MINNESOTA · REVENUE

2007 Property Values and Assessment Practices Report (Assessment Year 2006)

A report submitted to the Minnesota State Legislature pursuant to Laws 2001, First Special Session, Chapter 5, Article 3, Section 92

Property Tax Division
Minnesota Department of Revenue
March 12, 2007

Per Minnesota Statute 3.197, any report to the Legislature must contain, at the beginning of the report, the cost of preparing the report, including any costs incurred by another agency or another level of government.

This report cost $2,500.

MINNESOTA · REVENUE

March 12, 2007

To the members of the Legislature of the State of Minnesota:

I am pleased to present to you the fourth annual Property Values and Assessment Practices Report undertaken by the Department of Revenue in response to Minnesota Laws 2001, First Special Session, Chapter 5, Article 3, Section 92.

This report provides a summary of assessed property values and assessment practices within the state of Minnesota. This year's report does not include summaries of market value trends by county. However, this information is available on request to the Property Tax Division.

Sincerely,

Ward L. Einess
Commissioner

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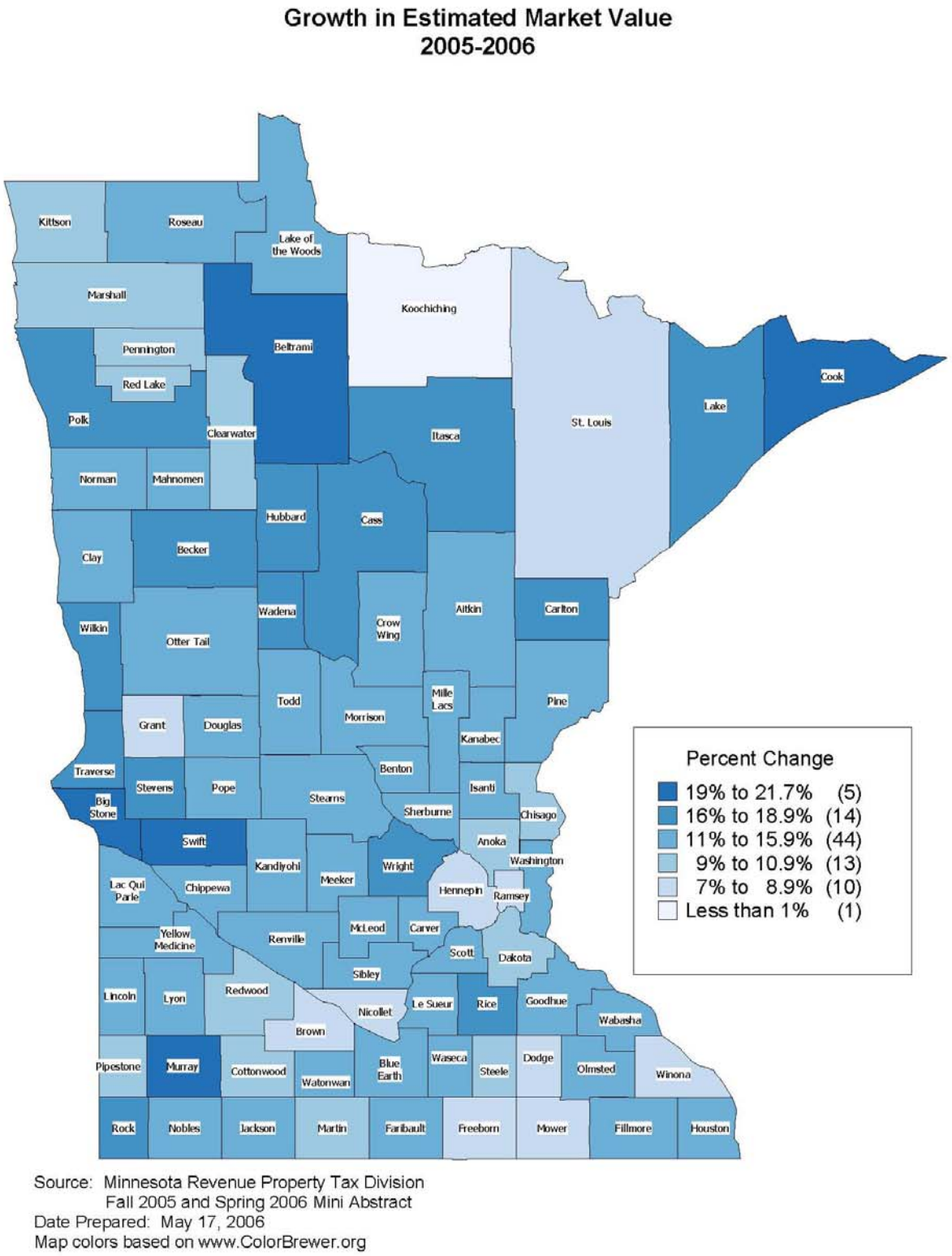
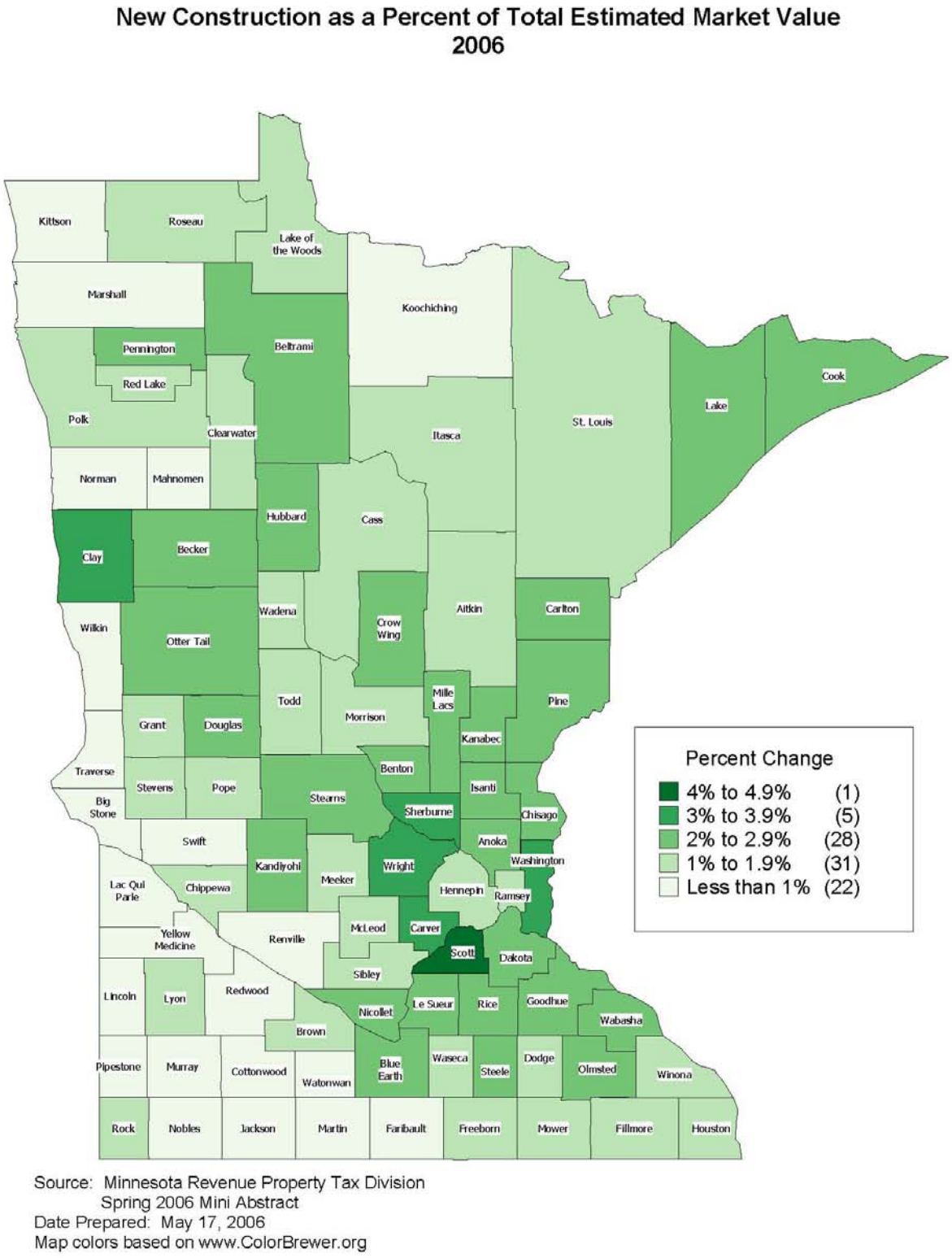
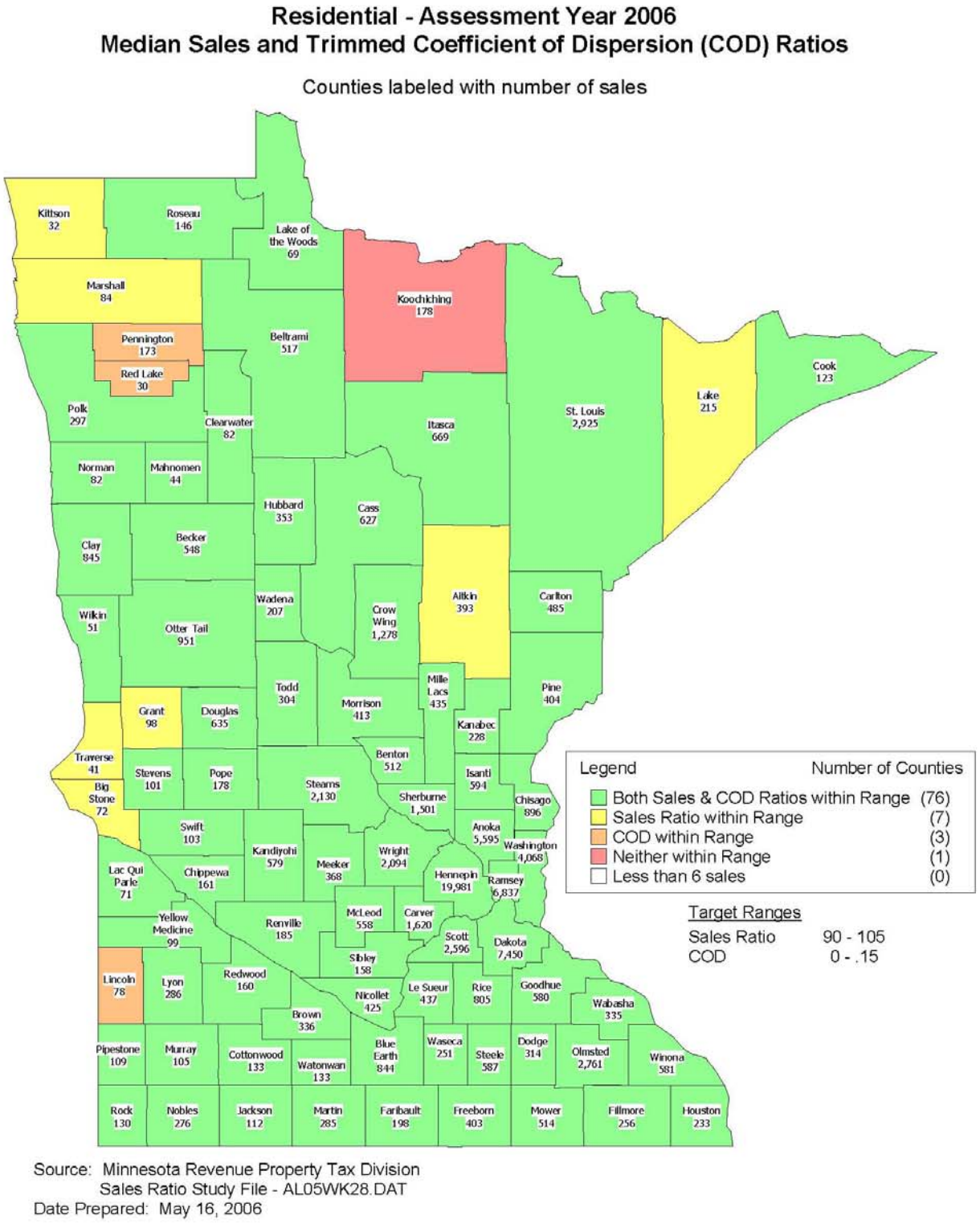


