

DISCOVER - LIST - CLASSIFY - VALUE

- **DISCOVER**

The discovery of property may be accomplished by field inspections; examining the records of the county clerk and recorder; reviewing building permits; and interaction with the property owners or inhabitants. This would also include assisting in Emergency Damage Assessments after natural disasters such as the 2013 Flood and the High Park Fire in 2012.



The assessor coordinates with all the issuing authorities within the county to make sure we are receiving building permit data in a timely manner; from Berthoud to Wellington and Windsor to Estes Park.

- **LIST**

Listing includes the maintenance and updating of records to link properties to respective owners so that a current assessment file is created.

- **CLASSIFY**

Classification consists of determining the correct class for all property located in the county according to its use on the assessment date. The proper classification will have a bearing on both the method used to value the property and the assessment rate applied. Classification is also important when properties are compared in both the appeals and the valuation processes.

- **VALUE**

Property is valued by the assessor according to criteria specified by state statute. This includes notifying the taxpayer of the value and the administrative remedies that must be followed if the taxpayer disagrees with the assessor's valuation.

The Assessor's job is defined by Colorado State Statute with guidelines published in the Assessor's Reference Library from the Colorado Division of Property Taxation and the Assessor has to pass an independent audit every year.

ASSESSMENT CALENDAR



January 1st is the assessment date – Properties are assessed as of that date.

If a property was vacant January 1st but a house was built in March the Notice of Value sent in May will be for the Vacant Land. It is typically not prorated according to any Certificate of Occupancy or Permit Date.

Business Personal Property Schedules are sent out January 1st and are due back no later than April 15th.

The Treasurer's Office mails tax bills in January.

Current tax bills (2017 taxes due in 2018) are based on the 2017 Reappraisal cycle. These values are based on an appraisal date of June 30, 2016.



REAPPRAISALS – This is typically when you will hear the most about what the Assessor does and updated property values.

- All residential and commercial real properties are reappraised every 2 years in the odd-numbered year. Values for the 2017 reappraisal are based upon sales that occurred during the 60 months prior to June 30, 2016.
- Notices of Value are sent to owners on or before May 1st. Notices will also be available online at that time. Protests can be heard by the assessor's office from May 1 through June 1. Protests can be filed either in person, by letter, by fax or using the **Online Protest System**.
- A protest will include a review of the facts on the property record; noting any discrepancies. For residential property items that may affect the value include the living area of the home, the presence or absence of a garage or finished basement, proximity to a lake or golf course etc.



Why do so many people protest in Larimer County?

The avoidance of taxes is the only intellectual pursuit that carries any reward. – John Maynard Keynes, British economist

Besides the most obvious stuff...

The Assessor is responsible for the following:

- *Process recorded title conveyance documents*
 - *This includes the necessary title research before ownership can be changed*
- *Process annexations, subdivisions, plats, and similar property changes*
- *Process changes of address (both site and mailing)*
- *Update assessment maps and process parcel and taxing entity boundary changes*
- *Assessment of property damage and ownership verification in the event of a natural disaster*



Developments in the Assessor's office ...

without increased cost to the taxpayer

- For the last several reappraisals valuations are done by Assessor staff without the need for expensive contract services – an assessor and analysts with local knowledge and experience
- Staff has been reduced over 20% since 2007 through attrition while still maintaining required service levels through the use of technology and continuous process improvement
- More information freely available to the public year round through the Assessor website to help demystify our process (expanded sales search options including vacant, commercial, residential and more)
- Implemented an online protest system with sales and integrated Google maps to allow more access to the taxpayer while decreasing office traffic and the need for overtime and additional staff during protest periods. Even with high numbers of appeals and a software upgrade in 2017 the office was able to return over \$300,000 to the Larimer County general fund last year alone.

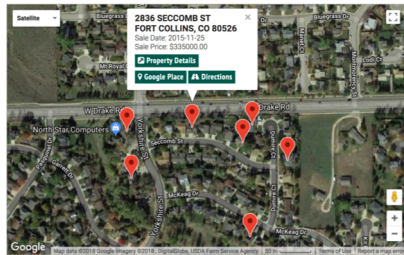
For more information please visit larimerassessor.org

But exactly HOW does the Assessor do all that...

Let's focus on the valuation of residential improved property.

Residential Sales Search Map

Click on a red marker to get info about a particular property sale.



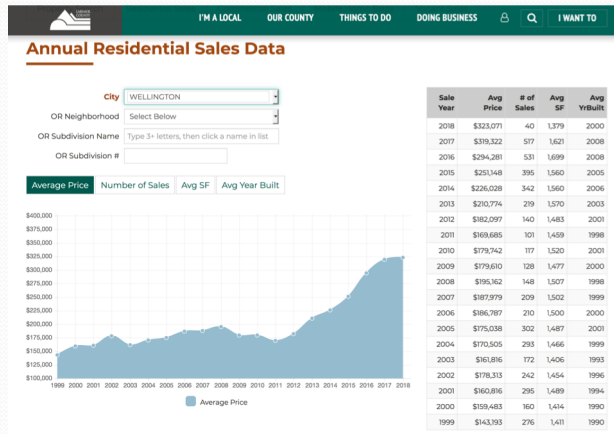
Characteristics that may impact residential property values:

