

City of Minot

Assessor's Office

ASSESSOR'S ANNUAL REPORT 2022



Minot City Board of Equalization April 12th, 2022

Table of Contents

Annual Address to the City of Minot Board of Equalization.....page 3.

Highlights of the 2022 Assessments.....page 5.

Market Analysis of Taxable Real Estate.....page 5.

Assessment Level Analysispage 6.

Market Data.....page 10.

Valuation Comparisons.....page 12.

Frequently Asked Questions.....page 21.

Annual Address to the City of Minot Board of Equalization

April 12th, 2022

Honorable Mayor and Council Members
Minot City Council
Minot, ND 58701

Honorable Minot City Council:

I am presenting the 2022 annual report of the Minot Assessor's Office to the Minot City Council which also acts as the City Board of Equalization. This report will include the total 2022 True and Full value of all taxable property in Minot that is not exempt by state law. You will also find several illustrations with additional narrative that will help to illustrate the breakdown of market value among various classes of property to include comparisons with other cities in North Dakota. There will be some various statistics and studies related to the Minot real estate market that will also be presented for your information.

According to the 2021 annual state tax department sales ratio study, which is done to ensure that all assessment jurisdictions are following state statute and assessing at market value, the result indicates the city's residential assessments were 12.3% below selling price last year and commercial properties were 5.3% below selling price last year. Residential and commercial assessment levels are required to be at market value with the state board of equalization usually allowing some percentage of tolerance because perfection at 100% is virtually impossible to achieve in mass appraisal. Generally, if an assessment jurisdiction does not meet a level of 90% to 100% assessment level, the state board will order an adjustment to raise or lower the aggregate totals of the assessment to market value. Based on these results, the average commercial valuation was increased about 2.3% and the average residential valuation was increased by roughly 5.4%. There were however numerous properties that might have changed somewhat based on a neighborhood analysis, or an actual physical review of the property as the assessor's office reviewed about 2875 properties last year.

The 2022 True and Full Value as of April 1st, 2022, is estimated to be approximately \$4,811,794,000 or about a 6.41% increase from last year. The 2022 values are this office's opinion of value as of February 1, 2022, determined by using normal arm's length transaction sales that occurred in 2021.

All procedures of assessment and appraisal are conducted according to North Dakota Tax Department guidelines, the North Dakota Century Code, and generally accepted principles of mass appraisal of real property. The City Assessor, Assistant Assessor and 3 Senior Property Appraisers are all currently certified as a Class 1 Assessor.

Last year was a productive year for the assessor's office despite the restrictions of appraisal practice due to the COVID-19 Pandemic. Appraisers from the Assessor's Office spent the majority of their time reviewing residential properties located in neighborhoods: Lincoln, Old Washington, Eastwood Park, Green Valley, and south of Minot State University

The Minot Assessor's Office request that you review this report and approve the 2022 assessment roll as submitted. If there are taxpayers present wishing to appeal or ask questions about their 2022 assessment during the April 12th, 2022 Board of Equalization, we would be happy to visit with them and members of the board in discussing the proposed assessment tonight. It would be best if they have brought with them a recent appraisal, realtor's market analysis, or neighborhood research to provide some written evidence to support their opinion of market value of their property if it differs from our estimate.

I would like to thank all of the assessment staff for a job well done in meeting the challenges of the department's goals and deadlines this past year.

The assessment staff includes:

- Damon Druse, Assistant Assessor
- Dusty Schlecht, Senior Appraiser, CR
- Sheila Maragos, Senior Appraiser
- Dan Lovelace, Senior Appraiser
- Jennifer Quakkelaar, Property Assessment Specialist

Respectfully,



Ryan Kamrowski
City of Minot Assessor



Highlights of the 2022 Assessments

This is the 2022 Annual Report of the City of Minot Assessor's Office. It will summarize what has happened in terms of property assessment for Minot, typical real estate trends, and notes about valuation totals the department has gathered from January through December 2021. The market value of taxable real property, property transfers and sales, new construction, expired exemptions such as renaissance zone incentives and annexations are all combined to estimate a real property value tax base to which the 2022 consolidated mill levy from School, Park, City, County and State Medical Center (not determined yet) will be applied for the 2022 Ward County Real Estate Tax Statement.

Procedures of assessment and appraisal are conducted under guidance from the North Dakota Tax Commissioner's Office, the North Dakota Century Code, any applicable City of Minot ordinances, and nationally recognized standards on the mass appraisal of real property for assessment purposes.

It should be noted that the ND State Tax Department conducts a study every year of all assessment jurisdictions to determine that real property is being assessed at actual market value as determined by qualified sales of the prior year.

The Minot Assessor's Office is budgeted for the City Assessor/Department Head, an Assistant Assessor, 3 Property Appraisers, and a Property Assessment Specialist to conduct the following activities:

- Estimating the market value of over 19,440 properties each assessment year
- Physically reviewed approximately 15% of the taxable properties last year
- Measuring and listing all new construction
- Providing data relating to legal descriptions, lot sizes, property tax estimates, and building information to all city departments and the general public
- Administering over 1,100 tax exemptions, disabled veterans credits, and homestead credits applications on a yearly basis
- Explaining, defending, or recommending changes to the assessed value of various properties in abatement proceedings
- Assisting all city departments in determining market value of land or buildings as relating to the conducting of city business for purchase of property or sale of city property
- Approximately 5 flood buyout appraisal reports were compared to city assessments with an analysis completed and memo included

Market Analysis of Taxable Real Estate

Overall projected true and full value of taxable real property in Minot for the year 2022 will be approximately \$4,811,794,000 or about 6.41% more than last year. The increase in true and full value of real property for this year is mostly as a result of an increase in most residential neighborhoods, utility assessments completed by the state tax department, and an increase in commercial assessments to include most occupancies. Below are some assessment summaries

- The median residential assessment increased about 8.02% from \$187,000 to \$202,000 as compared to the 2.75% increase from \$182,000 to \$187,000 from 2020 to 2021.

- The median assessments for 4 plex apartments did increase 8.24% from \$170,000 to \$184,000 based on 2021 sales.
- The median assessed value of apartment complexes greater than 4 plexes increased 10.4%, additionally adjustments were made to motels/hotels, resulting in roughly a 1.4% increase in the median assessed value.
- All other classes of commercial building assessments were trended upwards about 5.7% from a median of \$473,000 to \$500,000. This is compared to a 1.3% decrease last year.
- New taxable residential construction in 2021 was about 28.9 million which compares to about 33 million 2020.
- New taxable commercial construction in 2021 was about 89.2 million compared to 71.8 million in 2020.
- There was not a significant amount of annexation into the city limits last year.

