

STATE OF NEVADA  
DEPARTMENT OF TAXATION

2002-2003  
REPORT OF ASSESSMENT RATIO STUDY



PREPARED BY THE  
DIVISION OF ASSESSMENT STANDARDS

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## Table of Contents

<u>Topic</u>	<u>Page No.</u>
<b>Ratio Study Introduction:</b>	
<b>Purpose, Design, Conclusions</b>	<b>1-5</b>
<b>Part I : Ratio Study Statistics</b>	<b>6</b>
<b>Ratio Study Statistics by County</b>	<b>7-13</b>
<b>Part II : Work Practices Survey</b>	
<b>Summary of Work Practices Ratings</b>	<b>14</b>
<i>Narratives</i>	
<b>Carson City</b>	<b>15-21</b>
<b>Churchill County</b>	<b>22-28</b>
<b>Elko County</b>	<b>29-36</b>
<b>Lander County</b>	<b>37-43</b>
<b>Pershing County</b>	<b>44-50</b>
<b>Washoe County</b>	<b>51-60</b>
<b>White Pine County</b>	<b>61-66</b>

## Nevada Department of Taxation 2002-2003 RATIO STUDY

### *Purpose*

In order to ensure property in the state is appraised equitably by county assessors, the Department tests a variety of information using applied statistics to determine if inequity or assessment bias exists. The Department also surveys and analyzes assessor work practices to ensure the uniform application of valuation and assessment methodology as provided by law and assessment standards. If inequity or bias is discovered, NRS 360.215 and 361.333 provide the Nevada Tax Commission the authority to pursue certain procedures designed to correct inequitable conditions.

### *Part I: Ratio Study*

To facilitate the analysis of equitable appraisal, the Department of Taxation conducts a ratio study each year designed to measure the level of appraisal accuracy of local county assessors. Generally speaking, a "ratio study" is "designed to evaluate appraisal performance or determine taxable value through a comparison of appraised or assessed values estimated for tax purposes with independent estimates of value based on either sales prices or independent appraisals."<sup>1</sup> The comparison of the estimate of assessed value produced by the assessor on each parcel in the sample to the estimate of taxable value produced by the Department is called a "ratio."

The Department independently appraises a sample of randomly selected properties in the study areas and compares the results to the assessed values established by the county assessor. The properties comprising the sample are physically inspected by Department appraisers and valued according to statutory and regulatory requirements. The independent appraisals conducted by the Department comprise a *sample* of the *universe or population* of all properties within the jurisdiction being reviewed. From the information about the *sample*, the Department *infers* what is happening to the population as a whole.

The Department examines the ratio information for *appraisal accuracy*. Two essential elements of appraisal accuracy are *appraisal level* and *appraisal uniformity*. Appraisal level compares how close the assessor's estimate of assessed value is to the legally mandated standard of 35% of **taxable value**. Appraisal level is measured by a descriptive statistic called a *measure of central tendency*. A measure of central tendency, such as the mean, median, or aggregate ratio, is a **single number** or value that describes the center or the middle of a set of data. In the case of this ratio study, the median describes the middle of the array of all ratios comparing the assessed value to the taxable value established for each parcel.

*Assessment uniformity* refers to the degree to which different properties are assessed at equal percentages of taxable value. If taxable value could be described as the center of a "target," then assessment uniformity looks at how much variation or distance there is between each ratio and the "target." The statistical measure known as the coefficient of dispersion measures uniformity or the distance from the "target."

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<sup>1</sup> International Association of Assessing Officers, Standard on Ratio Studies, (1999), P. 6.

## **Part II: Work Practices Survey and Analysis**

NRS 361.333 (1)(b)(2) requires the Department to make a determination about whether each county has adequate procedures to ensure that all property subject to taxation is being assessed in a correct and timely manner, and to note any deficiencies. In addition, the Department reviews assessments in those areas where land and improvement factors are applied pursuant to NRS 361.260 (5) to ensure the factors are appropriately applied.

The Department staff travel to the offices of county assessors to review the procedures used to discover, value, and assess all real and personal property within the jurisdiction of the county assessor. The Department reviews the resources of the office; reviews a sample of property files; and interviews assessors and their staffs. Departures from required or accepted appraisal practices are noted and recommendations for improvement are made in the chart entitled "Summary of Study Results" accompanied by a narrative on each indicated procedure included in this study. A rating system is used as follows:

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.

## **Ratio Study Design Parameters and Standards for Analysis**

NRS 361.333(2) permits the Department to conduct a ratio study on smaller groups of counties instead of the entire state in any one year. The ratio study is conducted over a three year cycle. This year's study is therefore limited to Carson, Churchill, Elko, Lander, Pershing, Washoe, and White Pine Counties.

The ratio study by law must include the overall ratio (also known as the aggregate ratio or weighted mean ratio) of the total property within each subject county and each class of property. The study must also include two comparative statistics known as the median and the coefficient of dispersion (COD) of the median, for both the total property in each subject county and for each major class of property within the county. NRS 361.333 (5) (c) defines the major classes of property as:

- I. Vacant land;
- II. Single-family residential;
- III. Multi-residential;
- IV. Commercial and industrial; and
- V. Rural

In addition, the statistics are calculated specifically for improvement and land values in the current year reappraisal area.

We calculate the overall or aggregate ratio by dividing the total assessed value of all the observations (parcels) in the sample by the total taxable value of all the observations (parcels) in the sample. This produces a ratio weighted by dollar value. Because of the weight given to each dollar of value, parcels with higher values exert more influence than parcels with lower values. The aggregate ratio helps identify under or over assessment of higher valued property. For instance, an unusually high aggregate ratio might indicate that higher valued property is over assessed, or valued at a rate higher than other property.

The median is a statistic describing the measure of central tendency of the sample. It is the middle ratio when all the ratios are arrayed in order of magnitude, and divides the sample into two equal parts. The median is the most widely used measure of central tendency by equalization agencies because it is less affected by extreme ratios or "outliers," and is therefore the preferred measure for monitoring appraisal performance or evaluating the need for a reappraisal.<sup>2</sup> NRS 361.333(5)(c) states that under- or- over assessment may exist if the median of the ratios falls in a range less than 32% or more than 36%.

The COD is a measure of variability or dispersion relating to the uniformity of the ratios and is calculated for all property within the subject jurisdiction and for each class of property within the subject jurisdiction. The COD measures the deviation of the individual ratios from the median ratio as a percentage of the median and is calculated by (1) subtracting the median from each ratio; (2) taking the absolute value of the calculated differences; (3) summing the absolute differences; (4) dividing by the number of ratios to obtain the "average absolute deviation;" and (5) dividing by the median. The COD has "the desirable feature that its interpretation does not depend on the assumption that the ratios are normally distributed."<sup>3</sup> The COD is a relative measure and useful for comparing samples from different classes of property within counties, as well as among counties.

The IAAO also states that "the smaller the measure, the better the uniformity, although extremely low measures can signal a flawed study, nonrepresentative appraisals, extremely homogenous properties or stable markets. As market activity changes or as the complexity of properties increase, the measures of variability usually increase, even though appraisal procedures may be equally valid."<sup>4</sup> The IAAO recommended ratio study performance standards are as follows:

<u>Type of Property</u>	<u>COD</u>
Single-family residential	
Newer, more homogenous areas	10.0% or less
Older, heterogeneous areas	15.0% or less
Rural residential and seasonal	20.0% or less

<sup>2</sup> International Association of Assessing Officers. Standard on Ratio Studies, (1999), p. 23.

<sup>3</sup> International Association of Assessing Officers. Standard on Ratio Studies, (1999), p. 24.

<sup>4</sup> International Association of Assessing Officers. Standard on Ratio Studies, (1999), p. 24.

Income-producing properties	
Larger, urban jurisdictions	15.0% or less
Smaller, rural jurisdictions	20.0% or less
Vacant land	20.0% or less
Other real and personal property	Varies with local conditions

According to the IAAO Standard on Ratio Studies (1999), the level of appraisal uniformity for each class of property should be within 5 percent of the overall level of appraisal of the jurisdiction. For example, the median ratio for all property in Carson City in this study is 34.8. The median ratio for each class of property should fall within 5 percent of 34.8, or between 33.06 and 36.54. In this example, each class falls within the IAAO acceptable range limits. This measure is not required by law and is not separately displayed in the study because NRS 361.333 defines the acceptable range as between 32.0 and 36.0. Examination of the median ratio table in this study, however, shows the uniformity level according to the IAAO Standard to be within the range suggested by the Standard for each class of property.

### ***Ratio Study Conclusions***

The median of the ratios indicate all subject counties and classes of property within the subject counties are in compliance. All ratios of assessed value to taxable value for each class of property in each jurisdiction fall between 32% and 36%. This measure indicates no need to perform direct equalization.

The overall, or aggregate ratios, also indicate substantial compliance by the counties with the standards enumerated in NRS 361.333. Most overall ratios were in the range of 32% or greater. Three overall ratios were less than 32%, including the rural class of property in Lander and Washoe Counties and improved land class in Lander. The overall ratio is based on the mean and is therefore more susceptible to influence by outliers. In Lander County the assessor's appraisers failed to collect information on existing out-buildings, which resulted in the "overall median for improved land" being out of compliance. In Washoe County, the overall ratio for rural land was affected by a single outlier. The outlier was due to a clerical error in land classification. The overall ratio for rural improvements was also affected by outliers. The outliers were caused by clerical errors on three properties.

The abnormally high COD in the rural class in Washoe County is explained by the inclusion of a single outlier which negatively influenced the indicator. If the outlier is trimmed from the sample, the COD is reduced to an acceptable level for land and the values for minor improvements would also fall within allowable levels. Otherwise, the calculated CODs in all other jurisdictions indicate an acceptable level of uniformity of valuation.

## ***Glossary of Terms***

**Assessed value:** A value set on real and personal property by the county assessor as a basis for levying taxes. The level of appraisal or assessment, also defined as the ratio of the assessed value to taxable value, is set by NRS 361.225: "All property subject to taxation must be assessed at 35 percent of its taxable value."

**Taxable value:** A value determined pursuant to NRS 361.227. In the case of real property, taxable value is the sum of the full cash value of the land under certain enumerated conditions plus the replacement cost new of any improvements on the land, considering all applicable depreciation and obsolescence. In the case of personal property, taxable value is also based on replacement cost new less depreciation as determined by regulation of the Nevada Tax Commission.

**Central tendency:** The tendency of most kinds of data to cluster around some typical or central value, such as the mean or median.<sup>5</sup>

**Class:** A set of items defined by common characteristics. NRS 361.333 defines the major classes subject to the ratio study as:

- I. Vacant;
- II. Single-family residential;
- III. Multi-residential;
- IV. Commercial and industrial; and
- V. Rural

**Coefficient of Dispersion (COD):** The average deviation of a group of numbers from the median expressed a percentage of the median. In ratio studies, the average percentage deviation from the median ratio.<sup>6</sup>

**Median:** A measure of central tendency. The value of the middle item in an uneven number of items arranged or arrayed according to size; the arithmetic average of the two central items in an even number of items similarly arranged.<sup>7</sup>

**Outliers:** Observations that have unusual values, that is, differ markedly from a measure of central tendency. Some outliers occur naturally; others are due to data errors.

**Representative sample:** A sample of observations from a larger population of observations, such that statistics calculated from the sample can be expected to represent the characteristics of the population being studied.<sup>8</sup>

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<sup>5</sup> International Association of Assessing Officers, Standard on Ratio Studies (1999), p. 37.

<sup>6</sup> Ibid, p. 38.

<sup>7</sup> Ibid., p. 39.

<sup>8</sup> Ibid., p. 40.

