



MOWER COUNTY

SMALL CITIES 2025 OPEN BOOK MEETING

March 1, 2025:

City of Adams
City of Brownsdale
City of Dexter
City of Elkton
City of Grand Meadow
City of Leroy
City of Lyle
City of Mapleview
City of Racine
City of Rose Creek
City of Sargeant
City of Taopi
City of Waltham

Prepared by the Mower County Assessor's Office:

*Michael Harvey, Mower County Assessor
Renee Thorpe, Lead Property Appraiser
Michael Kellar, Lead Property Appraiser
Fran Bekaert, Property Appraiser
Jack Anderson, Property Appraiser
Stephanie Leverington, Assessment Technician
Jill Herrera, Assessment Technician*

“Who Does What” in the Property Tax System

ASSESSOR

- Locates the property to be taxed: estimates its market value (how much the property would sell for in today’s market); and assigns it a class according to its use.
- Multiplies the estimated market value of each piece of property by the tax capacity percentage set by law for its class. The result is the tax capacity.
- Sends out valuation notices in the spring.
- Adds together the tax capacities for all the property in the taxing district and give the total to County Auditor

PROPERTY OWNERS WHO DISAGREE WITH THE ASSESSOR’S VALUE MAY APPEAL TO BOARD OF EQUALIZATION

BOARDS OF REVIEW

TOWN OR CITY BOARD OF REVIEW

- Town board or city council
- Meets between April 1 and May 31

COUNTY BOARD OF EQUALIZATION

- County Commissioners
- Meets last two weeks of June

STATE BOARD OF EQUALIZATION

- Commissioner of Revenue
- Meets between April 15 and June 30

THE REVIEW BOARD MAY CHANGE THE ESTIMATED MARKET VALUE OR CLASSIFICATION

MINNESOTA TAX COURT

- Small claims or regular division

TAXING DISTRICTS

(your school district, town or city, county, etc.)

- Determine the services (such as street maintenance, fire, and police protection) to be provided in the coming year.
- Estimate the costs of those services and determine what portion will come from property taxes.
- Prepare proposed budget/levy amounts.
- Sends proposed levy amounts to County Auditor
- Holds Truth-in-Taxation hearings on budget.
- Sends final levy amounts to County Auditor