Some interesting facts concerning the residential market in Minot are as follows:

- ✓ Assessor records indicate an average sale price of \$233,000 for 2021 on 1162 sales as compared to \$223,000 for 2020 on 756 sales or an estimated 4.48% increase. It should be noted that assessor records include all homes that are sold with or without a realtor.
- ✓ MML records (property that sold with a realtor) indicate a median sale price for homes sold in Minot in 2021 was \$239,000 which is up from \$219,000 in 2020. This indicates about a 9.1% increase. (these figures do not include financing points or seller concessions which assessor records do include)
- ✓ The average days on the market for a home was 83 days for 2021, which is 17% less time than in 2020 of 100 days.
- ✓ There were 24 homes that sold in Minot for over \$500,000. This does not include the homes that were purchased directly from a contractor or built in 2021.

Assessment Level Analysis

Assessors and oversight agencies use sales ratio studies to compare property assessments with actual sale prices. The Minot Assessor's office uses these studies also. State law requires assessment jurisdictions to assess all taxable property at market value. This is called a property's True and Full value as defined by state law. North Dakota law, NDCC 57-02-11, requires that *"all property subject to taxation must be listed and assessed every year with reference to its value on February 1st, of that year."* North Dakota law, NDCC 57-02-01(15) defines True and Full value as *"the value determined by considering the earning or productive capacity, if any, the market value, if any, and all other matters that affect the actual value of the property to be assessed."*

Because perfection is difficult to attain, the State Board of Equalization, which is made up of the Governor, State Auditor, State Treasurer, Agriculture Commissioner and Tax Commissioner, has indicated they will allow a 10% range of tolerance of 90% to 100% of an assessment jurisdiction's assessment level. However, they have the authority to order a jurisdiction to raise or lower the overall assessment level to 100% based on the prior year's sales. Therefore, a sales ratio study adjustment sheet should indicate the overall assessment level will be within 90% to 100% of market value after adjustments have been made. The City of Minot has consistently met the guidelines and continues to strive to maintain the assessment level within these state guidelines to avoid a state order to adjust assessments. For those jurisdictions that fall out of tolerance, the State Board has the authority and usually orders the level of assessment brought to a level between 93% to 100%. There are usually several jurisdictions in the state that receive such an order following the State Board of Equalization meeting that is held in August every year.

There were 1162 residential sales that were qualified to be used in the 2021 state board residential sales ratio study. These sales indicated that assessments were at 87.7% of sale price. This indicates that residential properties in 2021 sold on average about 12.3% higher than the 2021 assessed value. After adjustments to residential map factors were made, the projected assessment level result for 2022 residential assessments based on the 2021 sales ratio is projected to be at 92.5% for 2022.

For this year's 2022 assessment, certain neighborhoods may have trended up and some may have trended down for the 2022 residential assessment. This will occur in some neighborhoods based on the assessor's depreciation model schedules or review of the property on site by one of the City of Minot's appraisers, and/or sales in the particular map factor. The annual calibration of our appraisal software tables applied to actual age, condition, style, location of the property, and the value of the lot/land as compared to the overall assessment is the reason the increase would not be the same flat percentage across the entire city. The 2022 assessments are intended to estimate the market value of residential/commercial property based on 2021 sales data. The 2022 assessment level compared to the 2021 sales would indicate that the aggregate residential level required adjustment in the overall assessment total for residential property.

There were 114 commercial properties that were used in the 2021 state board commercial sales ratio study that would have included all types of commercial properties. Of these sales, the ratio indicated the commercial assessments were 94.3% of market value. This would indicate the median of these combined sales sold at about 5.7% higher than the assessor's value. After consideration of market data available to the assessor, and the fact that the current ratio was above the allowed range between 90% and 100%, most types of commercial buildings were increased slightly and now will be projected to be at the 95.7% assessment level based on 2021 sales.

Statistical analysis of the 2021 State Tax Department Residential Sales Ratio as compared to the 2022 City of Minot Assessments

Arithmetic Mean: First measure of central tendency. Start by computing a ratio for each observation in a stratum, then dividing the sum of the individual ratios by the number of observations. A measure of central tendency but greatly distorted by extreme ratios.

Aggregate Mean Ratio: Second measure of central tendency. Derived by dividing the total assessed values by the total sale prices of the properties. Greatly influenced by properties with the greatest values.

Median Ratio: Third measure of central tendency. Accomplished by arranging the individual ratios in order of magnitude, then selecting the middle ratio in the series. Median is affected by the number of observations and is not distorted by the size of extreme ratios. This is used by the State Board of Equalization when equalizing residential and commercial property assessments.

Price Related Differential: A measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. You divide the arithmetic mean ratio by the aggregate mean ratio. If the PRD is 1.00, there is no bias in the assessment of high-value properties in comparison to those for low-value properties. If the PRD is greater than 1.00 then low-value properties pay a greater amount of tax in relation to value than the owner of a high-value property. And conversely, if the PRD is lower than 1.00, the opposite is true.

Coefficient of Dispersion: “The most generally useful measure of variability is the coefficient of dispersion (COD). It measures the average percentage deviation of the ratios from the median ratio and is calculated by

- 1) subtracting the median from each ratio
- 2) taking the absolute value of the calculated differences
- 3) summing the absolute differences
- 4) dividing by the number of ratios to obtain the “average absolute deviation”
- 5) dividing by the median, and multiplying by 100

2022 Assessment Ratio Study for City of Minot on 1162 state board 2021 qualified residential sales prior to any adjustments made for 2022

RESIDENTIAL				
	2022 Initial Measurement	2022 Equalized Measurements	Tolerance	
Arithmetic Mean	90.0%	97.1%	IAAO Guidelines	90-100%
Aggregate Mean	89.2%	95.4%	IAAO Guidelines	90-100%
Median Ratio	87.7%	92.5%	State Mandated	90-100%
PRD	1.01	1.02	IAAO Guidelines	0.98 to 1.03
COD	0.1266	0.0974	IAAO Guidelines	Less Than .15

Based on the above analysis, the overall median assessment level for residential properties was 87.7% which is below the allowable tolerance. After adjustments for 2022, the assessment level indicates 92.5%. It also illustrates that on average residential property sold for about 12.3% more than the assessment last year. After market adjustments, the 2022 assessments are within the state’s tolerance level for 2022 as mandated by the State of Board of Equalization.

