

STATE OF NEVADA
DEPARTMENT OF TAXATION
1999-00
REPORT OF ASSESSMENT RATIO STUDY



PREPARED BY THE
DIVISION OF ASSESSMENT STANDARDS

MAY 11, 1999

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RATIO STUDY

The Department of Taxation is required to conduct a study each year to determine the ratio of the assessed value of each type or class of property the county assessor has the responsibility of assessing to the assessed value of comparable property in the remaining counties, and to the taxable value of that type or class of property within that county. This study must include a comparison of the latest median ratio, overall ratio and coefficient of dispersion of the median for the total property for each county and for each major property class within each county. In addition, the study summarizes deficiencies discovered in each county. The study also evaluates whether each county has adequate procedures to ensure that all property subject to taxation was assessed in a correct and timely manner.

When conducting the ratio study, consideration is given to any statistical criteria that assists in establishing accurate measures of assessment equality. The study will include a report on nine counties in one year and eight counties in the next year with the same combination of counties being tested in alternate years.

The Nevada Tax Commission shall meet with the board of county commissioners, or a representative of the board, and the county assessor during the month of May to review the conclusions presented in the ratio study for that year. If the Commission finds that all property subject to taxation was assessed at the proper percentage, no action will be taken. If the Commission finds that any class of property is assessed at less or more than the proper percentage, the appropriate action will be taken. And if the Commission finds that there is property in the reappraisal area that was underassessed or overassessed when comparing the ratio of assessed value to taxable value, or if the approved land and improvement factors were not correctly applied to property in the nonreappraisal area, or new construction was not added to the assessment roll in a timely manner, it must order the county to employ appraisers to assess all real and personal property in the county subject to taxation at the rate of assessment required by law.

NRS 361.333 states that a ratio of 32 percent to 36 percent is the acceptable range when comparing taxable value to assessed value of the following classes of property:

Improvement values for the reappraisal area

Land values for the reappraisal area

Total property values for each of the following use categories in the reappraisal area:

- a. Vacant
- b. Single-family residential
- c. Multi-family residential
- d. Commercial and industrial
- e. Rural

The ratios calculated for this study were developed by comparing the existing assessment completed by the county assessor to the taxable value of a sample selected by division appraisers. The statistics produced from the sample form the basis for the report on each type of property defined in NRS 361.333.

The purpose of this ratio study is to:

- Analyze the assessments in the physical reappraisal area to ensure that the sample of properties have ratios between 32 percent and 36 percent.

Gather information concerning land and improvement values, personal property values, and general office procedures in each county. The division's goal is to ensure consistent procedures are applied by the 17 county assessors.

Determine if each county has adequate procedures in place to ensure that all property subject to taxation was assessed in a correct and timely manner.

Review assessments in the factored area to ensure that the approved land and improvement factors were applied in a correct and timely manner, and that new construction values were added to the appropriate roll timely.

Analyze and rate all areas and recommend corrective action for those areas. The rating system is:

- 3 - *MEETS STANDARDS*: Meets the standards established by the division and complies with the statutes and regulations. Indicates efficient and effective office management and appraisal practices.
- 2 - *NEEDS IMPROVEMENT*: Does not fully meet the standards established by the division or fully comply with statutes and regulations. Certain aspects of office management and appraisal practice need substantial improvement.
- 1 - *DEFICIENT*: Deficiencies found. Does not meet the standards established by the division or comply with statutes and regulations. Office management and appraisal practice need substantial improvement.

The statistics selected to analyze the sample of properties chosen for the study were used to evaluate the tendency of the sample to cluster around a central point, that being the 35 percent assessment ratio established by the legislature. Other statistics were used to measure the extent that the samples deviate from the point of central tendency.

OVERALL RATIO - The overall ratio is calculated by dividing the total assessed value of the sample by the total taxable value of the sample. This statistic is weighted because the samples with higher values carry more influence than the samples with lower values. The statistic is useful because it will assist with identifying if the assessor is under or over valuing the higher assessed property in the county.

MEDIAN RATIO - The median, in effect, divides the sample into two equal parts. Half of the data falls below and half above the central point. The median ratio is not influenced by numerical values on either side of it. All that is important is whether the values are higher or lower, not how much higher or lower. This statistic is valuable because of the expectation that the sample ratios should be close to the statutory 35 percent assessment ratio.

COEFFICIENT OF DISPERSION - This statistic is useful because it indicates the degree of deviation the sample is from the median. It is calculated by computing the difference between each ratio in the sample and the median ratio. The absolute values of the differences are summed and divided by the number of observations in the sample to obtain the average absolute deviation. This is then divided by the median to calculate the COD. The higher the coefficient is, the lower the level of uniformity in the assessments.

SUMMARIES - The study includes summaries that compare each county's statistics. Another summary compares the division's findings concerning various office procedures with the consistency found from office to office in reporting and maintaining assessment records.

SUMMARY OF STUDY RESULTS

1999-00 RATIO STUDY

REAL PROPERTY

	CC	CH	EL	EU	LN	MN	PE	ST	WA
Sales Collection	3	3	3	3	3	3	3	3	3
Sales Verification	3	3	3	3	3	3	3	3	3
Sales Data Base	3	3	3	3	3	3	3	3	3
Vacant Land (excluding agricultural property)	3	3	3	N/A	3	3	3	3	3
Subdivision Analysis	3	3	2	3	3	3	3	3	3
Single-family Residential Land	3	3	3	N/A	3	3	3	3	3
Multi-family Residential Land	3	3	3	N/A	3	3	3	3	3
Commercial and Industrial Land	3	3	3	N/A	3	3	3	3	3
Factors	3	3	3	3	3	3	3	3	3
Single-family Residential Improvements	3	3	3	N/A	3	3	3	3	3
Multi-family Residential Improvements	3	3	3	N/A	3	3	3	3	3
Commercial and Industrial Improvements	3	3	3	N/A	3	3	2	3	3
Minor Improvements	3	3	3	N/A	3	3	3	3	3
New Construction Valuation	3	3	3	3	3	3	3	3	3
Agricultural Land	N/A	N/A	3	3	3	1	N/A	N/A	3
Agricultural Land Records	N/A	N/A	3	3	3	1	N/A	N/A	3
Agricultural Land Classification Maps	N/A	N/A	3	3	3	2	N/A	N/A	3
Agricultural Bulletin Use	N/A	N/A	3	3	3	3	N/A	N/A	3
Residential Homesite Valuation	N/A	N/A	3	3	3	3	N/A	N/A	3
Agricultural Improvements	N/A	N/A	3	3	3	1	N/A	N/A	3
Deferred Taxes	3	3	3	3	3	3	3	3	3
Higher Use	N/A	3	N/A	N/A	N/A	N/A	3	N/A	3
Agricultural Land Conversions	3	3	3	N/A	N/A	N/A	N/A	3	3
Assessment Maps	3	3	1	3	2	3	3	2	3
Prescribed Parceling System	3	3	1	3	3	3	3	3	3

PERSONAL PROPERTY

Discovery	3	3	3	3	3	3	3	3	3
Record-keeping	3	3	3	3	3	3	3	3	3
Agricultural	3	3	3	3	3	3	3	3	2
Business Property	3	3	3	3	3	3	2	3	2
Mobile Homes	3	3	3	3	3	3	3	3	3
Billboards	3	3	3	N/A	N/A	3	3	3	3
Aircraft	3	3	3	3	3	2	3	N/A	3
Migratory Property	3	3	3	3	3	3	3	3	3
Billing/Collection (penalties applied, seizure and sale)	3	3	3	3	3	1	3	3	3

OFFICE PROCEDURES

Possessory Interest Valuation - Real Property	3	3	3	N/A	3	1	3	N/A	3
Possessory Interest Valuation - Personal Property	N/A	3	N/A	N/A	3	1	N/A	N/A	N/A
Statutes and Regulations	3	3	3	3	3	3	3	3	3
Cost Manuals and Systems	3	3	2	3	3	2	3	3	3
Appraisal Records	3	3	3	3	3	3	3	3	3
Filing System	3	3	3	3	3	3	3	3	3
Reports	3	3	3	3	3	3	3	3	3
Appeal Preparation and Presentations	3	3	3	3	3	3	3	3	3
Reopened Roll Log	3	3	2	3	3	3	3	3	3
Obsolescence	3	3	2	N/A	3	2	N/A	3	3
New Construction	3	3	3	3	3	3	3	3	3
Land Use and Exemption Codes	3	3	3	3	3	3	3	3	3
Appraisal Cycle	3	3	3	3	3	3	3	3	3
Improvement Factoring	3	3	3	3	3	3	3	3	3
Appraiser Certifications	3	3	3	3	3	3	3	3	3
Appraisers Training Requirements	3	3	3	3	3	3	3	3	3

SUMMARY
1999-00 RATIO STUDY
MEDIAN RATIOS

	ALL PROP	IMPR	LAND	VACANT	SFR	MULTI	COMM IND	RURAL
CARSON CITY	34.5	34.8	34.0	34.4	34.6	34.2	34.4	0.0
CHURCHILL	34.4	34.3	34.5	33.5	34.6	34.4	34.6	0.0
CLARK	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DOUGLAS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ELKO	34.4	35.0	34.9	34.1	34.2	35.0	34.6	34.9
ESMERALDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EUREKA	34.3	34.6	34.7	0.0	0.0	0.0	0.0	34.3
HUMBOLDT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	34.9
LANDER	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
LINCOLN	32.6	32.8	32.5	32.1	32.8	32.9	32.1	34.5
LYON	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
MINERAL	34.1	33.7	34.6	34.7	33.8	33.9	33.7	33.5
NYE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PERSHING	34.3	34.6	34.3	34.3	34.5	34.6	33.9	0.0
STOREY	35.0	35.0	35.0	35.0	34.7	35.1	35.2	0.0
WASHOE	34.5	34.4	35.0	35.0	34.5	34.2	34.4	34.7
WHITE PINE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

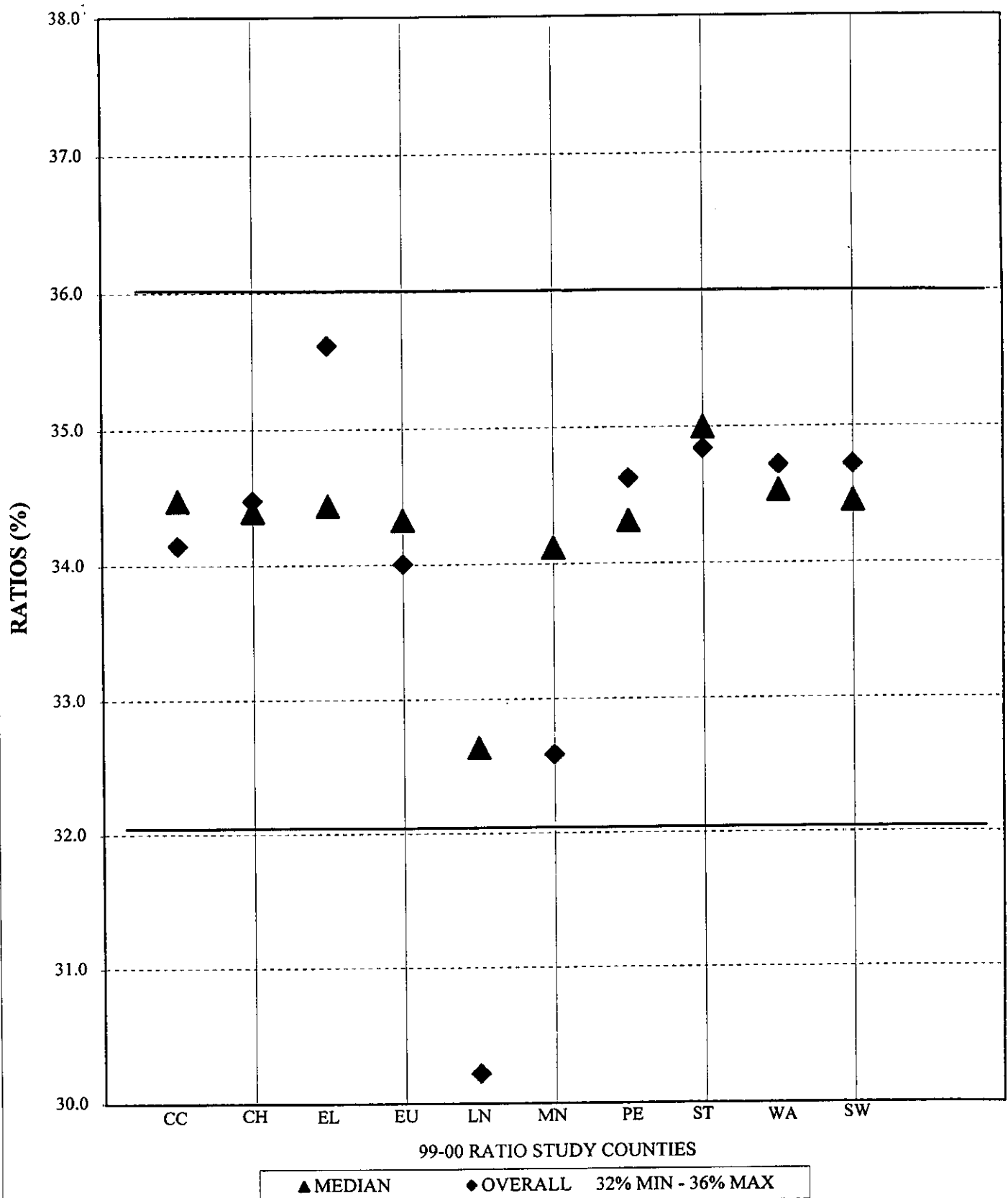
SUMMARY
1999-00 RATIO STUDY
OVERALL RATIOS

	ALL PROP	IMPR	LAND	VACANT	SFR	MULTI	COMM IND	RURAL
CARSON CITY	34.1	34.2	34.0	34.1	34.4	34.0	34.0	0.0
CHURCHILL	34.5	34.4	34.8	33.5	34.5	34.8	34.5	0.0
CLARK	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DOUGLAS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ELKO	35.6	35.7	34.2	33.7	34.2	34.9	35.8	33.8
ESMERALDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EUREKA	34.0	33.7	34.1	0.0	0.0	0.0	0.0	34.0
HUMBOLDT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
LANDER	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
LINCOLN	30.2	28.5	33.6	32.4	31.8	32.7	23.6	34.8
LYON	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
MINERAL	32.6	32.1	33.1	34.5	33.6	34.7	29.8	31.0
NYE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PERSHING	34.6	34.7	34.2	34.8	34.6	34.9	34.4	0.0
STOREY	34.8	34.8	34.7	35.0	34.6	34.6	35.5	0.0
WASHOE	34.7	34.7	34.6	35.4	34.5	34.0	35.0	34.7
WHITE PINE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

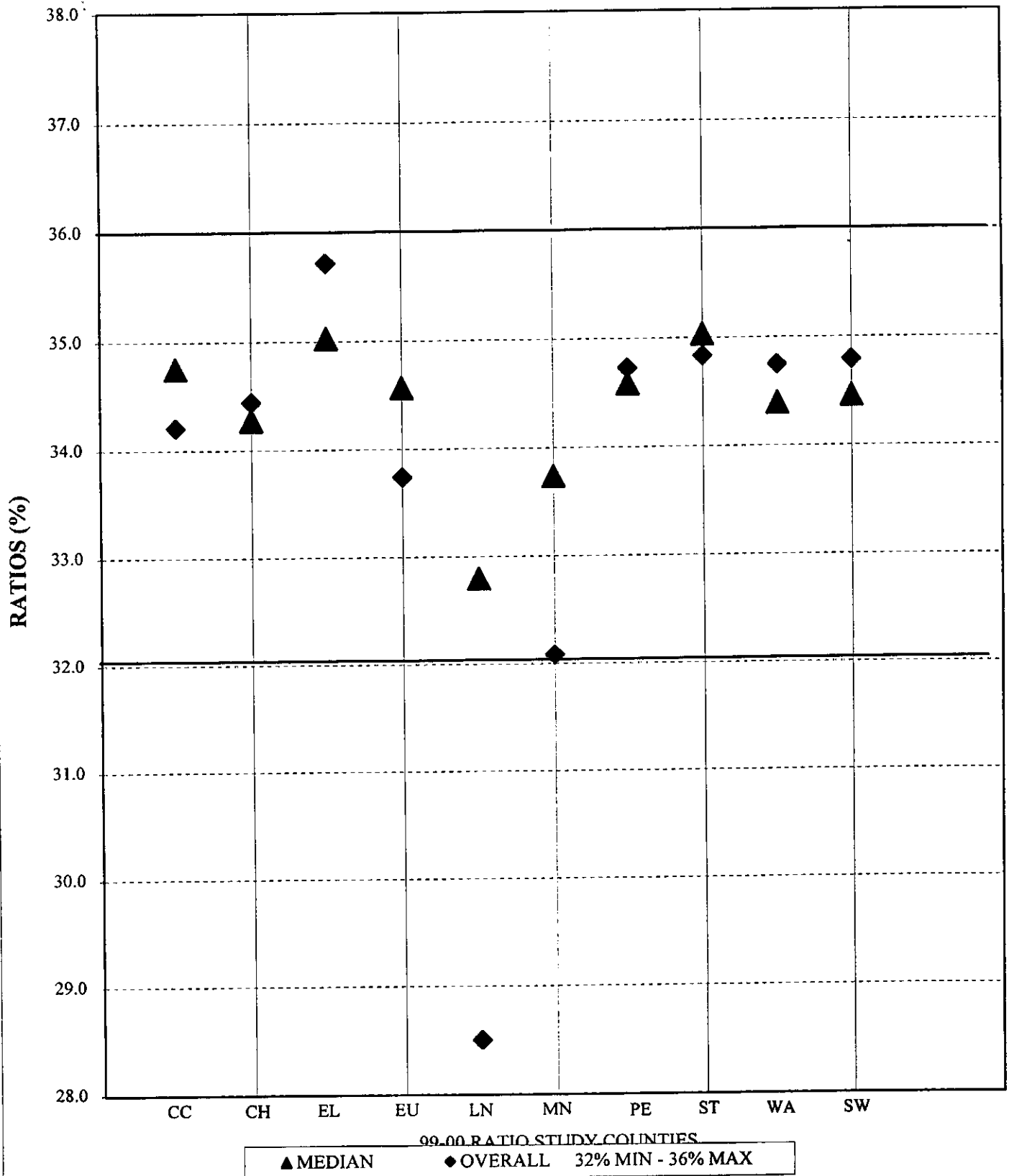
SUMMARY
1999-00 RATIO STUDY
COEFFICIENT OF DISPERSION

	ALL PROP	IMPR	LAND	VACANT	SFR	MULTI	COMM IND	RURAL
CARSON CITY	2.5%	5.1%	2.9%	3.3%	1.8%	3.1%	3.4%	0.0%
CHURCHILL	2.1%	2.8%	2.9%	1.8%	2.2%	1.0%	2.1%	0.0%
CLARK	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DOUGLAS	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ELKO	2.8%	1.4%	3.5%	2.3%	1.8%	1.0%	1.8%	8.7%
ESMERALDA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EUREKA	2.3%	3.2%	2.6%	0.0%	0.0%	0.0%	0.0%	2.3%
HUMBOLDT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
LANDER	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
LINCOLN	4.7%	6.1%	3.6%	1.4%	4.6%	1.4%	10.7%	3.1%
LYON	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MINERAL	18.8%	8.4%	5.8%	1.0%	2.3%	3.1%	4.4%	96.4%
NYE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
PERSHING	4.5%	9.1%	2.4%	2.2%	2.8%	2.5%	9.1%	0.0%
STOREY	0.9%	2.2%	0.9%	0.0%	1.9%	1.6%	1.3%	0.0%
WASHOE	2.3%	3.4%	1.5%	2.9%	2.1%	2.8%	2.0%	0.8%
WHITE PINE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

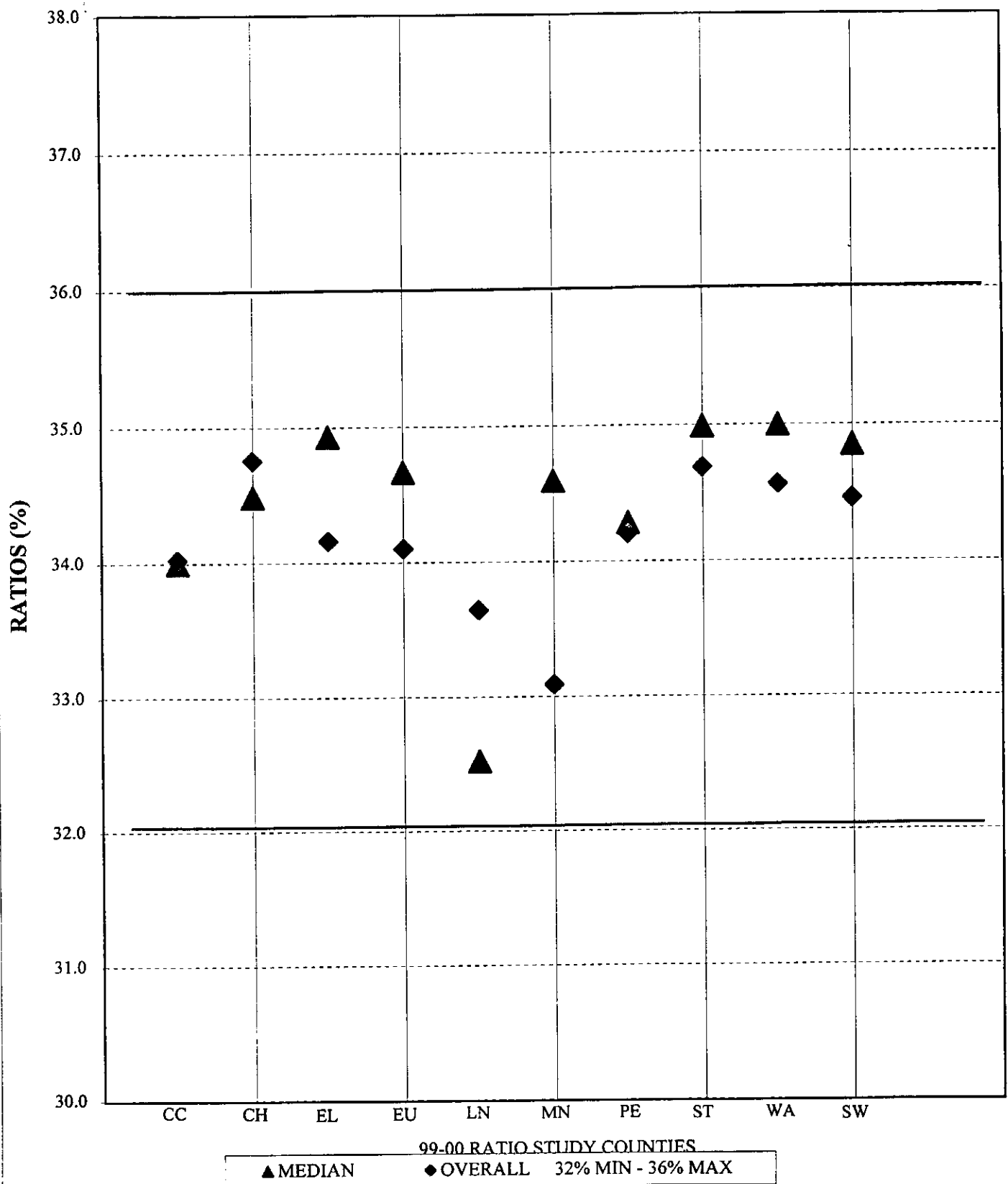
REAPPRAISAL AREA - ALL PROPERTY MEDIAN VS OVERALL



