

2020

DEPARTMENT

results
minneapolis

Assessor's Office

Performance Summary

Enterprise Priorities (page 3): Workforce Diversity, Spending with Diverse Suppliers
Department Priority (page 4): Employee Engagement, Education and Professional Development, Computer Assisted Mass Appraisal (CAMA)

Budget Program	2019 Budget	Performance Measure	2019 Performance	Data Trend	Status Indicator: Red/Yellow/Green
Appraisals and Assessment Administration	\$6.1M	<i>Valuation and Classification of Real Estate</i>	<i>Valuation and Classification of Real Estate</i>	<i>Valuation and Classification of Real Estate</i>	
		1. Sales ratio by classification	1. 4/4 met ratio:100 %	1. Stable	1.
		2. Coefficient of dispersion	2. 3/4 met COD: 75%	2. Stable	2.
		3. Price related differential	3. 3/4 met PRD: 75%	3. Stable	3.
		4. Quintile reassessment requirements	4. 18,595 parcels	4. Stable	4.
		<i>Preserve Equity and Fairness in the Distribution of the Tax Burden</i>	<i>Preserve Equity and Fairness in the Distribution</i>	<i>Preserve Equity and Fairness in the</i>	
		1. Tax court petitions	1.483 Petitions	1. Increase	1.
		2. Estimated Market Value retention rate	2. Data Unavailable 3. 1,766	2. No Trend	2.
		3. LBAE Appeal count	4. 2019: 13% concurred (includes all taxpayer engagements, ex: calls, letters, etc.)	3. Increase	3.
		4. LBAE Appeal outcomes		4. Decrease	4.
		<i>Administration and Business Systems</i>	<i>Administration and Business Systems</i>	<i>Administration and Business Systems</i>	
		1. Property owner and taxpayer engagement	1.8 total events	1.2018: 23 total events	1.
2. Staff state accreditation	2. 46% complete	2.2018: 37% complete	2.		

Signal Key

Increase by more than 5%	Less than 5% change
Decrease by more than 5%	No trend

Enterprise Priorities

Workforce Diversity

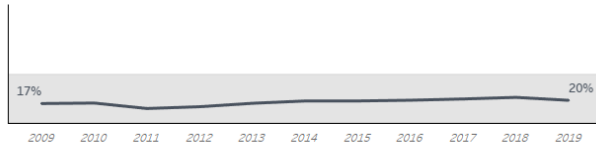
- **Does not meet** enterprise goal of 41% people of color
- **Does not meet** enterprise goal of 45% women

In 2019, the department hired five new staff. Of those five, four were women and two were people of color. The Assessor's Office strategy to increase workforce diversity is multifaceted. We are actively participating in community engagement events, career fairs, neighborhood meetings and the Pathway program. Currently, the department demographics are 39% women (leadership team is 43% women). The department leadership will continue to target the City's goal for gender equity as the department grows or staff turnover.

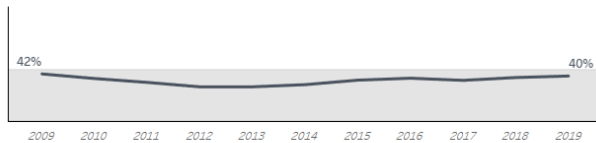
Workforce diversity (2009-2019)

Assessor

People of color



Women



Notes:

(1) Grey shading indicates enterprise goals (41% people of color and 45% women).

Definition for Regular City Workforce:

(a) Includes: all regular full-time, regular part-time, regular intermittent, and seasonal full-time City employees.

(b) Excludes: ACA seasonal and all temporary City employees including individuals on permit, outside trades, Election Judges, METP Summer Youth, and contractors.

