

2015 HOUSE FINANCE AND TAXATION

HB 1058

2015 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1058
1/12/2015
#21835

- Subcommittee
 Conference Committee

Committee Clerk Signature

Mary Brucher

Explanation or reason for introduction of bill/resolution:

A Bill relating to notices by political subdivisions of a proposed property tax levy increase and the time and place of a public hearing on the increase.

Minutes:

Attachment #1, 2

Chairman Headland: Opened hearing.

John Walstad, Legal Director, Legislative Council: Introduced bill. This bill relates to a hearing to be held by a taxing district if that taxing district would be imposing a tax at a greater than the zero increase number of mills rate. There's a calculation to make this determination. It means what the mill rate is against this year's value that would generate the tax dollars that came from last year's levy. For a district with growing valuation that has a growing population coming on the tax roll, the calculation is meant to identify what the rate was last year in dollars for existing property. Then make a determination of what rate it would take this year with the new value to generate the same dollars against that same property; anything greater than that would be considered a tax increase under which this provision would kick in. There is a requirement for notification and that notification is to be by personal delivery, mail to the last known address of the property owner, or electronic mail if the property owner has consented to get notice that way. (Mr. Walstad reviewed the bill.) There are some changes going into the notice; the proposed budget and ending fund balance and previous year's budget and ending fund balance, the statement of the increased amount of taxes that this proposed levy would impose for property in each classification that was \$100,000 value.

Chairman Headland: Questions for Mr. Walstad? Is there any support for HB 1058? Is there any opposition?

Terry Traynor, Assistant Executive Director, North Dakota Association of Counties: Provided testimony in opposition. See attachment #1.

Chairman Headland: Is there any specific reason for July 15 date?

Terry Traynor: We are negotiable on that. The consensus was to have it after the county equalization but before the school preliminary budget.

Chairman Headland: I would suggest a date closer to the property tax statement arriving.

Representative Haak: If the overall net effective rate went up but there was an increase in, for example, the city of Fargo had a smaller budget but the parks department went up drastically for some reason really indicates to the taxpayer where that increase is going so they could attend that hearing?

Terry Traynor: Our thought is that the notice in the paper would come from that specific jurisdiction. As the budget hearings roll out the county wouldn't know the preliminary budgets of the schools so it would really have to be a very budget specific notice in the paper.

Representative Froseth: Is your proposal in your testimony strictly an amendment to this or is it a combination of both present and this proposal?

Terry Traynor: It's really more presented as a separate bill. It amends the same section of statute plus is proposing to add a new section. It could certainly be drafted as an amendment to HB 1058. It was our intention to come in with a proposed amendment but when we tried to draft it as an amendment it didn't really read very well so we thought it would be simpler to show you what we were proposing.

Chairman Headland: Any other opposition to HB 1058?

Blake Crosby, Executive Director for North Dakota League of Cities: Provided written testimony in opposition. See attachment #2. The testimony included the concerns during the interim committee hearings. One of the reasons this is happening is because there are so many different taxing authorities and they end up throwing them all away. This concept of consolidating these hearings into one piece of paper may have an impact on increasing the number of participants that come to the hearings. We stand with the Association of Counties in recommending those changes via an amendment to HB1058. Without those amendments we would be opposed to HB1058.

Chairman Headland: Wouldn't a simple notice of any increase over a zero based budget by each taxing district prior to their budget meeting be the simplest way?

Blake Crosby: For those of you who have been in legislation awhile we've brought this up a few times. We want citizen involvement. We need to perhaps look at new ways of getting the citizens involved. We are all so inundated with emails and snail mail that we have a tendency to dispose of most of that. I think the fewer notices an individual taxpayer gets the better. One consolidated notice would result in a better tendency for them to show up.

Chairman Headland: Any questions for Mr. Crosby?

Vice Chairman Owens: In the information you distributed it shows that there were no written protests and no one spoke at the public hearing in Grand Forks and I was one of those people in attendance. I was pleasantly surprised and very impressed by the way they had explained zero budget and stealth increase. The effected tax rate still doesn't explain and still hides the stealth increase.