**Nevada Department of Taxation**  
**2002-2003 Ratio Study**

**Overall Ratio (Aggregate or Weighted Mean Ratio)**

	Class of Property					
	Improvements	Improved Land	Vacant Land	Single Family Residence	Multi-Family Residence	Commercial Industrial
Carson City	34.60	34.80	34.30	34.60	35.90	34.10
Churchill	34.20	34.70	33.70	34.50	34.10	33.80
Elko	34.10	34.50	34.70	34.60	34.20	33.10
Lander	34.20	35.10	34.80	34.30	34.90	34.40
Pershing	34.60	33.90	34.90	34.40	34.90	35.50
Washoe	34.30	34.70	34.40	34.20	34.40	34.70
White Pine	34.30	33.70	34.40	34.20	34.40	34.10
						Rural Land & Improvements
						no sample
						33.30
						34.80
						26.50
						32.00
						27.00
						no sample

Subject County	All Property
Carson City	34.70
Churchill	34.30
Elko	34.20
Lander	32.60
Pershing	34.50
Washoe	34.40
White Pine	34.20

**Median of Individual Ratios**

	Class of Property					
	Improvements	Improved Land	Vacant Land	Single Family Residence	Multi-Family Residence	Commercial Industrial
Carson City	34.90	34.00	34.90	34.60	34.90	34.70
Churchill	34.60	35.00	35.00	34.60	34.30	33.80
Elko	34.70	35.00	35.00	34.70	34.50	34.20
Lander	34.50	35.00	35.00	34.70	34.80	34.30
Pershing	34.70	35.00	35.00	34.60	35.20	35.50
Washoe	34.30	35.00	35.00	34.50	34.30	34.90
White Pine	34.80	34.30	33.90	34.70	34.40	34.20
						Rural Land & Improvements
						No sample
						35.00
						35.00
						33.60
						35.00
						34.90
						No sample

Subject County	All Property
Carson City	34.70
Churchill	34.60
Elko	34.70
Lander	34.80
Pershing	35.00
Washoe	34.50
White Pine	34.40

**Coefficient of Dispersion (COD)**

	Class of Property					
	Improvements	Improved Land	Vacant Land	Single Family Residence	Multi-Family Residence	Commercial Industrial
Carson City	3.70%	3.60%	2.20%	2.20%	3.30%	6.50%
Churchill	4.20%	1.40%	7.30%	2.30%	2.50%	1.40%
Elko	3.10%	1.10%	1.60%	2.00%	1.70%	5.70%
Lander	6.10%	2.60%	4.10%	2.10%	0.70%	0.80%
Pershing	3.80%	1.70%	0.40%	1.60%	0.60%	0.60%
Washoe	4.50%	1.70%	74.80%	2.40%	2.40%	1.80%
White Pine	5.40%	4.60%	2.90%	4.70%	1.70%	1.80%
						Rural Land & Improvements
						No sample
						9.50%
						0.60%
						11.50%
						3.50%
						129.30%
						No sample

Subject County	All Property
Carson City	2.90%
Churchill	3.40%
Elko	2.40%
Lander	4.50%
Pershing	1.80%
Washoe	10.90%
White Pine	3.60%



**Nevada Department of Taxation**

**CARSON CITY  
2002-03 RATIO STUDY**

<b>REAL PROPERTY</b>	<b>OVERALL RATIO</b>	<b>MEDIAN RATIO</b>	<b>C.O.D. MEDIAN</b>	<b>SAMPLE SIZE</b>
ALL PROPERTY	34.7	34.7	2.9%	241
IMPROVEMENTS	34.6	34.9	3.7%	226
IMPROVED LAND	34.8	34.0	3.6%	226
VACANT	34.3	34.9	2.2%	15
SFR IMPROVEMENTS	34.9	34.9	3.2%	160
SFR LAND	33.9	33.7	2.7%	160
SFR TOTAL	34.6	34.6	2.2%	160
MULTI IMPROVEMENTS	35.9	35.3	4.6%	28
MULTI LAND	35.9	34.5	2.8%	28
MULTI TOTAL	35.9	34.9	3.3%	28
COMM & INDUSTRIAL IMPROVEMENTS	33.3	34.8	6.2%	38
COMM & INDUSTRIAL LAND	35.6	34.9	6.5%	38
COMM & INDUSTRIAL TOTAL	34.1	34.7	6.5%	38
RURAL IMPROVEMENTS	-	-	-	-
RURAL LAND	-	-	-	-
RURAL TOTAL	-	-	-	-
<b>SECURED PERSONAL PROPERTY</b>				
ALL SECURED	35.0	35.0	4.0%	51
AIRCRAFT (inadequate sample)	-	-	-	-
AGRICULTURAL (inadequate sample)	41.6	41.6	0.0%	1
BILLBOARDS (inadequate sample)	-	-	-	-
COMMERCIAL-INDUSTRIAL	35.0	35.0	0.0%	5
MOBILE HOMES (inadequate sample)	35.0	35.0	0.0%	45
<b>UNSECURED PERSONAL PROPERTY</b>				
ALL UNSECURED	35.0	35.0	1.0%	298
AIRCRAFT	35.0	35.0	0.1%	68
AGRICULTURAL	34.6	34.8	0.7%	2
BILLBOARDS	35.0	35.0	0.0%	3
COMMERCIAL-INDUSTRIAL	35.0	35.0	1.1%	78
MOBILE HOMES	35.0	35.0	0.5%	147
<b>TOTAL PERSONAL PROPERTY</b>	<b>35.0</b>	<b>35.0</b>	<b>1.3%</b>	<b>349</b>

**Nevada Department of Taxation**

**CHURCHILL COUNTY**

**2002-03 RATIO STUDY**

<b>REAL PROPERTY</b>	<b>OVERALL RATIO</b>	<b>MEDIAN RATIO</b>	<b>C.O.D. MEDIAN</b>	<b>SAMPLE SIZE</b>
ALL PROPERTY	34.3	34.6	3.4%	126
IMPROVEMENTS	34.2	34.6	4.2%	105
IMPROVED LAND	34.7	35.0	1.4%	105
VACANT	33.7	35.0	7.3%	21
SFR IMPROVEMENTS	34.4	34.6	2.9%	78
SFR LAND	34.7	35.0	0.9%	78
SFR TOTAL	34.5	34.6	2.3%	78
MULTI IMPROVEMENTS	33.8	34.3	3.7%	10
MULTI LAND	34.6	34.7	1.2%	10
MULTI TOTAL	34.1	34.3	2.5%	10
COMM & INDUSTRIAL IMPROVEMENTS	33.3	33.4	3.1%	9
COMM & INDUSTRIAL LAND	34.8	35.0	1.0%	9
COMM & INDUSTRIAL TOTAL	33.8	33.8	1.4%	9
RURAL IMPROVEMENTS	33.6	35.4	16.6%	8
RURAL LAND	33.1	35.0	10.4%	19
RURAL TOTAL	33.3	35.0	9.5%	19
<b>SECURED PERSONAL PROPERTY</b>				
ALL SECURED	34.8	35.0	0.5%	106
AIRCRAFT	35.0	35.0	0.0%	1
AGRICULTURAL	35.0	35.0	0.4%	30
BILLBOARDS	35.5	35.5	0.0%	3
COMMERCIAL-INDUSTRIAL	34.4	35.0	0.1%	26
MOBILE HOMES	35.0	35.0	0.0%	46
<b>UNSECURED PERSONAL PROPERTY</b>				
ALL UNSECURED	35.0	35.0	1.9%	104
AIRCRAFT	35.0	35.0	0.1%	9
AGRICULTURAL	35.0	35.0	0.6%	12
BILLBOARDS (inadequate sample)	35.1	35.1	0.0%	1
COMMERCIAL-INDUSTRIAL	35.0	35.0	2.5%	40
MOBILE HOMES	35.0	35.0	0.0%	42
<b>TOTAL PERSONAL PROPERTY</b>	<b>34.9</b>	<b>35.0</b>	<b>1.2%</b>	<b>210</b>

**Nevada Department of Taxation**

**ELKO COUNTY  
2002-03 RATIO STUDY**

<b>REAL PROPERTY</b>	<b>OVERALL RATIO</b>	<b>MEDIAN RATIO</b>	<b>C.O.D. MEDIAN</b>	<b>SAMPLE SIZE</b>
ALL PROPERTY	34.2	34.7	2.4%	137
IMPROVEMENTS	34.1	34.7	3.1%	117
IMPROVED LAND	34.5	35.0	1.1%	117
VACANT	34.7	35.0	1.6%	20
SFR IMPROVEMENTS	34.6	34.7	2.5%	70
SFR LAND	34.8	35.0	0.9%	70
SFR TOTAL	34.6	34.7	2.0%	70
MULTI IMPROVEMENTS	34.2	34.4	1.9%	11
MULTI LAND	34.0	34.9	1.5%	11
MULTI TOTAL	34.2	34.5	1.7%	11
COMM & INDUSTRIAL IMPROVEMENTS	32.8	33.9	6.5%	16
COMM & INDUSTRIAL LAND	34.3	35.0	1.9%	16
COMM & INDUSTRIAL TOTAL	33.1	34.2	5.7%	16
RURAL IMPROVEMENTS	34.8	34.8	0.7%	3
RURAL LAND	34.9	35.0	0.7%	20
RURAL TOTAL	34.8	35.0	0.6%	20
<b>SECURED PERSONAL PROPERTY</b>				
ALL SECURED	35.0	35.0	1.8%	189
AIRCRAFT (inadequate sample)	-	-	-	-
AGRICULTURAL	35.0	35.0	3.1%	27
BILLBOARDS (inadequate sample)	-	-	-	-
COMMERCIAL-INDUSTRIAL	35.1	35.0	0.7%	27
MOBILE HOMES	35.0	35.0	0.1%	132
<b>UNSECURED PERSONAL PROPERTY</b>				
ALL UNSECURED	35.3	35.0	9.9%	222
AIRCRAFT	35.0	35.0	0.0%	23
AGRICULTURAL	35.0	35.0	0.0%	11
BILLBOARDS (inadequate sample)	-	-	-	-
COMMERCIAL-INDUSTRIAL	36.0	35.0	17.4%	69
MOBILE HOMES	35.0	35.0	0.1%	119
<b>TOTAL PERSONAL PROPERTY</b>	<b>35.2</b>	<b>35.0</b>	<b>6.0%</b>	<b>411</b>

**Nevada Department of Taxation**

**LANDER COUNTY  
2002-03 RATIO STUDY**

<b>REAL PROPERTY</b>	<b>OVERALL RATIO</b>	<b>MEDIAN RATIO</b>	<b>C.O.D. MEDIAN</b>	<b>SAMPLE SIZE</b>
ALL PROPERTY	32.6	34.8	4.5%	50
IMPROVEMENTS	34.2	34.5	6.1%	35
IMPROVED LAND	35.1	35.0	2.6%	35
VACANT	34.8	35.0	4.1%	15
SFR IMPROVEMENTS	34.2	34.2	2.6%	15
SFR LAND	35.1	35.0	0.4%	15
SFR TOTAL	34.3	34.7	2.1%	15
MULTI IMPROVEMENTS	34.8	34.7	1.2%	3
MULTI LAND	35.0	35.0	0.0%	3
MULTI TOTAL	34.9	34.8	0.7%	3
COMM & INDUSTRIAL IMPROVEMENTS	34.3	34.3	0.8%	3
COMM & INDUSTRIAL LAND	35.0	35.0	0.0%	3
COMM & INDUSTRIAL TOTAL	34.4	34.3	0.8%	3
RURAL IMPROVEMENTS	33.3	33.4	22.2%	5
RURAL LAND	25.1	34.1	9.7%	14
RURAL TOTAL	26.5	33.6	11.5%	14
<b>SECURED PERSONAL PROPERTY</b>				
ALL SECURED	35.0	35.0	0.6%	50
AIRCRAFT (inadequate sample)	-	-	-	-
AGRICULTURAL	35.0	35.0	0.2%	7
BILLBOARDS (inadequate sample)	-	-	-	-
COMMERCIAL-INDUSTRIAL	36.0	35.0	1.4%	3
MOBILE HOMES	35.0	35.0	0.1%	40
<b>UNSECURED PERSONAL PROPERTY</b>				
ALL UNSECURED	35.1	35.0	1.7%	71
AIRCRAFT	35.0	35.0	0.0%	5
AGRICULTURAL	35.1	35.0	1.6%	8
BILLBOARDS	35.0	35.0	0.3%	3
COMMERCIAL-INDUSTRIAL	36.0	35.0	2.5%	12
MOBILE HOMES	35.0	35.0	0.0%	43
<b>TOTAL PERSONAL PROPERTY</b>	<b>35.1</b>	<b>35.0</b>	<b>1.3%</b>	<b>121</b>

**Nevada Department of Taxation**

**PERSHING COUNTY  
2002-03 RATIO STUDY**

<b>REAL PROPERTY</b>	<b>OVERALL RATIO</b>	<b>MEDIAN RATIO</b>	<b>C.O.D. MEDIAN</b>	<b>SAMPLE SIZE</b>
ALL PROPERTY	34.5	35.0	1.8%	52
IMPROVEMENTS	34.6	34.7	3.8%	37
IMPROVED LAND	33.9	35.0	1.7%	37
VACANT	34.9	35.0	0.4%	15
SFR IMPROVEMENTS	34.3	34.5	2.2%	15
SFR LAND	35.0	35.0	0.7%	15
SFR TOTAL	34.4	34.6	1.6%	15
MULTI IMPROVEMENTS	34.9	35.2	1.1%	3
MULTI LAND	35.1	35.0	0.3%	3
MULTI TOTAL	34.9	35.2	0.6%	3
COMM & INDUSTRIAL IMPROVEMENTS	35.6	35.6	0.7%	3
COMM & INDUSTRIAL LAND	34.9	35.0	0.6%	3
COMM & INDUSTRIAL TOTAL	35.5	35.5	0.6%	3
RURAL IMPROVEMENTS	33.2	33.9	10.6%	5
RURAL LAND	31.8	35.0	2.2%	16
RURAL TOTAL	32.0	35.0	3.5%	16
<b>SECURED PERSONAL PROPERTY</b>				
ALL SECURED	35.0	35.0	0.0%	74
AIRCRAFT (inadequate sample)	-	-	-	-
AGRICULTURAL	35.0	35.0	0.0%	10
BILLBOARDS (inadequate sample)	-	-	-	-
COMMERCIAL-INDUSTRIAL	35.2	35.0	4.5%	14
MOBILE HOMES	35.0	35.0	0.0%	50
<b>UNSECURED PERSONAL PROPERTY</b>				
ALL UNSECURED	23.8	35.0	3.2%	51
AIRCRAFT (inadequate sample)	-	-	-	-
AGRICULTURAL	35.0	35.0	0.4%	3
BILLBOARDS (inadequate sample)	-	-	-	-
COMMERCIAL-INDUSTRIAL	35.2	35.0	1.5%	17
MOBILE HOMES	34.9	35.0	4.5%	31
<b>TOTAL PERSONAL PROPERTY</b>	<b>32.2</b>	<b>35.0</b>	<b>2.8%</b>	<b>125</b>