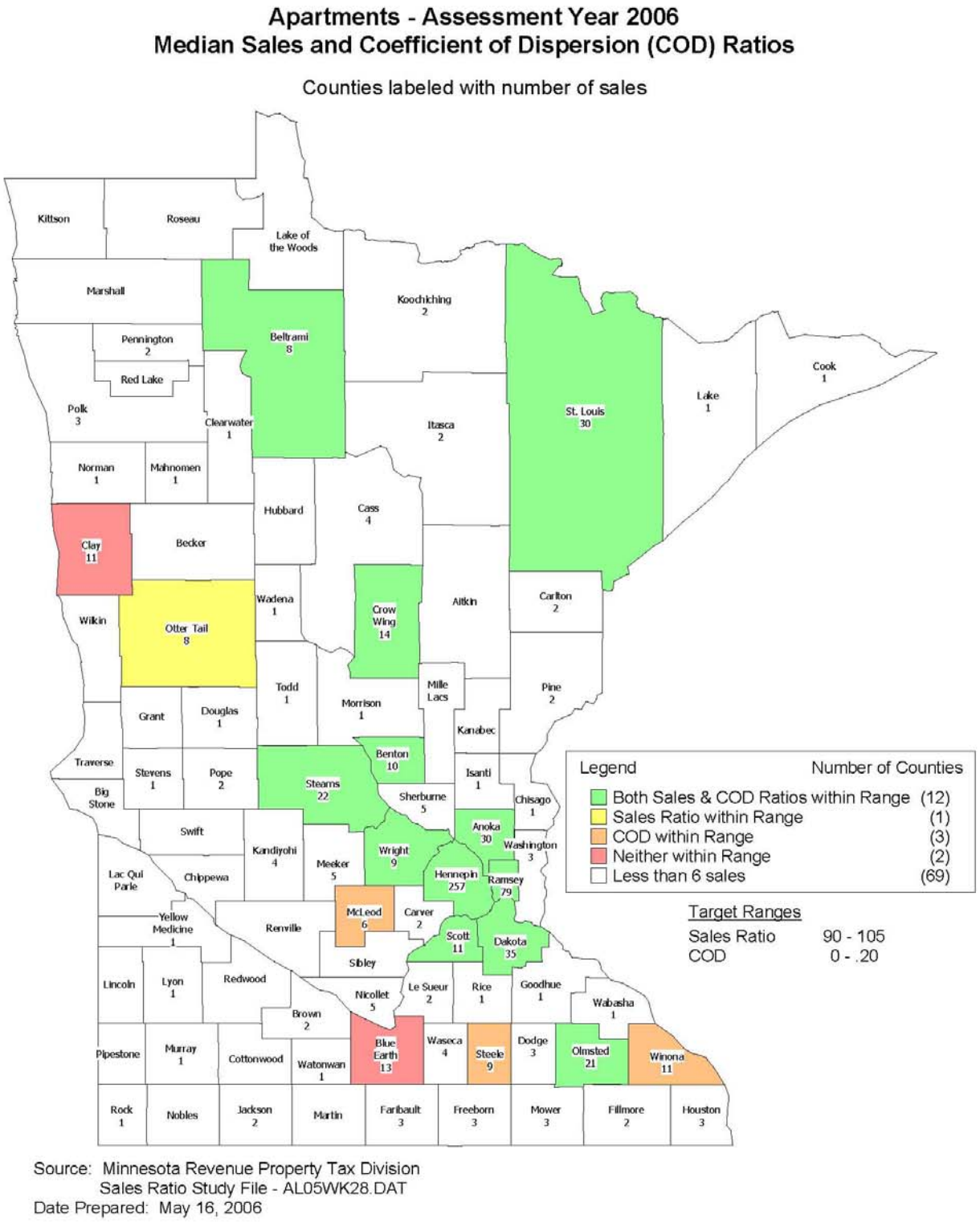
Map 1: Growth in estimated market value 2005-2006



