

Becker Township Board
Local Board of Appeal and Equalization
April 10, 2018

Town Board Members Present: Brian Kolbinger, Joe Danielson, Gary Gilbert, Frances Seeley
Absent: Brad Wilkening, Luke Babler, Lucinda Messman, Tanya Danielson
Also Present: Greg Olson: Sherburne County Assessor, Dave Selbitchka: Residential Assessor, Kristi Botzek: Agricultural Assessor, Doug Beise: Residential Assessor, Bill Riley: Commercial Assessor, Shelly Maloney: Residential Assessor, Krista Thoe: Residential Assessor

Meeting called to order by Chair Kolbinger at 9:00 a.m.

Quorum verified.

Gregg Olson reviewed the Mini Abstract distributed to Town Board members [full text on file].

Kristi Botzek reviewed the Agricultural Sales handout distributed to the Town Board members [full text on file].

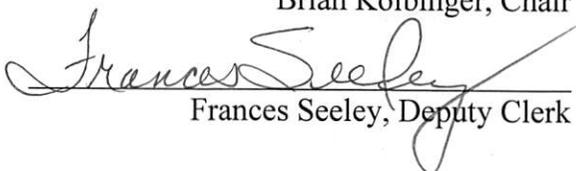
Dave Selbitchka reviewed the Valuations handout distributed to Town Board members [full text on file]

No members of the public present with requests.

Motion to Adjourn by Danielson. Second by Gilbert. Motion carried, all voting in favor. Meeting adjourned at 9:45 am.



Brian Kolbinger, Chair



Frances Seeley, Deputy Clerk

Sherburne County Assessor

Sherburne County Government Center

13880 Business Center Dr NW

Elk River, MN 55330-1692

Phone: (763)765-4900

FAX: (763)765-4905

2018 BECKER TOWNSHIP ASSESSMENT

Residential and Seasonal values increased in overall market value by approximately 7.8%. The property value increases are the result of 72 township sales used in our sales ratio study and 1,381 sales county-wide. There was \$6,481,200 in new construction value.

Assessment Years

2014	29 sales	89.1% x 1.072% = 95.52% adjusted ratio
2015	32 sales	85.2% x 1.092% = 93.04% adjusted ratio
2016	71 sales	93.0% x 1.013% = 94.21% adjusted ratio
2017	69 sales	87.0% x 1.075% = 93.53% adjusted ratio
2018	72 sales	86.5% x 1.078% = 93.27% adjusted ratio

Agricultural values increased approximately 1%.

Commercial and Industrial values were virtually unchanged. There were 17 sales County-wide.

Total Taxable New Construction

Assessment Years (spring mini abstract)

2014	\$ 7,307,400
2015	\$ 4,939,100
2016	\$ 8,916,700
2017	\$ 9,720,100
2018	\$ 8,824,400

Total Township Estimated Market Values Taxable Real Property

Assessment Years

2014	\$ 461,838,200
2015	\$ 498,925,300
2016	\$ 512,724,200
2017	\$ 556,827,500
2018	\$ 600,896,000

Kristi Botzek

**2018 Becker Township
Local Board of Appeal and Equalization
April 10, 2018**

The 2018 methodology utilizes agricultural sales within a region to develop a tillable and non-tillable value to be used for Green Acres in that area. Our Green Acres Region includes the Counties of Anoka, Chisago, Isanti and Sherburne. The Department of Revenue issued a memo which indicated that the average per acre value for tillable land was to be \$3,200 (down from \$3,300 in 2017) and the average for non-tillable was to be \$1900 (no change from 2017).

Township Averages as Reported to the Department of Revenue for the 2018 Assessment

2018 Estimated Market Values

2a Tillable 4100/ac -
2a/2b Pasture 3700/ac -
-Same values have been applied to CRP land

Waste 750/ac
Wetlands 750/ac

2018 Green Acres Values

2a Tillable 3200/ac
2a Pasture 2100/ac
Waste 750/ac
-Same values have been applied to CRP land

