

# Minnesota State Board of Assessors Biennial Report: FY 2017 – 2018

**Reporting Period:  
Submitted By:**

**July 1, 2016 – June 30, 2018  
Andrea Fish, Executive Secretary  
October 2018**

The Minnesota State Board of Assessors is authorized under Minnesota Statutes, sections 270.41 to 270.50. The Board is submitting this report to the Governor as required by M.S. 214.07, subd. 1 (Non-Health-Related Board Reports). This report covers fiscal years 2017 and 2018 (July 1, 2016 – June 30, 2018).

Minnesota State Board of Assessors  
Mail Station 3340  
St. Paul, MN 55146-3340  
651-556-6086

# Table of Contents

Table of Contents .....	1
Introduction .....	1
Board Activities.....	1
Proposed or Adopted Rules .....	2
Board Members.....	3
Board Employees.....	4
Board Funds .....	4
Board Meetings and Total Hours.....	5
Number of Licensed Assessors .....	5
Board Examinations .....	5
Licenses Approved/Denied .....	6
Licenses Approved/Denied Without Board Exams .....	7
Complaints Received and Action Taken by the Board .....	8

THIS PAGE LEFT INTENTIONALLY BLANK

## Introduction

The State Board of Assessors regulates assessors under Minnesota Statute 270.41. Assessors determine the market value and classification of properties in their jurisdiction. Market values determined by assessors are the starting point for calculating property taxes each year; various other factors influence tax amounts. The Board sets – and enforces – rules and standards that cover assessors' education, work experience, and job performance.

The Board is appointed by the Commissioner of Revenue. By statute, the Board's nine members must include two Department of Revenue members, two county assessors, two assessors who are not county assessors, one private-sector property appraiser, and two members of the public.

The Board is required by M.S. 214.07 to report on its activities to the Governor every two years. The following report covers the period of July 1, 2016 – June 30, 2018. This report includes the following information about the Board, as required by statute:

- General statement of Board activities
- Summary of Board rules proposed or adopted during the report period
- Board members, occupations, addresses, and their appointment and reappointment dates
- Names and job classifications of Board employees
- Board budget, expenses, and fee receipts
- Number of meetings and total hours members spent on Board meetings and other activities
- Number of licensed assessors for each type or level of registration issued by the Board
- Information on examinations the Board conducted, and the number of people who took the exams and were licensed, registered, or denied by the Board
- Number of people who did not take the examinations and were licensed, registered, or denied by the Board
- Number of people whose licenses were revoked, suspended, or altered by the Board
- Number of complaints received by the Board and how those complaints were resolved or disposed of, including any referrals to other agencies or disciplinary action

## Board Activities

The Board of Assessors regulates assessors in Minnesota to ensure they are qualified to do their job and that their performance remains satisfactory. More specifically, the Board:

- Specifies the type and extent of formal education and work experience necessary for both initial and continued performance as an assessor for a unit of local government
- Reviews and approves courses of instruction offered by various sponsoring organizations and schools
- Issues and renews assessor licenses to people meeting the education and experience requirements
- Handles complaints regarding assessors and – where appropriate – takes disciplinary action or refers cases to other agencies

## Proposed or Adopted Rules

The Board proposes to amend its existing Rules by making the following changes:

1. **Licensing Manual:** Delete references to the "Licensing Manual."
2. **Reinstatement:** Provides that a person who has not been licensed for five years may be reinstated by demonstrating completion of certain coursework and by paying a reinstatement fee. The proposed changes also clarify that the reinstatement fee applies to anyone who has not renewed their license by July 1.
3. **Record Retention:** Remove record retention language from the Rules because it is provided for in the Board's retention schedule. With the new online licensing system, the Board will retain assessor records at least for the life of the assessor. The Board no longer charges the record retention fee.
4. **Assessment Laws and Procedure (ALP) Course:** Specify that the required ALP course must have been taken within the previous five years for: a) an initial license; or b) reinstating a license after five or more years of not holding a license.
5. **Uniform Standards of Professional Appraisal Practice (USPAP) Course:** Specify that the required 15-hour USPAP course must have been taken within five years of: a) first receiving an Accredited Minnesota Assessor (AMA); b) first receiving a Senior Accredited Minnesota Assessor (SAMA) license; or c) reinstating an AMA or SAMA license. If the course was taken more than five years ago, the AMA/SAMA applicant must take the current year's USPAP 7-hour update class.
6. **Continuing Education Hours (CEH) for Instructors:** Allow instructors to claim CEHs only once per four year cycle for the same course taught. Current rule allows instructors to claim CEHs for teaching multiple offerings of the same course.
7. **AMA/SAMA Narrative Appraisals and CMAS Form Appraisal:** Specify that narratives submitted as a requirement for AMA or SAMA license and form appraisals submitted as a requirement for CMAS must be submitted within five years of the date of the appraisal.
8. **International Association of Assessing Officers (IAAO) Assessment Administrative Specialist (AAS) Equivalency:** Provide that the IAAO Assessment Administrative Specialist designation fulfills the narrative requirement for the AMA license instead of the narrative requirement for the SAMA license.
9. **SAMA and AMA License Requirements:** Move the board interview requirement to the SAMA level instead of the current AMA level.
10. **Temporary License:**
  - a. Create a temporary license for a former member of the military, current member of the military, and the spouse of a current member of the military as required in Minnesota Statute 197.4552.
  - b. Create a temporary license for Minnesota appraisers who are licensed at the highest level (Certified General Appraiser) by the Department of Commerce to appraise all property types. Currently they are unable to work in the assessor's offices as income-producing property appraisers since they do not have an assessor's license.
11. **Trainee Registration:** Current law allows individuals who are regularly employed by the assessor to help make decisions about the valuation and classification of property for assessment purposes, but they must obtain an assessor license within three years of their date of employment. The proposed rule change would establish a one-time trainee registration for individuals who have started working for the assessor in the described work, but are not yet licensed. Trainees would be required to register with the Board within 30 days of hire.

12. **Continuing Education Hours (CEH):** Starting July 1, 2016, increase CEH requirements as follows:

License Level	CEH Requirement
Certified Minnesota Assessors (CMA) Certified Minnesota Assessor Specialists (CMAS)	50 hours per four-year cycle (up from 40)
Accredited Minnesota Assessors (AMA) Senior Accredited Minnesota Assessors (SAMA)	50 hours per four-year cycle (up from 50)

## Board Members

The table below lists all Board members who served during the report period, along with their addresses, occupations, and dates of appointment and reappointment. Current members are listed in **bold type**.

Name and Occupation	Address	Appointed	Reappointed	Term End
<b>Keith Albertsen</b> County Assessor	Douglas County Courthouse 305 8th Ave. W. Alexandria, MN 56308	1/7/13	N/A	1/2/17
<b>Gary Amundson</b> Property Tax Compliance Officer	2462 West Shamaineau Drive Motley, MN 56466	2/5/14	1/4/16	1/6/20
<b>Charlie Blekre</b> Appraiser	1700 North Broadway, Suite 150 Rochester, MN 55906	1/4/16	N/A	1/6/20
<b>Andrea Fish</b> Property Tax Assistant Director	Minnesota Department of Revenue Mail Station 3340 St. Paul, MN 55146-3340	1/9/17	N/A	1/4/21
<b>Jane Grossinger</b> Township Assessor	33872 MN Highway 15 Kimball, MN 55353	5/04/12	1/4/16	1/6/20
<b>Reed Heidelberger</b> City Assessor	704 Broadway Street Alexandria, MN 56308	7/20/16	1/8/18	1/3/22
<b>Joy Kanne</b> County Assessor	201 1 <sup>st</sup> Street NE Austin, MN 55912	1/20/17	N/A	1/4/21
<b>Brian Koester</b> County Assessor	Benton County Courthouse 531 Dewey St., P.O. Box 129 Foley, MN 56329	1/1/11	1/5/15	2/26/18
<b>Gregg Larson</b> Professional/Academic	3377 N. Snelling Ave. Arden Hills, MN 55112	7/16/01	1/6/03, 1/8/07, 1/8/11, 1/5/15	1/7/19
<b>David Marhula</b> Realtor	108 N.E. First St. P.O. Box 758 Baudette, MN 56623	12/06/05	1/8/07, 1/8/11, 1/5/15	1/7/19
<b>Lori Schwendemann</b> County Assessor	Lac qui Parle Courthouse 600 6th St., Suite 2 Madison, MN 56256	5/15/18	N/A	1/7/19
<b>Deb Volkert</b> Property Tax Supervisor	Minnesota Department. of Revenue Mail Station 3340 St. Paul, MN 55146-3340	5/01/91	1/10/94, 1/5/98, 1/7/02, 1/9/06, 1/4/10, 1/6/14	1/2/17

