

**OFFICIAL PROCEEDINGS  
PENNINGTON COUNTY BOARD OF APPEAL AND EQUALIZATION  
GOVERNMENT CENTER MEETING ROOM A  
JUNE 17<sup>th</sup>, 2024, 6:00 P.M.**

The Pennington County Board of Appeal and Equalization met in Meeting Room A of the Pennington County Government Center in Thief River Falls, MN, on Monday, June 17<sup>th</sup>, 2024, at 6:00 p.m.

Members present: Commissioner Seth Nelson, Commissioner Bruce Lawrence, Commissioner Neil Peterson, Commissioner Roy Sourdif, Commissioner David Sorenson, County Auditor-Treasurer Jennifer Herzberg. Members absent: None.

Also present: County Assessor Carl Bruzek, County Coordinator Kevin Erickson, DigiKey Corp. (represented by Mark Borseth and Roy Lunde), Dean Philipp, Cynthia Kilen, Cole Bernier, and April Scheinoha – TRF Times.

The members of the Board of Appeal and Equalization were sworn in by County Recorder Julie Hansen and signed the Official Oath of Office, which is on file in the County Auditor-Treasurer's Office.

Commissioner Nelson was appointed Chairman of the meeting and called the meeting to order.

Mark Borseth and Roy Lunde, representing DigiKey, met with the Board regarding parcels #R25.00201032, 25.08000520, 25.0800011, and 25.08000220. Mr. Borseth presented and reviewed their handout on market analysis, noting they have reviewed other properties in NW MN and found the average proposed market value increases, excluding DigiKey, to be 1.84% while their properties are proposed to have an average increase of 36.18%. They would be comfortable with a 1.84% increase in value and noted very few comparable buildings in the area. Chairman Nelson thanked Digi-Key for their detailed handout and information and the Board took their request for consideration under advisement. Discussion was held on the timelines with Mr. Bruzek noting that the Board of Appeal & Equalization may recess and reconvent at a later date, but they must adjourn no later than June 30<sup>th</sup>, 2024.

Cynthia Kilen, owner of parcel #R10.02110300, met with the Board and discussed value of her property in Norden Township. She noted that the tillable portion (50 acres) was valued at \$2,464 in 2023 but proposed value is now \$3,276. She acknowledged that while some county ag land sales have been high, some recent sales in Norden township went for much less. She stated that ag land is not nearly as productive and valuable in her area as it is on a gravel ridge. There is a shop on the property but she is only disputing the value the tillable land. The Board took her request for consideration under advisement.

Dean Philipp, owner of parcel #R25.04700100, met with the Board regarding such property located at 1020 Centennial Drive in Thief River Falls. Mr. Philipp stated that he bought the property from the college. He noted that the State told him the property value was to remain the same if he made no improvements to it. Commissioner Lawrence asked Mr. Philipp if he still has a letter from the State regarding the value staying the same. Mr. Philipp said he threw the letter as the value stayed the same for 7+ years, and he noted that no one looked to buy the property besides him due to it being a college. Mr. Philipp said the home cannot be compared to other homes due to its size and the fact that it was a college, and he discussed what the college did to the property – the pool was filled in, the garage turned into classrooms, etc. Mr. Philipp said the County Assessor's Office is not allowed into the home or into any of his properties. He believes that the value of the property should remain at \$570,000, which is what he purchased it for. The Board took his request for consideration under advisement.

Cole Bernier, owner of parcel #R25.00200330, met with the Board regarding such property located at 1200 Pennington Ave. in Thief River Falls. Mr. Bruzek presented Mr. Bernier with information regarding the parcel and some comparable sales. Mr. Bernier discussed his recent value increases, stating it was 88.9% and he thinks that is crazy. The Board noted that he purchased the property in late 2021 for \$365,000 when it was valued at \$124,700. Mr. Bernier replied that the market was pretty crazy at the time of his purchase. Discussion was held on recent commercial property increases in the area. Mr. Bernier presented documents regarding his taxes and values. Mr. Bruzek noted that the first \$150k of commercial value is taxed at a lower rate, but above that value the rate increases. The Board noted that much of the valuation increases occurred in prior years and should have been dealt with at that time. After further discussion, the Board thanked Mr. Bernier for the information he provided and took his request for consideration under advisement.

After discussion on the properties in question and the requests made, the following actions were taken:

CB Kustom & Collision property (R25.00200330): After discussion, no action was taken on the value of the property.

Dean Philipp property (R25.04700100): After discussion, no action was taken on the value of the property.

Cynthia Kilen property (R10.02110300): Motioned by Commissioner Peterson, seconded by Commissioner Sorenson, to change the 2024 estimated market value of the tillable land (only) to equal a 15% increase from the prior year valuation. Motion carried.

DigiKey properties (R25.00201032, R25.08000520, R25.08000110, R25.08000220): After discussion, there was a motion by Commissioner Peterson, seconded by Commissioner Lawrence, to change the 2024 estimated market value of the four properties to equal a 20% increase from the prior year valuation. Motion carried with Commissioner Sourdif abstaining.

The county assessor reviewed the following State-ordered changes: Numedal Township (15% increase to agricultural land), Rocksbury Township (10% increase to residential on-water land and structures), and North Township (5% increase on residential land).

The County Assessor then reviewed the actions taken by the Township and City Board of Appeal and Equalization meetings, the tillable section averages, and the township average values. He noted that forest land values are strong but there are very few sales. Woodland sales have also been strong.

Motioned by Commissioner Peterson, seconded by Commissioner Sorenson, that the real and personal property values as returned by the Local Board of Appeal and Equalization meetings and submitted by the County Assessor be accepted and approved. Motion unanimously carried.

Motioned by Commissioner Sourdif, seconded by Commissioner Sorenson, to adjourn the County Board of Appeal and Equalization meeting. Motion carried.

ATTEST:

Jennifer Herzberg, Auditor-Treasurer  
Pennington County

Seth Nelson, Chairman  
Board of Commissioners