

State Board of Equalization
April 4, 2019

The State Board of Equalization met in the Governor's Conference Room at the State Capitol Building, Thursday, April 4, 2019 at 10:30 a.m.

The following members were present:

Governor Doug Burgum, Chairperson
Kelly Schmidt, State Treasurer
Joshua Gallion, State Auditor
Doug Goehring, Commissioner of Agriculture
Ryan Rauschenberger, Tax Commissioner and
Secretary of the State Board of Equalization

Governor Burgum called the meeting to order at 10:33 a.m.

It was moved by Auditor Gallion and seconded by Treasurer Schmidt to approve the minutes of the December 6, 2018 meeting. Upon roll call, all members participating voted "aye". Motion carried.

The second item of business was the review of Burke-Divide Electric Cooperative, Inc. transmission line tax assessment. Commissioner Rauschenberger provided information that Burke-Divide Electric Cooperative has not been reporting its transmission lines to the Tax Department. The Commissioner also noted that the research only goes back 6 years due to statute of limitations. He provided a document showing the taxes due on a year for year basis which includes penalty and interest.

Commissioner Goehring asked if the document and dollar amounts have been verified and double checked. Linda Leadbetter, State Supervisor of Assessments, confirmed the document was at least triple checked and includes the exemptions that would have been in place at the time of each tax statement. Ms. Leadbetter also noted the document was sent to Burke Divide Electric Cooperative for its review and agreement.

Commissioner Goehring questioned why this situation needs Board approval. Commissioner Rauschenberger explained that the Board assesses tax on Rural Electric Cooperatives so the meeting was required.

It was moved by Commissioner Goehring and seconded by Auditor Gallion to approve the 2013, 2014, 2015, 2016, 2017, and 2018 tax for electric transmission lines for Burke-Divide Electric Cooperative, Inc. in the amount of \$131,806.06.

Governor Burgum requested clarification of the difference between distribution lines and transmission lines. Ms. Leadbetter provided the explanation. Governor Burgum also wanted verification that Burke-Divide Electric Cooperative did not just include its transmission lines with its distribution reporting. Ms. Leadbetter confirmed they were not included in the distribution line report.

Governor Burgum called on Brooke Watterud, Office Manager of Burke-Divide Electric Cooperative, to explain how this error was discovered. Ms. Watterud stated it was learned simply by asking questions and researching and not just doing what they have always done in the past. Governor Burgum praised her for her efforts and the efforts of the company to bring this error to light.

Governor Burgum questioned how many miles of line were missed. Ms. Leadbetter replied 131.9 miles.

Upon roll call, all members present voted “aye”. Motion carried.

Governor Burgum adjourned the meeting at 10:49 a.m.

State Board of Equalization
July 9, 2019

The State Board of Equalization met in the Peace Garden Room at the State Capitol Building, Tuesday, July 9, 2019 at 1:05 p.m.

The following members were present:

Governor Doug Burgum, Chairperson
Kelly Schmidt, State Treasurer
Joshua Gallion, State Auditor
Doug Goehring, Commissioner of Agriculture
Ryan Rauschenberger, Tax Commissioner and
Secretary of the State Board of Equalization

It was moved by Treasurer Kelly Schmidt and seconded by Auditor Joshua Gallion to approve the minutes of the April 4, 2019 meeting. Upon roll call, all members participating voted “aye.” Motion carried.

Commissioner Ryan Rauschenberger provided a brief overview of the schedule and procedure of the meeting.

It was moved by Commissioner Goehring and seconded by Treasurer Schmidt that the Board approve the 2019 tentative assessments for air transportation companies in the amount of \$9,030,700. Discussion regarding the valuation process for airline companies followed. Upon roll call, all members voted “aye.” Motion carried.

Airline Transportation Companies	Assessed Values
ALLEGIANT AIR, LLC	1,114,100
DELTA AIRLINES, INC.	4,362,500
ENVOY AIR, INC.	558,600
FEDERAL EXPRESS CORP	172,600
FRONTIER AIRLINES	179,000
SKYWEST AIRLINES, INC.	760,800
UNITED AIRLINES, INC.	<u>1,883,100</u>
Total	9,030,700

Natural gas pipelines followed airline transportation companies. Commissioner Rauschenberger gave an overview of valuations and provided information on the valuation of pipelines using book depreciation, cost, income, and FERC regulated information. The Board discussed companies that combined assets and if natural gas and oil pipelines are taxed at the same rate. It was moved by Commissioner Goehring and seconded by Auditor Gallion to approve the 2019 tentative assessments for natural gas pipelines in the amount of \$2,547,323,200. Upon roll call, all members voted “aye.” Motion carried.

Natural Gas Pipelines	Assessed Values
ALLIANCE PIPELINE LP	122,456,000
AMERICAN MIDSTREAM GP LLC	18,999,000
ANDEAVOR FIELD SERVICES COMPANY	111,502,000
ANDEAVOR GATHERING I LLC	10,291,500
ARCHER DANIELS MIDLAND	85,500
ARROW PIPELINE LLC	57,866,500
AUX SABLE MIDSTREAM LLC	32,272,000
BAKKEN OIL EXPRESS LLC	8,476,000
BISON MIDSTREAM LLC	30,691,000
BISON PIPELINE LLC	72,360,000
CALIBER BEAR DEN INTERCONNECT LLC	5,306,500
CALIBER MIDSTREAM PARTNERS LP	42,447,500
CRESTWOOD CRUDE LOGISTICS LLC	4,225,000
DAKOTA GASIFICATION CO	6,589,500
DAKOTA GASIFICATION CO - SNG ANTELOPE PIPELINE	2,926,000
DAKOTA GASIFICATION CO - SNG HEBRON PIPELINE	4,790,000
DAKOTA MIDSTREAM LLC - NATURAL GAS	5,369,000
HESS BAKKEN INVESTMENTS II LLC	43,004,500
HESS NORTH DAKOTA EXPORT LOGISTICS LLC	20,238,000
HESS NORTH DAKOTA PIPELINES LLC	487,135,500
HESS TIOGA GAS PLANT, LLC	27,125,000
HILAND PARTNERS HOLDING LLC	199,030,000
LIBERTY RESOURCES II	14,094,500
MEADOWLARK MIDSTREAM COMPANY, LLC	122,020,000
ND LAND HOLDINGS LLC	Combined Assets
NORTHERN BORDER PIPELINE COMPANY	109,575,000
ONEOK ROCKIES MIDSTREAM LLC	540,194,000
PARADIGM ENERGY PARTNERS LLC	73,907,500
PECAN PIPELINE (NORTH DAKOTA) INC	53,962,500
PETRO HUNT ET AL LLC	33,400
PETRO HUNT LLC	8,449,500
RED RIVER ENERGY LLC	78,000