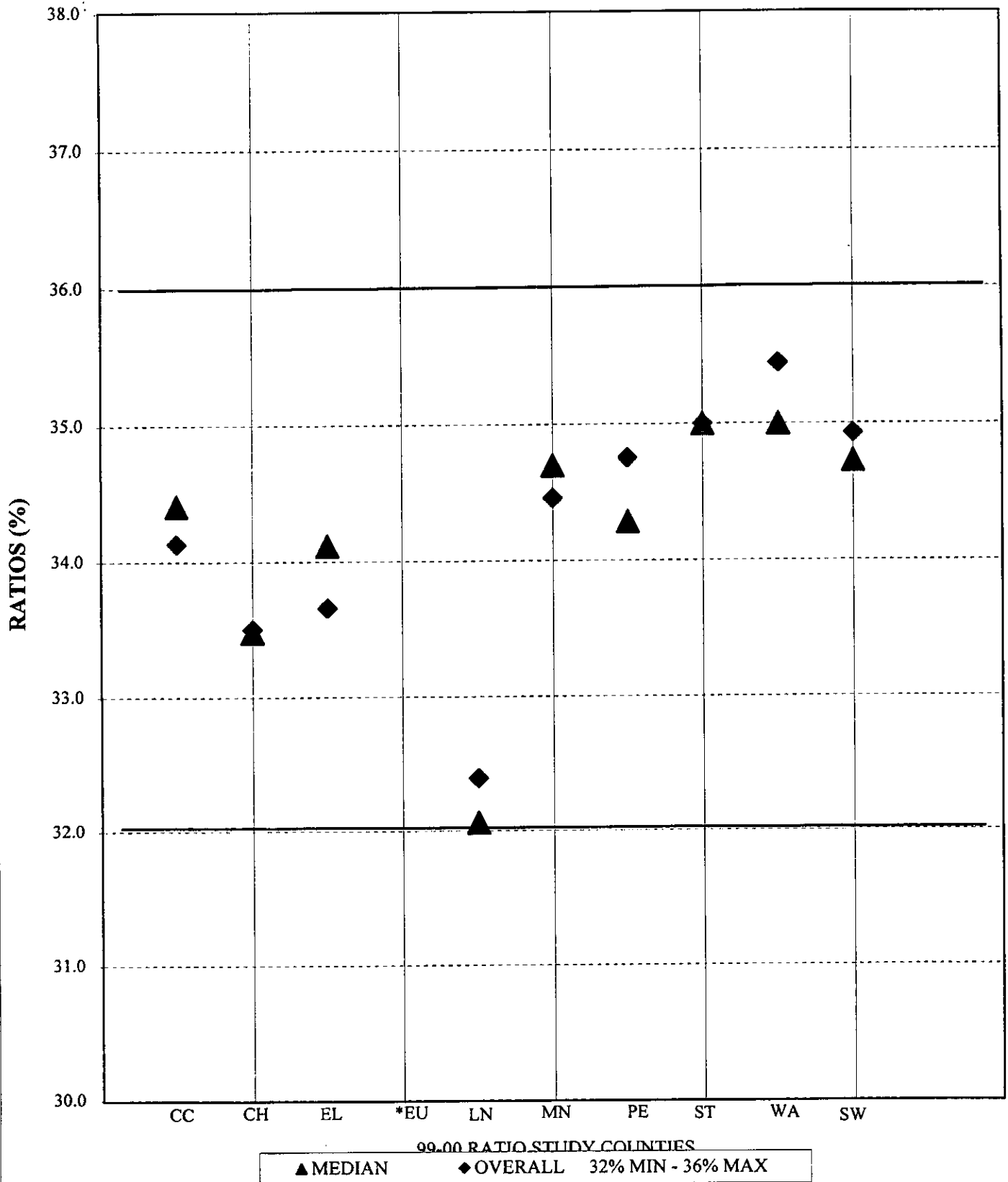
REAPPRAISAL AREA - IMPROVEMENTS MEDIAN VS OVERALL



REAPPRAISAL AREA - LAND MEDIAN VS OVERALL

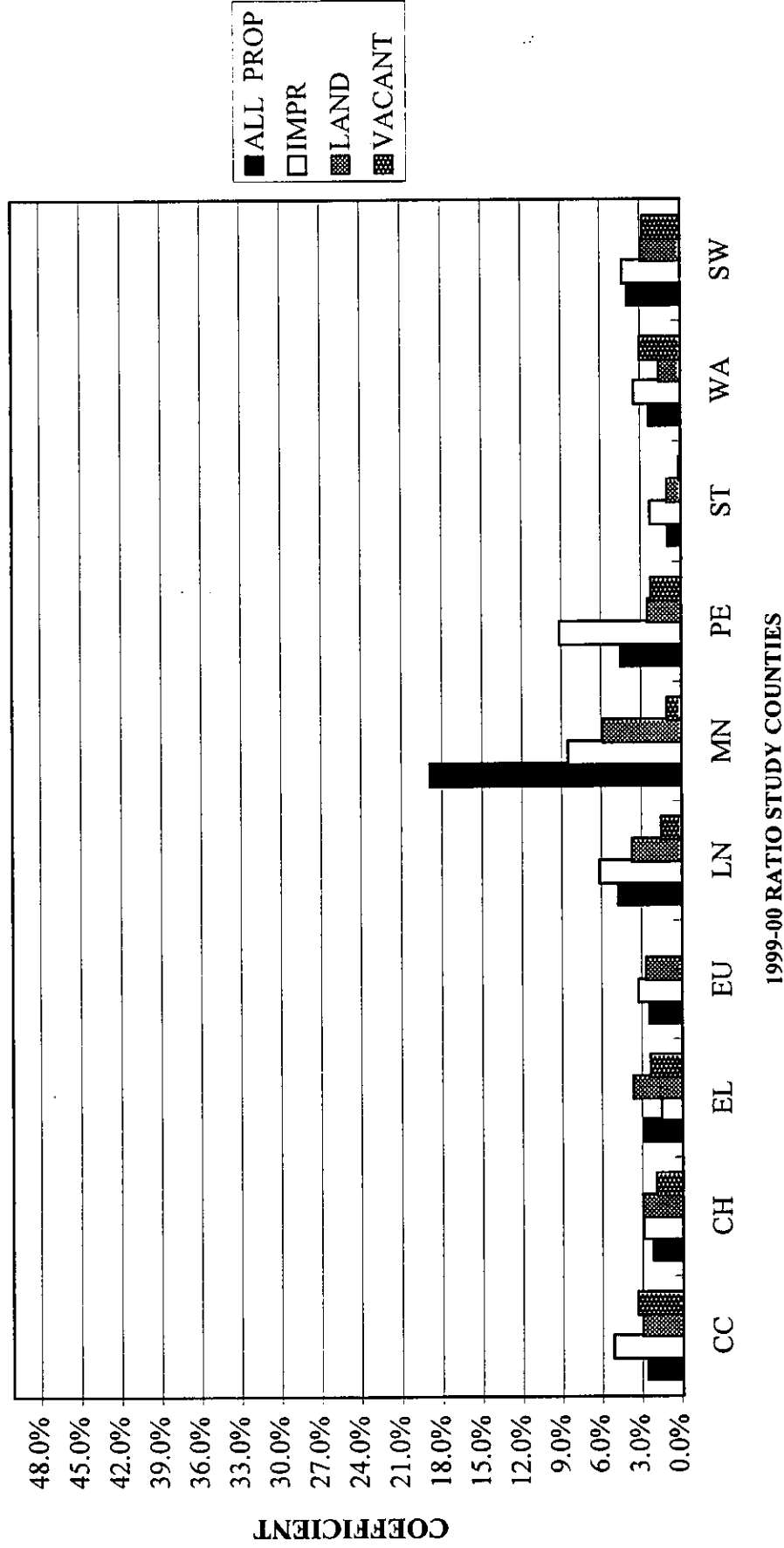


REAPPRAISAL AREA - VACANT MEDIAN VS OVERALL



*Eureka County Vacant Land was not included in this Ratio Study

REAPPRAISAL AREA COEFFICIENT OF DISPERSION



*Eureka County Vacant Land was not included in this Ratio Study

**CARSON CITY
1999-00 RATIO STUDY**

REAL PROPERTY	MEDIAN RATIO	OVERALL RATIO	C.O.D. MEDIAN	SAMPLE SIZE
ALL PROPERTY	34.5	34.1	2.5%	92
IMPROVEMENTS	34.8	34.2	5.1%	72
IMPROVED LAND	34.0	34.0	2.9%	72
VACANT	34.4	34.1	3.3%	20
SFR IMPROVEMENTS	34.8	34.8	2.5%	50
SFR LAND	34.0	33.6	2.7%	50
SFR TOTAL	34.6	34.4	1.8%	50
MULTI IMPROVEMENTS	34.1	33.9	16.5%	11
MULTI LAND	35.0	34.2	2.8%	11
MULTI TOTAL	34.2	34.0	3.1%	11
COMM & INDUSTRIAL IMPROVEMENTS	34.1	33.8	5.2%	11
COMM & INDUSTRIAL LAND	35.0	34.4	2.1%	11
COMM & INDUSTRIAL TOTAL	34.4	34.0	3.4%	11
RURAL IMPROVEMENTS	0.0	0.0	0.0%	0
RURAL LAND	0.0	0.0	0.0%	0
RURAL TOTAL	0.0	0.0	0.0%	0
SECURED PERSONAL PROPERTY				
ALL SECURED	35.0	35.2	0.55%	53
AIRCRAFT	0.0	0.0	0.00%	0
AGRICULTURAL	0.0	0.0	0.00%	0
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.0	35.0	0.01%	5
MOBILE HOMES	35.0	35.2	0.60%	48
UNSECURED PERSONAL PROPERTY				
ALL UNSECURED	35.0	35.0	0.20%	271
AIRCRAFT	35.0	35.0	0.23%	50
AGRICULTURAL	35.0	35.0	0.97%	5
BILLBOARDS	35.0	35.0	0.01%	3
COMMERCIAL-INDUSTRIAL	35.0	35.0	0.22%	71
MOBILE HOMES	35.0	35.0	0.14%	142
TOTAL PERSONAL PROPERTY	35.0	35.0	0.25%	324

CARSON CITY
1999-00 RATIO STUDY

Carson City's reappraisal area includes the businesses and subdivisions located in the south suburban quarter of the county. The area includes all of Book 9 and contains 2,901 nonagricultural parcels, one agricultural parcel, and represents 16.5 percent of the parcels in the county. Two thousand six hundred and seventeen of these parcels are improved. The division's sample consists of 50 single-family residential (2%), 11 multi-family residential (13%), 11 commercial (8%) and 20 vacant (7%) properties.

STUDY RESULTS

<u>REAL PROPERTY</u>	<u>RATING</u>
Sales Collection	3
Sales Verification	3
Sales Data Base	3
Vacant Land (excluding agricultural property)	3
Subdivision Analysis	3
Single-family Residential Land	3
Multi-family Residential Land	3
Commercial and Industrial Land	3
Factors	3
Single-family Residential Improvements	3
Multi-family Residential Improvements	3
Commercial and Industrial Improvements	3
Minor Improvements	3
New Construction Valuation	3
Agricultural Land	No Agricultural Sample
Agricultural Land Records	"
Agricultural Land Classification Maps	"
Agricultural Bulletin Use	"
Residential Homesite Valuation	"
Agricultural Improvements	"
Deferred Taxes	3
Higher Use	N/A
Agricultural Land Conversions	3
Assessment Maps	3
Prescribed Parceling System	3

PERSONAL PROPERTY

Discovery	3
Record-keeping	3
Agricultural/Business Property	3
Mobile Homes	3
Billboards	3
Aircraft	3
Migratory Property	3
Billing/Collection (penalties applied, seizure and sale)	3

OFFICE PROCEDURES

Possessory Interest Valuation - Real & Personal Property	3
Statutes and Regulations	3
Cost Manuals and Systems	3
Appraisal Records	3
Filing System	3
Reports	3
Appeal Preparation and Presentations	3
Reopened Roll Log	3
Obsolescence	3
New Construction	3
Land Use and Exemption Codes	3
Appraisal Cycle	3
Improvement Factoring	3
Appraiser Certifications	3
Appraisers Training Requirements	3

DIVISION'S ANALYSIS AND RECOMMENDATIONS

Sales Collection: Copies of deeds and declarations of value sent from the recorder's office are the assessor's main source of sales data. These documents are the basis of the assessor's sales data bank.

Sales Verification: The assessor uses the declarations of value as the primary method of verification. Sales verification letters are sent to the buyer and seller for additional information. The assessor also uses direct contact with buyers, sellers, and real estate professionals for specific information.

Sales Data Base: The sales data is entered on the primary record for each parcel book. Carson City is experiencing significant growth resulting in many sales of real property. A review of the sales data bank found it to be correct and complete.

Vacant Land (excluding agricultural property): Twenty vacant parcels were included in the study; all were within ratio parameters. The sample resulted in a median ratio of 34.4 percent and a coefficient of dispersion of 3.3 percent.

Subdivision Analysis: The assessor has analyzed all qualified subdivisions in Carson City. Currently there are 17 property ownerships that have qualified for analysis. The assessor's staff calculated and applied the appropriate land values as directed by NAC 361.129. A review of the assessor's backup material found the method used and the resulting values to be correct.

Single-family Residential Land: Fifty improved single-family residential properties were included in the study. One of the samples was not within ratio parameters due to the assessor's decision to incorrectly value contiguous parcels under one ownership as if they were one parcel. This resulted in the subject parcel being valued lower than similar parcels in the area. The sample resulted in a median ratio of 34.0 percent and a coefficient of dispersion of 2.7 percent.

Multi-family Residential Land: Eleven improved multi-family residential properties were included in the study. One of the samples was not within ratio parameters due to the assessor's decision to incorrectly value contiguous parcels under one ownership as if they were one parcel. This resulted in the subject parcel being valued lower than similar parcels in the area. The sample resulted in a median ratio of 35.0 percent and a coefficient of dispersion of 2.8 percent.

Commercial and Industrial Land: Eleven improved commercial/industrial properties were included in the study; all were within ratio parameters. The commercial land values are very close to market value and reflect utilization of the sales data bank. The sample resulted in a median of 35.0 percent and a coefficient of dispersion of 2.1 percent.

Factors: The assessor's large sales data bank is used in establishing land factors. The assessor has established factor areas and has a working knowledge of the land factor program and the factoring process. The factors were correctly applied.

Single-family Residential Improvements: Fifty improved single-family residential properties were included in the study. Only three properties were not within ratio parameters due to minor differences in the appraisals. The assessor's staff is doing a good job of valuing this improvement type. The sample resulted in a median ratio of 34.8 percent and a coefficient of dispersion of 2.5 percent.

Multi-family Residential Improvements: Eleven improved multi-family residential properties were included in the study. Only two properties were not within ratio parameters. The errors that were discovered reflected recent changes that occurred after the assessor's inspection. The assessor's staff is doing a good job of valuing this improvement type. The sample resulted in a median ratio of 34.1 percent and a coefficient of dispersion of 16.5 percent.

Commercial and Industrial Improvements: Eleven improved commercial/industrial properties were included in the study. Only two properties were not within ratio parameters. The errors that were discovered reflected a difference in classification and the method of valuing service station equipment. The assessor's staff is doing a good job of valuing this improvement type. The sample resulted in a median ratio of 34.1 percent and a coefficient of dispersion of 5.2 percent.

Minor Improvements: The assessor's staff is consistently identifying and correctly valuing minor improvements; of 72 samples, only four reflected errors in valuing minor improvements.

New Construction Valuation: New construction is discovered through the use of the county building permit system. Nearly all-new construction is discovered in this manner. The assessor has one real property appraiser that discovers and values new construction throughout the year. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several parcels with new construction shows that the improvements are being correctly valued and depreciated.

The assessor has established an informal policy to assure that all new construction that is at least 40 percent complete is valued and placed on the roll. However, if a new improvement is found to be less than 40 percent complete on the lien date, it is not valued for the current tax year.

Agricultural Land: N/A

Agricultural Land Records: N/A

Agricultural Land Classification Maps: N/A

Agricultural Bulletin Use: N/A

Residential Homesite Valuation: N/A

Agricultural Improvements: N/A

Deferred Taxes: A review of the procedures utilized by the assessor in calculating and collecting deferred taxes indicates that the proper methodology is being applied.

Higher Use: Carson City has no higher use (multi-residential or commercial use) areas on agricultural land.

Agricultural Land Conversions: The assessor listed seven parcels totaling 302.715 acres which were converted from agricultural use to residential or commercial/industrial uses during the 1998 calendar year. In all of the cases reviewed, the assessor's calculations of deferred taxes were correct.

Assessment Maps: The assessor's maps are prepared by the assessor's mapping department. They are of very good quality and easy to use.

Prescribed Parceling System: The assessor uses the prescribed parceling system. Summary or referral parcel numbers are not used in Carson City. However, on some parcels where an improvement is on two or more parcels the assessor apportions the improvement value between each parcel. The apportioned value is sometimes incorrect. The Department recommends that the assessor combine these parcels under one parcel number.

PERSONAL PROPERTY

Discovery: As stated in previous ratio studies, Carson City does an excellent job of discovering personal property within the county. Mobile homes are discovered through building permits, Dealer's Report of Sales (DRSs), moving permits and field inspections. Approximately twice each year the assessor's office sends out an inquiry letter to the mobile home parks located in the county. The parks reply with a list of all the mobiles located in the park. This list is then verified through a field inspection. Billboards are discovered during reappraisal and through building permits. Aircraft are discovered through FAA reports and through the department of taxation sales tax reports. The assessor sends an inquiry letter to the larger aircraft hanger owners and asks for a list of tenants and tail numbers. The airport is visited several times each year to verify that aircraft reported hangered or tied down at the airport are accounted for. If the assessor finds an aircraft that is not on record, the tail number is referenced for future inspection. If the same aircraft is sighted at the airport several times the assessor will send the owner an inquiry letter and declaration. Businesses are tracked through business licenses. The treasurer issues business licenses and distributes a copy to the assessor. The assessor also performs field inspections several times a year. The assessor checks their list of businesses against the treasurer's list of business licenses to ensure all businesses have been assessed and that all information is current. This system is very effective for the assessor and staff.

Record-keeping: Carson City's personal property files are well organized and managed. Personal property accounts are filed in individual file folders and are easy to locate. Mobile home accounts are filed by account number. The aircraft declarations are filed by tail number. Business accounts are filed in alphabetical order with current and previous year's declarations contained in the file. Agricultural and billboard accounts are filed in alphabetical order. All files are neat and orderly. Inactive accounts are filed separately and maintained for several years.

Agricultural Property: This is a fairly small category for personal property in Carson City. There are no secured agricultural personal property accounts. Five unsecured agricultural property accounts were reviewed and no outliers were found. The assessor is correctly assessing this type of property. The sample resulted in a median ratio of 35 percent with a coefficient of dispersion of .97 percent.

Business Property: The division sampled 76 properties, 5 secured and 71 unsecured; of these, one outlier was found. The outlier resulted from a combination of an incorrect class life assignment and an incorrect year of acquisition. Of the other samples reviewed in this category, a few incorrect class life assignments and some input errors were found. These were isolated errors and did not result in any additional samples being out of tolerance. The declaration is designed for class life reporting by year on the front and for itemization of additions and deletions on the back. This allows the assessor and staff to review and make any necessary corrections needed. The county has a 90-95 percent rate of return on declarations. This is due to the diligence of the assessor and staff. All commercial accounts are initially sent a declaration. If the owner does not respond, a second declaration is sent. If again no response is received, the assessor visits the business and delivers a declaration for the owner to complete. The assessor and staff are doing a good job of assessing this property category. All measures of central tendency were 35 percent.

Mobile Homes: One hundred and ninety mobile homes, 48 secured and 142 unsecured were reviewed; of these, two were found to be out of tolerance. One was due to an input error and the other was due to an incorrect manufacture year. One staff member manages this category and is doing a very good job. The county maintains a separate file on every mobile home for minor improvements of real and personal property items. Real property items are being assessed and depreciated correctly. All measures of central tendency were 35 percent. The coefficient of dispersion was 0.60 and 0.14 percent respectively.

Billboards: Approximately 60 percent of the billboard accounts were sampled and found to have a perfect median ratio of 35 percent. The staff is correctly assessing this type of property.

Aircraft: Carson City has a substantial number of aircraft. The division's sample covered approximately 30 percent of the total population for this property type. The measure of central tendency is 35 percent with a coefficient of dispersion of 0.23 percent. The assessor and staff are correctly assessing this type of property. All samples were within tolerance.

Migratory Property: At the present time, the assessor doesn't have any migratory property in the county. Occasionally, some construction equipment will not remain for the full year. Mobile homes that enter the county after July 1 and are likely to remain the entire year are correctly assessed for the first time on the following year's tax roll.

Billing/Collection (penalties applied, seizure and sale): Based on a low delinquency rate, the county is doing a good job of collecting unsecured taxes. Appropriate penalties and interest are being applied to accounts in accordance with statutes. The assessor sent out between 50-75 seizure notices this past year. Approximately 5 were seized, however, none were sold because the taxpayer paid the taxes prior to the sale. The assessor does not apply an estimated assessment for taxpayers that do not return the required declaration. Instead, the assessor visits the establishment and bases the assessment on a physical inspection of the property.

OFFICE PROCEDURES

Possessory Interest Valuation - Real Property: Possessory interests valued by the assessor in Carson City are those residences that have been purchased by the state in order to build the Carson City U.S. 395 Bypass and are currently rented out to the public on a month to month lease agreement. The assessor has correctly applied a land and improvement value to those parcels. In addition, the outpatient facility at the hospital and the hangars at the county airport are valued as possessory interests. The outpatient facility at the hospital includes a land and improvement value. The improvements at the county airport only have an improvement value, which is applied in accordance with NRS 361.157.

Possessory Interest Valuation – Personal Property: There are no personal property possessory interests in Carson City.

Statutes and Regulations: The Nevada Revised Statutes and the Nevada Administrative Code are available in the assessor's office. Both have been correctly updated.

Cost Manuals and Systems: The assessor uses the Marshall and Swift computer cost estimator program to value the majority of the major improvements. The estimator updates are loaded into the computer once each year at the beginning of the work year. The September 1997 update is used for the residential property and the October 1997 update is being used for the commercial property. The assessor has four copies of the Assessor's Handbook of Rural Building Costs, four copies of the Marshall and Swift Residential Handbook and two copies of the Marshall and Swift Commercial Handbook. All of the manuals have been updated correctly. Some local costs, which are surveyed on a yearly basis, are also used to value some minor improvements such as concrete flat work and asphalt.

Appraisal Records: The information in the files is complete, correct and up to date. Each property record folder does contain the most recent Marshall and Swift data entry form and computer printout as well as several older data entry forms. The files also contain a recent picture of the improvements, which are now being taken with digital cameras and a building sketch from the Apex sketch program. The files may also contain building permits, correspondence, appeal documents pertaining to the property, and a new construction breakdown sheet for those parcels having new construction. The majority of the information in the files is necessary to explain and defend the appraisals.

Filing System: The assessor's real property record files are organized in parcel number order. This system allows for easy retrieval and is efficient to use.

Reports: The numerous reports required of the assessor were completed correctly and delivered on time.

Appeals Preparation and Presentation: For this tax year there were a total of six appeals to the Carson City Board of Equalization. There were no appeals to the State Board of Equalization.

Reopened Roll Log: The roll log, required by NRS 361.310 to be received by the division on or before October 31, 1998, was received on October 26, 1998 and was completed correctly.

Obsolescence: The assessor has applied obsolescence to 33 properties in Carson City. Obsolescence was applied for several reasons; some have been reduced based on the property's income, some were reduced due to deferred maintenance and the boards of equalization have reduced others. The division reviewed the data on several of these parcels and found the assessor's method and final value to be supportable.

New Construction: New construction is discovered through the use of the county building permit system. Nearly all new construction is discovered in this manner. The assessor has one real property appraiser that discovers and values new construction throughout the year. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several parcels with new construction shows that the improvements are being correctly valued and depreciated.

The assessor has established an informal policy to assure that all new construction that is at least 40 percent complete is valued and placed on the roll. However, if a new improvement is found to be less than 40 percent complete on the lien date, it is not valued for the current tax year.

Land Use and Exemption Codes: A review of the assessment roll revealed that the assessor is correctly applying the land use and exemption codes.

Appraisal Cycle: The assessor uses a four-year reappraisal cycle. During this ratio study, Book 9, which is the south half of the Carson City rural area, was reappraised. This area represents approximately 19 percent of the improved parcels. In 1997, Book 8, which is the northeast portion of the urban and rural area of Carson City, was reappraised. This area represents approximately 24 percent of the county. In 1996, approximately 24 percent of the county was reappraised. This included Books 3, 4 and 7. These books involve the South half of the urban area and West portion of the rural area in Carson City. The 1999 reappraisal plan includes Books 1 and 10, which includes the northwest urban area and the south portion of the rural area. The existing reappraisal cycle appears to work well for the assessor, does conform to statute requirements, and is manageable with the available staff.

Improvement Factoring: The assessor uses a composite improvement factor that includes an additional year of depreciation. This results in those improvements that are 50 years old and older receiving depreciation beyond the 75 percent maximum. This is corrected during reappraisal.

Appraiser Certifications: The division has certified the assessor and two real property appraisers to appraise for ad valorem tax purposes. In addition, the division has certified one member of the assessor's staff in the valuation of personal property.

Appraisers Training Requirements: All of the Carson City staff appraisers are presently in compliance with NRS 361.223. Additional training hours will be required in the year 2000.

CHURCHILL COUNTY
1999-00 RATIO STUDY

Churchill County's reappraisal is area four, which is the City of Fallon, to include unincorporated areas within the city limits. Area four contains 10 agricultural parcels and 2,828 nonagricultural parcels (2,574 improved). The reappraisal area represents 26 percent of the county. The division's sample consists of 15 commercial (4%), 10 multi-family (3%), 48 single-family residential (2.5%), and 15 vacant (1%) properties.

