

## Introduction

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The Williams County Assessor's Office has prepared this 2023 Assessment Report of the City of Williston. This report includes specific information regarding the 2023 assessment as well as general information about the assessment process.

North Dakota statutes establish specific requirements for the assessment of property. The law requires that all real property be valued at True and Full Value, which is defined as the market value as of the February 1<sup>st</sup> assessment date.

The estimated market values established through the 2023 assessment are based upon actual real estate market trends of Williston properties taking place from January 1, 2022 through December 31, 2022. From these trends, our mass appraisal system is used to determine individual property values.

## Sales Analysis Section

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### *Sales Analysis Overview*

The assessment function is governed by North Dakota State Statute. The starting point of the assessment of real property is True and Full Value. For property classified as residential or commercial, True and Full Value means its market value or the price a property would bring if it were offered for sale in the open market for a reasonable length of time and purchased by a willing buyer from a willing seller, both parties being prudent and having reasonable knowledge of the property and neither being under undue pressure to complete the transaction.

Assessors are historians and measure the market based on sales which have occurred before the assessment date. Assessors do not create the value or predict what the market will do; rather, we follow the patterns set by the real estate market. For example, the sales that occurred between January 1, 2022 and December 31, 2022 are used to establish the 2023 assessed values. Therefore, the True and Full Value which is put on residences and businesses each February is the assessment that is used for the entire tax year. Values may have decreased or increased by the time the taxpayers receive their tax statements in December.

Information on the sales of real estate is of paramount importance to the assessors in a market-based property tax system. The sales that occur within this January 1<sup>st</sup> to December 31<sup>st</sup> time period, each year, are closely scrutinized by the Assessor's Office. Evidence suggesting a forced sale, foreclosure, a sale to a relative, or anything other than an arm's-length transaction requires the sales to be discarded from the sales study. This is important, because the real estate sales information constitutes the database for the statistical comparisons necessary to make the property assessment.

The assessor's office is charged with setting estimated market values for tax purposes at actual market value. The relationship between sales prices to estimated market value is called the sales ratio. North Dakota State statute requires (for all classes of property) a median ratio of 90-100%. We make every effort to ensure that each class of property in Williston meets this target as consistently as possible. In this way, we ensure an equitable distribution of the property tax burden for all Williston city taxpayers.

