

ASSESSOR

Mission Statement:

The mission of the Minneapolis City Assessor's Office is to serve the taxpayers of the city by valuing and classifying real property in an accurate and equitable manner as prescribed by state law. The office also supports government funding, planning and information needs.

Primary Businesses:

Assessment – Perform the assessment function for all real estate and appropriate personal property.

- Valuation – Estimate the annual value of all taxable property and maintain property descriptions; review and/or defend values as necessary.
- Classification – Classify and process parcels and owners qualifying for homestead status, exempt status or special classifications.
- Internal Support – Support City initiatives, property tax programs, Minneapolis School District, and other City departments.

Key Trends and Challenges Impacting the Department:

The City Assessor's Office has identified the following significant trends and challenges that will impact its Office:

- Continual court cases due to a weak office market and a growing "industry" in the field of property tax appeals; the number of cases for payable 2004 did decline by 10% from payable 2003.
- Future retirement of experienced staff members.
- The phase-out of limited market value and other state law changes, shifting property tax burdens from commercial/industrial property to residential property.

Key Initiatives or Other Models of Providing Service to be implemented in 2005

The City Assessor's Office has identified the following Key Initiatives that will be implemented in 2005:

- Expand use and improve functionality of Computer Assisted Mass Appraisal (CAMA) to include neighborhood commercial and industrial properties.
- Work with other City departments to improve the usefulness and accessibility of property related data to other departments and the public. Attempt to create practices shared across departments such as use codes, etc. Ensure that practices are maintained that preserve data in a current and accurate manner.
- Increase functionality of Assessor's public website.

Primary Business: Assessment of all real estate and appropriate personal property

Description of Primary Business: This business line includes estimating the annual valuation of all taxable property; maintaining property descriptions; classifying and processing parcels and owners qualifying for homestead status, exempt status or special classifications; responding to all formal owner/taxpayer valuation appeals and requests for property reviews; supporting City initiatives, property tax programs, Minneapolis School District, and other City departments; and verifying and maintaining records of property transfers.

Key Performance Measures that are impacted by 2005 resources:

	2001 Actual	2002 Actual	2003 Actual	2004 Estimated	2005 Projected
Informal and formal appeals as a % of taxable parcels	+/- 1,800 or 1.6%	+/- 1,500 or 1.3%	+/- 2,000 or 1.6%	+/- 1,800 or 1.6%	+/- 2,200 or 2.0%
% of levy collected	98.445%	98.320%	98.571%	98.5%	98.7%
Residential Coefficient of Dispersion	est. 13%	est 12%	est 12%	11.3%	11.5%
Change due to appeals	est. 1.3%	est 1.5%	est. 1.3%	est. 1.3%	est. 1.2%
Dollar change from market forces / new construction	2,210mm/190mm	3,266mm/514mm	2,122mm/537mm	2,309mm/335mm	2424mm/241mm
Average Assmt / Sale Ratio	87.5%	87.6%	89.5%	89.7%	90.0%
Percent of parcels inspected	26.2%	25.7%	25.5%	21%	20%
Number of equalization changes	est. 30,000	est. 29,000	est. 29,000	22,500	22,000
Value change on appeals	est. 2%	est. 2%	est. 2%	2%	2%
Appeals upheld by Boards	est. 80%	est. 80%	est. 80%	86%	85%
Informal appeals resolved	est. 70%	est. 70%	est. 70%	75%	75%
State/County deadlines met	100%	100%	100%	100%	100%
Change orders to County	est. 2.5%	est. 2.5%	est. 2.2%	2.2%	2.0%
Reviews started in 5 days	est. 85%	est. 90%	est. 90%	93%	95%
Significant Exempt Changes	Stable	Stable	Stable	Some reduction	Stable
Transfers entered in 5 days	est. 70%	est. 75%	est. 80%	85%	90%
Number of exempt reviews	est. 100	est. 100	est. 100	1800	100
Accuracy by random sample	n/a	n/a	est. 98%	98%	98%
Enterprise projects	MPRA Board, various comm.	MPRA Board, various comm.	MPRA Board, various comm.	MPRA Board, Dev. Work Flow Comm.	as requested
Number of transfers posted	est. 7500	est. 8000	est. 8000	8000	8000

Explanation of Key Performance Measures: Some of the data presented are estimates. There are statistical measures to test the level of uniformity in the assessment. These measures are reviewed continually. They indicate that residential property is relatively uniformly assessed but neighborhood commercial property needs additional efforts by the office.