ROUGH RIDER PIPELINE CO	203,000
STATOIL OIL & GAS LP	59,992,500
STERLING ENERGY INVESTMENTS LLC	86,000
TARGA BADLANDS LLC	126,426,500
USG MIDSTREAM BAKKEN I LLC	29,803,000
USG WHEATLAND PIPELINE LLC	2,664,300
VIKING GAS TRANSMISSION	138,000
WBI ENERGY TRANSMISSION INC	53,322,000
WHITING PETROLEUM CORP	10,501,500
XTO ENERGY INC	<u>28,686,000</u>
Total	2,547,323,200

Oil pipeline companies was the next industry to be reported. Commissioner Rauschenberger provided an overview of the assessments. The Board discussed companies that combined assets and their valuations. Governor Burgum suggested labeling these pipelines “Oil and Refined” pipelines and have the companies report how much of each is running through their pipeline. It was moved by Commissioner Goehring and seconded by Auditor Gallion to approve the 2019 tentative assessments for oil pipelines in the amount of \$2,048,685,500. Upon roll call, all members voted “aye.” Motion carried.

Oil Pipelines	Assessed Values
BAKKEN PIPELINE COMPANY LP	52,884,500
BELLE FOURCHE PIPELINE	23,345,500
BRIDGER PIPELINE LLC	178,553,000
CENEX PIPELINE LLC	14,560,000
DAKOTA ACCESS	537,459,000
DAKOTA MIDSTREAM LLC -OIL	4,763,000
ENABLE BAKKEN CRUDE SERVICES LLC	71,942,500
ENBRIDGE ENERGY LP	67,554,500
HAWTHORN OIL CO	1,079,000
HILAND CRUDE LLC	191,850,500
INDEPENDENT TRADING&TRANSPORTATION COMPANY 1 LLC	18,595,500
KINDER MORGAN COCHIN LLC	32,271,500
MAGELLAN PIPELINE COMPANY LP	12,551,000
NORTH DAKOTA PIPELINE COMPANY LLC	200,416,000
NUSTAR PIPELINE OPERATING PARTNERSHIP LP	20,900,000
OASIS MIDSTREAM SERVICES	8,951,000
ONEOK BAKKEN PIPELINE LLC	63,837,000
PELICAN GATHERING SYSTEMS LLC	34,995,000

PLAINS PIPELINE LP	11,316,500
PLAINS PIPELINE MONTANA LLC	12,288,000
ROSE ROCK MIDSTREAM CRUDE	3,094,500
SACAGAWEA PIPELINE COMPANY	111,522,500
SOUTHERN LIGHTS HOLDINGS LLC	909,000
TESORO GREAT PLAINS GATHERING - HIDDEN BENCH	34,196,500
TESORO HIGH PLAINS PIPELINE COMPANY	126,506,000
TIDAL ENERGY MARKETING US LLC	6,405,000
TRANSCANADA KEYSTONE PIPELINE LP	170,654,500
VANTAGE PIPELINE US LP	<u>35,284,500</u>
Total	2,048,685,500

Railroad industry followed oil pipeline companies. Commissioner Rauschenberger gave an overview of valuations. Governor Burgum requested more information on how railroad companies are assessed. State Supervisor of Assessments, Linda Leadbetter, responded that the Property Tax Department will provide additional information. It was moved by Commissioner Goehring and seconded by Treasurer Schmidt that the Board approve the 2019 tentative assessments for railroad companies in the amount of \$568,587,500. Upon roll call, all members voted “aye.” Motion carried.

Railroad Companies	Assessed Values
BNSF RAILROAD COMPANY	404,500,000
DAKOTA, MISSOURI VALLEY & WESTERN RAILROAD	22,229,000
DAKOTA NORTHERN RAILROAD INC	284,000
NORTHERN PLAINS RAILROAD INC.	2,622,500
RED RIVER VALLEY & WESTERN RAILROAD COMPANY	28,704,500
SOO LINE RAILROAD COMPANY	<u>110,247,500</u>
Total	568,587,500

Commissioner Rauschenberger reported the 2019 tentative assessments for electric and gas utility companies. The Board discussed some of the companies’ valuations. It was moved by Commissioner Goehring and seconded by Auditor Gallion to approve the 2019 tentative assessments for electric and gas utility companies in the amount of \$496,501,928. Upon roll call, all members voted “aye.” Motion carried.

Electric and Gas Utility Companies	Assessed Values
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XCEL ENERGY SERVICES INC	175,654,000
MONTANA DAKOTA UTILITIES	214,162,000
OTTER TAIL POWER COMPANY	105,331,500
NORTHERN MUNICIPAL POWER COMPANY (MINNKOTA POWER COOP INC)	311,928
RAINBOW ENERGY MARKETING CORPORATION	1,000
NORTHWESTERN CORP	<u>1,041,500</u>
Total	496,501,928

Renewable Wind companies was the next industry to be reported. Commissioner Rauschenberger provided an overview of the assessments and noted that the decrease in value is to be expected due to depreciation and wind obsolescence. It was moved by Commissioner Goehring and seconded by Treasurer Schmidt that the Board approve the 2019 tentative assessments for renewable wind companies in the amount of \$507,987,750. Upon roll call, all members voted “aye.” Motion carried.

Renewable Wind Companies	Assessed Values
MONTANA DAKOTA UTILITIES	13,946,000
ASHTABULA WIND II LLC	58,731,500
ASHTABULA WIND III LLC	23,689,500
ASHTABULA WIND LLC	59,969,000
BALDWIN WIND LLC	38,134,500
FPL ENERGY BURLEIGH COUNTY WIND LLC	11,155,000
FPL ENERGY NORTH DAKOTA WIND LLC	8,158,500
LANGDON RENEWABLES	84,702,000
LANGDON WIND LLC	-
LANGDON WIND II LLC	-
FPL ENERGY OLIVER WIND I LLC	15,719,500
FPL ENERGY OLIVER WIND II LLC	18,244,000
WILTON WIND II LLC	25,254,000
OTTER TAIL POWER COMPANY	27,503,000
OTTER TAIL POWER COMPANY Langdon Wind Energy Center	18,686,000
OTTER TAIL POWER COMPANY Luverne Windy Energy Center	18,799,000
RUGBY WIND LLC	45,710,000
TATANKA WIND POWER LLC	37,349,750
VELVA WINDFARM LLC	<u>2,236,500</u>
Total	507,987,750

Commissioner Rauschenberger provided the Board with an overview of the statute-based formula for electric distribution. It was moved by Commissioner Goehring and seconded by Auditor Gallion to approve the 2019 tax for electric distribution companies in the amount of \$10,926,588.46. Upon roll call, all members voted “aye.” Motion carried.