STUDY RESULTS

<u>REAL PROPERTY</u>	<u>RATING</u>
Sales Collection	3
Sales Verification	3
Sales Data Base	3
Vacant Land (excluding agricultural property)	3
Subdivision Analysis	3
Single-family Residential Land	3
Multi-family Residential Land	3
Commercial and Industrial Land	3
Factors	3
Single-family Residential Improvements	3
Multi-family Residential Improvements	3
Commercial and Industrial Improvements	3
Minor Improvements	3
New Construction Valuation	3
Agricultural Land	No Agricultural Sample
Agricultural Land Records	"
Agricultural Land Classification Maps	"
Agricultural Bulletin Use	"
Residential Homesite Valuation	"
Agricultural Improvements	"
Deferred Taxes	3
Higher Use	3
Agricultural Land Conversions	3
Assessment Maps	3
Prescribed Parceling System	3

PERSONAL PROPERTY

Discovery	3
Record-keeping	3
Agricultural/Business Property	3
Mobile Homes	3
Billboards	3
Aircraft	3
Migratory Property	3
Billing/Collection (penalties applied, seizure and sale)	3

OFFICE PROCEDURES

Possessory Interest Valuation - Real & Personal Property	3
Statutes and Regulations	3
Cost Manuals and Systems	3
Appraisal Records	3
Filing System	3
Reports	3
Appeal Preparation and Presentations	3
Reopened Roll Log	3
Obsolescence	3
New Construction	3
Land Use and Exemption Codes	3
Appraisal Cycle	3
Improvement Factoring	3
Appraiser Certifications	3
Appraisers Training Requirements	3

DIVISION'S ANALYSIS AND RECOMMENDATIONS

Sales Collection: The assessor receives copies of deeds and declarations of value from the recorder's office. The pertinent information contained in these documents is verified and input into the computer sales data bank.

Sales Verification: The assessor uses two primary methods of verifying the accuracy of information reported on the deed and declaration of value for the purpose of obtaining additional information. Sales verification questionnaires are mailed to the grantees of all vacant sales transactions and to the grantees of those improved sales transactions which are questionable. The assessor reports a 75 percent rate of return on these documents. After questionnaires are returned, the assessor verifies any remaining questionable sales at title companies and through personal conversations with buyers, sellers and real estate professionals.

Sales Data Base: Verified sales are entered into the sales data bank and plotted in the land map books with taxable values, splits, adjustments, and zoning. The assessor maintains a seven-year sales data bank in the county computer. Each year, the division receives a printout of the preceding year's sales. The assessor's sales program is well organized, comprehensive and reliable.

Vacant Land (excluding agricultural property): Ten vacant land parcels were sampled in this study and all were found to be within ratio parameters. It is apparent that the assessor's staff is doing a thorough job in their valuation of vacant land. The division's sample resulted in a median ratio of 33.5 percent and a coefficient of dispersion of 1.8 percent, which are within statute limits.

Subdivision Analysis: The assessor has analyzed all potential qualified subdivisions in the county. For the fiscal year 1999-2000 there were no subdivisions that qualified for a discount.

Single-family Residential Land: Forty-eight improved single-family residential land parcels were sampled in this study and all were found to be within ratio parameters. This sample resulted in a median ratio of 34.2 percent and a coefficient of dispersion well within prescribed limits.

Multi-family Residential Land: Ten improved multi-family residential land parcels were sampled in this study. One of these properties was not within ratio parameters due to an input error. This sample revealed a median ratio of 34.7 percent and a coefficient of dispersion of 4.2 percent.

Commercial and Industrial Land: Fifteen improved commercial/industrial land parcels were sampled in this study. One of these properties was not within ratio parameters due to an input error. This sample resulted in a median ratio of 34.8 percent and a coefficient of dispersion of 3.6 percent.

Factors: The assessor's sales data bank is used extensively when factoring land. The assessor's analysis is thorough and easy to follow. For the 1999-2000 tax year, the only area to receive a factor was in the Lewis Subdivision west of Fallon. Several parcels were reviewed and it was found that the assessor correctly applied the approved land factors.

Single-family Residential Improvements: Forty-eight improved single family residential properties were included in the sample. The assessor's staff is measuring and classifying the improvements correctly with the exception of a few minor errors. Five of these properties were found to be outside of the ratio parameter guidelines. Two of the outliers were the result of an incorrect measurement. Another one was the result of an incorrect local multiplier being used. The other two outliers were the result of the assessor's staff not valuing some of the minor improvements on the property. Even with these errors, this sample resulted in a median ratio of 34.3 percent and a coefficient of dispersion of 3.3 percent, which are well within ratio parameters.

Multi-family Residential Improvements: Ten improved multi-family residential properties were sampled in this study. One property was found to be just outside of the ratio parameter guidelines with a 36.48 percent ratio. The assessor's staff incorrectly included the asphalt cost to a mobile home park. This sample produced a median ratio of 34.3 percent and a coefficient of dispersion of 1.7 percent, which are well within designated ratio parameters.

Commercial and Industrial Improvements: Fifteen improved commercial/industrial parcels were sampled in this study and all were found to be within ratio parameters. The assessor's staff is measuring and classifying this type of improvement correctly. This sample produced a median ratio of 34.3 percent and a coefficient of dispersion of 2.2 percent.

Minor Improvements: The minor improvements are shown on the assessor's drawings in great detail. For the most part, minor improvements are properly identified and valued. The assessor uses lump sum values for most yard improvements. The division's review of these lump sums found them comparable to the division's itemized amounts.

New Construction Valuation: New construction is discovered through the use of the county and city building permit system. New permits are organized by area, then the improvements are inspected and valued throughout the year. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor's staff.

The assessor has established an informal policy to assure that all new construction that is at least 50 percent complete is valued and placed on the roll. However, if a new improvement is found to be less than 50 percent complete on the lien date, it is not valued for the current tax year.

Agricultural Land: N/A

Agricultural Land Records: N/A

Agricultural Land Classification Maps: N/A

Agricultural Bulletin Use: N/A

Residential Homesite Valuation: N/A

Agricultural Improvements: N/A

Deferred Taxes: There are 1,369 deferred agricultural parcels in Churchill County. The assessor's files include a current agricultural application for each operator. The assessor requires a new updated application when the ownership changes. A review of the procedures utilized by the assessor in calculating and collecting deferred taxes indicates that the proper methodology is being applied.

Higher Use: Churchill County has no higher use (multi-residential or commercial use) areas on agricultural land.

Agricultural Land Conversions: The assessor listed 20 parcels totaling 210.48 acres which were converted from agricultural use to residential or commercial/industrial uses during the 1998 calendar year. In all of the cases reviewed, the assessor's calculation of deferred taxes was correct.

Assessment Maps: The county planning department prepares the assessor's maps. The maps are of good quality and are easy to use.

Prescribed Parceling System: The assessor uses the prescribed parceling system. Summary or referral parcels are not used in Churchill County.

PERSONAL PROPERTY

Discovery: The Churchill County staff does a good job of discovering personal property within the county. Aircraft are discovered from FAA and airport tie down reports and field inspections. Mobile homes are found from Dealer's Report of Sales (DRSs) from Nevada mobile home dealers, city and county mobile home setup permits and trip permits from other counties. New businesses are found through business license reports. The staff also reviews the local phone directory to locate new businesses. Farms and ranches are primarily located through deeds upon sale and field inspection.

Record-keeping: The personal property filing system continues to remain well organized and managed. Mobile homes are filed alphabetically on cards with DRS and other documentation attached. Secured agricultural and business accounts are filed by Assessor's Parcel Number (APN). Unsecured agricultural and business accounts are filed alphabetically. Aircraft are filed in alphabetical order. They are maintained in hanging folders and not in individual file folders.

Agricultural: Of 43 properties sampled, 30 secured and 13 unsecured, 3 outliers were found. All outliers resulted from class life or rounding of small dollar values. All measures of central tendency were 35 percent, with coefficients of dispersion between 0.16 and 1.02 percent. The staff is assessing this type of property correctly.

Business Property: Of 66 properties, 24 secured and 42 unsecured, 5 outliers were found. Two outliers were the result of an incorrect class life applied to the entire account. One outlier was caused by two items being deleted from the declaration that were not deleted by the assessor. A few other class life errors and rounding of small dollar value errors were found which did not cause outliers. These were isolated errors and do not give cause for concern. All measures of central tendency were 35 percent, with coefficients of dispersion between 0.38 percent and 2.85 percent.

Mobile Homes: An exceptional job is being done in this category. Of 263 mobile homes reviewed, 144 unsecured and 119 secured, only one outlier was found. Typical office procedure has one person inputting file data and another staff member reviewing it to ensure accuracy. This works very well as evidenced by so few errors. Separate files for all real property items are maintained. These items are valued and depreciated yearly by the appraisers then added to the mobile home account. All measures of central tendency were 35 percent, with coefficients of dispersion between 0.03 and 0.12 percent.

Billboards: There is one billboard account with two billboards in Churchill County. Although a ratio study could not be done, both billboards were reviewed and have been assessed correctly.

Aircraft: Of 15 aircraft sampled, no outliers were found. The measures of central tendency were between 34.9 and 35 percent, with coefficients of dispersion of 0.18 and 1.23 percent. The staff is assessing this segment of personal property correctly.

Migratory Property: At present, Churchill County does not have any property they classify as migratory. They are aware of the correct procedure for assessing this type of property.

Billing/Collection (penalties applied, seizure and sale): Churchill County sent out 68 seizure letters this past year but no property was actually seized. All accounts were paid prior to seizure. There was approximately \$9,000, including penalties and interest, in outstanding unsecured accounts prior to the 1998-1999 billing cycle. The county is doing a good job of billing and collecting unsecured taxes.

OFFICE PROCEDURES

Possessory Interest Valuation - Real Property: There are three areas of Churchill County where possessory interest real properties are located. One is the area used privately at the county hospital, where both the land and improvements are valued. The second area is the Churchill County Airport, where only the improvements are valued. The last area is the Naval Air Station located south of Fallon where both the land and improvements used by the contractor are valued.

Possessory Interest Valuation - Personal Property: There is only one area of Churchill County where possessory interest personal property is located and is on the Naval Air Station located south of Fallon.

Statutes and Regulations: The Nevada Revised Statutes and the Nevada Administrative Code are available in the assessor's office. Both have been correctly updated.

Cost Manuals and Systems: The assessor uses the Marshall and Swift computer cost estimator program to value the majority of the major improvements. The estimator updates are loaded into the computer once each year at the beginning of the work year. The September 1997 update is being used for the residential property and the October 1997 update is being used for the commercial property. The assessor does have one copy of the Marshall and Swift Commercial Handbook, four copies each of the Assessor's Handbook of Rural Building Costs and the Marshall and Swift Residential Handbook. All of the manuals have been correctly updated. The assessor's property appraisal system program, which is based on the Marshall and Swift cost manuals and the Rural Building Cost Handbook, is used to value most minor and agricultural improvements.

Appraisal Records: The information in the files is complete, correct and up to date. Each property record folder does contain the most recent Marshall and Swift data entry form and computer printout as well as the data entry form and computer printout from the last reappraisal. The files also contain a recent picture and drawing of the improvements. The old data entry sheets and computer printouts are used for comparison purposes. Only the information needed to identify the property and defend the appraisal is included.

Filing System: The assessor's real property files are organized in parcel number order. This system allows for easy retrieval and is efficient to use.

Reports: All of the many reports required of the assessor were correctly completed and delivered on time.

Appeal Preparation and Presentations: For this tax year, there were a total of five appeals to the Churchill County Board of Equalization. There were no appeals to the State Board of Equalization.

Reopened Roll Log: The roll log is required by NRS 361.310 to be received by the division on or before October 31, 1998. The roll log submitted by Churchill County was received on July 14, 1998, and was completed correctly.

Obsolescence: The assessor maintains a data bank listing of sales of improved and vacant properties within the county. The assessor's taxable values for these properties are compared to their sales prices, then a ratio of taxable value to sales price is calculated for each property. The assessor is currently applying obsolescence to 18 properties in Churchill County. Most are the result of deferred maintenance, are in the flood zone or are over built for the area. The data on each parcel is complete and the division agrees with the assessor's conclusion.

New Construction: New construction is discovered through the use of the county and city building permit system. New permits are organized by area, then the improvements are inspected and valued throughout the year. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor's staff.

The assessor has established an informal policy to ensure that all new construction that is at least 50 percent complete is valued and placed on the roll. However, if a new improvement is found to be less than 50 percent complete on the lien date, it is not valued for the current tax year.

Land Use and Exemption Codes: A review of the assessment roll revealed that the assessor is correctly applying the land use and exemption codes.

Appraisal Cycle: The assessor uses a four-year reappraisal cycle. During this year's cycle, Area 4, which represents the City of Fallon to include unincorporated areas within the city limits, was reappraised. This area represents approximately 26 percent of the county. The 1997 reappraisal included Area 3, which represents the northwestern portion of the county and is approximately 32 percent of the county. In 1996 approximately 21 percent of the county was reappraised. This is the southwest portion of the county, which is better known as Area 2. The 1999 reappraisal plan includes the eastern portion of the county known as Area 1. The existing reappraisal cycle appears to work well for the assessor, conforms to statute requirements, and is manageable with the available personnel.

Improvement Factoring: The assessor uses a composite improvement factor that includes an additional year of depreciation. This results in those improvements that are 50 years old and older receiving depreciation beyond the 75 percent maximum. This is corrected during reappraisal.

Appraiser Certifications: The division has certified the assessor and three real property appraisers to appraise for ad valorem tax purposes. In addition, the division has certified the chief deputy in the valuation of personal property.

Appraisers Training Requirements: All of the Churchill County appraisers are presently in compliance with NRS 361.221 and NRS 361.223. Additional training hours will be required by June of 1999.

ELKO COUNTY
1999-00 RATIO STUDY

REAL PROPERTY	MEDIAN RATIO	OVERALL RATIO	C.O.D. MEDIAN	SAMPLE SIZE
ALL PROPERTY	34.4	35.6	2.8%	130
IMPROVEMENTS	35.0	35.7	1.4%	89
IMPROVED LAND	34.9	34.2	3.5%	99
VACANT	34.1	33.7	2.3%	31
SFR IMPROVEMENTS	35.0	34.6	1.2%	66
SFR LAND	33.3	33.7	2.4%	66
SFR TOTAL	34.2	34.2	1.8%	66
MULTI IMPROVEMENTS	35.0	34.9	1.1%	5
MULTI LAND	35.0	35.0	0.2%	5
MULTI TOTAL	35.0	34.9	1.0%	5
COMM & INDUSTRIAL IMPROVEMENTS	34.5	35.8	2.1%	13
COMM & INDUSTRIAL LAND	35.0	35.0	0.1%	13
COMM & INDUSTRIAL TOTAL	34.6	35.8	1.8%	13
RURAL IMPROVEMENTS	35.4	34.2	2.6%	5
RURAL LAND	34.8	33.6	11.1%	15
RURAL TOTAL	34.9	33.8	8.7%	15
SECURED PERSONAL PROPERTY				
ALL SECURED	35.0	35.0	0.38%	165
AIRCRAFT	0.0	0.0	0.00%	0
AGRICULTURAL	35.0	35.7	0.43%	28
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.0	34.6	1.32%	36
MOBILE HOMES	35.0	35.0	0.03%	101
UNSECURED PERSONAL PROPERTY				
ALL UNSECURED	35.0	35.0	0.46%	219
AIRCRAFT	35.0	35.0	0.08%	18
AGRICULTURAL	35.0	35.0	0.02%	10
BILLBOARDS	35.0	35.0	0.00%	6
COMMERCIAL-INDUSTRIAL	35.0	34.7	1.89%	47
MOBILE HOMES	35.0	35.0	0.08%	138
TOTAL PERSONAL PROPERTY	35.0	35.0	0.43%	384

ELKO COUNTY
1999-00 RATIO STUDY

The assessor is in the fourth year of changing Elko County's reappraisal cycle. The area reappraised is designated as the red area and includes; Brairwood Estates, Clover City, Contact, Deeth, Humboldt Acres units 1, 2 & 3, Humboldt River Ranchos, Jackpot, Jarbidge, Last Chance Ranchos II, Last Chance Ranchos units 1, 2 & 3, Meadow Valley Ranchos units 1, 2, 3, 4, 5, 7 & 8, River Valley Ranchos unit 1, Ru-Al Corp., Ruby View Ranchos units 1, 2, 3 & 4, Spring Creek Tracts 201 & 202, Thousand Springs Subdivision units 1 & 2, Tobar, Twin River Ranchos units 2, 3 & 4, Wells, Wild Horse Estates units 1 & 2, Valley Vista, Special Lands and is the north-central section of the county. In addition, three areas not in the red area were reappraised to keep them within the five year reappraisal cycle; they are Grindstone Mountain, Jack Creek Subdivision unit 1 and Mountain City. The reappraisal area contains 14,604 non-agricultural parcels (11,530 vacant) and 635 agricultural parcels. The division's appraisers studied 66 single-family residential (13.16%), five multi-family residential (4.17%), 13 commercial (5.20%), 30 vacant (0.03%) and 15 agricultural (2%) properties.

STUDY RESULTS

REAL PROPERTY

RATING

Sales Collection	3
Sales Verification	3
Sales Data Base	3
Vacant Land (excluding agricultural property)	3
Subdivision Analysis (1)	2
Single-family Residential Land	3
Multi-family Residential Land	3
Commercial and Industrial Land	3
Factors	3
Single-family Residential Improvements	3
Multi-family Residential Improvements	3
Commercial and Industrial Improvements	3
Minor Improvements	3
New Construction Valuation	3
Agricultural Land	3
Agricultural Land Records	3
Agricultural Land Classification Maps	3
Agricultural Bulletin Use	3
Residential Homesite Valuation	3
Agricultural Improvements	3

Deferred Taxes	3
Higher Use	N/A
Agricultural Land Conversions	3

Assessment Maps (2)	1
Prescribed Parceling System (3)	1

PERSONAL PROPERTY

Discovery	3
Record-keeping	3
Agricultural/Business Property	3
Mobile Homes	3
Billboards	3
Aircraft	3
Migratory Property	3
Billing/Collection (penalties applied, seizure and sale)	3

OFFICE PROCEDURES

Possessory Interest Valuation - Real & Personal Property	3
Statutes and Regulations	3
Cost Manuals and Systems (4)	2
Appraisal Records	3
Filing System	3
Reports	3
Appeal Preparation and Presentations	3
Reopened Roll Log (5)	2
Obsolescence (6)	2
New Construction	3
Land Use and Exemption Codes	3
Appraisal Cycle	3
Improvement Factoring	3
Appraiser Certifications	3
Appraisers Training Requirements	3

DIVISION'S ANALYSIS AND RECOMMENDATIONS

Sales Collection: The assessor receives copies of deeds and declarations of value from the county recorder.

Sales Verification: The assessor's office has worked out an arrangement with both title companies in town to report on each transaction they handle. Each title company fills out a report form on each sale and sends a copy of the report to the assessor's office each month. Also, the assessor's office sends out questionnaires to all parties of sales which did not go through a title company. Currently, the assessor's office is receiving a 55 percent return on questionnaires sent out.

Sales Data Base: The assessor's office continues to keep all sales information on a personal computer. Due to the updated procedure on storing sales information, older sales, which have been split or changed, are not lost when they receive new parcel numbers. Due to improved sales verification methods, non-market transactions in the sales data bank are very few.

Vacant Land (excluding agricultural property): The assessor is using acceptable methods to value vacant land. The square-foot method is used for urban land, and the acreage and site value methods are used for rural land. The median ratio is 34.1 percent, well within target parameters. The sales verification process allows the assessor's staff to set land values in an efficient and timely manner.

(1) Subdivision Analysis: 2

Analysis: The assessor reviewed three subdivisions that qualify for analysis. A review of the assessor's methods and resulting land values show the assessor's analysis is correct. However, NRS 361.227 (2) (b) directs assessors to value all qualified subdivisions by using the appraisal methods set out in NAC 361.229 and NAC 361.1295. The Department reviewed the assessment roll and found other subdivisions in Elko County that may have qualified for subdivision analysis but were not analyzed or valued as such.

Recommendation: Annually gather subdivision data from owners and developers. Determine if a particular ownership qualifies for analysis, record the results and value the property accordingly.

Single-family Residential Land: Sixty-six improved single-family residential land parcels were sampled in this study. The square-foot method is used for urban land, and the acreage and site value methods are used for rural land. All samples were found to be within ratio parameters resulting in a median ratio of 33.3 percent and a coefficient of dispersion, well within prescribed limits.

Multi-family Residential Land: Five improved multi-family residential land parcels were sampled in this study. All are valued using the square foot method and are within ratio parameters. This sample revealed a median ratio of 35.0 percent and a coefficient of dispersion of 0.2 percent.

Commercial and Industrial Land: Thirteen improved commercial/industrial land parcels were sampled in this study. Twelve of the commercial sample are valued using the square foot method. The remaining commercial sample is valued using an acreage value. All samples were within ratio parameters. This sample resulted in a median ratio of 35.0 percent and a coefficient of dispersion of 0.1 percent.

Factors: The assessor uses the sales data bank when establishing land factors. In most areas there are sufficient sales each year to establish a factor. In some areas, and for commercial land, several years of sales must be used to establish a trend. Several parcels were reviewed and it was found that the assessor did correctly apply the approved land factors.

Single-family Residential Improvements: Sixty-six improved single-family residential properties were included in this study. The assessor is correctly valuing this property type. Minor differences were found with small improvements and some measurements. However, these differences did not result in any of the samples being out of statutory limits. The median ratio for this category is 35.0 percent and the coefficient of dispersion is 1.2 percent.

Multi-family Residential Improvements: Five improved multi-family residential properties were included in this study. The assessor is correctly valuing this property type. All five subject ratios are within the statutory limits with only minor differences found. This category has a median ratio of 35.0 percent and a coefficient of dispersion of 1.1 percent.

Commercial and Industrial Improvements: Thirteen improved commercial/industrial properties were included in this study. The assessor is correctly valuing this property type. Minor differences were found with small improvements and some measurements. However, these differences did not result in any of the samples being out of statutory limits. This category has a median ratio of 34.5 percent and a coefficient of dispersion of 2.1 percent.

Minor Improvements: The assessor finds and costs minor improvements. All minor improvements are valued individually. The assessor primarily uses the rural manual to value minor improvements in the rural areas. In addition, the assessor uses local costs from local builders and suppliers when appropriate. The assessor's staff is identifying and exempting those items named in NAC 361.085 when valuing the minor improvements.

New Construction Valuation: New construction is discovered through the use of the county and city building permit systems. New permits are organized by area. New improvements are inspected and valued throughout the year. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several parcels with new construction shows that the improvements are being correctly measured and valued by the assessor's staff.

Agricultural Land: Fifteen properties were sampled for this study. Four properties are not within ratio parameters. Two of the outliers are non-contiguous multiple parcels with the same parcel number. For these two parcels, there are no classification maps in the assessor's files. Therefore, it is impossible to determine exactly where the differences occurred. In addition, the forage classifications for two other samples are incorrectly delineated. The sample resulted in a median ratio of 34.8 percent and a coefficient of dispersion of 11.1 percent.

Agricultural Land Records: The land records are updated and reflect the classification of most properties.

Agricultural Land Classification Maps: Land classification maps are available for most agricultural parcels and are updated upon reappraisal. The assessor uses a system of scaled aerial photographs of each parcel with the various land classifications drawn on photocopies of the aerial photos.

Agricultural Bulletin Use: The assessor valued all agricultural property in the reappraisal area using the current Agricultural Bulletin.

Residential Homesite Valuation: The assessor correctly valued all homesites in the study using a separate value based on land sales within the area.

Agricultural Improvements: Five improved agricultural properties were included in the study, all were within ratio parameters. The assessor's staff does an excellent job valuing the diverse improvements found on agricultural parcels. The sample resulted in a median ratio of 35.4 percent and a coefficient of dispersion of 2.6 percent.

Deferred Taxes: There are 2,249 deferred agricultural parcels in Elko County. The assessor's files include a current agricultural application for each operator. The assessor requires a new updated application when the ownership of the parcel changes. A review of the procedures utilized by the assessor in calculating and collecting deferred taxes indicates that proper methodology is being applied.

Higher Use: Elko County has no higher use (multi-residential or commercial use) areas on agricultural land.

Agricultural Land Conversions: The assessor listed seven parcels totaling 198.125 acres which were converted from agricultural use to residential or commercial/industrial uses during the 1998 calendar year. In all of the cases reviewed, the assessor's calculation of deferred taxes are correct.

(2) Assessment Maps: 1

Analysis: The assessment maps are usable but difficult to work with. Because they are poorly indexed, it is difficult to determine the location of some parcels. In many cases parcels are not contiguous, yet have the same parcel number. Three of the agricultural samples actually constituted seven legally defined parcels and were separated by as much as five miles. This is contrary to accepted mapping standards. This situation was noted in the 1997-98 study and has not been remedied.

Recommendation: Develop a map indexing method similar to that used by other counties. Assign separate parcel numbers to non-contiguous parcels under one ownership.

(3) Prescribed Parceling System: 1

Analysis: Elko County's method of assigning parcel numbers does not meet Nevada's parceling system standards. In the process of eliminating all the referral parcels in Elko County, another major problem was created; all the parcels with the same owner have been assigned the same parcel number. Many of these parcels are not contiguous and are separated by highways, roads, other parcels, etc. Some are miles apart. This is especially true of many agricultural parcels and makes it very difficult to determine the location of the property, the value assigned each parcel, or the location of the improvements and various forage classifications.

Recommendation: Assign an individual parcel number to each non-contiguous parcel. Refer to the Manual of Assessment Policies and Procedures, Section III, for correct methods. Ensure that improvements and appropriate land class are assigned to the correct parcel.