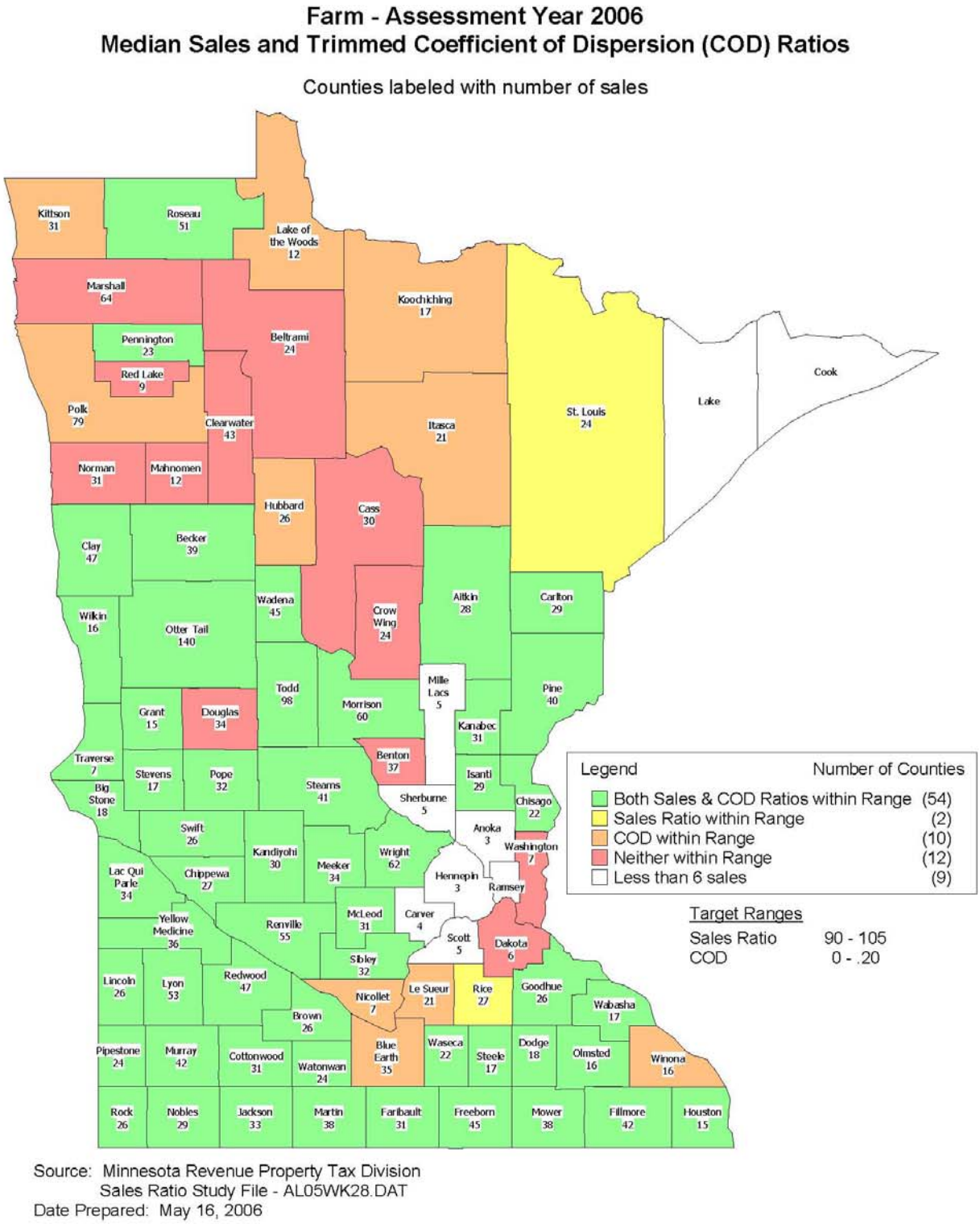
Map 2: New construction as a percent of total estimated market value 2006