Some law changes have eased some of the work load on the office such as the "sun setting" of the This Old House program. This has been offset by the increase in Tax Court appeals from payable 2000 through payable 2003.

Financial Analysis:

EXPENDITURE

The Assessor budget increases from \$2.78 million in 2004 to \$3.1 million in 2005, a \$324,000 or 11.7% increase.

The budget for this department includes \$279,000 in BIS charges calculated on a city-wide rate model and \$5,900 for benefits administration. Both charges were centrally budgeted in the past. Backing out these charges, the 2005 Assessor's budget is \$2.8 million, a 1% increase over the 2004 Adopted budget.

In 2005, the total number of positions is 34.5, the same level as 2004.

REVENUE

Revenue in 2005 is projected to increase slightly from \$131,000 to \$134,000. The bulk of these revenues are from payment in lieu of taxes (PILOT) paid by nonprofit nursing homes through agreements in the Community Planning and Economic Development (CPED) department's work.

FUND ALLOCATION

One hundred percent of the Assessor's budget comes out of the General Fund.

MAYOR'S RECOMMENDED BUDGET

No changes were recommended by the Mayor.

ADOPTED BUDGET

No changes were adopted by the Council.

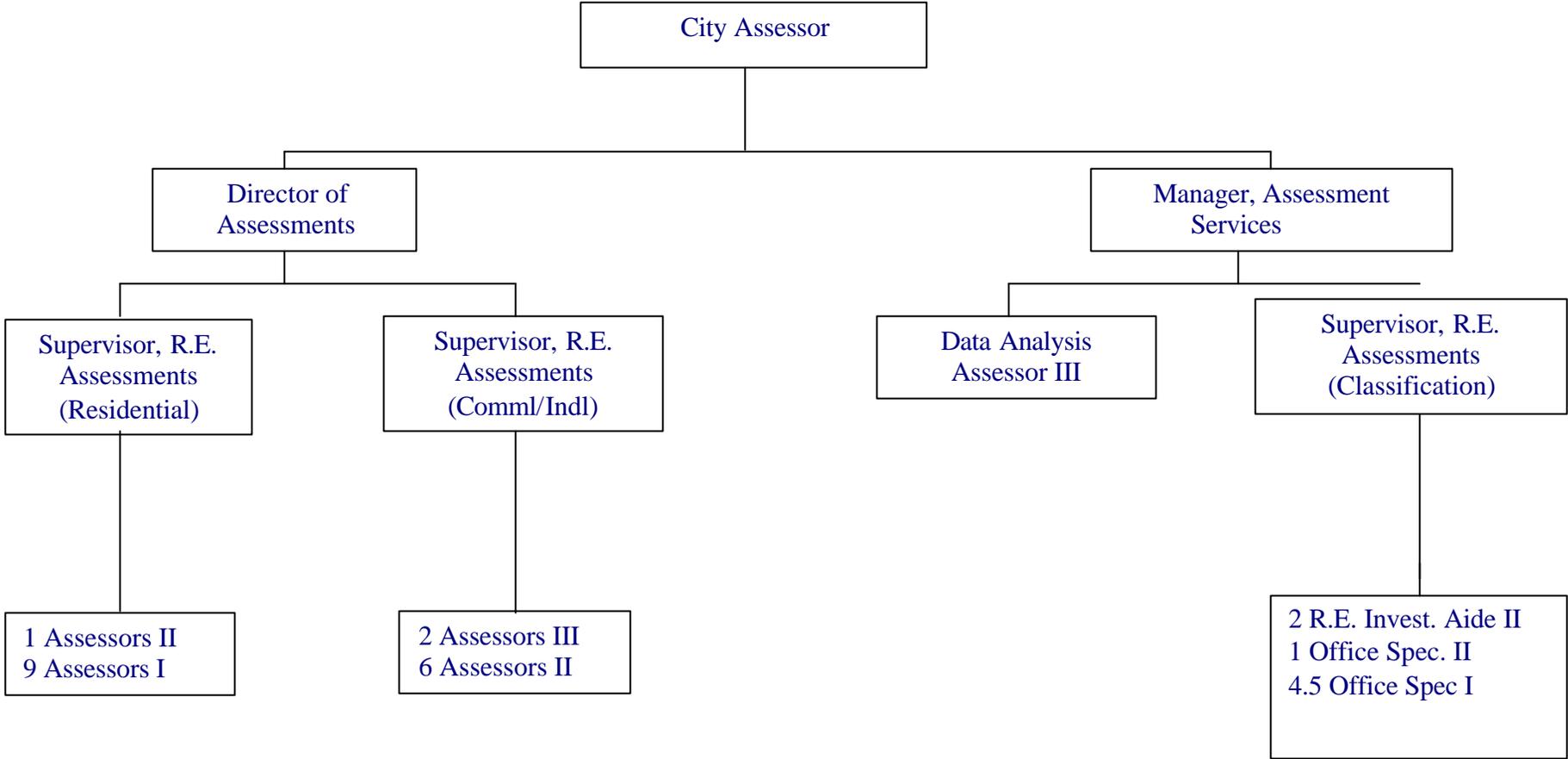
**ASSESSOR
Staffing Information**

	2002 Adopted Budget	2003 Adopted Budget	2004 Adopted Budget	2005 Adopted Budget	% Change	Change
Total FTE's	35.50	35.50	34.50	34.50	0.00%	-

