

**Official Proceedings
City of Williston Local Board of Equalization
April 24, 6:00 P.M.**

1. Roll Call

COMMISSIONERS PRESENT: Deanette Piesik, Tate Cymbaluk, James Bervig, Howard Klug

COMMISSIONERS ABSENT: Brad Bekkedahl

OTHERS PRESENT: Taylor Olson, Hercules Cummings, Shawn Wenko, Mitch Melberg, Chief Peterson, Darcy Anderson, Shelby Evans, Shawna Page, Kristi Gutierrez
Changes to Agenda:

Mayor Klug presented a quorum.

**Motion by Cymbaluk seconded by Bervig to approve the agenda as presented.
UNANIMOUS BY VOICE VOTE**

2. Present Assessment Roll and Annual Report

Darcy Anderson, Williams County Tax Director, and City of Williston Assessor presented the following: The Williams County Assessor's Office has prepared this 2023 Assessment Report of the City of Williston. This report contains information about the 2023 assessment as well as general information about the assessment process. North Dakota statutes establish specific requirements for the assessment of property. The estimated market values established through the 2023 assessment are based upon actual real estate market trends of Williston properties taking place from January 1, 2022, through December 31, 2022. The starting point of the assessment of real property is True and Full Value. For property classified as residential or commercial, True and Full Value means its market value or the price a property would bring if it were offered for sale in the open market for a reasonable length of time and purchased by a willing buyer from a willing seller, both parties being prudent and having reasonable knowledge of the property and neither being under undue pressure to complete the transaction. Assessors are historians and measure the market based on sales that have occurred before the assessment date. Assessors do not create the value or predict what the market will do; rather, we follow the patterns set by the real estate market. For example, the sales that occurred between January 1, 2022, and December 31, 2022, are used to establish the 2023 assessed values. Information on the sales of real estate is of paramount importance to the assessors in a market-based property tax system. The sales that occur within this January 1st to December 31st time period, each year, are closely scrutinized by the Assessor's Office. Evidence suggesting a forced sale, foreclosure, a sale to a relative, or anything other than an arm's-length transaction requires the sales to be discarded from the sales study. This is important, because the real estate sales information constitutes the database for the statistical comparisons necessary to make the property assessment. The assessor's office is charged with setting estimated market values for tax purposes at actual market value. The relationship between sales prices to estimated market value is called the sales ratio. North Dakota State statute requires (for all classes of property) a median ratio of 90-100%. We make every effort to ensure that each class of property in Williston meets this

target as consistently as possible. In this way, we ensure an equitable distribution of the property tax burden for all Williston city Taxpayers. State Statute also requires the Assessor's Office to send a notice of increase to all property owners whose property value increased 10% and \$3,000 over last year's assessment. There were 1,417 notices sent for 2023, compared to 1,092 in 2022.

2023 Residential Sales Study Statistics

The sales statistics presented in this report (number of sales, average sale price, sales prices) are based on data collected from usable sales that occurred between January 1st and December 31st, 2022. Sales prices increased over the year with the average sale price being \$285,919 during 2022 (up almost \$7,000 from last year) with a slight decrease in the number of sales occurring. There were 320 useable residential sales in 2022 (compared with 347 in 2021). These 2022 sales are that the 2023 assessments are based upon. The sales have been assembled into a ratio study which is attached within the report. Residential properties in Williston sold, on average, 11% higher than they were valued. The overall Sales Ratio for residential properties was 89.4%. As we are required by the State Board of Equalization to be between 90 and 100% of market value, an increase was needed. However, analysis of individual property types showed positive and negative adjustments needed to be made. To determine where changes were needed, sales were analyzed by age, class, style, and story. Adjustments were made based on this analysis. At the end, our ratio was 93.58%. Residential True and Full Value increased by over ten million dollars. \$9,414,390 in valuation was added to the tax roll from the new construction.

2023 Commercial Sales Study Statistics

The State Tax Department requires a sales study of at least thirty sales. Thirty-five usable commercial sales occurred during 2022. The overall commercial ratio is 93.5% Sales were analyzed by type and location of property to determine if there were adjustments for equity. Commercial True and Full Value increased \$7,821,230. Over \$8,000,000 of new construction was added to the commercial valuation of the city. The income Approach to Valuation was applied to apartment buildings across the city. Questionnaires regarding income and expenses were sent out. We analyzed the information received from fifty-three returned questionnaires (out of 191 sent out) and created our model. Our apartment complex values increased on average, three %.

