

MINUTES OF THE SPECIAL MEETING  
BOARD OF REVIEW-EQUALIZATION  
OF THE ADRIAN CITY COUNCIL HELD  
IN THE COUNCIL CHAMBERS OF THE  
ADRIAN GOVERNMENT CENTER  
THURSDAY, MAY 2, 2019



**City Council - Board of Review (Equalization)**  
**Thursday, May 2, 2019 at 9:00 am**  
**Adrian Government Center, Council Chambers, 209 Maine Avenue, Adrian, MN 56110**

- 1. Call to Order:** Pursuant to due call and notice thereof, the Board of Review-Equalization Special Meeting was called to order by Mayor John W. Faber at 9:00 AM.
- 2. Roll Call**  
Roll call indicated the following present:  
Mayor/Council Members: John W. Faber, Ron Lonneman, & Tracy Kunkel  
Absent: Joe Hornstein & Dean Von Holtum  
Department Head: Administrator/Clerk-Treasurer Bruce A. Heitkamp  
Assessors: City Assessor Gary Spaeth, Nobles County Assessor Val Ruesch, and Nobles County Assistant Assessor's: Ted Buhner and John Meyer.  
Property Owners: Bob Wiese, Barb Kruse, Kate McCann, Brian Grimord, and Sailor Plastic's Lorin Krueger  
Request forwarded by the Council for Suedkamp Addition owners: Larry & Sharon K. Balster and Ron & Leah Lonneman
- 3. Board Certification:** As required by law, it was noted that Faber & Lonneman sufficiently completed the necessary training/certification for Adrian to hold the Board of Review-Equalization meeting. The meeting was allowed to proceed within the realms of Board-Certified criteria. A quorum was present to act upon the property tax value questions.
- 4. Board of Review; Assessment Requirements and Valuation Goals:** As stated, the State of Minnesota requires that property valuations to be set between 90%-105% of comparable home sales. Ruesch stated that commercial land values were raised to comparably-match the valuations of like properties throughout the County. All of today's decisions will be for 2019 property valuations for taxes payable 2020.

Bob Wiese, 421 Delaware Avenue (parcel 21-0303-000): Wiese stated that this property increased substantially over recent years. He questioned the increase trend. Spaeth and Ruesch stated that sales data supported the need to increase the property valuation. After Board discussion, the value-change action below approved a valuation reduction.

Parcel 21-0302-000: Wiese continued by stating the valuation of his other Delaware Avenue lot, including a garage, also continued to rise. Wiese argued that he believed this lot shouldn't be valued the same as Country Club Addition lots. After Board discussion, the value-change action on the following page approves a valuation reduction.

Barb Kruse; 209 Fourth Street West (parcel 21-0130-000): Kruse questioned how her valuation increased. She believed it should be lowered. After Board discussion, the value-change action below approves a valuation reduction.

Kate McCann acting as an Agent for Andrew McCann; 607 Nevada Avenue (parcel 21-0581-000): McCann questioned the valuation of her son's property. As explained, the lot is very small and confining and the home is modest in comparison to lower-valued neighboring homes. Spaeth mentioned that a newer garage was attached to McCann's home. Several modest improvements have been made after McCann owned the property. After Board discussion, the value-change action below approves a valuation reduction.

Brian Grimord (parcels 21-0206-000 & 21-0463-000); Homestead Questions: Grimord's valuations weren't adjusted as his question related to homestead certifications on two (2) homes in Adrian; where he is listed as owner; or partial owner. Ruesch answered questions regarding to homestead credit and that one person can only receive a total of one homestead credit.

Sailor Plastics' Lorin Krueger; 8 Maine Avenue (various parcels listed below): Krueger is the owner of Sailor Plastics. He questioned the lot and/or improvement valuations for the following Sailor Plastic's parcels: 21-0387-000, 21-0389-000, 21-0390-000, 21-0391-000, and 21-0392-000. After Board discussion, the value-change action below approved a valuation reduction on the 21-0389-000 parcel's (former Safeway Building) improvements. No other valuation changes were directed for the other mentioned parcels: 21-0387-000, 21-0390-000, 21-0391-000, & 21-0392-000.

Suedkamp Addition - General Valuation Concerns: The Board generally discussed the overall Suedkamp Addition land valuations. Recent Suedkamp Addition sales and land valuations and the comparable land valuations of abutting properties (Spartz Addition and/or 2016 annexed parcels) were discussed and challenged by the Council. Ruesch stated the same square-foot basis to assess land in Adrian was used within the Suedkamp Addition. The Suedkamp Addition is assessed at a higher per-square-foot value than other surrounding parcels. As stated, the Suedkamp Addition was the third-highest valued residential area within Adrian; after the County Club Additions and Campbell's East Side. The Council challenged the basis used to derive the Suedkamp Addition assessments. The Council also expressed concerns with future assessing practices in a Total County assessment system.

Lot Prices and Assessments included in Recent Sales: Lonneman introduced that street and utility assessments were included within former Suedkamp lot sale prices. Ruesch encouraged the City to break down those sale's figures on the ECRV form that is filed with the County. That ECRV data will help communicate land sale amounts and assessment amounts for the County staff. To date, Suedkamp Addition sales information weren't shared in that manner by City staff. After discussion, motion by Kunkel, second by Faber directing Heitkamp to derive the average assessment costs and the sales data for the Suedkamp Addition; as an ECRV data update. (RCV 3-yes, 0-no) The sales & assessment (ECRV) data, for previous Suedkamp Addition sales, will also be forwarded to update and correct the County's historical sales data.

Valuation Concerns: In reference to Board of Review valuations (2019 values for 2020 taxes), two Suedkamp Addition parties have expressed concerns regarding their assessments: Larry & Sharon K. Balster (during the August 22, 2019 Regular Council Meeting) for parcel 21-0628-025 and Ron & Leah Lonneman for parcel 21-0628-090. Those parcel's sale & assessment-satisfaction information will be forwarded to Ruesch to be used as 2019 valuation information for taxes payable 2020. The 2019 assessed value for 2020 taxes can only be corrected for the following properties who expressed concerns prior to, or during, the Board of Review-Equalization Meeting:

Larry & Sharon K. Balster; 813 Oklahoma Avenue S. (parcel 21-0628-025): As derived by Heitkamp through Council direction, the 2019 land valuation for taxes payable 2020 upon parcel 21-0628-025 will be changed.

Ron & Leah Lonneman; 832 Oklahoma Avenue S. (parcel 21-0628-090): As there were only three Council Members present during this meeting, no value correction could be acted upon for this parcel due to a lack of quorum. Lonneman needed to abstain due to a conflict of interest in acting upon his own property.

Board Valuation Action; Changes or No Changes: After deliberation, motion by Kunkel, second by Faber, motion carried to approve all of the 2019 valuation decisions for taxes payable 2020, as specified and listed, for each of the afore-mentioned parcels. RCV 3-yes, 0-no

- 5. Adjourn:** With no other business noted, motion by Kunkel, second by Lonneman, motion carried to adjourn the Special Board of Review-Equalization Meeting at 10:49 AM. RCV 3-yes, 0-no

/s/ John W. Faber, Mayor

/s/ Bruce A. Heitkamp, Administrator/Clerk-Treasurer