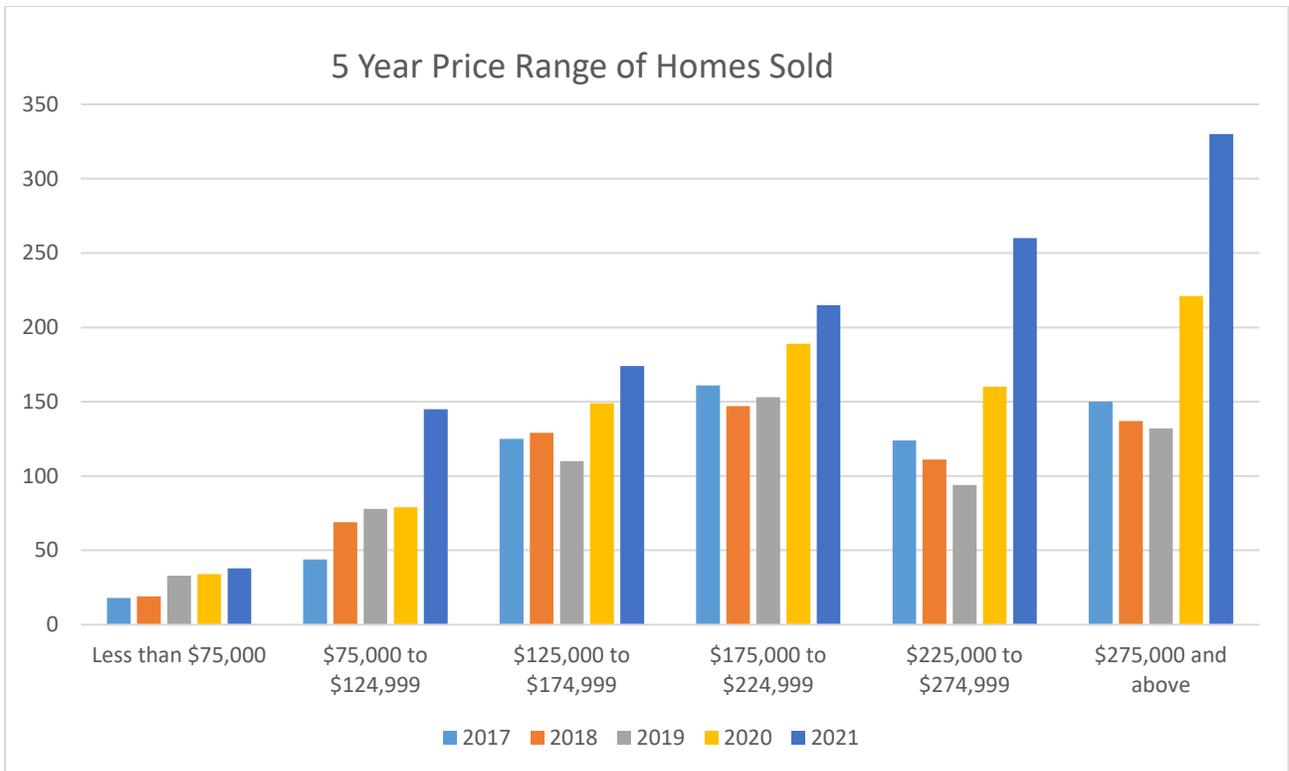
2022 Assessment Ratio Study for City of Minot of 114 state board 2021 qualified commercial sales which include vacant land.

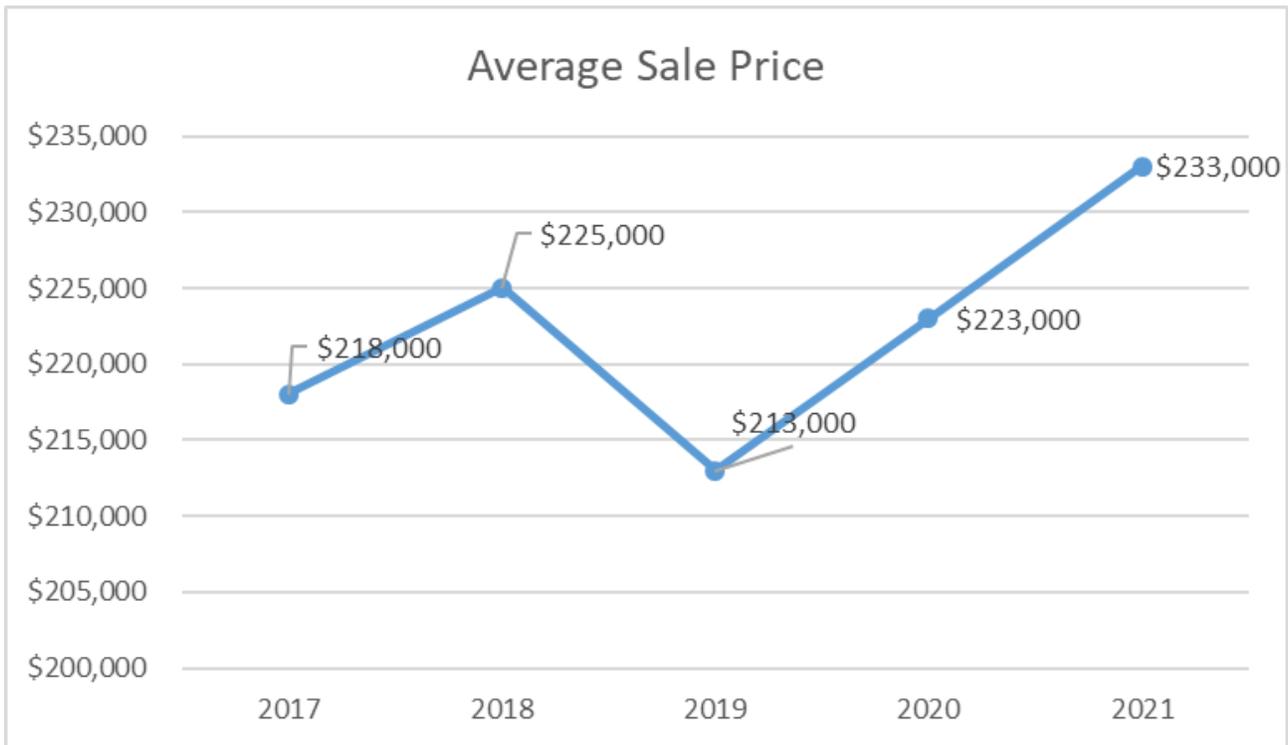
COMMERCIAL				
	2022 Initial Measurement	2022 Equalized Measurements	Tolerance	
Arithmetic Mean	93.5%	91.7%	IAAO Guidelines	90-100%
Aggregate Mean	79.1%	79.3%	IAAO Guidelines	90-100%
Median Ratio	94.3%	95.7%	State Mandated	90-100%
PRD	1.18	1.16	IAAO Guidelines	0.98 to 1.03
COD	0.2101	0.149	IAAO Guidelines	Less Than .20

Based on the above analysis, the overall median assessment level for commercial assessments last year was 94.3% which indicates a slight increase in median commercial assessment total is warranted for 2022. This indicates the 2021 commercial assessments were about 5.7% below the median selling price. Therefore, an increase on commercial assessments to change the median level of commercial assessments was made.