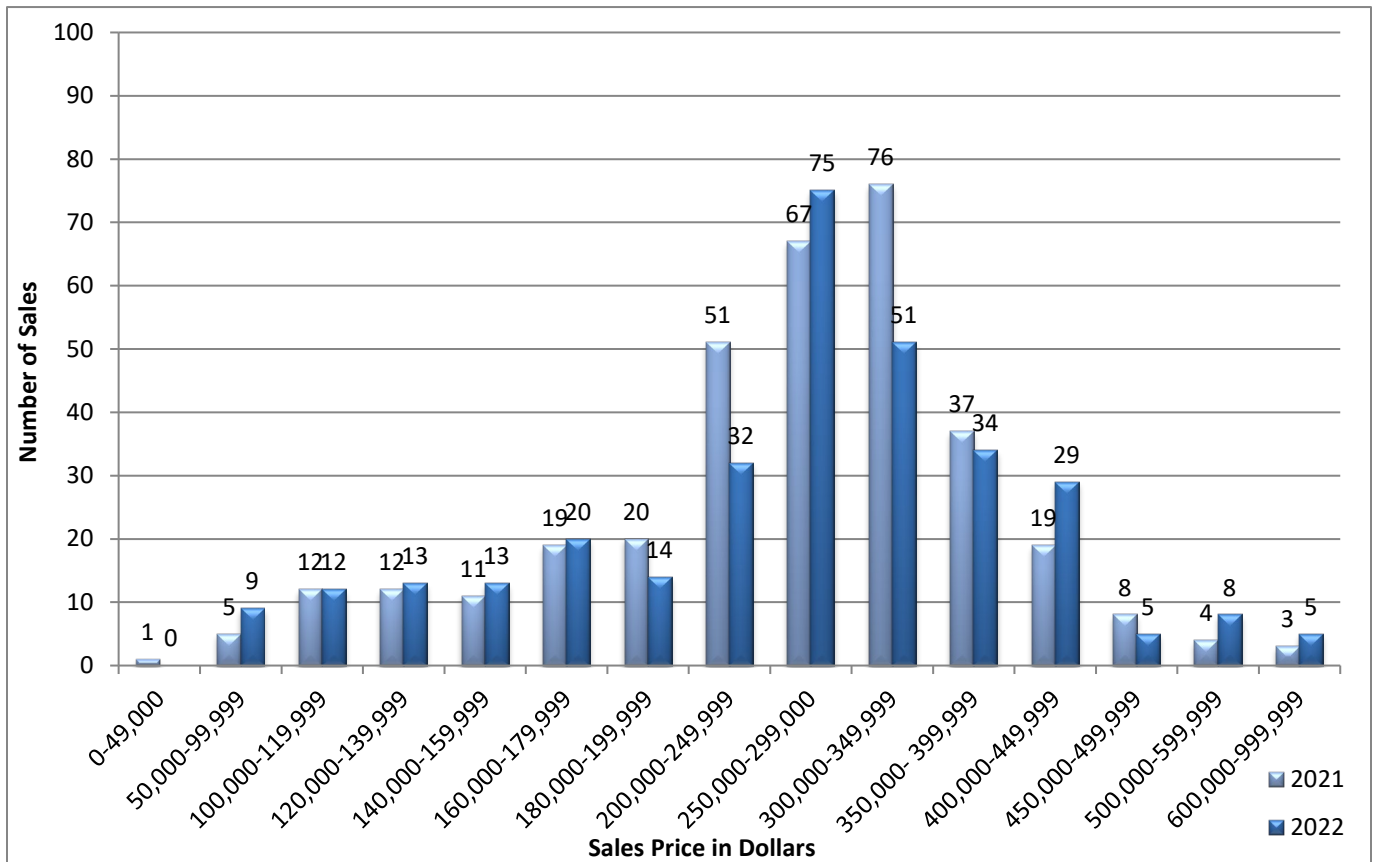
State Statute also requires the Assessor's Office send a notice of increase to all property owners whose property value increased 10% and \$3,000 over last year's assessment. There were 1,417 notices sent for 2023, compared to 1,092 in 2022.

## 2023 Residential Sales Study Statistics

The sales statistics presented in this report (number of sales, average sale price, sales prices) are based on data collected from usable sales that occurred between January 1st and December 31st, 2022.

Sales prices increased over the year with the average sale price being \$285,919 during 2022 (up \$6,983 from last year) with a slight decrease in the number of sales occurring. There were 320 useable residential sales in 2022 (compared with 347 in 2021). These 2022 sales are what the 2023 assessments are based upon. The sales have been assembled into a ratio study which is attached within the report. Residential properties in Williston sold, on average, 11% higher than they were valued.

### SALES PRICE STRATIFICATION



The overall Sales Ratio for residential properties was 89.4%. As we are required by the State Board of Equalization to be between 90 and 100% of market value, an increase was needed. To determine where changes were needed, sales were analyzed by age, class, style, and story. Adjustments were made based on this analysis.

**MAP AREA RATIO STRATIFICATION**

<b>MAP AREA</b>	<b>RATIO</b>	<b>RATIO AFTER ADJUSTMENTS</b>
Old Pre 1920	114.07	98.77
Old 1920-1949	77.32	95.66
Mid Economy	92.74	93.47
Mid Avg 1-Sty	86.59	94.49
Mid Avg Multi Sty	103.81	93.56
Mid Avg Split	89.59	93.71
Mid Good	83.77	93.71
New Economy	94.62	94.62
New Avg 1-Sty	88.45	93.73
New Avg Multi Sty	87.22	93.77
New Avg Split	85.97	93.62
<i>New Good</i>	<i>76.08</i>	<i>93.36</i>
MH on Real Estate	89.33	93.06
Twin Home	87.17	93.83
T-House Mid	96.69	94.31
T-House New	104.08	94.08
Condo Mid	93.37	93.15
Condo New	94.31	94.30
<b>OVERALL RATIO</b>	<b>89.4</b>	<b>93.58</b>

*\*Areas with less than 4 sales were not individually adjusted.*

Residential True and Full Value increased over \$10,000,000. \$9,414,390 in valuation was added to the tax roll from new construction.

## 2023 Commercial Sales Study Statistics

The State Tax Department requires a sales study of at least 30 sales. 35 usable commercial sales occurred during 2022. All the required usable data for Williston has been assembled into a ratio study which is attached within the report.