**Nevada Department of Taxation**

**WASHOE COUNTY  
2002-03 RATIO STUDY**

<b>REAL PROPERTY</b>	<b>OVERALL RATIO</b>	<b>MEDIAN RATIO</b>	<b>C.O.D. MEDIAN</b>	<b>SAMPLE SIZE</b>
ALL PROPERTY	34.4	34.5	10.9%	427
IMPROVEMENTS	34.3	34.3	4.5%	397
IMPROVED LAND	34.7	35.0	1.7%	397
VACANT	34.4	35.0	74.8%	30
SFR IMPROVEMENTS	34.0	34.2	3.9%	307
SFR LAND	34.8	35.0	1.7%	307
SFR TOTAL	34.2	34.5	2.4%	307
MULTI IMPROVEMENTS	34.0	34.0	3.5%	26
MULTI LAND	35.0	35.1	1.7%	26
MULTI TOTAL	34.4	34.3	2.4%	26
COMM & INDUSTRIAL IMPROVEMENTS	34.8	35.0	2.7%	36
COMM & INDUSTRIAL LAND	34.4	35.2	1.9%	36
COMM & INDUSTRIAL TOTAL	34.7	34.9	1.8%	36
RURAL IMPROVEMENTS	15.4	32.1	23.8%	11
RURAL LAND	36.0	35.0	122.0%	28
RURAL TOTAL	27.0	34.9	129.3%	28
<b>SECURED PERSONAL PROPERTY</b>				
ALL SECURED	1.9	35.0	0.18%	47
AIRCRAFT (inadequate sample)	-	-	-	-
AGRICULTURAL (inadequate sample)	-	-	-	-
BILLBOARDS (inadequate sample)	-	-	-	-
COMMERCIAL-INDUSTRIAL	35.0	35.0	0.18%	39
MOBILE HOMES	39.0	35.0	4.90%	8
<b>UNSECURED PERSONAL PROPERTY</b>				
ALL UNSECURED	32.7	35.0	0.06%	233
AIRCRAFT	35.0	35.0	0.05%	30
AGRICULTURAL	35.0	35.0	0.06%	5
BILLBOARDS	34.8	35.0	0.75%	3
COMMERCIAL-INDUSTRIAL	35.0	35.0	0.02%	51
MOBILE HOMES	33.7	35.0	6.60%	144
<b>TOTAL PERSONAL PROPERTY</b>	<b>34.4</b>	<b>35.0</b>	<b>0.1%</b>	<b>280</b>

**Nevada Department of Taxation**

**WHITE PINE COUNTY  
2002-03 RATIO STUDY**

<b>REAL PROPERTY</b>	<b>OVERALL RATIO</b>	<b>MEDIAN RATIO</b>	<b>C.O.D. MEDIAN</b>	<b>SAMPLE SIZE</b>
ALL PROPERTY	34.2	34.4	3.6%	57
IMPROVEMENTS	34.3	34.8	5.4%	48
IMPROVED LAND	33.7	34.3	4.6%	48
VACANT	34.4	33.9	2.9%	9
SFR IMPROVEMENTS	34.3	35.3	6.7%	30
SFR LAND	33.7	34.6	3.0%	30
SFR TOTAL	34.2	34.7	4.7%	30
MULTI IMPROVEMENTS	34.4	34.5	1.8%	5
MULTI LAND	34.5	34.8	2.6%	5
MULTI TOTAL	34.4	34.4	1.7%	5
COMM & INDUSTRIAL IMPROVEMENTS	34.2	34.3	2.8%	13
COMM & INDUSTRIAL LAND	33.6	33.5	7.9%	13
COMM & INDUSTRIAL TOTAL	34.1	34.2	1.8%	13
RURAL IMPROVEMENTS (Appraisal area was Ely)	-	-	-	-
RURAL LAND	-	-	-	-
RURAL TOTAL	-	-	-	-
<b>SECURED PERSONAL PROPERTY</b>				
ALL SECURED	38.2	35.0	4.9%	99
AIRCRAFT (inadequate sample)	-	-	-	-
AGRICULTURAL	34.8	35.0	0.9%	12
BILLBOARDS (inadequate sample)	-	-	-	-
COMMERCIAL-INDUSTRIAL	34.6	35.0	1.4%	26
MOBILE HOMES	35.1	35.0	0.5%	61
<b>UNSECURED PERSONAL PROPERTY</b>				
ALL UNSECURED	35.1	35.0	0.7%	102
AIRCRAFT	35.0	35.0	0.0%	4
AGRICULTURAL	32.5	33.1	5.8%	2
BILLBOARDS (inadequate sample)	-	-	-	-
COMMERCIAL-INDUSTRIAL	35.1	35.0	0.6%	42
MOBILE HOMES	35.1	35.0	0.2%	54
<b>TOTAL PERSONAL PROPERTY</b>	<b>34.6</b>	<b>35.0</b>	<b>2.6%</b>	<b>201</b>

**NEVADA DEPARTMENT OF TAXATION**  
**Part II: 2002-03 Work Practices Survey**  
**SUMMARY OF WORK PRACTICE RATINGS**

<b>Real Property Discovery and Valuation Work Practices</b>	<b>CC</b>	<b>CH</b>	<b>EL</b>	<b>LA</b>	<b>PE</b>	<b>WA</b>	<b>WP</b>
Sales Collection	3	3	3	3	3	3	3
Sales Verification	3	3	3	3	3	3	3
Sales Data Base	3	3	3	3	3	3	3
Vacant Land (excluding agricultural property)	3	3	3	3	3	3	3
Subdivision Analysis	3	3	2	3	3	3	3
Single-family Residential Land	3	3	3	3	3	3	3
Multi-family Residential Land	3	3	3	3	3	3	3
Commercial and Industrial Land	3	3	3	3	3	3	3
Factors	3	3	3	3	2	3	3
Single-family Residential Improvements	3	3	3	3	3	3	3
Multi-family Residential Improvements	3	3	3	3	3	3	3
Commercial and Industrial Improvements	3	3	3	3	3	3	3
Minor Improvements	3	3	3	3	3	2	3
New Construction Valuation	3	3	3	3	3	3	3
Agricultural Land	3	3	3	3	3	3	N/A
Agricultural Land Records	3	3	3	3	3	3	N/A
Agricultural Land Classification Maps	3	3	3	3	3	3	N/A
Agricultural Bulletin Use	3	2	3	3	3	3	N/A
Residential Homesite Valuation	3	3	3	3	3	3	N/A
Agricultural Improvements	3	3	3	3	3	3	N/A
Deferred Taxes	3	3	3	3	3	3	3
Higher Use	3	3	N/A	3	3	3	N/A
Agricultural Land Conversions	3	3	3	3	3	3	3
Assessment Maps	3	3	2	3	3	3	3
Prescribed Parceling System	3	3	1	3	3	3	3
<b>Personal Property Discovery and Valuation Work Practices</b>							
Discovery	3	3	3	3	3	3	3
Record-keeping	3	3	3	3	2	3	3
Agricultural	3	3	3	3	2	3	3
Business Property	3	3	3	3	3	2	3
Manufactured Homes	3	3	3	3	2	3	3
Billboards	3	3	3	3	3	3	3
Aircraft	3	3	3	3	3	3	3
Migratory Property	3	3	3	3	3	3	3
Billing/Collection (penalties applied, seizure and sale)	3	3	3	3	3	3	3
<b>Other Work Practices</b>							
Possessory Interest Valuation - Real Property	3	3	3	3	3	3	3
Possessory Interest Valuation - Personal Property	3	3	3	3	3	3	3
Statutes and Regulations	3	3	3	3	3	3	3
Cost Manuals and Systems	3	3	3	3	3	3	3
Appraisal Records	3	3	3	3	3	3	3
Filing System	3	3	3	3	3	3	3
Reports	3	3	3	3	3	3	3
Appeal Preparation and Presentations	3	3	3	3	3	3	3
Reopened Roll Log	3	3	3	3	3	3	3
Obsolescence	3	3	3	3	3	3	3
New Construction	3	3	3	3	3	3	3
Land Use and Exemption Codes	3	3	3	3	3	3	3
Appraisal Cycle	3	3	3	3	3	3	3
Improvement Factoring	3	3	3	3	3	3	3
Appraiser Certifications	3	3	3	3	3	3	3
Appraisers Training Requirements	3	3	3	3	3	3	3



**CARSON CITY**  
**Part II:**  
**2002-03 Work Practices Survey**

Carson City's reappraisal area includes the businesses and subdivisions located in the northwest and northeast suburban areas of the county. The area includes all of Book 07 and 08 and contains 5,965 nonagricultural parcels, and 26 agricultural parcels. 4,948 of these parcels are improved.

**ANALYSIS AND RECOMMENDATIONS**

**Real Property Discovery and Valuation Work Practices**

**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. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 establishes direct contact with buyers, sellers, and real estate professionals for specific information. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Vacant Land (excluding agricultural property):** 15 vacant parcels were included in the study. One of the samples was not within ratio parameters due to an input error by the assessor. The assessor made the necessary corrections to assessed values on the Log of Report Changes to the Roll, as per NRS 361.310. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Subdivision Analysis:** The assessor has analyzed all qualified subdivisions in Carson City. 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. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Land:** One hundred and sixty improved single-family residential properties were included in the study. One of the samples was not within ratio parameters. This resulted in the subject parcel being valued lower than similar parcels in the area. The assessor made the necessary corrections as required by NRS 361.310. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Land:** Twenty-eight improved multi-family residential properties were included in the study. One of the samples was not within ratio parameters due to a decision that resulted in an incorrect value placed on useable land that was part of a right-of-way. This resulted in the subject parcel being valued higher than similar parcels in the area. The assessor made the necessary correction

of assessed value on the Log to Report Changes to the Roll, as per NRS 361.310.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Land:** Thirty-eight improved commercial/industrial properties were included in the study. Four of the samples selected contained minor clerical errors which resulted in over valuing land. The remainder of commercial land values is very close to market value and reflects good utilization of the sales data bank. The assessor made corrections of assessed values on the Log to Report Changes to the Roll, as per NRS 361.310.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Improvements:** One hundred and sixty improved single-family residential properties were included in the study. Only six properties were not within ratio parameters due to minor differences in the appraisals. The balance of the sample indicates appropriate valuation techniques were applied by the assessor's staff. The assessor made the necessary corrections to the assessed values on the Log to Report Changes to the Roll, as per NRS 361.310.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Improvements:** Twenty-eight improved multi-family residential properties were included in the study. Only four properties were not within ratio parameters. The errors that were discovered reflected quality classification differences and the discovery of minor improvements that were missed by the county appraisers. The balance of the sample indicates appropriate valuation techniques were applied by the assessor's staff. The assessor made the necessary corrections to the assessed values on the Log to Report Changes to the Roll, as per NRS 361.310.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Improvements:** Thirty-eight improved commercial/industrial properties were included in the study. Only four properties were not within ratio parameters. The errors that were discovered reflected minor input errors and the discovery of minor improvements that were missed. The balance of the sample indicates appropriate valuation techniques were applied by the assessor's staff. The assessor made the necessary corrections to the assessed values on the Log to Report Changes to the Roll NRS 361.310.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Minor Improvements:** Through on-going field inspections and reviews of building permits, all minor improvements to parcels are valued and added to the roll in a timely manner.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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. Even though this past study years showed tremendous growth in Carson County, the assessor put into place efficient procedures that insure new construction gets valued. New construction discovered before the close of the roll in December is included at that time. New construction discovered after the close of the roll is included on

the roll log. A review of several parcels with new construction shows the improvements are being correctly valued and depreciated when applicable.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 the proper methodology is being applied.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

**Agricultural Land Conversions:** The assessor listed one parcel totaling 20 acres which was converted from agricultural use to residential use during the 2001 calendar year. In all of the cases reviewed, the assessor's calculations of deferred taxes were correct.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Personal Property Discovery and Valuation Work Practices**

**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 (DRS's), moving permits and field inspections which are ongoing during the year. 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 hangar 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 his 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. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Business Property:** Of the property sampled, 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'S PROCEDURES MEET STANDARDS (3).