PERSONAL PROPERTY

Discovery: The Elko County staff does a good job of discovering personal property in the county. Aircraft are discovered through FAA reports and airport tie down reports. Mobile homes are found in a variety of ways including monthly manufactured housing inspection lists for hookups, Dealer's Report of Sales (DRSs) sent by Nevada dealers, trip permits, field inspections by the appraisers, and inquiry letters sent to the mobile home parks in the county on a yearly basis. New businesses are located through monthly business license lists, building permits and the local newspaper. Farms and ranches are well established. The staff reviews deed changes for new ownership information and sends out personal property declarations when a change occurs. Billboards are discovered through Department of Transportation sign permits and building permits.

Record-keeping: The filing system utilized by the Elko County assessor's office is well organized and maintained. Since the last ratio study, the mobile home files have been reorganized. Mobile homes are filed alphabetically in separate file folders, with one unit per file. The DRS and other valuation documentation is maintained in the files. Aircraft are filed alphabetically in individual file folders. Agricultural personal property declarations are alphabetical in individual file folders. Business properties are filed together in folders in alphabetical order. Secured and unsecured records are filed in separate drawers. Billboards are filed in one folder per year and are in alphabetical order.

Agricultural Property: The Elko County staff is correctly assessing this type of property. Of 38 properties reviewed in the study, 28 secured and 10 unsecured, only one outlier was found. The outlier was the result of an error in deleting a piece of equipment in one year that should have been deleted from another year. Some class life errors were found, but considering the sample size, they were within tolerance. This category resulted in a median ratio of 35 percent, with coefficients of dispersion between .02 and .43 percent.

Business Property: This category is being well managed. There are over 1,900 businesses located in Elko County. The sample included 83 properties, 36 secured and 47 unsecured. Three were found to be out of tolerance. All three outliers were class life errors. A few other problems noted, which did not cause outliers were; rounding of small dollar figures, incorrect year input and combining items of different class life such as television and furniture. All measures of central tendency were 35 percent, with coefficients of dispersion between 1.32 and 1.89 percent.

Mobile Homes: Of 239 sample properties, 101 secured and 138 unsecured, no outliers were found. These files are well organized and contain the DRS and/or other valuation documentation. The county is correctly assessing and depreciating real property items associated with the mobile homes. The sample resulted in a median ratio of 35 percent, with coefficients of dispersion of .03 and .08 percent.

Billboards: The department didn't find any of the problems found in the previous ratio study. This property category is now computer calculated. The sample included approximately 20 percent of the property in this category. Of the samples reviewed, none were found to be out of tolerance. All measures of central tendency were 35 percent. This property category is being properly assessed.

Aircraft: The Elko staff continues to do an exceptional job with this property category. Of the 18 aircraft reviewed, none were out of tolerance. The sample resulted in a median ratio of 35 percent, with a coefficient of dispersion of .08 percent.

Migratory Property: The county has several construction companies that move equipment and mobile homes in and out of the state annually. The staff is assessing this type of property correctly and tracks them through building permits. The county is correctly valuing mobile homes that arrive in the county after July 1 and are likely to remain more than one year.

Billing/Collection (penalties applied, seizure and sale): Based on a relatively low delinquency rate, the staff is doing a good job of collecting unsecured personal property taxes. Appropriate penalties and interest are being applied to accounts in accordance with statutes. Total accounts outstanding, prior to 1998-1999 taxes, was approximately \$3,500 (including penalties and interest). Several seizure notices were posted, but no seizures were made because the taxes were paid.

OFFICE PROCEDURES

Possessory Interest Valuation - Real Property: There are two areas in Elko County where possessory interest real properties are located. There are the cabins on U S Forest Service land at Lamoille Canyon, where both the land and improvements are valued. The other area is the Elko County Airport, where the improvements are valued in accordance with NRS 361.157.

Possessory Interest Valuation - Personal Property: There are no personal property possessory interests in Elko County.

Statutes and Regulations: The Nevada Revised Statutes and the Nevada Administrative Code are available in the assessor's office. Both have been correctly updated.

(4) Cost Manuals and Systems: 2

Analysis: The assessor uses the Marshall and Swift computer cost estimator program to value the majority of the major improvements. The estimator updates are loaded into the computer once each year at the beginning of the work year. The September 1997 update is being used for the residential property and the October 1997 update is being used for the commercial property. The assessor has five copies each of the Marshall and Swift Commercial Handbook, the Assessor's Handbook of Rural Building Costs and the Marshall and Swift Residential Handbook. All of the manuals have been correctly updated. The assessor's miscellaneous building program, which is based on the Marshall and Swift cost manuals and the Rural Building Cost Handbook, is used to value most minor and agricultural improvements. All of the residential property studied was correctly coded with a moderate climate adjustment. However, it was discovered that the assessor is incorrectly combining the current cost multiplier with the local multiplier and using that total as the local multiplier for the Marshall and Swift Residential and Commercial cost programs. An extreme climate adjustment was incorrectly used for all commercial property. In addition, when using the Marshall and Swift Commercial cost program, the assessor incorrectly used the shape option of the program rather than the actual perimeter of the building. These incorrect procedures result in a slightly different value. However, the differences were not significant enough to result in an outlier.

Recommendation: The assessor should use only the local multiplier for the Marshall and Swift Residential and Commercial cost programs. The assessor should override the extreme climate adjustment, which is provided by the local zip code, with a moderate climate adjustment. For the Marshall and Swift Commercial cost program, the assessor should use the actual perimeter of the building which will provide a more accurate value of the building.

Appraisal Records: Most of the information in the files is correct, complete and up to date. Each property record folder contains the most recent Marshall and Swift data entry form and computer printout as well as the data entry form and computer printout from the last appraisal. The files also contain a recent picture and drawing of the improvements. The old data entry sheets and computer printouts are used for comparison purposes. Only the information needed to identify the property and defend the appraisal is included.

Filing System: The assessor's real property record files are organized in parcel number order. This system is very efficient and easy to work with.

Reports: All of the many reports required of the assessor were correctly completed and delivered on time.

Appeal Preparation and Presentations: For this tax year, there were a total of eleven appeals to the Elko County Board of Equalization. The assessor's staff was well prepared and professional in their presentation of Elko County's position at the board of equalization hearings.

(5) Reopened Roll Log: 2

Analysis: The roll log required by NRS 361.310, to be received by the division on or before October 31, 1998, was received on October 27, 1998. However, on a number of properties, the assessor's staff incorrectly adjusted the quality class of the residence to maintain equity.

Recommendation: The assessor's staff should only make those changes that are allowed during the reopen period of the year, as defined in NRS 361.310, paragraph 2. Adjusting the quality class of a residence to maintain equity is not a valid change.

(6) Obsolescence: 2

Analysis: The assessor is maintaining a list of those parcels that are receiving obsolescence. For the tax roll year of 1999-00 the assessor applied obsolescence to 27 properties in Elko County. Most are the result of Elko County Board of Equalization rulings, which were recommended by the assessor's office. However, during the office review it was discovered that a few parcels that were receiving obsolescence were not on the obsolescence list and other parcels that had the obsolescence removed were still on the list.

Recommendation: The assessor must establish an office policy that will provide the assessor with an updated list of parcels that are receiving obsolescence. The list must be reviewed annually to verify that obsolescence continues to be necessary.

New Construction: New construction is discovered through the use of the county and city building permit systems. New permits are organized by area. The improvements are inspected and valued throughout the year. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several parcels with new construction shows that the improvements are being correctly measured and valued by the assessor's staff.

Land Use and Exemption Codes: A review of the assessment roll revealed that the assessor is correctly applying the land use and exemption codes.

Appraisal Cycle: The assessor just completed the fourth year of the new reorganized reappraisal cycle. The parcel count is now more evenly distributed and geographical in nature. During this reorganization, it has been necessary for the assessor to reappraise not only those parcels included in the new cycle but also those parcels that would have normally been appraised prior to the change. Even though the workload has temporarily increased, the benefits of this change will be realized when the entire cycle is complete.

Improvement Factoring: The assessor's computer system factors the prior year assessed value of all improved parcels in the county with the statewide improvement factor. Those improvements that are less than 50 years old are then correctly given an additional year of depreciation.

Appraiser Certifications: The division has certified the assessor and six real property appraisers to appraise for ad valorem tax purposes. In addition, three members of the assessor's staff are certified in the valuation of personal property.

Appraisers Training Requirements: All of the Elko County staff appraisers are presently in compliance with NRS 361.221 and NRS 361.223. Additional training hours will be required by June of 1999.

**EUREKA COUNTY
1999-00 RATIO STUDY**

REAL PROPERTY	MEDIAN RATIO	OVERALL RATIO	C.O.D. MEDIAN	SAMPLE SIZE
ALL PROPERTY	34.3	34.0	2.3%	21
IMPROVEMENTS	34.6	33.7	3.2%	8
IMPROVED LAND	34.7	34.1	2.6%	21
VACANT	0.0	0.0	0.0%	0
SFR IMPROVEMENTS	0.0	0.0	0.0%	0
SFR LAND	0.0	0.0	0.0%	0
SFR TOTAL	0.0	0.0	0.0%	0
MULTI IMPROVEMENTS	0.0	0.0	0.0%	0
MULTI LAND	0.0	0.0	0.0%	0
MULTI TOTAL	0.0	0.0	0.0%	0
COMM & INDUSTRIAL IMPROVEMENTS	0.0	0.0	0.0%	0
COMM & INDUSTRIAL LAND	0.0	0.0	0.0%	0
COMM & INDUSTRIAL TOTAL	0.0	0.0	0.0%	0
RURAL IMPROVEMENTS	34.6	33.7	3.2%	8
RURAL LAND	34.7	34.1	2.6%	21
RURAL TOTAL	34.3	34.0	2.3%	21
SECURED PERSONAL PROPERTY				
ALL SECURED	35.0	35.1	0.15%	107
AIRCRAFT	0.0	0.0	0.00%	0
AGRICULTURAL	35.0	35.2	0.52%	22
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.0	35.3	0.30%	7
MOBILE HOMES	35.0	35.0	0.03%	78
UNSECURED PERSONAL PROPERTY				
ALL UNSECURED	35.0	35.0	0.38%	77
AIRCRAFT	0.0	0.0	0.00%	0
AGRICULTURAL	0.0	0.0	0.00%	0
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.0	35.0	1.55%	17
MOBILE HOMES	35.0	35.0	0.05%	60
TOTAL PERSONAL PROPERTY	35.0	35.0	0.25%	184

EUREKA COUNTY
1999-00 RATIO STUDY

Eureka County's reappraisal area consists of the outside ranches in Books 04, 05, 06 and 07 and contains 615 agricultural parcels (55 improved). There are no residential or commercial parcels in the reappraisal area. The reappraisal area represents 16 percent of the parcels in the county. The division's sample consists of 21 agricultural parcels of which eight are improved.

STUDY RESULTS

<u>REAL PROPERTY</u>	<u>RATING</u>
Sales Collection	3
Sales Verification	3
Sales Data Base	3
Vacant Land (excluding agricultural property)	No Sample
Subdivision Analysis	3
Single-family Residential Land	No Sample
Multi-family Residential Land	"
Commercial and Industrial Land	"
Factors	3
Single-family Residential Improvements	No Sample
Multi-family Residential Improvements	"
Commercial and Industrial Improvements	"
Minor Improvements	"
New Construction Valuation	3
Agricultural Land	3
Agricultural Land Records	3
Agricultural Land Classification Maps	3
Agricultural Bulletin Use	3
Residential Homesite Valuation	3
Agricultural Improvements	3
Deferred Taxes	3
Higher Use	N/A
Agricultural Land Conversions	N/A
Assessment Maps	3
Prescribed Parceling System	3

PERSONAL PROPERTY

Discovery	3
Record-keeping	3
Agricultural/Business Property	3
Mobile Homes	3
Billboards	N/A
Aircraft	3
Migratory Property	3
Billing/Collection (penalties applied, seizure and sale)	3

OFFICE PROCEDURES

Possessory Interest Valuation - Real & Personal Property	N/A
Statutes and Regulations	3
Cost Manuals and Systems	3
Appraisal Records	3
Filing System	3
Reports	3
Appeal Preparation and Presentations	3
Reopened Roll Log	3
Obsolescence	N/A
New Construction	3
Land Use and Exemption Codes	3
Appraisal Cycle	3
Improvement Factoring	3
Appraiser Certifications	3
Appraisers Training Requirements	3

DIVISION'S ANALYSIS AND RECOMMENDATIONS

Sales Collection: The assessor gathers sales data from all deeds and declarations of value filed in the county recorder's office. These documents provide the basis for the assessor's sales data bank.

Sales Verification: The assessor sends verification questionnaires to all buyers and sellers of property within the county. The form requests verification of the sales price, conditions of the sale, motivation of the buyer or seller, and the date of agreement. The assessor reports a 90 percent rate of return on these questionnaires. The assessor also contacts by phone all parties of property transfers when possible. Upon verification of the data by the parties to the sale, the assessor notes the sale on the parcel map.

Sales Data Base: The sales data is compiled in the computer database and an analysis is made to accurately set land values. The analysis provided to the division proved to be complete, well organized and accurate. The assessor provided the division with copies of all the data collected in the verification process. The division reviewed the data and found it to be complete.

Vacant Land (excluding agricultural property): N/A

Subdivision Analysis: The assessor has reviewed all potential qualified subdivisions in the county. For the fiscal year 1999-2000, there were no subdivisions that qualified for analysis.

Single-family Residential Land: N/A

Multi-family Residential Land: N/A

Commercial and Industrial Land: N/A

Factors: The assessor uses the sales data bank when establishing land factors. Due to the limited number of sales received each year, the assessor must use several years' sales to develop a trend and must pay particular attention to any increases or decreases in value. The assessor has a good grasp of the land factor program.

Single-family Residential Improvements: N/A

Multi-family Residential Improvements: N/A

Commercial and Industrial Improvements: N/A

Minor Improvements: N/A

New Construction Valuation: Eureka County has no building permit system, therefore, the assessor must travel throughout the populated areas of the county each year to discover new improvements. Generally, the assessor will make these surveys twice each year. Remote agricultural parcels will only be visited once every five years during reappraisal. This is because agricultural parcels change very little over time and because the assessor can review any changes using aerial photography. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor's staff.

Agricultural Land: Twenty-one properties were sampled for this study; all were within ratio parameters. The sample resulted in a median ratio of 34.7 percent and a coefficient of dispersion of 2.6 percent.

Agricultural Land Records: The agricultural land records are accurately updated and reflect the classifications of each property.

Agricultural Land Classification Maps: The assessor's files contain maps of each agricultural property. The maps are updated at each reappraisal and accurately reflect the various land classifications of the parcel.

Agricultural Bulletin Use: The assessor valued all agricultural parcels in the reappraisal area using the current Agricultural Bulletin.

Residential Homesite Valuation: The assessor correctly identified and valued the residential homesites on the agricultural parcels. Sales of similar vacant residential parcels were used where available.

Agricultural Improvements: Eight improved agricultural properties were included in this study. Only minor differences in small improvements or measurements were noted. All samples were within ratio parameters. The sample resulted in a median ratio of 34.6 percent and a coefficient of dispersion 3.2 percent.

Deferred Taxes: There are 708 deferred agricultural parcels in Eureka County. The assessor's files include a current agricultural application for each operator. The assessor requires a new updated application when the ownership changes.

Higher Use: Eureka County has no higher use (multi-residential or commercial use) areas on agricultural land.

Agricultural Land Conversions: The assessor did not have any agricultural land convert to a higher use for the calendar year 1998.

Assessment Maps: The assessor has one employee who is responsible for maintaining the parcel maps. They are of good quality and are easy to use. The assessor's maps are currently being entered into a GIS system by Automated Mapping Services in Reno. This project should be completed in the spring of 1999. From that point forward the assessor will maintain the maps in house.

Prescribed Parceling System: The assessor uses the prescribed parceling system. The assessor uses summary parcels on a very limited basis and only on agricultural parcels. The summary parcels are used for the convenience of the taxpayer so that they may receive only one tax bill. The assessor maintains an individual value for each parcel that is associated with the summary parcel.

PERSONAL PROPERTY

Discovery: The Eureka County staff does a good job of discovering personal property located in the county. Aircraft are discovered by periodic airport checks and through FAA tail number reports. Mobile homes are found through annual field inspections, trip permits and Dealer's Report of Sales (DRSs) from Nevada dealers. New businesses are discovered through fictitious name applications and periodic field inspections. Agricultural properties are located through deed changes.

Record-keeping: Eureka County's personal property files are well organized and managed. All property types are filed alphabetically and color coded by district/area and maintained in separate folders. Mobile home records are kept on cards with the DRS and other documentation stapled behind. Where no DRS or sale information is provided, the staff is consistent in using the Comparable Look-up Book and attaching that documentation.

Agricultural: The assessor and staff are doing a good job of assessing this type of property. Of 23 properties in the study, 22 secured and one unsecured, only one was found to be out of tolerance. This is due to the inclusion of irrigation equipment that is exempt. One personal property declaration included yard sprinklers that are being assessed as personal property. These should be transferred to the real property improvement roll. Inclusion with personal property causes incorrect depreciation on these items. Taxpayers completed and returned approximately 95 percent of the declarations sent on farm and ranch personal property. The sample resulted in a median ratio of 35 percent, with a coefficient of dispersion of .52 percent. A study was not done on the unsecured because only one unsecured agricultural personal property account exists.

Business Property: The staff is correctly assessing this type of property. Of 24 businesses sampled, seven secured and 17 unsecured, one property was found to be out of tolerance. This is due to an incorrect life being placed on the entire category. There are a few line item class life errors but in general this category is correctly assessed. There were valuation problems in the previous ratio study due to minimum assessment on individual property items. However, this problem was not found during this study. The sample resulted in a median ratio of 35 percent, with coefficients of dispersion between .30 and 1.55 percent. Taxpayers completed and returned approximately 95 percent of the declarations sent on business personal property.

Mobile Homes: Eureka County is assessing mobile homes properly. Of 138 properties sampled, 78 secured and 60 unsecured, only two outliers were found. These were due to input errors. All measures of central tendency are 35 percent, with coefficients of dispersion between .03 and .05 percent. The staff is discovering real property items during field inspections and are correctly depreciating these items and adding the value to the mobile home accounts prior to billing. Improvements are kept in a separate folder and are filed by district and mobile home account number.

Billboards: Eureka County doesn't have any billboard accounts, therefore, a sample was not done in this category.

Aircraft: Eureka has one aircraft located in the county. This one account was reviewed and is being assessed correctly although a ratio study of this category could not be done.

Migratory Property: Eureka County has migratory property entering the county from time to time. A discussion with the staff reveals they are correctly valuing this type of property. For mobile homes entering the county after July 1 that are likely to remain more than a year, the assessor correctly assesses those homes for the first time on the next tax roll.

Billing/Collection (penalties applied, seizure and sale): With a near perfect collection rate this year, the assessor and staff are to be commended for their efforts. Discussions revealed only one delinquent account with an outstanding balance (including penalties and interest) of approximately \$300. This account was recently brought before the county commissioners and removed from the roll as uncollectable. No seizures have been made in the past several years although a few seizure letters have been sent out. Prior to seizure the taxpayer has brought the outstanding taxes current.

OFFICE PROCEDURES

Possessory Interest Valuation - Real Property: There are no real property possessory interests in Eureka County.

Possessory Interest Valuation - Personal Property: There are no personal property possessory interests in Eureka County.

Statutes and Regulations: The Nevada Revised Statutes and the Nevada Administrative Code are available in the assessor's office. Both have been correctly updated.

Cost Manuals and Systems: The assessor uses the Marshall and Swift computer cost estimator program to value the majority of the major improvements. The estimator updates are loaded into the computer once each year at the beginning of the work year. The September 1997 update is being used for the residential property and the October 1997 update is being used for the commercial property. The assessor has two copies each of the Marshall and Swift Commercial Handbook, the Assessor's Handbook of Rural Building Costs and the Marshall and Swift Residential Handbook. All of the manuals have been correctly updated. The assessor's property appraisal system program, which is based on the Marshall and Swift cost manuals and the Rural Building Cost Handbook, is used to value most minor and agricultural improvements.

Appraisal Records: The information in the files is complete, correct and up to date. Each property record folder contains the most recent Marshall and Swift data entry form and computer printout as well as the data entry form and computer printout from the last reappraisal. The files also contain a recent picture and drawing of the improvements. The old data entry sheets and computer printouts are used for comparison purposes. Only the information needed to identify the property and defend the appraisal is included.

Filing System: The assessor's real property record files are organized in parcel number order and are color coded to prevent any misfiling of property records. This system is well designed and is easy to use.

Reports: All of the many reports required of the assessor were correctly completed and delivered on time.

Appeal Preparation and Presentations: For this tax year, there were only three appeals to the Eureka County Board of Equalization. These appeals were all mining properties and therefore defended by the Division of Assessment Standards, Centrally Assessed Properties Section.

Reopened Roll Log: The roll log is required by NRS 361.310 to be received by the division on or before October 31, 1998. The roll log submitted by Eureka County was received on July 02, 1998 and was completed correctly.

Obsolescence: There are no properties in Eureka County to which obsolescence is applied.

New Construction: Eureka County has no building permit system. Therefore, the assessor must travel throughout the populated areas of the county each year to discover new improvements. Generally, the assessor will make these surveys twice each year. Remote agricultural parcels will only be visited once every five years during reappraisal. This is because agricultural parcels change very little over time and because the assessor can review any changes using aerial photography. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor's staff.

Land Use and Exemption Codes: A review of the assessment roll revealed that the assessor is correctly applying the land use and exemption codes.

Appraisal Cycle: The assessor uses a five-year reappraisal cycle. During this year's cycle, the outside ranches that include 708 parcels and represent approximately 16 percent of the county, were reappraised. The 1997 reappraisal included a portion of Book 07. This involves the Diamond Valley Weed Control District, which represents approximately seven percent of the county. In 1996, approximately 11 percent of the county was reappraised including the Town of Eureka. The 1995 reappraisal included Books 4, 5, 6, 7 and 8, except district 030 and 050 in Book 7. This area represents approximately 40 percent of the county. The 1999 reappraisal plan includes the rural subdivisions from Books 2 and 3. The existing reappraisal cycle appears to work well for the assessor, conforms to statute requirements, and is manageable with the available personnel.

Improvement Factoring: The assessor separately codes those parcels with improvements that are 50 plus years old. To avoid an additional year of depreciation, these improvements are factored with the statewide improvement factor. The composite factor, which includes an additional year of depreciation, is used for those improvements that are less than 50 years of age.

Appraiser Certifications: The division has certified the assessor and two real property appraisers to appraise for ad valorem tax purposes. In addition, the chief deputy is certified in the valuation of personal property.

Appraisers Training Requirements: All of the Eureka County appraisers are presently in compliance with NRS 361.221 and NRS 361.223. Additional training hours will be required by the year 2000.

**LINCOLN COUNTY
1999-00 RATIO STUDY**

REAL PROPERTY	MEDIAN RATIO	OVERALL RATIO	C.O.D. MEDIAN	SAMPLE SIZE
ALL PROPERTY	32.6	30.2	4.7%	41
IMPROVEMENTS	32.8	28.5	6.1%	29
IMPROVED LAND	32.5	33.6	3.6%	33
VACANT	32.1	32.4	1.4%	8
SFR IMPROVEMENTS	32.7	31.4	5.7%	17
SFR LAND	32.4	32.8	3.7%	17
SFR TOTAL	32.8	31.8	4.6%	17
MULTI IMPROVEMENTS	33.1	32.9	1.9%	4
MULTI LAND	32.1	32.1	0.4%	4
MULTI TOTAL	32.9	32.7	1.4%	4
COMM & INDUSTRIAL IMPROVEMENTS	32.2	22.1	11.5%	5
COMM & INDUSTRIAL LAND	32.7	34.2	3.1%	5
COMM & INDUSTRIAL TOTAL	32.1	23.6	10.7%	5
RURAL IMPROVEMENTS	34.6	34.2	2.3%	3
RURAL LAND	34.4	34.8	3.5%	7
RURAL TOTAL	34.5	34.8	3.1%	7
SECURED PERSONAL PROPERTY				
ALL SECURED	35.0	34.5	1.26%	126
AIRCRAFT	0.0	0.0	0.00%	0
AGRICULTURAL	35.0	32.1	4.80%	24
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.1	35.0	1.85%	18
MOBILE HOMES	35.0	35.0	0.12%	84
UNSECURED PERSONAL PROPERTY				
ALL UNSECURED	35.0	33.7	2.76%	74
AIRCRAFT	35.0	32.4	17.30%	5
AGRICULTURAL	34.9	35.0	0.57%	4
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.0	32.2	4.59%	21
MOBILE HOMES	35.0	34.9	0.43%	44
TOTAL PERSONAL PROPERTY	35.0	34.3	1.81%	200

LINCOLN COUNTY
1999-00 RATIO STUDY

The Lincoln County reappraisal area is the general county and includes all the unincorporated areas. This encompasses Books 5, 6, 8, 10, 12, and 13. The reappraisal area contains 1,234 parcels (409 improved) and is 33 percent of the parcels in the county. The division's sample consists of 17 single-family residential (8.46%), four multi-residential (16.0%), five commercial (31.25%), and eight vacant (1.0%) properties.

