

The following are "unofficial minutes", subject to change at the next meeting.

## BOARD OF EQUALIZATION MEETING

### COUNTY BOARD OF EQUALIZATION

TUESDAY, JUNE 2, 2020

9:00 AM

Pembina County Board of Equalization met at 9:00 AM in the Commissioner's Meeting Room of the Courthouse with the following members present: Jim Benjaminson, Laverne Doyle, Nick Rutherford, and Hugh Ralston. Hetty Walker and Rebecca Flanders, Pembina County State's Attorney, available by telephone. Mikka Willits, Director of Tax Equalization, Lisa Wieler, Deputy Tax Director/GIS Specialist, and Zelda Hartje, Certified Assessor, also present.

Mikka Willits, Tax Director, presented a few housekeeping items and began her review.

Agricultural land values were discussed. The value per acre of all Ag land in Pembina County has increased from \$1,296.37 to \$1,302.88, as computed by the Agribusiness and Applied Economics Department of NDSU. The 2020 value per acre for Pembina County is \$1,201.78. The State Board of Equalization has set the tolerance for 2020 between 90-100%. Per North Dakota Century Code 57-02-27.2, agricultural values are determined by productivity of the soils versus market value. Komplex Assessment Solutions, LLC is in the process of working with the county to update our soils to the most current NRCS Soils Survey to make sure we are accurately and equally assessing all agricultural land. The completion date and implementation of these values is still set for 2021.

Total sales ratio of all residential properties sold in 2019 shows a median ratio of 89.9%. The total residential adjusted ratio after local equalization for Pembina County is 92% for 2020. There were 62 residential usable sales. The residential properties are within the accepted tolerance of 90%-100%, no adjustments will be necessary.

The sales ratio study for Pembina County shows a median ratio of 85.2% for commercial properties. The sales ratio requires a list of at least 30 sales. If we do not have this many sales, the State then requires us to add supplement appraisals of commercial property done within the past year or earlier. There were 33 useable sales from 2019. The adjusted Commercial Sales Ratio for 2020 is 90.5%, which is within the accepted tolerance of 90%-100%, no adjustments will be necessary.

In 2020, we assessed 159 mobile homes, 5 of these are under the Homestead Credit. Many mobile homes are listed as permanent homes in the County and are assessed as real estate. Total taxable assessed valuation after Homestead Credit is \$56,270.00. Seven mobile homes were removed from the tax rolls due to demolition or being moved out of the county. There are several mobile homes that are not registered with the county or titles are not being updated once they have been sold. A County Mobile Home application is to be obtained either online through the State Tax Department or can be picked up in the Tax Director's Office within 10 days of acquiring a mobile home. A Mobile Home Moving Permit should be obtained through the Tax Director's Office prior to moving a mobile home.

In 2019, we had 133 (last year 129) applicants that qualified for the Homestead Credit program. We will be reimbursed by the state general fund to the amount of \$76,485.29 (last year \$60,433.71) for this credit.

In 2019, there were 31 (last year 29) applicants that qualified for the Disabled Veteran's Credit program. We will be reimbursed by the state general fund to the amount of \$21,140.80 (last year \$19,810.06) for this credit.

Mikka explained the difference between an Assessors' Return Oath and a Certificate of Oath/Oath of Office.

Mikka reviewed the motion made by the Commissioners at the March 20, 2018 meeting to obtain valuation for all exempt parcels that required an annual application including, but not limited to Farm Residences, Homestead Credits, Veteran's Credits, charitable, religious and non-profit organizations. There are four townships that indicated in their Equalization meeting minutes that they do not believe they need to obtain valuations on exempt parcels. Mikka cited NDCC 57-02-03, NDCC 57-02-11 and NDCC 57-02-14 related to taxation of property. Zelda Hartje cited NDCC 57-02-14 and stated she feels individuals are interpreting it in different ways. In 2018 it was reviewed with the Pembina County State's Attorney and the State Tax Department who concurred with their legal counsel and it was determined that although this does exclude certain properties from the required list, there is no language that prohibits having those properties on a list. The Commission allowed the Assessors 2-3 years to complete the request. Motion made by Nick Rutherford and seconded by Jim Benjaminson to remain with the original motion requiring assessors to obtain valuations on all exempt property that requires an annual application. Discussion followed. Mikka stated there are currently at least 20 residences that were to be added to the tax rolls for 2020 Equalization. Her office does not have valuations on file for these properties, so they will need to be added as Omitted Property. Roll call vote: Jim Benjaminson – yes; Laverne Doyle – yes; Nick Rutherford – yes; Hetty Walker – yes. Motion carried.

City equalization meeting called to order at 9:00 AM.

Mikka reviewed the individual jurisdictions and informed the Commission of documentation she is still waiting to receive from some of the jurisdictions, such as Equalization minutes, Assessor's Return Oaths and other notes made by the Assessors.

No individuals appeared for City Equalization.