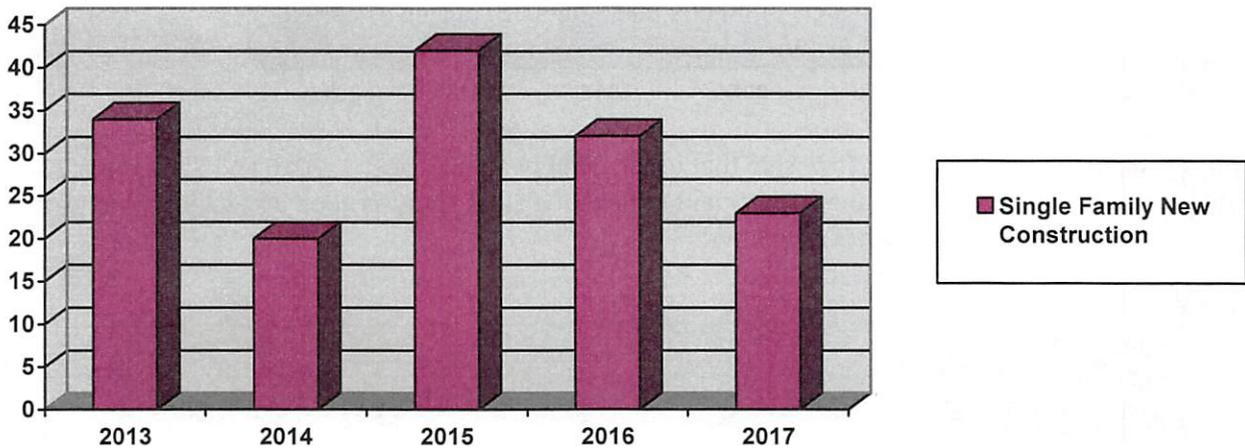
2018 Valuations Becker Township

Sales ratio studies compare the Assessor's Estimated Market Value to the sales price of the property. Sales from October 1, 2016 to September 30, 2017 were used to determine the Estimated Market Value for the January 2, 2018 Assessment. All sales were time adjusted to January 2, 2018. The Minnesota Department of Revenue requires the Assessor to maintain a ratio of 90% to 105%.

<i>2014 Assmt</i>	29 sales	89.1% ratio = 7.2% Increase
<i>2015 Assmt</i>	32 sales	85.2% ratio = 9.2% Increase
<i>2016 Assmt</i>	71 sales	93.0% ratio = 1.3% Increase
<i>2017 Assmt</i>	69 sales	87.0% ratio = 7.5% Increase
<i>2018 Assmt</i>	72 sales	87.0% ratio = 6.7% Increase

Becker Township Permits

In 2017, there were 23 permits for single-family homes, 43 permits for septic installation and repairs and an additional 199 permits for additions, decks, detached garages, pole buildings as well as permits for commercial and industrial. This is compared to 2016 where there were 32 permits for new homes, 39 permits for septic installation and repairs and 174 miscellaneous permits.



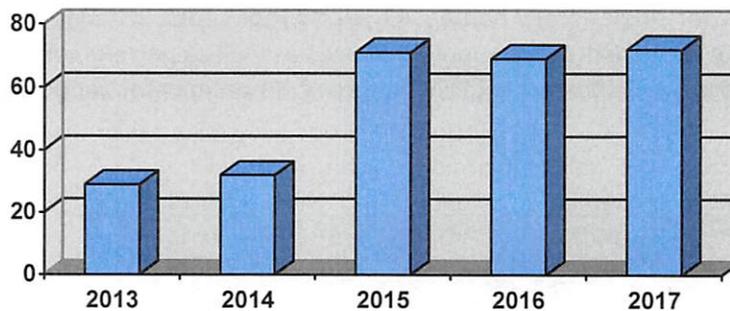
Combined new construction for Becker Township totaled \$8,698,800 for Becker Township for 2017.

Res / SRR	\$6,356,000
Ag	\$1,429,000
Comml	\$ 913,800

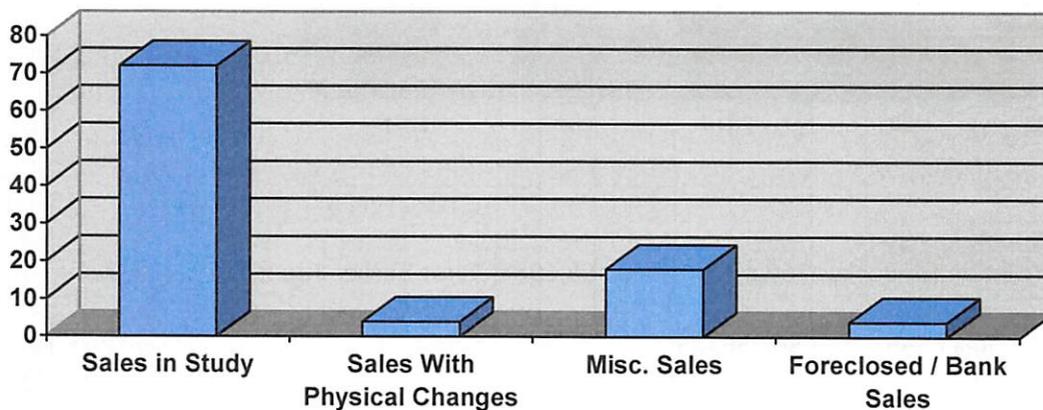
2018 Re-Assessment

The 2018 re-assessment was completed in Sections 13, 14, 22, 24 and 27. This included the platted neighborhoods of Hidden Pines, Black Swan Farm, Woodberry Farms, Sand Hill, Smith Estates, Twin Oaks, Deer Forrest, Big Oaks Estates, Cedar Knoll, Kipp Estates, Keeton Addition, Giarushi Estates, Shelton Addition, Frisk Addition, Hogans Addition, Cedar Crest Acres, Crestview, Cedar Oak Estates, Hoglund Hills, Deer Ridge and Bridge View. There were a total of 448 parcels appraised. Letters were sent out to those areas to inform the homeowners that their property would be inspected. All improvement measurements were reviewed, drawings were updated, new photos taken, and interior inspections were completed. Depreciation was applied to buildings as necessary. Value was added for all improvements that were not currently listed on the assessment record. On properties where access was either refused or denied, or otherwise inaccessible their values were estimated per MN Statute 273.20 ("*...to estimate the property's estimated market value by making assumptions believed appropriate concerning the property's finish and condition.*").

