



PRESORTED STANDARD US POSTAGE PAID FINLEY, ND PERMIT #9



Send ARTICLES to: Kathy Holte, Editor Lowe's Printing, Inc. P.O. Box 1116 • Minot, ND 58702 Fax (701) 852-2119 E-mail: kathy_h@lowesprinting.com If you have questions, please call (701) 852-1211 or 1-800-760-2529

Check out www.ndtoa.com

Send **ADDRESS CHANGES** to:

Nolan Verwest Rt. 1, Box 66 • Finley, ND 58230

Protecting The Public Trust.



NORTH DAKOTA INSURANCE RESERVE FUND

P.O. Box 2258 Bismarck, ND 58502 (701) 224-1988 • Fax: (701) 224-0609 Toll Free: 1-800-421-1988 www.ndirf.com





FEBRUARY 2003 What's Inside

| President's Message | Page 2 |
|---------------------|--------|
| Policies Adopted | Page 3 |
| Country Lawyer | Page 4 |
| Secretary's Corner | Page 5 |
| NDRIF | Page 6 |
| Mr. Township | Page 7 |

The Official Newsletter of the ND Township Officers Association • NATaT Member

2002...2002...2002...2002...2002...2002...

ANNUAL MEETING HIGHLIGHTS

Township officers from around the state gathered in Bismarck in early December to hold their annual business meeting, recognize past leaders, hold a grassroots policy development session and to present Legislator of the Year and Mr. Township Grassroots Leadership awards.

Loren Engebretsen, President of the Minnesota Association of Township Officers was present to lead us in a patriotic salute to the flag.

Governor Hoeven was the guest speaker at the noon luncheon held on Monday, December 2nd. He discussed his budget plans and economic development efforts being used in our state today, as well as future attempts to increase business in North Dakota.

Richard Huechert, a long time supporter of township policy from St. Thomas, was presented with the "Mr. **Township**" Award. (See related article on page 7.)

Legislator of the Year went to **Senator Elroy Lindaas** of Lindaas Township in Traill County.

The evening Awards Banquet concluded with an auction of items that were donated by supporters of NDTOA. Past President Gene Gehrke served as auctioneer and entertained those present. Our thanks to Gene for a job well done. We wish to further thank those who so generously contributed and bid to make this, our first auction, a success.

Presidents of county township associations gathered for a breakfast and shared information on activities in each of their counties.

Vice President Steve Ginsbach presented the report of the resolutions committee and chaired the grassroots policy development session. Tom Moe, NDTOA Legal Counsel, held an hour and a half session on zoning procedures and a "What's Up In Your Township" question and answer period.

Representatives from the IRS, Al Klaman and Rhonda Kingsley, held a very informative session. They informed us of the correct IRS forms that townships should use, how to fill them out, where to get more information, and what to do if you are in question about your present procedures. (More information on page 7.)

A five dollar dues raise per township was enacted in accordance with last year's passed resolution. The Resolutions, as passed, are listed on page 3 of this newsletter.

A motion to secure an apartment and an office in the new County Associations building for the legislative session was approved.

Board members, Ralph Olson-District 2, Kerry Schorsch-District 4, and Robert Forward-District 6, were re-elected to serve another two-year term. Nolan Verwest was appointed to serve as State Treasurer and Ken Yantes was appointed to serve as secretary of the NDTOA for another year.



AWARD PLAQUES PRESENTATION



Past Presidential **Gene Gehrke**, Aneta, ND 1991-95

Past Presidential Bryan Hoime, Grand Forks formerly Edmore, ND 1995-97/1999-2001



Past Presidential Chuck Thacker, Neche, ND 1997-99



Past Presidential **Ken Yantes**, Cooperstown, ND
(After God, but before Gene)

Pictured with President Donny Malcomb

NDTOA jackets were presented to Steve Spilde, CEO NDIRF and Mark Verke, Loss Control Rep.