**Mobile Homes:** Of the properties reviewed, two were found to be out of range. One was due to an input error and the other was due to an incorrect manufacture year. 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billboards:** Approximately 60 percent of the billboard accounts were sampled and no outliers were found. The staff is correctly assessing this type of property.

### THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 assessor and staff are correctly assessing this type of property. All samples were within tolerance.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Migratory Property:** At the present time, the assessor does not 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billing/Collection (penalties applied, seizure and sale):** The county has a low delinquency rate indicating that there are appropriate procedures in place for 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 taxpayers 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### Other Work Practices

**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 privately owned aircraft hangars are valued as possessory interests. The outpatient facility at the hospital includes a land and improvement value. This procedure is in accordance with NRS 361.157.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Possessory Interest Valuation - Personal Property:** There are no personal property possessory interests in Carson City. (N/A)

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 2000 update is used for the residential property and the October 2000 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.

**THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).**

**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. 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.

**THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).**

**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.

**THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).**

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

**THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).**

**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.

**THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).**

**Reopened Roll Log:** The roll log, required by NRS 361.310 to be received by the division on or before October 31, 2001 was received on October 26, 2001 and was completed correctly.

**THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).**

**Obsolescence:** The assessor has applied obsolescence to 35 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. The division reviewed the data on several of these parcels and found the assessor's method and final value to be supportable.

**THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).**

**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'S PROCEDURES MEET STANDARDS (3).**

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

**THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).**

**Appraisal Cycle:** The assessor uses a four-year reappraisal cycle. During this ratio study, Books 7 and 8, which is the northwest and northeast suburban area, was reappraised. This area represents approximately 33 percent of the improved parcels. In 2000, Books 2, 3 and 4, which is the northeast,

southwest and southeast portion of Carson City, was reappraised. This area represents approximately 29 percent of the county. In 1999, approximately 22 percent of the county was reappraised. This included Books 1 and 10. These books involve the northwest of Carson City area and southeast suburban portion of Carson City. In 1998 Books 5, 6, and 9 were reappraised. These areas represented 16 percent of the county. The existing reappraisal cycle appears to work well for the assessor, conform to statute requirements, and is manageable with the available staff.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Improvement Factoring:** The assessor used 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, one appraiser is also certified to value personal property.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisers Training Requirements:** All of the Carson City staff appraisers are presently in compliance with NRS 361.223.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**CHURCHILL COUNTY**  
**Part II:**  
**2002-03 Work Practices Survey**

Churchill County's reappraisal is area three, and includes the land west of the Lovelock Highway and north of the /city of Fallon and the Reno Highway, plus the area west of the Sheckler Cut-off, north of Powerline Road and north of Lahontan Reservoir. Area three contains 468 agricultural parcels and 3,321 nonagricultural parcels (1,887 improved).

**ANALYSIS AND RECOMMENDATIONS**

**Real Property Discovery and Valuation Work Practices**

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 that are questionable. The assessor reports a 70 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 sixteen-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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Vacant Land (excluding agricultural property):** Ten vacant land parcels were sampled in this study and all were found to be within ratio parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Subdivision Analysis:** The assessor has analyzed all potential qualified subdivisions in the county. For the fiscal year 2001-2002 there were no subdivisions that qualified for a discount.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Land:** Seventy-eight improved single-family residential land parcels were sampled in this study and all were found to be within ratio parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Land:** Ten improved multi-family residential land parcels were sampled in this study. All were within prescribed parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).



**Commercial and Industrial Land:** Nine improved commercial/industrial land parcels were sampled in this study; all were within ratio parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 2001-2002 tax year, several parcels were reviewed and it was found that the assessor correctly applied the approved land factors.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Improvements:** Seventy-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 some minor clerical errors. Six of these properties were found to be outside of the ratio parameter guidelines. One error that was discovered was due to the appraiser allocating more value to living area square footage. When the property was sampled by the division it was discovered that of the total area of improvement, more square footage was actually storage area and needed to reflect more storage area than living area. Another error was the result of the assessor's staff not valuing some of the minor improvements on the property. The other four errors were the result of the prior year rural manual costs being used. These errors were brought to the assessor's attention and were corrected before the roll was closed.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Improvements:** Ten improved multi-family residential properties were sampled in this study. This class of property is within designated ratio parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Improvements:** Nine 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land:** Nineteen properties were sampled for this study. Eight properties are not within ratio parameters. Six of the outliers were due the use of bulletin 187 instead of bulletin 189. One parcel was assessed as 3<sup>rd</sup> grazing, however the division noted that it was currently irrigated and producing forage crops. One other parcel, which was assessed as 3<sup>rd</sup> grazing, was determined to have forage values

of 1<sup>st</sup> and 2<sup>nd</sup> grazing.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3). Although the wrong bulletin in some cases was used, the correct procedures were applied to obtain value.

**Agricultural Land Classification Maps:** Land classification maps are available for all agricultural parcels and are accurately drawn and properly updated in most cases.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

#### **Agricultural Bulletin Use**

**Analysis:** The assessor did not use the current Bulletin 189 to value agricultural property within the county.

**Recommendation:** The assessor must check to ensure that the current Agricultural Land Use Bulletin is being used. The assessor will update all current and factored agricultural parcels to insure that current bulletin values are included on this years roll.

THE ASSESSOR'S PROCEDURES NEED IMPROVEMENT (2).

**Residential Home-site Valuation:** The assessor correctly valued all homesites in the study using land sales within the area.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Improvements:** Eight improved agricultural properties were included in the study. One parcel was out of ratio parameters due to a corral that was assessed by the county, but was determined by the division to have been destroyed. Two parcels were out of ratio parameters due to the use of the incorrect Rural building manual.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

## **Personal Property Discovery and Valuation Work Practices**

**Discovery:** Aircraft are discovered from airport tie down reports and field inspections. Manufactured homes are found from Dealer's Report of Sales (DRSs), city and county manufactured home setup permits, trip permits from other counties and is in contact with the state utility inspector. New businesses are found through business license reports and building permits. For convenience, the reports and licenses needed to monitor the new businesses are located on the A.D.S. program. 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Record-keeping:** The personal property filing system continues to remain well organized and managed. The assessor's staff is working on filing all new manufactured homes in individual file folders. The preexisting accounts 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 accounts are filed in alphabetical order and maintained in hanging folders.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural:** Of 42 properties sampled, 30 secured and 12 unsecured, 3 outliers were found. All outliers resulted from incorrect class life assignments. The staff is assessing this type of property correctly.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Business Property:** Of 66 properties, 26 secured and 40 unsecured, 4 outliers were found. The outliers noted were due to various incorrect class life assignments. Various other class life errors were found which did not cause outliers.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Mobile Homes:** Of 88 manufactured homes reviewed, 42 unsecured and 46 secured, no outliers were found. Typical office procedure requires 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 manufactured home account.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billboards:** There were only 4 billboards, one unsecured billboard account and three secured billboard accounts. The accounts were reviewed and have been assessed correctly.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Aircraft:** Of 10 aircraft sampled, no outliers were found. The staff is assessing this segment of personal property correctly.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Migratory Property:** Churchill County Assessor and staff are aware of the correct procedure for assessing this type of property although it does not happen often.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billing/Collection (penalties applied, seizure and sale):** Churchill County sent out 28 seizure letters this past year but no property was actually seized. The division recognizes that there was a substantial decrease in the amount of seizure notices sent out this past year. All accounts were paid prior to seizure. There was approximately \$12,500, including penalties and interest, in outstanding unsecured accounts prior to the 2001-2002 billing cycle.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Other Work Practices**

**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 privately owned 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Cost Manuals and Systems:**

**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 2000 update is being used for the residential property and the October 2000 update is being used for the commercial property. The assessor does have one copy of the Marshall and Swift Commercial Handbook, four copies of the Marshall and Swift Residential Handbook. The assessor did not use the current Assessor's Handbook of Rural Building Costs during the current study. 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3), however, the assessor should use the current Assessor's Handbook of Rural Building Costs each year.

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Reopened Roll Log:** The roll log is required by NRS 361.310 to be received by the division on or before October 31, 2001. The roll log submitted by Churchill County was received on September 7, 2001 and was completed correctly.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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'S PROCEDURES MEET STANDARDS (3).

**Land Use and Exemption Codes:** A review of the assessment roll revealed that the assessor is correctly applying the land use and exemption codes.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisal Cycle:** The assessor uses a four-year reappraisal cycle. During this year's cycle, Area 3, which represents the land west of the Lovelock Highway and north of the City of Fallon and the Reno Highway, plus the area west of the Sheckler Cut-off, north of Powerline Road and north of Lahontan Reservoir. This area represents 33 percent of the county. In 2000 approximately 21 percent of the county was reappraised. This is the southwest portion of the county, which is better known as Area 2. This encompasses the area west of Schurz Highway and south of Sheckler and Powerline Road, and east of Lahontan Reservoir, plus that area south of Drumm Lane and west of Pasture Road, and south of Reno Highway, east of Sheckler Cut-Off and west of the city of Fallon. The 1999 reappraisal plan includes the eastern portion of the county known as Area 1, which comprises 20 percent of the county. During the 1998 reappraisal, Area 4, which is the City of Fallon was studied. This area represents 26 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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 2005.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**ELKO COUNTY**  
**Part II:**  
**2002-03 Work Practices Survey**

The Elko County reappraisal area consists of the following subdivisions and towns: Clearwater Estates, Contact, Clover City, Clover Acres, Gamble, Jackpot, JLJ Sub, Montello, Mountain Meadows, Riverside, Ruby Home Ranch, Sportsman's Lodge, Spring Creek Tracts 101a, 102, 103, 104, 105, 106a, 106b, 106c, 106d, 107, 107a, and 109. Also included are Sun Valley Acres, Sunland Acres, and West Wendover. The reappraisal area contains 13,048 non-agricultural parcels (10,910 vacant) and 308 agricultural parcels.

**ANALYSIS AND RECOMMENDATIONS**

**Real Property Discovery and Valuation Work Practices**

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 infrequent.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Vacant Land (excluding agricultural property):** There were twenty parcels sampled. 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 sales verification process allows the assessor's staff to set land values in an efficient and timely manner.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Subdivision Analysis**

**Analysis:** The assessor reviewed ten 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:** THE ASSESSOR'S PROCEDURES NEED IMPROVEMENT (2). 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:** Seventy 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Land:** Eleven improved multi-family residential land parcels were sampled in this study. All are valued using the square foot method and are within ratio parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Land:** Sixteen 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 correctly applied the approved land factors.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Improvements:** Seventy improved single-family residential properties were included in this study. The assessor is correctly valuing this property type. Minor differences were found which resulted in five samples out of ratio parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Improvements:** Eleven improved multi-family residential properties were included in this study. The assessor is correctly valuing this property type. All of subject improvement ratios are within the statutory limits with only minor differences found.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Improvements:** Sixteen improved commercial/industrial properties were included in this study. The assessor is correctly valuing this property type. Two of the samples were outside of ratio parameters. One subject was correctly valued but was placed on a neighboring parcel. The assessor failed to include an addition on one other subject.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Minor Improvements:** The assessor discovers 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).



**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land:** Twenty properties were sampled for this study. All of the sample parcels were within ratio parameters. One sample in the study was actually three legal parcels which had only one parcel number. The practice of giving non-contiguous parcels of property the same parcel number is contrary to department policy as established in accordance with NRS 361.189. *See Assessment Maps for recommendation.* THE ASSESSOR'S PROCEDURES OTHERWISE MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Residential Home-site Valuation:** The assessor correctly valued all homesites in the study using land sales within the area.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Improvements:** Three improved agricultural properties were included in the study, all were within ratio parameters. Diverse improvements found on agricultural parcels were appropriately valued.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Deferred Taxes:** There are just over 2,000 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

**Agricultural Land Conversions:** The assessor listed one parcel totaling 640 acres that was converted from agricultural use to residential or commercial/industrial use during the 2001 calendar year. In all of the cases reviewed, the assessor's calculations of deferred taxes are correct.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Assessment Maps**

**Analysis:** The assessment maps are professionally rendered but difficult to work with. The maps are poorly indexed and it is difficult to determine the location of some parcels. In many cases parcels are not contiguous, yet have the same parcel number. This is contrary to accepted mapping standards. This situation was noted in the last three studies and has not been remedied as required by NRS 361.189. The assessor has requested funding that would solve this deficiency.

**Recommendation:** THE ASSESSOR'S PROCEDURES NEED IMPROVEMENT (2). Develop a standardized map indexing method similar to that used by other counties. Assign separate parcel numbers to non-contiguous parcels under one ownership. Currently, the assessor is trying to obtain funding that would be used for a GIS system. This would do much to standardize the mapping process.