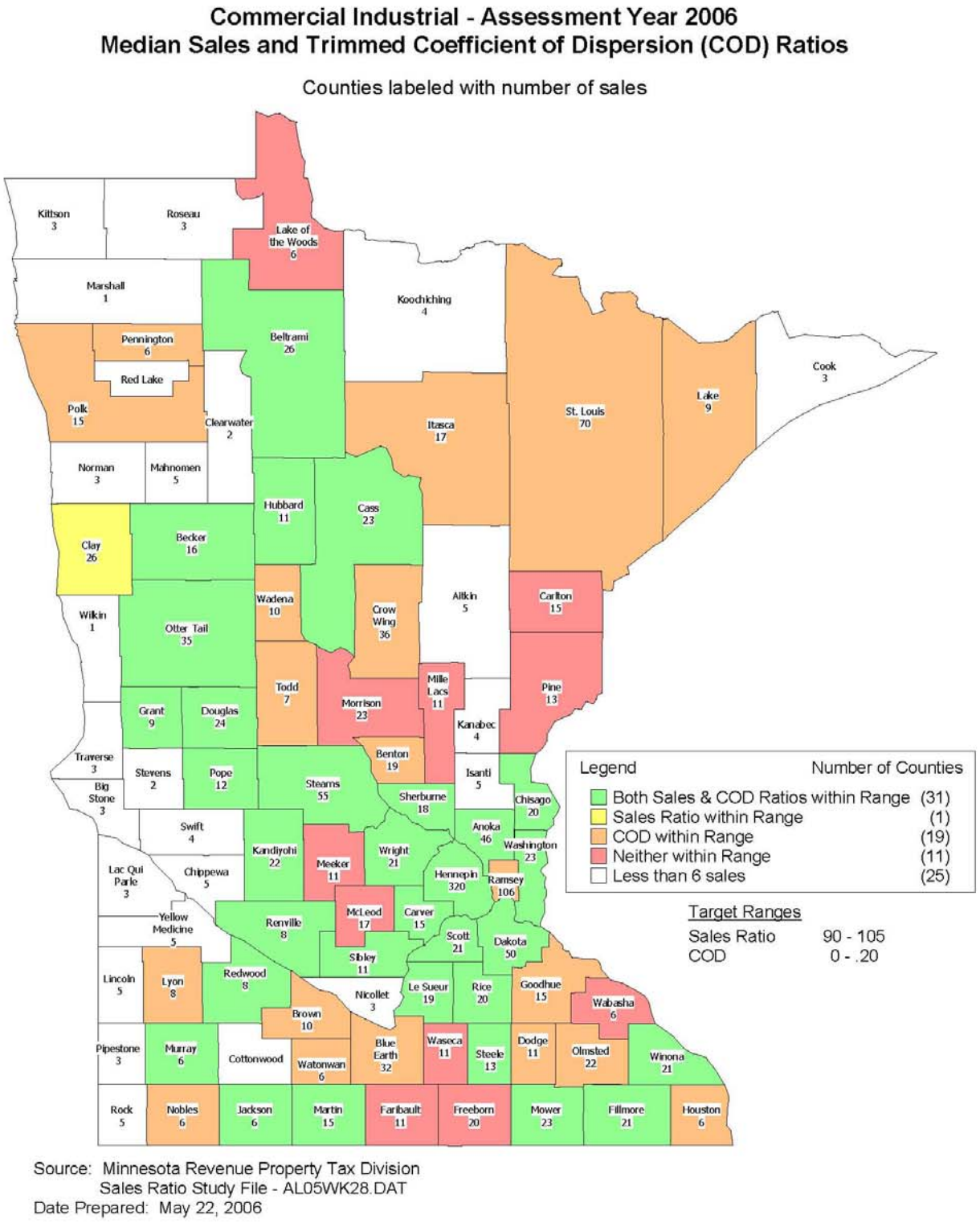
Map 3: Residential – Assessment year 2006
Median sales and trimmed coefficient of dispersion ratios



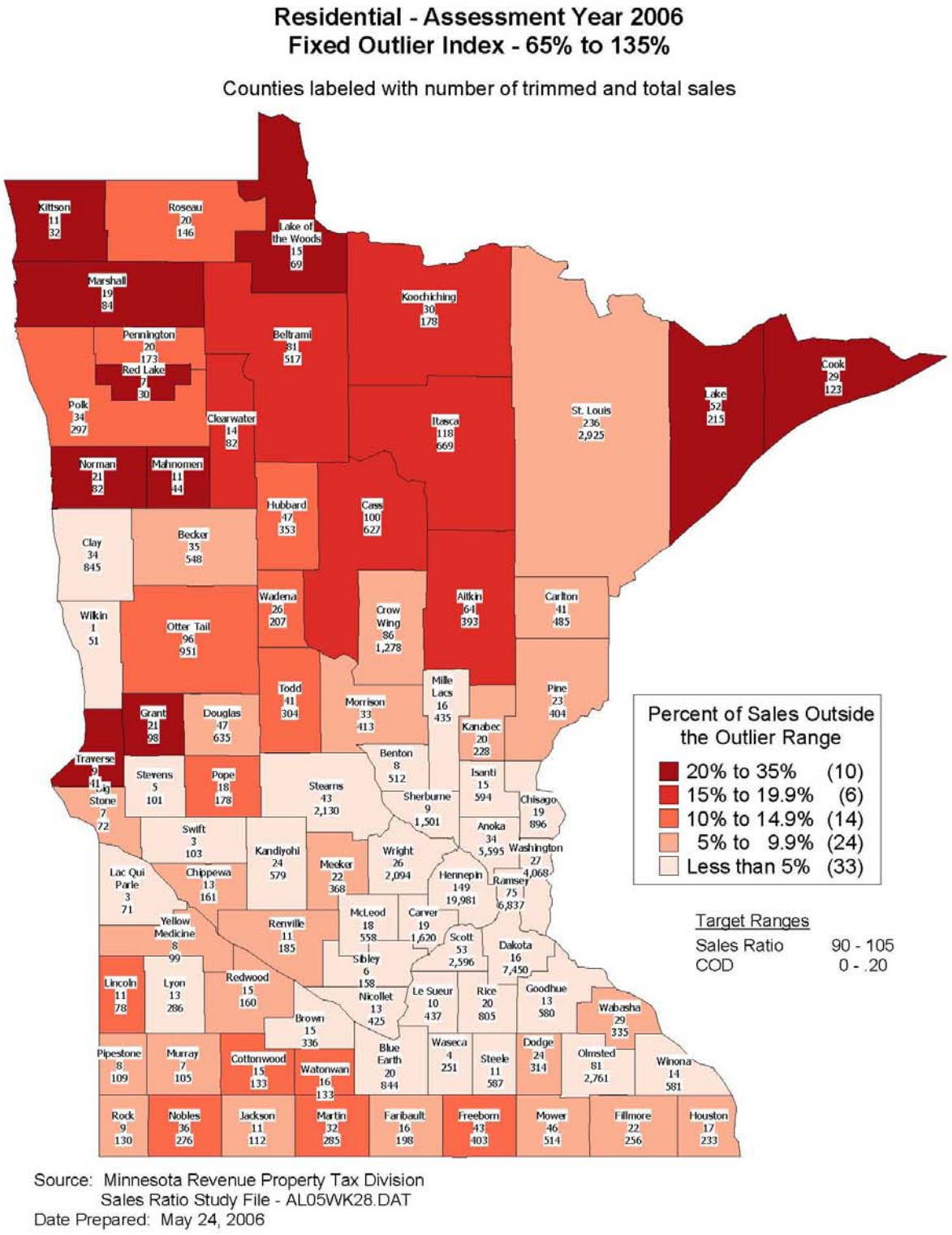
Map 4: Apartments – Assessment year 2006
Median sales and trimmed coefficient of dispersion ratios



Map 5: Farm – Assessment year 2006
Median sales and trimmed coefficient of dispersion ratios



Map 6: Commercial Industrial – Assessment year 2006
Median sales and trimmed coefficient of dispersion ratios



Map 7: Residential – Assessment year 2006
Fixed outlier index – 65 percent to 135 percent