Market Sales



There were a total of 98 sales in Becker Township that occurred between October 1, 2016 and September 30, 2017. Of that number, 72 sales were included in the Department of Revenue Sales study as good arm's-length transactions for the 2018 Assessment. The sales breakdown is as follows:



Bank sales and foreclosures account for 4% of the total sales in Becker Township.

Residential Sales Study

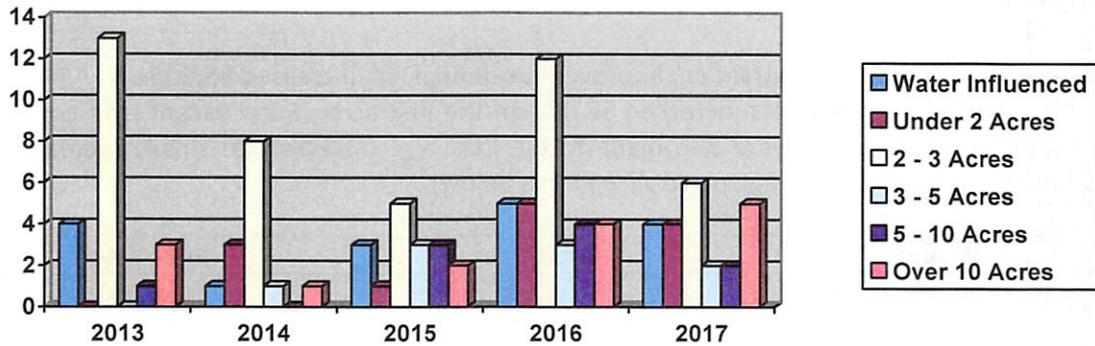
2013 29 sales – Median sales price \$192,100
 2014 32 sales – Median sales price \$246,600
 2015 71 sales – Median sales price \$219,400
 2016 69 sales – Median sales price \$275,000
 2017 72 sales – Median sales price \$282,700

Vacant Land Sales

A study was done from October 1, 2016 to September 30, 2017 of vacant land sales in the Becker Township area. There were 19 sales used in the county market study.

Highest sale price	\$158,000
Lowest sale price	\$ 16,000
Average sale price	\$ 70,200
Median sale price	\$ 62,500

Land Sales Breakdown



Vacant Land Inventory

According to our data, we indicate that there are 166 vacant sites for residential use in Becker Township. Approximately 30 of these carry a homestead classification. This does not include any agricultural or rural vacant land. With an average of 30 single-family homes built per year there is roughly 5.5 years of vacant residential land available in Becker Township.

Land Extraction Method

Another method that can be used to measure the value of land is by the use of land extraction. Land extraction is best utilized when vacant land sales are either not available or are limited. By using the 72 market sales in the Department of Revenue's sales study, the value of the improvements used for the 2018 Assessment is subtracted from the current sales price. The remaining value is the indicated value of land from the sale.

Median Lot Type	Median Ind. Lot Value	Median Size (Acres)	Median Price / Acre
Metes & Bounds	\$67,500	5.00	\$13,500
Platted	\$72,900	2.60	\$28,000
Cluster Plat	\$45,600	0.60	\$1.70 per/sf

Adjustments

The county building schedule was increased, but it was not an across the board type of increase. Based on sales data, larger increases were made to lower valued homes and smaller increases were made to higher valued homes. These increases ranged from 3% - 10%. Split entry, split foyer three and four level split homes account for approximately 50% of the total market sales in Becker Township. Due to their significant impact on the overall market, these style homes were also increased an additional 3%. The garage schedule was increased to 8%.

Based on vacant land sales and land extraction, improved residential lots increased \$5,000 and Ag lots increased \$2,000 on the first acre. Vacant residential lots increased \$2,000 on the first acre. Rural vacant land per acre rate increased \$100 on the high ground. Changes were also made to the local size table so that smaller acreage parcels would be valued higher per acre than larger acreage parcels (see table below).

Acreage	Multiplier	Price / Acre
0 – 19.99	1.50	\$6,000
0 – 29.99	1.20	\$4,800
0 – 39.99	1.05	\$4,200
30 - above	1.00	\$4,000

The adjustments were based on countywide sales of rural vacant land. The local Becker area had 4 sales with an average parcel size of 31.82 acres and an average sales price of \$4,400 per acre.

After all increases were made the average increase for residential properties in Becker Township is approximately 7.74%.