COUNTY AUDITOR

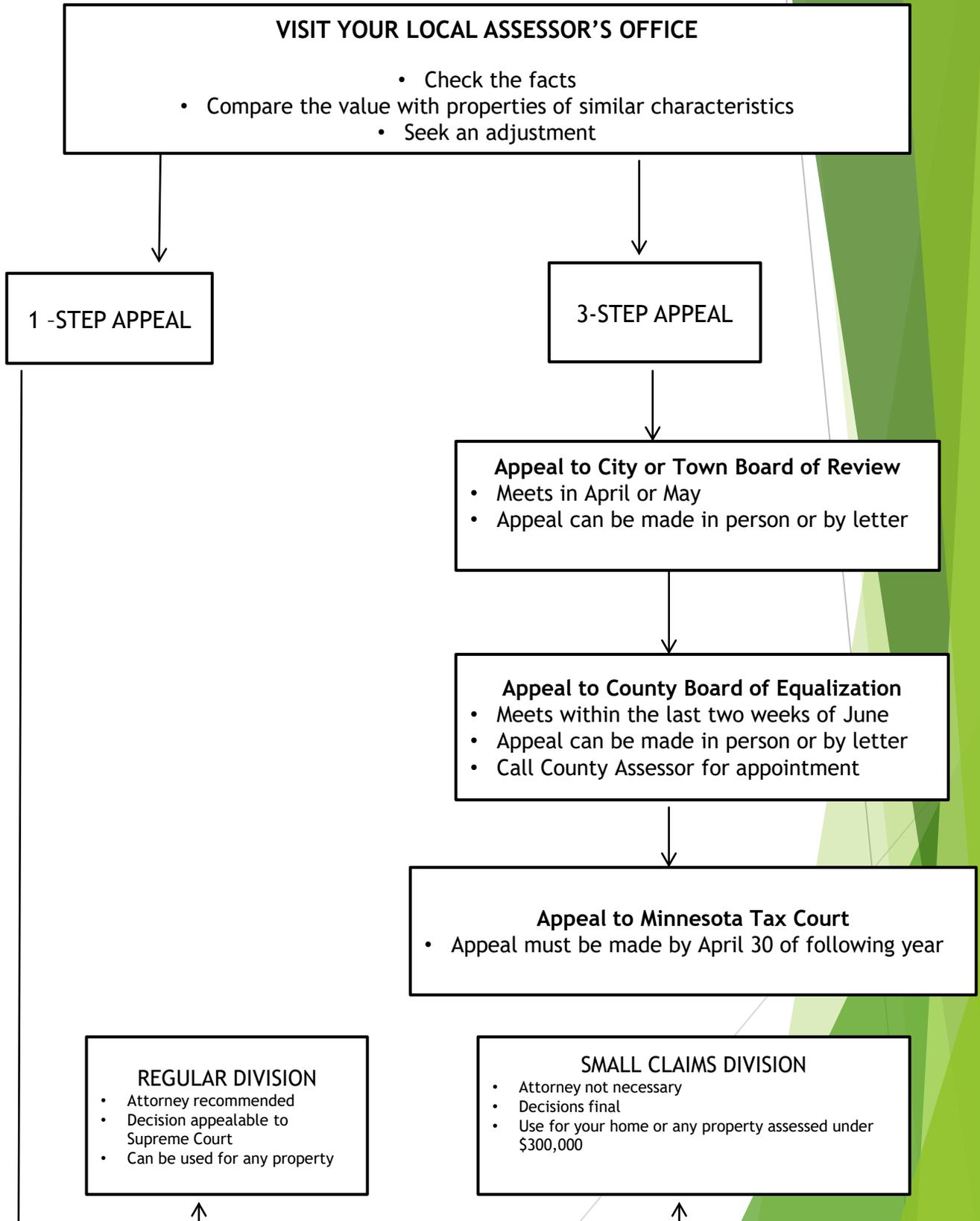
- Determines the tax capacity rates by dividing the proposed levy by the proposed total amount of tax capacity in the taxing district.
- Applies Special Assessments.
- Calculates the amount of each property owner’s proposed tax.
- Prepares Truth-in-Taxation notice.
- Mails notice to each taxpayer.
- Recalculates the amount of each property owner’s tax based upon the final levy amounts.

Prepares a listing of the tax on all property owners in the county and gives list to County Treasurer

COUNTY TREASURER

- Makes out the property tax statements from the County tax rolls.
- Mails out the tax statements.
- Collects payments in two installments (May 15 and October 15) for residential and agricultural (May 15 and November 15).
- Distributes tax receipts to taxing districts.

DO YOU THINK YOUR PROPERTY IS OVER ASSESSED?
The diagram below shows the steps in contesting your property valuation:



