

**Auditor / Treasurer's Office**

Devra Smestad
Auditor/Treasurer

Marisa Haman
Deputy

March 25, 2014

Honorable Chairman Cook and Members of the Interim Tax Committee:

My name is Devra Smestad and I am the auditor/treasurer for Ward County. I have been asked to speak to you about the valuations and taxes for Ward County and to address some of our concerns.

The following pages break down the percentage of change in valuations since 2010 through the estimates for 2014. The taxable valuations in mills and dollars for the past four years are shown, including percentage of growth from year-to-year.

I will also review the impact of the required mills for specific levies on our county budgets.

Respectfully submitted,

Devra Smestad
Auditor/Treasurer

True & Full Value increases based on sales ratio

YEAR	AGRICULTURAL	RESIDENTIAL	COMMERCIAL
2010	7%	9%	unchanged
2011	2%	3%	6%
2012	27%	7%	5%
2013	6%	15%	8%
2014	11%	8% *	20%

* Four townships had a 9% increase in residential, two have a 4% increase and one City had a 4% increase proposed for this year.

Agricultural Land Valuations

State certified value per acre from NDSU	Ward County average value certified 95%
2013 \$501.88	\$476.79
2014 557.00	529.24

Valuations and Mills Levied in Ward County

YEAR	TAXABLE VALUATION	GROWTH %	COUNTY MILLS LEVIED *	DOLLARS LEVIED
2010	\$183,954,530		76.53	\$13,628,750.48
2011	189,606,086	3%	73.58	13,477,934.78
2012	225,189,311	18.8%	74.02	16,262,670.54
2013	279,019,847	23.9%	66.10	17,846,253.71

* Includes 1 mill for State Medical Center

A home valued at \$160,000 in 2010 would be valued at approximately \$202,786 in 2013 based on the average annual increases each year (a 27% increase). The county taxes would have increased approximately 9%, increasing from \$551 to \$603. That is a \$13.00 increase per year.

1 mill value for each State Medical Center and Garrison Diversion

2010	\$183,954.53	
2011	189,606.09	(This is an approximate growth of
2012	225,189.31	51.67% in 4 years for both entities)
2013	279,019.85	

These two mills are mandated annually.

Mills and Dollars levied for Farm to Market/Road & Bridge

2010	10.04 mills	\$ 1,845,916
2011	10.25	1,943,561
2012	10.20	2,296,634
2013	10.25	2,860,198 (approx. 55% increase)

To receive our oil & gas funds, we are required to levy at least 10 mills. Of the .25 mill for road and bridge, 20% must be allocated to our cities.

Other mill levies that are tied to state aid or reimbursements are:

1. Library levy – must be an average of 4 mills over a 3 year period to receive state aid to libraries
2. Weed levy – must be 3 mills in order to receive state reimbursement
3. Senior Citizens – must be 1 mill to receive 85% of prior year’s mill rate

Mills and Dollars levied for Public Safety (Sheriff, Juvenile Detention & Jail)
(28-35% of budget)

2010	21.26 mills	\$ 3,911,300
2011	20.15	3,820,863
2012	25.06	5,642,568
2013	17.76	4,955,672

Between the public safety, state medical center, Garrison Diversion, senior citizens and farm-to-market levies, approximately 50% of our budget is already allocated. The balance must be split between social services; health district; water resources board; emergencies; veteran services; county agent; ND State Fair; and general operations including utilities, building maintenance, IT and software upgrades as well as salaries and benefits.