

**RICHLAND COUNTY BOARD OF COMMISSIONERS  
EQUALIZATION MEETING  
JUNE 3, 2013**

The Richland County Board of Commissioners met as the Board of County Equalization on June 3, 2013 at the Richland County Courthouse with Commissioners Sid Berg, Tim Campbell, Jason Heitkamp, Perry Miller and Dan Thompson. Also present were Administration personnel DelVal; State s Attorney McBeth and County Assessing Personnel Sandy Fossum and Rick Score. A listing of others in attendance is attached.

**CITIES**

City of Wahpeton - Carla Broadland distributed the City of Wahpeton Annual Assessment Report and reported on the following:

- permits were issued for 14 new residential dwellings
- exemptions for disabled Veterans increased for 2013
- the sales ratio study placed commercial property at 87.3% and residential property at 93.4%. The assessing office increased residential structure value by 2% on properties built prior to 2011 to bring our residential sales ratio to 95.2% and increased commercial structure value by 5% on properties built prior to 2010 to bring our commercial sales ratio to 91.4%. All values are within compliance.
- one e-mail protest was received and the City Council approved the Report as presented on the 15<sup>th</sup> of April

A motion was made by Campbell to approve the report as presented; motion seconded by Heitkamp. Vote was unanimous.

City of Hankinson - DeeAnn Bilben reported the following:

- four new properties in Hankinson
- PILOT off for Grace Village Apartments
- exemption coming off for two commercial properties (apartment complex)
- two new properties coming on in 2014 and a mass re-appraisal of the City

Fossum reported that just this morning in the mail a letter was received regarding the Grace Village Apartment Complex - they want to appeal the current year assessment. We proposed a value of \$334,700 for the land and both buildings and they want it valued at \$110,000. Fossum requested that at this time, the Board of Equalization uphold the value of \$334,700 until it can be investigated further. They did not attend the local meeting but can go through the Abatement process.

A motion was made by Berg to approve the value as presented of \$334,700 for the Grace Village Apartment in Hankinson; motion seconded by Heitkamp. Vote was unanimous.

Cities - Sandy Fossum reported the following:

- We reported a total of 73 residential sales for the County
- The average median for residential came to 91.1% and is in tolerance
- Our median for commercial properties came to 98.6%
- We had 131 applicants that qualified for the Homestead Credit Program and will be reimbursed by the state in the amount of \$84,831.70
- In the 2013 legislative session income levels and asset limitations were changed which may greatly increase the number of applicants for the Homestead Credit
- We had 40 applicants that qualified for the Disabled Veterans Credit program and we will be reimbursed by the State in the amount of \$45,786
- We assessed 296 mobile homes

Last year the State Board of Equalization ordered the cities of Lidgerwood and Wyndmere to be brought into compliance, as the sales ratios in those cities has been out of compliance for three years. Both of these cities have seen substantial value increase proposals.

The City of Lidgerwood has seen a cumulative average value increase of 27.96%. The Lidgerwood Board of Equalization has approved this assessment.

The assessment for the City of Wyndmere shows a cumulative average value increase of 52.48%. The Wyndmere Board of Equalization approved the assessment in two phases. They would like half of the increase applied to the 2013 values and half to the 2014 values. Fossum requested the County Board of Equalization approve the assessment as a whole and apply the total increase for 2013 so Wyndmere will be in compliance. If not in compliance the state could implement an across the Board for the entire County.

Chairman Thompson opened the meeting for comments from those in attendance.

Ellis Severance, Wyndmere - Severance feels his property is assessed too high. It is assessed at \$58,000 and he feels it should be assessed between \$38,000 - 40,000. Miller commented that the Board has to make a decision on the entire City today and recommended Severance go through the Abatement process if he feels the assessment is too high.

Senator Jim Dotzenrod, Wyndmere - Dotzenrod said he had two reasons for attending the meeting today 1) he wanted to see data to support the increase in values and 2) he is in the state legislature and the system in place works well but should be understood by the citizens.

Fossum distributed a report showing the parcel sales/data used to help in figuring assessment values.

- Severance questioned why not all property sales data was included on the report

- Fossum explained that improvements made prior to a sale are not reflected, PR Deeds, family sales, and some foreclosures are not included; and that certain issues are required by the State to be removed from the sales.

Greg Krause, Council member Wyndmere - Krause feels his property is assessed too high. He purchased the property in 2008 for \$80,000, in 2012 he added a deck and the basement was finished for \$21,000. In 2013 the assessed value is \$158,900.

Krause requested the County Equalization Board spread the increase for the City of Wyndmere over two years. The increase is going to be a hardship for many property owners. There are 221 properties in town. 5 properties will increase over 200%; 15 properties will increase between 100-199%; and 102 properties will increase between 50-99%. The city already has a high delinquency rate of taxpayers.

Fossum voiced concerns with spreading the increase over two years; the State ordered her to bring them up to compliance.