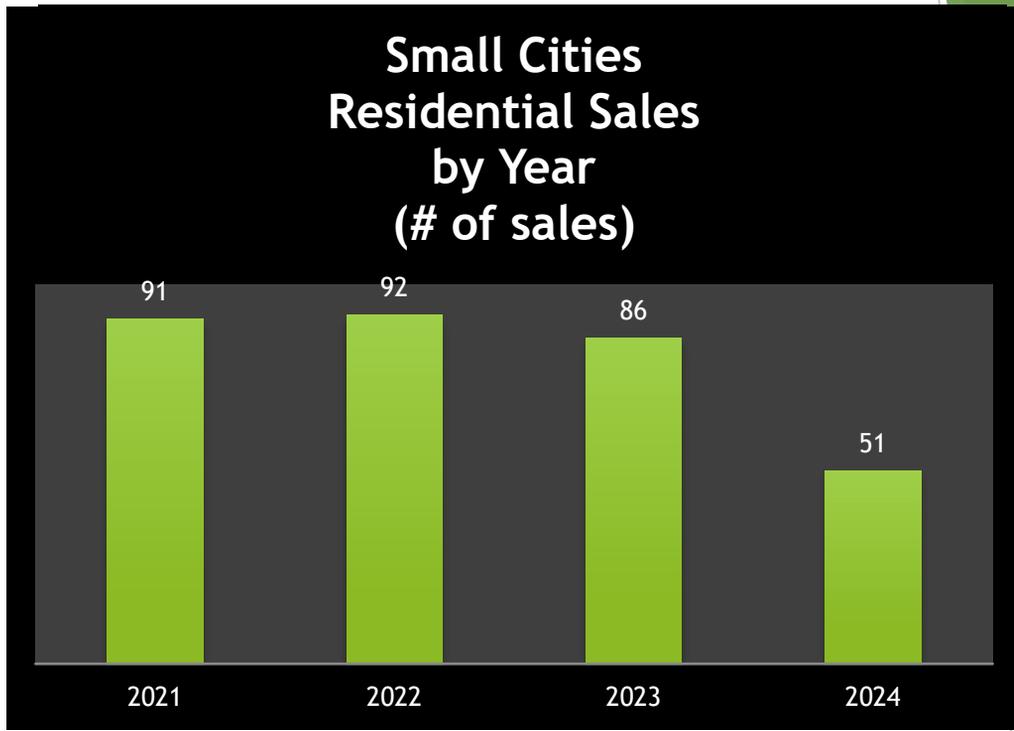
LOCAL BOARD OF APPEAL AND EQUALIZATION RULES AND DUTIES

- Can reduce the value of a property.
- Can increase the value of a property.
- Can add omitted properties back on the assessment roll.
- Can add improvements to the assessment roll.
- Can change the classification of a property.
- Cannot consider prior year assessments.
- Cannot order percentage increases or decreases for an entire class of property.
- Cannot reduce the aggregate assessment of the taxing jurisdiction by more than 1 percent.
- Cannot exempt property.
- Cannot grant special program status.
- Cannot make changes benefiting a property owner who refuses the Assessor entry.
- A board member cannot make changes to a property in which he/she has a conflict of interest or financial interest.
- Appeals must be based on facts. The property owner must present supporting evidence to convince the board that the current year valuation or classification is incorrect. The supporting evidence can be presented either in person, through a letter, or through an authorized representative.