Summary of State Board of Equalization Orders

Frequency of 2006 State Board Orders by Percent Adjustment by County *

	Number with a class of property adjusted by: (%)													Affected cities/towns			Type of orders																			
	Countywide orders					City/Town orders																															
	+5%	+10%	15%	20%	25%	-15%	-10%	-5%	+5%	+10%	+15%	+20%	+25%	Total # affected[1]	Total # of cities/ towns[2]	% Affected (excluding countywide)	Ag-L	Ag-S	Ag-LS	Apt-LS	Res-L	Res-S	Res-LS	SRR-L	SRR-S	SRR-LS	Tim-L	Com-L	Com-S	Com-LS	Ind-I	Ind-S	Ind-LS
Statewide	4	7		2	1		3	1	33	49	24	24	0	122.0	2,575	5%																			
04 Beltrami								1						1	62	2%					●														
05 Benton									2	2				3	20	7%				●		●								●					
08 Brown									1	1				2	23	9%					■									●					
15 Clearwater				2						1	2			3	27	11%	●					●				●									
16 Cook									2	4				4	24	17%					●		●	●		●									
18 Crow Wing		4												0	49	0%	■				■			■			■								
20 Dodge										1				1	19	5%						●													
26 Grant										3		1		3	23	13%					●		●	●											
36 Koochiching											2			5	11	45%						●				●									
39 Lake/woods		2										2		1	26	4%	●					●				●	●								
40 LeSueur	1									4				2	23	9%	■					■				■									
43 McLeod	1										4			4	23	17%	■				●														
44 Mahnomen	2													0	19	0%	◆									◆									
45 Marshall									18	7	13			38	60	63%	◆■					●													
46 Martin										2	2			2	30	7%						●■				●■									
47 Meeker			2							2		1		2	26	8%					●■			■			●				●				
49 Morrison		1	2		1				1	7				8	47	17%	■					●				●					●				
50 Mower							1							1	34	3%						●													
53 Nobles										2				2	31	6%				■		■													
57 Pennington									2	2				3	24	13%						●		●							●				
58 Pine										4				2	21	10%					●	●		●	●										
60 Polk							1					20		21	73	29%	■													●					
61 Pope										2				1	29	3%					●			●											
63 Red Lake											1			1	17	6%						●													
64 Redwood									1	2				3	41	7%	●					●													
70 Scott									2					2	19	11%					●														
71 Sherburne										1				1	17	6%														■					
72 Sibley									3					2	24	8%						●				●									
80 Wadena						1	1							2	22	9%						●				●									
83 Watonwan										2				1	20	5%						■				■									

Notes

[1] Total number of cities/towns affected may not equal the sum of the counts by size of order because some cities/towns may have multiple orders of different sizes. Excludes countywide orders

[2] Total includes counties without orders (not shown).

[3] $100 per acre on base values outside land value zone one

[4] No changes to Green Acre (low) value

[5] Excluding some cities and townships

Key

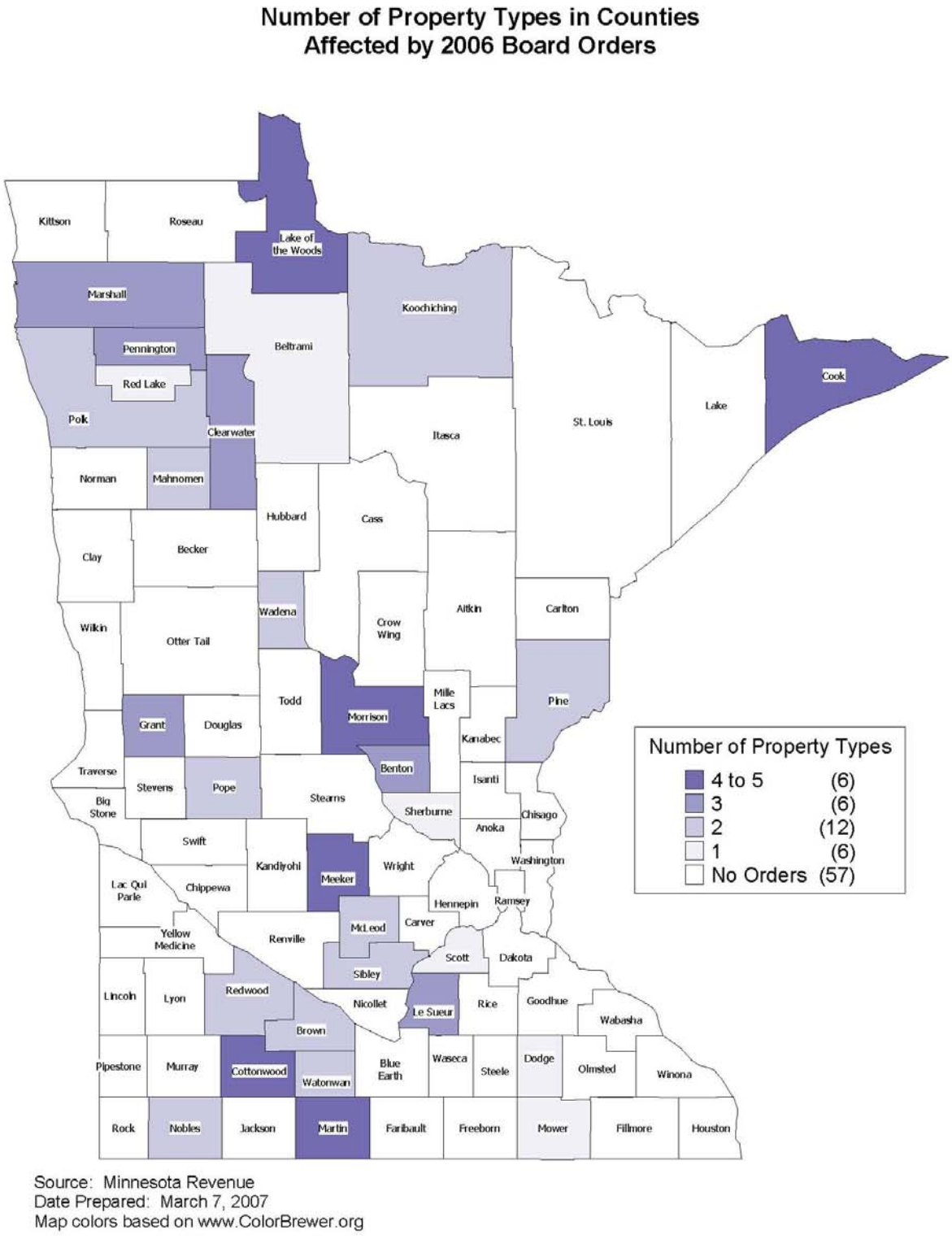
Ag-L	Agricultural Land Only	Tim-L	Timber Land Only
Ag-LS	Agricultural Land and Structures	Com-L	Commercial Land Only
Apt-LS	Apartment Land and Structures	Com-S	Commercial Structures Only
Res-L	Residential Land Only	Com-LS	Commercial Land and Structures
Res-S	Residential Structures Only	Ind-LS	Industrial Land and Structures
Res-LS	Residential Land and Structures	Ind-L	Industrial Land Only
SRR-L	Seasonal Recreational Residential Land Only	Ind-S	Industrial Structures Only
SRR-S	Seasonal Recreational Residential Structures On	●	At least one of the orders was all parcels of this property type.
SRR-LS	Seasonal Recreational Residential Land and Structures	■	An order applied only to a subset of this property type -- includes or excludes certain plats, areas, parcels, lakes, lakeshore, property type codes, value ranges, parcel sizes, etc.

