

2009 HOUSE POLITICAL SUBDIVISIONS

HB 1505

2009 HOUSE STANDING COMMITTEE MINUTES


Bill No. HB 1505

House Political Subdivisions Committee

☐ Check here for Conference Committee

Hearing Date: February 13, 2009

Recorder Job Number: 9473, 9474

Committee Clerk Signature 

Minutes:

Chairman Wrangham: opened the hearing on HB 1505.

Rep. Conrad: Introduced the bill and went over the bill and explained it. Handed out testimony for Casey Tompkins #1) could not be present.

Rep. Koppelman: If this kind of thing would occur in the private sector I assume that either the person or entity involved would be liable or there would be some errors or omissions insurance or something to cover that kind of mistake. Do counties have that?

Rep. Conrad: No. Not that I know of. We have talked to the county commissioners about it and this was an error in the auditing office and I know that one person told me the last time that he had gone and looked at all the documents to see how come the error occurred. What the commissioners have before them after October 10th when they declare what actions that is what the taxes are and there is no way to change unless the legislature goes through with the correction.

Rep. Klemin: How did this happen. Was this a new tax bill?

Rep. Conrad: Yes when going through statements to the bank in Velva, and the bank will

lend them \$8200 once this bill is passed and they are sure they can grant over three years and interest will be added on.

Rep. Jerry Kelsh: this does not allow any other township other than Surrey Township to ever do this again?

Rep. Conrad: Yes. This is the second time that we have had to do this. During the last session we had to do this in the Surrey school district. I am going to be writing them a letter.

Rep. Jerry Kelsh: I know it happened in Stutsman County one time where the auditor did not do something right. They did not get near the money they needed. I don't remember how that came out. Couldn't we make it a permanent law so if there is mistakes that it can be rectified without having to do an individual bill every time something like this happens?

Senator Horne: I stand in support of Rep. Conrad's request that you help rectify this situation by approving this special bill. It is a onetime request and it is only for this situation. I am not very happy to be here and I hope it doesn't happen again. The only way to correct it is to get special permission to authorize the township borrow the money so they can get through the snow season and road construction work in the year ahead and pay it over the next 2-3 years and get back to normal. It is a simple bill and I urge you to give it a do pass.

Rep. Zaiser: Why does the county not have insurance?

Senator Horne: I don't know if I can answer that. Maybe someone else here can help us out on this?

Rep. Zaiser: If this is the second time it there any remedy taking place inside the auditor's office at the present time?

Senator Horne: I would guess the legislatures from District 3 would be visiting with the county commissioners over this situation so that it can be improved in the office.

Rep. Kretschmar: there should be some responsibility on the town level? Who will pay the interest for these people have to pay to borrower the money?

Senator Horne: You would think so. The township is doing the borrowing; and regular taxes will pay it, so the county will have to make up the difference. The township residences will have to make up the difference. It is a convoluted way to get the money to do their work they need to do like roads.

Rep. Pinkerton: I would appreciate your favorable review on it. It is a good township and they work hard to serve it patrons.

Rep. Corey Mock: This happen in Surrey Township, as well?

Rep. Pinkerton: No actually we had a revolving bill last time in political subs. That situation two years ago we an error in part of the new superintendent of the Surrey Public Schools. Perhaps the auditor's office should have audited it, but they didn't.

Ken Yautes: Secretary of the ND General Auditor's Assoc. I am in support of this bill.

There are over 1534 organized townships in the state of ND and one of us should happen to fall I think it behooves us to offer a helping hand to someone else in trouble.

Rep. Jerry Kelsh: I know about the shared reserve fund provided for error in insurance. I am not sure, do you have an answer to that.

Ken Yautes: I do not have the answer to that.

Opposition: None

Neutral: None

Hearing closed.

Job #9474

Chairman Wrangham reopened the hearing on HB 1505.

Do Pass Motion Made by Rep. Jerry Kelsh: Seconded By Rep. Hatlestad:

Vote: 13 Yes 0 No 0 Absent Carrier: Rep. Conrad

Hearing closed.