Electric Distribution Tax

BURKE DIVIDE ELECTRIC COOP	\$	183,371.21
CAPITAL ELECTRIC COOP	\$	296,509.46
CASS CO ELECTRIC COOP	\$	1,024,149.87
CAVALIER RURAL ELEC COOP	\$	25,129.54
DAKOTA VALLEY ELECTRIC	\$	543,069.63
GOLDENWEST ELECTRIC COOPERATIVE INC	\$	27,905.38
KEM ELECTRIC COOPERATIVE INC	\$	67,569.36
LOWER YELLOWSTONE RURAL ELECTRIC ASSOC INC	\$	52,188.67
MCKENZIE ELECTRIC COOP	\$	3,002,910.05
MCLEAN ELECTRIC COOPERATIVE INC	\$	106,270.93
MOR GRAN SOU ELECTRIC COOP INC	\$	128,149.56
MOUNTRAIL WILLIAMS ELEC	\$	2,514,121.87
NODAK ELECTRIC COOP	\$	925,802.98
NORTH CENTRAL ELECTRIC COOPERATIVE INC	\$	197,068.80
NORTHERN PLAINS ELECTRIC	\$	364,105.85
ROUGH RIDER ELECTRIC COOPERATIVE INC	\$	614,422.93
SHERIDAN ELEC COOP INC	\$	30,617.57
SLOPE ELECTRIC COOPERATIVE INC	\$	346,953.37
TRAVERSE ELECTRIC COOP	\$	309.13
VERENDRYE ELECTRIC COOPERATIVE INC	\$	<u>475,962.30</u>
Total	\$	10,926,588.46

Commissioner Rauschenberger provided the Board with an overview of the statute-based formula for electric transmission. The Board discussed payments in lieu of taxes and how they are disbursed. Governor Burgum brought up the importance of GIS and the discussion continued. It was moved by Commissioner Goehring and seconded by Auditor Gallion to approve the 2019 tax for electric transmission companies in the amount of \$1,803,503.50. Upon roll call, all members voted “aye.” Motion carried.

Electric Transmission Tax

ALLETE INC	\$	104,742.86
ASHTABULA WIND II LLC	\$	3,608.40
ASHTABULA WIND LLC	\$	3,688.00
BASIN ELECTRIC POWER CO	\$	517,466.00

BRADY WIND, LLC	\$	2,702.10
BURKE DIVIDE ELECTRIC COOP	\$	21,620.00
CENTRAL POWER ELECTRIC COOP	\$	135,511.90
GOLDENWEST ELECTRIC COOPERATIVE INC	\$	990.00
GRAND ELECTRIC COOP., INC.	\$	3,200.00
GREAT RIVER ENERGY	\$	273,473.86
KEM ELECTRIC COOPERATIVE INC	\$	6,078.33
LOWER YELLOWSTONE RURAL ELECTRIC ASSOC INC	\$	3,033.59
MEADOWLARK WIND I LLC	\$	3,022.80
MCKENZIE ELECTRIC COOP	\$	94,803.50
MINNKOTA POWER COOP INC	\$	421,552.55
MONTANA-DAKOTA UTILITIES CO.	\$	8,907.30
MOORHEAD PUBLIC SER DEPT	\$	1,746.00
MOR GRAN SOU ELECTRIC COOP INC	\$	31,405.08
MOUNTRAIL WILLIAMS ELEC	\$	70,120.96
NORTHERN STATES POWER COMPANY-MINNESOTA	\$	16,995.00
OLIVER WIND III, LLC	\$	718.05
OTTER TAIL POWER COMPANY	\$	16,805.89
ROUGH RIDER ELECTRIC COOPERATIVE INC	\$	27,629.35
RUGBY WIND LLC	\$	3,070.55
SHERIDAN ELEC COOP INC	\$	13,360.00
SLOPE ELECTRIC COOPERATIVE INC	\$	11,774.50
SQUARE BUTTE ELECTRIC CO	\$	1,327.20
TATANKA WIND POWER LLC	\$	3,853.74
UPPER MISSOURI G&T ELECT	\$	296.00
Total	\$	1,803,503.50

Electric generation from wind industry followed electric transmission companies. Governor Burgum questioned if we tax hydropower and the Board discussed. Commissioner Rauschenberger commented that if power is not sold publicly then it is not taxed. The Board continued its discussion. It was moved by Commissioner Goehring and seconded by Treasurer Schmidt that the Board approve the 2019 tax for electric generation from wind companies in the amount of \$7,846,120.05. Upon roll call, all members voted “aye.” Motion carried.

Electric Generation from Wind Tax

ALLETE INC	\$	1,989,565.61
BASIN ELECTRIC POWER CO	\$	494,881.61
BRADY WIND II, LLC	\$	682,592.51
BRADY WIND, LLC	\$	688,396.98
BWF WIND	\$	679,758.57
COURTNAY WIND	\$	856,965.84
LINDAHL WIND PROJECT LLC	\$	654,740.04

MEADOWLARK WIND I LLC	\$	264,271.83
MINNKOTA POWER COOP INC	\$	7,004.02
MONTANA-DAKOTA UTILITIES CO.	\$	591,579.00
OLIVER WIND III, LLC	\$	460,901.50
SUNFLOWER WIND PROJECT LLC	\$	<u>475,462.54</u>
Total	\$	7,846,120.05

Commissioner Rauschenberger discussed the formula as provided in statute for electric generation tax. It was moved by Commissioner Goehring and seconded by Auditor Gallion to approve the 2019 tax for electric generation in the amount of \$1,334,682.90. Upon roll call, all members voted “aye.” Motion carried.