Spending with Diverse Suppliers

- **Exceeds** Citywide percent diverse spending of 16%
- **Does not meet** Citywide percent spending with minority-owned suppliers of 7%
- **Exceeds** Citywide percent spending with non-minority women-owned suppliers of 9%

In 2019, the Assessor's Office contracted with two vendors. Both contracts were awarded to small business owners with one contract from the city's list of Women-Owned Small Business (WOSB) for consulting services

Summary

Total supplier spending* over selected years

\$51K

Amount spent with diverse suppliers over selected years

\$28K (55%)

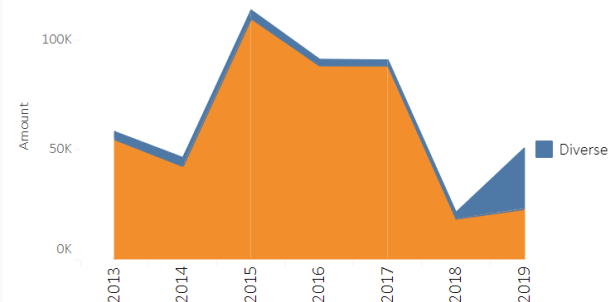
Minority-owned

\$954 (2%)

Non-minority women

\$27K (53%)

Share of diverse spending* (all years)



Department Priorities

Priority 1

Employee Engagement, Education and Professional Development

- It is estimated that 48% of the assessing profession workforce will be retiring in less than 10 years, and 23% will be retiring in less than five years.
- Because this demographic will retire faster than we may be able to recruit new assessors, we also have to focus also on employee retention.
- The key to successful employee retention is to have satisfied and engaged employees. With a workload per appraiser that exceeds many surrounding jurisdictions as well as Minneapolis being a challenging real estate market to value, we need to continue to look for reasons why staff would want to stay at the City of Minneapolis. We need to keep them engaged, educated and satisfied with the availability of personal and professional development opportunities. In addition to the required licensing and relicensing education, we are deliberately attempting to create an environment where they can be exposed to opportunities at the local, state, national and international level.

Performance Measure(s)

- Staff involved in State education course development and instruction
- Staff representing the City on the IAAO Board of Directors or the MAAO Executive Board
- Staff working on advanced-level skills and certifications
- Staff are recognized for their achievements and contribution to the department, City or profession.

Priority 2

- The new CAMA solution will provide the framework, data storage and assessment analytics to annually value, classify and manage 130,000 real estate and personal property accounts with a high degree of precision and accuracy. Benefits of the new solution include:
 - New analytical tools that will result in more precise and consistent real estate values citywide
 - Transparency in property value calculations and assessment methodology
 - Data verification, validation and reporting functionality
 - Mobile Wi-Fi solution for appraisers in the field
 - Online self-service functionality for owners or taxpayers
 - Seamless integration with city enterprise systems like ELMS, MINS and COMET/COGNOS
 - New GIS mapping, charting and visualization tools
 - Vendor-hosted cloud-based solution

Performance Measure(s)

Initiate CAMA Plan

- Begin Communications
- Build the Project Team
- Develop Management Plan
- Develop Project Plan & Schedule

Assess and Define

- Begin Knowledge Transfer
- Examine Business Process,
- Validate System design meets objectives
- Data conversion begins, integration, forms and reports

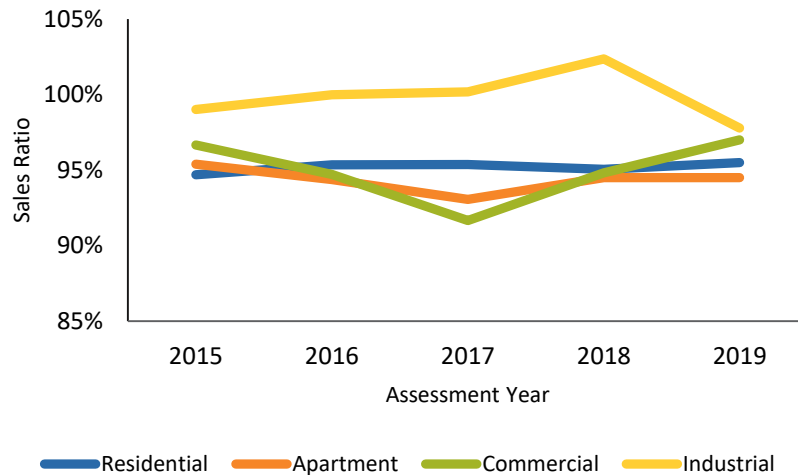
Appraisals and Assessment Administration