The overall commercial ratio is 93.5%. While no overall increase was needed, sales were analyzed by type and location of property to determine adjustments for equity.

Commercial True and Full Value increased \$7,821,230. Over \$8,000,000 of new construction was added to the commercial valuation of the city.

### Income Approach

The Income Approach to Valuation was applied to apartment buildings across the city. Questionnaires regarding income and expenses were sent out. We analyzed the information received from the 53 returned questionnaires (out of 191 sent out) and created our model. Apartment complex values increased on average 3%

#### AVERAGE APARTMENT RATES

STUDIO	1 BEDROOM	2 BEDROOM	3 BEDROOM	4 BEDROOM
\$654	\$530	\$905	\$1,132	\$1,200

Large Complexes (over 18 units)

STUDIO	1 BEDROOM	2 BEDROOM	3 BEDROOM
\$465	\$550	\$633	\$675

Small Complexes (17 units and under)

*\*A sliding scale within the unit style was created to account for condition & amenities of the apartment building.*

## Recommendations

### Residential

I would recommend residential property be left, as a class, at the level presented. In reviewing the Ratio Adjustment Worksheet below, residential property is assessed at 95.73% of market and would need an increase of 4.46% to reach the statutory level of 100%. The State Board of Equalization allows a 10% tolerance level.

	RESIDENTIAL	
	2022	2023
TRUE & FULL VALUE	\$1,501,754,820	\$ 1,618,167,690
SUPPLEMENTARY ABSTRACT INCREASES		\$11,370,300
DECREASES	\$1,224,920	
ADJUSTED T&F VALUES (Line 1 - L 2 or 3)	\$1,500,529,900	\$1,606,797,390
2022 T&F/SALES RATIO	89.4%	
INDICATED MARKET VALUE (2022 Line 4 / Line 5)	\$1,678,445,078	
2022 T&F/MARKET VALUE RATIO (2023 Line 4 / Line 6)		95.73%
MARKET VALUE MINUS 2022 T&F (Line 6 - 2022 Line 4)		\$71,647,688
INDICATED CHANGE NEEDED TO REACH 100% VALUE (Line 8 / 2023 Line 4)		4.46%

### Commercial

I would recommend commercial property be left, as a class, at the level presented. In reviewing the Ratio Adjustment Worksheet below, commercial property is assessed at 96.65% of market and would need an increase of 3.46% to reach the statutory level of 100%. The State Board of Equalization allows a 10% tolerance level.

