Official Proceedings of the Stutsman County Equalization meeting – June 5th, 2014

The Stutsman County Board of Equalization meeting was called to order at 5:10 p.m. by Commissioner Dennis Ova. Roll call answered by Dennis Ova, Dave Schwartz, and Craig Neys. Mark Klose and Dale Marks were absent. Also present were Casey Bradley, Stutsman County Auditor/COO, Dustin Bakken, Tax Director of Equalization, and Darrell Wollan, City of Jamestown Assessor.

Darrell Wollan, City of Jamestown Assessor, gave a summary of the city board of equalization meeting proceedings. Total taxable value change for the city this year was 6.83%, which included an increase of 1.51% for commercial property & 9.93% for residential property. New construction accounted for 1.19% of the total value change. Darrell mentioned that he raised residential property values by 9% in order to be in compliance with the state of North Dakota's tolerance level, which is 10%. Casey asked about the 16 single dwelling houses that are getting an exemption. Darrell explained that the city has a builder's exemption that allows up to two years of an exemption on new construction & the home owner can get a one year exemption of up to $150,000 value on new construction of single family residences.

Dustin Bakken started with the unincorporated townships of Chase Lake & Roosevelt. Dustin stated that the sales ratio statistics required a 10% increase on residential properties in Roosevelt township (Chase Lake only has one residence & it is farm exempt). Commission Schwartz made a motion, Neys seconded, to accept the assessments for Chase Lake & Roosevelt townships as they were presented. Motion carried unanimously.

Dustin continued with two parcels, 64-1032020 & 64-5000060, in Ypsilanti Township that were new construction & missed at the local board of equalization meeting. At the request of the local township board the county provided the assessments for those parcels. Property owners & the township board were notified of the assessments. Parcel 64-1032020 was re-assessed at $95,000 & parcel 64-5000060 was re-assessed at $44,300. Commissioner Neys motioned, Schwartz seconded, to accept the re-assessments of parcels 64-1032020 & 64-5000060. Motion carried unanimously.

Dustin explained the sales ratio & the percentage of adjustments that were made. Dustin provided a map with each township/city & the percentage of change on residential values increased in those townships/cities. The reason for the changes is based on the sales ratio. Sales ratio takes our assessed value & compares it to properties that have sold. The properties sold, to be considered in the sales ratio, must be good, arm's length transactions. Dustin reviewed the sales statistics for each sale considered to be an arm's length transaction. Midway showed four sales that amounted to a median of 57%. Bloom Township had three sales that had a median of 69%. Dustin grouped other townships together with their sales statistics since there were little to no sales that occurred in those townships. The townships of Fried, Homer, Lippert, Spiritwood, Sydney, Woodbury, Rose, Buchanan, Eldridge, Lenton, Corwin, & Winfield were grouped together & showed a sales ratio median of 67%. Ypsilanti township has a median of 90%. The city of Medina had a median of 89%. The cities of Kensal,

Streeter, Montpelier, & Buchanan were grouped together and showed a median of 45%. To be in compliance with the state, the assessed values must be within 10% of the market sales. Based on that, a 37% increase was needed in Midway Township, 24% in Bloom, 3% in Ypsilanti, & 27% in Fried, Homer, Lippert, Spiritwood, Sydney, Woodbury, Rose, Buchanan, Eldridge, Lenton, Corwin, & Winfield in order to meet the compliance with the state of North Dakota. The city of Medina needed to be increased 4% & a 48% increase was needed in the cities of Kensal, Streeter, Montpelier, & Buchanan in order to meet the state's compliance. Most of the other townships saw a 10% increase. Each township & small city was supposed to adjust residential properties at the local township board of equalization meetings. The map that was provided showed a few townships that did not have their values adjusted at the local board of equalization meetings. In order to equalize the county, Dustin recommends the commission to approve the increases of those particular townships. The township to be adjusted by 27% is Rose township, & the townships to be adjusted by 10% are Alexander, Edmunds, Kensal, Lowery, Nogosek, Pingree, Round Top, Hidden, Peterson, Flint, Weld, & Stirton. Commissioner Neys made a motion, Schwartz seconded, to increase the residential parcels in those townships by the appropriate percentage. Motion carried unanimously.

With those changes being approved, Dustin showed a ratio adjustment worksheet which shows the county's values being compliant with the state's 10% tolerance level. Commercial properties are 9.2% away from being at 100%, residential properties are 9.6% away from being at 100%, & agricultural land is currently 22.17% away from being at 100%. According to the soil types & the production formula for agricultural land, the average value per acre for 2014 is $626.74, up from $551.01 last year, a 13.8% increase. Dustin mentioned that last year the ag values were brought up to around 92-93% of the tolerance level. This year, he recommends going up 14% to get the values to 93% of the tolerance level. Commissioner Schwartz made a motion, Neys seconded, to increase the valuation of all agricultural land in the county by 14%. Motion carried unanimously.

Dustin gave an update of the total county taxable values after the adjustments were approved by the commission. The county's agricultural land total taxable value went up 13.74% to $39,428,690, residential went up 13.73% to $31,282,930, commercial went up 8.54% to $16,027,857, utilities went up 12.09% to $4,457,246, Homestead Credits went up 38.96% to $623,276, & Veterans Credit went up 27.92% to $269,344. Homestead Credit & Veteran's Credit get deducted from the total taxable value. The total taxable value for Stutsman County for 2014 is $90,304,103, up from $80,254,928 last year, a 12.52% increase.

Dustin stated the value distribution by property class did not change from last year. The value distribution by property class is 43 percent for agricultural, 34 percent for residential, 18 percent for commercial, and five percent for utilities.

Commissioner Neys asked what the future anticipation of value is. Dustin responded that a lot depends on the production of agricultural land for values of ag land, but that a double digit increase is likely again. Residential more than likely will see double digit increases as far a taxable value. Across the board adjustments are hoped to be avoided. Based on supply and

demand of housing in the county, higher prices will more than likely be spent on housing. Some property records are outdated so the county is working on getting everything re-assessed every 4-6 years & it's expected that the local assessors do the same.

Commissioner Schwartz moved, Neys seconded, to adjourn the meeting. Motion carried. At 5:40 p.m. the 2014 County Equalization meeting was adjourned.

ATTEST:

Casey J. Bradley	Dennis Ova
County Auditor/COO	Commissioner