***Example Interpretation**

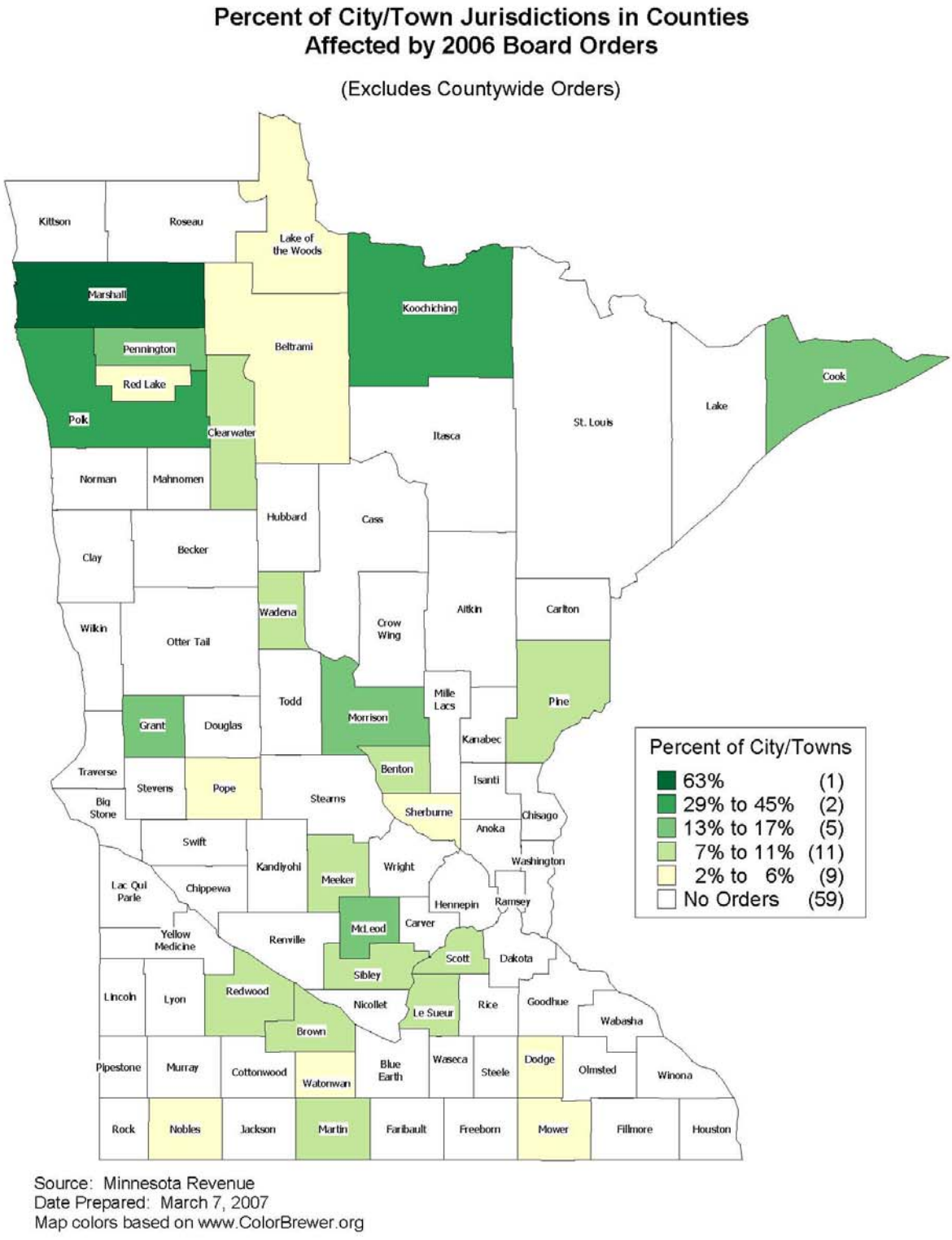
Marshall County had multiple board order adjustments ranging from 5% to 15% affecting timber land, residential, seasonal recreational residential, and agricultural properties. The orders affected 38 (or 63%) of the jurisdictions in Marshall County. (See appendix for additional details.)

Summary of 2006 State Board Orders by Property Classification and Jurisdictions*

PROPERTY CLASSIFICATION	BOARD ORDER (% increase or decrease)	JURISDICTIONS AFFECTED BY ORDER Countywide	City	Township	Total	Percent of Total
Residential	**Subtotal**	**0**	**27**	**20**	**47**	**29.38%**
	+40	0	0	0	0	0.00%
	+20	0	2	2	4	2.50%
	+15	0	1	1	2	1.25%
	+10	0	14	10	24	15.00%
	+5	0	7	7	14	8.75%
	-5	0	0	0	0	0.00%
	-10	0	3	0	3	1.88%
Apartment	**Subtotal**	**0**	**1**	**0**	**1**	**0.63%**
	+5	0	1	0	1	0.63%
Commercial-Industrial	**Subtotal**	**2**	**4**	**1**	**7**	**4.38%**
	+15	2	0	0	2	1.25%
	+10	0	3	1	4	2.50%
	+5	0	1	0	1	0.63%
	-5	0	0	0	0	0.00%
Seasonal-Recreational	**Subtotal**	**4**	**6**	**11**	**21**	**13.13%**
	+40	0	0	0	0	0.00%
	+20	0	0	1	1	0.63%
	+15	1	0	1	2	1.25%
	+10	3	5	6	14	8.75%
	+5	0	1	3	4	2.50%
	-5	0	0	0	0	0.00%
	-10	0	0	0	0	0.00%
Agricultural	**Subtotal**	**9**	**0**	**71**	**80**	**50.00%**
	+40	0	0	0	0	0.00%
	+25	1	0	0	0	0.00%
	+20	2	0	23	25	15.63%
	+15	0	0	15	15	9.38%
	+10	4	0	15	19	11.88%
	+5	2	0	18	20	12.50%
Timberland	**Subtotal**	**4**	**0**	**0**	**4**	**2.50%**
	+40	0	0	0	0	0.00%
	+20	2	0	0	2	1.25%
	+15	0	0	0	0	0.00%
	+10	2	0	0	2	1.25%
	+5	0	0	0	0	0.00%
Totals		**19**	**38**	**103**	**160**	**100.00%**



Map 8: Number of property types in counties affected by 2006 State Board Orders



Map 9: Percent of city/town jurisdictions in counties affected by 2006 State Board Orders

Appendix

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes Percent Increase	State Board Changes Percent Decrease
Aitkin		No Changes		
Anoka		No Changes		
Becker		No Changes		
Beltrami	**City of:** Blackduck	Residential Land Only		-5
Benton	**Cities of:** Gilman	Residential Land and Structures	+5	
	Sauk Rapids	Commercial Land and Structures	+10	
		Apartment Land and Structures	+5	
	Township of: Minden	Commercial Land and Structures	+10	
Big Stone		No Changes		
Blue Earth		No Changes		
Brown	**Cities of:** New Ulm	Commercial Land and Structures	+5	
	Springfield	Residential Structures Only On Properties With Total EMV of $55,000 or Greater	+10	
Carlton		No Changes		
Carver		No Changes		
Cass		No Changes		