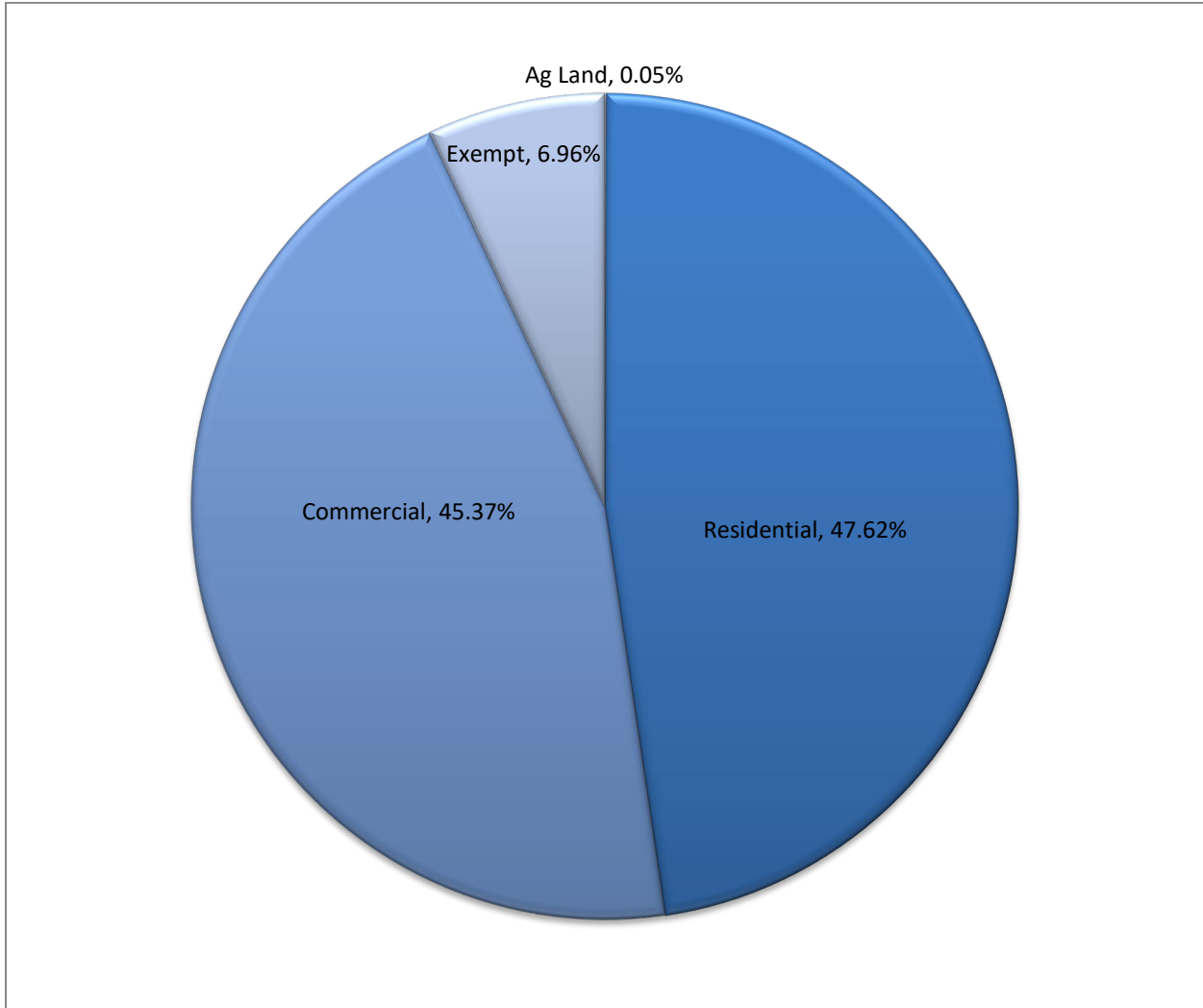
	<b>COMMERCIAL</b>	
	<b>2022</b>	<b>2023</b>
TRUE & FULL VALUE	\$ 1,373,787,740	\$ 1,378,231,450
SUPPLEMENTARY ABSTRACT INCREASES		\$ 7,649,080
DECREASES	\$2,194,540	
ADJUSTED T&F VALUES (Line 1 - L 2 or 3)	\$1,481,082,331	\$1,531,043,342
2022 T&F/SALES RATIO	93.50%	
INDICATED MARKET VALUE (2022 Line 4 / Line 5)	\$1,584,045,274	
2021 T&F/MARKET VALUE RATIO (2023 Line 4 / Line 6)		96.65%
MARKET VALUE MINUS 2022 T&F (Line 6 - 2023 Line 4)		\$53,001,932
INDICATED CHANGE NEEDED TO REACH 100% VALUE (Line 8 / 2023 Line 4)		3.46%

