

PUBLIC NOTICE
from the Routt County Assessor's Office
regarding the 2017 Real Property Valuations & Appeal Process
***** Questions & Answers *****

2017 is a reassessment year; all property within the county has been revalued.

The assessor's office mails a Notice of Value (NOV) to all owners of Real Property in Routt County on May 1st, 2017. This Notice of Value reports the change in your property's value or classification from the 2015 reappraisal and informs you of your rights to appeal your new value or classification per Colorado statutes.

? Why did my value increase (or decrease) from the prior reappraisal?.... Colorado assessors revalue all property every odd year according to statutory requirements. 2017 values are determined as of June 30, 2016, based on sales & market activity occurring in the 24-months preceding the June 30, 2016 appraisal date. General trends in the marketplace in this two year period have been in an upward direction, or an appreciating market. However, a few property types or segments (areas) may have experienced a drop in their valuations or a flat-line (no change) from the last assessment; vacant land and some rural residential properties being the most common properties to see a decrease or no change in value this reassessment. On a countywide basis, the average increase in valuation has been about 12% from the prior reassessment for Residential, Vacant land moved up 8% and Commercial experienced a robust 17% with lots of new construction value as well. These increases reflect an appreciating real estate market since the last reappraisal date of June, 2014. Depending on location, specific types of property (vacant land, condominiums, single-family, commercial), all can demonstrate very different rates of value change. **IMPORTANT:** The **blue-colored** Notice of Value you receive this week in the mail reflects a valuation with an effective appraisal date of June 30, 2016 and not May 1st, 2017 (date of the notice).

? The assessor's job is to raise or increase tax revenue for the taxing entities, right?.... **Absolutely not:** The assessor's office only assigns value to property; we do not set tax rates or collect the actual tax. By statute and by the Uniform Standards of Professional Appraisal Practice, the assessor's staff is impartial to fluctuations in property values and corresponding property taxes. The assessor's core function is to Discover, List, Classify, and Report the value of all taxable property in the county. These values must reflect an estimate of fair market value for each property as of June 30, 2016. The assessor's values are audited for compliance annually by an independent audit firm hired by the State Board of Equalization. It is the prerogative of the state legislature to determine and amend the property tax function. The role of Colorado assessors is to administer property tax legislation on behalf of all taxing entities within each county.

? How are property taxes determined and calculated?

Property Taxes Due = Actual Value x Assessment Rate x Mill Levy

Actual Value: The appraisers in the assessor's office determine *actual* (market) values using appraisal standards and methods. For residential property, we analyzed sales that occurred in the 24-month period prior to June 30, 2016. We adjust these sales for changing market conditions over time (appreciation/depreciation) to a level of value as of June 30, 2016 - as if all the sales in the 24-month collection period all sold on the same day (appraisal date). We then use these time-adjusted sale prices as an indication of value for similar properties while making market adjustments for property conditions, characteristics, location, along with other property attributes affecting value. For non-residential property, the *cost*, *market*, and *income* approaches to value are all considered. Agricultural classified land is valued by using a formula based on the earning capacity of the land subject to typical farming/ranching practices & expenses; AG values are based on a rolling 10-yr average, and are completely absent of any R.E. market trends or value influences.

Assessment Rate: Residential Property is assessed at 7.2% of *actual* value; this is a new (Lower) rate for 2017; the previous Res-rate was 7.96%. This lower rate amounts to a 9.55% drop in the assessment rate, requiring a 10.55% increase in Actual Res valuations to maintain the same level of assessed value from the prior year. This essentially means for Residential properties that the first 11% increase in Actual value from the prior year is negated from any additional tax burden because of the new lower Res assessment rate. Non-Residential Property is still assessed at 29% of *actual* value. These assessment rates are determined by a 1982 provision known as the *Gallagher* provision of Amendment 1 to the Colorado Constitution. A residential lot that is vacant is considered non-residential property and is assessed at the 29% assessment rate, same as all other non-residential property

Mill Levies: A taxing entity's tax rate is measured by mills; this mill rate is set each year by each individual taxing entity or authority such as school district, county govt., town, fire, water and sanitation, library, and other special districts. These entities provide tax-supported services and are listed on your actual tax bills and can also be viewed on the Treasurer's website for each property. Calculate your property's tax as follows:
Actual value x Assessment rate x Mill Levy (e.g., \$400,000 residential condo with 45.67 aggregate mills **Formula:** \$400,000 x 7.92% x 45.67 mills = Tax Due. On a calculator: \$400,000 x .072 x .04567 = \$1,315.30

? If my valuation has changed, will my taxes change accordingly? **No.** If you see an increase in your valuation, you will not see a direct correlation in the actual tax bill. Normally when the total assessed valuation in a taxing district goes up, the various mill levies of the authorities within that district tend to decrease, thus countering to some degree, or even fully, the individual value increase of a particular property, therefore resulting in a similar tax liability as the prior years' value. This is a general statement and there are many moving parts to a final mill levy on any property so while the previous statement holds true for most properties, it can be false for other properties. Also, keep in mind the statement made above regarding the effects of the new lower Residential assessment rate.