3. Present Recommendations

A. Residential

I would recommend residential property be left, as a class, at the level presented. In reviewing the Ratio Adjustment Worksheet below, residential property is assessed at 95.73% of market and would need an increase of 4.46% to reach the statutory level of 100%. The State Board of Equalization allows a 10% tolerance level.

B. Commercial

I would also recommend commercial property be left, at the level presented. In reviewing the Ratio Adjustment Worksheet below, commercial property is assessed at 96.65% of market and would need an increase of 3.46% to reach the statutory level of 100%. The State Board of Equalization allows a 10% tolerance level.

4. Open Public Hearing

Mayor Klug opened the hearing for public comment and protests, he indicated to please state your name and identify your parcel for the record and asked if anyone would like to speak.

A. Audience, Comments and Protests

1) Don Loomer, Williston Basin International Airport Subdivision 16E I hangar lot

Mr. Loomer stated that his hangar should be assessed considering the problems with its usage of it. There is a storage area in front of his hangar and the hangar across from his is steep causing drainage problems. He has been locked out of his hangar three times in the last year based on these two things outside of his hangar. Mayor Klug said that this is one where Airport Manager, Anthony Dudas might need to be included and take a look at that piece of property.

2) Craig Hoglund, 805 2nd Avenue East

There was a recent real estate appraisal that shows his value at about \$362,000. The assessor's office is coming in at \$433,000. He would like to see that at about \$400,000. His neighbor who has a double lot is being assessed at 75% of what he is, he does not feel that he should be subsidizing his neighbor's lack of care and eye sore to the neighborhood. Commissioner Cymbaluk asked when the appraisal was done and was less than a year.

3) Connie Hval, 7321 3rd Avenue East

We have owned this property since 1982, it is a 1979 Nosuline double-wide trailer. Two years ago, we kicked out the renters because we were going to sell. We turned off the heat and water, we wanted to demolish it, but we were told we could not demolish it without demolishing the garage. They are increasing the value by almost \$20,000 for the structures, the value of the land did not go up. They have plans to build a single-story structure there they are just not at that point yet.

4) Corey Seidel, 414 West Broadway

His property increased about \$30,000; he has remodeled the whole house. It is a 2-bedroom, two-bath house that his daughter, a schoolteacher lives in. He also brought up 3920 2nd Avenue West and then decided he did not need to talk about that one.

5) Jerry Zimmerman 1401 4th Avenue West

His house has gone up by value 31.8%, \$36,000 makes it \$150,000 home now. He is wondering why it went up. It is a rental, and he tries to rent to low-income, fixed-income. Shelby told him that she is available for an in-home inspection.

6) Jon Ekblad, 2301 2nd Ave West 2307 2nd Ave West

Last year it was assessed at \$912,000 increased 25.85% this year. It is just a warehouse; the front is an office space. He would not like to see the formula. It was built in 1978 for the front and the back was built in 2011. Shelby gave him her card for an inspection. Darcy Anderson mentioned that metal warehouses were up this year there were eight sold and every one of them was above assessed value. Kristi Gutierrez exemplified how a commercial metal building is assessed.

7) Garth Sjue, Crowley Fleck Law Firm on behalf of JMAC Energy Park, LLC

JMAC acquired the first of two Haliburton properties east of town. The main one was the Smith Tool Yard, a triangular shaped piece of property and the second was the remainder of the Haliburton property in the Williston industrial park. There are seven properties with a true and full value of \$25,256,003, the sale price of this property was around six million. The bottom line is that we are saying that this is a very unique property, and we think the price is indicative of the value of the property. The state requires that each property be assessed. They were not given the allocation breakout from Haliburton. Kristi Guttierrez mentioned concerns about the data presented. Mayor Klug asked if they were only assessed for their portion of the rail spur. Guttierrez continued to say anytime there is a rail spur they are assessed for the amount of rail on their property, the next length is assessed to the next parcel and so on. Guttierrez also said that she has not been allowed into the temporary housing, but she has been on every other parcel during the past year.

8) Phyllis & Jim Stokke, 815 5th Street West

We have had an extreme increase we went from \$217,650 to \$313,470 an increase of 44%. The only thing we have changed is a backdoor and replaced shingles from the storm last year. The home is 70 years old, and we do take care of it, but we do not understand why the increase was that high. Darcy Anderson answered that they do not take an area they go by like aged properties in the city. Shelby Evans answered that they go by year and analyzed all the olds in their categories and there are some that are adjusted by neighborhood. This is not one of those properties. An in-home inspection was suggested.