## 2023 Assessment Summary

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### TRUE & FULL VALUES

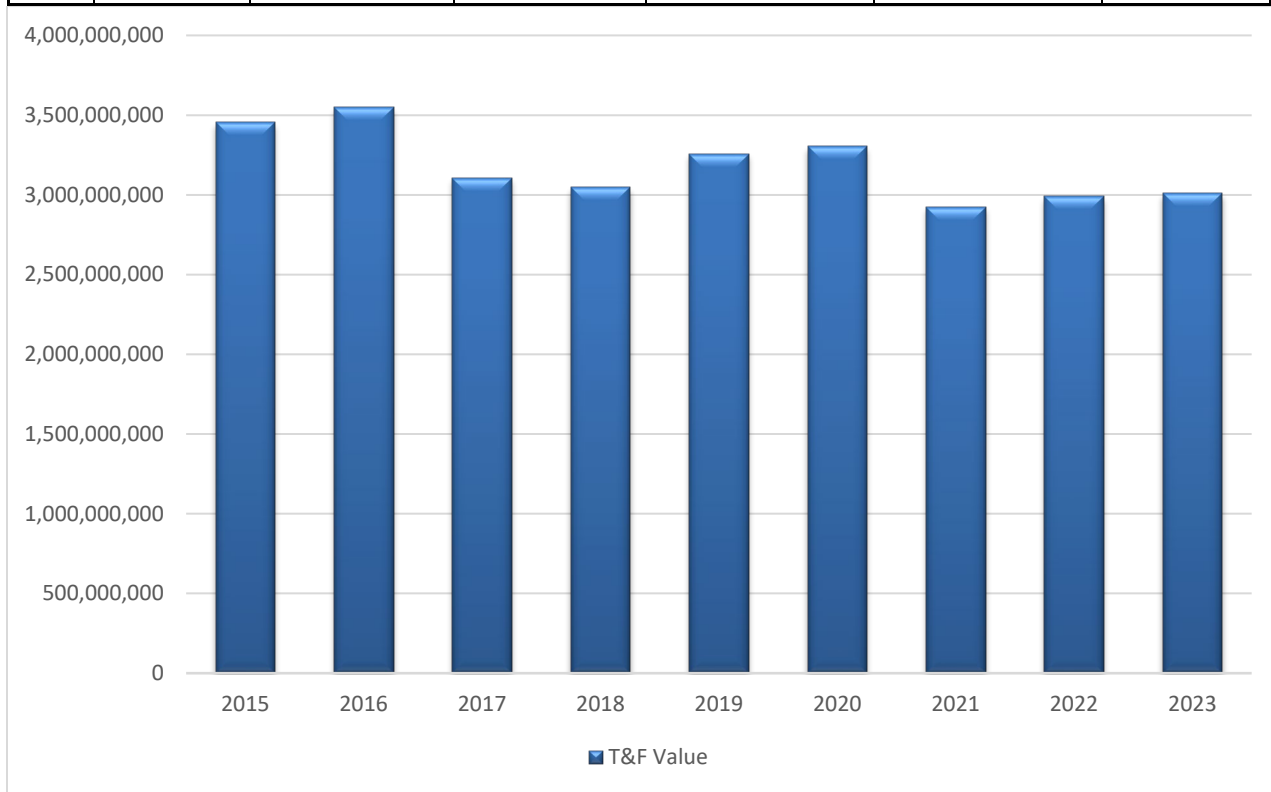
Total Values for each of the classes of property in Williston



<b>Ag Land</b>	\$1,739,730	0.05%	
<b>Residential</b>	1,618,167,690	47.58%	
<b>Commercial</b>	1,541,830,412	45.34%	
<b>Exempt</b>	\$238,957,710	7.03%	
<b>Total</b>	\$ 3,400,695,542		

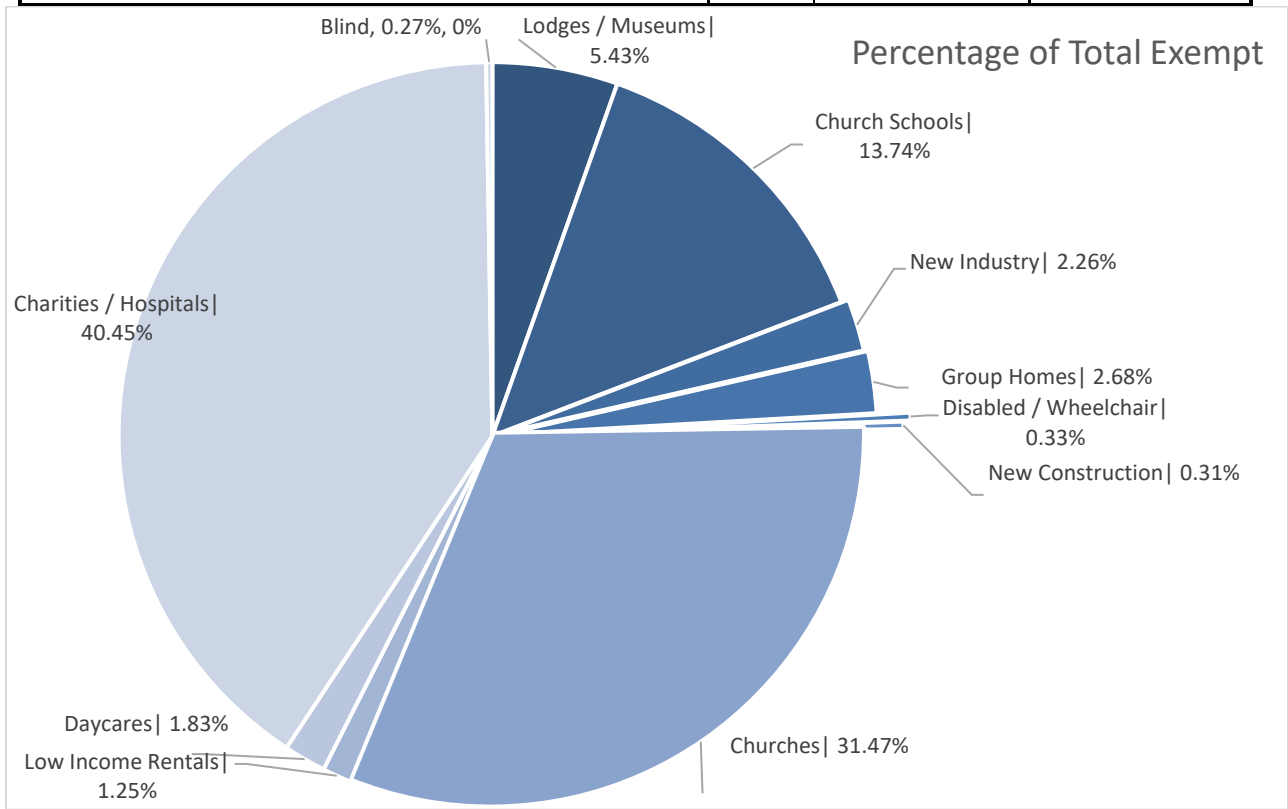
**2014-2023 REAL PROPERTY TRUE & FULL VALUE HISTORY**