STUDY RESULTS

<u>REAL PROPERTY</u>	<u>RATING</u>
Sales Collection	3
Sales Verification	3
Sales Data Base	3
Vacant Land (excluding agricultural property)	3
Subdivision Analysis	3
Single-family Residential Land	3
Multi-family Residential Land	3
Commercial and Industrial Land	3
Factors	3
Single-family Residential Improvements	3
Multi-family Residential Improvements	3
Commercial and Industrial Improvements	3
Minor Improvements	3
New Construction Valuation	3
Agricultural Land	3
Agricultural Land Records	3
Agricultural Land Classification Maps	3
Agricultural Bulletin Use	3
Residential Homesite Valuation	3
Agricultural Improvements	3
Deferred Taxes	3
Higher Use	N/A
Agricultural Land Conversions	N/A
Assessment Maps (1)	2
Prescribed Parceling System	3

PERSONAL PROPERTY

Discovery	3
Record-keeping	3
Agricultural/Business Property	3
Mobile Homes	3
Billboards	N/A
Aircraft	3
Migratory Property	3
Billing/Collection (penalties applied, seizure and sale)	3

OFFICE PROCEDURES

Possessory Interest Valuation - Real & Personal Property	3
Statutes and Regulations	3
Cost Manuals and Systems	3
Appraisal Records	3
Filing System	3
Reports	3
Appeal Preparation and Presentations	3
Reopened Roll Log	3
Obsolescence	3
New Construction	3
Land Use and Exemption Codes	3
Appraisal Cycle	3
Improvement Factoring	3
Appraiser Certifications	3
Appraisers Training Requirements	3

DIVISION'S ANALYSIS AND RECOMMENDATIONS

Sales Collection: The assessor obtains copies of deeds and declarations of value from the recorder's office. These documents are the basis for the assessor's sales data bank.

Sales Verification: Sales verification letters are sent to the buyer and seller for additional information. The assessor reports an 80 percent return rate on these documents. The assessor also directly contacts the buyer by telephone to verify recent sales.

Sales Data Base: The sales information is entered into the sales data bank. The assessor keeps five years of information stored in the computer. The information in the system was found to be correct and complete. In the reappraisal area there were a limited number of vacant land sales for the assessor and the division to use when setting land values and factoring.

Vacant Land (excluding agricultural property): Eight vacant properties were sampled in this study, all were within ratio parameters. The sample resulted in a median ratio of 32.1 percent and a coefficient of dispersion of 1.4 percent.

Subdivision Analysis: The assessor has analyzed all qualified subdivisions in Lincoln County. Currently there are two subdivision ownerships that have qualified for analysis. The assessor's staff calculated and applied the appropriate land values as directed by NAC 361.129. A review of the assessor's backup material found the method used and the resulting values to be correct.

Single-family Residential Land: Seventeen properties were sampled in this study, one parcel was not within ratio tolerance due to the use of different sales. The remaining land values were within ratio parameters. The sample resulted in a median ratio of 32.4 percent and a coefficient of dispersion of 3.7 percent.

Multi-family Residential Land: Four properties were sampled in this study, all were within ratio parameters. The sample resulted in a median ratio of 32.1 percent and a coefficient of dispersion of 0.4 percent.

Commercial and Industrial Land: Five properties were sampled in this study, all were within ratio parameters. The sample resulted in a median ratio of 32.7 percent and a coefficient of dispersion of 3.1 percent.

Factors: The assessor uses the sales data bank when establishing land factors. Due to the few sales received each year, the assessor must use several years' sales to develop a trend and must pay particular attention to any increases and decreases in values. The assessor correctly applied the land factors and has a good grasp of the land factor program.

Single-family Residential Improvements: Seventeen improved single-family residential properties were included in this study. Two properties were not within ratio parameters. One is due to some minor improvements not being valued. The other has new improvements that are not valued. The sample resulted in a median ratio of 32.7 percent and a coefficient of dispersion of 5.7 percent.

Multi-family Residential Improvements: Four improved multi-family residential properties were included in this study, all were within ratio parameters. The sample resulted in a median ratio of 33.1 percent and a coefficient of dispersion of 1.9 percent.

Commercial and industrial Improvements: Five improved commercial and industrial properties were included in this study. One property was not within ratio parameters, due to several improvements not being valued. This one property has a median ratio of 15.0 percent and reduced the overall ratio for the entire sample to 28.5 percent. The division considers this to be the exception to the rule and does not think it a problem. The sample resulted in a median ratio of 32.2 percent and a coefficient of dispersion of 11.5 percent.

Minor Improvements: In nearly all cases, the minor improvements are being properly accounted for and valued by the assessor.

New Construction Valuation: New construction is discovered through the use of the county building permit system. Since the assessor is the county building inspector, nearly all new construction is discovered and placed on the correct roll in a timely manner. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor.

Agricultural Land: Seven agricultural properties were sampled for this study, all were within ratio parameters. The sample resulted in a median ratio of 34.4 percent and a coefficient of dispersion of 3.5 percent.

Agricultural Land Records: The agricultural land records are accurately updated during reappraisal and reflect the classification of each property.

Agricultural Land Classification Maps: The assessor's agricultural land classification maps now include scale drawings of each parcel with notations indicating the various land classifications on each parcel. The 1997-98 ratio study contained a recommendation that maps be created and the assessor has accomplished this in the reappraisal area.

Agricultural Bulletin Use: The assessor correctly valued all agricultural parcels in the reappraisal area using the current Agricultural Bulletin.

Residential Homesite Valuation: The assessor correctly valued the residential homesites on the agricultural parcels. Sales from the area are used to set the homesite values.

Agricultural Improvements: Three improved agricultural properties were included in this study, all are within ratio parameters. The assessor is correctly measuring and valuing this property type. The sample resulted in a median ratio of 34.6 percent and a coefficient of dispersion of 2.3 percent.

Deferred Taxes: There are 489 deferred agricultural parcels in Lincoln County. The assessor's files include a current agricultural application for each operator. The assessor requires a new updated application when the ownership changes.

Higher Use: Lincoln County has no higher use (multi-residential or commercial use) areas on agricultural land.

Agricultural Land Conversions: The assessor did not have any agricultural land convert to a higher use for the calendar year 1998.

(1) Assessment Maps: 2

Analysis: The assessor's maps are prepared by a county employee assigned to the Repository Department. This employee is in the process of redoing all the county parcel maps. The first sets of maps received by the assessor had several problems and were returned for corrections. For example, there were several pages that had every parcel with the same identifier number. Due to the turnaround timeframe of the parcel map corrections, the assessor is also updating current parcel changes by pencil.

Recommendation: The division recommends that the assessor carefully review all updated maps to ensure that the new parcel books are correctly completed.

Prescribed Parceling System: The assessor uses the prescribed parceling system. Summary or referral parcels are not used in Lincoln County.

PERSONAL PROPERTY

Discovery: The Lincoln County staff does a good job of discovering new personal property located in the county. Aircraft are discovered through FAA reports and airport inspections. Mobile homes are discovered by building permits, trip permits and Dealer's Report of Sales (DRSs). The assessor and staff also send inquiry letters and visit local mobile home parks on an ongoing basis. Businesses are discovered through field inspections, word of mouth, fictitious name filings, building permits and sales information. Business licenses are not a requirement in Lincoln County. When a new business is discovered, a personal property declaration is sent out by the assessor's office. There is little new activity with farm and ranch parcels and the assessor is well acquainted with the existing properties. Regular field inspections and deed transfers are the primary methods used by the assessor to locate new farm and ranch property.

Record-keeping: The filing system utilized by the assessor's office is well organized and maintained. Secured and unsecured mobile homes are filed together by account number and kept on cards with the DRS or other valuation documentation attached. Business, aircraft and agricultural personal property declarations are filed alphabetically in individual file folders.

Agricultural: Of the 28 properties, 24 secured and four unsecured, four samples were found to be out of tolerance. Two outliers were the result of incorrect class life. One was the result of deleted items on the declaration that were not deleted from the appropriate account. One outlier was due to additions to the declaration that were missed when entered into the system. These outliers do not give cause for concern. In general, the staff is doing a good job of assessing this type of property. All measures of central tendency fall between 34.9 and 35 percent, with coefficients of dispersion of .57 and 4.8 percent. This category has an approximate 95 percent return rate on declarations.

Business Property: Of 39 properties sampled, 21 unsecured and 18 secured, six outliers were found. A few outliers were due to rounding of small dollar values. This problem should be eliminated by the next ratio study since the ADS program is being updated to round to the nearest dollar, similar to the division's program. Two accounts had an incorrect class life for the entire account, resulting in outliers. The staff was made aware of the errors and made the corrections. One item, gas pumps, was reported on the personal property declaration and also assessed on the secured roll. Again, the staff was made aware of this error and it was corrected for future assessments. All measures of central tendency are between 35 and 35.1 percent, with coefficients of dispersion between 1.85 and 4.59 percent. There is an approximate 80 percent return on declarations in this category.

Mobile Homes: This property class is being assessed correctly. Of 44 unsecured and 84 secured mobile homes sampled, only one outlier was found. This was the result of accessories not included in the original value. The real property improvements are being calculated and depreciated correctly and then added to the unsecured mobile home account. All measures of central tendency were 35 percent, with coefficients of dispersion of .12 and .43 percent.

Billboards: Lincoln County does not have any billboard accounts. However, the county staff is knowledgeable in the correct procedures for valuing and depreciating billboards.

Aircraft: There are five aircraft located in the county and all were reviewed. One input error was found for the acquisition year. All other values were correct. The sample resulted in a median ratio of 35 percent, with a coefficient of dispersion of 17.30 percent.

Migratory Property: Lincoln County has some migratory business personal property which the assessor and staff are correctly valuing.

Billing/Collection (penalties applied, seizure and sale): The Lincoln County staff is doing a good job of collecting unsecured taxes. Total accounts outstanding, prior to 1998-99 taxes, is less than \$2,100 (including penalties and interest). Penalties and interest are being properly applied according to statute. In the past year, three seizure notices were sent, however, payments were made prior to seizure. The assessor applies a ten percent estimated assessment for unreturned declarations.

OFFICE PROCEDURES

Possessory Interest Valuation - Real Property: The only area in Lincoln County where possessory interest real property is located is at the Mesquite Landfill. The Mesquite Landfill is currently being leased to Virgin Valley Disposal and both the land and improvements are valued.

Possessory Interest Valuation – Personal Property: The only area in Lincoln County where possessory interest personal property is located is area 51 on the Nevada Test Site. Due to the ongoing lawsuit between the private contractors, U. S. Government, and the counties, itemized statements have not been submitted for the past five years. Therefore, the assessor continues to use an estimated assessment based on the last statement submitted. In addition, the taxes have not been paid for the past five years.

Statutes and Regulations: The Nevada Revised Statutes and the Nevada Administrative Code are available in the assessor's office. Both have been correctly updated.

Cost Manuals and Systems: The assessor uses the Marshall and Swift computer cost estimator program to value the majority of the major improvements. The estimator updates are loaded into the computer once each year at the beginning of the work year. The September 1997 update is being used for residential property and the October 1997 update is being used for the commercial property. The assessor has one copy of the Marshall and Swift Residential Cost Manual, the Marshall and Swift Commercial Cost Manual and the Rural Building Cost Handbook. All of the manuals have been updated correctly. It should be noted that for the upcoming reappraisal the assessor will use the ADS property appraisal system, which is based on the Marshall and Swift cost manuals and the Rural Building Cost Handbook, to value the minor improvements. The division supports the assessor's decision to use the property appraisal system and believes this will reduce the amount of time needed for each appraisal.

Appraisal Records: The information in the files is correct, complete and up to date. Each property record file contains a drawing and picture of the improvements and a Marshall and Swift data entry form and printout. However, it was discovered that some of the files contained records from the past three reappraisals, which encompasses a fifteen year period. The division recommends that, other than some historical data, only the current and prior reappraisal information be kept in the files. Older data should be removed and archived elsewhere.

Filing System: The assessor's real property files are organized in book and parcel number order by area. The division recommends that the real property record files be organized in parcel number order as is done in other counties. This will standardize the system and be more efficient.

Reports: All of the many reports required of the assessor were correctly completed and delivered on time.

Appeal Preparation and Presentations: Only one appeal to the Lincoln County Board of Equalization was filed for the current year.

Reopened Roll Log: The roll log is required by NRS 361.310 to be received by the division on or before October 31, 1998. The roll log submitted by Lincoln County was received on September 29, 1998 and was completed correctly.

Obsolescence: The assessor compares sales prices to taxable value to determine if obsolescence needs to be applied to any properties in Lincoln County. The assessor has applied obsolescence to the following properties:

Book 3: Alamo – 11 percent to all residences built after 1975

The assessor is studying other areas that at present are at full assessed value. A review of the information gathered by the assessor was correct and complete.

New Construction: New construction is discovered through the use of the county building permit system. Since the assessor is the county building inspector, nearly all new construction is discovered and placed on the correct roll in a timely manner. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor.

Land Use and Exemption Codes: A review of the assessment roll revealed that the assessor is correctly applying the land use and exemption codes.

Appraisal Cycle: The assessor uses a five-year reappraisal cycle. During this year's cycle, the general county was appraised. This area represents approximately 39 percent of the county. The 1997 reappraisal included Panaca, which represents approximately 11 percent of the county. The 1996 reappraisal covered Alamo and the Pahrangat Valley Fire District. This area represents approximately 16 percent of the county. In 1995, approximately 22 percent of the county was reappraised. This included Pioche Town and the Pioche Fire District. The 1999 reappraisal plan includes Caliente, which represents approximately 12 percent of the county. The existing reappraisal cycle works well for the assessor, conforms to statute requirements, and is manageable with the available personnel.

Improvement Factoring: The assessor uses a composite improvement factor that includes an additional year of depreciation. This results in those improvements that are 50 years old and older receiving depreciation beyond the 75 percent maximum. This is corrected during reappraisal.

Appraiser Certifications: The assessor is the only certified real property appraiser in Lincoln County.

Appraisers Training Requirements: The assessor is in compliance with NRS 361.221 and NRS 361.223. Additional training hours will be needed in the year 2005.

**MINERAL COUNTY
1999-00 RATIO STUDY**

REAL PROPERTY	MEDIAN RATIO	OVERALL RATIO	C.O.D. MEDIAN	SAMPLE SIZE
ALL PROPERTY	34.1	32.6	18.8%	57
IMPROVEMENTS	33.7	32.1	8.4%	42
IMPROVED LAND	34.6	33.1	5.8%	48
VACANT	34.7	34.5	1.0%	9
SFR IMPROVEMENTS	34.0	33.7	3.5%	26
SFR LAND	34.7	33.4	3.0%	26
SFR TOTAL	33.8	33.6	2.3%	26
MULTI IMPROVEMENTS	33.9	34.8	2.9%	6
MULTI LAND	32.4	34.1	3.9%	6
MULTI TOTAL	33.9	34.7	3.1%	6
COMM & INDUSTRIAL IMPROVEMENTS	32.3	28.6	10.7%	6
COMM & INDUSTRIAL LAND	34.9	33.9	3.2%	6
COMM & INDUSTRIAL TOTAL	33.7	29.8	4.4%	6
RURAL IMPROVEMENTS	22.7	26.4	41.0%	4
RURAL LAND	34.3	31.1	14.5%	10
RURAL TOTAL	33.5	31.0	96.4%	10
SECURED PERSONAL PROPERTY				
ALL SECURED	35.0	37.0	2.17%	84
AIRCRAFT	0.0	0.0	0.00%	0
AGRICULTURAL	34.9	63.8	20.23%	5
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.1	33.1	2.79%	19
MOBILE HOMES	35.0	34.9	0.45%	60
UNSECURED PERSONAL PROPERTY				
ALL UNSECURED	35.0	34.7	3.05%	117
AIRCRAFT	19.8	5.9	79.24%	4
AGRICULTURAL	0.0	0.0	0.00%	0
BILLBOARDS	35.0	34.3	0.69%	4
COMMERCIAL-INDUSTRIAL	35.1	35.1	3.94%	35
MOBILE HOMES	35.0	34.9	0.43%	74
TOTAL PERSONAL PROPERTY	35.0	35.5	2.68%	201

MINERAL COUNTY
1999-00 RATIO STUDY

Mineral County's reappraisal area includes the entire south half of the town of Hawthorne and the general outside county area. This completes the two-year reappraisal program for the town of Hawthorne. The reappraisal area contains 1,179 nonagricultural parcels, which is 33 percent of the total parcels in the county. The division's appraiser studied 26 single-family residential (5.32%), six multi-family residential (11.11%), six commercial (8.00%), nine vacant (1.76%) and 10 agricultural (19%) properties.

STUDY RESULTS

<u>REAL PROPERTY</u>	<u>RATING</u>
Sales Collection	3
Sales Verification	3
Sales Data Base	3
Vacant Land (excluding agricultural property)	3
Subdivision Analysis	3
Single-family Residential Land	3
Multi-family Residential Land	3
Commercial and Industrial Land	3
Factors	3
Single-family Residential Improvements	3
Multi-family Residential Improvements	3
Commercial and Industrial Improvements	3
Minor Improvements	3
New Construction Valuation	3
Agricultural Land (1)	1
Agricultural Land Records (2)	1
Agricultural Land Classification Maps (3)	2
Agricultural Bulletin Use	3
Residential Homesite Valuation	3
Agricultural Improvements (4)	1
Deferred Taxes	3
Higher Use	N/A
Agricultural Land Conversions	N/A

Assessment Maps	3
Prescribed Parceling System	3

PERSONAL PROPERTY

Discovery	3
Record-keeping	3
Agricultural/Business Property	3
Mobile Homes	3
Billboards	3
Aircraft (5)	2
Migratory Property	3
Billing/Collection (penalties applied, seizure and sale) (6)	1

OFFICE PROCEDURES

Possessory Interest Valuation - Real & Personal Property (7)	1
Statutes and Regulations	3
Cost Manuals and Systems (8)	2
Appraisal Records	3
Filing System	3
Reports	3
Appeal Preparation and Presentations	3
Reopened Roll Log	3
Obsolescence (9)	2
New Construction	3
Land Use and Exemption Codes	3
Appraisal Cycle	3
Improvement Factoring	3
Appraiser Certifications	3
Appraisers Training Requirements	3

DIVISION'S ANALYSIS AND RECOMMENDATIONS

Sales Collection: The assessor receives copies of the deeds and copies of declarations of value from the county recorder. These documents are the basis for the assessor's sales data bank.

Sales Verification: The assessor sends a verification questionnaire to each grantee and also talks to as many grantees as possible. The assessor reports a 95 percent return rate on questionnaires. There are no title companies in Hawthorne so the assessor must use questionnaires and verbal verification.

Sales Data Base: The assessor maintains a sales data bank on the county's computer with all sales for the past five years included. In addition, the assessor maintains a set of current parcel maps with the last five years of sales delineated and also any other pertinent information. The assessor is receiving cooperation from the Bureau of Indian Affairs who each year sends a listing of sales data for parcels sold on the Schurz Indian Reservation.

Vacant Land (excluding agricultural property): Nine vacant properties were sampled in this study, all were within parameters. The sample resulted in a median ratio of 34.7 percent and a coefficient of dispersion of 1.0 percent. It is evident that the assessor is correctly valuing vacant property.

Subdivision Analysis: The assessor has analyzed all qualified subdivisions in Mineral County. Currently there are two subdivision ownerships that have qualified for analysis. The assessor's staff calculated and applied the appropriate land values as directed by NAC 361.129. A review of the assessor's backup material found the method used and the resulting values to be correct.

Single-family Residential Land: Twenty-six properties were sampled in this study. The assessor is correctly valuing single-family residential land using a site value approach. The sample resulted in a median ratio of 34.7 percent and a coefficient of dispersion of 3.0 percent.

Multi-family Residential Land: Six properties were sampled in this study, all were within ratio parameters. The assessor is correctly valuing multi-family residential land using a site value approach. The sample resulted in a median ratio of 32.4 percent and a coefficient of dispersion of 3.9 percent.

Commercial and Industrial Land: Six properties were sampled in this study, all were within parameters. The assessor used the front foot method to value the commercial and industrial land. The sample resulted in a median ratio of 34.9 percent, a coefficient of dispersion of 3.2 percent, and shows that the assessor is correctly valuing this property type.

Factors: The assessor is using the sales data bank when establishing land factors. Due to the few sales received each year, the assessor must use several years of sales to develop a trend and must pay particular attention to any increases or decreases in values. Several parcels were reviewed and it was found that the assessor correctly applied the land factors. The assessor has a good understanding of the land factor program.

Single-family Residential Improvements: Twenty-six improved single-family residential properties were included in the study. Only one of these properties was not within ratio parameters. This was due to some minor improvements on the property not being valued. The sample resulted in a median ratio of 34.0 percent and a coefficient of dispersion of 3.5 percent.

Multi-family Residential Improvements: Six improved multi-family residential properties were included in the study. All six improvements were within ratio parameters. The sample resulted in a median ratio of 33.9 percent and a coefficient of dispersion of 2.9 percent.

Commercial and Industrial Improvements: Six improved commercial and industrial properties were included in the study. Two parcels were out of tolerance. The first was due to some minor improvements not being valued. The second out of tolerance improvement is a motel. The division valued the laundry and storage as a portion of the motel while the assessor valued them separately. The sample resulted in a median ratio of 32.3 percent and a coefficient of dispersion 10.7 percent.

Minor Improvements: Nearly all minor improvements are being properly accounted for and valued by the assessor.

New Construction Valuation: For the 1998-99 and 1999-00 rolls, division appraisers valued Mineral County's new construction because the assessor's staff was busy with other projects and not available. It is critical to the budget process that new improvements be valued and added to the roll in a timely manner. New improvements are discovered through the use of the city/county building permit system. Nearly all new construction is discovered in this manner. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several parcels with new construction shows that the improvements are being correctly valued and depreciated.

(1) Agricultural Land: 1

Analysis: The division selected ten agricultural parcels for the study. The assessor did not reappraise the agricultural lands in the reappraisal area. The division noted changes in classification on three of the subjects, all were outliers. The sample resulted in a median ratio of 34.3 percent and a coefficient of dispersion of 14.5 percent.

Recommendation: The assessor must complete the reappraisal prior to July and submit changes to the board of equalization for approval.

(2) Agricultural Land Records: 1

Analysis: The assessor's agricultural land records were not updated to reflect changes in classification because the agricultural lands were not reappraised as required. However, the historical records are satisfactory.

Recommendation: The assessor must complete the reappraisal prior to July and submit changes to the board of equalization for approval.

(3) Agricultural Land Classification Maps: 2

Analysis: The assessor's files do not contain scale drawings of the various land classifications on each parcel. The lack of classification maps creates a problem in accurate land classification when parcels are split. For example, during the ratio study, it was found that a farmstead (buildings, corrals, etc.) taxed on one parcel actually was several miles away on a different parcel.

Recommendation: During the physical reappraisal, conduct a thorough evaluation of each agricultural parcel and create scale classification maps.

Agricultural Bulletin Use: The assessor correctly updated the old records using the current Agricultural Bulletin.

Residential Homesite Valuation: The assessor correctly valued the residential homesites on the agricultural parcels as required.

(4) Agricultural Improvements: 1

Analysis: Five improved agricultural properties were included in the study. Four of the properties were not within ratio parameters. Improvements had been added to two of the subjects and other improvements had deteriorated substantially on the third. The fourth sample had no improvements. These improvements were found on a different parcel. The sample resulted in a median ratio of 22.7 percent and a coefficient of dispersion of 41.0 percent. One sample was excluded from the median and coefficient of dispersion calculations because the results produced an extreme coefficient of dispersion of 3791.8 percent for all property in this category.

Recommendation: The assessor must complete the reappraisal prior to July and submit changes to the board of equalization for approval.

Deferred Taxes: There are 59 deferred agricultural parcels in Mineral County. The assessor's files include a current agricultural application for each operator. The assessor requires a new updated application when the ownership changes.

Higher Use: Mineral County has no higher use (multi-residential or commercial use) areas on agricultural land.

Agricultural Land Conversions: The assessor did not have any agricultural land converted to a higher use for the calendar year 1998.

Assessment Maps: The Lyon County Mapping Department prepares the Mineral County Assessor's parcel maps. The maps are of good quality and are easy to use.

Prescribed Parceling System: The assessor uses the prescribed parceling system. Summary or referral parcels are not used in Mineral County.

PERSONAL PROPERTY

Discovery: Mineral County does a good job of identifying personal property within the county. The few aircraft located in the county are tracked through FAA reports and occasional physical inspection of the airport. The staff discovers mobile homes through safety inspections that are required prior to hook up to utilities. Mobile homes are also discovered from Dealer's Report of Sales (DRSs) from Nevada mobile home dealers. New agricultural activity is discovered through agricultural applications. Business licenses are required for all business properties. Mineral County gets updates monthly on business licenses and sends out declarations to new businesses. This discovery process is effective for the county.

Record-keeping: The personal property files of the county continue to be well organized and managed. The mobile home filing system is outstanding with each account maintained in a separate file and by account number. These files are exceptionally clean and orderly and all outdated information is removed from the files. These files are also color coded for year, conversions to real property and deactivated files. The county has a high number of DRSs and where a DRS is not available, other supporting documentation is included. All other personal property is filed by account number and maintained in separate file folders. These files are also free of unnecessary or outdated documentation.