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes Percent Increase	State Board Changes Percent Decrease
Chippewa		No Changes		
Chisago		No Changes		
Clay		No Changes		
Clearwater	**Countywide:**	Timber Land Only	+20	
	Countywide: Excluding Townships of Hangaard and Winsor	Agricultural Land Only	+20	
	Townships of:			
	Hangaard	Agricultural Land Only	+15	
	Pine Lake	Residential Land and Structures (on selected parcels only)	+10	
	Winsor	Agricultural Land Only	+15	
Cook	**City of:**			
	Grand Marais	Residential Land Only	+5	
		Seasonal Residential Recreational Land Only	+5	
	Townships of:			
	Unorganized 1 East, Townships 61 and 62 Only	Residential Land and Structures	+10	
		Seasonal Residential Recreational Land and Structures	+10	
	Unorganized 1 West	Residential Land Only	+10	
		Seasonal Residential Recreational Land Only	+10	
Cottonwood		No Changes		

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes: Percent Increase	State Board Changes: Percent Decrease
Crow Wing	**Countywide:** Excluding Cities of Cuyuna, Garrison, Jenkins, Nisswa, Trommald and Townships of Dagget Brook, Fort Ripley, Lake Edward, Long Lake, Maple Grove, Platte Lake, Rabbit Lake, Roosevelt and St. Mathias	Agricultural Land Only On Parcels Over 34.5 Acres	+10	
		Residential Land Only On Parcels Over 34.5 Acres	+10	
		Seasonal Residential Recreational Land Only On Parcels Over 34.5 Acres	+10	
		Timber Land Only On Parcels Over 34.5 Acres	+10	
Dakota		No Changes		
Dodge	**Township of:** Mantorville	Residential Land and Structures	+10	
Douglas		No Changes		
Faribault		No Changes		
Fillmore		No Changes		
Freeborn		No Changes		
Goodhue		No Changes		
Grant	**Cities of:** Elbow Lake	Residential Land Only	+20	
	Herman	Residential Land and Structures	+10	
	Township of: Pelican Lake	Residential Land Only	+10	
		Seasonal Residential Recreational Land Only	+10	

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes Percent Increase	State Board Changes Percent Decrease
Hennepin		No Changes		
Houston		No Changes		
Hubbard		No Changes		
Isanti		No Changes		
Itasca		No Changes		
Jackson		No Changes		
Kanabec		No Changes		
Kandiyohi		No Changes		
Kittson		No Changes		
Koochiching	**Cities of:**			
	Big Falls	Residential Land and Structures	+10	
		Seasonal Residential Recreational Land and Structures	+10	
	International Falls	Residential Land and Structures	+5	
		Seasonal Residential Recreational Land and Structures	+5	
	Mizpah	Residential Land and Structures	+10	
		Seasonal Residential Recreational Land and Structures	+10	
	Northome	Residential Land and Structures	+10	
		Seasonal Residential Recreational Land and Structures	+10	
	Ranier	Residential Land and Structures	+10	
		Seasonal Residential Recreational Land and Structures	+10	
	Township of:			
	Unorganized 96	Residential Land and Structures	+5	
		Seasonal Residential Recreational Land and Structures	+5	

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes Percent Increase	Percent Decrease
Lac Qui Parle		No Changes		
Lake		No Changes		
Lake of the Woods	**Countywide:**	Agricultural Land Only	+10	
		Timber Land Only	+10	
	Township of: Angle	Residential Land and Structures	+20	
		Seasonal Residential Recreational Land and Structures	+20	
LeSueur	**Countywide:**	Agricultural Land Only Excluding Building Site	+5	
	City of: Elysian	Residential Land and Structures Lakeshore Only	+10	
		Seasonal Residential Recreational Land and Structures Lakeshore Only	+10	
	Township of: Elysian	Residential Land and Structures Lakeshore Only	+10	
		Seasonal Residential Recreational Land and Structures Lakeshore Only	+10	
Lincoln		No Changes		
Lyon	**Township of:** Lake Marshall	Residential Land and Structures	+5	
Mahnomen	**Countywide:**	Agricultural Land Only	+5	
		Timber Land Only	+5	

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes Percent Increase	State Board Changes Percent Decrease
Marshall	**Cities of:**			
	New Folden	Residential Land and Structures	+5	
	Stephen	Residential Land and Structures	+10	
	Townships of:			
	Agdar	Agricultural Land Only	+10	
	Alma	Agricultural Land Only	+5	
	Augsburg	Agricultural Land Only	+5	
	Big Woods	Agricultural Land Only	+5	
	Bloomer	Agricultural Land Only	+5	
	Comstock	Agricultural Land Only	+5	
	Donnelly	Agricultural Land Only	+5	
	Eagle Point	Agricultural Land Only (on selected parcels only)	+5	
	East Park	Agricultural Land Only	+15	
	East Valley	Agricultural Land Only	+10	
	Eckvoll	Agricultural Land Only	+10	
	Espelie	Agricultural Land Only	+10	
	Excel	Agricultural Land Only	+15	
	Foldahl	Agricultural Land Only	+15	
	Fork	Agricultural Land Only	+5	
	Grand Plain	Agricultural Land Only	+10	
	Holt	Agricultural Land Only	+15	
	Huntly	Agricultural Land Only	+15	
	Lincoln	Agricultural Land Only	+15	

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes Percent Increase	State Board Changes Percent Decrease
Marshall	**Cities of:**			
	New Folden	Residential Land and Structures	+5	
	Stephen	Residential Land and Structures	+10	
	Townships of:			
	Agdar	Agricultural Land Only	+10	
	Alma	Agricultural Land Only	+5	
	Augsburg	Agricultural Land Only	+5	
	Big Woods	Agricultural Land Only	+5	
	Bloomer	Agricultural Land Only	+5	
	Comstock	Agricultural Land Only	+5	
	Donnelly	Agricultural Land Only	+5	
	Eagle Point	Agricultural Land Only (on selected parcels only)	+5	
	East Park	Agricultural Land Only	+15	
	East Valley	Agricultural Land Only	+10	
	Eckvoll	Agricultural Land Only	+10	
	Espelie	Agricultural Land Only	+10	
	Excel	Agricultural Land Only	+15	
	Foldahl	Agricultural Land Only	+15	
	Fork	Agricultural Land Only	+5	
	Grand Plain	Agricultural Land Only	+10	
	Holt	Agricultural Land Only	+15	
	Huntly	Agricultural Land Only	+15	
	Lincoln	Agricultural Land Only	+15	