TOTAL TRUE & FULL VALUE - REAL PROPERTY ONLY						
Year	Ag Land	Res	Com	T&F Value	Change	% Change
2014	1,026,732	1,148,130,743	1,646,176,050	2,795,333,525		
2015	1,171,092	1,328,581,110	2,123,284,883	3,453,037,085	\$657,703,560	23.53%
2016	1,134,690	1,385,035,400	2,161,287,850	3,547,457,940	\$94,420,855	2.73%
2017	1,388,630	1,179,122,500	1,926,479,650	3,106,990,780	(\$440,467,160)	-12.42%
2018	1,534,750	1,191,825,600	1,854,083,667	3,047,444,017	(\$59,546,763)	-1.92%
2019	1,475,892	1,298,440,600	1,956,720,008	3,256,636,500	\$209,192,483	6.86%
2020	1,561,840	1,417,486,450	1,882,846,300	3,304,507,690	\$47,871,190	1.47%
2021	1,607,980	1,431,929,230	1,489,238,810	2,922,776,020	(\$381,731,670)	-11.55%
2022	1,739,730	1,502,418,270	1,486,393,520	2,990,551,520	\$67,775,500	2.32%
2023	1,785,810	1,615,338,420	1,537,649,742	3,008,551,520	\$164,222,452	5.49%



**SUMMARY OF PRIVILEGED EXEMPTIONS**

Exemption Classification	NDCC Code Number	2023		Percentage of Total Exempt
		Count	T&F Value	
Church Schools	NDCC # 57-02-08(6)	2	\$32,822,930	13.87%
Churches	NDCC # 57-02-08(7),(9)	49	\$75,193,210	31.77%
Charities / Hospitals	NDCC # 57-02-08(8)	16	\$96,646,930	40.84%
Lodges / Museums/ Clubs	NDCC # 57-02-08(11)	12	\$12,972,510	5.48%
Low Income Rentals	NDCC # 57-02-08(43)	6	\$2,958,400	1.25%
Daycares	NDCC # 57-02-08(36)	12	\$4,404,830	1.86%
Group Homes	NDCC # 57-02-08(31)	7	\$6,396,440	2.70%
<b>Total Organizations</b>		<b>105</b>	<b>\$231,395,250</b>	<b>97.77%</b>
Disabled / Wheelchair	NDCC # 57-02-08(20)	8	\$800,000	0.34%
Blind	NDCC # 57-02-08(22)	4	\$640,000	0.27%
<b>Total Blind/Disabled</b>		<b>14</b>	<b>\$1,440,000</b>	<b>0.61%</b>
New Industry	NDCC # 40-57.1-03;03P;04.1	4	\$3,090,190	1.31%
New Construction - Owner	NDCC # 57-02-08(35)	5	\$750,000	0.32%
<b>Total New Construction</b>		<b>8</b>	<b>\$3,840,190</b>	<b>1.62%</b>
<b>TOTAL PRIVILEGED EXEMPTIONS</b>		<b>127</b>	<b>\$238,957,710</b>	<b>100.00%</b>