Electric Generation Tax (from other sources other than wind or coal)

BASIN ELECTRIC POWER CO	\$	1,204,975.00
MINNKOTA POWER COOP INC	\$	10,107.15
OREG I	\$	43,935.25
OREG II	\$	<u>75,665.50</u>
Total	\$	1,334,682.90

The next item on the agenda was the approval of the State Medical Center Resolution. It was moved by Treasurer Schmidt and seconded by Commissioner Goehring that the Board approve the State Medical Center Resolution as follows:

STATE MEDICAL CENTER RESOLUTION

WHEREAS, ARTICLE X, SECTION 10 of the North Dakota Constitution requires that a one mill levy on all taxable property within the State shall be spread for the purpose of establishing a Medical Center at the University of North Dakota

THEREFORE, BE IT RESOLVED that a Medical Center levy for the year of 2019 is hereby levied at a rate of one mill on each dollar of net taxable valuation of all property subject to the general property tax for the year 2019.

Upon roll call, all members voted “aye.” Motion carried.

Commissioner Rauschenberger stated the Board would be meeting in the Brynhild Haugland Room; Ground Floor of the Capitol, Tuesday, August 13, 2018, at 8:30 a.m. Ms.

Leadbetter gave a brief overview of what to expect at the locally assessed property meeting. The Board discussed limiting appellants to 5 minutes as done at last year's meeting.

Governor Burgum adjourned the meeting at 2:23 p.m.

State Board of Equalization
August 13, 2019

The State Board of Equalization met in the Brynhild Haugland Room of the North Dakota State Capitol, Tuesday, August 13, 2019 at 8:36 a.m.

The following members were present:

Governor Doug Burgum, Chairperson

Kelly Schmidt, State Treasurer

Joshua Gallion, State Auditor

Doug Goehring, Commissioner of Agriculture

Ryan Rauschenberger, Tax Commissioner and

Secretary of the State Board of Equalization

The first item on the agenda was a new and expanding business income tax exemption application for Air Seeder Parts, LLC. Commissioner Rauschenberger gave an overview of the company. Governor Burgum questioned if the company met the qualifications of the exemption. Commissioner Rauschenberger replied yes, the company does qualify. It was moved by Commissioner Goehring and seconded by Treasurer Schmidt to approve the new and expanding business income tax exemption application for Air Seeder Parts, LLC. Upon roll call, all members voted “aye.” Motion carried.

The second item on the agenda was the approval of the minutes of the July 9, 2019 meeting. It was moved by Commissioner Goehring and seconded by Commissioner Rauschenberger to approve the minutes. Upon voice vote, all members voted “aye.” Motion carried.

The next item on the agenda is the hearing for telecommunications carriers 2018 gross receipts taxes. Commissioner Rauschenberger provided the information and with no discussion it was moved by Commissioner Rauschenberger and seconded by Commissioner Goehring to approve the 2018 telecommunications gross receipts taxes. Upon roll call, all members voted “aye.” Motion carried.

Commissioner Rauschenberger went through procedural items for the remainder of the meeting. He explained that there will not be any action taken by the board today regarding the appeals. Individual investigations for the appeals presented and tolerance issues set before the board today will be assigned to the property tax division staff following the meeting.

The meeting was turned over to Linda Leadbetter, State Supervisor of Assessments. Ms. Leadbetter reviewed the tolerance level adopted for use by the State Board of Equalization for locally assessed property. The tolerance level was established as 90 to 100 percent. Ms. Leadbetter explained the process of when a county could speak on behalf of its tolerance issues if desired and stated that the property tax division will work to address the assessment issues with those jurisdictions.

The appeals process began with Hettinger County. There were no appeals or tolerance issues until Logan County, which not within tolerance for is residential assessments. No one presented additional information for Logan County.

Pembina County has tolerance issues with its residential and agricultural assessments. No one presented additional information for Pembina County.

Ransom County: Eugene Johnson of Enderlin. Mr. Johnson is appealing the increase in assessment on the four-plex he owns and provided documentation for the Board to review.

Ransom County: Joe Mathern, Enderlin city assessor. Mr. Mathern provided documentation of his assessment for review by the Board. Commissioner Goehring asked if Mr. Mathern's assessment is based off replacement cost and if it's a higher value using only replacement cost. Mr. Mathern responded that he used Marshall and Swift to come up with his value and he took it into consideration that replacement cost may create a higher value.

Sargent County has tolerance issues with its commercial assessments. No one presented additional information for Sargent County.

Sheridan County has tolerance issues with its commercial and residential assessments. No one presented additional information for Sheridan County.

Sioux County has tolerance issues with its commercial and agricultural assessments. No one presented additional information for Sioux County.

Stark County: Carlos Royal of Dickinson. Mr. Royal is appealing his property, Century Apartments. Mr. Royal stated that his expenses are not at 45% they are much higher, and that income has crashed 60%. Mr. Royal then presented a video to explain. Commissioner Goehring questioned where the 6.5% cap rate comes from. Mr. Royal replied that the assessor picks the rate and that his property is an outlier and all the other properties were reduced. Governor Burgum asked about the vacancy rate in his buildings. Mr. Royal replied he is at 100% occupancy, but even though the people are back the rents are not. Treasurer Schmidt requested a point of personal privilege and cautioned Mr. Royal on how he communicates with the staff and his choice of words in those communications. Treasurer Schmidt went on to say that it should not go on any further.

Stark County: David Bauer, Century Apartments' property manager. Mr. Bauer provided the Board documentation to review and gave an overview of Dickinson's market.

Stark County: Shannon Roers Jones, attorney for Roers Companies. Mrs. Roers Jones is appealing assessments on unimproved land and three apartment complexes in Dickinson. Mrs. Roers Jones contends that the unimproved land should be classified as agland and that the data used to place the value on the apartment complexes does not support the price they pay.

Stark County: Joe Hirschfield, Dickinson City Assessor. Mr. Hirschfield commented on the city's commercial tolerance level being at 82% and gave an overview of increases and decreases in value per classification. Commissioner Goehring questioned how the cap rate of 6.5% came to be. Mr. Hirschfield stated that it is created from information he requests of apartment owners, but no one replies except Mr. Royal. Commissioner Goehring asked if he ever surveys financial institutions for better numbers for the industry. Mr. Hirschfield replied no it is

made up of the market information that is provided. Commissioner Goehring questioned where Mr. Hirschfield came up with a value of \$750 per acre for the Roers' appeals. Mr. Hirschfield replied that he worked with the county to determine an average.