5 Year Price Range of Residential Houses Sold

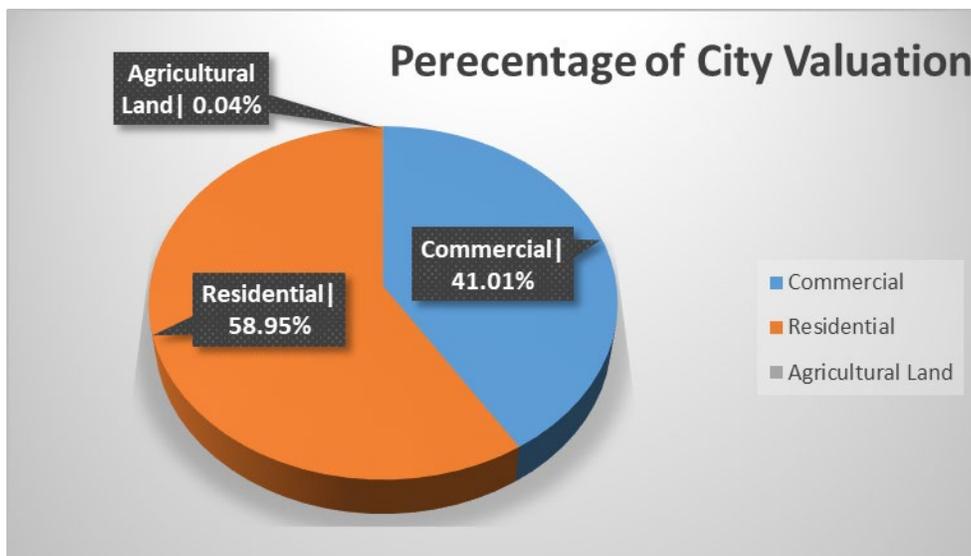
	2017	2018	2019	2020	2021
Less than \$75,000	18	19	33	34	38
\$75,000 to \$124,999	44	69	78	79	145
\$125,000 to \$174,999	125	129	110	149	174
\$175,000 to \$224,999	161	147	153	189	215
\$225,000 to \$274,999	124	111	94	160	260
\$275,000 and above	150	137	132	221	330
Total Residential Sales	622	612	600	832	1162
Average Sale Price	\$218,000	\$225,000	\$213,000	\$223,000	\$233,000





True and Full Valuation Changes

True and Full Values	2021	2022	Change	% of Change
Commercial	\$ 1,861,639,000	\$ 1,973,140,000	\$ 111,501,000	5.99%
Residential	\$ 2,658,354,000	\$ 2,836,786,000	\$ 178,432,000	6.71%
Agricultural Land	\$ 1,888,000	\$ 1,868,000	\$ (20,000)	-1.06%
Total All Property	\$ 4,521,881,000	\$ 4,811,794,000	\$ 289,913,000	6.41%



