Height} \times .8$$



# MACHINE SHED BASE RATES

In an effort to be as transparent as possible, the Menard's building estimator was utilized in the development of base rates for Machine Sheds.

*It was concluded utilizing a resource anyone could access would aid in the validation of rates.*

*Based on conversations with builders, these rates would also be a conservative representation of current rates.*

*Labor rates were defined in conversations with several builders, along with various resources defining expectations.*

*Calculations were made to recognize the declining contributory value of square feet as the size of the shed increases.*

*Machine Shed sidewall height was found to influence the cost of the building.*

## INTERIOR FINISH AND CONCRETE

- Using the Menards Building Estimator, the cost of interior finish declined with the size of the building.

*As the maintenance of the attribute was limited to a single base rate, the average size of a machine shed in Fillmore County was used to identify the applicable rate.*

- Average Size – 2,425 Square Feet
- Applicable Range of Base Rates - \$10.61 - \$11.77 per Square Foot

*Base Rate used - \$10.61 / Square Foot*

- Based on conversations with builders, the cost to pour a 4" concrete slab ranged from \$5 to \$8 per square foot.

*Base Rate used - \$5.00 / Square Foot*

## PT 91-RESIDENTIAL/ SEASONAL REC.

There were 7 Jurisdictions that eclipsed the 6-sale threshold requiring an adjustment to address statistical compliance.

### *Harmony – 15 Sales – 89.64% Median Ratio*

- Applied a 7% increase to the neighborhood factor
- Final Median – 96.21%

### *Mabel – 13 Sales – 87.15% Median Ratio*

- Applied a 10% increase to the house base rate
- Final Median – 93.41%

### *Preston – 18 Sales – 91.4% Median Ratio*

- Applied a 5% increase to the neighborhood factor
- Final Median – 95.49%

- Rushford – 20 Sales – 91.41% Median Ratio
  - Applied a 15% increase to the house base rate
  - Final Median – 96.11%
- Spring Valley – 34 Sales – 86.29% Median
  - Removed Overrides and Median was at 93.53%
- Chatfield – 23 Sales – 86.52%
  - Applied a 10% increase to the house base rate
  - Final Median – 94.90%
- Lanesboro – 15 Sales – 87.22%
  - Removal of Overrides caused values to drop, applied a 20% increase to house base rate
  - Final Median – 95.09%

## 5-YEAR RESIDENTIAL ADJUSTMENTS

- Forestville- 15% increase to house base rates
- Carimona- 15% increase to Res. Neighborhood Factor

## LOCAL BOARD OF APPEAL & EQUALIZATION RULES & DUTIES

- Can reduce only the total estimated market value of a property, not components of the property
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# 2024 ASSESSMENT

