Governor Doug Burgum,
State Tax Commissioner, Ryan Rauschenberger,
State Agriculture Commissioner, Doug Goehring,
State Auditor, Joshua Gallion
State Treasurer, Kelly Schmidt
State Supervisor of Assessments, Linda Leadbetter

Start with slide 1 Challenge 2018 Assessments

Governor Burgum and commissioners,
I am Carlos Royal, I’m 75 and I’m retired. Governor you owned a business, so let me ask you. If one of your best customers, one that your Company had provided service for, for over 30 years without a complaint, came to you and said, “Doug, would you check my account? I think I am being over charged. What would you do? Would you check my account?

Slide 2 Justice or Injustice

According to the assessor, Joe Hirschfeld, no Mass Appraisal System is perfect, “even with the best models, there will be some properties that are outliers and will not fit the models.”

According to two recent independent appraisers I am being over charged on my properties as they are over assessed as to their fair market values. It is a simple complaint and one that should have been easily resolved with simple spot checks of my properties’ market values.
Slide 6 NDCC 57-12-1.1 Spot Checks

North Dakota’s Century Code 57-12-1.1 provides for spot checks but unfortunately, the County does not see “Shall provide for” as meaning mandatory, so no such spot checks of valuations have been done.

If I go to the water company and complain about my water bill, they will check my water meter.
If I go to the bank with a complaint about my bank statement they will check my account.

Slide 9 Why Spot Checks Should Be Mandatory

Governor and commissioners, I have just two questions for you.

1. Will you spot check my properties’ market values?
   
   And Second,

2. If you find them wrong will you correct them?

Those might seem like odds questions but the reason I ask the first question is so far no one from the City or County has independently spot checked my properties’ market values. The reason I ask the second questions is even though the City Commissioners agreed that my property assessments were wrong and don’t make any sense, I have received no relief.

I feel like I have been locked up for a crime I did not commit, and I have proven my innocence beyond a reasonable doubt with comparable sales, and
independent appraisals. Every City Commissioner agreed, but I am still locked up and I am still paying the fines of over assessments because the County and Assessor are the jailers and they fear someone else might come forward later and claim their innocence also. Only you can correct this injustice. Only you can restore my retirement.

**Slide 10 Owner’s Proof**

Here is a list of all the proof I have supplied to show that my properties are over assessed.

If one taxpayer proves his property assessment is wrong, should his tax assessment be corrected? Or should he be forced to pay the over assessment because others might come forward later and claim their property is also over assessed. An individual correction to the tax rolls should not be dependent upon if other errors exist or do not exist in the tax rolls.

**Slide 16 Evaluate and Correct Individual Property**

1. I ask that you evaluate and correct each property individually because a blanket percentage correction cannot fix an individual error without making all other properties wrong on the list if they were right before.
Slide 24 Century 2004 to 2018

1. Assessed values follow almost exactly NOI scaled to cap rate prior to 2014.
2. Assessed Value in 2009 is about 10 times NOI, but in 2018 it is about 130 times NOI.
3. Does anyone think investors are paying in 2018 over 130 times what they were paying for properties in Dickinson in 2009? Just does not make sense.

Slide 26 Century Percent Difference Assessed to Capitalization Value

1. The average difference between the assessed value and my value from 2004 thru 2014 or 11 years was less than .97% on average.

Slide 29 Century

Governor as a business person, do you think that if you had lost 77% of your income it would have only affected the value of your company 10%? How can a 77% decline in income only affect the 2018 assessment 9.94%? Just does not make sense.

Here we can see four different approaches to Century’s market value, I have selected Joe Ibach’s appraised value as I think it is the most accurate.

Slide 30 Eighth Ave E
For Eighth Ave E, I selected Mr. Greenlee’s appraised value corrected for actual gross income in 2017 as I believe it is the most accurate value.
Slide 31 Park Place

I did the same for Park Place but let me also point out there was an identical sale to Park Place in 2016 for $360,000. Park Place’s gross income dropped 43%, since 2016, so with simple math, it should be worth around $200,000 more or less.

Slide 32 Royal Manor

For Royal Manor again I selected Mr. Greenlee’s appraised value corrected for actual gross income in 2017

Slide 33 Silvergate Partments

The same for Silvergate

Slide 34
10 Different Methods Used to Determine, Check and Verify Values for 2018

The average for the methods used is $5,085,087 or almost exactly my selected values of $5,052,332 or the Assessor’s Values in 2014 corrected for declines in income $5,066,387 or the assessor’s GIMs in 2014 applied to actual gross incomes in 2017, $5,065,960.

Slide 35 Summary and Conclusion

I ask for these corrections to my 2018 assessments, so I am no longer unfairly taxed by over assessments and my retirement income is restored.

Thank you.

Any questions?