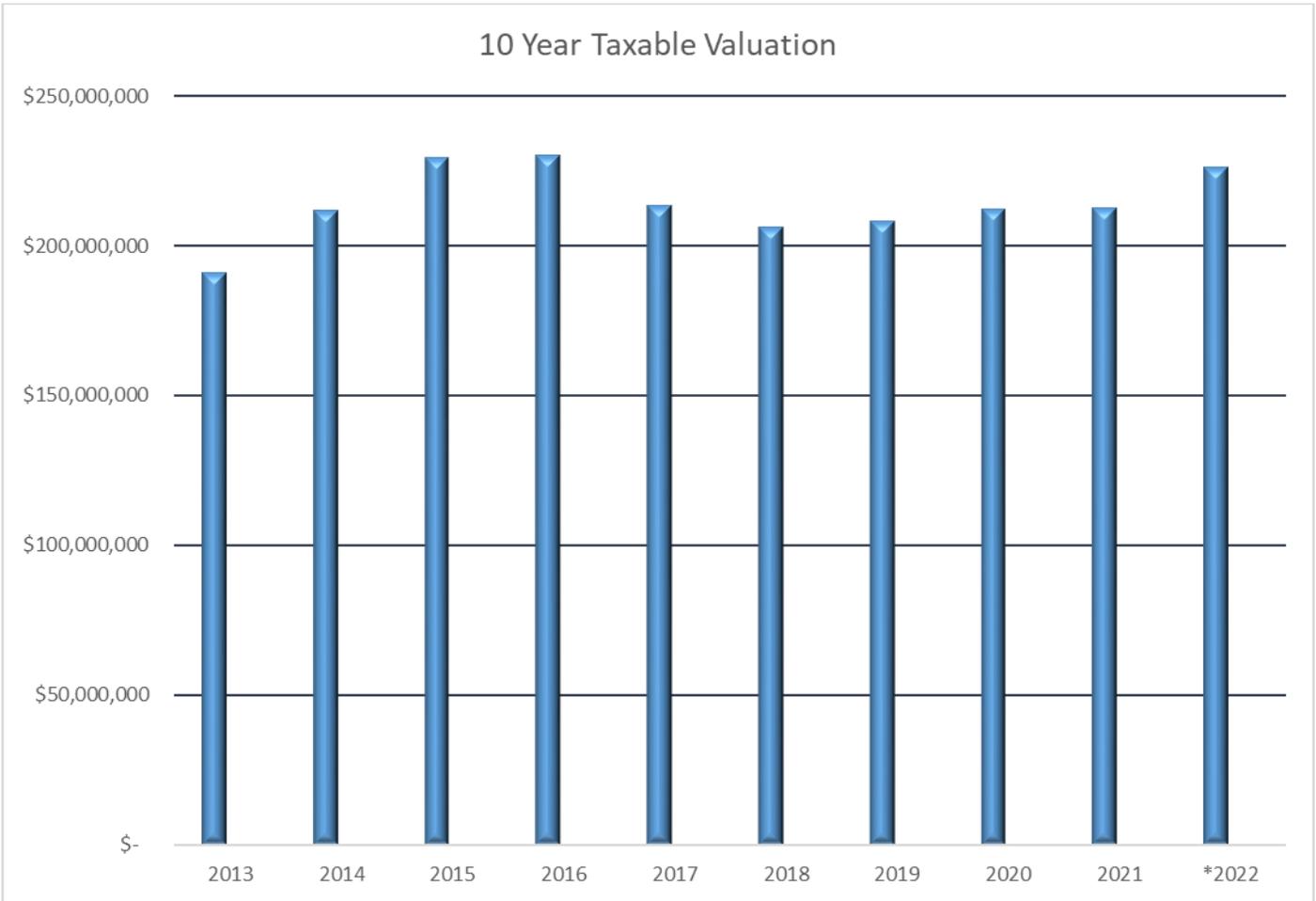
Valuation Breakdown

True and Full Values	2021	2022	Change	Percent
Commercial Land	\$ 669,047,000	\$ 670,270,000	\$ 1,223,000	
Commercial Bldg	\$1,192,592,000	\$1,302,870,000	\$ 110,278,000	
Total Commercial	\$1,861,639,000	\$1,973,140,000	\$ 111,501,000	5.99%
Residential Land	\$ 586,805,000	\$ 592,876,000	\$ 6,071,000	
Residential Bldg	\$ 2,071,549,000	\$2,243,910,000	\$ 172,361,000	
Total Residential	\$2,658,354,000	\$2,836,786,000	\$ 178,432,000	6.71%
Total Agricultural Land	\$ 1,888,000	\$ 1,868,000	\$ (20,000)	-1.06%
Total All Property	\$ 4,521,881,000	\$4,811,794,000	\$ 289,913,000	6.41%

* The 2021 T&F reflect values that were certified to the State Tax Department. These values have changed during the years due to abatements and prorations.

Assessed Values	2021	2022	Change	Percent
(50% of Market Value)				
Commercial Land	\$ 334,523,500	\$ 335,135,000	\$ 611,500	
Commercial Bldg	\$ 596,296,000	\$ 651,435,000	\$ 55,139,000	
Total Commercial	\$ 930,819,500	\$ 986,570,000	\$ 55,750,500	5.99%
Residential Land	\$ 293,402,500	\$ 296,438,000	\$ 3,035,500	
Residential Bldg	\$1,035,774,500	\$1,121,955,000	\$ 86,180,500	
Total Residential	\$1,329,177,000	\$1,418,393,000	\$ 89,216,000	6.71%
Total Agricultural	\$ 944,000	\$ 934,000	\$ (10,000)	-1.06%
Total All Property	\$ 2,260,940,500	\$2,405,897,000	\$ 144,956,500	6.41%

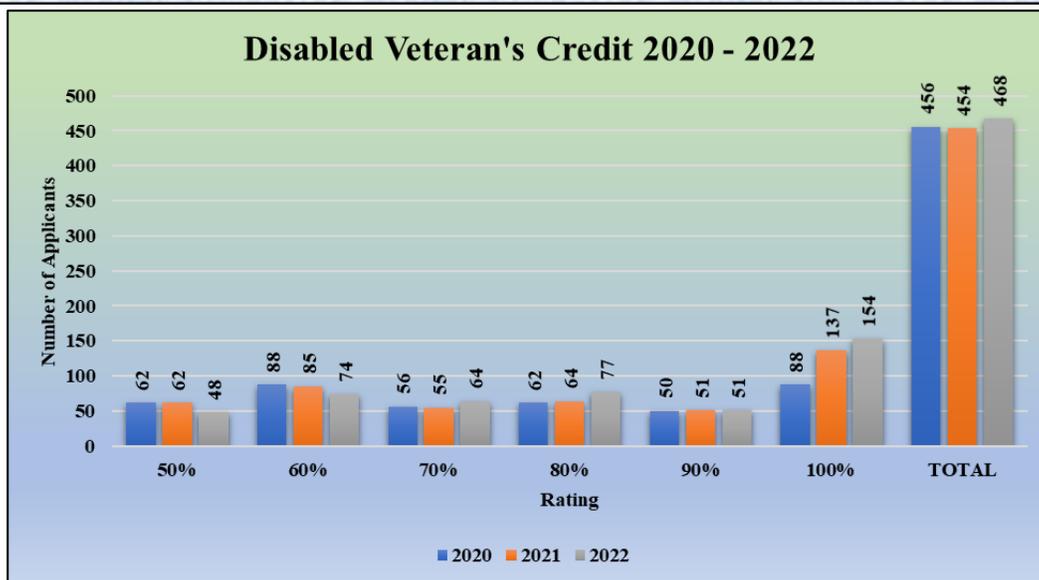
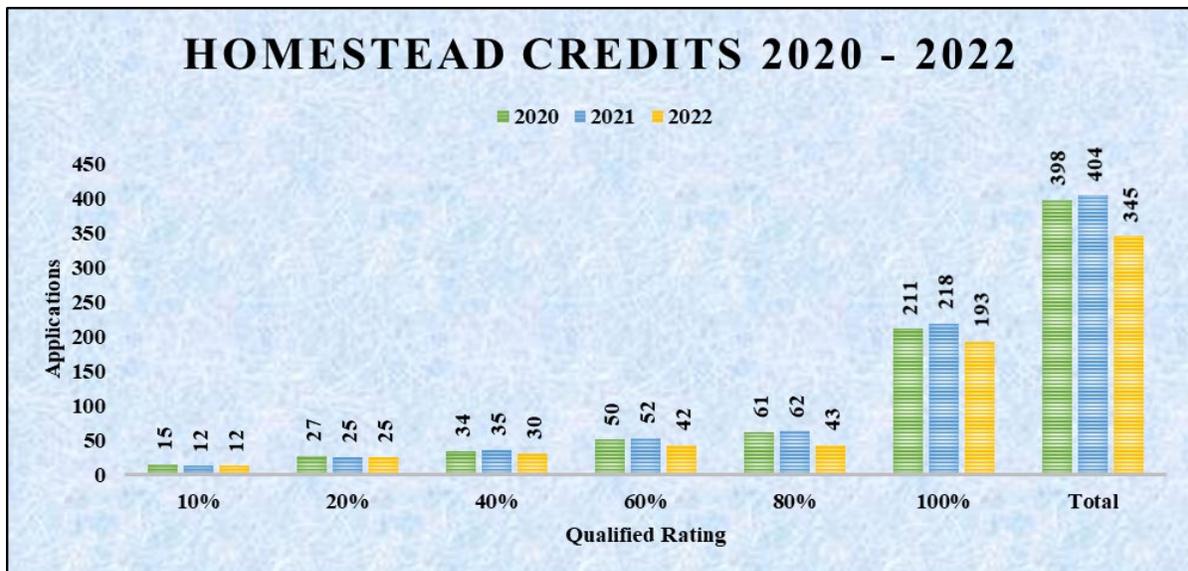
Taxable Value	2021	2022	Change	Percent
(10% of Assessed Value For Commercial and Agricultural Land, 9% of Assessed Value For Residential)				
Commercial Land	\$ 33,452,350	\$ 33,513,500	\$ 61,150	
Commercial Bldg	\$ 59,629,600	\$ 65,143,500	\$ 5,513,900	
Total Commercial	\$ 93,081,950	\$ 98,657,000	\$ 5,575,050	5.99%
Residential Land	\$ 26,406,225	\$ 26,679,420	\$ 273,195	
Residential Bldg	\$ 93,219,705	\$ 100,975,950	\$ 7,756,245	
Total Residential	\$ 119,625,930	\$ 127,655,370	\$ 8,029,440	6.71%
Total Agricultural	\$ 94,400	\$ 93,400	\$ (1,000)	-1.06%
Total All Property	\$ 212,802,280	\$ 226,405,770	\$ 13,603,490	6.39%