Agricultural: Mineral County has a very small percentage of agricultural property. Five samples were reviewed, this comprised 45 percent of the total property category. Of the samples reviewed, one outlier was found, due to exempt irrigation equipment being assessed. The error was pointed out and corrected by the assessor at the time of our visit. The sample resulted in a median ratio of 34.9 percent with a coefficient of dispersion of 20.23 percent.

Business Property: Of fifty-four businesses included in the study, 19 secured and 35 unsecured, 12 were found to be out of tolerance. Seven outliers were the result of rounding of small dollar amounts, one outlier was due to an incorrect acquisition year, two were due to incorrect class life, one was due to a sign being classified and depreciated as a billboard, and the last outlier was due to an input error. While reviewing this category, we noticed one item being taxed as both real and personal property. Gas pumps that the taxpayer reported on the personal property declaration were also assessed on the real property roll. All measures of central tendency were 35.1 percent with coefficients of dispersion between 2.79 and 3.94 percent.

Mobile Homes: Of one hundred and thirty-four mobile homes sampled, 74 unsecured and 60 secured, two outliers were found. One of the outliers was due to sales tax being included and the other was due to the accessories not being assessed. A few other mobile homes sampled included sales tax but didn't result in outliers. Based on the ratios for this segment of the study the staff is correctly valuing this type of property. The sample resulted in a median ratio of 35 percent, with coefficients of dispersion between .43 and .45 percent.

Billboards: All four unsecured billboard accounts were reviewed. One outlier was found and was due to incorrect coding of the account. This category is being correctly assessed and had a median ratio of 35 percent, with a coefficient of dispersion of .69 percent.

(5) Aircraft: 2

Analysis: There are currently 4 aircraft located in the county. All were reviewed and three outliers were found. One outlier was the result of rounding of small dollar values and the other two were due to incorrect acquisition years. They were incorrectly assessed using year of manufacture rather than year of acquisition. The sample resulted in a median ratio of 19.8 percent, with a coefficient of dispersion of 79.24 percent.

Recommendation: The division recognizes that with only four aircraft in the county the assessor's staff spend little time on these assessments each year. It is our recommendation that the county implement a two party review process thereby eliminating any errors.

Migratory Property: The county does not currently have any migratory property. They are aware of the correct procedure to assess migratory property. For mobile homes expected to remain in the county the assessor is correctly assessing them for the first time on the next tax roll.

(6) Billing/Collection (penalties applied, seizure and sale): 1

Analysis: The assessor and staff are applying the correct penalties and interest to delinquent accounts as per statutes. As stated in the past two ratio studies, the assessor's office is not actively pursuing the collection of overdue accounts. Several seizure letters have been sent, yet no seizures have been made. The assessor's office attributes this to understaffing. They are in the process of turning over several delinquent accounts to the District Attorney's office for collections. The assessor has tried in the past to have the former District Attorney and the Mineral County Commission collect or remove these accounts from the roll but has been unsuccessful. Prior to the 1998-1999 tax year, the county had approximately \$11,500 in delinquent personal property accounts.

Recommendation: The assessor's office should become more aggressive in the collection of delinquent personal property taxes. The procedure for seizure and sale of personal property for delinquent taxes is outlined in NRS 361.535.

OFFICE PROCEDURES:

(5) Possessory Interest Valuation - Real & Personal Property: 1

Analysis: This section of the ratio study has been given a rating of 1, or deficient, due to the county's (Mineral County Commission on the advice of the former District Attorney) valuation of its largest possessory interest, the U. S. Army Ammunition Depot. Other possessory interests valued by the assessor are the county clinic and medical facilities, hangars at the county airport and improvements at a county owned industrial park. All have been correctly valued, except the Depot.

In the 1993 session of the legislature, NRS 361.157 and 361.159 (which are the possessory interest valuation statutes) were amended in order to strengthen and clarify the taxability of exempt property being used by private contractors. In Mineral County, prior to the 1993 changes in statute, valuation was based on the reported value of the property used by the contractor with a reversionary factor applied. The reversionary factor was established when the military first began contracting with private contractors. The contracts at that time were typically for a five year period. During the term of the contract, the assessed value was reduced each year based on the number of years remaining in the contract using the appropriate reversionary factor.

Because of the 1993 statutory changes, the assessor's staff made a physical inspection in 1994 of the military base and those items used and controlled by the contractor. The subsequent valuations were based on the contractor's listing and the reported value of the property being used, together with the physical inspection performed by the assessor. The listing and reported value were supplied by the contractor.

In 1992-93, prior to the statutory change, the contractor stopped paying taxes on the possessory interest. In June 1994, Mineral County filed suit to collect the unpaid taxes. Since that time, there has been negotiation between the county and the U. S. Army in an attempt to seek resolution prior to trial. On December 18, 1996, the Mineral County Commission (on the advice of the former Mineral County District Attorney) agreed to and signed two agreements entitled "COMPROMISE AND SETTLEMENT AGREEMENT" with UNITED STATES DEPARTMENT OF THE ARMY and DAY-ZIMMERMAN HAWTHORNE CORPORATION (DZHC). The agreements substantially reduce, remove or void assessed value, and therefore taxes due, from the roll. The agreements reduce values as follows:

TAX YEAR	ASSESSOR'S VALUE	COMMISSIONER'S VALUE	ASSESSED VALUE REDUCTION	AMOUNT OF TAX PAID TO DATE	DATE PAID
1998-99	\$17,149,931	\$11,745,051	\$5,404,880	\$427,519.87	8/20/98 10/8/98 12/31/98 2/26/99
1997-98	\$56,316,763	\$9,526,646	\$46,790,117	\$346,769.92	8/18/97 10/10/97 1/1/98 3/11/98
1996-97	\$56,360,970	\$9,526,646	\$47,104,324	\$255,742.81	6/30/97
1995-96	\$55,609,408	\$8,582,584	\$47,026,896	\$233,000.00	9/30/97
1994-95	\$54,763,082	\$6,047,656	\$48,715,426	\$167,000.00	9/30/97
1993-94	\$20,725,450	VOID	\$20,725,450	----	
1992-93	\$4,814,890	VOID	\$4,814,890	----	

In the fall of 1997, the Mineral County Assessor valued the equipment, buildings and land used by the contractor DZHC at the ammunition depot for the 1998-1999 tax year. This assessment was based on the earlier property inspection and the original declaration filed by the contractor that included a list of the property used and the value of that property. DZHC did not file a declaration for the 1998-99 tax year. The total assessed value arrived at by the assessor for fiscal year 1998-99 was \$57,693,006.

An appeal by DZHC to the Mineral County Board of Equalization (CBE) in January of 1998 reduced the assessed value to \$9,526,464. This amount was later adjusted to \$11,745,051 by order of the Mineral County Board of Commissioners.

The Mineral County Assessor appealed the CBE and the Mineral County Board of Commissioners ruling to the Nevada State Board of Equalization (SBE). The amount was adjusted by the SBE (to include the improvement factor) to an assessed value of \$12,100,915. This new amount was in keeping with the agreement between Mineral County and DZHC but was found not to include all the property used by DZHC. Therefore, the case was remanded back to the CBE who placed a zero value on the remanded items. The Mineral County Assessor appealed the CBE ruling to the SBE. At that hearing on September 30, 1998 the Nevada State Board of Equalization set the assessed value of the ammunition depot property used by DZHC at \$17,149,931.

The Division's concerns regarding Mineral County's settlement and actions are as follows:

1. Valuation provisions of the agreement do not appear to comply with NRS 361.157, 361.159 and 361.227. For example, the agreement stipulates the nature and use of the property valued for 1997-98 will be as determined by that used for 1996-97 when the nature and use of the property may be different. Also, the agreement lists the potential property to be valued in the future and provides an assessment process and schedule contrary to NRS Chapter 361.
2. In the settlement process, the Assessor discovered that for the 1996-97 and 1997-98 tax years, an error was made in the calculation of assessed values where the assessment ratio of 35 percent was misapplied to an already assessed value, thereby further reducing the value. This error, approximately \$1,500,000 assessed value for each year, has not been corrected and the Mineral County Commission has determined that it will not make any correction.
3. DZHC did not follow the administrative appeal process in the years since the payment of property taxes ceased. In February 1997, DZHC appeared before the Mineral County Board of Equalization in connection with the settlement agreements. In 1998, correct procedures were followed although an incorrect assessed value of \$9,526,646 was reported to the assessor by the CBE.
4. The Mineral County Treasurer did not bill DZHC for the corrected 1998-99 assessed value of \$17,149,931 as set by the SBE but continued to bill the incorrect assessed value of \$11,745,051 set by the Mineral County Commission even after being notified of the correct value.

Recommendation: Possessory interests must be valued in accordance with NRS 361.157, 361.159 and 361.227. Taxpayers who disagree with valuation must pursue their administrative remedies.

The Mineral County Treasurer must bill DZHC for the corrected 1998-99 assessed value of \$17,149,931 as set by the SBE. The original billed assessed value of \$11,745,051 set by the Mineral County Commission was correct at the time of billing but is now superseded by the corrected SBE amount.

Statutes and Regulations: The Nevada Revised Statutes and the Nevada Administrative Code are available in the assessor's office. Both have been correctly updated.

(7) Cost Manuals and Systems: 2

Analysis: The assessor uses the Marshall and Swift computer programs to value most major improvements. The estimator updates are loaded into the computer once each year at the beginning of the work year. The September 1997 update is used for residential property and the October 1997 update is used for the commercial property. The assessor has one copy of the Marshall and Swift Residential Cost Manual, the Marshall and Swift Commercial Cost Manual and the Rural Building Cost Handbook. However, the assessor incorrectly updated the current cost multiplier page in the residential manual with the September 1996 updates. The green local multiplier page in the commercial manual was also incorrectly updated with the December 1997 updates. The Rural Cost Handbook published by the division is used to value the agricultural improvements

Recommendation: The Marshall and Swift Commercial and Residential cost manuals should be updated to October and September respectively prior to the beginning of the reappraisal. It should be noted that the assessor contacted Marshall and Swift about receiving a complete set of updated manuals each year before the beginning of the work year. Even though the assessor will now receive a set of new updated manuals each year, the staff should review the manuals to ensure that correct updates have been installed.

Appraisal Records: Most of the information in the files is correct, complete and up to date. The files include a picture and drawing of the improvements, a Marshall and Swift cost printout and costs for auxiliary improvements. However, it was discovered that some of the files contained records from the past three reappraisals, or fifteen years. The division recommends that, other than some historical data, only the current and prior reappraisal information be kept in the files.

Filing System: The assessor's real property files are organized in parcel number order. This system allows for easy retrieval and is efficient to use.

Reports: All of the many reports required of the assessor were correctly completed and delivered on time.

Appeal Preparation and Presentations: For this tax year, there were two appeals to the Mineral County Board of Equalization. The assessor does a good job of preparing for and presenting the county's position at the board of equalization hearings.

Reopened Roll Log: The roll log is required by NRS 361.310 to be received by the division on or before October 31, 1998. The roll log submitted by Mineral County was received on August 19, 1998 and was completed correctly.

(8) Obsolescence: 2

Analysis: During the 1996 office review, the assessor had applied obsolescence to twenty-two properties in Mineral County. A list of these parcels is available in the assessor's office. However, it was discovered that these parcels had not been reviewed since the 1996 ratio study.

Recommendation: Those parcels that are receiving obsolescence must be reviewed on an annual basis in order to determine if the reduction is warranted from one year to the next. A quick review on the importance of keeping a current list and reviewing those parcels each year was discussed with the assessor and staff. It should be noted that, when this was brought to the assessor's attention, those parcels that had been receiving obsolescence in 1996 were reviewed and updated.

New Construction: For the 1998-99 and 1999-00 rolls, division appraisers valued Mineral County's new construction because the assessor's staff was busy with other projects and not available. It is critical for the budget process that new improvements be valued and added to the roll in a timely manner. New construction is discovered through the use of the city/county building permit system. Nearly all new construction is discovered in this manner. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several parcels with new construction shows that the improvements are being correctly valued and depreciated.

Land Use and Exemption Codes: A review of the assessment roll revealed that the assessor is correctly applying the land use and exemption codes.

Appraisal Cycle: The assessor uses a five-year reappraisal cycle. During this year's cycle Books 06, 07 and portions of 01, which include the south half of Hawthorne less the subdivisions, were reappraised. This area represents approximately 32 percent of the county. In 1997, a portion of Book 01, which is the north half of Hawthorne less the subdivisions, was reappraised. This area represents approximately 18 percent of the county. In 1996, approximately 14 percent of the county was reappraised. This included a portion of Book 01. This portion of Book 01 is the subdivisions in Hawthorne. In 1995, Books 02, 03, 06, and parts of 07, which represents Mina, Luning and the outside county, were appraised. The 1999 reappraisal plan includes Book 08, a portion of Book 05, and the U. S. Army Base. The assessor is considering a reorganization of the reappraisal areas so that the parcel count is more evenly distributed and geographical in nature. This will require the assessor to appraise some parcels twice within a five year period, which will temporarily create an additional workload but will be worthwhile over the long term.

Improvement Factoring: The assessor uses a composite improvement factor that includes an additional year of depreciation. This results in those improvements that are 50 years old and older receiving depreciation beyond the 75 percent maximum. This is corrected during reappraisal.

Appraiser Certifications: There is currently one certified real property appraiser in Mineral County. The assessor continues to take appraisal classes in preparation for the certification exam.

Appraisers Training Requirements: The Mineral County staff appraiser is in compliance with NRS 361.221 and NRS 361.223. Additional training hours will be needed in the year 2001.

**PERSHING COUNTY
1999-00 RATIO STUDY**

REAL PROPERTY	MEDIAN RATIO	OVERALL RATIO	C.O.D. MEDIAN	SAMPLE SIZE
ALL PROPERTY	34.3	34.6	4.5%	48
IMPROVEMENTS	34.6	34.7	9.1%	43
IMPROVED LAND	34.3	34.2	2.4%	43
VACANT	34.3	34.8	2.2%	5
SFR IMPROVEMENTS	34.7	34.8	5.0%	25
SFR LAND	34.1	34.4	2.7%	25
SFR TOTAL	34.5	34.6	2.8%	25
MULTI IMPROVEMENTS	34.6	35.1	2.9%	5
MULTI LAND	33.6	33.6	1.0%	5
MULTI TOTAL	34.6	34.9	2.5%	5
COMM & INDUSTRIAL IMPROVEMENTS	33.8	34.4	19.1%	13
COMM & INDUSTRIAL LAND	34.5	34.3	2.0%	13
COMM & INDUSTRIAL TOTAL	33.9	34.4	9.1%	13
RURAL IMPROVEMENTS	0.0	0.0	0.0%	0
RURAL LAND	0.0	0.0	0.0%	0
RURAL TOTAL	0.0	0.0	0.0%	0
SECURED PERSONAL PROPERTY				
ALL SECURED	35.0	35.1	1.77%	153
AIRCRAFT	0.0	0.0	0.00%	0
AGRICULTURAL	35.1	34.7	0.82%	17
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.2	39.8	7.37%	18
MOBILE HOMES	35.0	34.9	1.02%	118
UNSECURED PERSONAL PROPERTY				
ALL UNSECURED	35.0	36.1	2.50%	156
AIRCRAFT	35.0	35.6	3.70%	3
AGRICULTURAL	35.0	34.9	4.81%	7
BILLBOARDS	35.0	35.0	0.09%	3
COMMERCIAL-INDUSTRIAL	35.0	36.7	8.69%	29
MOBILE HOMES	35.0	34.9	0.82%	114
TOTAL PERSONAL PROPERTY	35.0	35.8	2.14%	309

PERSHING COUNTY
1999-00 RATIO STUDY

Pershing County's reappraisal area includes Book 1 (the City of Lovelock) and contains 757 nonagricultural parcels (684 are improved). The reappraisal area represents eight percent of the total number of parcels in the county. The division's sample consists of 13 commercial (10%), five multi-family residential (6%), 25 single-family residential (6%), and five vacant (5%) properties.

STUDY RESULTS

<u>REAL PROPERTY</u>	<u>RATING</u>
Sales Collection	3
Sales Verification	3
Sales Data Base	3
Vacant Land (excluding agricultural property)	3
Subdivision Analysis	3
Single-family Residential Land	3
Multi-family Residential Land	3
Commercial and Industrial Land	3
Factors	3
Single-family Residential Improvements	3
Multi-family Residential Improvements	3
Commercial and Industrial Improvements (1)	2
Minor Improvements	3
New Construction Valuation	3
Agricultural Land	No Agricultural Sample
Agricultural Land Records	"
Agricultural Land Classification Maps	"
Agricultural Bulletin Use	"
Residential Homesite Valuation	"
Agricultural Improvements	"
Deferred Taxes	3
Higher Use	3
Agricultural Land Conversions	N/A
Assessment Maps	3
Prescribed Parceling System	3

PERSONAL PROPERTY

Discovery	3
Record-keeping	3
Agricultural Property	3
Business Property (2)	2
Mobile Homes	3
Billboards	3
Aircraft	3
Migratory Property	3
Billing/Collection (penalties applied, seizure and sale)	3

OFFICE PROCEDURES

Possessory Interest Valuation - Real & Personal Property	3
Statutes and Regulations	3
Cost Manuals and Systems	3
Appraisal Records	3
Filing System	3
Reports	3
Appeal Preparation and Presentations	3
Reopened Roll Log	3
Obsolescence	N/A
New Construction	3
Land Use and Exemption Codes	3
Appraisal Cycle	3
Improvement Factoring	3
Appraiser Certifications	3
Appraisers Training Requirements	3

DIVISION'S ANALYSIS AND RECOMMENDATIONS

Sales Collection: The assessor receives copies of deeds and declarations of value from the recorder's office. The pertinent information contained in these documents is then verified and input into the computer sales data bank.

Sales Verification: Verification is accomplished primarily by declarations of value and questionnaires sent to both grantor and grantee. The assessor reports a 75 percent rate of return on the questionnaires. The assessor also uses direct contact with buyers, sellers and real estate professionals for specific information.

Sales Data Base: The assessor maintains seven years of sales data in the sales data bank. Each year, the division receives a printout of the preceding year's sales data. The data was reviewed and it was found that the sales data has improved with regards to the content and accuracy of the information. The assessor's sales program is well organized, comprehensive and reliable.

Vacant Land (excluding agricultural property): Five vacant land parcels were sampled in this study and all were found to be within ratio parameters. It is apparent that the assessor's staff is doing a thorough job in their valuation of vacant land. The divisions sample resulted in a median ratio of 34.3 percent and a coefficient of dispersion of 2.2 percent.

Subdivision Analysis: The assessor has analyzed all qualified subdivisions in Pershing County. Currently there are five subdivision ownerships that have qualified for analysis. The assessor's staff calculated and applied the appropriate land values as directed by NAC 361.129. A review of the assessor's backup material found the method used and the resulting values to be correct.

Single-family Residential Land: Twenty-five improved single-family residential land parcels were sampled in this study. The assessor uses the site value method to value residential parcels. All were found to be within ratio parameters. The sample resulted in a median ratio of 34.1 percent and a coefficient of dispersion well within prescribed limits.

Multi-family Residential Land: Five improved multi-family residential land parcels were sampled in this study. The assessor uses the site value method to value multi-family parcels. All were found to be within ratio parameters. This sample revealed a median ratio of 33.6 percent and a coefficient of dispersion of 1.0 percent.

Commercial and Industrial Land: Thirteen improved commercial/industrial land parcels were sampled in this study. The assessor uses the square foot method to value commercial and industrial parcels. All were found to be within ratio parameters. This sample resulted in a median ratio of 34.5 percent and a coefficient of dispersion of 2.0 percent.

Factors: The assessor uses the sales data bank to establish land factors. Because of the limited number of sales in any single year, several years of sales must be used when establishing a factor. The Sandhill Area and Sonoma View Estates were the two areas that received a factor for the 1999-2000 tax year. Several parcels were reviewed and it was found that the assessor correctly applied the approved land factors.

Single-family Residential Improvements: Twenty-five improved single family residential properties were included in the sample. The assessor's staff is measuring and classifying the improvements correctly, with the exception of a few minor errors. Three of these properties were not within ratio parameters due to an incorrect measurement and a few minor improvements that were not valued. The sample resulted in a median ratio of 34.7 percent and a coefficient of dispersion of 5.0 percent, which are well within ratio parameters.

Multi-family Residential Improvements: Five improved multi-family residential properties were sampled in this study and all were found to be within ratio parameters. The assessor's staff is measuring and classifying this type of improvement correctly. This sample produced a median ratio of 34.6 percent and a coefficient of dispersion of 2.9 percent, which are well within designated ratio parameters.

(1) Commercial and Industrial Improvements: 2

Analysis: Thirteen improved commercial/industrial properties were sampled in this study. Five of the properties were found to be outside of ratio parameters. Two of the outliers were a result of the assessor's staff not being aware that the Marshall and Swift Commercial Estimator program could value a restaurant or retail store as two separate occupancies. Another outlier was due to the assessor incorrectly adding a separate value for a vault on a bank building (vaults are included in the base cost of banks). The assessor's staff also incorrectly valued a truck scale, using the acquisition cost rather than the replacement cost. The final outlier was due to a clerical error where the improvement was left off the roll. The sample resulted in a median ratio of 33.8 percent and a coefficient of dispersion of 19.1 percent.

Recommendation: A review process for all data entry should be established to ensure that all information is correctly entered. The assessor's staff has now become aware of the capabilities of the Marshall and Swift Commercial Estimator program.

Minor Improvements: For the most part, minor improvements were identified by the assessor and valued using the Marshall and Swift cost manuals or the Rural Building Cost Handbook. The assessor does not use lump sum values but costs each improvement individually.

New Construction Valuation: New construction is discovered through the use of the county and city building permit system. New permits are organized by area and the new improvements are inspected and valued throughout the year. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor's staff.

Agricultural Land: There were no agricultural parcels within the reappraisal area.

Agricultural Land Records: N/A

Agricultural Land Classification Maps: N/A

Agricultural Bulletin Use: N/A

Residential Homesite Valuation: N/A

Agricultural Improvements: N/A

Deferred Taxes: There are 1,262 deferred agricultural parcels in Pershing County. The assessor's files include a current agricultural application for each operator. The assessor requires a new application when the ownership changes.

Higher Use: Pershing County has one higher use area on agricultural land. This higher use area, which is commercial in nature, has a land value similar to comparable commercial properties in the area.

Agricultural Land Conversions: The assessor did not have any agricultural land convert to a higher use for the calendar year 1998.

Assessment Maps: The assessor's maps are prepared by Desert Mountain Surveying in Winnemucca. They are of good quality and easy to use.

Prescribed Parceling System: The assessor uses the prescribed parceling system. Summary or referral parcels are not used in Pershing County.

PERSONAL PROPERTY

Discovery: The Pershing County Assessor continues to do a good job of discovering personal property in the county. Aircraft are discovered through FAA reports and field inspections. Billboards are discovered through the Department of Transportation's billboard report. Mobile homes are discovered from Dealer's Report of Sales (DRSs) sent to the county by Nevada dealers, moving permits from other counties, field inspections, contact with mobile home park managers, and building permits that are required before a mobile home can be hooked up to utilities. When a business license is obtained from the county, a personal property declaration is attached with accompanying instructions. Business licenses are also required in the city. The assessor obtains a list of new business licenses and building permits from the city and sends a personal property declaration to be filled out and returned by the taxpayer.

Record-keeping: The personal property files are well organized and maintained. Personal property accounts are filed in individual file folders by account number. The files are neat and orderly and are free of unnecessary or outdated information.

Agricultural: Approximately 70 percent of this category was sampled. The division reviewed 24 accounts, 17 secured and seven unsecured. Two outliers were found. Both were due to incorrect class life assignments. Several other problems were encountered; rounding of small dollar amounts, deleted items on the declaration but not deleted from the account, and new items on the declaration not added to the account. The last two problems mentioned were the result of a software error and were corrected when discovered. These errors did not result in outliers but are areas of concern. All measures of central tendency were between 35.0 and 35.1 percent, with coefficients of dispersion between .82 and 4.81 percent.

(2) Business Property: 2

Analysis: Of 47 businesses sampled, 18 secured and 29 unsecured, 15 outliers were found. Several of the outliers were due to incorrect class life assignments. Other causes were additions or deletions on declarations that were not added or deleted, consumables that were exempted by the 1995 legislature were included, and one real property item valued from the personal property declaration should not be taxed as personal property. All measures of central tendency are between 35.0 and 35.2 percent, with coefficients of dispersion between 7.37 and 8.69 percent.

Recommendation: The current list of class life codes contains over 150 personal property descriptions. The division recommends that the assessor review the current code list and eliminate any unnecessary or redundant codes. Streamlining the codes will eliminate many of the errors. In addition, a review process for all data entry must be established to ensure that all information is correct.

Mobile Homes: Of the 232 mobile homes in this sample, only seven were found to be out of tolerance. Based on the ratios found in this study, the Pershing County appraisal staff is doing a good job of assessing this type of property. The outliers were the result of input errors, accessories not included in original value, incorrect manufacture year, and a value obtained from a used DRS. These values were on older mobile homes. The staff is aware of the division's recommendation to derive value from comparable units in the mobile home sales comparable report. The sample resulted in a median ratio of 35 percent, with coefficients of dispersion between .82 and 1.02 percent. Real property items associated with the mobile homes are kept in separate files and referenced with the mobile home account number.