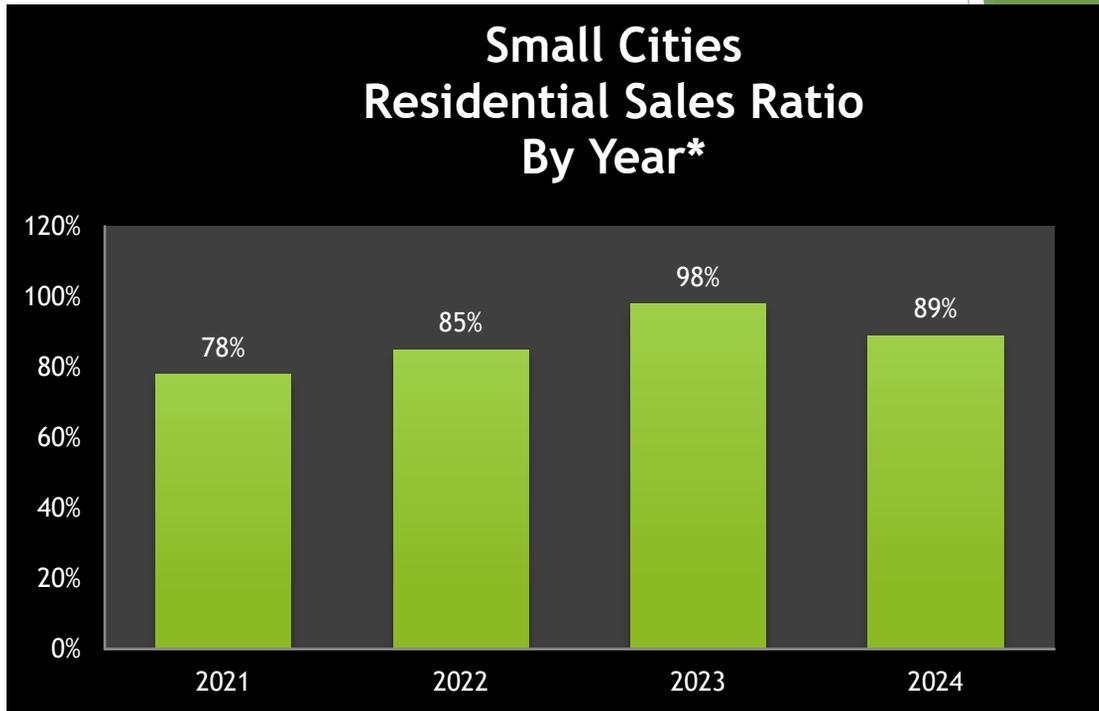
MINNESOTA DEPARTMENT OF REVENUE RULES ON EQUALIZATION

- Median sales ratios are used for equalization, when a valid sample is available.
- 6 sales in any taxing district in any property class constitutes a valid sample.
- Jurisdictions without valid samples are subject to review based on 5-year trends.
- Adjusted ratios under 90 percent could result in a state ordered increase.
- Adjusted ratios over 105 percent could result in a state ordered decrease.
- Typically, increases of over 20 percent will not result in a further change.
- Farmland values may be changed if border values are not within 10 percent of adjoining counties.
- State board orders are not subject to appeal.

SMALL CITIES RESIDENTIAL MARKET DATA



SMALL CITIES RESIDENTIAL MARKET DATA CONTINUED



*Department of Revenue requires the median ratio to fall between 90%-105%

Before any residential market adjustments, we were at an 93% ratio.

Number of Sales by City and Adjusted Ratio

City	# of Sales	Going in Ratio	Going out Ratio
Adams	8	86.62%	95.60%
Brownsdale	16	85.12%	94.90%
Dexter	3		
Elkton	0		
Grand Meadow	8	105.40%	97.97%
Leroy	9	94.06%	96.91%
Lyle	4		
Mapleview	1		
Racine	1		
Rose Creek	3		
Sargeant	0		
Taopi	0		
Waltham	0		

*Department of Revenue requires 6 sales for a study.

**The median ratio on a sale study is required to be between 90%-105%

Small City Residential New Construction by Year

City	2021	2022	2023	2024
Adams	\$228,900	\$1,879,400	\$445,900	\$1,245,700
Brownsdale	\$87,800	\$147,400	\$688,700	\$46,400
Dexter	\$	\$316,300	\$166,600	\$210,700
Elkton	\$0	\$0	\$8,200	\$34,200
Grand Meadow	\$770,200	\$553,300	\$595,500	\$136,300
Leroy	\$128,000	\$105,600	\$148,000	\$934,800
Lyle	\$91,500	\$	\$9,400	\$75,800
Mapleview	\$0	\$1,800	\$103,300	\$0
Racine	\$82,400	\$464,600	\$194,600	\$102,900
Rose Creek	\$102,500	\$25,200	\$86,400	\$152,300
Sargeant	\$	\$0	\$0	\$0
Taopi	\$52,100	\$426,900	\$413,400	\$555,600
Waltham	\$41,100	\$25,800	\$0	\$269,300
Total	\$1,584,500	\$3,946,300	\$2,860,000	\$3,764,000

5 YEAR SMALL CITIES QUINTILE PLAN-BY ASSESSMENT YEAR

SMALL CITIES	LAST QUINTILED	NEXT QUINTILE	APPRAISER
CITY OF ADAMS	2024	2029	FRAN
CITY OF BROWNSDALE	2023	2028	FRAN
CITY OF DEXTER	2022	2027	FRAN
CITY OF ELKTON	2021	2026	FRAN
CITY OF GRAND MEADOW	2021	2026	FRAN
CITY OF LEROY	2020	2025	FRAN
CITY OF LYLE	2021	2026	FRAN
CITY OF MAPLEVIEW	2023	2028	RENEE
CITY OF RACINE	2022	2027	FRAN
CITY OF ROSE CREEK	2024	2029	FRAN
CITY OF SARGEANT	2021	2026	FRAN
CITY OF TAOPI	2020	2025	FRAN
CITY OF WALTHAM	2021	2026	FRAN

2024 Market Overview



- ▶ Rising mortgage rates have slowed the housing market and home values have declined in this sales study.
- ▶ Total quantity sales have fallen in all jurisdictions, with a decline in the quantity of active listings.
- ▶ Sales to list price ratio varies by market; most markets have stabilized or decreased in value.
- ▶ Days on market has steadily increased with longer time on market. Building materials have seen some areas of cost decrease and some remain at elevated levels. Inventories of some materials are at low levels affecting pricing.
- ▶ Continued increase of activity in the commercial market among all property types and uses.
- ▶ Value for till land were stable where pasture and wood lands increased due to market sales. Some ag buildings and bins seen a significant increase.