**2022-2023 MOBILE HOME COURT OCCUPANCY**

<b><u>COURT</u></b>	<b><u># AVAILABLE</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>
Cimarron Heights	336	166	159
FM Parkway	175	106	105
Glenn Villa	104	74	70
Sand Creek Estates	226	152	113
Elm Estates	126	72	73
Springbrook Meadows	183	135	126
<b><u>TOTALS</u></b>	<b>1154</b>	<b>708</b>	<b>646</b>

*\*As of 4/10/23*

## Property Tax Basics

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The makeup of the property tax system is 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, etc.) approve budgets annually for the services they provide.
- VALUATION
  - Buyers and sellers in the market create value.
  - Assessors study market transaction and estimate value.
- TAXATION
  - Approved budgets are divided by the total taxable value and tax rates (mill levies) are set.

### *Tax Bill Estimate*

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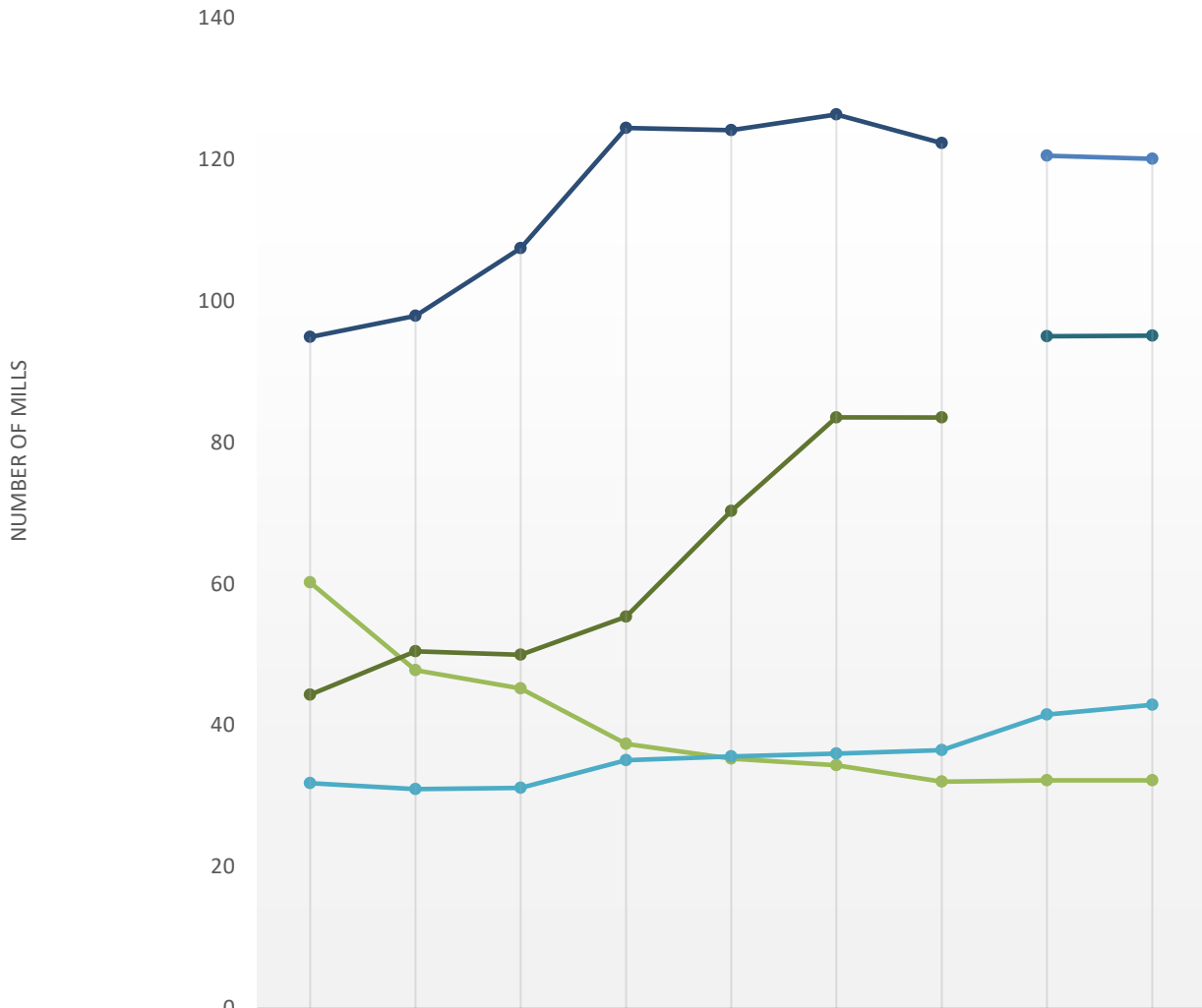
Based on True & Full Value of \$225,000 Residential