Valuation and Classification of Real Estate

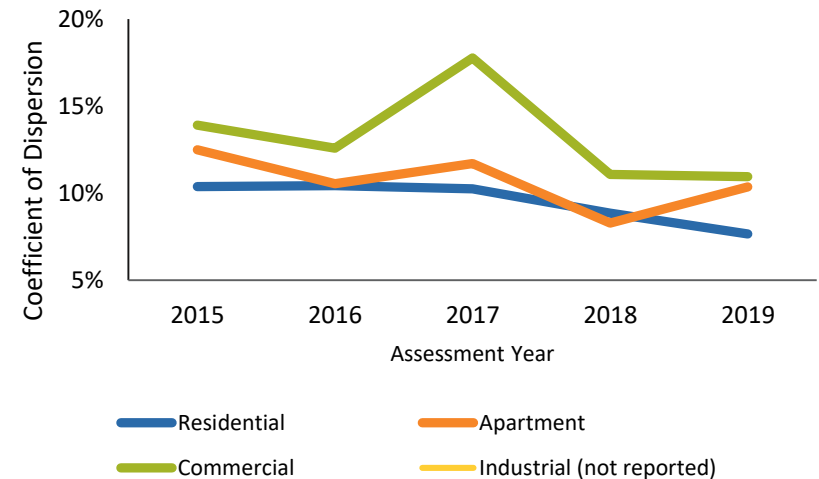
Program Description: The Assessor's office is statutorily mandated to determine the market value and classification of all land and improvements annually. An annual assessment includes: Property Inspections; Exemptions and Tax Relief Programs; Data & Record Management; Taxpayer Notification; Taxpayer Appeals and Reviews; Tax Court Litigation, Legislation, Neighborhood and Community Outreach and Business Relations. The office administers property tax programs in an accurate, ethical, equitable and defensible manner as prescribed by state law

Performance Measures

Sales Ratio by Classification



Coefficient of Dispersion by Classification



Definition:

- The Sales Ratio study is a tool used by the Department of Revenue to measure the quality, accuracy and uniformity of a city's real property assessment.
- Ratios in the 90 to 105 percent range indicate a high degree of accuracy and uniformity in the department's valuation practices and result in a fair distribution of the property tax burden for taxpayers.

Definition:

- The coefficient of dispersion (COD) is an important statistical measure in mass appraisal as it measures the equality or uniformity of the assessment. A lower COD indicates that appraisals are uniform. A higher COD indicates that property is being appraised at inconsistent percentages of market value.
 - Single Family Residential: Generally less than 15
 - Income Producing Properties: Generally less than 20

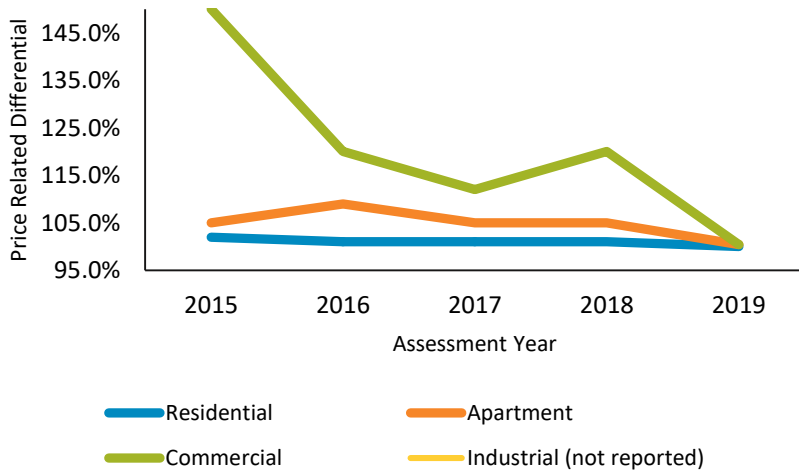
Appraisals and Assessment Administration