Billboards: The division's sample included all of the billboard accounts in Pershing County and found all correctly assessed. The sample resulted in a median ratio of 35 percent, with a coefficient of dispersion of .09 percent.

Aircraft: All the aircraft within the county were reviewed and are correctly assessed. The sample resulted in a median ratio of 35 percent, with a coefficient of dispersion of 3.70 percent. One sample was out of tolerance due to the use of a minimum assessed value inherent in the assessor's computer program. This was brought to the assessor's attention and necessary steps were being taken to correct this problem.

Migratory Property: As of our inspection, Pershing County did not have any property classified as migratory. If the assessor has knowledge that the personal property will not remain in the county for the full year, it is assessed as migratory property and the value is prorated for the time the property is in the county. For mobile homes entering the county after July 1 that are likely to stay more than a year, the assessor correctly assesses them for the first time on the following year's tax roll.

Billing/Collection (penalties applied, seizure and sale): The county is doing a good job of billing and collecting personal property taxes within the county. Unsecured personal property uncollected prior to the 1998-1999 billing cycle, including penalties and interest, is approximately \$4,950. The county has an approximate 90 percent return on personal property declarations. No seizures were done last year.

OFFICE PROCEDURES

Possessory Interest Valuation - Real Property: There is only one area in Pershing County where possessory interest real properties are located. These are the hangars located at the county owned airport. The hangars at the airport have only an improvement value, which is correctly applied in accordance with NRS 361.157.

Possessory Interest Valuation – Personal Property: There are no personal property possessory interests in Pershing County.

Statutes and Regulations: The Nevada Revised Statutes and the Nevada Administrative Code are available in the assessor's office. Both have been correctly updated.

Cost Manuals and Systems: The assessor uses the Marshall and Swift Residential and Commercial Estimator programs to value the majority of the major improvements. The estimator updates are loaded into the computer once each year at the beginning of the work year. The September 1997 update is used for the residential property and the October 1997 update is used for the commercial property. The assessor has one copy of the Marshall and Swift Commercial Handbook, three copies each of the Assessor's Handbook of Rural Building Costs and the Marshall and Swift Residential Handbook. All of the manuals have been correctly updated. The assessor's property appraisal system which is based on the Marshall and Swift cost manuals and the Rural Building Cost Handbook is used to value most minor and agricultural improvements.

Appraisal Records: The information in the files is complete, correct and up to date. Each property record folder contains the most recent Marshall and Swift data entry form and computer printout as well as several older data entry forms and computer printouts. The files also contain a recent picture and drawing of the improvements. The old data entry sheets and computer printouts are used for comparison purposes. Only the information needed to identify the property and defend the appraisal is included.

Filing System: The assessor's real property files are organized in parcel number order. This system allows for easy retrieval and is efficient to use.

Reports: All of the many reports required of the assessor were correctly completed and delivered on time.

Appeal Preparation and Presentations: For this tax year, there was a total of five appeals to the Pershing County Board of Equalization. There were no appeals to the State Board of Equalization.

Reopened Roll Log: The roll log is required by NRS 361.310 to be received by the division on or before October 31, 1998. The roll log submitted by Pershing County was received on September 01, 1998 and was completed correctly.

Obsolescence: There are no properties in Pershing County that were determined by the assessor to require any adjustment for obsolescence.

New Construction: New construction is discovered through the use of the county and city building permit system. New permits are organized by area, then the improvements are inspected and valued throughout the year. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor's staff.

Land Use and Exemption Codes: A review of the assessment roll revealed that the assessor is correctly applying the land use and exemption codes.

Appraisal Cycle: The assessor uses a five-year reappraisal cycle. During this year's cycle, Book 01, which is the City of Lovelock, was appraised. This area represents approximately eight percent of the county. The 1997 reappraisal included Book 07, which is the valleys surrounding the City of Lovelock, and represents approximately seven percent of the county. In 1996, approximately 40 percent of the county was reappraised. This included the ranches and portions of Books 02, 03, 06, 07, 08, 09, 10, 11, 12, 13, 14 and 15. The 1995 reappraisal included Books 06, 08, 09 and a few ranches. This area represents 27 percent of the county. The 1999 reappraisal plan includes a few ranches and portions of Books 02, 03, 07, 08, 09, 10, 11, 12 and 13. This area represents 18 percent of the county. The existing reappraisal cycle appears to work well for the assessor, conforms to statute requirements, and is manageable with the available personnel.

Improvement Factoring: The assessor uses a composite improvement factor that includes an additional year of depreciation. This results in those improvements that are 50 years old and older receiving depreciation beyond the 75 percent maximum. This is corrected during reappraisal.

Appraiser Certifications: The division has certified the assessor and two real property appraisers to appraise for ad valorem tax purposes.

Appraisers Training Requirements: All of the Pershing County appraisers are presently in compliance with NRS 361.221 and NRS 361.223. Additional training hours will be required in the year 2002.

**STOREY COUNTY
1999-00 RATIO STUDY**

REAL PROPERTY	MEDIAN RATIO	OVERALL RATIO	C.O.D. MEDIAN	SAMPLE SIZE
ALL PROPERTY	35.0	34.8	0.9%	38
IMPROVEMENTS	35.0	34.8	2.2%	18
IMPROVED LAND	35.0	34.7	0.9%	18
VACANT	35.0	35.0	0.0%	20
SFR IMPROVEMENTS	34.9	34.6	2.3%	12
SFR LAND	35.0	34.6	1.3%	12
SFR TOTAL	34.7	34.6	1.9%	12
MULTI IMPROVEMENTS	35.1	34.6	1.9%	3
MULTI LAND	34.9	34.9	0.1%	3
MULTI TOTAL	35.1	34.6	1.6%	3
COMM & INDUSTRIAL IMPROVEMENTS	35.2	35.6	1.8%	3
COMM & INDUSTRIAL LAND	35.0	35.0	0.1%	3
COMM & INDUSTRIAL TOTAL	35.2	35.5	1.3%	3
RURAL IMPROVEMENTS	0.0	0.0	0.0%	0
RURAL LAND	0.0	0.0	0.0%	0
RURAL TOTAL	0.0	0.0	0.0%	0
SECURED PERSONAL PROPERTY				
ALL SECURED	35.0	35.0	0.50%	29
AIRCRAFT	0.0	0.0	0.00%	0
AGRICULTURAL	35.5	34.9	1.98%	3
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.1	35.0	0.48%	13
MOBILE HOMES	35.0	35.0	0.02%	13
UNSECURED PERSONAL PROPERTY				
ALL UNSECURED	35.0	33.9	2.70%	106
AIRCRAFT	0.0	0.0	0.00%	0
AGRICULTURAL	0.0	0.0	0.00%	0
BILLBOARDS	35.2	35.2	0.00%	3
COMMERCIAL-INDUSTRIAL	35.0	33.3	8.95%	29
MOBILE HOMES	35.0	35.0	0.33%	74
TOTAL PERSONAL PROPERTY	35.0	34.1	2.23%	135

STOREY COUNTY
1999-00 RATIO STUDY

Storey County's reappraisal area included the Highland Ranches and a portion of Gold Hill. The Highland Ranches are parcels at the top of Gieger Grade which are 10 to 40 acres in size. The reappraisal area contains 772 non-agricultural parcels (664 vacant) and no agricultural parcels. The division's appraisers studied 12 single-family residential (13.04%), three multi-family residential (50.00%), three commercial (30.00%) and 20 vacant (3.01%) properties.

STUDY RESULTS

<u>REAL PROPERTY</u>	<u>RATING</u>
Sales Collection	3
Sales Verification	3
Sales Data Base	3
Vacant Land (excluding agricultural property)	3
Subdivision Analysis	3
Single-family Residential Land	3
Multi-family Residential Land	3
Commercial and Industrial Land	3
Factors	3
Single-family Residential Improvements	3
Multi-family Residential Improvements	3
Commercial and Industrial Improvements	3
Minor Improvements	3
New Construction Valuation	3
Agricultural Land	No Agricultural Sample
Agricultural Land Records	"
Agricultural Land Classification Maps	"
Agricultural Bulletin Use	"
Residential Homesite Valuation	"
Agricultural Improvements	"
Deferred Taxes	3
Higher Use	N/A
Agricultural Land Conversions	3
Assessment Maps (1)	2
Prescribed Parceling System	3

PERSONAL PROPERTY

Discovery	3
Record-keeping	3
Agricultural/Business Property	3
Mobile Homes	3
Billboards	3
Aircraft	N/A
Migratory Property	3
Billing/Collection (penalties applied, seizure and sale)	3

OFFICE PROCEDURES

Possessory Interest Valuation - Real & Personal Property	N/A
Statutes and Regulations	3
Cost Manuals and Systems	3
Appraisal Records	3
Filing System	3
Reports	3
Appeal Preparation and Presentations	3
Reopened Roll Log	3
Obsolescence	3
New Construction	3
Land Use and Exemption Codes	3
Appraisal Cycle	3
Improvement Factoring	3
Appraiser Certifications	3
Appraisers Training Requirements	3

DIVISION'S ANALYSIS AND RECOMMENDATIONS

Sales Collection: The assessor receives copies of deeds and declarations of value from the county recorder. These documents are the basis for the assessor's sales data bank.

Sales Verification: Verification of sales is done by questionnaires, review of title company files, declarations of value and interviews with buyers, sellers and real estate professionals.

Sales Data Base: As the sales data is obtained through the verification process, it is entered into the data bank. The assessor then sends the division a sales data sheet containing all the information for the new sales. A review of the data shows it to be accurate and complete. The assessor's sales data bank provides the information needed for the land factor analysis and land valuation.

Vacant Land (excluding agricultural property): Statistics for the 20 vacant samples are good, with no outliers. Approximately 60 sales, dating back to 1995, were analyzed for the Highland Ranchos. Using these sales and putting more weight on the most current data, a base value was established and adjustments were made for individual characteristics.

Subdivision Analysis: The assessor has analyzed all qualified subdivisions in Storey County. Currently there are five subdivision ownerships that have qualified for analysis. The assessor's staff calculated and applied the appropriate land values as directed by NAC 361.129. A review of the assessor's backup material found the method used and the resulting values to be correct.

Single-family Residential Land: Twelve improved single-family residential land parcels were sampled in this study and all were found to be within ratio parameters. This sample resulted in a median ratio of 35.0 percent and a coefficient of dispersion well within prescribed limits.

Multi-family Residential Land: Three improved multi-family residential land parcels were sampled in this study and all were found to be within ratio parameters. This sample revealed a median ratio of 34.9 percent and a coefficient of dispersion of 0.1 percent.

Commercial and Industrial Land: Three improved commercial/industrial land parcels were sampled in this study and all were found to be within ratio parameters. This sample resulted in a median ratio of 35.0 percent and a coefficient of dispersion of 0.1 percent.

Factors: Mark Twain Estates was the only area that received a factor for the 1999-2000 tax year. Several parcels were reviewed and it was found that the assessor correctly applied the approved land factor.

Single-family Residential Improvements: Twelve improved single-family properties were sampled in this study and all were found to be within ratio parameters. The assessor's staff is measuring and classifying this type of improvement correctly. This sample produced a median ratio of 34.9 percent and a coefficient of dispersion of 2.3 percent.

Multi-family Residential Improvements: Three improved multi-family residential properties were sampled in this study and included one duplex and two four-plexes. All samples were found to be within ratio parameters. This sample resulted in a median ratio of 35.1 percent and a coefficient of dispersion of 1.9 percent.

Commercial and Industrial Improvements: Three improved commercial/industrial properties were sampled in this study; a tavern with attached living area, a mini-warehouse and a restaurant. All samples were found to be within ratio parameters. This sample resulted in a median ratio of 35.2 percent and a coefficient of dispersion of 1.8 percent.

Minor Improvements: All minor improvements were identified by the assessor and valued from either the Marshall and Swift cost manuals or the Assessor's Handbook of Rural Building Costs. The assessor does not use lump sum values but costs each improvement individually.

New Construction Valuation: New construction is discovered through the use of the county building permit system. New permits are organized by area, then are inspected and valued throughout the year. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor's staff.

Agricultural Land: N/A

Agricultural Land Records: N/A

Agricultural Land Classification Maps: N/A

Agricultural Bulletin Use: N/A

Residential Homesite Valuation: N/A

Agricultural Improvements: N/A

Deferred Taxes: There are 43 deferred agricultural parcels in Storey County. The assessor's files include a current agricultural application for each operator. The assessor requires a new updated application when the ownership changes. A review of the procedures utilized by the assessor in calculating and collecting deferred taxes shows that the proper methodology is being applied.

Higher Use: Storey County has no higher use (multi-residential or commercial use) areas on agricultural land.

Agricultural Land Conversions: The assessor listed several parcels totaling 2,018.68 acres which were converted from agricultural use to residential or commercial/industrial uses during the 1998 calendar year. In all of the cases reviewed, the assessor's calculations of deferred taxes were correct.

(1) Assessment Maps: 2

Analysis: Over the past two years the assessor's maps have gone through the process of being input into a Geographic Information System (GIS). This project has not been completed due to the lack of funds. Many of the assessor's maps are not accurately drawn and have been updated manually using a pencil. These maps are in need of professional updating.

Recommendation: The assessor must take whatever steps necessary to ensure that parcel maps are accurate, are updated professionally and in a timely manner.

Prescribed Parceling System: The assessor uses the prescribed parceling system. Summary or referral parcels are not used in Storey County.

PERSONAL PROPERTY

Discovery: The Storey County assessor and staff do a good job of locating personal property within the county. Mobile homes are discovered through Dealer's Reports of Sales (DRSs) from Nevada dealers, moving permits from other counties, and through building permits for mobile home hookups. Businesses are discovered through business license printouts, newspapers, telephone directories and field inspections. Farm and ranch properties are discovered through new agricultural applications, deed changes and field inspections.

Record-keeping: Storey County's record keeping system is satisfactory. However, because mobile home accounts are filed alphabetically by taxing district, they are sometimes difficult to locate. A better method may be to file them alphabetically but not in separate tax districts. Each mobile home card has the DRS and other valuation documentation attached. All business declarations are contained in one file folder per year and filed alphabetically. Agricultural accounts are also contained in one folder per year and filed alphabetically. There are no aircraft or billboard accounts in Storey County.

Agricultural Property: Storey County has no unsecured agricultural accounts and only a few secured agricultural accounts. The division's sample included approximately 50 percent of the accounts in this category. One sample was out of tolerance due to rounding of small dollar values. The sample resulted in a median ratio of 35.5 percent, with a coefficient of dispersion of 1.98 percent. The assessor and staff are correctly assessing this property type.

Business Property: The division's sample included 42 accounts, 13 secured and 29 unsecured, with seven outliers found. The outliers noted were either due to rounding of small dollar values or incorrect class life assignments. One account that had an itemized declaration was grouped into a lump sum for average life. This was incorrect since some of the equipment should have had a short life class assignment. Approximately 90 percent of the accounts reviewed were itemized and had correct class life applied. All measures of central tendency were between 35.0 and 35.1 percent, with coefficients of dispersion between 0.48 and 8.95 percent.

Mobile Homes: The assessor and staff are correctly assessing this type of property. Our sample included 87 mobile homes, 13 secured and 74 unsecured, with one property sample out of tolerance due to an input error. The sample resulted in a median ratio of 35 percent, with coefficients of dispersion of 0.02 and 0.33 percent. Files contained DRSs and other original value documentation. The staff is correctly valuing and depreciating the minor improvements and then adding to the assessed mobile home values.

Billboards: A ratio study could not be conducted on this property type because only one billboard is located in the county. This billboard was reviewed and is being assessed correctly.

Aircraft: There are no aircraft located in Storey County, therefore a ratio study was not conducted for this property type.

Migratory Property: The county doesn't have any migratory property. For mobile homes entering the county after July 1 that are likely to stay more than a year, the assessor correctly assesses those homes for the first time on the following tax roll.

Billing/Collection (penalties applied, seizure and sale): All appropriate penalties and interest are added to delinquent accounts. The assessor has not seized any personal property this past year. Total delinquent personal property accounts, including penalties and interest, prior to the 98-99 billing cycle is approximately \$8,800. This amount includes an account in bankruptcy with taxes of \$1,233 and a mobile home, which is three years delinquent with taxes of \$4,200. The assessor has sent several letters citing the statutes, however no seizure notice has been sent. For those taxpayers that don't return a declaration, an estimated assessment increase of 10 percent is applied the first year with an additional increase of 10 percent per year until a total increase of 50 percent is assessed.

OFFICE PROCEDURES

Possessory Interest Valuation - Real Property: There are no real property possessory interest properties in Storey County.

Possessory Interest Valuation - Personal Property: There are no personal property possessory interest properties in Storey County.

Statutes and Regulations: The Nevada Revised Statutes and the Nevada Administrative Code are available in the assessor's office. Both have been correctly updated.

Cost Manuals and Systems: The assessor uses the Marshall and Swift computer cost estimator programs to value the majority of the major improvements. The estimator updates are loaded into the computer once each year at the beginning of the work year. The September 1997 update is used for residential property and the October 1997 update is used for the commercial property. The assessor has one copy each of the Marshall and Swift Residential Handbook, the Marshall and Swift Commercial Cost Manual and the Assessor's Handbook of Rural Building Costs. All of the manuals have been correctly updated. It should be noted that for the upcoming reappraisal the assessor will use the property appraisal system used by many other Nevada counties. This system is based on the Marshall & Swift cost manuals and the Assessor's Handbook of Rural Building Costs and will be used to value the minor improvements. The division believes that the use of this system will save the assessor a considerable amount of time when valuing the improvements.

Appraisal Records: The information in the files is correct, complete and up to date. Each property record folder contains the most recent Marshall and Swift data entry form and computer printout as well as the prior reappraisal data entry form and computer printout. The files also contain a recent picture and drawing of the improvements. The old data entry sheets and computer printouts are used for comparison purposes. Only the information needed to identify the property and defend the appraisal is included.

Filing System: The assessor's real property files are organized in parcel number order by area. This system is acceptable. However, the division recommends that the real property files be organized in parcel number order as done in other counties. This will standardize the system and be more efficient.

Reports: All of the many reports required of the assessor were correctly completed and delivered on time.

Appeal Preparation and Presentations: For this tax year, there were five appeals to the Storey County Board of Equalization. There were no appeals to the State Board of Equalization.

Reopened Roll Log: The roll log is required by NRS 361.310 to be received by the division on or before October 31, 1998. The roll log submitted by Storey County was received on July 2, 1998 and was completed correctly.

Obsolescence: The assessor has applied obsolescence to four properties in Storey County. The Storey County Board of Equalization reduced one of these properties due to its present condition. Another property receiving obsolescence is a mill site that is not presently in use. There is also one property receiving obsolescence because of its location and the last property is receiving a functional obsolescence because it was vandalized. The division reviewed the data on these parcels and found the assessor's method and final value to be supportable.

New Construction: New construction is discovered through the use of the county building permit system. New permits are organized by area, then the improvements are inspected and valued throughout the year. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor's staff.

Land Use and Exemption Codes: A review of the assessment roll revealed that the assessor is correctly applying the land use and exemption codes.

Appraisal Cycle: The assessor uses a five-year reappraisal cycle. During this year's cycle, Area 3, which is the Highland Ranchos and the lower portion of Gold Hill, was appraised. This area represents approximately 18 percent of the county. The 1997 reappraisal included Area 2, the Virginia Ranches, the Outside County, and Rainbow Bend, and represents 31 percent of the county. In 1996, approximately 26 percent of the county was reappraised. This is known as Area 1 and includes Virginia City and Gold Hill. The 1995 reappraisal was Area 5, Mark Twain Estates and the Outside River. This area represents approximately 10 percent of the county. The 1999 reappraisal plan includes the Virginia City Highlands area, excluding the Highland Ranches. The existing reappraisal cycle works well for the assessor, conforms to statute requirements, and is manageable with the available personnel.

Improvement Factoring: The assessor uses the statewide improvement factor. Each parcel is factored and depreciated individually. No properties are depreciated beyond the 75 percent maximum.

Appraiser Certifications: The division has certified the assessor as a real property appraiser for ad valorem tax purposes.

Appraisers Training Requirements: The assessor is in compliance with NRS 361.221 and NRS 361.223. Additional training hours will be required in the year 2003.

WASHOE COUNTY
1999-00 RATIO STUDY

REAL PROPERTY	MEDIAN RATIO	OVERALL RATIO	C.O.D. MEDIAN	SAMPLE SIZE
ALL PROPERTY	34.5	34.7	2.3%	309
IMPROVEMENTS	34.4	34.7	3.4%	281
IMPROVED LAND	35.0	34.6	1.5%	285
VACANT	35.0	35.4	2.9%	24
SFR IMPROVEMENTS	34.4	34.4	3.1%	192
SFR LAND	35.0	34.8	1.1%	192
SFR TOTAL	34.5	34.5	2.1%	192
MULTI IMPROVEMENTS	33.9	34.1	4.7%	38
MULTI LAND	34.7	34.0	1.9%	38
MULTI TOTAL	34.2	34.0	2.8%	38
COMM & INDUSTRIAL IMPROVEMENTS	34.5	35.1	3.1%	47
COMM & INDUSTRIAL LAND	35.0	34.6	2.9%	47
COMM & INDUSTRIAL TOTAL	34.4	35.0	2.0%	47
RURAL IMPROVEMENTS	32.9	33.0	1.8%	4
RURAL LAND	35.0	34.8	0.9%	8
RURAL TOTAL	34.7	34.7	0.8%	8
SECURED PERSONAL PROPERTY				
ALL SECURED	35.0	35.1	0.06%	59
AIRCRAFT	0.0	0.0	0.00%	0
AGRICULTURAL	35.0	35.0	0.03%	16
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.0	35.1	0.09%	37
MOBILE HOMES	35.0	35.0	0.01%	6
UNSECURED PERSONAL PROPERTY				
ALL UNSECURED	35.0	34.9	0.88%	231
AIRCRAFT	35.0	35.0	0.27%	26
AGRICULTURAL	35.0	35.0	0.02%	8
BILLBOARDS	35.0	35.0	0.13%	4
COMMERCIAL-INDUSTRIAL	35.0	35.4	2.87%	24
MOBILE HOMES	35.0	34.8	0.75%	169
TOTAL PERSONAL PROPERTY	35.0	34.9	0.71%	290

WASHOE COUNTY
1999-00 RATIO STUDY

Washoe County's reappraisal area is referred to as southwest and southeast Reno, the airport, McQueen and Mogul-Verdi areas. The geographical area contained in this reappraisal cycle encompasses five percent of the area of the entire county. The assessment map books involved are Books 09, 15, 18-21, 23-25, 38-43, 51, 200, 202, 204, 206, 208, 210, 212, 214, 216, 218, 220, 222, 224, 226, 228, 230, 232, 234, 236, and 240. The area includes 114 agricultural parcels and 27,385 non-agricultural parcels (23,298 improved). These nonagricultural parcels account for 23 percent of the 124,903 total nonagricultural parcels in the county.

The 1999-2000 reappraisal area is very diverse and includes several above average residential subdivisions located around Hidden Valley Golf Course, older subdivisions near the Reno-Tahoe International Airport, ranchette properties southwest of the I-80 Freeway, older homes and newly built homes located off southwest McCarran Boulevard, numerous new moderately priced subdivisions between I-80 Freeway and McCarran Boulevard and the upscale subdivisions near Verdi. Combined with all this are pockets of commercial development located along the major access routes. Most of the area is now experiencing significant growth in residential and commercial building.

The division's sample reflects the great diversity of properties in the reappraisal area. The types of properties in the sample include; single-family residences, townhouses, condominiums, duplexes, apartments, industrials, casinos, shopping centers, fast food restaurants, mini-markets and office complexes. The total sample of 301 consisted of 192 single-family residential (1%), 38 multi-family residential (6%), 47 commercial and industrial (6%), 24 vacant (1%) and eight agricultural (7%) properties.

STUDY RESULTS

<u>REAL PROPERTY</u>	<u>RATING</u>
Sales Collection	3
Sales Verification	3
Sales Data Base	3
Vacant Land (excluding agricultural property)	3
Subdivision Analysis	3
Single-family Residential Land	3
Multi-family Residential Land	3
Commercial and Industrial Land	3
Factors	3
Single-family Residential Improvements	3
Multi-family Residential Improvements	3
Commercial and Industrial Improvements	3
Minor Improvements	3
New Construction Valuation	3

Agricultural Land	3
Agricultural Land Records	3
Agricultural Land Classification Maps	3
Agricultural Bulletin Use	3
Residential Homesite Valuation	3
Agricultural Improvements	3
Deferred Taxes	3
Higher Use	3
Agricultural Land Conversions	3

Assessment Maps	3
Prescribed Parceling System	3

PERSONAL PROPERTY

Discovery	3
Record-keeping	3
Agricultural/Business Property (1)	2
Mobile Homes	3
Billboards	3
Aircraft	3
Migratory Property	3
Billing/Collection (penalties applied, seizure and sale)	3

OFFICE PROCEDURES

Possessory Interest Valuation - Real & Personal Property	3
Statutes and Regulations	3
Cost Manuals and Systems	3
Appraisal Records	3
Filing System	3
Reports	3
Appeal Preparation and Presentations	3
Reopened Roll Log	3
Obsolescence	3
New Construction	3
Land Use and Exemption Codes	3
Appraisal Cycle	3
Improvement Factoring	3
Appraiser Certifications	3
Appraisers Training Requirements	3

DIVISION'S ANALYSIS AND RECOMMENDATIONS

Sales Collection: The collection of real property sales in Washoe County is done in an accurate and efficient manner. Members of the assessor's staff obtain all real property transfers from the recorder's office. Copies of the important sales documents such as deeds, declarations of value, etc., are kept on file in the assessor's office by year.