Board members elect a chair and vice chair for each calendar year. The following members held these positions during the report period:

**2018:** Chair, Gregg Larson; Vice Chair, Gary Amundson

**2017:** Chair, Brian Koester; Vice Chair, Gary Amundson

**2016:** Chair, Brian Koester; Vice Chair, Gary Amundson

## Board Employees

The table below lists the names and job classifications of Board employees.

Name	Job Classifications
Bobbi Spencer	State Program Administrator

## Board Funds

The Board collects various assessor license and exam grading fees as required by statute. Beginning with a law change in 2017 (effective for the 2018 fiscal year), receipts from these fees are deposited into a dedicated account to be used for board expenses.

The Department of Revenue covers any additional funding, such as a deficit in funding (current board expenses exceed the Board's income).

The table below shows the amount budgeted for the Board and its total expenses paid for the FY 2017-18 report period.

	FY 2017	FY 2018	Total
Total Expenses Paid	\$125,803	\$95,865	<b>\$221,668</b>
Board Fee Income	\$73,112	\$101,164	<b>\$174,276</b>
<b>Balance</b>			<b>(\$47,392)</b>

In 2017, Minnesota Statute 270.44 was amended to change the fee structure for assessors' licenses and other fees effective with the 2019 fiscal year, as shown in the table below.

Previous Fees		Fees as of July 1, 2018	
Senior accredited Minnesota assessor license	\$105	Senior accredited Minnesota assessor license	\$150
Accredited Minnesota assessor license	\$80	Accredited Minnesota assessor license	\$125
Certified Minnesota assessor specialist license	\$65	Certified Minnesota assessor specialist license	\$95
Certified Minnesota assessor license	\$55	Certified Minnesota assessor license	\$85
Temporary license	N/A	Temporary license	\$85
Trainee registration	N/A	Trainee registration	\$50
Grading a form appraisal	\$35	Grading a form appraisal	\$80
Grading a narrative appraisal	\$60	Grading a narrative appraisal	\$140
Reinstatement fee	\$30	Reinstatement fee	\$50
Record retention fee	\$25	Record retention fee	\$20
Educational transcript	\$20	Educational transcript	N/A

The Board has been operating at a deficit since its budget was first tracked in fiscal year 2012 and fees had not increased since 2003.



## Board Meetings and Total Hours

The table below lists how many meetings each Board member attended during the report period and their approximate total hours.

Member Name	Meetings	Hours
Keith Albertsen	3	21
Gary Amundson	12	84
Charlie Blekre	9	59
Andrea Fish (appointed 1/9/17)	8	52
Jane Grossinger	11	73
Reed Heidelberg (appointed 7/20/16)	13	87
Joy Kanne (appointed on 3/21/17)	9	59
Brian Koester (passed away 2/26/18)	11	73
Gregg Larson	11	73
David Marhula	12	84
Lori Schwendemann (appointed 5/15/2018)	1	7
Deb Volkert (retired 12/2016)	3	21

## Number of Licensed Assessors

The table below shows the number of assessors licensed as of June 30, 2018.

Licensure Level	Count
CMA – Certified Minnesota Assessor	437
CMAS – Certified Minnesota Assessor Specialist	30
AMA – Accredited Minnesota Assessor	109
SAMA – Senior Accredited Minnesota Assessor	298
<b>Total Licenses</b>	<b>874</b>

## Board Examinations

The Board administers one oral exam, which is required for Accredited Minnesota Assessor and Senior Accredited Minnesota Assessor licensure (the two most advanced license levels). Course sponsors administer all other exams.

