

Town of Crystal Bay

Board of Appeals and Equalization

Minutes

May 16th, 2024

- I. Attendance: Noah Mittlefehldt, Andrew Fellows, Joe Jacobs, Mike Nikula, Stacy Breden, Paul Hartshorn, Roger Peterson, Vern Hoff.
- II. Paul called the meeting of the Crystal Bay Town Board to order at 1:02pm
- III. Presentation:
 - A. Noah Mittlefehldt appraiser supervisor introduced Joe Jacobs Crystal Bay, Beaver Bay and Stony River Township assessor, and Andrew Fellows Silver Creek and Fall Lake Townships assessor.
 - B. Minnesota set new rules for 2024 assessments.
 - 1. New property homestead classification cut off is \$517k. This will impact the 2025 tax season.
 - 2. Veterans Disability Programs; new lifetime homesteading for surviving spouses if you homestead the property you live on. Surviving spouses can apply retroactively.
 - 3. Agriculture went from 2.1K to 2.5K in parts of Lake County.
 - C. The county also does physical review reevaluating properties on a rotating 5 year basis covering 20% of Crystal Bay Township within the 5 year cycle.
 - D. 2023 saw 9 sales in Crystal Bay Township affecting the 2024 tax base, since it was over Minnesota's quota for Townships which is (6), the State needed to do a Study of the Accessors work. The median sale for 2023 came in at 9% lower than the assessed value, so the County looked at lowering that to accommodate State standards.
 - E. There is a proposal in legislation right now that if passed will increase Taconite Credit for homesteaded properties from \$289 to \$515 which would be in effect for 2025 tax season.
 - F. Why would your taxes go up if you aren't doing any improvements on your home? Well two Factors are in play. 1. we look at your neighborhood location
2. the sales that occurred in your area
Remember that we are always working one year back for the current year, so sales from 2023 are what drives 2024 property taxes.
 - G. The audit and review process for if you feel your property is incorrectly assessed is to raise concern here at the Town Board of Appeals and Equalization meeting and then one can also bring concerns to the County meeting which is on June 17th, 2024 this year.

IV. Property Appeals:

A. Parcel number 27-5707-29430 ; Vern Hoff

1. 40 Acre property currently valued at \$847,600.00. Vern's question is on the evaluation of his (Wood Shop) going up in value and no improvements since it was built in 2021. Vern has talked to other property owners in the area in the same tax bracket and they are half the price as his why?

2. It has to do with the classification over the value. You can only homestead 10 acres of the 40 acres on this parcel. After that the additional acres is marked rural vacant land which changes classifications. Commercial classifications pay higher market value. Your garage was appraised Feb 16th, 2022 they would have changed the classification from residential to commercial at the time it was assessed. Wood Shop valued @ \$157,946.00 that structure and 1 acre of land around that building is currently considered commercial. It looks like at one point there was firewood for sale, which is having an outsized effect of the tax calculation.

3. Vern also has a question on his home being all residential when part is a horse barn.

4. Well currently \$172.85 per square foot for that home per the model used to calculate a cost model. If there is no walk through of the property it's based on assumptions. Site inspections and walkthroughs are helpful in that regard. Vern would like to have an inspection done to re-evaluate his property. County would advise there is no change until a review is done on the property. Vern had further questions:

- How can you get acreage as agriculture?
- The size requirement is a minimum of 10 acres in production. Owner has to be selling some agricultural products like hay or eggs.

Additional Note: Conex boxes on the property are : one 8x40 container classified as a Homesteaded building valued @ \$6,019.00. MOTION: not change the assessment of Verns Property motioned by Roger, seconded by Mike, passed by unanimous consent.

B. MOTION: to create a homesteaded personal property ID# 27-9600-00107 for Crystal Ahlbeck motioned by Roger ,seconded by Paul, passed by unanimous consent.

V. Motion to adjourn the meeting at 2:12pm. motioned by Paul, seconded by Mike.