### **Prescribed Parceling System**

**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:** THE ASSESSOR'S PROCEDURES ARE DEFICIENT (1). 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 and Valuation Work Practices**

**Discovery:** Aircraft are discovered through FAA reports and physical inspections. Manufactured 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 manufactured home parks in the county on a yearly basis. New businesses are located through monthly business license lists, building permits, local newspapers and site inspections. 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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Record-keeping:** The filing system utilized by the Elko County assessor's office is well organized and maintained. Manufactured homes are filed alphabetically in separate file folders, with one unit per file. The DRS and other valuation documentation are 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Property:** The Elko County staff is correctly assessing this type of property. Of 38 properties reviewed in the study, 27 secured and 11 unsecured, five outliers were found. The outliers were the result of incorrect class life assignments.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Business Property:** This category is well managed. There are over 2,494 businesses located in Elko County. The division sampled 96 properties, 27 secured and 69 unsecured. Of these, two were found to be out of tolerance due to class life errors.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Manufactured Homes:** The division sampled 251 manufactured home accounts, 132 secured and 119 unsecured accounts. Of these, none were out of tolerance. Notwithstanding, during the study there were several accounts encountered without documentation of value. The division recommends the assessor use the current manufactured home comparable book to obtain values, as necessary and to document in the file where the value was established. The county staff is correctly assessing and depreciating real property items associated with the manufactured homes.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billboards:** The sample included approximately 20 percent of the property in this category. Of the samples reviewed, none were found to be out of tolerance. This property category is being properly assessed.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Aircraft:** Of the 23 aircraft reviewed, none were out of tolerance.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 manufactured homes that arrive in the county after July 1 and are likely to remain more than one year.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billing/Collection (penalties applied, seizure and sale):** The county has a low delinquency rate indicating that there are appropriate procedures in place for collecting unsecured taxes. Appropriate penalties and interest have been applied to accounts in accordance with statutes. Total accounts outstanding, prior to 2001-2002 taxes, is approximately \$8,000 (including penalties and interest). Several seizure notices were posted, although no seizures were made. All delinquent taxes were paid prior to any seizures being made.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### Other Work Practices

**Possessory Interest Valuation - Real Property:** There are two areas in Elko County where possessory interest real properties are located. These properties 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 privately owned improvements are valued in accordance with NRS 361.157.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Possessory Interest Valuation - Personal Property:** There are no personal property possessory interests in Elko County. (N/A)

**Statutes and Regulations:** The Nevada Revised Statutes and the Nevada Administrative Code are available in the assessor's office. Both have been correctly updated.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Cost Manuals and Systems:**

**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 2000 update is being used for the residential property and the October 2000 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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Filing System:** The assessor's real property record files are organized in parcel number order. This system is very efficient and easy to use.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Reports:** All of the many reports required of the assessor were correctly completed and delivered on time.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appeal Preparation and Presentations:** For this tax year, there were a total of 138 appeals of which only 14 were presented before 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

#### **Reopened Roll Log:**

**Analysis:** The roll log required by NRS 361.310, to be received by the division on or before October 31, 2001, was received in July of 2001.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

#### **Obsolescence**

**Analysis:** The assessor is maintaining a list of those parcels that are receiving obsolescence. The assessor is correctly applying obsolescence to predominantly Multi-residential and converted mobile homes. The Division is working with Elko to develop procedures to improve the application of obsolescence. The assessor should work closer with the Division to provide local economic indicators that are affecting values. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisal Cycle:** The assessor just completed the second 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. This carry-over amounted to approximately 6 percent of the county properties being studied in concurrent cycles. The parcels in this years study accounted for 31 percent of the counties parcels. During the 2000 reappraisal cycle 14 percent of the parcels were studied. In 1999, 25 percent were in the reappraisal area. In 1998, 36 percent of the county was reappraised.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraiser Certifications:** The division has certified the assessor and five real property appraisers to appraise for ad valorem tax purposes. In addition, 3 of those appraisers are also certified in the valuation of personal property. With the current increased workload and loss of one appraiser there is a potential to fall behind in the appraisal schedule.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisers Training Requirements:** All of the Elko County staff appraisers are presently in compliance with NRS 361.221 and NRS 361.223.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**LANDER COUNTY**  
**Part II:**  
**2002-03 Work Practices Survey**

The 2002-2003 Lander County reappraisal area includes Tax Districts 3, 4, and 6; Kingston Town, Gillman Springs Ranch, and Austin Road in the southern portion of the county. These Districts were last reappraised in 1997, and were combined with the 1996 reappraisal area due to internal problems in the Lander County Assessor's Office. In order to complete the reappraisal in the allotted time, the county commissioners hired an outside independent appraisal firm to complete the 1996 and 1997 reappraisals. The reappraisal cycle was restructured and amended by the current assessor effective March 3, 2000.

**ANALYSIS AND RECOMMENDATIONS**

**Real Property Discovery and Valuation Work Practices**

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Sales Verification:** The sales are entered into the computer to establish the assessor's sales data. The computer creates a sales questionnaire that is sent to both buyer and seller. The assessor is receiving an 80 percent return rate on the questionnaires. A second and third mailing is required for unreturned questionnaires. The assessor is able to verify nearly all sales using this method.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Sales Database:** The assessor's data bank is continually improving in both content and accuracy. The comments portion provides more useful information for confirming sales verifications, information concerning terms of sale, motives of buyers and sellers, multi-parcel sales, and grantor/grantee relationships, any of which could affect the validity of sales. It is vital that all sales be verified because they are the basis for the assessor's assigned land values and land factor analysis.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Vacant Land (excluding agricultural property):** Fifteen vacant properties were sampled in this study and all were within ratio parameters. There were very few recent sales in the reappraisal area resulting in little or no change from last year's values; however, the assessor and staff continue to diligently research and study land values in the reappraisal area.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Subdivision Analysis:** The assessor has reviewed all qualified subdivisions in Lander County. For the 2002-2003 tax year, there are 13 subdivision ownership's that qualify for a discount. A review of the assessor's methods, and resulting land values, indicated that the assessor is correctly valuing this property type pursuant to NAC 361.129 and NAC 361.1295.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Land:** Fifteen improved single-family residential land parcels were sampled in this study and all were within ratio parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Land:** Three improved multi-family residential land parcels were sampled in this study. The division's appraiser agreed with the land values assigned by the assessor for this property type.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Land:** Three improved commercial/industrial land parcels were sampled in this study. The division's appraiser also agreed with the land values assigned by the assessor for this property type.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 of sales to develop a factor trend. Several parcels were reviewed and it was found that the assessor correctly applied the land factors.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Improvements:** Fifteen improved single-family residential properties were included in the study. Two of these were not within ratio parameters. One was due to a simple clerical error of neglecting to apply the Current Cost Multiplier and Local Multiplier, while the other was a difference in the valuation of a shed/greenhouse. The assessor was made aware of these issues and the necessary corrections were made.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Improvements:** There are only three improved multi-family residential properties in this year's reappraisal area and all were included in the study. All were within ratio parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Improvements:** Three improved commercial and industrial properties were included in the study. Only one was not within ratio parameters. This was due to the staff appraiser neglecting to value the basement of the subject property. When this was brought to the assessor's attention, the necessary corrections were made.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Minor Improvements:** The assessor inventoried and valued minor improvements such as small sheds, decking, concrete flatwork and fencing individually. Only small differences were noted throughout the study.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**New Construction Valuation:** Several parcels having new construction were selected for review. It was found that the assessor is correctly valuing and depreciating new improvements.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land:**



Fourteen agricultural land parcels were sampled for this study. Minor differences in classification between the county's appraisers and the division resulted in four outliers.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land Records:** The land records are accurate and reflect the new appraisals.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land Classification Maps:** This area was rated as needing improvement in the last agricultural ratio study. Many of the old land maps had been lost, were decaying from age or were not properly updated. The current study found that new scale maps using USGS topographic maps were utilized. The new maps correctly reflected the current crop and forage potential of each parcel.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Residential Homesite Valuation:** The appraisers identified and correctly valued the residential homesites on the agricultural parcels as required by NRS 361A.140.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Improvements:** This area was rated as needing improvement in the last agricultural ratio study. The assessor's appraisers correctly valued the majority of the improvements using the current Marshall and Swift costs and Assessor's Handbook of Rural Building Costs. Only minor differences were noted in quality class and the discovery and valuation of minor improvements. The sample size consisted of only five properties with relatively low values. There were two outliers at both ends of the sample which caused an unusually high coefficient of dispersion. The appraisal methods were correct.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Deferred Taxes:** The assessor correctly calculates and collects deferred taxes.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Higher Use:** The assessor correctly identifies and values changes to higher use of agricultural parcels and areas of higher use on other qualifying parcels.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land Conversion:** There have been no agricultural parcels converted to a higher use in recent years. (N/A)

**Assessment Maps:** Geo Graphics of Battle Mountain prepares the assessor's maps. They are of good quality and easy to use.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Prescribed Parceling System:** The assessor uses the prescribed parceling system. Summary parcels are used on a very limited basis and only for billing purposes. 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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Personal Property Discovery and Valuation Work Practices**

**Discovery:** The method of discovery for personal property in Lander County is improving. Business licenses are required by the county for all new businesses. The FAA report is the main tool used to discover aircraft located within the county. By monitoring all new manufactured home hook-up permits issued by the county, D.R.S's from manufactured home dealers, discovering homes in the field, and trip permits from other counties, the assessor accomplishes both timely and accurate discovery and assessment of new mobile homes. Since the county is relatively small in population, the staff is informally informed of most changes or additions in the county. The county staff did not use the Department of Transportation Highway Report on billboard location. They are planning to get a copy in the near future and incorporate this information in their discovery process. In addition, the staff is now conducting a physical search to verify the total number of billboards in the county.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Record-keeping:** This category has improved a great deal since the last ratio study. All of the records are now being filed numerically which increases speed and convenience. The manufactured home accounts have individual file folders with the Dealer's Report of Sale and other pertinent information included. The ranch and business declarations are now filed individually in separate file folders arranged in numeric order. The files have been purged of old declarations and other outdated material from the system.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural/Business Property:** This property category has also improved since the last ratio study. The assessor has put a procedure in effect to improve billing and collecting taxes. The staff sends second notification notices 30 days after the first billing and third notices with the District attorney's signature are sent 10 days following. If there is no response from the third notice, arbitrary assessments are attached to those accounts at the end of that month. This procedure ensures equality among all taxpayers and increases accurate and timely reporting of personal property.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Manufactured Homes:** The assessor has improved this property category. The Dealer's Report of Sale information and other original value documentation is available for nearly all mobile homes and all accounts are filed numerically now. The assessor and staff have a separate file folder for deactivated accounts in place and all files look neat and orderly. An area that is in need of improvement is the older manufactured home accounts. The division examined a small group of older mobile homes in its sample. There are still a number of older manufactured homes that are in need of corrections. The recurring corrections to be made include incorrect sales prices and older Dealer Report's of Sale that need to be researched in order to apply the correct retail sales price. These are errors that were never corrected in the past. The division encourages the county to review the manufactured home database in an effort to correct some of these past mistakes. Real property improvements are kept in separate files and calculated properly. The assessor's procedure for converting from personal property to real property is appropriate.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billboards:** Billboards are a significant part of personal property in Lander County. The division suggested the use of the Department of Transportation report that identifies signs and billboards located on Interstate 80. The Assessor intends to obtain and use this report. A physical inventory of the billboards located in Lander County has been verified as being assessed. All accounts sampled were found to be valued correctly.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Aircraft:** There are very few unsecured aircraft located in Lander County. The county has aggressively discovered, valued, and taxed them correctly. The division reviewed five samples in this category. Of these, none were discovered to be out of tolerance.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Migratory Property:** The assessor continues to make a good attempt to improve this property type. The assessor and her staff have implemented new procedures to ensure that these types of migratory properties are discovered and assessed properly. Manufactured homes in Lander County are treated correctly as pertains to migratory property. All manufactured homes entering the county after July 1<sup>st</sup> are correctly classified as non-migratory and are placed on the next succeeding tax roll. Manufactured and portable offices are correctly classified as migratory.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billing/Collection (penalties applied, seizure and sale):** The collection of delinquent accounts has dramatically improved in Lander County from the previous study. Unsecured personal property tax uncollected prior to the 2001-2002 billing cycle, including penalties and interest, is approximately \$2,000. Appropriate penalties and interest are being applied to accounts in accordance with statutes. Although the assessor posted four seizure notices in the past year, no seizures occurred.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Other Work Practices**

**Possessory Interest Valuation - Real Property:** The only possessory interests valued by the assessor in Lander county are the privately owned hangers at the Kingston airport. The hangars at the airport have only an improvement value which is correctly applied in accordance with NRS 361.157.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Possessory Interest Valuation - Personal Property:** There is no personal property possessory interest in Lander County. (N/A)

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Cost Manuals and Systems:**

**Analysis:** The assessor uses the Marshall and Swift computer estimator programs to value most major improvements. The estimator updates are loaded into the computer annually at the beginning of the work year. The September 2000 update is used for the residential property. The October 2000 update is used for the commercial property and The assessor has one copy each of the Marshall and Swift Residential and Commercial Cost Manuals and two copies of the Assessor's Handbook of Rural

**Building Costs.** The assessor corrected the deficiencies that occurred in the prior study. The assessor now purchases the complete Marshall and Swift system each year rather than the monthly and quarterly updates. The assessor's miscellaneous building program which is based on the Marshall and Swift cost manuals and the Assessor's Handbook of Rural Building Costs is used to value most minor and agricultural improvements.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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, a Marshall and Swift data entry form and printout, and a miscellaneous building sheet. In addition, some information from the previous appraisals may be included for comparison purposes. Only the information needed to identify the property and defend the appraisal is included.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Filing System:** The assessor's real property files are well organized by parcel number.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appeal Preparation and Presentation:** For this tax year there were eighteen appeals to the Lander County Board of Equalization. The staff was well prepared to present the county's position at the hearings.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Reopened Roll Log:** The roll log required by NRS 361.310 to be received on or before October 31, 2001 was received on October 26, 2001. This report was correctly completed.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Obsolescence:** The assessor reviews sale prices and compares taxable value to determine whether obsolescence is necessary. Obsolescence has not been applied to any parcels in Lander County.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**New Construction:** The assessor discovers new construction using the county building permits that are received on a monthly basis. 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, but before July 1<sup>st</sup>, 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'S PROCEDURES MEET STANDARDS (3).