The City of Dickinson has tolerance issues with its commercial assessments. Mr. Hirschfield spoke about the tolerance issues briefly in earlier discussion.

Steele County: Ben Gates, Steele County Tax Director. Mr. Gates spoke about the appeal he knew was submitted for Eleanor Richards. Mr. Gates stated that Mrs. Richards is appealing her ten acre residential farmstead. Mr. Gates provided information that Vanguard just finished a countywide reassessment, so these values are uniform throughout the county. Mr. Gates noted that Mrs. Richards believes her land should be agricultural productive land, but they are not farming the land.

Steele County: Bob Ehler, President of Vanguard Appraisals. Mr. Ehler spoke on the appeal for Dakota Village Apartments in Finley. Mr. Ehler stated the appraisal is based on income and expenses of the two apartment complexes in the city. Mr. Ehler noted that the other apartment complex in the city has a very high occupancy rate where Dakota Village Apartments is much lower. Commissioner Goehring questioned the location of the two apartment complexes and if they should be lumped together to come up with a value because one end of town might be nicer than the other. Mr. Ehler was not sure of the location. Mr. Gates replied they are two blocks apart.

Williams County: Martin Hanson of Zahl. Mr. Hanson is appealing his rural property values, stating there needs to be more consideration on location of the property.

Williams County: Hal Hickel of Ray. Mr. Hickel originally stated his trailer home was over assessed, but when Governor Burgum asked him to clarify what he was appealing he stated he was appealing all the property he owns. Mr. Hickel then provided documentation of three parcels he owns.

Burleigh County: Janet Hoffman of Bismarck. After several times of calling her name and no one standing up Governor Burgum requested a break at 10:06 a.m.

The meeting was reconvened at 10:21 a.m. During the break, Janet Hoffman spoke with property tax staff and it was determined that she did not appeal at the local level, so she withdrew her appeal.

Cass County: Jonathan Casper of Alliance Management in Fargo. Mr. Casper is appealing five apartment complexes that he owns. Mr. Casper stated he worked with the city of

Fargo assessing office and they lowered his values, but the county board of equalization denied the city's assessments of these properties. Commissioner Rauschenberger questioned if the county denied all values or just Mr. Casper's five properties. Mr. Casper replied he believes it was not just his properties that were denied.

Cavalier County: Tom Valentine for Freemont Township and South Dresden Township. Mr. Valentine presented acreage information stating that Sidwell is not the original acreage and is not correct. Commissioner Goehring asked questions about long or short quarters and Mr. Valentine responded to his questions. Governor Burgum took a moment to comment on the opportunity for mapping with GIS and encouraged everyone to be on board.

Grant County has tolerance issues with its residential assessments. No one presented additional information for Grant County.

Griggs County has tolerance issues with its residential and agricultural assessments. Ms. Leadbetter mentioned the appeals filed based on the decisions of the county board. No one presented additional information for Griggs County.

Ms. Leadbetter explained that appeals heard today that are not already on the tax department website will be added as soon as possible. Ms. Leadbetter also commented about the appeals received at the end of business day yesterday; explaining that they were also not on the website:

Dakota Village Apartments - Steele
KOHLS - Bismarck, Fargo, Grand Forks, Minot

The last presenter listed in the other category was Robert Lehn and he chose not to present when provided an opportunity.

The following appeals were not presented at the meeting and are available for review on our website www.nd.gov/tax/locally/ . This list includes:

Cass- Trollwood Village
Grand Forks- Christopher Boe
Stark- Custer Crossing
Sierra Ridge
Towner- Terry & Mavis Carter
Virginia Township
Virginia Township 2
Williams- Tioga Apartments

Tioga Square
Tioga Townhomes
The Bluffs of Williston
Grand Williston Hotel
Halliburton Energy Services
Harvest Hills
North Gate Apartments
Regency Apartments
Strata Williston
University Commons
Washington Way

Commissioner Rauschenberger thanked everyone for attending and explained that investigations will be performed for the tolerance level issues and appeals. Recommendations will be provided to the State Board of Equalization at a September meeting.

Governor Burgum commented that with western North Dakota's boom/bust cycle we are pursuing equalization. He thanked everyone for all their hard work. Commissioner Goehring moved to adjourn. The motion was seconded by Treasurer Schmidt. Upon voice vote, all members voted "aye." Motion carried. The meeting was adjourned at 10:47 a.m.

State Board of Equalization
September 25, 2019

The State Board of Equalization met in the Peace Garden Room of the North Dakota State Capitol, Monday, September 25, 2019 at 9 a.m.

The following member was absent:

Doug Goehring, Commissioner of Agriculture

The following members were present:

Lieutenant Governor Brent Sanford, Chairperson

Kelly Schmidt, State Treasurer

Josh Gallion, State Auditor

Ryan Rauschenberger, Commissioner of Tax and Secretary of the

State Board of Equalization

It was moved by Treasurer Schmidt and seconded by Auditor Gallion to approve the minutes of the August 13, 2019 meeting. Upon voice vote, all participating members voted “aye.” Motion carried.

Commissioner Rauschenberger provided an overview of the process. When a recommendation is made for change, the recommendation numbers and results of the percentage change may differ due to the legal requirements of using whole percentage for the adjustments.

The meeting was turned over to Linda Leadbetter, State Supervisor of Assessments to begin review of appeals.

Kim Vietmeier, Property Tax Specialist, presented the recommendation for Burleigh County Kohl’s in Bismarck. Vietmeier noted there were four appeals in major cities from Kohl’s and the process was the same for each. After review of the information gathered, the three approaches to value were considered and a no change recommendation was made.

Vietmeier continued with the recommendation for the Fargo Kohl’s. After review of the information gathered, the three approaches to value were considered and a no change recommendation was made.

Samantha Mattson, Tax Service Specialist II, presented the recommendation for the Fargo – Circle E Apartments appeal. The review resulted in a recommendation for a decrease by ten percent and to continue to monitor the market and make adjustments as necessary to maintain equitable and equalized assessments. Motion by Treasurer Schmidt. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried.

Mattson continued with the recommendation for the Fargo – Crystal Creek Apartments appeal. The review resulted in a recommendation for a decrease by nine percent and to continue to monitor the market and make adjustments as necessary to maintain equitable and equalized assessments. Motion by Auditor Gallion. Second by Treasurer Schmidt. Upon roll call vote, all participating members voted “aye.” Motion carried.