Pictured 1 to r: Past President Chuck Thacker of Neche, ND (1997-99) receiving his plaque from Ken Yantes, NDTOA Secretary and Nolan Verwest, Treasurer.

NDTOA Officers

DONNY L. MALCOMB, President 4000 338th St. SW • Berthold, ND 58718 (701) 453-3285 malcomb@ndak.net

STEVE GINSBACH, *Vice President* 16290 91st St. SE • Hankinson, ND 58041 (701) 242-7291

KENNETH YANTES, Secretary 11240 Hwy. 65 • Cooperstown, ND 58425 (701) 797-3755 kyantes2001@yahoo.com

> NOLAN VERWEST, *Treasurer* Rt. 1, Box 66 • Finley, ND 58230 (701) 524-1020

BRYAN HOIME, Past President Rt. 2, Box 64 • Edmore, ND 58330 (701) 644-2720 bhoime@polarcomm.com

FLOYD MILLER, *District 1 Director* 14954 57th St. NW • Williston, ND 58801 (701) 875-4280

RALPH OLSON, *District 2 Director* 5054 47th St. NE • Maddock, ND 58348 (701) 438-2344

LARRY SYVERSON, District 3 Director Rt. 2, Box 44 • Mayville, ND 58257 (701) 786-2697 las@polarcomm.com

KERRY SCHORSCH, District 4 Director Rt. 2, Box 15 • New England, ND 58647 (701) 579-4703 kerry@globaladvertizing.com

BARB KNUTSON, District 5 Director 2600 236th St. NE • McKenzie, ND 58553 (701) 673-3198 knutsons@bektel.com

ROBERT FORWARD, *District 6 Director* 8933 134th Ave. SE • Oakes, ND 58474 (701) 742-2749

BEA WALL, *NATaT Director* 6344 146th Ave. SE • Sheldon, ND 58068 (701) 882-3355 owegowalls@mlgc.com

Legal Counsel
TOM MOE, Attorney-At-Law
39 1st Ave. NW • Mayville, ND 58257
(701) 786-2442
thomas_moe@mail.masu.nodak.edu

President's Message

Greetings township officers! As we begin another new year let me start by wishing you all a Happy New Year.

I would like to thank all of you for attending our annual meeting in Bismarck. I felt we had a very productive meeting. Hopefully the workshops we held were informative and interesting for you. The banquet was a success also. I would like to also thank those of you who provided merchandise for auction, and especially those of you who generously bid on our merchandise. Thanks to (Colonel) Gene Gjerke, our auctioneer, who did such a great job of auctioning and making the whole project so much fun.

Our President's Breakfast was a first time venture and thanks to all the presidents who attended. Your input was greatly appreciated. I look forward to seeing you again next year as we will also be hosting this project again. For those presidents who did not attend, please notify me with your name and addresses so that we may invite you to next year's meeting and breakfast.

The individuals from the Internal Revenue Service gave a very informative workshop on records that townships should be keeping and implementing. Some of these include issuing W-2s to our township officials. At this time withholding doesn't seem necessary but issuing the W-2 should be done starting with the 2003 year. Issuing 1099s to people other than corporations should also be done. This would be non-township officials such as contractors or individuals doing work for your townships. The IRS feels that a lot of the money spent by townships is not reported as income by township officials and people doing work for the townships.

As you will notice by our secretary's message, Ken is busy in Bismarck lobbying the legislature for our townships. We can be very thankful that Ken is there watching out for our interests. There are already some bills that are introduced that would be very detrimental to townships. Senate Bill 2127 would take away the rights of townships to place culverts were they deem it necessary or unnecessary and turn it over to the state or water board. Senate Bill 2055 would require all meetings by townships to be tape recorded. This would be extremely

cumbersome or difficult when our officers meet in an emergency situation cleaning out a culvert or deciding to put warning signs up on a washed out or flooded road. **Senate Bill 2181** takes away the right of townships to issue

township beer or liquor licenses. Again a

bill trying to take away local control.

by Donny L. Malcomb

Finally the most scary thing happening in Bismarck is a ruling handed down by our attorney general pertaining to township's right of ways and building roads. Until this ruling, townships were not required to build roads for residents building on land without a road or access.