**Land Use and Exemption Codes:** The assessor uses and correctly applies the land-use and exemption codes.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisal Cycle:** The assessor uses a five-year reappraisal cycle with eight separate Tax Districts in Lander County. The current assessor restructured the appraisal cycle effective March 3, 2000. During the work-year 2001, Districts 3, 4, and 6 were reappraised. This area includes Kingston Town, Gillman

Springs Ranch, and the Austin Road area. This area represents approximately 20 percent of the county. Tax Districts 2 (a portion of) and 7 were completed in 2000 which include Battle Mountain Town (commercial & multi-family residential) and the Battle Mountain Road area. These areas represent approximately 29 percent of the county. The balance of Tax District 2, Battle Mountain Town (single-family residential) was reappraised in 1999. This area represents 15 percent of the county. The 1998 reappraisal area included Tax Districts 5 and 8 which include Battle Mountain Road Special Land and Antelope Reese Road District. These areas represent 36 percent of the county. In 1997, before the current restructuring, Tax Districts 1, 3, 4, 6, and 7, which include the Town of Austin, Kingston, Gillman Springs Ranch, Austin Road and Battle Mountain Road were reappraised. Because the assessor and her staff were all relatively new at the time, the Lander County Commission hired a private appraisal firm to complete this large reappraisal. The recently restructured reappraisal cycle represents a more geographic format. It appears to be more cost effective and easier to manage as well as more evenly balanced.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Improvement Factors:** The assessor uses a composite improvement factor that includes an additional year of depreciation. This in turn incorrectly depreciates those improvements that are 50 plus years old beyond the 75 percent maximum depreciation. This is corrected on reappraisal.

**Appraiser Certification:** At this time the assessor and two appraisers are certified in real property. The assessor is also certified in personal property.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraiser Training Requirements:** The appraiser is in compliance with NRS 361.221 and NRS 361.223.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**PERSHING COUNTY**  
**Part II:**  
**2002-03 Work Practices Survey**

The 2002-2003 reappraisal area consists mostly of various rural agricultural properties and ranches throughout Pershing County. The single-family, multi-family, and commercial/industrial improvements are located in the Lovelock area (Book 3), Humboldt River Ranch and Rye Patch Estates developments (Book 10), the Oreana area (Book 11), and the Unionville area along Highway 400 (Book 12). The total reappraisal area includes portions of Books 2, 3, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15. There are a total of 3,719 nonagricultural parcels (3,554 vacant) and 1,079 agricultural parcels for a total of 4,798 taxable parcels in this year's reappraisal area.

**ANALYSIS AND RECOMMENDATIONS**

**Real Property Discovery and Valuation Work Practices**

**Sales Collection:** The assessor receives copies of recorded deeds and declarations of value from the recorder's office. These documents are the basis of the sales data bank.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Sales Verification:** Verification of sales is accomplished primarily by declarations of value and questionnaires sent to both grantor and grantee. 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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Sales Database:** The assessor's data bank is continually improving in both content and accuracy. The comments portion provides more useful information for confirming sales verifications, information concerning terms of sale, motives of buyers and sellers, multi-parcel sales and grantor/grantee relationships, any of which could affect the validity of sales. It is vital that all sales be verified because they are the basis for the assessor's assigned land values and land factor analysis.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Vacant Land (excluding agricultural property):** Fifteen vacant properties were sampled in this year's study and all were within ratio parameters. There were few recent sales in the reappraisal area due to mine closures and a downturn in the local economy.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Subdivision Analysis:** The assessor has reviewed all qualified subdivisions in Pershing County. For the 2002-2003 tax year, there is only one (Borland Estates) that qualified for a discount. A review of the assessor's methods, and resulting land values, indicated that the assessor is correctly valuing this property type pursuant to NAC 361.129 and NAC 361.1295.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Land:** Fifteen improved single-family residential land parcels were sampled in this study and all were within ratio parameters.

**Multi-family Residential Land:** Three improved multi-family residential land parcels were sampled in this study and all were within ratio parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Land:** Three improved commercial/industrial land parcels were sampled in this study and all were within ratio parameters.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

#### **Factors:**

**Analysis:** The land factor recommendation package submitted by Pershing County was incomplete and difficult to understand. Support data received from the county included only those areas to be factored, with no sales data to support those areas not receiving a factor. Because all areas not included in the reappraisal area are to be reviewed, support data should be submitted for review by the division for those areas not requiring a factor as well as areas to be factored. The division's appraiser visited the county office and obtained a copy of the factor program (including vacant sales database and workbook) that was being used in their office for the land factor analysis. This program was then updated using the assessor's current sales data listing, and duplicate sales were removed. All non-reappraisal areas were then reviewed by the division appraiser, with support data being provided to the assessor via hard copy and diskette of the newly updated program for use next year.

**Recommendation:** THE ASSESSOR'S PROCEDURES NEED IMPROVEMENT (2). The assessor should submit a more complete land factor analysis recommendation package including support data for non-factored areas as well as those areas requiring a factor. The vacant sales data included in the program should be updated and refreshed yearly prior to the analysis. These suggestions were discussed at length with the assessor and staff, and a copy of the updated program and the division's own factor analysis were provided as a guideline of what is expected.

**Single-family Residential Improvements:** Fifteen improved single-family residential properties were included in the study. Five of these were not within ratio parameters. These outliers ranged from simple corrections to the Marshall & Swift cost sheet to some minor improvements that were overlooked (fencing, decking, etc.). These 5 properties were reviewed with the assessor and the necessary corrections were made. Overall, the assessor is doing a good job valuing this type of property.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Improvements:** Three improved multi-family residential properties were included in the study. Only one was not within ratio parameters. This was due to an incorrect measurement of some decking and an enclosed porch. When this was brought to the assessor's attention, the necessary corrections were made.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Improvements:** Three improved commercial/industrial properties were included in the study. There was one outlier as a result of the division having valued a shed that the assessor did not. The shed was less than 120 square feet and therefore exempt. The division's appraiser made the necessary changes to correct the value of this property.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Minor Improvements:** The division occasionally noticed some differences in the number of minor

improvements observed from those valued by the assessor's staff. This was especially true with fencing. These small errors are not considered significant in the overall values. The staff used the Marshall & Swift cost handbook or the rural building cost manual for the valuation of the minor improvements.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**New Construction Valuation:** New construction is discovered through the use of the county and city building permit systems. 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 discovered after the close of the roll is included on the roll log. A review of several parcels of new construction shows that the improvements are being correctly valued and depreciated.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land:** Pershing County has a large population of agricultural properties. Eighteen agricultural properties were chosen for this study, however, two of the subjects were withdrawn from agricultural status during the year and the sample totaled sixteen parcels. One sample was not within ratio parameters due to an incorrect land classification.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land Records:** The land records are accurately updated during reappraisal and reflect the agricultural classifications of each property.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land Classification Maps:** The assessor's files contain maps of each agricultural property. The maps are updated during each reappraisal and accurately reflect the various land classifications of the parcel.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Bulletin Use:** The assessor valued all agricultural parcels in the reappraisal area using the current Agricultural Bulletin.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Residential Home-site Valuation:** The assessor correctly identified and valued the residential homesites on the agricultural parcels as required.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Improvements:** Five improved agricultural properties were included in the study. One ratio was not within ratio parameters. A corral area was not valued by the assessor. The assessor used the current rural manual and Marshall and Swift costs when valuing improvements in the physical area.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Deferred Taxes:** There are 1,812 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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).



**Agricultural Land Conversions:** For the calendar year 2001 the assessor had four parcels totaling 608 acres converted from agricultural use to residential or commercial/industrial use. A review of the assessor's calculation for deferred taxes found them to be correct.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Assessment Maps:** The assessor's maps are prepared by Desert Mountain Surveying in Winnemucca. They are of good quality and easy to use.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Prescribed Parceling System:** The assessor uses the prescribed parceling system. Summary or referral parcels are no longer used in Pershing County.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Personal Property Discovery and Valuation Work Practices**

**Discovery:** Pershing County has a good system in place to discover personal property. Manufactured home owners are required to obtain a building permit and inspection prior to the hookup of utilities. The assessor obtains a building permit listing from the building department on a regular basis. Manufactured homes are also discovered using Dealer's Report of Sale (DRS), trip permits from other counties and discovery in the field. The county requires business licenses for all businesses and this information is transmitted to the assessor's office. Most agricultural use properties have been in operation for some time.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Record-keeping**

#### **Analysis:**

Pershing County's record keeping system displayed some weaknesses with respect to manufactured housing records. Business and ranch declarations are filed in individual folders with present and past years declarations enclosed. Manufactured home records are also kept in individual folders and filed numerically by account number. It was discovered that the manufactured home category had numerous accounts that did not contain any backup documentation to support the value.

**Recommendation:** THE ASSESSOR'S PROCEDURES NEED IMPROVEMENT (2). The division suggests researching the new manufactured home comparable book to acquire backup information needed for these accounts. Personal property files are kept in a neat and orderly fashion. All other personal property categories are filed numerically by account number, which the division endorses.

## **Agricultural Property**

**Analysis:** Pershing County has a significant amount of ranch and farm equipment for its size. Thirteen accounts were reviewed, ten secured and three unsecured. None of these accounts were out of tolerance. However, the division had recognized various incorrect class life assignments in both unsecured and secured categories during the study.

**Recommendation:** THE ASSESSOR'S PROCEDURES NEED IMPROVEMENT (2). The division recommends that the staff review accounts to ensure that correct class life is assigned.

**Business Property:** The division's sample indicates Pershing County is properly assessing business personal property. There were three outliers and all were caused by incorrect class life assignments. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

## **Manufactured Homes**

**Analysis:** Based on the ratios found in this study, the Pershing County appraisal staff is properly valuing manufactured homes. There were a total of four outliers found. Three outliers were due to clerical errors, the remaining outlier was due to using other original cost sources such as suggested retail prices. The division encourages the verification of county printout costs using the new manufactured home comparable book or alternative valuation methods when a DRS is not available. This concern had been expressed during prior studies and the division was assured it would be corrected when time permitted. There were several accounts in the sample in which the accessories had not been included in the original sales price.

**Recommendations:** THE ASSESSOR'S PROCEDURES NEED IMPROVEMENT (2). The division suggests the assessor establish a procedure for office staff to determine if the accessories are associated with the original sales. Such procedure would be to establish communication with the various manufactured home dealers' to acquire a copy of the contract or a breakdown of the accessories and include a copy in the respective folder. Appraisers identify and value new real property items when they are canvassing the county. Real property items were found to be valued and depreciated correctly.

**Billboards:** Pershing County has a significant number of billboard accounts for its size. The assessor has done an excellent job of discovering and valuing this property type. The division examined nearly the entire number of billboard accounts and found them to be correct. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Aircraft:** For property tax purposes, only two aircraft are physically located within the county, one secured and one unsecured. Although no ratio study could be done, the division reviewed those assessments and found no outliers. THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

## **Billing/Collection (penalties applied, seizure and sale)**

**Analysis:** In Pershing County, the treasurer is responsible for the collection of both secured and unsecured accounts. Penalties have been applied to all delinquent accounts and collected from the taxpayer. The assessor had sent twenty seizure notices out this year and may be seizing one manufactured home before the end of fiscal year 2001.

**Recommendations:** THE ASSESSOR'S PROCEDURES MEET STANDARDS (3). Although the assessor does not have control over accounts delinquent in excess of one year, the assessor and treasurer should collaborate to achieve a more aggressive approach to collect those outstanding taxes.