Valuation and Classification of Real Estate

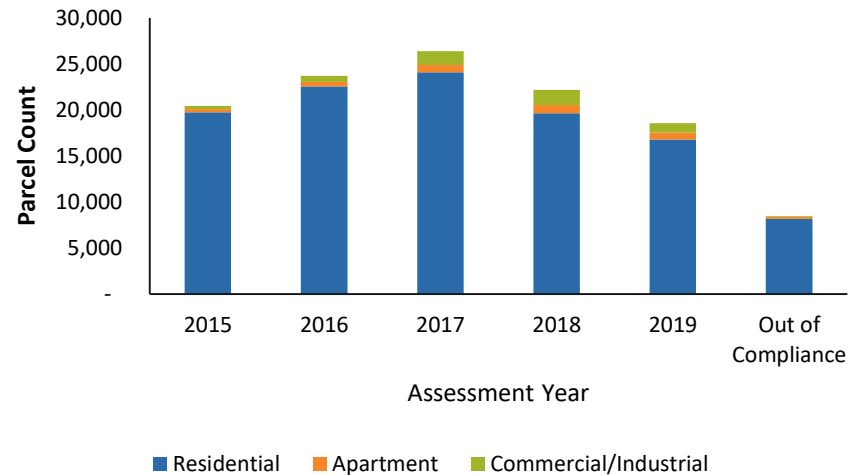
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Performance Measures

Price Related Differential by Classification



Quintile Reassessment Requirement



Definition:

- Price Related Differential is an indication of the vertical equity of an assessment. The measurement determines if an assessment is acceptable, regressive or progressive.
- State-recommended and international standard ranges of acceptability are 98-103 (acceptable); < 97 (unacceptable regressivity) and > 103 (unacceptable regressivity).

Definition:

- Minnesota Statutes (273.01 and 273.08) require the assessor to physically view properties at least once in every five year interval. The re-inspection process is called the “quintile” assessment process. Because the quintile reassessment is required by law, it is important the City has a detailed quintile plan.
- It is important to measure these metrics because it indicates if the department is both adequately staffed to complete the statutory requirement as well as if staff are adequately licensed to do the appraisal assignments.

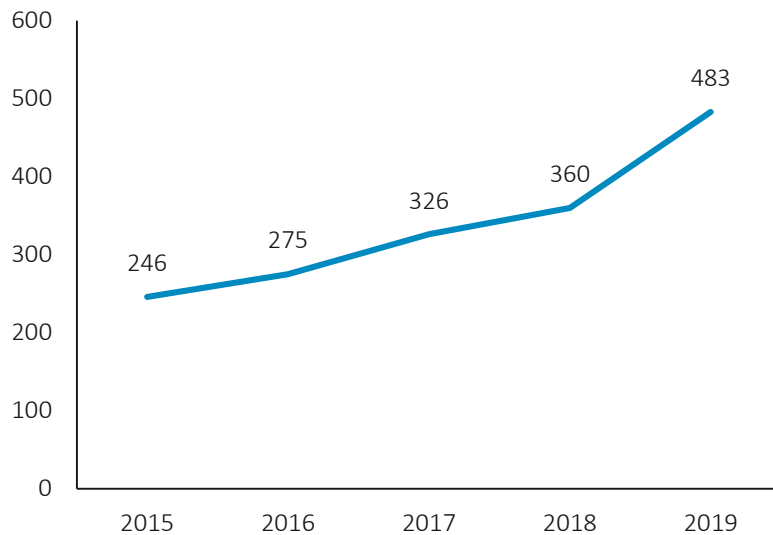
Appraisals and Assessment Administration