Mattson continued with the recommendation for the Fargo – Crystal Creek Place Apartments appeal. The review resulted in a recommendation for a decrease by nine percent and to continue to monitor the market and make adjustments as necessary to maintain equitable and equalized assessments. Motion by Auditor Gallion. Second by Treasurer Schmidt. Upon roll call vote, all participating members voted “aye.” Motion carried.

Mattson continued with the recommendation for the Fargo – Southport Heights I Apartments appeal. The review resulted in a recommendation for a decrease by five percent and to continue to monitor the market and make adjustments as necessary to maintain equitable and equalized assessments. Motion by Auditor Gallion. Second by Commissioner Rauschenberger. Upon roll call vote, all participating members voted “aye.” Motion carried.

Treasurer Schmidt opened discussion by asking what the process is as far as coordinating with the counties, to ensure they understand when, how, and why the State Board of Equalization has reached its decisions. Linda Leadbetter explained the process by stating the Property Tax Division would provide the information to local jurisdictions. Ms. Leadbetter stated access to all of the recommendations is provided through the tax department website. Statute requires that changes are provided to the county and the county auditor is required to make changes to the assessments. Leadbetter continued by saying the major city assessors will also receive notification. Treasurer Schmidt asked about the future requirements for properties that are similar to the ones being changed. Leadbetter responded by stating the directive for continued monitoring for equalized assessments advises jurisdictions to look at similar properties in the future.

Mattson continued with the recommendation for the Fargo – Southport Heights II Apartments appeal. The review resulted in a recommendation for a decrease by five percent and to continue to monitor the market and make adjustments as necessary to maintain equitable and equalized assessments. Motion by Treasurer Schmidt. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried.

Mattson continued with the recommendation for the Fargo – Trollwood Village Apartments appeal. The appeal addressed two parcels. The review resulted in a recommendation for a decrease by six percent for parcel 01-3240-00200-000 and four percent for parcel 01-6300-00100-000, along with continued monitoring of the market and making adjustments as necessary to maintain equitable and equalized assessments. Motion by Auditor Gallion. Second by Commissioner Rauschenberger. Upon roll call vote, all participating members voted “aye.” Motion carried.

Linda Morris, Property Tax Specialist, presented information for Cavalier County. Tom Valentine presented concerns regarding acreage reported on assessment records. Research was performed, including collection of deeds and other recorded documents. A no change recommendation was made to the assessments presented. The property tax staff recommends that Mr. Valentine be directed to work with Cavalier County to address data and legal description discrepancies. Staff also recommends that Cavalier County be directed to verify parcel information contained within the GIS parcel mapping to information recorded on official documents and to provide a progress report to the State Board of Equalization by February 1,

2020. Motion by Commissioner Rauschenberger. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried.

Vietmeier continued with the recommendation for the Grand Forks Kohl’s. After review of the information gathered, the three approaches to value were considered and a no change recommendation was made.

Ms. Mattson presented for the Grand Forks – Boe appeal. After reviewing comparable sales and similar assessed properties in the area. A no change recommendation was made.

Ms. Morris presented for the Grant County – Residential tolerance. Review resulted in a recommendation to direct Grant County to increase residential assessments, with the exception of lakeshore properties, by thirteen percent. Motion made by Commissioner Rauschenberger. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried.

Linda Leadbetter provided a timeline of events leading to the Griggs County appeals. Ms. Morris presented for Griggs County – Agricultural land tolerance. A recommendation was made that all agricultural land assessments be increased by seven percent. Upon roll call vote, Commissioner Rauschenberger, Treasurer Schmidt, Lt. Governor Sanford -Aye, Auditor Gallion – Nay. Motion carried. Treasurer Schmidt inquired as to whether or not the information brought forth in this appeal was the same or similar to one previous. It was explained that it was different.

Ms. Morris continued with the recommendation for Griggs County – Commercial appeal. A request was made to reduce commercial assessments to 90 percent. The information provided by Griggs County for the 2019 assessment indicated that commercial assessments are within the adopted tolerance level. No action required.

Morris continued with Griggs County – Township appeal. The townships of Sverdrup, Ball Hill, Cooperstown, Tyrol, Clearfield, Addie, Willow, Dover, Bryan, and Rosendal completed a reassessment of residential property for 2019. The township boards adopted the reassessments and these changes were rejected by the Griggs County Board of Equalization. The Griggs County Board of Equalization approved a four percent increase on residential properties in the entire county. Spot check of assessments were performed on a sample of assessments completed for 2019. The recommendations are: Direct Griggs County to remove the four percent residential property increases adopted by the Griggs County Board of Equalization; Direct Griggs County to accept residential assessments as equalized by the Township Boards of Equalization of Sverdrup, Ball Hill, Cooperstown, Tyrol, Clearfield, Addie, Willow, Dover, Bryan, and Rosendal and the City Board of Equalization of Cooperstown and Hannaford; and Direct Griggs County to increase residential assessments by twenty percent for the townships of

Broadview, Washburn, Romness, Lenora, Greenfield, Pilot Mound, Bartley, Helena, Mabel, and Kingsley and City of Binford and to complete the reassessment of residential assessments for the 2020 assessment year. Auditor Gallion asked for clarification as to what is recommended. Commissioner Rauschenberger stated he believes this approach to be a good one as it respects jurisdictions. Rauschenberger supported this recommendation and stated he thinks it provides equalization across Griggs County. Motion made by Commissioner Rauschenberger. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried.

Morris continued with the recommendation for Griggs County- Cooperstown. The City of Cooperstown appealed the action of the Griggs County Board of Equalization, that rejected the assessments as equalized by the Cooperstown Board of Equalization and ordered a four percent residential property increase for the entire county. Following a spot check of assessments performed for 2019 the recommendations are: Direct Griggs County to remove the four percent residential property increase adopted by the Griggs County Board of Equalization and Direct Griggs County to accept the 2019 City of Cooperstown residential assessments as approved by the City of Cooperstown Board of Equalization. Motion was made by Treasurer Schmidt. Second by Commissioner Rauschenberger. Upon roll call vote, all participating members voted “aye.” Motion Carried.

Morris continued with Griggs County – Board of Equalization Residential appeal. No action was required as it was addressed in a previous Griggs County appeals.