? Can I appeal my property taxes to the Assessor?

No, you cannot appeal **taxes** to the Assessor. You can only appeal your property's **ACTUAL VALUE** or **CLASSIFICATION** to the Assessor, which is a determining factor in how your taxes are calculated, but you cannot appeal the actual taxes due on a property- at least not to the Assessor's Office. Questions concerning taxes and their distribution should be directed to the Taxing Authority that levied the taxes. This should be done during their budget preparation meetings, which are open to the public and usually take place in November of each year. The office of the county commissioners or the assessor's office can provide contact info for each taxing entity to find out when budget meetings take place.

? How do I appeal if I disagree with the value or classification reported on my 2017 Notice of Value?.... You can file an appeal to the assessor's office from May 1st through June 1st, 2017 by submitting your Notice of Value protest form via email, letter, fax, or presented in person to our office. We will be glad to talk with you and explain or provide the appraisal analysis that was used to determine your property's value. This 30-day protest period provides an opportunity for taxpayers to inform the assessor of errors in classification, property description, or other discrepancies that may result in a reduction in value or a change in classification. Your appeal must be postmarked, faxed, emailed, or hand delivered no later than June 1, 2017. Keep in mind that all property is valued as of June 30, 2016, based upon sales activity and/or market conditions that occurred from July 1, 2014 through June 30, 2016. If you appeal, your estimate of value must also be as of June 30, 2016 and supported with relevant information. Per statute, market or sales data occurring after June 30, 2016 cannot be considered as relevant to your appeal. Also, if you appoint an agent to act on your behalf, that person must have your written authorization, which needs to accompany the appeal to be considered filed. Any appeal filed after June 1, 2017 will not be considered or accepted.

? What is the best way to appeal?

The best way is to either come see us in person or email your appeal to assessor@co.routt.co.us by including an attached electronic copy of your Notice of Value. This way your property is correctly identified and our office can quickly acknowledge the receipt of your appeal. If hand delivering your NOV appeal, we encourage you to sit down with a county appraiser to discuss your appeal issues. All in-person appeals will be handled on a first come-first served basis. Appeals received by letter or fax will be accepted as long as they clearly identify the property being appealed and are received or postmarked by 11:59pm, June 1, 2017. If you call in your appeal by phone, we will ask you to follow up your appeal in writing. Assessor Office hours are 8:30 a.m. to 4:30 p.m., Monday – Friday – Closed for Memorial Day Monday.

? I am not sure if I should appeal. How can I find out what similar properties to mind sold for?

The appraisal staff will provide you with information relevant to your property. We spend a great deal of effort compiling our analysis and reporting our conclusions in a manner that is easy to share and understand. After reviewing our conclusions you can determine if we have completed our appraisal tasks accurately and equitably. Requests are best submitted via email. Property values, building characteristics, and sales reports can also be queried by going to the county's web site and the "Property Search" link at www.co.routt.co.us We also have sales spreadsheets on our county website, available for download for your own review & study – Look for "**2017 Reappraisal Sales info**" link on our Assessor Dept. web page.

? What constitutes a successful appeal?

If you can show that the assessor's inventory of your property is incorrect, thus overstating your property's value, or that data used to value your property was based on sales or income potential of superior properties, a value adjustment could be warranted. However, a lower value placed on your neighbor's property is not a basis for an appeal. The Assessor or his staff appraisers may ask to inspect your property to confirm its characteristics and condition. If this inspection demonstrates that your property is superior to the characteristics/condition listed on the assessor's records, your value could be adjusted upwards. Number of Bedrooms typically do not affect the valuation; sq. footage does. Sales activity occurring in the 10 months since the June 30, 2016 appraisal date cannot be used to appeal your new valuation. Please keep in mind, properties can exhibit very different appreciation rates- some can be much greater than the countywide average, while other properties are experiencing little or even negative appreciation. This is typical market behavior. Figures that my office may publish identifying overall percentages, averages, or median statistics are indications of central tendencies only, and not the measure of individual properties.

? What happens after I appeal?

We will review your appeal and respond to you in writing by June 30th, 2017. Our response is reported to you on a **Notice of Determination** form. If you are satisfied with the assessor's determination, the tax bill you receive next January will be based on the value and classification reflected on the Notice of Determination. If you are not satisfied with the determination made, the NOD form explains your rights to further your appeal. The secondary appeal must be postmarked or hand-delivered by the close of business to the Routt County Board of Equalization (PO Box 773598, Steamboat Springs) in writing on or before July 17, 2017; the county board will notify you by mail of the hearing date, time, & place where you may present evidence to substantiate your case. Evidence includes documentation such as the sale prices of properties similar to yours that sold between July 1, 2014 and June 30, 2016. The county board will conclude hearings and render decisions by the close of business on August 7, 2017. The county board must mail you a decision within five business days of the date of its decision. If you are satisfied with their decision, your appeal ends. If you disagree with the action of the CBOE, you may file an appeal with the State Board of Assessment Appeals, District Court, or you may request a binding arbitration hearing. Your appeal must be made within 30 days of the date of the county board's decision.

For additional information regarding the protest and appeal process, please feel free to contact my office.

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