This ruling would make it mandatory for townships to build a road or make access available even on non-township lines or section lines. This is very devastating to townships. Can you imagine having to come up with funding to build a mile or two of new road in your township. It would bankrupt just about every township. The NDTOA, with Ken's help, has introduced legislation to turn this terrible decision around. Call your local legislators and ask support for this bill.

Please feel free to contact Ken in Bismarck. He needs your support to do your work. Also contact me or any of our directors to give us your opinion or direction on any bill that you feel is beneficial or harmful for our townships. Ken's number in Bismarck is located in his Secretary's Report. The rest of our numbers are on the inside cover of this newsletter.

I also know that spring meetings are coming up for some of the county associations. If you would like me or the director in your area to visit you, please let us know. We would be happy to attend and provide you with further information about the legislature or other topics affecting townships. We are here to serve you. We will all be busy helping Ken with the legislative happenings but will be happy to try to make your meeting.

Also please remember to use **ndtoa.com.** It is another way of communicating with us and also for you to follow what's happening at the legislature.

In closing I would like to say thank you for supporting us this past year and look forward to your continued support for the coming year.

Richard Heuchert Awarded for Township Leadership

"Mr. Township" Award is well deserved.

Richard Heuchert, a lifelong resident of St. Thomas, received this honor at the NDTOA annual meeting held in Bismarck December 1-3, 2002.

Richard has been a leader on the St. Thomas Township Board for 32 years, and is currently serving as chairman. His accomplishments are impressive:

- 1975: Started the Bean Growers Association in Pembina County which grew into the Red River "I Edible Bean Growers Association by spring of that year. He was the first president of the steering committee and director of the newly organized association. The name was later changed to Northarvest Bean Grower Association.
- Richard led meetings mandated by the



Roger Olafson (left) presents Richard Heuchert of St. Thomas with the "Mr. Township" Award—Grassroots Government Leadership Award, given by the North Dakota Township Officers Association.

state to equalize property values in a double township. Despite negative reactions, the required equalization was completed in a fair, equitable and timely manner.

• He was an early proponent of township

zoning and was instrumental in the process of implanting these regulations in 1985. This also wasn't a popular issue and required many public hearings. St. Thomas township is now one of the few zoned townships in North Dakota that has the necessary authority to restrict hazardous activities, thereby protecting its residents.

- During the flood of 1997, he worked closely with FEMA to procure funding for the reconstruction of numerous township roads.
- He has made numerous trips to Bismarck to research township issues and has testified before legislative committees on behalf of St. Thomas and other townships.

This article was taken in part with permission from the December 18, 2002 issue of The Cavalier Chronicle.

IRS Seminar was Informational



The IRS feels that a lot of the money spent by townships is not reported as income by township officials and people doing work for the townships. Read other notations in the President's Message on page 2 of this newsletter.

Contact The IRS

IRS representatives held a very informative session at the annual meeting. If you were unable to attend and have concerns, write or call:

Rhonda Kingsley

657 2nd Avenue North Fargo, ND 58107 (701) 239-5400 Ext. 261 Allyn Klaman P.O. Box 66 Dickinson, ND 58602 (701) 227-0331

Thank You! I would like to thank the North Dakota Township Officers Association for the honor of "Mr. Township" receiving the Grassroots Government Leadership Award. I did not achieve this by myself, but it is a reflection of the efforts of the entire St. Thomas Township Board to work together as a board for the betterment of our township. The people in our township have been helpful in working with us. I would like to thank our township board which includes Pete Carson, Allen Bigwood, Elton and Renae Heuchert, and Randy Redman. The plaque is a real beauty. Thank you again.