9) Betty Schroeder, 514 9th Avenue West

Seems like we are always getting raises on taxes, we remodeled 20 years ago. She asked if everyone get one of those notices. Darcy Anderson recommended the Homestead Credit program and gave her a card.

10) Dustin Bertsch, 301 13th Ave West

180.52% we went from \$40,760 to \$114,340 for a lot that borders commercial and has a garage. It was built in 2009. Darcy Anderson said that prior to this year the garage was assessed on the wrong parcel, the neighboring parcel should have gone down. They will correct the garage show less value on 309 13th Avenue West, there will be new assessments on both properties. Because there is no residence on that parcel it is assumed commercial, and they need to put the adjustment for residential on to that.

11) Leon Brackey, 1814 16th Court West

A few years ago, I got this same letter and there was an error, and it was readjusted. This year we had a 21.2% increase and went up to \$520,680. I do not feel that this has gone up by \$100,000. This is a new build house that will be returned to \$421,560 per Darcy Anderson.

12) Floyd Miller, 501 8th Ave West

It is a one-bedroom with a basement, it went up from \$93,000 to \$123,000. Mr. Miller asked for a walk thru because it is so small of a house. Shelby Evans gave him her card.

Mayor Klug asked for a second time if there was anyone else that would like to speak on any parcels.

Mayor Klug then asked for a third time if there was anyone who would like to speak on any parcels. Hearing none Mayor Klug closed this part of the public hearing.

B. Formal Protests Received Prior to Equalization

5. Close Public Meeting

6. Board Actions Regarding Public Meeting

A. Individual Actions – Audience Comments and Protests

1) Floyd Miller, 501 8th Avenue West

Betty Schroeder, 514 9th Avenue West

Jim & Phyllis Stokke, 815 5th Street West

John Ekblad, 2301 2nd Avenue West, 2307 2nd Avenue West

Jerry Zimmerman, 1401 4th Avenue West

Motion by Cymbaluk, seconded by Bervig to approve that the staff meet with them for inspections.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

2) Don Loomer – 16E Hangar Lot

Motion by Cymbaluk to have Mr. Loomer meet with Anthony Dudas, city staff and inspection by the Assessor's office.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

3) Connie Hval, – A mobile home is no longer assessable if it has no utilities, so the mobile home charges will be removed, and the garage will be assessed alone stated Anderson. Mayor Klug said that if a mobile home has no utilities to it, it can become a dilapidated property and will need to be removed and a new structure built. That is an issue for a different day.

Motion by Cymbaluk, seconded by Piesik to remove the mobile home as it has no utilities.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

4) Dustin Bertsch – 301 13th Ave West

Motion by Piesik, seconded by Cymbaluk that city staff meet with Dustin Bertsch to review his property.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

5) Corey Seidel – 414 West Broadway and 3920 2nd Ave West

Motion by Cymbaluk, seconded by Piesik to leave assessments as presented.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

6) Garth Sjue – JMAC A couple of notes on that. The man camp was listed as one story the year before and this year it is listed as two stories and there are utilities going to that building. We cannot use a single property sale as their assessment. Haliburton was talked to prior to the sale, and they did not turn in those sale prices last year. The appraisal is lease fee for the bank, and we do not use income for shop values, the comps none of them were in the year in question and they do not use any sales from 2022 in their documents.

Motion by Piesik, seconded by Cymbaluk that assessments stand as is.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

B. Individual Actions – Formal Protests Received Prior to Equalization

1) Walmart Real Estate requesting a value of \$16,790,000 current assessment is \$21,162,680 they believe it exceeds the value the property would sell for. Darcy Anderson recommends no change. The information supplied does not reflect the market, they do not account for remodels, they depreciated their concrete, and they are missing cost for the building. The sales they provided across the state were 2019-2022 and they made no adjustments for their comparables.

Motion by Cymbaluk, seconded by Piesik to accept Darcy's recommendation.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

2) Energy Properties Partners, LLC – 36 S Avenue

These are Haliburton's current properties. The first one is 36S Avenue and the second one is their current complex out west of town. The first property valued at \$1,638,460 and they believe it should be valued at \$1,232,352 based on current sales. Their analysis gives no consideration for land or yard extras in their dollar per square footage price. They take the entire value of the whole property and divide it by the square footage of the building to get their inflated dollar per square foot price. They only selected three comps out of the nine that we had and none of them are comparable to those properties, they also did not adjust for any of the differences on those.