Sales Verification: Washoe County has an excellent verification process. The reliability of the sales data produced by the verification team is excellent and has been well-documented in past ratio studies. Headed by an experienced appraiser, this team uses several tools to ensure that sales are accurately stated. Visits to title companies help verify price, terms and conditions of sales. Verification letters are sent to buyers and sellers. In many cases, personal contact by telephone is made in order to obtain the true motivations of the parties involved in the sale. After determining the validity of the sales, the staff then assigns various codes to the sales, which show the confidence level and type of verification completed.

Sales Data Base: The sales database is good and reliable because the sales verification process is accomplished in a very conscientious manner. The verified and coded sales are input into the mainframe computer where appraisers and other staff in the assessor's office can access them. In addition, the sales database is drawn upon to compute land factors in that portion of the county (4/5th) which is not being reappraised. The verified sales from the sales bank are the basis used to establish land values in the reappraisal area. The sales database was reviewed by the division and was found to be complete and accurate.

Vacant Land (excluding agricultural property): Twenty-four vacant properties were sampled, including residential (0.72%), multi-residential (3.4%), commercial (2.6%) and industrial (1.3%). The median ratio in this category was 35 percent, with a coefficient of dispersion of 2.9 percent. Only two outliers occurred in this property category and were due to the use of different sales to set the value. From the statistics shown, it is easy to conclude that the county staff have a good knowledge of the market land values in the reappraisal area and are correctly assigning land values.

Subdivision Analysis: This specialized task has been assigned to a senior appraiser. Currently there are 14 subdivision ownerships that have qualified for analysis. The assessor's staff calculated and applied the appropriate land values as directed by NAC 361.129. A review of the assessor's backup material found the method used and the resulting values to be correct.

Single-family Residential Land: The establishment of land values for the many different areas and subdivisions within the reappraisal area, was a formidable task due to the great diversity of properties. The county staff used good appraisal techniques as well as ingenuity in approaching this project. In the areas with sufficient sales, the appraisal staff completed a sales analysis to obtain a credible range of land values for single family residential lots. In other areas, which did not have sufficient sales data, comparable sales data was used from other parts of the county to establish a range of land values. The overall ratios for this category were excellent with no outliers. The sample resulted in a median ratio of 35 percent and a coefficient of dispersion of 1.1 percent.

Multi-family Residential Land: Thirty-eight improved multi-family residential land parcels were included in the study, all were within ratio parameters. Similar techniques were used for establishing land values for multi-family land as was used for single family land. The sample resulted in a median ratio of 34.7 percent and a coefficient of dispersion of 1.9 percent.

Commercial and Industrial Land: Forty-seven improved commercial/industrial land parcels were included in the study. One sample was found out of ratio parameters. The division assigned a lower land value than the assessor. For some commercial properties it was necessary for the assessor's staff to use sales of like properties from other areas of the county to establish a land value. This is a generally accepted practice. The sample resulted in a median ratio of 35 percent and a coefficient of dispersion of 2.9 percent. The commercial land values are very close to market value and reflect utilization of the sales data bank.

Factors: Washoe County is very fortunate to have several of its best personnel working in this area. They have demonstrated a thorough knowledge of factoring methods and procedures. A very concerted effort is made by the staff to ensure only reliable sales data are used in establishing land factors. The county has continued to improve its factoring ability by the establishment of neighborhoods. Through the use of the multiple listing service market areas, the staff was able to define logical neighborhood boundaries. The division verified the five areas that were factored during the past year and found the methods used were correct and that the approved factors were applied to each targeted parcel.

The assessor has chosen 30 percent as the target median ratio when factoring. This has historically resulted in very few areas being factored. The statutes allow for a median ratio between 30 and 35 percent and perhaps a mid-range target median ratio would be more appropriate in some areas. This may eliminate the large increases in land values experienced every five years due to reappraisal.

Single-family Residential Improvements: This property category contained the majority of the division's sample for the ratio study. One hundred and ninety two improved single-family residential properties were included in the study. Fourteen property ratios were not within statutory limits. Two were the result of the division discovering improvements that were added to the property but not found on the assessor's appraisal. The assessor corrected these when informed of them. Seven samples were out of ratio due to the following reasons; incorrect age weighting, difference in quality class and lower values in minor improvements. In addition, five samples were out of ratio due to computer input errors such as, number of stories of the building, type of wall construction or not applying a construction modifier. The assessor is very concerned regarding these deficiencies and is prepared to correct and eliminate them in the future. The median ratio was 34.4 percent with a very acceptable coefficient of dispersion of 3.1 percent.

Multi-family Residential Improvements: Thirty-eight improved multi-family residential properties were included in the study. Five properties were not within statutory limits. Two were the result of the assessor having lower minor improvement values than the division. The assessor corrected these deficiencies when informed. The remaining outliers resulted in the following differences; an incorrect area calculation on the improvement, an input error in the total floor area and an incorrect calculated age weighting. Overall the assessor's staff is doing a good job of valuing this improvement type. The sample resulted in a median ratio of 33.9 percent and a coefficient of dispersion of 4.7 percent.

Commercial and Industrial Improvements: Forty-seven improved commercial/industrial properties were included in the study. Three properties were not within statutory limits. The outliers in this category were differences due to the following; some minor improvements valued by the division not valued by the assessor, an incorrect value used for an equipment package and an incorrect improvement size. The sample resulted in a median ratio of 34.5 percent and a coefficient of dispersion of 3.1 percent. The county staff has improved the valuing of commercial/industrial minor improvements since the last ratio study.

Minor Improvements: The deficiencies in this category have been well documented in past ratio studies. A concerted effort has been made by the assessor and his staff to improve the valuation of minor yard improvements. The results in all categories of real property (single family residential, multi-family residential and commercial/industrial) show a positive improvement regarding minor improvements.

New Construction Valuation: Washoe County has an excellent system of discovering and valuing new construction within the county. New construction is discovered through the use of the county and city building permits. New permits are organized by area and then a special team is assigned the task of inspecting and valuing these improvements throughout the year. The assessor also has additional staff working on new construction just prior to the lien date in an attempt to discover and value all of the existing improvements. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor's staff.

Agricultural Land: Eight agricultural properties were sampled for this study. All were within ratio parameters. The sample resulted in a median ratio of 35 percent and a coefficient of dispersion of 0.9 percent.

Agricultural Land Records: The agricultural land records are accurately updated and reflect the classifications of each property.

Agricultural Land Classification Maps: The assessor's files contain maps of each agricultural property. The maps are updated at each reappraisal and accurately reflect the various land classifications of each parcel.

Agricultural Bulletin Use: The assessor valued all agricultural parcels in the reappraisal area using the current Agricultural Bulletin.

Residential Homesite Valuation: The assessor correctly identified and valued the residential homesites on the agricultural parcels as required.

Agricultural Improvements: Four improved agricultural properties were sampled for this study, all were within ratio parameters. The sample resulted in a median ratio of 32.9 percent and a coefficient of dispersion of 1.8 percent.

Deferred Taxes: There are 1,302 deferred agricultural parcels in Washoe County. The assessor's files include a current agricultural application for each operator. The assessor requires a new updated application when the ownership changes. A review of the procedures utilized by the assessor in calculating and collecting deferred taxes indicates that the proper methodology is being applied.

Higher Use: Washoe County has valued six higher use areas on agricultural land. Five are gravel pits and one is a service garage. These higher use areas are valued similarly to other commercial property in the area.

Agricultural Land Conversions: The assessor listed 101 parcels totaling 1,703.429 acres which were converted from agricultural use to residential or commercial/industrial uses during the 1998-99 fiscal year. In all of the cases reviewed, the assessor's calculation of deferred taxes was correct.

Assessment Maps: The assessor's mapping department prepares the assessment maps. The assessor's staff continues to work on re-mapping the county using the new Geographical Information System (GIS) mapping system. The new maps are very good and easy to use.

Prescribed Parceling System: The assessor uses the prescribed parceling system. Summary or referral parcels are not used in Washoe County.

PERSONAL PROPERTY

Discovery: Washoe County continues to be very diligent in their discovery of personal property. Aircraft are discovered through FAA tail number reports as well as inquiry letters to aircraft hanger owners. The letters request information on current tenants renting hanger space. Mobile homes are tracked through Dealer's Report of Sales (DRSs) from mobile home dealers, moving permits, county set up permits and the zoning enforcement department. The county has a field inspector that visits all mobile home sites and verifies the correct mobile is at the site and measures and values accessories and minor improvements. Billboards are discovered through the Department of Transportation's Billboard Report. Agricultural properties are well established with little movement. They are tracked through agricultural exemption filings.

Record-keeping: Washoe County continues to maintain a good record keeping system. Each personal property account is filed in its own folder. Mobile homes are filed by account number with the DRS and other supporting valuation documentation enclosed. Unsecured business and agricultural declarations are filed according to account number with secured businesses and secured agricultural declarations filed by assessor's parcel number. Aircraft accounts are filed by account number.

(1) Agricultural/Business Property: 2

Analysis: As stated in previous studies, these categories are being managed very well with only two outliers found. The outliers were due to input errors. Our study is limited in scope because the declarations used by the assessor's office are lump sum declarations and do not allow for in-depth analysis of depreciation. The division cannot give Washoe County the highest rating due to a problem which continues to exist with the basic element of business property reporting – the personal property declaration. The assessor has chosen to continue using a personal property declaration which has all equipment and assets grouped together by acquisition year in a lump sum amount. The division has encouraged the development and usage of an itemized declaration for a number of studies but no change has occurred. Washoe County remains one of the few counties within the state which does not have an itemized personal property declaration.

The deficiencies of a non-itemized declaration have been discussed in previous studies and only a brief summary will be given here. This type of declaration makes it difficult if not impossible to do the following:

1. Accurately track the addition and deletions of personal property items.
2. Correctly assign the proper life schedule to all items of personal property.
3. Determine whether an item has been assessed both on the real and personal property rolls.

Due to the above-mentioned problems, the need for an itemized declaration is evident.

Recommendation: The division strongly recommends that steps be taken to remedy this deficiency. If the present computer software cannot be modified, perhaps a PC based system or other software could be utilized and then tied to the main computer system. The assessor's office is in the process of installing a new Computer Assisted Mass Appraisal (CAMA) system. This new system is reported to have a personal property module capable of creating and using itemized declarations. If the assessor uses this module the current deficiency would be corrected.

Mobile Homes: Of 175 mobile homes, six secured and 169 unsecured, six were found to be out of tolerance. Five were the result of including sales tax in with the base cost and one was an input error of the wrong year of manufacture. The staff is doing a good job of assessing this type of property. The county continues to incorrectly depreciate some of the minor real property improvements at five percent per year. These improvements include patio covers, carports, porches and foundations. It is the county's position that these items are personal property since they are in many cases attached to the mobile home. On those mobiles pending conversion to real property, a notice is put in the file stating pending conversion and a separate pending file is created. It is taxed as personal property until the county receives confirmation of conversion from manufactured housing. The file is then sent upstairs to the real property appraisers for assessment. All measures of central tendency are 35 percent, with coefficients of dispersion between 0.01 and 0.75 percent.

Billboards: Our sample included approximately 30 percent of the billboard accounts in Washoe County. No outliers were found. This category had a median ratio of 35 percent, with a coefficient of dispersion of 0.13 percent.

Aircraft: Of the 26 unsecured aircraft sampled, only a few minor errors were found which did not create any outliers. Errors included an incorrect acquisition cost and a few incorrect class life assignments to ultra light aircraft and hot air balloons. The files were very well organized and easy to find with a separate file for dead accounts. All measures of central tendency were 35 percent, with a coefficient of dispersion of 0.27 percent.

Migratory Property: Washoe County doesn't have any mobile homes that they consider migratory. Migratory equipment is discovered through business licenses and field inspections. When migratory property is located, it is prorated one-twelfth for each full month which has elapsed since the beginning of the fiscal year. No errors were found in this property type.

Billing/Collection (penalties applied, seizure and sale): The task of billing and collecting taxes in Washoe County is so large that it takes two departments working together to accomplish it. Tax bills are generated by the assessor's office but the taxes are collected by the treasurer's office. All appropriate penalties and interest are being applied to delinquent accounts. This past year, 996 intent to seize letters were posted with 174 seizures and 5 sales. The Washoe County assessor's office and treasurer's office are doing a very good job of billing and collecting taxes.

OFFICE PROCEDURES:

Possessory Interest Valuation - Real Property: There are fifteen possessory interest real properties valued in Washoe County. The division reviewed several of these properties and found that the assessor's methods and values are correct and that the backup data necessary to review the valuation is available.

Possessory Interest Valuation - Personal Property: There are no personal property possessory interests in Washoe County.

Statutes and Regulations: The Nevada Revised Statutes and the Nevada Administrative Code are available in the assessor's office. Both have been correctly updated.

Cost Manuals and Systems: In the past, the assessor used several different costing systems provided by Marshall and Swift to value residential improvements. Due to the difference in the final improvement value between these costing systems and the turnaround time to receive these values from Marshall and Swift, the assessor is now using the Marshall and Swift Residential Estimator program. This has provided a standard costing system that will yield an improvement value once all the data has been entered into the computer.

The assessor's staff is adjusting the residential quality class downward one-half of a class to compensate for the lower costs associated with homes having slab floors. This method of adjustment, which is one of several that could be used, did not result in any sample ratios being outside statutory limits. However, the preferred method and the one recommended by the Division is to use the slab floor entry provided by the Marshall and Swift Residential program to make this adjustment. The new Computer Assisted Mass Appraisal system purchased by the county will provide for this adjustment.

The assessor also uses the Marshall and Swift Commercial Estimator program to value commercial/industrial improvements. The estimator updates are loaded into the computer once each year at the beginning of the work year. The September 1997 update is being used for the residential property and the October 1997 update is being used for the commercial property. The assessor does have several copies of the Assessor's Handbook of Rural Building Costs and several copies of the Marshall and Swift Residential and Commercial Cost Manuals. All of the manuals have been correctly updated. Minor improvements such as paving, sheds or fences are valued using the assessor's in-house computer program that is based on the Marshall and Swift cost manuals and some local costs. Agricultural type improvements are valued using the Assessor's Handbook of Rural Building Costs published by the division.

Appraisal Records: The information in the files is complete, correct and up to date. The assessor is taking new pictures with a digital camera and making new sketches as they are needed. The sketches are being prepared on the new Patriot sketch program. Each property record folder contains the most recent appraisal record which includes building and land data, value history, the owners name and property address, the appraiser's initials, and the date of the last appraisal visit. Included in the folder are drawings and pictures of the improvements, a property sale record, and an activity log. The folder may also contain a new construction worksheet, any correspondence relating to the property, and data from

the previous appraisal which are used for comparison purposes. Only the information needed to identify the property and defend the appraisal is included.

Filing System: The assessor's real property record files are organized in parcel number order. This system allows for easy retrieval and is efficient to use.

Reports: The numerous reports required of the assessor were completed correctly and delivered on time.

Appeal Preparation and Presentations: For this tax year, there were a total of 143 appeals to the Washoe County Board of Equalization. The assessor's staff is well prepared and very professional in their presentation of Washoe County's position at the board of equalization hearings.

Reopened Roll Log: The roll log is required by NRS 361.310 to be received by the division on or before October 31, 1998. The roll log submitted by Washoe County was received on October 15, 1998 and was correctly completed.

Obsolescence: The assessor maintains a data bank listing of sales of improved and vacant properties within the county. The assessor's taxable values for these properties are then compared to their sales prices, and a ratio of taxable value to sales price is calculated for each property. Properties with a taxable value that exceeds their sales price can then be identified. The assessor also uses Metro Scan, which has the ability to array data many different ways so that different property types and different age improvements can be studied.

The assessor has applied obsolescence to 663 properties in Washoe County. Of these, 258 are condominium properties, which were reduced because taxable value exceeded full cash value. The number of condominium properties receiving obsolescence has decreased significantly since the last ratio study. One hundred and fourteen residential properties have also been reduced. The remainder of the properties receiving obsolescence are; 63 general commercial, 104 offices, 35 casinos and 18 hotels/motels. The other 71 are mixed property types. These parcels were reduced because taxable value exceeded full cash value. The assessor is reviewing property sales annually to determine if continued obsolescence is necessary. The division reviewed several parcels with obsolescence and found that the assessor's value is correct and the backup material complete.

New Construction: Washoe County has an excellent system of discovering and valuing new construction within the county. New construction is discovered through the use of the county and city building permits. New permits are organized by area and a special team is assigned the task of inspecting and valuing these improvements throughout the year. The assessor also has additional staff working on new construction just prior to the lien date in an attempt to discover and value all of the existing improvements. New construction that is discovered before the close of the roll in December is included at that time. New construction that is discovered after the close of the roll is included on the roll log. A review of several properties with new construction revealed that the improvements are being correctly measured and valued by the assessor's staff.

Land Use and Exemption Codes: A review of the assessment roll revealed that the assessor is

correctly applying the land use and exemption codes.

Appraisal Cycle: The assessor uses a five-year reappraisal cycle. During this ratio study, Area 2, which is southwest and southeast Reno, the airport, McQueen, and the Mogul-Verdi areas, was appraised. This area represents approximately 23 percent of the county. The 1997 reappraisal included Area 1, which is the south county and Lake Tahoe. This area represents approximately 18 percent of the total county. In 1996, approximately 26 percent of the county was reappraised. This included the north county suburban valleys and rural. The 1995 reappraisal covered Area 4, which is the northwest and northeast areas of Reno and Sparks. The 1999 reappraisal plan includes the Reno central core and represents approximately 12 percent of the total county. The existing reappraisal cycle works well for the assessor, conforms to statute requirements, and is manageable with the available personnel.

Improvement Factoring: The assessor uses the statewide improvement factor in all factored areas of the county. The factor applied is the composite factor, which includes an additional year of depreciation. This results in those improvements that are 50 years old and older receiving depreciation beyond the 75 percent maximum. This is corrected during reappraisal.

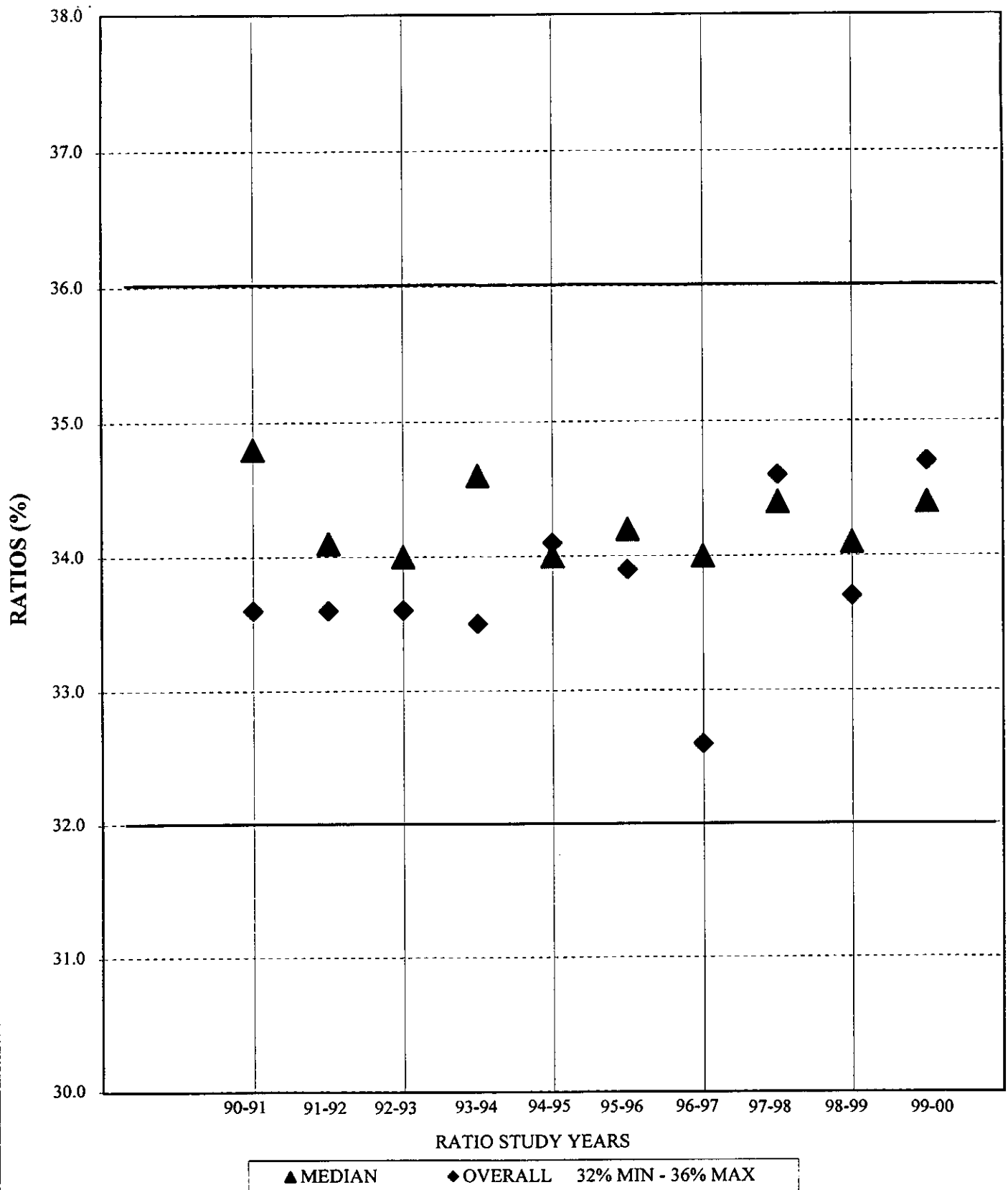
Appraiser Certifications: The division has certified 27 staff members as real property appraisers to appraise for ad valorem tax purposes. The division has certified five members of the assessor's staff in the valuation of personal property. In addition, several staff members have earned professional designations; one ISRPA, six CAE's, three RES's, two SRA's and two CMS's.

Appraisers Training Requirements: All of the Washoe County staff appraisers are presently in compliance with NRS 361.221 and NRS 361.223. Additional training hours will be required by June of 1999.

**STATEWIDE SUMMARY
1999-00 RATIO STUDY**

REAL PROPERTY	MEDIAN RATIO	OVERALL RATIO	C.O.D. MEDIAN	SAMPLE SIZE
ALL PROPERTY	34.5	34.7	3.9%	819
IMPROVEMENTS	34.5	34.8	4.2%	655
IMPROVED LAND	34.9	34.5	2.8%	692
VACANT	34.7	34.9	2.7%	127
SFR IMPROVEMENTS	34.6	34.4	3.2%	436
SFR LAND	34.8	34.5	2.3%	436
SFR TOTAL	34.4	34.4	2.3%	436
MULTI IMPROVEMENTS	34.2	34.2	5.5%	82
MULTI LAND	34.7	34.1	2.8%	82
MULTI TOTAL	34.3	34.2	2.7%	82
COMM & INDUSTRIAL IMPROVEMENTS	34.2	35.1	6.0%	113
COMM & INDUSTRIAL LAND	35.0	34.6	2.5%	113
COMM & INDUSTRIAL TOTAL	34.4	35.0	3.7%	113
RURAL IMPROVEMENTS	33.9	32.7	9.9%	24
RURAL LAND	34.7	33.7	6.6%	61
RURAL TOTAL	34.5	33.6	18.8%	61
SECURED PERSONAL PROPERTY				
ALL SECURED	35.0	35.1	0.84%	957
AIRCRAFT	34.9	35.0	1.23%	8
AGRICULTURAL	35.0	35.6	2.02%	145
BILLBOARDS	0.0	0.0	0.00%	0
COMMERCIAL-INDUSTRIAL	35.0	35.0	1.65%	177
MOBILE HOMES	35.0	35.0	0.33%	627
UNSECURED PERSONAL PROPERTY				
ALL UNSECURED	35.0	35.0	1.20%	1455
AIRCRAFT	35.0	34.8	2.67%	112
AGRICULTURAL	35.0	35.0	0.93%	47
BILLBOARDS	35.0	35.0	0.20%	22
COMMERCIAL-INDUSTRIAL	35.0	35.1	3.40%	315
MOBILE HOMES	35.0	34.9	0.35%	959
TOTAL PERSONAL PROPERTY	35.0	35.0	1.06%	2412

REAPPRAISAL AREA - ALL PROPERTY TEN YEAR COMPARISON MEDIAN VS OVERALL



REAPPRAISAL AREA - ALL PROPERTY TEN YEAR COMPARISON