Richard J. Heuchert



www.ndtoa.com



McHenry County

Several officers from various townships in McHenry County attended a meeting in Towner on November 13, 2002 to organize the McHenry County Township Officers Association. Election of officers and directors was held and are as follows:

PRESIDENT

Mitch Lemer - Round Lake Twsp. 4526 10th Avenue NE, Drake, ND 58736

(701) 465-3514

VICE PRESIDENT

Lynn Kongslie - Villard Twsp. 45 54th Street NE Towner, ND 58788 (701) 537-5594

SECRETARY/TREASURER

Darlene Koble

6177 Center Avenue N Towner, ND 58788 (701) 537-5724

DIRECTORS

Warren Zakopyko - Land Twsp. 3238 Hwy. 53 Balfour, ND 58712 (701) 626-7337

Bryan Bruner - Schiller Twsp. 3969 13th Avenue NE Anamoose, ND 58710 (701) 465-3910

Gerald Genetzky - Wagar Twsp. 341 68th Street N Towner, ND 58788 (701) 537-5544

Ward County

Ward County Township Officers are urged to submit their nominations for the "Outstanding Township Officer" Award to be presented at the annual meeting scheduled for Thursday, March 20, 2003. Watch for more details in the near future.

Auction was Fun and Successful



Pictured left to right: auctioneer and Past President Gene Gehrke, Nolan Verwest, Treasurer, Ken Yantes, Secretary, and President Donny Malcomb. Gene did a great job of entertaining everyone!

Discussion Forum Online

Your Township Discussion Forum is online. If you have any questions about situations that may arise in your township, please click on the "Discussion Forum" page at www.ndtoa.com and we will post them. Someone else has probably confronted the same situation, and may be able to help you out.

B

According to most studies, people's number one fear is speaking. Number two is death. Does that seem right? That means the average person, if you have to go to a funeral you're better off in the casket than doing the eulogy.

-Jerry Seinfeld



Policies Adopted by the NDTOA

The following policies were adopted (an exception of two) at the annual meeting in Bismarck on December 2-3, 2002.

- 1. NDTOA urges the ND Department of Transportation to adopt the signage section referring to 911 addressing signage utilizing existing signs set forth in the latest version of the Federal Manual on Traffic Safety Control Devices.
- **2.** NDTOA is in opposition to the Waffle Plan and study for containing flood waters in sections bordered by township roads.
- 3. NDTOA should work to cause legislation to be introduced to reduce the amount of forms required to report to the county auditor the change of persons in township offices from three pages of duplicating information to one page.
- **4.** NDTOA should work to cause legislation to be introduced that would allow the township general mill levy to be increased from the current 18 mill limit to 30 mills.
- 5. NDTOA should support legislation to limit the liability of county and township officials for any actions taken while holding public office for non-injury lawsuits.
- **6.** NDTOA should support legislation to provide that a portion of funds derived from the state-wide lottery in North Dakota be applied to the state equalization fund to reduce the current levy of 32 mills.
- **7.** NDTOA encourages farmers and farm organizations to attend and participate in equalization meetings at the local, county and state level. That farm organizations notify their members of the time and place of such meetings and of the possibility of valuations of real estate being raised at such meetings.
- 8. FAILED: Be it resolved that the assessment rate for real estate taxes on all row crops in North Dakota be set at the current rate for sugar beets and potatoes (20%). This assessment rate shall apply to all farmland planted to row crops, which shall include but not limited to sugar

