

City of Winsted
Local Board of Appeal and Equalization
City Hall Council Chambers
Tuesday, April 19, 2011
5:00 p.m.

Present: Mayor Steve Stotko
Council Member Dave Mochinski
Council Member Tom Ollig
Council Member Bonnie Quast
Council Member George Schulenberg

Staff Present: Deb Boelter, City Clerk-Treasurer
Amanda Zeidler, Utility Billing & Payroll Clerk

McLeod County Assessors' Office: Sue Schulz, McLeod County Assessor's Office
Jodi Sell, McLeod County Assessor's Office
Brenda Chmielewski, McLeod County Assessor's Office

1. Call the Meeting to Order

Mayor Stotko called the meeting to order at 5:00 p.m.

2. McLeod County Assessor Presentation

Sue Schulz, McLeod County Assessor, introduced herself, Jodi Sell, Residential Assessments, and Brenda Chmielewski, Commercial Assessments for the City of Winsted.

Schulz presented information on the 2011 Estimated Market Values for the City of Winsted. Schulz added that the assessment year is from October 1st to September 30th of each year. Schulz noted that the process for assessing commercial buildings in McLeod County is being revamped, and this year the Assessor's Office is focusing on the cities of Winsted and Lester Prairie.

Schulz stated that apartments in McLeod County are based on income that was reported on a survey that was sent to apartment owners. The survey will be mailed annually to ask for rental information from apartments county-wide.

3. Comments from Property Owners

a) Gordon and Lenora Kubasch, 210-6th Street North

Lenora Kubasch addressed the City Council regarding the valuation of their vacant lot at 210-6th Street South. The property she referred to is an empty lot that is used to stockpile rock and gravel for Kubasch Excavating. Kubasch stated that the parcel does not contain a building, or sewer and water access. Kubasch stated that the valuation of the parcel on the 2010 tax statement was \$12,800, and the valuation on the 2011 tax statement was \$25,600.

Schulz stated that previously there was a lot of inconsistency as to how bare land was assessed. Schulz added that McLeod County made a decision to assess bare land per square foot and noted that the valuation on the parcel Kubasch described is significantly lower than other barren lots along County Road One (1) in Winsted.

Kubasch stated that the property value should not have doubled. Schulz stated that all commercial property values have been increased in McLeod County, and the County recognizes that there is not a building, or water and sewer access, otherwise the property would be assessed at a higher rate.

Ollig made a motion to leave the 2011 valuation unchanged for the parcel discussed. Quast seconded. Motion carried 5-0.

b) Don Bayerl and Robert Bayerl, 182 Main Avenue West

Don Bayerl stated that the valuation of their property increased from \$190,000 in 2010, to \$288,000 in 2011. Don Bayerl stated that he spoke with Brenda Chmielewski, from the McLeod County Assessor's Office, and she decreased the valuation to \$260,000.

Schulz stated that the overall value for commercial properties in McLeod County had an average increase of approximately twenty-one percent (21%), but not every commercial building had the same variation. Schulz also stated that the sale price of a property does not mean that the property value will be modified to reflect the sale price of the property. Schulz noted that the County's job is to make sure that everyone is treated fairly and equitably.

Don and Robert Bayerl stated that the current tenants may move out of the building if the rent is raised accordingly, with the valuation increase. They also stated that the valuation of their apartment building, located at 561-6th Street North, increased by \$50,000 on the 2011 tax statement.

Mochinski stated that he is concerned about the commercial assessments in the City of Winsted. Ollig stated that he would be in favor of increasing the value of the property at 182 Main Avenue West by the average County increase of twenty-one percent (21%). Schulz stated that the City Council is well within their authority to change the valuation.

Ollig made a motion to change the 2011 property value for the property located at 182 Main Avenue West to \$228,000. Quast seconded. Motion carried 5-0.

Schulz stated that McLeod County cannot guarantee that the property tax amount will decrease, but assured the City City Council that the valuation will be lowered.

4. Recommendations from the Assessor's Office

Schulz stated that the McLeod County Assessor's Office had two recommendations for the City Council.

Chmielewski stated that the first recommendation is in regards to a building owned by Millerbernd Manufacturing at 421-6th Street South. Chmielewski added that the building use has changed. The building is not heated, and is used for cold storage. Chmielewski stated that the current value of the building is \$412,700, and requested a motion from the City Council to lower the valuation to \$385,600.

Chmielewski stated that the second recommendation is in regards to a building owned by Millerbernd Manufacturing at 622-6th Street South. The current valuation is \$4,713,600, and Chmielewski stated that she reviewed the building and did a walk-through. The Assessor's Office changed the style of the structure and requested a motion to reduce the valuation to \$4,329,500.

Ollig made a motion to approve the recommendations made by the McLeod County Assessor's Office regarding the properties at 421-6th Street South, and 622-6th Street South. Mochinski seconded. Motion carried 5-0.

Chmielewski told the City Council that Jacob Schlagel, owner of The Blue Note at 320-3rd Street South, made a request for the Assessor's Office to review the property valuation with him. Chmielewski stated that there will be no change to the property valuation at this time.

5. Adjournment

Quast motioned to adjourn. Mochinski seconded. Motion carried 5-0.

Respectfully submitted,

Amanda J. Zeidler

Amanda J. Zeidler
Utility Billing & Payroll Clerk