Blake Crosby: I have looked at the Grand Forks statement. Cass County assessor wrote a tremendous explanatory article in the Fargo Forum explaining the pieces of your property tax statement and how those pieces are changing and what it means. The fewer pieces of paper and fewer emails a citizen gets the more likely they are to respond.

Chairman Headland: Further opposition to HB1058?

Dana Schaer Jahner, North Dakota Recreation of Park Association: We are in opposition to HB1058 as it is written. We would be in full support of the amendment offered by the Association of Counties.

Chairman Headland: Further opposition to HB1058?

Aimee Copes, Executive Director of North Dakota Counsel of Educational Leaders: We are opposed to HB1058 and stand in full support with the Counties and their proposed amendment. The schools also think this is a good idea.

Chairman Headland: Any questions? Any further opposition to HB1058? Seeing none we will close the hearing on HB1058.

2015 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1058
1/19/2015
22154

- Subcommittee
 Conference Committee

Committee Clerk Signature

Mary Brucker

Explanation or reason for introduction of bill/resolution:

A Bill relating to notices by political subdivisions of a proposed property tax levy increase and the time and place of a public hearing on the increase.

Minutes:

Chairman Headland: Opened for discussion. There were possibilities of amendments offered if I remember right. Mr. Traynor, would you like to address your amendment?

Terry Traynor, Association of Counties: Presented verbal amendments. Every taxpayer would get a notice every summer that would give them the worst case scenario. It would show by the 15th of July and the county tax equalization would have done their work; we know what the value was, what it's going to be and the effective tax rate the previous budget. All the hearing times, dates and places would be included in that notice. You'd have one notice. The only time you would see anything else is there would be a notice in the paper if that effective tax rate was going to be exceeded by one of the jurisdictions. Currently there would be up to four notices mailed to a person with the bill as proposed that are a bit confusing with that zero mill growth language and what that means. It's very difficult for people to understand. We feel this is a much better solution. It will cost the counties more but we know the legislature is very interested in getting a notice to every taxpayer and to make sure they are given the opportunity to go to those budget hearings if they feel their taxes are too high. We are trying to find a way to do that and meet most of the goals of the legislature.

Chairman Headland: Do you think that when a notice is sent out that early, July 15, it will be put on the refrigerator or filed in the waste paper basket?

Terry Traynor: I would guess 90% of the people will file it in the circular file regardless of when we send it or how we send it. I'm hoping the 10% of the people who care will keep it. The timing is not to relate to when the tax statement goes out but when the budget hearing is scheduled because that is the only place that they can affect their taxes. Part of the problem we deal with in local government is that span of time because the township boards meet in March and school boards meet the end of July or early August. We need to get

ahead of the school boards. The counties are the last one, usually the first week in September.

Representative Froseth: At least you have notified the people so it's their choice if they trash it and not pay attention to it. The blame has shifted from your shoulders to their shoulders.

Representative Strinden: Did you offer this amendment because it's a good solution to a problem or did you offer the amendment because you hated the bill and you wanted something less bad? Do you want us to kill the whole thing or do you like the amendment?

Terry Traynor: We don't like the bill. We don't like the current law either. We think this is an improvement over the current law. We would rather see this added on the bill and it pass rather than just kill the bill because we don't think the current status quo is meeting the needs. It's costing cities, counties, parks and schools more money collectively than what we're proposing would cost just the county and I don't think it's doing the job. We feel this is a better choice.

Representative Mitskog: As I hear from my local taxing people I'm a little concerned for cities. I believe July 15 is too early. Can you give clarification of the estimated taxes per year? Is it for the upcoming year in the budget process?

Terry Traynor: That number is based on last year's tax rate. We're saying this is what your tax would be if we don't lower the tax rate; it's the worst case scenario of what you can expect. It isn't based on the new upcoming budget. If the tax rate goes up in the upcoming budget once the city decides what they're going to propose they would have to put a notice in the paper.

Representative Haak: It would increase the cost of the counties. Would it also increase the cost to the cities and the schools?

