

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

BOARD OF EQUALIZATION MEETING

COUNTY BOARD OF EQUALIZATION

TUESDAY, JUNE 7, 2016

9:00 AM

Pembina County Board of Equalization met at 9:00 AM in the Commissioners Meeting Room at the Courthouse with the following members present: Gary Nilsson, Laverne Doyle, Nick Rutherford, and Hugh Ralston. Absent: Hetty Walker. Julie Doyle, Tax Director, also present.

Meeting called to order by Chairman Doyle.

Chairman Doyle turned the meeting over to Julie Doyle.

Ms. Doyle presented a listing of assessors that will be certifying with the state to become Class II Assessors.

No individuals appeared for City equalization.

Ms. Doyle updated the Board on residential and commercial property sales ratio. A median ratio is reached from the sale of all properties and that is the number used to determine the equalization ratio used. The accepted tolerance is 90%-100%. The total residential adjusted ratio after local equalization for Pembina County is 96.6% for 2016. The adjusted Commercial Sales Ratio for 2016 is 98.8%. Therefore no adjustments will be necessary. Motion made by Gary Nilsson and seconded by Nick Rutherford to approve the ratios as presented. All voting in favor; motion carried.

Ms. Doyle discussed agricultural land values. Ms. Doyle informed the Board that the minimum capitalization rate is no longer applicable and the current cost of production index is now up to 1.87 from last year's 1.77. The value per acre has increased from \$1,242.83 to \$1,256.90, as computed by the Agribusiness and Applied Economics Department of NDSU. The State Board of Equalization has set the tolerance for 2016 between 90-100%. This indicates a 1% increase is necessary for 2016 to bring Pembina County to compliance, bringing the 2016 value per acre for Pembina County to \$1,152.31. Per North Dakota Century Code 57-02-27.2, agricultural values are determined by productivity of the soils and not by sales volume.

Motion made by Hugh Ralston and seconded by Gary Nilsson to approve the 1% increase on the agricultural land values. All voting in favor; motion carried.

Motion made by Gary Nilsson and seconded by Nick Rutherford to adjourn the City equalization meeting. All voting in favor; motion carried.

Township equalization meeting called to order at 9:30 AM. Brian O'Toole, TE O'Toole Farm Seed Company, also in attendance.

Mr. O'Toole presented information pertaining to farm building taxation. Discussion followed on the 1980 Attorney General's opinion on the taxation of farm property. Ms. Doyle presented a map of Mr. O'Toole's farm showing two large storage buildings that are being used for business purposes. Mr. O'Toole presented the paperwork received from the township assessor with the valuation of the two buildings he feels should be taxed since they are being used for business, while the remaining buildings should remain tax exempt. Mr. O'Toole is in agreement with the values that have been set for the two buildings and Julie will assess accordingly. The Commission thanked Mr. O'Toole for his attendance.

Ms. Doyle informed the Commission that the ratio on township residential property, after local equalization, is 93.9%. The State Board of Equalization has set the tolerance for 2016 between 90-100%, therefore no increase is required.

Motion made by Gary Nilsson and seconded by Nick Rutherford to approve the residential property values as presented. All voting in favor; motion carried.

Motion made by Gary Nilsson and seconded by Hugh Ralston to adjourn the township equalization meeting. Meeting adjourned at 10:00 AM. All voting in favor; motion carried.