Date: 2/13
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1505

House Political Subdivisions Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS DO NOT PASS AS AMENDED

Motion Made By Rep. J. Kelsh Seconded By Rep. Hatlestad

Representatives	Yes	No	Representatives	Yes	No
Rep. Dwight Wrangham, Chairman	✓		Rep. Kari Conrad	✓	
Rep. Craig Headland, Vice Chairman	✓		Rep. Jerry Kelsh	✓	
Rep. Patrick Hatlestad	✓		Rep. Robert Kilichowski	✓	
Rep. Nancy Johnson	✓		Rep. Corey Mock	✓	
Rep. Lawrence Klemin	✓		Rep. Steve Zaiser	✓	
Rep. Kim Koppelman	✓				
Rep. William Kretschmar	✓				
Rep. Vonnie Pietsch	✓				

Total (Yes) 13 No 0

Absent 0

Carrier: Rep Conrad

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

REPORT OF STANDING COMMITTEE

HB 1505: Political Subdivisions Committee (Rep. Wrangham, Chairman) recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1505 was placed on the Eleventh order on the calendar.

2009 SENATE FINANCE AND TAXATION

HB 1505

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1505

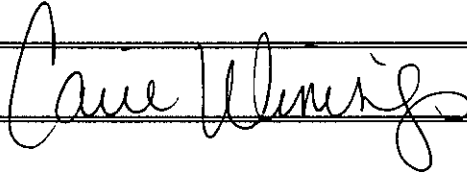
Senate Finance and Taxation Committee

☐ Check here for Conference Committee

Hearing Date: 03/18/2009

Recorder Job Number: 11165

Committee Clerk Signature



Minutes:

Chairman Cook: Opened the hearing on HB 1505.

Representative Kari Conrad, District 3: Testified as sponsor and in support of the bill.

(Explained the bill) See Attachment #1 for testimony handed out and discussed from Casey

Tompkins, Surrey Township Supervisor.

4.13 **Chairman Cook:** The \$8300 stays in the taxpayers' pockets and over the next four years the taxpayers have to come up with it?

Representative Conrad: Yes, but they agreed to do it originally unanimously?

Senator Triplett: Remembers another situation similar in the same area.

Rep. Conrad: This will not happen again. We have talked to them about this.

Senator Anderson: If you don't do work, you don't make mistakes.

Rep. Conrad: I will share that with the auditors.

Ken Yantes, Township Representative: Testified in support of the bill. We need to reach a hand out and help another township when necessary.

Chairman Cook: Any further testimony? (no) Closed the hearing.

Senator Hogue: Moved a Do Pass.

Senator Triplett: Seconded.

Chairman Cook: Discussion?

A Roll Call vote was taken: Yea 7, Nay 0, Absent 0.

Senator Cook will carry the bill.

Date: 03/18/09

Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.: 1505

Senate Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Senator Hogue Seconded By Senator Triplett

Senators	Yes	No	Senators	Yes	No
Sen. Dwight Cook - Chairman	✓		Sen. Arden Anderson	✓	
Sen. Joe Miller - Vice Chairman	✓		Sen. Jim Dotzenrod	✓	
Sen. David Hogue	✓		Sen. Constance Triplett	✓	
Sen. Dave Oehlke	✓				

Total: Yes 7 No 0

Absent 0

Floor Assignment Senator Cook

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

REPORT OF STANDING COMMITTEE (410)
March 18, 2009 11:27 a.m.

Module No: SR-49-5204
Carrier: Cook
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1505: Finance and Taxation Committee (Sen. Cook, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1505 was placed on the Fourteenth order on the calendar.

2009 TESTIMONY

HB 1505

Committee Chairman
Political Subdivisions

Reference: HB 1505 Surrey Township Excess Mill Levy

Honorable Dwight R. Wrangham:

Surrey Township's Excess Mill levy was missed when the Ward County auditor's office processed the Taxes for 2008. (See Attachments)

Surrey Township provided the Ward County Auditors office with the documentation for this tax in March of 2008. (See Attachments)

There was a change in personnel at the Ward County Auditor's office during the year, which contributed to this mistake.

Surrey Township wasn't informed of this error until January 15th of 2009.

The dollar amount of this error is \$8298.
This is approximately 23% of our total funds.


The expenses of the Snow storms of 2009 make the need these tax funds essential to the Township residents.

A side issue will be the ability of the township to obtain interim funding until these funds become available to Surrey Township with the 2010 Tax year. We will need authorization to borrow funds from the Bank of North Dakota as Townships aren't authorized to borrow funds directly from Banks.