Terry Traynor: It would on those years where they are required or think they're required to publish and mail out that zero mill notice. Some of them do it anyway because they don't know if they meet it or not. They aren't required to if their zero mill rates are not exceeded so it wouldn't save them any money. In a lot of cases they send it out anyway so it would save them money.

Chairman Headland: I appreciate what the county does for the other taxing districts. Wouldn't it be better for every taxpayer to receive a notice 10 days prior to the budget hearing by each representative taxing district? I think it would be more effective in that manner but you can comment.

Terry Traynor: It depends on the person. I would think that for some people having all four of them there together might make more sense. It could be either way I guess.

Chairman Headland: Any more questions for Mr. Traynor? We have this proposed amendment. Does anybody want to work with legislative counsel to work on the amendment and the bill?

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Vice Chairman Owens: I will.

Chairman Headland: Thanks committee.

2015 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

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1/26/2015
22550

- Subcommittee
 Conference Committee

Committee Clerk Signature

Mary Brucker

Explanation or reason for introduction of bill/resolution:

A Bill relating to notices by political subdivisions of a proposed property tax levy increase and the time and place of a public hearing on the increase.

Minutes:

No attachments.

Chairman Headland: We have 1058 before us.

Vice Chairman Owens: You asked for any input or if anybody wanted to work on this and nobody spoke up so I said I would try and I took it. I have tried my best to come up with a date for a single notice system. I like their layout but I can't come up with a date. I'm running out of time and I don't have an answer for the committee. I apologize.

Representative Mitskog: Local government municipalities will begin their budget in July and July 15 is too early for municipalities. I think for municipalities early August might be better and more realistic if there's going to be any increases.

Vice Chairman Owens: That was part of my problem. I personally like the idea of one notice for everything. I just couldn't come up with a date.

Chairman Headland: The July 15 date you're referring to is the proposed amendment by the counties, it really isn't part of this bill. I haven't heard any discussion about anybody wanting to put that amendment on so with the bill the way it is I don't have a problem moving it forward. I will look to the committee for a recommendation.

Representative Dockter: I think we already passed out a similar bill that would require notices so I would make a **motion for a Do Not Pass**.

Representative Klein: Seconded.

Representative Strinden: I am going to support a Do Not Pass. It was my understanding that the counties said with the amendments they would like the bill and without the amendments they don't like the bill so I'm going to vote with the counties on this one.

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Vice Chairman Owens: I think I'll resist the Do Not Pass because we went through a lot of trouble in legislative management committee and the counties were there every single meeting. I liked their suggestion but I just couldn't make it work. I will resist the Do Not Pass.

Roll Call Vote: 10 yes 3 no 1 absent
Representative Haak will carry this bill.

Date: 1-26-15
 Roll Call Vote #: 1

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 1058**

House Finance and Taxation Committee

Subcommittee

Amendment LC# or Description: _____

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Rep. Dockter Seconded By Rep. Klein

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN HEADLAND	✓		REP HAAK	✓	
VICE CHAIRMAN OWENS		✓	REP STRINDEN	✓	
REP DOCKTER	✓		REP MITSKOG	✓	
REP TOMAN		✓	REP SCHNEIDER	✓	
REP FROSETH		✓			
REP STEINER	✓				
REP HATLESTAD	Ab				
REP KLEIN	✓				
REP KADING	✓				
REP TROTTIER	✓				

Total (Yes) 10 No 3

Absent 1

Floor Assignment Rep. Haak

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1058: Finance and Taxation Committee (Rep. Headland, Chairman) recommends **DO NOT PASS** (10 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1058 was placed on the Eleventh order on the calendar.

2015 TESTIMONY

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Testimony to the
House Finance and Taxation Committee

January 12, 2015

By the North Dakota Association of Counties

Terry Traynor, Assistant Executive Director

RE: HB1058 – Tax Levy Notice

Mr. Chairman and members of the committee, I am Terry Traynor, assistant executive director of the North Dakota Association of Counties, and I would like to speak on behalf of our county official members in opposition to House Bill 1058.