$\$225,000 \text{ True \& Full Value} \times 50\% = \text{Assessed Value } (\$112,500)$   
 $\times 9\% \text{ for Residential } (\$10,125) \text{ or } \times 10\% \text{ for Commercial/Ag} = \text{Taxable Value}$   
 $\times \text{Mills} = \text{Tax Bill}$

<u>Entity</u>	<u>Mills</u>	<u>Tax Dollars</u>	<u>%</u>
State Levy	1.00	\$10.13	0.5%
Williams County	32.21	\$326.13	16.2%
City of Williston	42.91	\$434.46	21.6%
School District #7	120.09	\$1,215.91	60.4%
Miscellaneous	2.78	\$28.15	1.4%
2022 Consolidated Mill Levy	198.99	\$1,999.50	100%

**2014-2022 MILL LEVY HISTORY**

Mill Levy history of the major taxing entities in the City of Williston



	2014	2015	2016	2017	2018	2019	2020	2021	2022
Williams County	60.20	47.78	45.24	37.37	35.32	34.37	32.04	32.21	32.21
City of Williston	31.83	30.99	31.16	35.08	35.62	36.00	36.52	41.52	42.91
School District #1	94.90	97.91	107.44	124.46	124.13	126.36	122.33		
School District #8	44.34	50.46	49.98	55.36	70.29	83.54	83.51		
School District #7								120.53	120.09
School District #7a								95.01	95.09

**MAJOR NORTH DAKOTA CITY MILL COMPARISON**

CITY	2022 Total Mill Levy	2022 City Mill Levy	Est. Tax \$125,000 Residential	Effective Tax Rate Residential	Est. Tax \$125,000 Commercial	Effective Tax Rate Commercial
Williston	198.99	42.91	\$1,119	0.90%	\$1,244	0.99%
Dickinson	232.71	44.64	\$1,309	1.05%	\$1,454	1.16%
Bismarck	254.15	77.88	\$1,430	1.14%	\$1,588	1.27%
Mandan	287.83	63.98	\$1,619	1.30%	\$1,799	1.44%
Minot	367.01	120.08	\$2,064	1.65%	\$2,294	1.84%
West Fargo	299.91	79.99	\$1,687	1.35%	\$1,874	1.50%
Fargo (School Dist #1)	301.50	53.00	\$1,696	1.36%	\$1,884	1.51%
Valley City	340.57	76.74	\$1,916	1.53%	\$2,129	1.70%
Jamestown	332.10	117.92	\$1,868	1.49%	\$2,076	1.66%
Devils Lake	331.27	93.11	\$1,863	1.49%	\$2,070	1.66%
Grand Forks	328.06	96.84	\$1,845	1.48%	\$2,050	1.64%
Wahpeton	350.43	84.82	\$1,971	1.58%	\$2,190	1.75%

City	Population	2022 Taxable Value
Fargo (School District #1)	126,748	\$714,900,052
Bismarck	73,622	\$454,803,538
Grand Forks	59,166	\$255,103,295
Minot	48,377	\$226,405,770
West Fargo	40,009	\$232,083,049
Williston	29,749	\$129,713,363
Dickinson	25,679	\$127,010,209
Mandan	24,447	\$113,129,093
Jamestown	15,620	\$52,294,775
Wahpeton	8,007	\$23,679,118
Devils Lake	7,192	\$20,254,535
Valley City	6,585	\$21,361,592