**Other Work Practices**

**Possessory Interest Valuation - Real & Personal Property:** The only possessory interests valued by the assessor in Pershing County are the privately owned hangers at the county owned airport. The hangers at the airport have only an improvement value, which is correctly applied in accordance with NRS 361.157.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Cost Manuals and Systems:** The assessor uses the Marshall and Swift computer estimator 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 October 2000 update is currently being used for the commercial program and the September 2000 update is being used for the residential program. The assessor has a copy of the Rural Building Cost Handbook and copies of the Marshall and Swift residential and commercial cost manuals. 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisal Records:** The information in the files is correct, complete and up to date. The assessor is taking new pictures and making new drawings as needed. The files include a picture and drawing of the improvements, a Marshall and Swift data entry sheet and printouts, miscellaneous building sheets and some information from the previous appraisals may also be included. Only the information needed to identify the property and defend the appraisal is included.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Filing System:** The assessor's real property files are organized in parcel number order except the agricultural parcels that are organized by parcel number, along with a summary index that cross references all pertinent information such as ag applications. The assessor has been in the process of reorganizing the files exclusively into parcel number order. When completed, the system will allow for easy retrieval and efficient use.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appeal Preparation and Presentations:** For this tax year there were seven appeals to the Pershing 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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Reopened Roll Log:** The roll log required by NRS 361.310 to be received by the division on or before October 31, 2001, this was received on time. This report was correctly completed.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Obsolescence:** There are currently no properties in Pershing County that have obsolescence applied.  
(N/A)

**New Construction:** New construction is discovered through the use of the county and city building permit systems. 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 of new construction shows that the improvements are being correctly valued and depreciated.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Land Use and Exemption Codes:** The assessor uses and correctly applies the approved land use and exemption codes.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisal Cycle:** The assessor uses a five year appraisal cycle. During this ratio study, group 2 was reappraised. This group includes ranches and portions of books 2, 3 (outside of Lovelock), 6, 7, 8, 9, 10 (Humboldt River Ranch and Rye Patch Estates development), 11 (Oreana), 12 (Unionville area), 13, 14 and 15. This group represents approximately 51% of the county. During the 2000 reappraisal cycle Group 1 was reappraised, which comprised 29% of the county. For the 1999 cycle, 6% of the county was reappraised. In 1998, 8% of the county was reappraised and in 1997, 6% was reappraised. The improved parcels are fairly evenly distributed throughout the appraisal cycle and are manageable for the assessor.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Improvement Factoring:** When factoring improvements, the assessor uses a composite improvement factor which includes an additional year of depreciation. This in turn incorrectly depreciates those improvements that are 50 plus years old beyond the 75 percent maximum depreciation. This is corrected on reappraisal.

**Appraiser Certifications:** The assessor and one real property appraiser are certified.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisers Training Requirements:** The two real property appraisers are in compliance with NRS 361.221 and NRS 361.223.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**WASHOE COUNTY**  
**Part II:**  
**2002-03 Work Practices Survey**

Washoe County's reappraisal area is referred to as the Northern County Suburban, Valleys and Rural Area, this takes in all of the valleys north of Reno and Sparks all the way to the Oregon state line. The geographic area contained in this reappraisal cycle is very large encompassing over 80 percent of the area of the entire county. The parcel map books involved are Books 35, 61, 66, 71, 74, 76-90, 500, 502, 504, 506, 508, 510, 512, 514, 516, 518, 522, 524, 528, 530, 534, 550, 552, 554, 556, 558, 560, 566 and 570 which represent 37,400 nonagricultural parcels and 1,104 agricultural properties. These nonagricultural parcels account for 28.58 percent of the 130,841 total nonagricultural parcels in the county.

Although much of this year's reappraisal area is vacant land and agricultural properties, it is considered one of the most difficult appraisal tasks because of the great amount of diversity in properties and structures. It ranges from mobile homes in Sun Valley to above average residential subdivisions located north of Sparks along the Pyramid Lake Highway and Vista Boulevard. Included are the older military structures and industrial property located at Stead; the ranchette properties in the Red Rock and Spanish Springs area; the mixture of mobile homes, older homes and newly built homes located in the Cold Springs and Lemmon, Golden and Panther Valleys. Combined with all this are isolated pockets of commercial growth located along the access routes into these northern valleys. Most of the area is now experiencing significant growth in residential building as many individuals are willing to make the short commute into Reno and Sparks.

The division's sample reflects the great diversity of properties in the reappraisal area. The types of properties included in the sample are mobile homes, single-family residences, condominiums, minor improvements, converted mobile homes, duplexes, four-plexes, apartments, mobile home parks, industrials, strip malls, shopping centers, fast food restaurants, mini-markets and office complexes. The total sample for this year's appraisal area consisted of 427 parcels.

**ANALYSIS AND RECOMMENDATIONS**

**Real Property Discovery and Valuation Work Practices**

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Sales Verification:** Staff visits title companies to verify price, terms and conditions of the sales. The county staff sends out verification letters to buyers and sellers as well as making personal contact, in many cases in order to obtain the true motivations of the parties involved in the sales. 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Sales Data Base:** The sales data base appears reliable. The verified and coded sales are input into the mainframe computer where they can be accessed by appraisers and other staff members in the assessor's office. In addition, the sales database is drawn upon to compute land factors in that portion of the county (80 percent) 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 ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Vacant Land (excluding agricultural property):** Because of the many types of vacant land in this reappraisal area, the division examined a large sample of 30 which includes bare land, ranchettes, single-family residential, multi-family residential, commercial, retail and industrial lots. Only two outliers occurred in this property category. From the statistics shown, market land values within the reappraisal area are correctly assigned.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Subdivision Analysis:** There are currently eleven subdivisions that have qualified for a discount. The discounts are all in the 20 to 30 percent range. A review of the data and documentation found the assessor's methods and conclusions to be correct.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Land:** In the areas which had sufficient sales, the appraisal staff did a sales analysis to obtain credible land values for single-family residential lots. In other areas which did not have sufficient sales, comparable sales data was used from other parts of the county outside the reappraisal area. One example of this method was used in a new subdivision where the land and home were sold only as a package. With no vacant lot sales the county staff examined another subdivision outside the reappraisal area where the same builder was constructing the same model homes. Although the improved sales for these homes were different from one area of the county to the other, the county staff was able to compute a land value based on the comparison of identical models and land to building ratios. The overall ratios for this category were very good with only one outlier out of a sample size of 307. One procedural item within this category should be discussed. The county has established a system in which a set of parcel maps for the reappraisal area is put in one centrally located file. Within these maps the land value for each parcel is written on the parcel and a list of comparable sales which were used in setting these values are included. This procedure is excellent and helps reduce confusion, increase accessibility and enhances productivity.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Land:** The division's sample in this category was very diverse and included 26 properties. All were found to be within ratio study tolerances. During the division's analysis of this property category it was made aware of a study conducted by the county staff on mobile home parks. A review of the study found the data to be complete and the conclusions correct.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Land:** Of the 36 samples examined none were found out of the statutory ratio parameters. Very few commercial sales existed in the area so the county staff used older commercial and industrial sales as well as sales from other areas of the county. The division agrees with this approach. The county staff was able to complete a price per square foot table for various size parcels, which was quite accurate. This was accomplished through the use of trended older sales and current real estate listings within the area.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Factors:** A concerted effort is made by the staff to ensure only reliable sales 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 assessor's staff takes a very conservative approach when applying land factors. Even though the statutes allow a median ratio between 30 and 35 percent when factoring, the county seems to target the low end of this range.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Improvements:** This property category contained the majority of the division's sample for this ratio study. The property types included minor improved properties, mobile homes, converted mobile homes, condominiums and single-family "stick" built houses. The median ratio would be a lot closer to 35 percent if the mobile home outliers were removed from this sample - about 60 percent of the 21 outliers in this category came from mobile home parcels. The cause of the mobile home outliers is documented in the minor improvement section of this ratio study.

Several minor areas of concern in this area need to be considered. The first is a difference in cost approaches on apartment style properties which have condominium type ownerships. This problem has been documented in past ratio studies and has not changed at the present time. The county staff continues to cost these units separately as townhouse units rather than costing the entire low rise multiple building and then apportioning the cost to each unit in the building. The division still affirms that the latter cost approach is the correct one. Only four samples in the ratio study were outliers due to this problem.

Overall this property category is being managed satisfactorily. This category experienced very few outliers.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Improvements:** Twenty-six improved multi-family residential properties were included in the study. The samples in this property category represented a broad spectrum of buildings and property types including mobile home parks and apartment complexes. Only one outlier occurred in this category. The division and the county staff were in agreement on nearly all of the samples of this property type.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Improvements:** The commercial and industrial samples included a wide range of improvements and property types. The sample of 36 was well representative of the area since a relatively small number of commercial properties exist in this reappraisal area. The division examined a number of small to medium commercial properties as well as several industrial sites including one very large and complex manufacturing plant. The outliers in this area were generally due to the difference in the amount of value given to other minor improvements such as curbing, asphalt paving, lighting and large pole signs. The county staff did not value any of the signs or any curbing on the commercial subjects. See the discussion on *Minor Improvements* for a detailed explanation of these items.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Minor Improvements**

**Analysis:** This property category continues to be one of the areas which has exhibited some problems in the real property valuation process. The deficiencies in this area have been documented in past ratio studies and still exist within all of the improvement areas.

As part of the costing procedure for single-family homes there is a lump sum amount, which is used to value all minor yard improvements such as fences, sprinklers, planters, etc. The appraiser estimates the number of minor improvements per site and adds an appropriate amount for the lump sum. This type of valuation is acceptable since the number of parcels in each reappraisal area would make it virtually impossible to measure and value them separately. Since the division has the ability to value all of the minor improvements separately, the samples in the ratio study are a very good analysis of how well the lump sum system is working. The results from the study indicate that the county staff is consistently lower in its valuation of minor improvements. This problem caused a number of outliers in the lower end (under 32 percent) and pulled the overall percentage down in this property category.

The property type, which showed the biggest problem of lower valuations on minor improvements, was mobile homes. This property type was the cause of about 60 percent of the outliers in the single-family residential improvement category. Research revealed that fences, due to the high cost per liner foot, was responsible for most of the cost differences and outliers.

There exist two problem areas with the application of the lump sum system. The first is that the lump sum value is too low to cover the typical minor improvements, which are encountered within this property category. The second problem is the ability of the staff appraisers to estimate the right number of lump sum amounts to use in order to adequately value all of the minor improvements.

**Recommendation:** THE ASSESSOR'S PROCEDURES NEED IMPROVEMENT (2). The division recommends that the lump sum value used for the valuation of minor improvements on single-family parcels be raised to reflect a more typical minor improvement value. The assessor has already confronted the situation for next year's reappraisal in an effort to correct the problem.

A further recommendation is to initiate an ongoing training program of the appraisers on the correct use of lump sum costing. Special emphasis should be made on the manufactured home type properties where the tendency is to underestimate the value of minor improvements. A second area of emphasis should be the personal property items associated with manufactured homes. A greater effort is needed for communications between the personal property department and the real property department, to ensure all minor improvements are accounted for and valued in a uniform manner.



**New Construction Valuation:** The main method of discovery is through city and county building permits. After inputting these permits into the computer, a special team is assigned the task of appraising these new properties throughout the year. The assessor also has additional staff work on new construction just prior to the lien date in an attempt to discover and value all of the existing improvements. These new construction parcels are placed on the proper roll by using the reopened roll log option now available to the assessor. It is apparent from the emphasis that is being made in new construction that the assessor and his staff understand the importance of accurately adding new improvements. Since the volume of reappraisal work does not allow time for major changes it is imperative that the improvements are valued correctly when first appraised.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land:** Twenty-eight agricultural properties were sampled in this study. One of the samples was not within ratio parameters due to a clerical error in land classification. This has been brought to the assessors attention and was corrected. The other twenty-seven samples were valued correctly.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Residential Home-site Valuation:** The assessor correctly identified and valued the residential homesites on the agricultural parcels as required.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Improvements:** Eleven improved agricultural properties were included in the study. Five of the samples were not within ratio parameters. Two were due to new improvements being added to the parcel after the assessor's appraisal visit but prior to the divisions visit. One was due to the assessor's staff incorrectly measuring the improvement. Two of the samples were valued correctly by the staff but input into the roll incorrectly. One of these was incorrectly depreciated and the other had improvement values that did not get included in the roll value.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Deferred Taxes:** There are 1,509 deferred agricultural parcels in Washoe County. The assessor's files include a current agricultural application for each operator. The assessor requires a new application when the ownership changes.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Higher Use:** Washoe County has valued six higher use areas on agricultural land in the reappraisal area. Five are gravel pits and one is a service garage. These higher use areas are valued similarly to other commercial property in the area. These areas were previously converted from agricultural land.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Agricultural Land Conversions:** The assessor had twenty-six parcels totaling 414.850 acres convert from agricultural use to residential or commercial/industrial use for tax year 2001-02. A review of the assessor's calculations for deferred taxes found them to be correct.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Assessment Maps:** The assessor's maps are prepared by the county mapping department. The assessor continues to work on re-mapping the county on the new GIS mapping system. The new maps are of very good quality and easy to use.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Prescribed Parceling System:** The assessor uses the prescribed parceling system. Summary or referral parcels are not used in Washoe County.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Personal Property Discovery and Valuation Work Practices**

**Discovery:** Aircraft are discovered through the FAA tail number website, tie down reports from the airports, as well as letters of inquiry to aircraft hanger owners. The letters request information on current tenants renting hanger space. Manufactured homes are tracked through Dealer's Report of Sales (DRS's) from mobile home dealers, moving permits, county set up permits and the zoning enforcement department. The county has a field inspector that visits all manufactured home sites and verifies the correct home 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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Record-keeping:** Each personal property account is filed in its own folder. Manufactured 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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Agricultural/Business Property**

**Analysis:** As stated in previous studies, these categories are being managed very well with no outliers. 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 that 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 ASSESSOR'S PROCEDURES NEED IMPROVEMENT (2). The county is taking steps to remedy this deficiency. The assessor's office is in the process of installing a new computer program called AssessPro. 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.