Again, I can assure the committee that county officials across the state are, like you in this room, interested in providing our taxpayers with timely, clear, and accurate information so that they can better participate in government decision-making. Unfortunately, county officials believe that the current notices addressed in this bill are not clear, are often inaccurate, and have largely failed to prompt significant participation in local budget hearings.

Attached to this testimony is a single page of just the notices published in one county (Bottineau) this year. Many taxpayers in that county were also mailed copies of at least three of the four notices – and not together and not at the same time. Clearly, these notices increase taxpayer anxiety, but provide virtually no understanding on which to base that anxiety. House Bill 1058 proposes to greatly increase the mailing of these notices, further increasing voter anxiety and multiplying the confusion.

It has often been suggested that pointing out a problem is unhelpful unless you have a solution. A group of county auditors and treasurers have been meeting to craft an alternative to what is currently proposed in HB1058, which we believe will do a much better job of accomplishing our collective goal of better informed taxpayers.

Their suggestion is contained in the alternative language and notice examples attached. I recognize that it is not in the form of an amendment to the bill before you, as that made it very difficult to read.

What is being proposed is replacement of the current "zero-mill" notices with a single, parcel-specific, consolidated notice; to be mailed by the county to ALL taxpayers before July 15th of every year. The notice would include:

1. The previous year's valuation, the valuation as equalized by the county board, and the net change;
2. The total consolidated ad valorem taxes levied against the property the previous year, the effective tax rate (no mention of mills) for the previous year, and the ESTIMATED TAX for the current year IF the effective tax rate stayed the same; and
3. The dates, times and locations of preliminary budget meetings for every major (>\$100,000) taxing district for this parcel.

Additionally, the bill would retain a possible newspaper notice, but it would be triggered, not by "zero mills", but by a jurisdiction's preliminary budget anticipating an effective tax rate in excess of the previous year. So essentially the mailed notice would show the "worst case scenario" unless there was a notice in the paper.

The benefit of this alternative is one, parcel-specific notice, rather than multiple notices that reference districtwide averages for individual overlapping but discontinuous districts. All meeting times, dates and locations would also be printed together with ample time to plan attendance.

It is our firm belief that this would come much closer to meeting the goals of timely, clear and accurate information. It shifts the costs of notices to the county, but potentially reduces by 75% the overall cost of mailings that taxpayers must fund if HB1058 is passed as proposed.

Mr. Chairman and committee members, we hope that you will seriously consider this alternative notice proposal, or return a Do Not Pass recommendation on HB1058 as proposed, until a better solution can be developed.

**IMPORTANT
NOTICE TO
BOTTINEAU COUNTY
TAXPAYERS**

A public hearing to consider increasing the 2014 Bottineau County property tax levy by 54.38% will be held at the Westhope Public School 395 Main St., Westhope, North Dakota, on Wednesday, October 8th, 2014, at 6:00 p.m. Citizens will have an opportunity to present oral or written comments regarding the property tax levy.

The above percentage increase is due to the \$5.1 million dollar building project approved for Westhope Public School

**IMPORTANT NOTICE TO
BOTTINEAU
COUNTY TAXPAYERS**

A public hearing to consider increasing the 2014 Bottineau County property tax levy by 5.25% for the General and Special Revenue Funds will be held at the Bottineau County Courthouse Commissioner Room, 314 W 5th St, Bottineau ND on September 24th, 2014 at 6:00 pm. Citizens will have the opportunity to present oral or written comments regarding the property tax levy. The current General and Special Revenue Fund levies will **decrease from 82.07 to 77.99 mills.**

A copy of the Preliminary Bottineau County Budget is available at the Bottineau County Auditor's Office, 314 W 5th St, Bottineau, ND during normal business hours of 8:30 am. to 5:00 pm. Monday through Friday, except holidays.

**IMPORTANT
NOTICE TO
BOTTINEAU, ROLETTE, PIERCE, & MCHENRY CC
TAXPAYERS**

A public hearing to consider increasing the 2014 Bottineau, Rolette, Pierce and McHenry Counties Property tax levy By **19.67%** will be held in the James Holwell Auditorium 301 Brander St. Bottineau, ND On Thursday, October 2, 2014 at 7:00 p.m. Citizens will have an opportunity to present oral or written comments regarding the property tax levy.