Ms. Morris presented for Logan County – Residential tolerance. Logan County residential property was reported at 89.1%, not within tolerance adopted by the State Board of Equalization. The recommendation is to direct Logan County to increase residential assessments by eight percent for the City of Gackle. Motion was made by Commissioner Rauschenberger. Second by Treasurer Schmidt. Auditor Gallion asked if the increase for the City of Gackle would bring the entire county to tolerance. Morris confirmed it would equalize residential assessment ratios in Logan County. Treasurer Schmidt asked about the countywide assessment for Logan County. Ms. Leadbetter stated Logan County will be continuing its reassessment for the 2020 assessment year. Upon roll call vote, Commissioner Rauschenberger, Treasurer Schmidt, Lt. Governor Sanford -Aye, Auditor Gallion – Nay. Motion carried.

Linda Leadbetter reviewed the analysis for Pembina County – Agricultural land tolerance. A recommendation of increasing agricultural land assessments by four percent was made. Motion made by Commissioner Rauschenberger. Second by Treasurer Schmidt. Upon roll call vote, Commissioner Rauschenberger, Treasurer Schmidt, Lt. Governor Sanford -Aye, Auditor Gallion – Nay. Motion carried.

Leadbetter continued with Pembina County – Residential tolerance. A recommendation was made to direct Pembina County to increase residential assessments by nine percent and to direct Pembina County to provide a report to the State Board of Equalization at its December 2019 meeting. The report shall indicate the actions taken to address the inconsistency in the residential assessment ratio and provide a plan for reassessment/review of all residential property assessment in Pembina County. Motion made by Commissioner Rauschenberger. Second by Auditor Gallion. Upon voice vote, Commissioner Rauschenberger, Treasurer Schmidt, Lt. Governor Sanford -Aye, Auditor Gallion – Nay. Motion carried.

Ms. Vietmeier presented for Ransom County – Johnson appeal. A recommendation was made to direct Ransom County to decrease the total assessment of parcel 26-6556000 by 21 percent. Motion made by Treasurer Schmidt. Second by Auditor Gallion. Upon roll call vote, all participating members voted “Aye.” Motion carried.

Ms. Leadbetter presented for Sargent County – Commercial tolerance. Sargent County commercial assessments were reported at 100.8%; above tolerance. A recommendation was made to direct Sargent County to decrease all commercial assessments by one percent and to direct Sargent County to provide monthly sales ratio study worksheet detail to the Office of State Tax Commissioner beginning October 2019, and until allowed to suspend the practice by the State Supervisor of Assessments. Motion made by Treasurer Schmidt. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried.

Leadbetter continued with Sheridan County – Commercial tolerance. No change recommended. Recommendations were made to Direct Sheridan County to provide monthly sales ratio study worksheet detail to the Office of State Tax Commissioner beginning October 2019, and until allowed to suspend the practice by the State Supervisor of Assessments and to direct Sheridan County to provide a report to the State Board of Equalization at its December 2019 meeting. The report shall indicate the actions taken to address the inconsistency in the commercial assessment ratio, including vacant lot assessments, and provide a plan for reassessment/review of all commercial property assessments in Sheridan County. Motion made by Commissioner Rauschenberger. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried.

Leadbetter continued with Sheridan County – Residential tolerance. A recommendation was made to direct Sheridan County to increase rural assessments, excluding the townships of Berlin, Edgemont, Fairview, and Highland, by nine percent. Motion was made by Auditor Gallion. Second by Commissioner Rauschenberger. Upon roll call vote, Commissioner Rauschenberger, Treasurer Schmidt, Lt. Governor Sanford -Aye, Auditor Gallion – Nay. Motion carried.

Leadbetter presented for Sioux County – Agricultural land tolerance. After review, a recommendation was made to direct Sioux County to increase all agricultural land assessments by five percent. Upon roll call vote, Commissioner Rauschenberger, Treasurer Schmidt, Lt. Governor Sanford -Aye, Auditor Gallion – Nay. Motion carried.

Leadbetter continued with Sioux County – Commercial tolerance. There had been no changes made in commercial assessments since 2018. Staff recommendation is to direct Sioux County to increase all commercial assessments by fifteen percent and to direct Sioux County to provide a report to the State Board of Equalization at its December 2019 meeting regarding preliminary findings of the 2019 sales ratio and plans for the 2020 commercial assessments. Motion was made by Commissioner Rauschenberger. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried. Treasurer Schmidt asked if this was an attempt to give the county a “bite sized piece.” Leadbetter confirmed it was. Auditor Gallion asked how a fifteen percent increase was decided as the recommendation. Leadbetter explained that with no changes made since the previous year, a fifteen percent increase would bring the county closer to tolerance without causing certain areas to go over tolerance.

Ms. Vietmeier presented for Stark County – Dickinson – Century Apartments appeal. After reviewing provided information from Carlos Royal and the capitalization rate percentages, Auditor Gallion asked if the values are going back up or if they are continuing to go down. Vietmeier explained how the market appears to be stabilizing. Auditor Gallion expressed concern about overcorrecting percentages, which could result in the properties underpaying in the future. Treasurer Schmidt commented on how the western part of the state tends to fluctuate and stated we should believe things will eventually level off. Commissioner Rauschenberger continued by sharing we continue to chase the increased values, but it tends to lag when values decrease. The review resulted in a recommendation to direct Stark County/City of Dickinson to decrease Century Apartments, parcel # #004-1160-0100-0101, by eighteen percent and to continue to monitor the market and make adjustments as necessary to maintain equitable and equalized assessments. Motion made by Treasurer Schmidt. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried.

Vietmeier continued with Dickinson – Custer Crossing appeal. The review resulted in a recommendation to direct Stark County/City of Dickinson to decrease Custer Crossing, parcel # 1631-0500-1100 by 24% and to monitor the market and make adjustments as necessary to maintain equitable and equalized assessments. No action recommended for parcel #0050-0500-0700. Motion made by Auditor Gallion. Second by Commissioner Rauschenberger. Upon roll call vote, all participating members voted “aye.” Motion carried.

Vietmeier continued with Dickinson – Prairie Winds appeal. The review resulted in a recommendation to direct Stark County/City of Dickinson to decrease Prairie Winds I, parcel

#41-2507-01002-600, by nineteen percent and to continue to monitor the market and make adjustments as necessary to maintain equitable and equalized assessments. Motion made by Auditor Gallion. Second by Treasurer Schmidt. Upon roll call vote, all participating members voted “aye.” Motion carried.