I would gladly attend your committee meeting if you feel it is necessary.

Let me know if you require anything further in the way of explanation on this matter.

Sincerely,


Casey Tompkins
Surrey Township Supervisor
15401 30th Avenue NE
Norwich ND 58768

Cell 701-721-5102
casey@western-agency.com

Same given to Senate.

Excess Mill Levy**Official Ballot****Surrey Township****March 18, 2008**

**Shall Surrey Township levy taxes for the year 2008 which
will exceed the legal limit by year \$8298 dollars so that the taxes
levied instead of being \$16,597.66 dollars, which is the limit
authorized by law, shall be \$24,895.66 dollars pursuant to
legislative action in 2007 . ND57-17-06**

YES☒**NO**☐

Attn: Belinda

MAXIMUM LEVY WORKSHEET

2008

Ward County

Taxing District: Sumeys Township

Fund: GENERAL

	a. Last Year	b. 2 Years Ago	c. 3 years ago
Taxes levied:	\$37,206.41	\$34,584.27	\$32,412.95
2 Base year (greater of 1a, 1b, or 1c)			\$37,206.41
3 Temporary levies now expired			\$19,557.43
4 Base year taxes excl. expired levies (2-3)			\$17,648.98
5 Base year taxable value of Taxable & Exempt Prop		\$922,092.00	
6 Mill rate for base year (4<5)		19.14	
7 Taxable value & Exempt in base year not in current yr		\$795.00 Decreases	15.22
8 Adjustment no longer taxable (6x7)			
9 Taxable value of taxable & "exempt" property not in taxing district in the base year		\$24,753.00 Increases	
10 Adjustment added in base yr. (6x9)			\$473.78
11 Maximum allowable base yr levy (line 4-8+10)			\$18,107.54
12 Current Year Taxable Value		\$986,775.00	
13 New, Increased or Excess Levies in Mills authorized by legislature		0.00	
14 New, Increased or Excess Levies (line 12 X line 13)		\$21,409.00	
15 Base year levy plus increased levies (Line 11 + 14)			\$39,516.54
16 Maximum mills otherwise provided by law including increased or excess levies approved by voters		18.00	
17 Maximum levy otherwise provided by Law (Line 12 x Line 16)			\$17,761.95
18 Allowable total max. levy (Line 15 or 17 whichever greater)			\$39,516.54
19 Levy certified by the Taxing District for current year			\$77,595.00
20 Final Levy (Line 18 or 19, whichever less)			\$39,516.54
21 Final mill rate (Line 20 divided by Line 12)			40.05

Actual Dollar of Mill Levy

\$39,520.34

- Sumeys Twp -

Resolutions:

2005, 8, 7, 8 & 9

thru 2010

Annual

Last year \$18,567.43

Excess Levies	\$8,295.00
Bond Issues	\$10,345.00
Snow Removal	\$2,768.00
	<u>\$21,408.00</u>

Excess Mill Levy

CERTIFICATE OF ELECTION TO INCREASE

SURREY TOWNSHIP GENERAL MILL LEVY

County Auditor
 County of WARD
 State of North Dakota

This is to certify that a Special Election was held in SURREY
 Township, WARD County, North Dakota at SURREY located
 in said township, on the matter of increasing the levy of said township by 50% over
 and above the legal limitations as provided for in Chapter 57-17 of the North Dakota
 Century Code, and that this election was held on the 18th day of MARCH A.D., 2008

THE QUESTION SUBMITTED AND THE RESULTS WERE AS FOLLOWS, TO-WIT:

"Shall SURREY Township levy taxes for a ^{one} ~~five~~ year period commencing
 in 2008, which shall exceed the legal limit by \$ 8298, so that the taxes
 levied, instead of being \$ 16,597⁶⁶ which is the limit authorized by law, shall
 be \$ 24,895⁶⁶?"

NUMBER OF VOTES CAST - - - - - Fifteen (15)

YES - - - - - (15) NO - - - - - (0)

Dated in SURREY Township, WARD County, North Dakota this 18
 day of MARCH, 19-2008

ATTEST

James Thom
Russell Burns
Arnell P. [unclear]

Chairman

Clerk

Notes
 (Must file with County Auditor 10 days after election)