**NOTICE TO BOTTINEAU CITY
TAXPAYERS**

A public hearing to consider increasing the 2014 Bottineau City property tax levy by 16% for the General & Special Levy Funds will be held at the City Armory on Oct. 6th, 2014 at 7:00 p.m. Citizens will have the opportunity to present written or oral comments regarding the levies. The proposed General & Special Levy Funds will remain at the same mill Levy of 77.08. The increase reflects the new value of the mill levy for 2015, which is anticipated to increase by 16%.

A copy of the preliminary budget for 2015 is available at the City Auditor's Office: 115 6th St W Bottineau, ND during regular business hours.

You are receiving this written notice of the public hearing to adopt the 2015 Budget of the City of Bottineau in compliance with NDCC 57-15-02.1, requiring a mailed notice if your property assessment increased in value by 10% or more, & at least \$3,000.00 from the true & full value assessment the prior year. The City of Bottineau has chosen to send this notice to ALL property owners in the City.

57-15- . Property value and tax estimate notice.

1. On or before July fifteenth of each year, the county treasurer shall mail a notice to the owner of each parcel of real property at the owner's last-known address. If a parcel of real property is owned by more than one individual, the county treasurer shall send only one statement to one of the owners of that property. The tax commissioner shall develop and distribute a model notice form and each county's form shall be substantially similar in format and shall include:
 - a. A dollar valuation of the true and full value as defined by law of the property for the previous tax year, the dollar valuation approved for the current year by county board of equalization, and the net change.
 - b. The time and place of the next meeting of the state board of equalization and the information needed for filing an appeal.
 - c. The effective tax rate and the prior year consolidated ad valorem taxes levied against the property.
 - d. A calculated estimated tax amount based on the prior year effective tax rate and the true and full value approved by the county board of equalization.
 - e. An explanation and notice that the estimated tax amount is based on the previous effective tax rate and if the county or a city, school district, or park district with a budget in excess of one hundred thousand dollars in which the property is located proposes an increase in that jurisdiction's portion of that rate, a notice will be placed in the official newspaper of that jurisdiction.
 - f. A budget hearing schedule with meeting locations for the county and the city, school district or park district levying taxes on the property.

57-15-02.1. Property tax levy increase notice and public hearing.

Notwithstanding any other provision of law, a taxing district may not impose a property tax levy in at a greater number of mills than the zero increase number of mills effective tax rate than the previous year, unless the taxing district is in substantial compliance with this section.

1. The governing body shall cause publication of notice in its official newspaper at least seven days before a public hearing on its property tax levy. A public hearing under this section may not be scheduled to begin earlier than six p.m. The notice must have at least one-half inch [1.27 centimeters] white space margin on all four sides and must be at least two columns wide by five inches [12.7 centimeters] high. The heading must be capitalized in boldface type of at least eighteen point stating "IMPORTANT NOTICE TO (name of taxing district) TAXPAYERS". The proposed percentage increase must be printed in a boldface type size no less than two points less than the heading, while the remaining portion of the advertisement must be printed in a type face size no less than four points less than the heading. The text of the notice must contain:
 - a. The date, time, and place of the public hearing.