Year	City of Minot
2013	\$ 191,385,557
2014	\$ 211,880,748
2015	\$ 229,512,931
2016	\$ 230,306,031
2017	\$ 213,709,730
2018	\$ 206,578,510
2019	\$ 208,567,880
2020	\$ 212,615,305
2021	\$ 212,802,280
*2022	\$ 226,405,770
* Projected Taxable Valuation	

Homestead Credit and Disabled Veteran Credit

2021	No. of Credits
HOMESTEAD CREDIT	404
DISABLED VETERANS CREDIT	454
2022	No. of Credits
HOMESTEAD CREDIT	345
DISABLED VETERANS CREDIT	468
Difference 2021-2022	No. of Credits
HOMESTEAD CREDIT	-59
DISABLED VETERANS CREDIT	14



2022 TOTAL EXEMPTIONS

N.D.C.C	2022
Section	Total Exempt
57-02-08	
sub (7,9)	
Churches	\$114,100,000
sub (8)	
Hospitals	\$153,772,000
sub(11)	
Fraternal Organizations	\$24,360,000
*includes YMCA	
sub(20)	
Wheelchair *max \$100,000	\$1,708,000
sub (22)	
Blind *max 160,000	\$2,102,000
47-63	
Renaissance Exempt	\$8,095,000
*Residential & Commercial	
57-02-08(8)	
Minot Housing Authority	\$9,725,000
TOTAL	\$313,862,000

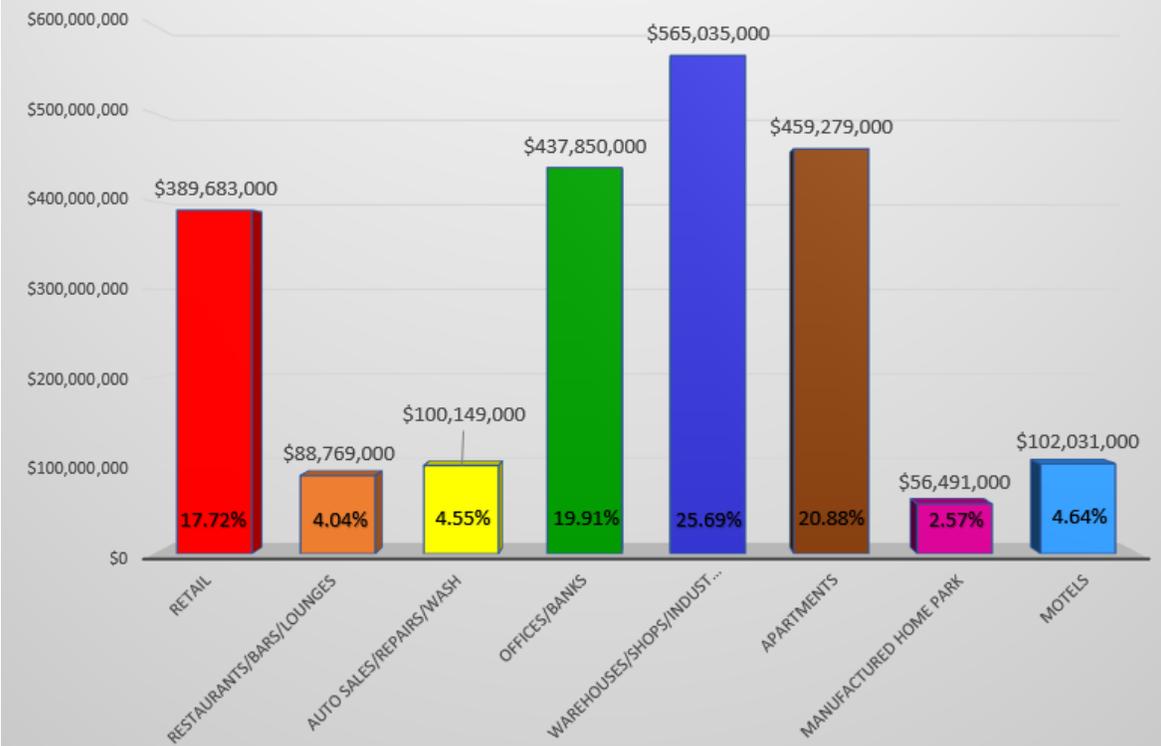
2021 Mill Levy Comparison by City

CITY	2021 Total Mill Levy	2021 City Mill Levy	Est. Tax \$125,000 Residential	Effective Tax Rate Residential	Est. Tax \$125,000 Commercial	Effective Tax Rate Commercial
<i>Williston</i>	197.48	41.52	\$1,111	0.9%	\$1,234	1.0%
<i>Dickinson</i>	244.63	65.54	\$1,376	1.1%	\$1,529	1.2%
<i>Bismarck</i>	254.14	77.75	\$1,430	1.1%	\$1,588	1.3%
<i>Mandan</i>	285.16	63.98	\$1,604	1.3%	\$1,782	1.4%
<i>Fargo (School Dist #1)</i>	296.01	53.00	\$1,665	1.3%	\$1,850	1.5%
<i>West Fargo</i>	309.12	81.14	\$1,739	1.4%	\$1,932	1.5%
<i>Grand Forks</i>	325.19	97.02	\$1,829	1.5%	\$2,032	1.6%
<i>Devils Lake</i>	329.44	93.11	\$1,853	1.5%	\$2,059	1.6%
<i>Jamestown</i>	331.66	118.36	\$1,866	1.5%	\$2,073	1.7%
<i>Valley City</i>	333.42	76.83	\$1,875	1.5%	\$2,084	1.7%
<i>Minot</i>	335.30	121.47	\$1,886	1.5%	\$2,096	1.7%
<i>Wahpeton</i>	360.33	93.02	\$2,027	1.6%	\$2,252	1.8%