Preserve Equity and Fairness in the Distribution of the Tax Burden

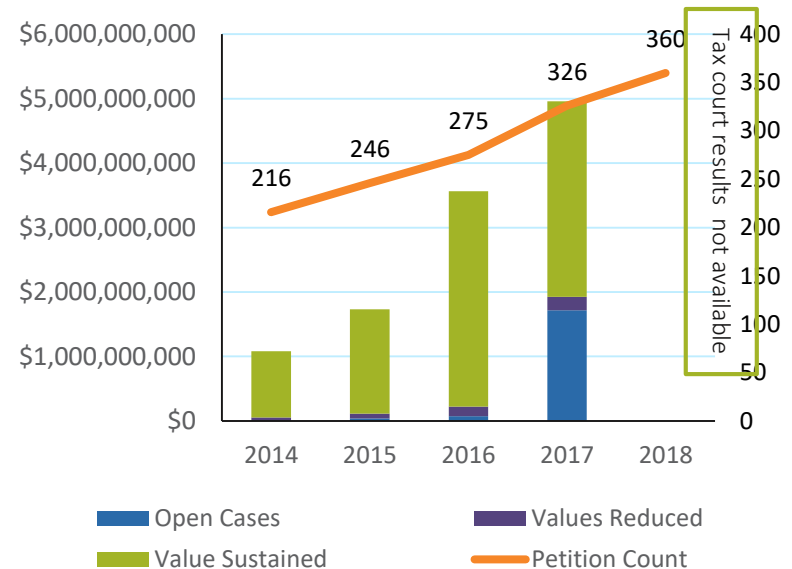
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Performance Measures

Minneapolis Tax Appeals



Volume of Appeals



Definition:

- Tracking tax court petitions is important for three reasons, (1) An early indicator of workload demand on the department, (2) Enables the department to more efficiently manage staff and resources as petition volume changes, (3) A metric that shows the city's potential exposure to levy loss from tax court appeals. Tax Appeal numbers are reported in May each year.

Definition:

- Volume of appeals typically follows the market cycle. The cycle is not always predictable. This is an important metric to track the accuracy of assessments as well as the success of staff and defense of market values.

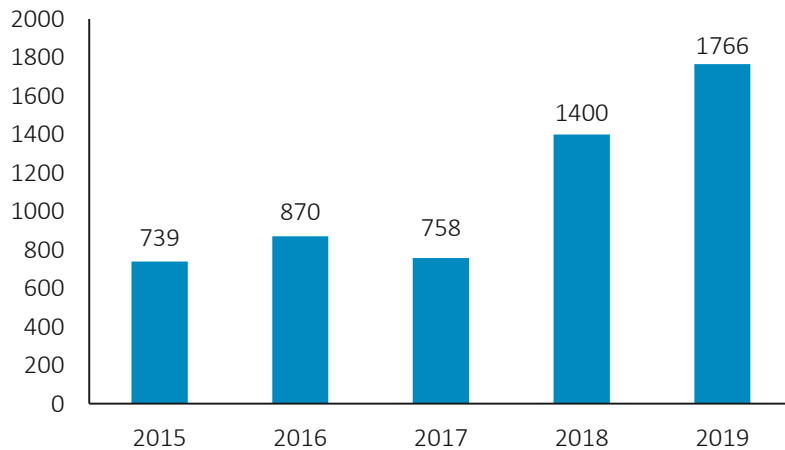
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Performance Measures

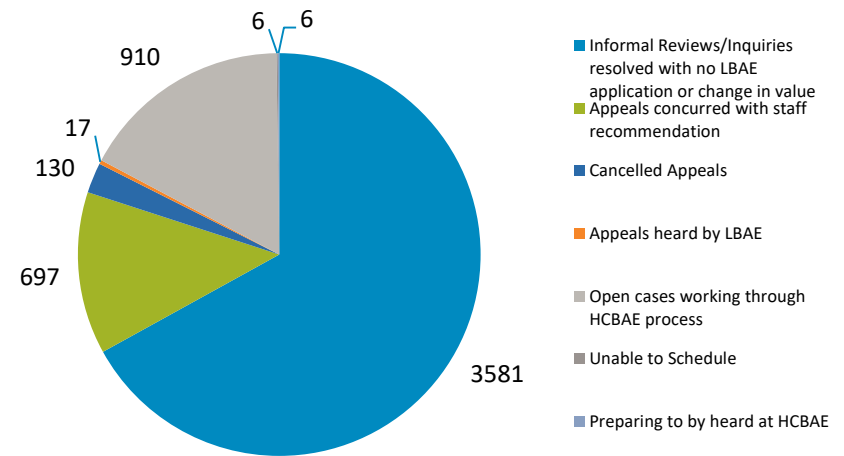
LBAE Appeal Count



Definition:

- Appeal count is a workload metric that has important implications for resource decisions. It also points to possible varying public trust in the assessment process and result.

Result of 2019 EMV Inquiries



Definition:

- It is in the City's interest to dismiss appeals because it means that the City's original assessment was correct.

Appraisals and Assessment Administration and Business Systems

Program Description: The Assessor's office is statutorily mandated to determine the market value and classification of all land and improvements annually. An annual assessment includes: Property Inspections; Exemptions and Tax Relief Programs; Data & Record Management; Taxpayer Notification; Taxpayer Appeals and Reviews; Tax Court Litigation, Legislation, Neighborhood and Community Outreach and Business Relations. The office administers property tax programs in an accurate, ethical, equitable and defensible manner as prescribed by state law

Performance Measures

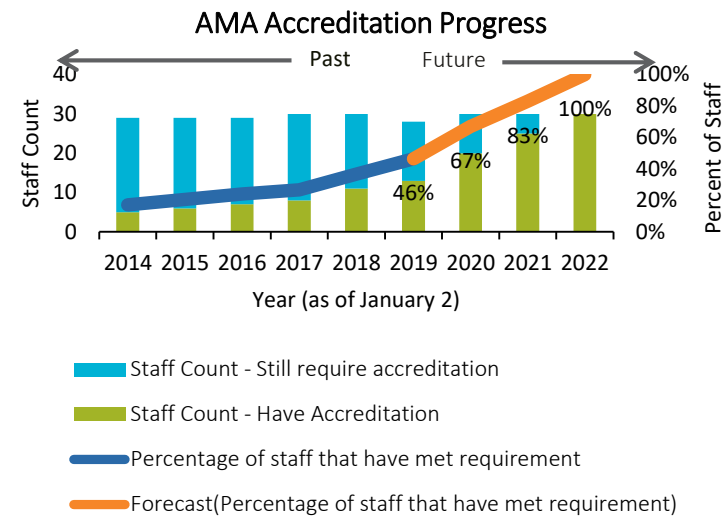
Property Owner and Taxpayer Engagement

	2015	2016	2017	2018	2019
Neighborhood Presentations/Meetings	8	9	7	7	2
City Academy	1	1	1	1	1
Career Fairs	3	3	3	3	3
SE Asian Community and Effective Engagement Training	0	0	0	1	0
Latino Community and Effective Engagement Training	0	0	0	1	0
Community Connections Conference	1	1	1	1	1
PPL Career Pathway Program	0	0	2	6	0
La Raza Radio Interview	0	0	2	0	0
MPR Radio Interview on the appeals process	0	0	0	1	1
American Indian Community Engagement Training	0	0	0	2	0
Total	13	14	16	23	8

Definition:

- Participation in community events at both the neighborhood and City level are critical to providing education for property owners and taxpayers so that they understand rationale for how assessments are calculated and how assessments translate to taxes.
- These efforts provide transparency to the Assessor's Office's work and builds trust in the annual assessment produced.

2020 Department Results: Assessor's Office



Definition:

- The State legislated accredited Minnesota Assessor (AMA) license requirement applies to anyone who appraises or physically inspects real property to determine its market value or classification for tax purposes. The deadline to acquire the AMA license is July 1, 2022. This applies to most staff in the Assessor's Office. Staff are required to show progress each year as they work to meet this requirement. The Assessor's Office directs staff to acquire their license as soon as possible so the Office isn't impacted by staff all trying to complete the license at the last minute which could create a substantial bottleneck.