- b. A statement that the public hearing will be held to consider increasing the property tax levy by a stated percentage, expressed as a percentage increase exceeding the zero increase number of mills change in the effective tax rate.
 - c. A statement that there will be an opportunity for citizens to present oral or written comments regarding the property tax levy.
 - d. Any other information the taxing district wishes to provide to inform taxpayers.
- ~~2. At least seven days before a public hearing on its property tax levy under this section, the governing body shall cause notice of the information required under subsection 1 to be mailed to each property owner who received notice of an assessment increase for the taxable year under section 57-12-09.~~
3. If the governing body of the taxing district does not make a final decision on imposing a property tax levy exceeding the zero increase number of mills at the public hearing required by this section, the governing body shall announce at that public hearing the scheduled time and place of the next public meeting at which the governing body will consider final adoption of a property tax levy exceeding the tax district's zero increase number of mills.
4. For purposes of this section:
- a. Average effective tax rate" means the percentage calculated by dividing the total revenue from property taxes by the total true and full value of the jurisdiction.
 - b. "New growth" means the taxable valuation of any property that was not taxable in the prior year.
 - c. "Property tax levy" means the tax rate, expressed in mills, for all property taxes levied by the taxing district.
 - d. "Taxing district" means a city, county, school district, or city park district but does not include any such taxing district that levied a property tax levy of less than one hundred thousand dollars for the prior year and sets a budget for the current year calling for a property tax levy of less than one hundred thousand dollars.
 - e. "Zero increase number of mills" means the number of mills against the taxing district's current year taxable valuation, excluding consideration of new growth, which will provide the same amount of property tax revenue as the property tax levy in the prior year.
- ~~5. For the taxable year 2013 only, for purposes of determining the zero increase number of mills for a school district, the amount of property tax revenue from the property tax levy in the 2012 taxable year must be recalculated by reducing the 2012 mill rate of the school district by the lesser of:~~

Example of Single Notice to All Taxpayers
By July 15th of each year

Notice of Real Estate Assessment & ESTIMATED Taxes

County of _____

Property owner and mailing address:

You are hereby notified, in accordance with North Dakota Century Code § _____ of tax information pertinent on property you own described as follows:

Real Estate Description: (address and brief legal)

Assessment

Last Previous Assessment (<u>year</u>) Assessment	Current Year Assessment (<u>year</u>)	Change in
<u>\$ 211,000</u>	<u>\$ 236,000</u>	<u>\$ 25,000</u>

If a property owner has appealed their current year's assessment to the local and county boards of equalization, they may still appeal this assessment to the State Board of Equalization which will be meeting

State Board of Equalization **August __, 2014** **8:00 a.m.**
 Room XYZ, ND State Capitol, 500 E. Boulevard Ave, Bismarck ND

To file an appeal, contact: State Supervisor of Assessments
 600 E Boulevard Ave, Bismarck, ND 58505

Local Budgets and ESTIMATED Ad Valorem Taxes (DO NOT PAY THIS AMOUNT)
This is only an estimate at this time – Please read the following:

An increase or decrease in assessment does not mean property taxes on the parcel will increase or decrease. Each taxing district (County, School, City, Township, etc.) must base its tax rate on the number of dollars to be raised from property taxes and the total valuation of all property in that district. However, if all taxing districts levied taxes at the same effective tax rate as they did the previous year, the following is an example of the effect on the taxes of this parcel.

Current Year (<u>year</u>) Effective Tax Rate	Current Year (<u>year</u>) Taxes	Example (<u>year</u>) Taxes
<u>1.15%</u>	<u>\$ 2,426.50</u>	<u>\$ 2,714.00</u>

A schedule of the public hearings for the budget of the county, city, school district, and park district in which your property is located is listed below. If one of these jurisdictions anticipates increasing that jurisdiction's effective tax rate, a notice to that effect will be published in the official newspaper of that jurisdiction prior to their meeting.

Budget Hearing Schedule:

Cass County Cass County Commission Room, 211 9th St. S, Fargo ND	September __, 2014	6:00 p.m.
City of Fargo Fargo City Commission Room, 200 3rd St. N, Fargo ND	September __, 2014	6:00 p.m.
Fargo PSD #1 Fargo School District Board Room, 415 4th St N, Fargo ND	September __, 2014	6:00 p.m.
Fargo Park District Fargo Park District Board Room, 701 Main Ave, Fargo ND	September __, 2014	6:00 p.m.

Taxpayers will have an opportunity to present oral or written comments regarding the entity's budget at or before the hearing. A copy of the entities budget will be available at their normal place of business at least 7 days prior to the meeting.