Target Strategies:

No target strategies were requested for this department.

ORGANIZATIONAL CHART
MINNEAPOLIS DEPARTMENT OF ASSESSOR
As of 6-1-2003



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(jsrinfo\org chart 1100)

**ASSESSOR
Expense Information**

	2002 Actual	2003 Actual	2004 Adopted Budget	2005 Adopted Budget	% Change	Change
General Fund - City						
Capital Outlay	25,455	0	517	524	1.4%	7
Contractual Services	308,712	277,092	211,979	486,921	129.7%	274,942
Equipment	0	0	1,033	1,047	1.4%	14
Fringe Benefits	398,490	423,956	515,544	559,333	8.5%	43,789
Operating Costs	151,671	138,751	152,937	156,712	2.5%	3,775
Salaries and Wages	1,741,847	1,744,022	1,894,604	1,896,525	0.1%	1,921
Total for General Fund - City	2,626,175	2,583,821	2,776,614	3,101,062	11.7%	324,448
Special Revenue Funds						
Contractual Services	0	0	0	0		0
Salaries and Wages	0	0	0	0		0
Total for Special Revenue Funds	0	0	0	0		0
Total for ASSESSOR	2,626,175	2,583,821	2,776,614	3,101,062	11.7%	324,448

**ASSESSOR
Revenue Information**

	2002 Actual	2003 Actual	2004 Adopted Budget	2005 Adopted Budget	% Change	Change
General Fund - City						
Charges for Sales	196	118	0	0	0.0%	0
Charges for Service	4,374	1,472	1,000	1,000	0.0%	0
Interest	0	133	0	0	0.0%	0
Other Misc Revenues	395	21	0	0	0.0%	0
Property Taxes	131,722	161,942	130,000	133,000	2.3%	3,000
<i>Total for General Fund - City</i>	136,687	163,686	131,000	134,000	2.3%	3,000
Total for ASSESSOR	136,687	163,686	131,000	134,000	2.3%	3,000