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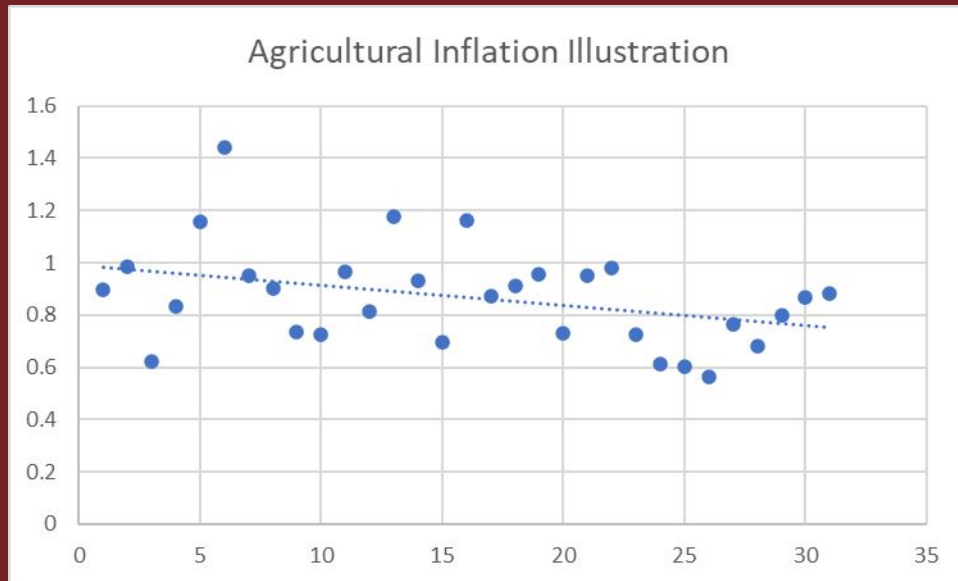
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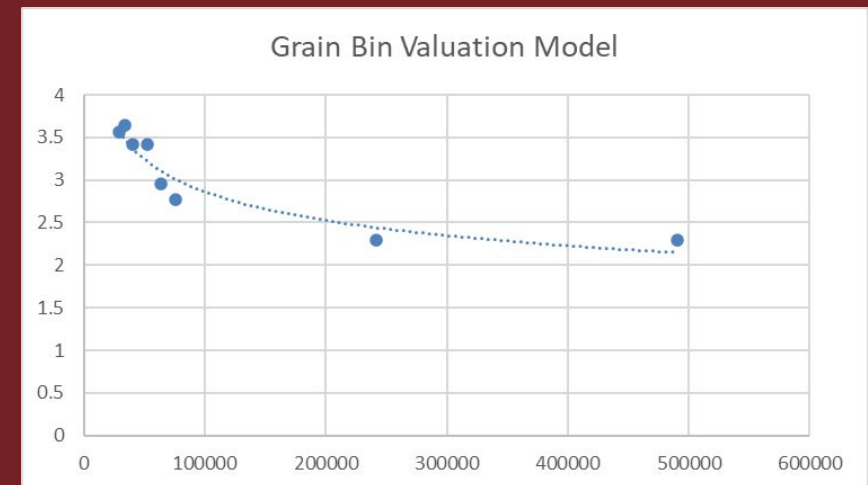
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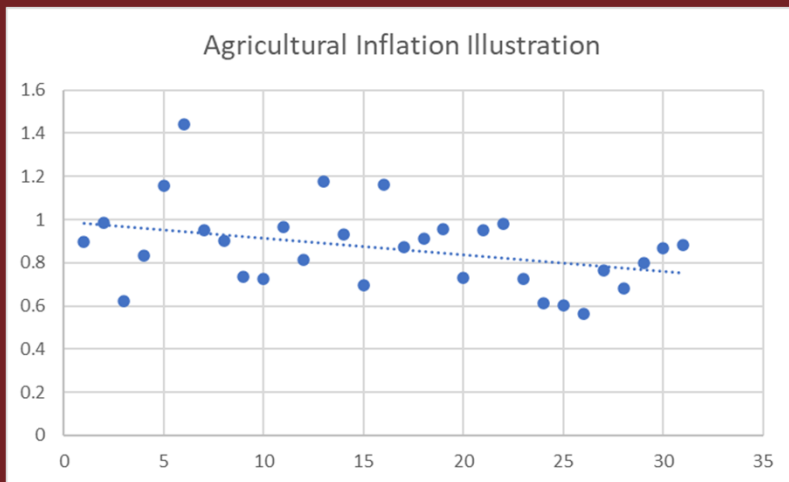


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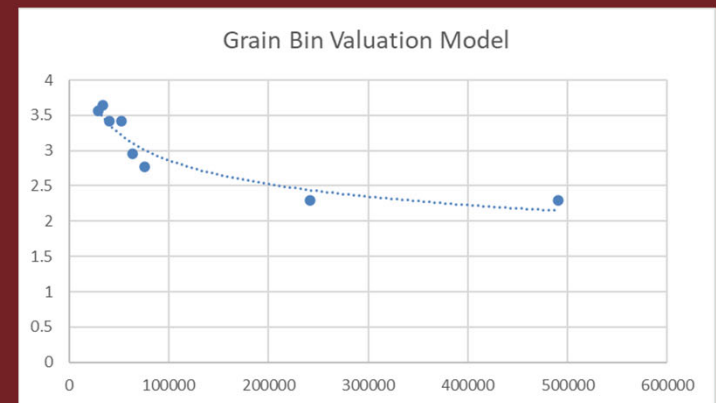
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## P D F K I Q H # V K H G # E D V H # P D W H V

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