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes Percent Increase	State Board Changes Percent Decrease
Marshall (Continued)	**Townships of:**			
	Marsh Grove	Agricultural Land Only	+15	
	McCrea	Agricultural Land Only	+5	
	Middle River	Agricultural Land Only	+5	
	Nelson Park	Agricultural Land Only	+15	
	New Maine	Agricultural Land Only	+15	
	New Solum	Agricultural Land Only	+15	
	Oak Park	Agricultural Land Only	+5	
	Parker	Agricultural Land Only	+5	
	Sinnott	Agricultural Land Only	+5	
	Tamarac	Agricultural Land Only	+5	
	Valley	Agricultural Land Only	+10	
	Vega	Agricultural Land Only	+5	
	Viking	Agricultural Land Only	+15	
	Wanger	Agricultural Land Only	+5	
	Warrenton	Agricultural Land Only	+5	
	West Valley	Agricultural Land Only	+15	
	Wright	Agricultural Land Only	+15	
Martin	**Townships of:**			
	Rutland	Residential Land and Structures Lakeshore Only	+15	
		Seasonal Residential Recreational Land and Structures Lakeshore Only	+15	
	Tenhassen	Residential Land and Structures	+10	
		Seasonal Residential Recreational Land and Structures	+10	

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes Percent Increase	Percent Decrease
McLeod	**City of:** Lester Prairie	Residential Land Only	+5	
	Townships of: Collins	Agricultural Green Acre (Low) Value Tillable Land Only	+15	
	Penn	Agricultural Green Acre (Low) Value Tillable Land Only	+15	
	Round Grove	Agricultural Green Acre (Low) Value Tillable Land Only	+15	
	Sumter	Agricultural Green Acre (Low) Value Tillable Land Only	+15	
Meeker	**Countywide:**	Commercial Land Only	+15	
		Industrial Land Only	+15	
	City of: Kingston	Residential Land Only	+20	
	Township of: Kingston	Residential Land Only Lakeshore Only	+10	
		Seasonal Residential Recreational Land Only Lakeshore Only	+10	
Mille Lacs		No Changes		
Morrison	**Countywide:**	Agricultural Green Acre (Low) Value Tillable Land Only	+10	
		Agricultural Green Acre (Low) Value Non-Tillable Land Only	+25	
	Countywide:	Commercial Land Only	+15	
		Industrial Land Only	+15	
	City of: Motley	Residential Land and Structures	+5	
	Townships of: Darling	Residential Land and Structures	+10	
		Seasonal Residential Recreational Land and Structures	+10	

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes: Percent Increase	State Board Changes: Percent Decrease
Morrison (Continued)	**Townships of:** Hillman	Agricultural Land Only Excluding Building Site	+10	
	Lakin	Agricultural Land Only Excluding Building Site	+10	
	Leigh	Agricultural Land Only Excluding Building Site	+10	
	Morrill	Agricultural Land Only Excluding Building Site	+10	
	Mount Morris	Agricultural Land Only Excluding Building Site	+10	
Mower	**City of:** Rose Creek	Residential Land and Structures		-10
Murray		No Changes		
Nicollet		No Changes		
Nobles	**Township of:** Indian Lake	Agricultural House and Garage Only Residential House and Garage Only	+10 +10	
Norman	**Countywide:**	Agricultural Land Only Timber Land Only	+20 +20	
Olmsted		No Changes		
Otter Tail		No Changes		
Pennington	**City of:** Thief River Falls	Commercial Land and Structures	+10	

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes: Percent Increase	State Board Changes: Percent Decrease
Pennington (Continued)	**Townships of:**			
	Rocksbury	Residential Land and Structures	+10	
	Smiley	Residential Land and Structures	+5	
		Seasonal Residential Recreational Land and Structures	+5	
Pine	**Townships of:**			
	Norman	Residential Structures Only	+10	
		Seasonal Residential Recreational Structures Only	+10	
	Wilma	Residential Land Only	+10	
		Seasonal Residential Recreational Land Only	+10	
Pipestone		No Changes		
Polk	**City of:**			
	Crookston	Commercial Land and Structures (on selected parcels only)		-10
	Townships of:			
	Badger	Agricultural Land Only Excluding Building Site	+20	
	Brandsvold	Agricultural Land Only Excluding Building Site	+20	
	Chester	Agricultural Land Only Excluding Building Site	+20	
	Columbia	Agricultural Land Only Excluding Building Site	+20	
	Eden	Agricultural Land Only Excluding Building Site	+20	
	Garden	Agricultural Land Only Excluding Building Site	+20	
	Garfield	Agricultural Land Only Excluding Building Site	+20	

2006 State Board of Equalization
Summary of Board Orders

County	Assessment District	Type of Property	State Board Changes Percent Increase	State Board Changes Percent Decrease
Polk (Continued)	**Townships of:**			
	Godfrey	Agricultural Land Only Excluding Building Site	+20	
	Grove Park – Tilden	Agricultural Land Only Excluding Building Site	+20	
	Gully	Agricultural Land Only Excluding Building Site	+20	
	Hill River	Agricultural Land Only Excluding Building Site	+20	
	Johnson	Agricultural Land Only Excluding Building Site	+20	
	King	Agricultural Land Only Excluding Building Site	+20	
	Knute	Agricultural Land Only Excluding Building Site	+20	
	Lessor	Agricultural Land Only Excluding Building Site	+20	
	Queen	Agricultural Land Only Excluding Building Site	+20	
	Rosebud	Agricultural Land Only Excluding Building Site	+20	
	Sletten	Agricultural Land Only Excluding Building Site	+20	
	Winger	Agricultural Land Only Excluding Building Site	+20	
	Woodside	Agricultural Land Only Excluding Building Site	+20	
Pope	**City of:**			
	Villard	Residential Land Only	+10	
		Seasonal Residential Recreational Land Only	+10	
Ramsey		No Changes		

2006 State Board of Equalization
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County	Assessment District	Type of Property	State Board Changes Percent Increase	State Board Changes Percent Decrease
Red Lake	**City of:** Red Lake Falls	Residential Land and Structures	+15	
Redwood	**City of:** Sanborn	Residential Land and Structures	+10	
	Townships of: Brookville	Agricultural Land Only	+5	
	Kintire	Agricultural Land Only	+10	
Renville		No Changes		
Rice		No Changes		
Rock		No Changes		
Roseau		No Changes		
St. Louis		No Changes		
Scott	**Townships of:** Louisville	Residential Land Only	+5	
	Spring Lake	Residential Land Only	+5	
Sherburne	**City of:** Elk River	Commercial Land and Structures On Properties With Total EMV of $250,000 or Less	+10	
Sibley	**Townships of:** Faxon	Residential Land and Structures	+5	
	Washington	Residential Land and Structures	+5	
		Seasonal Residential Recreational Land and Structures	+5	
Stearns		No Changes		

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Steele		No Changes		
Stevens		No Changes		
Swift		No Changes		
Todd		No Changes		
Traverse		No Changes		
Wabasha		No Changes		
Wadena	**Cities of:**			
	Sebeka	Residential Land and Structures		-10
	Verndale	Residential Land and Structures		-15
Waseca		No Changes		
Washington		No Changes		
Watonwan	**Township of:**			
	Long Lake	Residential Land and Structures Lakeshore Only	+10	
		Seasonal Residential Recreational Land and Structures Lakeshore Only	+10	
Wilkin		No Changes		
Winona		No Changes		
Wright		No Changes		

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County	Assessment District	Type of Property	State Board Changes Percent Increase	State Board Changes Percent Decrease
Yellow Medicine		No Changes		