3) Energy Properties Partners, LLC – 826 48th Avenue West

This is their new complex; they are comparing themselves to the Baker Hughes structure across the street but do not adjust for the differences in structure including the amount and quality. They do not adjust for any extra paving, or the condition of buildings. They also do not adjust for the difference in the size of the land. They did include a JLL opinion of value which was the same exact value with their 2022 protest. Last year when they provided an

appraisal there were a lot of issues with their value. They included the value of the old Haliburton complex in their comps which is a non-usable sale per our office and are comparing worn buildings to new.

Motion by Cymbaluk, seconded by Bervig to keep the recommendations on these two properties.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

4) R D Evitt Rental Holdings LLLP – 2304 4th Avenue West, 2312 4th Avenue West

This was mailed in, and we went and looked at both rental properties and did not see any reason for a decrease. They are both occupied, and are in normal condition, and they are listed in normal condition, built in 1981. He felt that he should have seen a decrease rather than an increase and did not provide any support, there was no phone number listed so they were unable to contact him.

Motion by Cymbaluk, seconded by Piesik to accept the assessments as presented.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

5) Gaffaney's Property LLP -101 1st Avenue East

This property did have a permit pulled it on last year. It is now Mars the detail company and between the metal building and the remodel they got hit hard. Mayor Klug asked if they take into consideration that there is no parking with this building. Kristi Gutierrez replied that it would be reflected in the land rather than the building assessment. Mayor Klug asked for the numbers on this one and it was valued at \$563,730 and it is now at \$791,860 and 33% of that is the metal building factor.

Motion by Cymbaluk, seconded by Piesik to accept as presented.

AYE: Piesik, Cymbaluk, Bervig

NAY: Klug

ABSENT: Bekkedahl

CARRIES: 3-0

6) Border Plains Inc. – They have a hangar in the same area as Mr. Loomer

Shelby Evans is going to go with Mr. Loomer out to his hangar. If there are drainage issues with Mr. Loomer's hangar there is a possibility of issues with this hangar as well. She will view them both while she is there.

Motion by Cymbaluk, seconded by Piesik to have the hangars inspected.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

Motion by Cymbaluk I move that a finding be made that the comments and protest as noted in the minutes have been reviewed by the City of Williston Board of Equalization.

7. Corrections

1) Leon Brackey, 1814 16th Court West – The assessors office is making correction as this home is classified as a new build.

2) Craig Hoglund, 805 2nd Avenue East – Shelby Evans did an inspection on this in the morning. Removed basement finish, attic due to the issues and changed the home condition to below normal from normal. He wanted hers higher and his lower but without being allowed into her home I cannot do anything other than that. Darcy Anderson reminded him that appraisals are different than assessments, for an appraisal you can hand pick five properties, with an assessment you must take all of them. We will never be able to meet the appraisal.

Darcy Anderson continued to say that these are things that we found between notices going out and tonight's meeting that we need corrected for the record. They are recorded on pages three through eight in your booklet.

Motion by Cymbaluk, seconded by Bervig I move that the recommendations of the Assessor's Office regarding the corrections have been reviewed by the Williston Board and should be followed except where noted in the minutes.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

- 8. Exemptions
- 9. Homestead Credit Applications
- 10. Veteran's Credit Applications
- 11. Office Personnel Properties
- 12. Findings and Motions

Finding #1

Motion by Cymbaluk I move that a finding be made that all classifications of property have been reviewed and find them properly assessed as corrected as noted in the minutes.

Finding #2

Motion by Piesik, I move that a finding be made that all Veteran's Credit applications, Homestead Credit applications, and exemption applications have been reviewed by the City of Williston Board of Equalization and find them proper as presented or corrected as noted in the minutes.

Finding #3

Motion by Bervig, I move that a finding be made that the valuation of properties owned by employees of the Williams County Tax Equalization Office has been reviewed by the City of Williston Board of Equalization and find them proper as presented or corrected as noted in the minutes.

Finding #4

Motion by Cymbaluk, I move that a finding be made that the overall Assessment Roll for the City of Williston for 2023 has been reviewed and find it proper as assessed or corrected as noted in the minutes.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

Motion #1

Motion by Cymbaluk, seconded by Bervig I move, based on the proceeding findings and a thorough review of the Assessment Rolls and Statistical Reports, the City of Williston Board of Equalization declare the City of Williston Assessments for 2023 Equalized as assessed or corrected as noted in the minutes.

AYE: Piesik, Cymbaluk, Bervig, Klug

NAY:

ABSENT: Bekkedahl

CARRIES: 4-0

13. Adjourn Meeting at 7:50 pm

Motion by Cymbaluk, seconded by Bervig to adjourn.

UNANIMOUS BY VOICE VOTE