Exam Results	FY 2017	FY 2018
Pass	45	48
Fail	0	1

## Licenses Approved/Denied

This section summarizes how many CMA, CMAS, AMA, and SAMA licenses the Board approved or denied.

### Certified Minnesota Assessor (CMA)

Applicants for a CMA license must complete four required courses and have one year of experience. The table below shows the number of CMA applicants approved/denied, subdivided by age, sex, and state of residence.

Age Range	Sex	Approved/ Denied	State of Residence
18 - 25	Male	3/0	MN (3)
	Female	2/0	MN (2)
26 - 34	Male	12/0	MN (12)
	Female	8/0	MN (7) WI (1)
35 - 59	Male	27/0	MN (27)
	Female	20/0	MN (20)
60 - 65	–	–	–
Over 65	–	–	–
<b>Total</b>	Male (42) Female (30)	72/0	MN (71) WI (1)

### Certified Minnesota Assessor Specialist (CMAS)

Applicants for a CMAS license must complete three required courses and have two years of experience. The table below shows the number of CMAS applicants approved/denied, subdivided by age, sex, and state of residence.

Age Range	Sex	Approved/ Denied	State of Residence
18 - 25	–	–	–
26 - 34	Male	1/0	MN (1)
	Female	–	–
35 - 59	Male	3/0	MN (3)
	Female	6/0	MN (6)
60 - 65	Male	1/0	MN (1)
	Female	–	–
Over 65	–	–	–
<b>Total</b>	Male (5) Female (6)	11/0	MN (11)

Accredited Minnesota Assessor (AMA)

Applicants for an AMA license must complete three required courses, pass an oral exam, complete a demonstration narrative (or alternate evaluation), and have three years of experience. The table below shows the number of AMA applicants approved/denied, subdivided by age, sex, and state of residence.

Age Range	Sex	Approved/ Denied	State of Residence
18 - 25	–	–	–
26 - 34	Male	7/0	MN (7)
	Female	4/0	MN (3) ND (1)
35 - 59	Male	16/0	MN (16)
	Female	15/1	MN (16)
60 - 65	–	–	–
Over 65	–	–	–
<b>Total</b>	Male (23) Female (20)	42/1	MN (42) ND (1)

Senior Accredited Minnesota Assessor (SAMA)

Applicants for a SAMA license must complete an income demonstration narrative and have five years of experience. The table below shows the number of SAMA applicants approved/denied, subdivided by age, sex, and state of residence.

Age Range	Sex	Approved/ Denied	State of Residence
18 - 25	–	–	–
26 - 34	Male	4/0	MN (4)
	Female	4/0	MN (4)
35 - 59	Male	13/0	MN (12) WI (1)
	Female	12/0	MN (11) IA (1)
60 - 65	–	–	–
Over 65	–	–	–
<b>Total</b>	Male (17) Female (16)	33/0	MN (31) WI (1) IA (1)

**Licenses Approved/Denied Without Board Exams**

This section summarizes how many AMA or SAMA licenses the Board approved or denied for applicants who did not take Board exams.

There were no AMA or SAMA licenses approved or denied during the report period for applicants who did not take the Board exam. (All applicants took the Board exam.)

## Complaints Received and Action Taken by the Board

The Board received three complaints during the report period that alleged or implied that an assessor violated a state law, Board rule, or the Code of Conduct and Ethics.

The table below lists the complaints received and how the Board resolved or disposed of them.

Type of Complaint	Action Taken by Board
<b>Alleged Violation of Professional Ethics and Standards</b>	Referred to Department of Revenue, which investigates assessment practices following a rigorous investigation process for handling complaints referred by the board
<b>Alleged Violation of Professional Ethics and Standards</b>	Referred to Department of Revenue, which investigates assessment practices following a rigorous investigation process for handling complaints referred by the board
<b>Alleged Violation of Professional Ethics and Standards</b>	Board action pending