Example of Notice to be published by a "taxing district" that proposes to increase their effective tax rate

**IMPORTANT NOTICE TO
SAMPLE COUNTY TAXPAYERS**

A public hearing to consider increasing the 2015 Sample County Property Tax levy will be held at the Commission Room of the Sample County Courthouse, 123 Main St, County Seat, North Dakota, 58555, on Tuesday, October 1, 2014 at 6:00 p.m.

Citizens will have an opportunity to present oral or written comments regarding the property tax levy.

The property tax levy necessary to support the preliminary budget of the county would increase the average effective tax rate from 0.243% to 0.246%.

This change represents, on average, an increase of \$3.02 per \$1000 of True and Full Value

Questions or comments regarding this notice can be addressed to Sample County Auditor, 123 Main St, Countyseat, North Dakota, 58555.

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Data on budget and assessment increase notices—January 2015

Garrison:

2011 no publication requirement == no citizens at public meeting

2012 publication requirement cost of publication \$115.00 & cost of mailing \$193.00 to 419 tax payers
== no citizens at public meeting

2013 no publication requirement == no citizens at public meeting

2014 publication requirement cost of publication \$237.00 & cost of mailing \$250.00 to 508 tax
payers == no citizens at public meeting

In my 36 years of city auditor, I can remember 2 years where we had people attend the public
meeting. The one year was after Vanquard Appraisals was in Garrison for the re-evaluation process.

Annual Budget public meetings are the same - no one attends.

Grand Forks

We had 1,250 mailings regarding the public hearing of the budget. The postage cost for this was \$600.
There were no written protests and no one spoke at the public hearing.

Williston arranged to move our hearing from our board room to a larger room at the new ARC
or Area Recreation Center. Although we sent in excess of 2,000 notices we had only 13 people
at the public hearing stand up and complain. We incurred a cost of \$1,000 excluding all the staff
time involved in getting this put together.

Minot (as addendum to attached letter from K. Ternes)

Blake, I would double this for budget notices as we send to the same people.

Beulah—see attached letter

Dickinson

7,000+ sent, 2 attended.

Fargo

You asked for the results of our budget hearing attendance at last year's budget hearing. After
sending letters directly to those property owners with valuation increases not a single person
attended our budget hearing in September.

The letters did trigger two phone calls...one person was somewhat confused and was seeking
clarity, while the other person expressed their opinion that this process was wasteful spending
and he wanted to go on record with that opinion.

#2 p.2

City of Minot

Assessor's Office

MEMO

DATE: 1/9/2015

TO: Blake Crosby, ND League of Cities Executive Director

FROM: Kevin Ternes, Minot City Assessor

I am able to provide you with the following information.

In 2013 we sent out approximately 9,000 letters of increased assessment notifications and according to our meeting minutes of the city board of equalization that year we had 19 people appear to ask questions about their assessment.

In 2014, we sent out approximately 5,500 letters of increased assessment notifications and according to our meetings minutes that year we had 11 people appear to ask questions about their assessment.

These notices are sent out if an assessment changes 10% or more.

The Magic City



City of Beulah

120 Central Ave N
PO Box 910
Beulah, ND 58523

Phone: (701) 873-4637
Fax: (701) 873-5786
www.beulahnd.org

#2 p.3

January 9, 2015

Prior to our Board of Equalization Hearing, held on April 8, 2014, the City of Beulah sent out 1153 letters of increase. Our city has a total number of 1829 parcels.

We had 22 people in attendance at the Board of Equalization Hearing from those who received increase notices. We had 12 people ask questions on their increase of values, how the process works and why we would need to increase values, along with 4 people making comments to this process.

Most of those in attendance were there to listen, but some were there to question the process, disagree with the process and make comments.

From talking with people on a regular basis at our office, most do not understand the process and why this process needs to be done.

Cost – 24 hours (3 days) of running reports and putting together all mailing items, (\$370 employee wages) not to mention the cost of paper, envelopes, cost of running our photo copier – estimated cost for this would be \$300.00 for paper supplies and use of copier. Postage was \$554.00.

Total cost for sending out notices - \$1224.00

Colette Schilling
City Assessor – City of Beulah