Motion made by Nick Rutherford and seconded by Laverne Doyle to adjourn City Equalization. All voting in favor; motion carried.

Township Equalization meeting called to order at 9:35 AM. Terin Riley, Fleming, DuBois and Fleming, available by telephone on behalf of Loren Estad.

Mikka reviewed the individual jurisdictions and informed the Commission of documentation she is still waiting to receive from some of the jurisdictions, such as Equalization minutes, Assessor's Return Oaths and other notes made by the Assessors.

Mikka reviewed an appeal from Estad Farm Corporation. Due to the significant number of pages Mikka presented one main packet for Commission review, an additional summary as well as new documentation for each Commissioner. The new documentation included a copy of the 2020 Crystal Township Equalization meeting minutes stating they reject the addition of the parcel to the tax rolls, a copy of the documentation Mr. Estad presented to the local board, copies of two building permits signed and dated by Mr. Estad for City of Crystal approval for both the office and warehouse addition showing Mr. Estad indicated both buildings as commercial on the permits, a copy of the original Incorporation of the City of Crystal, which includes specific metes and bounds, proving the boundaries of the City of Crystal lay North of State Highway #66 about ¼ mile, the Notice of Increase sent by Dianne Goodoien, Crystal Township Assessor, and the Notice of Increase sent by Mikka Willits, Pembina County Director of Tax Equalization, a contract for deed with H & V Partnership, and several GIS maps showing the boundaries of Crystal City and Mr. Estad's property. The Crystal Township Equalization meeting minutes did not appear to address the seven factors under NDCC 57-02-01. Mikka reviewed the seven criteria under NDCC 57-02-01, which gives the definition of "Agricultural Property" prior to and after March 30, 1981. Lands platted after March 30, 1981 are not considered agricultural property when any four of seven criteria exist. Motion made by Laverne Doyle and seconded by Nick Rutherford to reverse the decision of the Crystal Township Board of Equalization based upon the seven criteria under NDCC 57-02-01, which the Commission determined six of the seven conditions exist, and other evidence presented by the Tax Director, and add the property to the tax rolls for 2020. Roll call vote: Jim Benjaminson – yes, Laverne Doyle – yes; Nick Rutherford – yes; Hetty Walker – yes. Motion carried.

Mikka reviewed an appeal from Crystal Chippers related to Parcel 07-0610010. There was no documentation received from Crystal Chippers related to the parcel qualifying for an exemption. Mikka discussed NDCC 57-05-01 15a, which states a structure or

improvement located within the corporate limits of a city, or used as a manufacturing facility as defined in section 19-24-.0-01, or located on railroad operating property subject to assessment under 57-05 is not exempt. Motion made by Jim Benjaminson and seconded by Nick Rutherford to add the Crystal Chippers parcel to the tax rolls for 2020 based upon the parcel meeting at least four of the seven criteria under NDCC 57-02-01 and the new information under NDCC 57-05-01 15a. Roll call vote: Jim Benjaminson – yes; Laverne Doyle – yes; Nick Rutherford – yes; Hetty Walker – yes. Motion carried.

Mikka presented an appeal from Lyn Augustin. Mr. Augustin had originally applied for a vacant farm residence exemption. The St Thomas Township assessor, Stacey Heuchert, determined the residence had no value so the Tax Director removed the residence and will no longer send the annual Farm Exemption application. Within her review Stacey determined two buildings were no longer being used for farm use and added the buildings as commercial. St Thomas Township Board of Equalization meeting minutes state the valuations were approved as presented and they rejected Mr. Augustin's appeal due to the buildings not being used for farm. Motion made by Nick Rutherford and seconded by Laverne Doyle to accept the decision of the St Thomas Township Board of Equalization since the buildings are not being used for farm and change the assessment from exempt to commercial. Roll call vote: Jim Benjaminson – yes; Laverne Doyle – yes; Nick Rutherford – yes; Hetty Walker – yes. Motion carried.

Zelda Hartje, Cavalier Township Assessor, presented a letter for the Commission to review related to the payment in lieu of tax exemption for North Star Coop. Former Tax Director received original approval, however the exemption was to be reviewed after the appraisal was complete. Mikka did reach out to Mel Carsen to complete an appraisal of the property. Zelda would like a review of the exemption at the June 16, 2020 Commission meeting. Mikka noted that the appraisal will not be completed by that date. Since the exemption was not granted during County Equalization it should be addressed at a regular Commission Meeting.

Motion made by Nick Rutherford and seconded by Laverne Doyle to accept the 2020 valuations as presented for all townships and cities in Pembina County. Roll call vote: Jim Benjaminson – yes; Laverne Doyle – yes; Nick Rutherford – yes; Hetty Walker – yes. Motion carried.

Motion made by Laverne Doyle and seconded by Hetty Walker to adjourn Township Equalization.

Chairman Ralston declared the County Tax Equalization meeting adjourned at 10:54 AM.