Shawn Morris, Mayor City of Wyndmere - Morris asked about the location factor and expressed concerns with some of the values being used by the Assessor's Office on the parcel/sales data listing that Fossum distributed. He also commented on the large increases that will be a hardship for many property owners in Wyndmere and the amount of delinquent taxpayers that may increase due to the large increase in values.

Lengthy discussion followed and included:

- Dotzenrod commented that the high rate of delinquencies is a concern and he may call Marcy Dickerson at the State to see if there may be some exceptions.

- Fossum stated - if the Board chooses to reject this - where does her office stand on other state guidelines and which ones should she ignore. It would shoot the credibility of her office and when we fall below the 90% the state would automatically up us to 100% instead of just the compliance amount; this would not be fair to the rest of the entire County.

- Thompson commented that the residents have a process through the Abatement System.

- Council member Krause commented that the City is in Agreement with the Assessments, but not the implementation.

- Thompson commented - there are state guidelines with no allowance for situations.

- Campbell stated we need to have your voices heard at the State Equalization Meeting.

A motion was made by Miller to approve the City Assessor s Report and direct Fossum and Dotzenrod to contact the state and ask they to allow two years to implement; motion seconded by Berg. Dotzenrod commented that he just stepped out and contacted the State and was told there are no provisions to allow variation from the rules. Miller and Berg amended the motion as follows: To approve the City Assessor s Report as presented. Vote was taken and was unanimous.

Christine Property - Fossum requested the Board include a property in Christine in the city report that was not included at the local meeting. The property Structure value is \$78,000 and the land value is \$10,400 or an increase of \$15,000.

A motion was made by Miller to include this property in the City Report; motion seconded by Heitkamp. Vote was unanimous.

## **TOWNSHIPS**

Fossum reported the following:

Agland - Richland County will see a 9% across the Board increase to be in compliance with the State.

A motion was made by Heitkamp to approve a 9% across the Board increase for Agland; motion seconded by Berg. Vote was unanimous.

Farm Exemptions - We have 757 properties that have been approved for farm exemption. Fossum will work with State s Attorney McBeth to set up a date and time to do spot checks.

Soils - The Soils Committee met in January and passed a motion to lower the PI on soil type 1207A to 84 and also decided to review all PIs after NRCS comes up with new recommended PIs using corn yields in the formula.

Rick Score reported on the following:

- Most individuals attending the local meetings had concerns with their taxes
- Kindred School District saw an increase in taxes
- Oxbow reduction factor
- Farm exemptions are down 22 from last year

Score distributed several spreadsheets to the Board containing valuation and levy information in Townships

Omitted Property Report - Score requested the Board approve the following properties:

Parcel 10-2233.000	Michael Larson	Garborg Twsp	no longer farm exempt
Parcel 29-5579.050	Jesse Arends	Waldo Twsp	no longer farm exempt
Parcel 5-1205.100	Michael Strand	Helendale	no longer farm exempt
Parcel 1-152.000	Joyce Peterson	Eagle Twsp	no longer farm exempt
Parcel 31-5996.000	Weldon Hazel	Moran Twsp	off new construction exemption
Parcel 32-6192.075	HLSW LLC	Grant Twsp	off new construction exemption
Parcel 28-5408.100	Steven Bernard	DeVillo Twsp	no longer farm exempt

Parcel 28-5408.125	Randy Bernard	DeVillo Twsp	no longer farm exempt
Parcel 13-2654.000	Arlene Gilje	Homestead	no longer farm exempt

A motion was made by Berg to approve the Omitted Property Report; motion seconded by Miller. Vote was unanimous.

A motion was made by Heitkamp to approve the Township Assessors Report; motion seconded by Campbell. Vote was unanimous.

Chairman Thompson opened the meeting for comments from those in attendance.

Andy Braaten - Stated his taxes are too high on his property in Sections 24 and 13 and that he is being taxed on the wrong soil type and PI.

Fossum explained that PIs are determined by the Soils Committee and the Soil Type is determined by the NRCS. Fossum asked Braaten if he had filled out a form in her office to disagree with the Soil Type. These forms are then forwarded to the Soils Committee and NRCS.

Braaten voiced concerns with how the Soils Committee determines the PIs; lengthy discussion followed and included - NRCS does not use corn to calculate the PI and it has been the belief of the soils committee and the Assessors office that corn should be incorporated; NRCS is in the process of reevaluating the PIs and will incorporate corn into the formula.

Fossum asked if a Special Meeting of the Soils Committee should be called or should she run a pricing schedule using NRCS PIS compared to what we have now.

Following lengthy discussion it was decided Fossum will discuss with the Soils Committee in January and will contact NRCS to see where they are at in the process of reevaluating PIs.

The Board of Equalization meeting adjourned at 2:40 PM.

The Board reconvened as the Board of County Commissioners. A motion was made by Berg to adjourn. The meeting adjourned at 2:40 PM.

ATTEST: \_\_\_\_\_ CHAIRPERSON  
Harris Bailey Dan Thompson  
Auditor/Administrator Board of Richland County Commissioners