- beets, potatoes, corn, soybeans, edible bean and various vegetables.
- NDTOA should oppose the consolidation of mill levies for counties and preserve highway funds and agriculturally related expenditures from diversion to other county uses.
- 10. NDTOA should work to support federal legislation that addresses land purchases by non tax paying entities requiring them to pay taxes at least by the process of in-lieu of tax procedure.
- 11. NDTOA opposes the diversion of a portion of the gas tax for roads to the Forest Service when they are proposing closing section lines in their jurisdiction.
- **12.** NDTOA should cause to be introduced legislation to address the safety and emergency service concerns regarding shuttle unit trains.
- 13. NDTOA should cause to be introduced legislation addressing township zoning concerns on wind energy towers and cell towers, address some form of bond or security agreement concerning the abandonment of these towers and liability concerns for landowners.
- 14. NDTOA should work to help township clerks with Workman's Compensation forms. Townships should be exempted from the extreme penalties as found in Chapter 65-04 of the NDCC.
- 15. NDTOA should work to change the filing date of the Workman's Compensation forms to April 15th to allow enough time after the annual meeting to get the forms filled out.
- 16. NDTOA should support the implementation of the Grand Forks County Flood Hazard Mitigation Plan.
- 17. NDTOA should support the rural electric coops in their fight over territorial integrity.
- **18. FAILED:** Be it resolved that NDTOA supports legislation on a statewide implementation of an extraction fee on gravel to be

- equivalent to the coal extraction tax with funds to be allocated to the reconstruction of impacted roads based on a per truck/per day rate with the gravel company responsible for record keeping.
- 19. NDTOA should work to secure the revenue from state overweight permit violations and should be shared with counties and townships.

Reporting A Claim

Fortunately, most township members of the NDIRF rarely, if ever, have occasion to report a claim. However, claims are made against townships and it is important that you know what to do if one is received.

The normal procedure to follow if a claim is made against your township is to immediately contact the townships insurance agent and report the claim. The agent will then obtain any initial information needed and notify the NDIRF. The agent is independent of the NDIRF and is paid a commission to service your account, so they are an integral part of the process.

A notice should also be provided to your agent, even if no formal claim has been submitted, if you are aware of an accident or other situation that has occurred and you suspect that a claim is likely to be made eventually.

An example of a possible claim that has not yet been made but that should be reported is a situation where an automobile accident has occurred on a township road, resulting in an injury. Townships are frequently sued over these types of incidents, alleging improper condition, maintenance or signing of the roadway. Early reporting of these events to your agent allows the NDIRF to immediately investigate the circumstances and assists in efficient handling of the claim if one is made at a later time.

In the next issue of Grassroots, we will explain the process NDIRF uses to resolve a claim once it has been submitted.

by Thomas R. Moe, Attorney-at-Law

The Country Lawyer

Greetings to all and
I hope everyone is
enjoying the new
year! We had a good
annual meeting at Bismarck

this last December, but once again attendance was down. It can be frustrating when a good educational program is put in place, only to have so few take part.

Well, enough editorializing! The Legislature is in full swing at this writing, and my understanding is that several bills bear watching by our able township lobbyists. We continue to monitor bills that may have the effect of eroding township authority, and we vigorously oppose those that do. We have several legislators who are good friends of townships and township government.

You should take the time to go to a Legislative forum in your area if your local legislator sponsors one, and make sure you tell him/her that you are a township officer and that you're watching!

Annual township meetings will be here before we know it, as March will soon be here. Now is a good time to review your minutes from last year, and do some planning for this year's meeting. It's not too early to start twisting some arms if your township will need a candidate or two to run for supervisor.

If an excess levy may be needed, you should review the process with your county auditor as there are some extra notices that must be published in the local newspaper regarding such levies. Give me a call at the office if you have any specific questions about your township. Following are a few sample questions that I've had.

Our clerk was in a bad car accident and won't be able to perform his duties for quite awhile. We don't want to "kick" him out of his job but we'll need some help the next few months. The neighboring township clerk has offered to help out. Can we temporarily appoint the neighbor?

A. You can't appoint someone as "clerk" unless you declare a vacancy. Since it's understandable why you don't want to do that, why don't you appoint the neighbor as a "deputy clerk?" The law allows for a deputy, and interestingly, the deputy is not required to be an

elector of your township. The neighboring clerk obviously is not an elector of your township, but could be a deputy. You will have a problem on annual meeting day, as the deputy will have to be at her own township for her meeting, but you should be able to work around that with some creative scheduling.