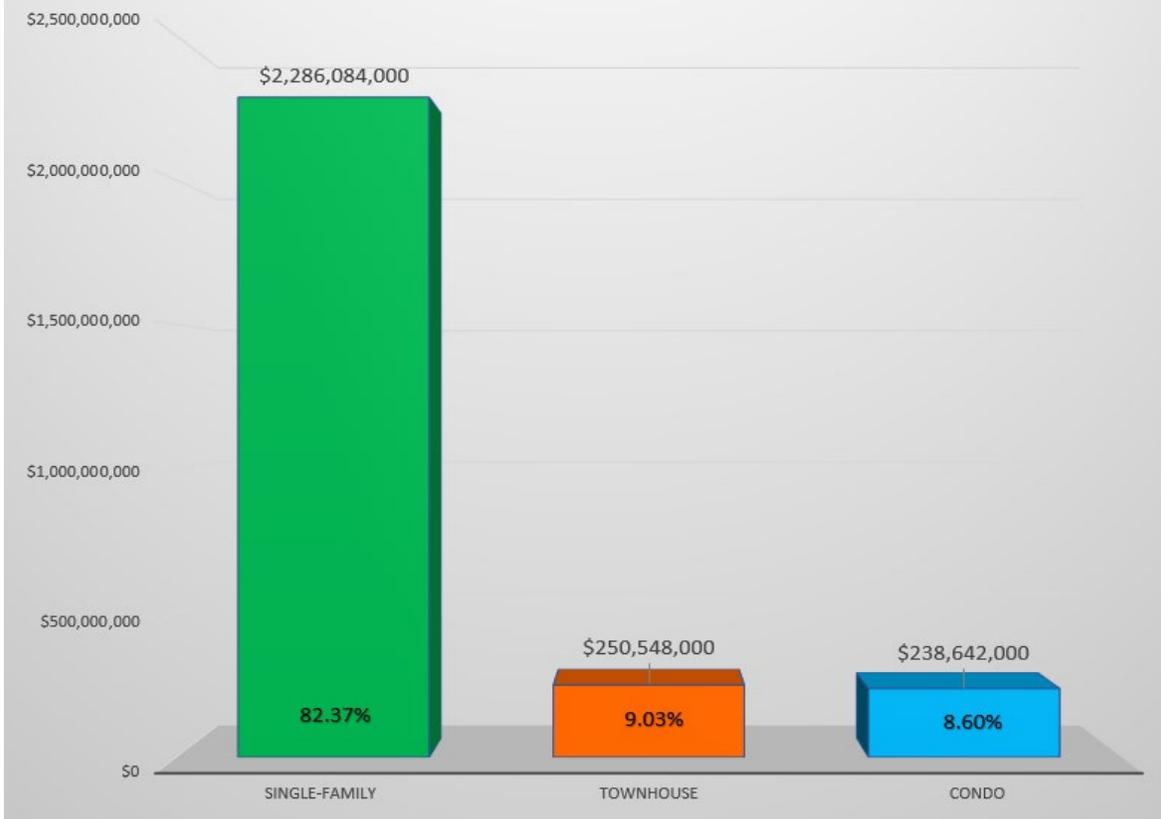
City	Population	2021 Taxable Value
<i>Fargo (School District #1)</i>	125,990	\$661,346,376
<i>Bismarck</i>	73,622	\$415,417,808
<i>Grand Forks</i>	59,166	\$243,633,917
<i>Minot</i>	48,377	\$212,802,280
<i>West Fargo</i>	40,410	\$198,649,775
<i>Williston</i>	29,749	\$130,218,536
<i>Dickinson</i>	25,679	\$120,670,002
<i>Mandan</i>	24,206	\$103,285,530
<i>Jamestown</i>	15,849	\$48,842,729
<i>Wahpeton</i>	8,007	\$21,593,085
<i>Devils Lake</i>	7,192	\$21,877,132
<i>Valley City</i>	6,575	\$19,932,286

Estimated Commercial Occupancy

(some properties have multiple uses)



Estimated Residential Occupancy



Property Tax Components

The makeup of the property tax system is very simple. It contains only three primary elements: **budget**, **valuation**, and **tax**. The amount of tax to be collected is calculated by dividing the budget by the taxable valuation.

- **BUDGET**

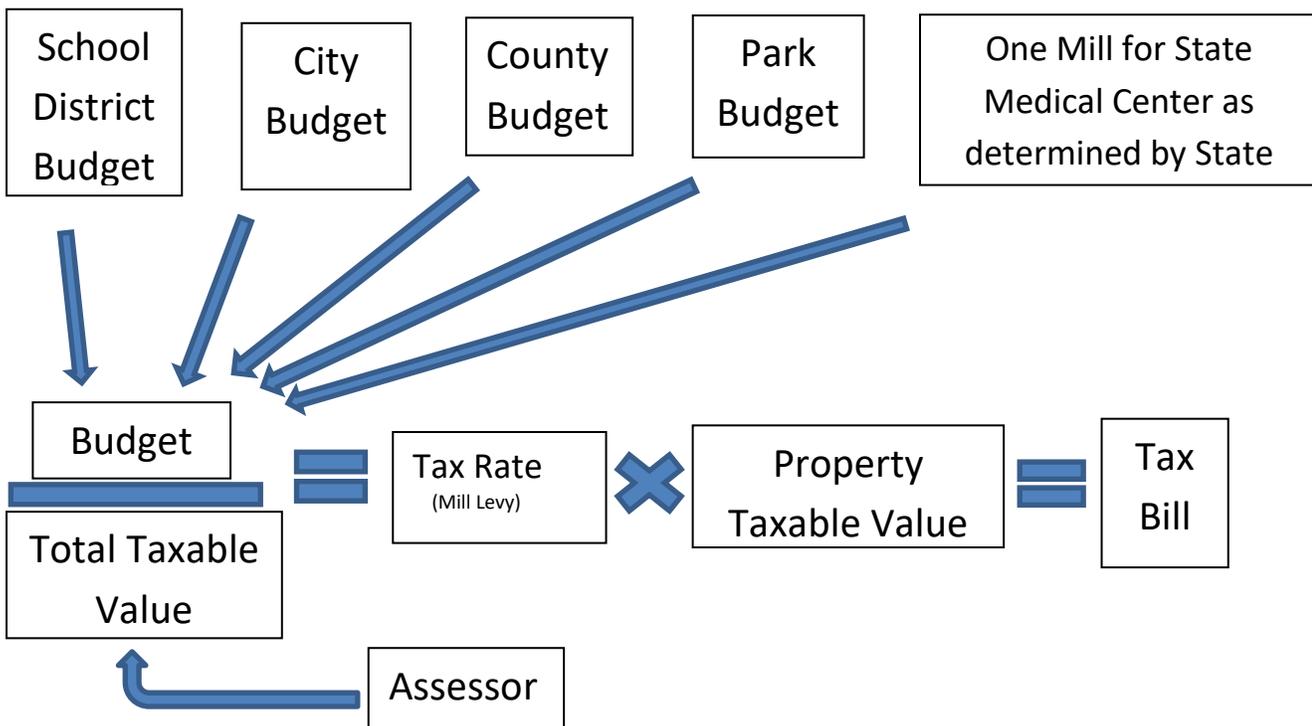
Taxing authorities (school, city, county, park, state) approve budgets annually for the services they provide. These budgets are approved after public hearings that allow all citizens of the jurisdiction to express their opinions to the elected officials on the proposed budget. Elected officials make the final decision and vote on their budget.