Vietmeier continued with Dickinson – Prairie Winds II appeal. The review resulted in a recommendation to direct Stark County/City of Dickinson to decrease Prairie Winds II, parcel #41-2507-01002-700, by nineteen percent and to continue to monitor the market and make adjustments as necessary to maintain equitable and equalized assessments. Motion made by Treasurer Schmidt. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried.

Vietmeier continued with Dickinson – West Ridge Apartments appeal. The review resulted in a recommendation to direct Stark County/City of Dickinson to decrease West Ridge Apartments, parcel #41-2500-01000-200, by 22 percent and to continue to monitor the market and make adjustments as necessary to maintain equitable and equalized assessments. Motion made by Treasurer Schmidt. Second by Auditor Gallion. Upon roll call vote, all participating members voted “aye.” Motion carried.

Vietmeier continued with Dickinson – Sierra Ridge Apartments appeal. Recommendation of no action needed.

State Board of Equalization
December 5, 2019

The State Board of Equalization met in the Peace Garden Room of the North Dakota State Capitol, Monday, December 5, 2019 at 10:30 a.m.

The following members were present:

Governor Doug Burgum, Chairperson

Kelly Schmidt, State Treasurer

Josh Gallion, State Auditor

Ryan Rauschenberger, State Tax Commissioner and Secretary of the
State Board of Equalization

Governor Burgum called the meeting to order at 10:31 a.m.

It was moved by Auditor Gallion and seconded by Treasurer Schmidt to approve the minutes of the September 25, 2019 meeting. Upon voice vote, all participating members voted “aye.” Motion carried.

The second item of business was the review of the Invigoils new business application. Commissioner Rauschenberger provided information about Invigoils business plan, employment, and projections. Rauschenberger noted Invigoils has completed the necessary steps with the Department of Commerce, along with completing all necessary disclosure and application assignments. Rauschenberger announced the representative for Invigoils was in attendance for any questions from the board. With no questions, Commissioner Rauschenberger motioned for approval of a five-year, 100% new and expanding corporate income tax exemption for Invigoils LLC of Bismarck. The motion was seconded by Commissioner Goehring. Upon roll call, all voting members voted “aye.” Motion carried.

Commissioner Rauschenberger continued with the review of Integrated Steel’s new business application. Rauschenberger stated where the new facility will be located. He explained the production, expected revenue, employment, and exemption and income tax for Integrated Steel. He stated that it is a primary sector business and has met all the disclosure agreements. Rauschenberger motioned for approval of a five-year, 100% corporate income tax exemption for Integrated Steel Solutions, Inc. The motion was seconded by Auditor Gallion. Upon roll call, all members voted “aye.” Motion carried.

Linda Leadbetter explained the process and reason for following up with certain counties, who were given recommendations in order to meet state requirements. Leadbetter continued with Sioux County’s update. Sioux County hired a tax director and will have planned follow up visits to ensure it is meeting requirements. Sheridan County has been reassessing the entire county since 2018. As of 2019, the county had reassessed parts of the county but has not used information to adjust values in other areas of the county. Property Tax will be continually working with Sheridan County’s Tax Director on its sales ratios and any assessments it is preparing. Pembina County has adopted plans to work with our office in regards to its sales ratios. The county is now providing monthly reports and working with local assessors. Moving forward, the tax director plans to continue working with our office on its sales ratio studies and will be working individually with someone on the inequalities in its soil surveys.

Governor Burgum brought the 2020 State Board of Equalization schedule to the board’s attention. The governor inquired about the January meeting. Ms. Leadbetter stated the January meeting would be canceled if there were not any new or expanding business exemption applications filed in the upcoming week.

Establishing tolerance levels for property tax assessments for year 2020 was next on the agenda. Commissioner Rauschenberger moved that the Board continue the tolerance of 90 to 100 percent for agricultural, residential and commercial property assessments for taxable year 2020. Jurisdictions outside of tolerance would be increased to 93 percent of market value or agricultural value or be reduced to 100 percent. The motion would still allow the Board flexibility to deal with certain circumstances where counties might need a little more time to get within tolerance. The motion was seconded by Commissioner Goehring.

Auditor Gallion stated he would like to see more consistency on both ends due to economic differences and how it affects each part of the state differently. Commissioner Rauschenberger explained how the current process works and how the goal is to have everyone at one hundred percent or as close to it as possible. Rauschenberger stated how providing more consistency on both ends could have negative impacts if we were to lower the tolerance below one hundred percent. Rauschenberger stated that there have been a couple local assessors who have confirmed the current range is working and proving to be effective and stands behind his original motion. Governor Burgum asks Auditor Gallion to clarify whether his statement was meant as a question or as a request to modify the motion. The auditor stated he would like to see a modification to the motion be made to have the tolerances be more consistent in both increases and decreases. Without a second motion for the modification, the board moves forward with the original motion made by Commissioner Rauschenberger. Upon voice vote, Commissioner Rauschenberger, Treasurer Schmidt, Governor Burgum -Aye, Auditor Gallion – Nay. Motion carried.

Commissioner Rauschenberger announced the upcoming retirement of Linda Leadbetter, State Supervisor of Assessments. He continued by thanking Linda for her hard work, leadership, and improvements she has made for the tax department. The commissioner expressed his appreciation for Ms. Leadbetter and all the work she has done. Governor Burgum makes a formal motion of appreciation and gratitude. The governor thanked Linda for her dedication and service to the office, along with the improvements and support she has provided to all the counties. Commissioner Goehring seconds the motion. Goehring expressed well wishes for Linda as well as much gratitude for the streamlining and improvements to the processes. He thanked Ms. Leadbetter for the added value she has provided to the board along with noting all her meaningful work. Treasurer Schmidt stated how all the changes and collaboration Linda has provided, has made it easier for the Treasurer's Office. Schmidt thanked Linda for a job well done and gives best wishes to Ms. Leadbetter. Auditor Gallion continued by thanking Linda for her patience with his questions as he has been learning the processes. Gallion expressed his appreciation for all her help. Linda stated how it is tough for her to leave and expressed her gratitude for the opportunity in the department. Ms. Leadbetter thanked Commissioner Rauschenberger and her team for all their support. She stated she will miss the people and is happy with the timing and the work that has been done. Leadbetter said it has been a pleasure working with the board and all the members. Governor Burgum calls for the vote. Upon roll call, all members voted "aye." Motion carried.

The meeting was adjourned at 10:54 a.m.