I was at the NDTOA annual meeting and the IRS speaker said we had to issue W-2 forms to our supervisors. Do we have to?

A. Every township will be different in the manner in which they pay their officers. Some pay per meeting, some pay a lump sum per year, some pay only mileage, and most don't pay at all! Under the state law, township officers can receive up to \$20 per day for a maximum of 30 days, plus expenses. If the full amount is paid, then there is no doubt a reporting requirement to the IRS via a W-2 form. We will continue to provide information about this, and I understand that this topic has already been scheduled for our regional educational workshops next year.

We've got a subdivision in our township and the residents there met with us and requested snow removal and they said they would be willing to pay extra. Should we have this in writing?

A. Absolutely! You should write a simple agreement stating the terms and conditions and have each resident of the subdivision sign it. One of the statements in your agreement should say that the road/driveways you are clearing are not public roads and that the township is doing the work on a fee basis and no public funds are being used.

This will help in the future when the subdivision homes change hands and the new owners can't figure out why they should have to pay.

Of course, a new owner can refuse to agree and then you will have to re-think this arrangement. A special assessment district would be the optimum way to do this, because then the fees/expenses can go directly on each subdivision owner's taxes.

If this can't be done, then a voluntary written agreement as noted above is the next best option.

Why can't there be absentee ballots printed up for the upcoming March meeting? We have a lot of residents who are still in Arizona, and they would like to vote.

A. Because the annual meeting is just that—a "meeting;" and not just an election. You don't know ahead of time who might be on the ballot, or what the issues might be. (Someone could be nominated from the floor or several motions out of the ordinary could be made.) The law requires that "the electors of each township annually shall assemble and hold a township meeting..." Sec. 58-04-01 NDCC.

Every man is a fool for at least five minutes a day; wisdom consists of not exceeding the limit.

Contact Your Legislative Lobbyist

The NDTOA has an office in the new ND Association of Counties building located at 1661 Capitol Way, Bismarck, ND 58504; (701) 328-7318. You can also contact Ken Yantes at 2032 North 16th Street, Apartment 4, Bismarck, ND; (701) 258-1211.

The office and apartment will be in service through the legislative session and both will close about April 15, 2003, including the phone numbers.

A note from the legislative crew: Almost all resolutions passed at the last annual meeting have had bills introduced to implement the policies adopted (refer to article on page 3) and we remain in the trenches fighting for them.

Diplomatic husband to wife;
"How do you expect me to remember
your birthday when you
never look any older?"

by Ken Yantes

Secretary's Corner

My observations at December's annual meeting revealed that a growing number of township officers are concerned with decisions by their county tax equalization officials.

Township officers asked, "What can we do if we have our township assessor's valuation or classification overturned by the county?" "Is it legal for the county to do so?" "What can we do about it if we really disagree with the county decision?"

The answer to the second question is **YES**. The county tax equalization board (consisting of the county commissioners) does have the legal authority to change the decisions of the township assessor on valuation and classification when using the procedures in **Chapter 57-12-06**, pages 145-146 of your township manual.

Your right as a taxpayer to appeal is mentioned in the same section.

On page 146-147 of the manual it goes on to tell you of the procedures to use if you disagree with the county decisions. Chapter 57-13-03 sets the State Board of Equalization meeting on the second Tuesday in August for appeals from all entities including township officers or any individuals representing groups of taxpayers.

Chapter 57-13-08, as found on page 148 of our manual, directs the county auditor to make adjustments in accordance with the decision of the State Board of Equalization.

The State Board of Tax Equalization consists of the Governor, State Treasurer,

State Auditor, Commissioner of Agriculture and State Tax Commissioner. These responsible state officials send out representatives to take a first-hand look at the parcels in question. These representatives have been making informed recommendations to the State Equalization Board.

Township residents have three levels of government to appeal to: first the township, second the county, and lastly, the state.



1-800-366-6338