- **VALUATION**

Buyers and sellers in the market create value. Assessors study market transactions and estimate value within their mass appraisal process and model.

- **TAXATION**

Approved budgets are divided by the total taxable value and tax rates (mill levies) are set.



57-02-01. Definitions

15. “True and full value” means the value determined by considering the earnings or productive capacity, if any, the market value, if any and all other matters that affect the actual value of the property to be assessed. This shall include, for purposes of arriving at the true and full value of property used for agricultural purposes, farm rentals, soil capability, soil productivity, and soils analysis.

57-02-03. Property subject to taxation.

All property in this state is subject to taxation unless expressly exempted by law.

57-02-04. Real property defined

Real Property, for the purpose of taxation, includes:

1. The land itself, whether laid out in town lots or otherwise, and improvements to the land, such as ditching, surfacing, and leveling, except plowing and trees, and all rights and privileges thereto belonging or in otherwise appertaining, and all mines, minerals, and quarries in and under the same and shall expressly include all such improvements made by persons to lands held by then under the laws of the United States, all such improvement to land the title to which still is vested in any railroad company and which is used exclusively for railroad purposes, and improvements to land belonging to any other corporation or limited liability company whose property is not subject to the same mode and rule of taxation as other property.
2. All structures and buildings, including manufactured homes as defined in section 41-09-02 with respect to which the requirements of subsections 1 through 3 of section 39-05-35, as applicable, have been satisfied, including systems for the heating, air-conditioning, ventilating, sanitation, lighting, and plumbing of such structures and buildings, and all rights and privileges thereto belonging or in otherwise appertaining, but shall not include items that pertain to the use of such structures and buildings, such as machinery or equipment used for trade or manufacture which are not constructed as an integral part of and are not essential for the support of such structures or buildings, and which are removable without materially limiting or restricting the use of such structures or buildings.
3. Machinery and equipment, but not including small tools and office equipment, used or intended for use on any process of refining products from oil or gas extracted from the earth, but not including such equipment or appurtenances located on leased oil and gas production sites.

57-02-11. Listing of property – Assessment thereof.

Certified assessment officials must list and assess property as follows:

1. All real property subject to taxation must be listed and assessed every year with reference to its value, on February first of that year.

2. An individual property record must be kept by the appropriate assessment official for each parcel of taxable property. The record may be in electronic or paper form and must include identifying information as prescribed by the state supervisor of assessments. Assessors shall prepare the records and provide copies of all property records prepared by the assessor to the county director of tax equalization. The county director of tax equalization shall maintain those records for ten years from the date the records were received from the assessors. A city with a population of five thousand or more may elect to maintain the records required under this subsection on behalf of the county. A city that makes this election must include these records in a city database of taxable property to be maintained in the office of city assessor for ten years from the assessment date.

CHAPTER 57-11

CITY BOARD OF EQUALIZATION

57-11-01. Membership of board – Quorum – Meeting.

1. The board of equalization of a city consists of the members of the governing body, and shall meet at the usual place of meeting of the governing body of the city within the first fifteen days of April each year. The executive officer of the governing body shall act as chairman, but in the executive officer's absence the governing body may elect one of its members to preside. A majority of the board constitutes a quorum to transact business, and it may adjourn from day to day until its work is completed. In case a quorum is not present at any time, the clerk may adjourn from day to day and publicly announce the time to which the meeting is adjourned.

FREQUENTLY ASKED QUESTIONS ABOUT ESTIMATED MARKET VALUES

1. Why has my assessment gone up or down?

The True and Full Value is based on market values which fluctuate with general economic conditions such as interest rates, inflation rates, supply and demand. By North Dakota state law, as property values change in the market place, those changes must be reflected in the assessor's estimated market values. (True and Full Value)

2. How does the assessor determine the estimated market value?

It is based on an assessment date of February 1st of each year. The City of Minot Assessor's office uses a mass appraisal process for estimating market values. This system involves the comparison of properties with actual market sales from the same neighborhoods or similar neighborhoods. All sales information collected by the assessor's office is closely analyzed. The assessor's office adjusts market values by comparing properties that sold with properties that have not sold. This sales comparison provides the basis for the assessor's estimated market value.

3. Does the estimated market value increase at the same rate on all properties?

No, it does not. There are differences between individual properties and between neighborhoods. In one area the sales may indicate a large increase in value in a given year. In another neighborhood there may be very little or no change in value. Different types of property within the same neighborhood may show different value changes. There are numerous factors to be considered in each property, which will cause value changes to differ. Some of the factors that can affect value are location, condition, size, quality, number of bathrooms, basement finish and garages.

4. Can my estimated market value change even if the assessor has not been inside my property?

Yes. The assessor keeps records on the physical characteristics of each property in the City. Even though the assessor may have been unable to go through your property because of inability to contact you, the homeowner not making an appointment, or the homeowner choosing to have the assessor not visit the property, the estimated market value will still be reviewed based on existing records and sales of similar property. The Minot Assessor's Office tries to physically review properties geographically approximately every 5 years.

5. What will happen to my estimated market value if I improve my property?

Generally speaking, improvements that increase the market value of a property will increase the assessor's estimated market value. The following are typical improvements that will increase the estimated market value of your property:

- * Added rooms or garages
- * Substantial modernization of kitchens or baths
- * Porches and decks
- * Fireplaces
- * Extensive remodeling to include interior or exterior

6. Will my estimated market value go up if I repair my property?

Good maintenance will help retain the market value of your property. Generally, your estimated market value will not be increased for individual minor repairs such as those that follow. However, a combination of several of these items probably would result in an increase in your market value which of course would be reflected by the assessor's estimate of market value also.

- * Repairing or replacing roof
- * Repairing original siding
- * Painting/decorating entire house
- * Replacing plumbing or electrical fixtures
- * Replacing most or all of the windows
- * Replacing outdated basement finish with modern finish