**Manufactured Homes:** Of 152 manufactured homes, 8 secured and 144 unsecured, sixteen were found to be out of tolerance. All outliers were due to the accessory amount being excluded from the total retail sales cost. There are dealer inconsistencies in what items should be included on the accessory line of the dealer's reports of sales. Various manufactured home dealers are including upgrades on carpeting, appliances, etc... including real property items. While other dealers are reporting real property items only. This has caused a lot of confusion as to what to report as the total retail sales cost. The division recommends the staff send a personal property declaration to each manufactured home owner to request which items were included in the accessory amount reported on the D.R.S. There would be a better response to the declarations if an explanation was included such as being concerned about double taxing the customers. This procedure should clarify any misunderstandings concerning what the accessory amount actually includes. On those manufactured homes 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billboards:** Our sample included approximately twelve percent of the billboard accounts in Washoe County. No outliers were found.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Aircraft:** Of the 30 unsecured aircraft sampled, no errors were found. The files were very well organized and easy to find with a separate file for dead accounts.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Migratory Property:** Washoe County doesn't have any manufactured 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billing/Collection (penalties applied, seizure and sale):** 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Other Work Practices**

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Possessory Interest Valuation - Personal Property:** There are no personal property possessory interests in Washoe County. (N/A)

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 2000 update is being used for the residential property and the October 2000 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Reopened Roll Log:** The roll log is required by NRS 361.310 to be received by the division on or before October 31, 2001. The roll log submitted by Washoe County was received on October 15, 2001 and was correctly completed.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**New Construction:** 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

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

THE-ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisal Cycle:** The assessor uses a five-year reappraisal cycle. During this ratio study, Area 5, which is referred to as North Country Suburban, Valleys and Rural. This takes in all of the valleys north of Reno and Sparks all the way to the Oregon state line. The geographic area contained in this reappraisal cycle is very large encompassing over 80 percent of the area of the entire county. The parcel map books involved are Books 35, 61, 66, 71, 74, 76-90, 500, 502, 504, 506, 508, 510, 512, 514, 516, 518, 522, 524, 528, 530, 534, 550, 552, 554, 556, 558, 560, 566 and 570 which represent 37,400 nonagricultural parcels and 1,104 agricultural properties. These nonagricultural parcels account for 28.58 percent of the 130,841 total nonagricultural parcels in the county. During the 2001 reappraisal cycle, Area 5 accounted for 28 percent of the county parcels. During the 2000 reappraisal cycle, Area 4 was studied. This area accounted for 21 percent of the county parcels. During the 1999 reappraisal cycle, Area 3 was studied. This area accounted for 10 percent of the county parcels. 22 percent of the county parcels were studied during the 1998 reappraisal. During the 1997 reappraisal study 19 percent of the county was studied, this was Area 1. The existing reappraisal cycle works well for the assessor, conforms to statute requirements, and is manageable with the available personnel.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Improvement Factoring:** The assessor uses the approved 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.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisers Training Requirements:** All of the Washoe County staff appraisers are presently in compliance with NRS 361.221 and NRS 361.223.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**WHITE PINE COUNTY**  
**Part II:**  
**2002-03 Work Practices Survey**

White Pine County's reappraisal areas include the businesses and subdivisions located in the city of East Ely and Ruth as delineated in map Books 02 and 03. Ruth is located six miles west of Ely. The reappraisal area contains 1,226 nonagricultural parcels. One thousand of these parcels are improved. There are no agricultural parcels in the reappraisal area.

**ANALYSIS AND RECOMMENDATIONS**

**Real Property Discovery and Valuation Work Practices**

**Sales Collection:** The assessor's main source of sales data is copies of deeds and declarations of value sent from the recorder's office. These documents are the basis of the assessor's sales data bank.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Sales Verification:** The assessor uses the declaration 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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Sales Database:** The sales data are entered into the computer on the primary record for each parcel. A review of the sales data bank found it to be correct and complete. Sales data are included for years 1995 through 2001.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Vacant Land (excluding agricultural property):** Nine vacant properties were sampled for this study; all were within ratio parameters.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Subdivision Analysis:** Nevada Revised Statute 361.227 (2) (b) directs assessors to value qualified subdivisions using the appraisal methods set out in NAC 361.229 and NAC 361.1295. There are no subdivisions in White Pine County that qualify for subdivision analysis. (N/A)

**Single-family Residential Land:** Thirty improved single-family residential land parcels were included in the study; all were within ratio parameters.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Land:** Five improved multi-family residential land parcels were included in the study; all were within ratio parameters.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Land:** Thirteen improved commercial/industrial land parcels were included in the study; all but one was within ratio parameters. The commercial land values were based

on the few sales reflected in the sales data bank. The one subject that was not within ratio parameters was located in Ruth. The assessor lowered the land value without using recent sales.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Factors:** The assessor's sales data bank is used when establishing land factors. The assessor has established factor areas and has a working knowledge of the factoring process. A review of several parcels in the factored area found that the land factors were correctly applied.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Single-family Residential Improvements:** Thirty improved single-family residential properties were included in the study. Three property ratios were not within statutory limits. They were the result of minor differences in calculating of the minor improvements.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Multi-family Residential Improvements:** Five improved multi-family residential properties were included in the study. All were within ratio parameters.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Commercial and Industrial Improvements:** Thirteen improved commercial/industrial properties were included in the study. All were within ratio parameters.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Minor Improvements:** Generally the assessor's staff is identifying and correctly valuing minor improvements. Only three properties reflected errors in valuing minor improvements.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**New Construction Valuation:** The division selected a sample of parcels having new construction. A review of these parcels shows that the improvements are being correctly valued and depreciated.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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:** N/A

**Higher Use:** N/A

**Agricultural Land Conversions:** Two parcels totaling 55 acres were converted from agricultural use to



residential use for calendar year 2001. A review of the assessor's calculation for deferred taxes found them to be correct.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Assessment Maps:** The assessor has acquired a former county employee that is now responsible for map preparation. The maps that are produced are of good quality and easy to use.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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 referral 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 belongs to the referral parcel.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Personal Property Discovery and Valuation Work Practices**

**Discovery:** The discovery process in White Pine County meets the Division's standards. Aircraft are primarily tracked through the Federal Aviation tail number reports furnished by the federal government. Occasional inspections of the airport help ensure that any owner of aircraft located in this area is sent a declaration form. The assessor's office is aided in the discovery of businesses by the business license department of the city. In addition, the staff makes an effort to find all business operations through newspapers and periodic drive-by inspections of the city. Manufactured homes are required to have an inspection from the city building department before any hookups can be turned on. This information is used by the assessor's office to locate and assess all manufactured homes within the county. Only a handful of billboard and agricultural equipment accounts exist within the county and the staff is aware of them.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Record-keeping:** The personal property records have continued to improve over the past two ratio studies. The files are kept in a very neat and orderly fashion. All of the personal property accounts are kept in individual folders. Aircraft are filed by tail numbers and contain the latest information on the correct acquisition cost and acquisition year of each aircraft. Business declarations are filed alphabetically with the current year's and past year's declarations enclosed. Manufactured homes are placed in individual envelopes and are filed alphabetically. The division found it very easy to locate and examine the samples included in the ratio study.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Business Property:** This remains the largest property category in the county and demands a great deal of time to manage. The assessor and his staff have continued to do an excellent job in this area. The assessor uses an itemized declaration that is sent to each taxpayer for review and correction. Of 68 business accounts sampled, 26 secured and 42 unsecured, all are within ratio tolerance.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Manufactured Homes:** White Pine County is correctly assessing manufactured homes. Of 115 homes sampled, 61 secured and 54 unsecured, three were found to be out of tolerance. These were due to minor errors such as setup fees and profits not included in the original retail-selling price. The staff discovers real property items during field inspections, and is correctly depreciating these items. The value is then

added to the manufactured home accounts prior to billing. A separate file is maintained on all manufactured home accounts. During each of the five reappraisal cycles, the appraisal staff updates these minor improvement sheets. The division endorses this method of accounting for minor improvements on manufactured home parcels.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billboards:** White Pine County has only one billboard account in the reappraisal area. The assessor correctly valued this account.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Aircraft:** White Pine county has a relatively small number of aircraft. Four of the twelve aircraft in the county were included in the ratio study and no errors were found.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Migratory Property:** The assessor and his staff are handling migratory property in accordance with the statutes that govern this area. All businesses or other personal property, which are likely to leave the county during the tax year, are designated migratory and are assessed immediately.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Billing/Collection (penalties applied, seizure and sale):** All appropriate penalties and late fees are applied to delinquent accounts and collected from the taxpayer. The number of delinquent personal property accounts is very small. The staff and assessor are diligent in the billing and collection of taxes.

Although the county has not seized any personal property in the past few years, the assessor has an adequate procedure in place. Following the fourth quarter, March billing a seizure notice is sent to the taxpayer. A notice to the taxpayer's lien holder is sent if the taxpayer has not responded.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

### **Other Work Practices**

**Possessory Interest Valuation - Real & Personal Property:** Possessory interests valued by the assessor in White Pine County include the three cabins on Forest Service land in Sagehen Canyon. The assessor correctly valued the land and improvements.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Possessory Interest Valuation- Personal Property:** There are no personal property possessory interests in White Pine County. (N/A)

**Statutes and Regulations:** The Nevada Administrative Codes are available in the assessor's office. The Nevada Revised Statutes are available in the commissioner's chambers for the assessor's use. Both have been correctly updated.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Cost Manuals and Systems:** The assessor uses the Marshall and Swift computer estimator program to value most major improvements. The estimator program is updated annually at the beginning of the work year. The October 2000 update is used for the commercial property and the September 2000 update is used for the residential property. The assessor has two copies of the Assessor's Handbook of

Rural Building Costs, two copies of the Marshall and Swift Residential handbook and two copies of the Marshall and Swift Commercial cost manuals. All of the manuals have been correctly updated.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisal Records:** The information in the real property record files is correct, complete and up to date. Each property record file contains a drawing and picture of the improvements, a Marshall and Swift data entry form and printout, and a miscellaneous building sheet. In addition, some information from the previous appraisals may be included. Only the information needed to identify the property and defend the appraisal is included.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**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.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Reports:** All of the many reports required of the assessor were correctly completed and delivered on time.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appeal Preparation and Presentations:** There were three appeals to the White Pine County Board of Equalization for this tax year. The assessor's staff is prepared and proficient when presenting the county's position at board of equalization hearings.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Reopened Roll Log:** The roll log required by NRS 361.310 to be received on or before October 31, 2001 was received on September 29, 2001. This report was correctly completed.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Obsolescence:** The assessor is keeping a list of those properties that are receiving obsolescence. There are currently nine properties in White Pine County receiving obsolescence. Most are the result of deferred maintenance. The data on each parcel is complete and the division agrees with the assessor's conclusions.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**New Construction:** New construction is discovered through the use of the city/county building permit system. 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 but before July 1<sup>st</sup> is included on the roll log.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Land Use and Exemption Codes:** The assessor correctly uses and applies the land use and exemption codes. During this ratio study, Book 1, which is the Town of Ely, was reappraised.  
THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisal Cycle:** This year, Books 2 and 3, which are East Ely and the Town of Ruth, were reappraised. This area represents 14 percent of the county. In 2000, Book 4, which is the Town of McGill, and all of Book 5 except Baker, School of the Natural Order and Cherry Creek, were reappraised. This area

represents 14 percent of the county. In 1999, the General County (Book 6), which is the Town of Lund and Cherry Creek, plus all patented mines of which there are 1,154 parcels, were reappraised. This area represents 38 percent of the county. The reappraisal area for the 1998 cycle encompassed agricultural land, the city of Baker, the school of the Natural Order, and Cherry Creek. This area made up 16 percent of the county parcels. Parcels reappraised for 1997 included all of Book 1, which made up 18 percent of the county parcels. This appraisal cycle works well for the assessor and is manageable. The assessor uses a five-year reappraisal cycle.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Improvement Factoring:** The assessor uses the state approved improvement factors.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraiser Certifications:** The assessor and four real property appraisers are all certified. There are no certified personal property appraisers on staff.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).

**Appraisers Training Requirements:** The appraisers are in compliance with NRS 361.221 and NRS 361.223. Additional training hours will be needed in the year 2006.

THE ASSESSOR'S PROCEDURES MEET STANDARDS (3).