- Classification (Residential versus Agricultural property)
- Location of property - Eco Area, Neighborhood, Subdivision
- Square feet of living area
- Square feet of basement
- Square feet of finish in basement
- Square feet of garage (attached and detached)
- Design of home (Ranch, Two Story, Modular, Cabin, etc.)
- Quality of home
- Locational attributes (Golf Course, Lake, Park, River, Railroad, Traffic, View, Greenbelt)

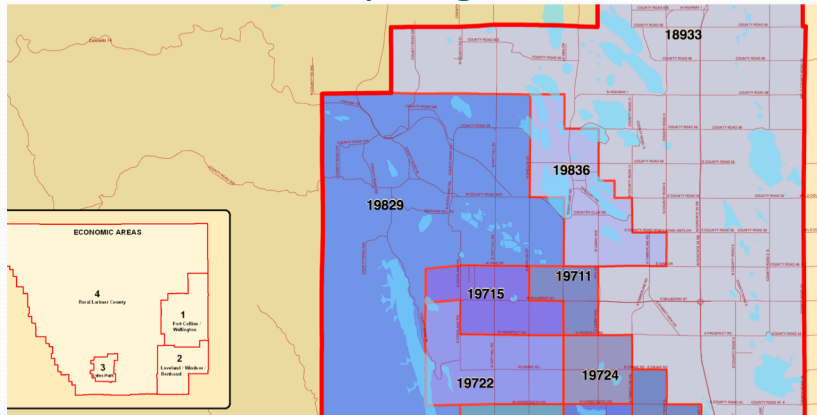
Items that may be inventoried but do **NOT** typically impact residential value for assessment purposes:

- Fixtures (sinks, showers, etc)
- Sprinkler systems
- Finished garage vs unfinished garage
- Porches, decks or balconies
- Bedroom and bathroom counts
- Appliances
- Updated roof or minor interior remodels

How can I see sales data in my area?

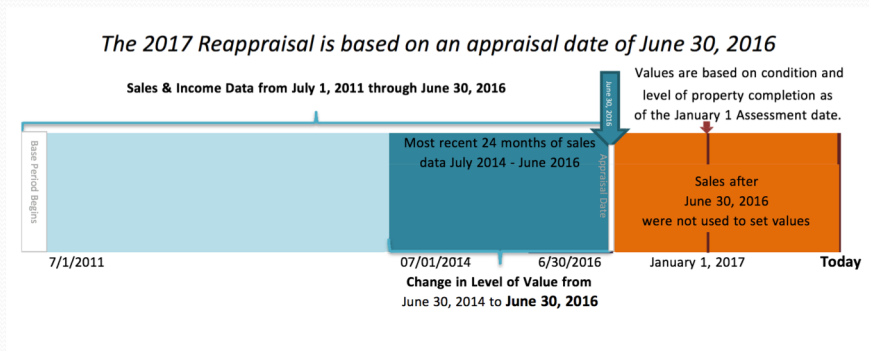


Where is my neighborhood?



NBHD 19711 goes from Vine and Shields down to Mulberry and College then down to Prospect and Lemay and back up to Vine.
 Maps showing the Nbhd's are available on our website.

Understanding the level of value of the 2017/2018 assessment cycle



We are already gathering and analyzing the data for our next reappraisal. The vast majority of properties will not see a value change this year. For any that do, those 2018 values will be published on our website and notices mailed on May 1 of this year.



How does property value relate to property taxes?

The following calculation is used to determine your property tax:

$$\text{Actual Value} \times \text{Assessment Rate} \times \text{Mill Levy} / 1000 = \text{Property Tax}$$

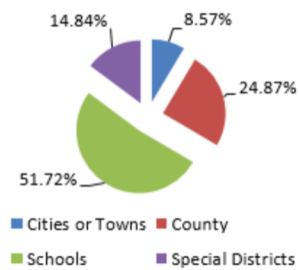
\$240,000 Actual Value x 7.20% Assessment Rate = \$17,280 Assessed Value
 \$17,280 Assessed Value x 86.49 mills/1000 = **\$1,495 tax bill**

*The 7.20% assessment rate applies to residential improved properties



Where does all that money go?

2017 Revenue Distribution



The goal of all assessors is the equalization of assessed valuations so that the entire property tax burden is evenly distributed in accordance with the value of taxable property owned by each taxpayer.

The State Legislature sets the percentage used to calculate assessed values upon which levies and taxes are determined.

County tax is levied by the Board of County Commissioners. School tax is levied by School Boards, City and Town tax is levied by City and Town officials. Water and Sewer taxes are levied by Water and Sanitation Boards.

After the levies are certified it is then the duty of the Assessor to extend the tax roll to the Treasurer, whose duty is to collect those property taxes.

Which Assessment Rate?

Gallagher Amendment passed in 1982

- Mandating all property be reassessed every two years
- Stating taxes on residential property can only account for about 45% of total property taxes.
- Setting a fixed assessment rate of 29% on all other property (commercial, Vacant, etc.)
- Allowing the Residential assessment Rate to float each year to maintain the 45/55 ratio.

RECAP OF RESIDENTIAL ASSESSMENT RATES

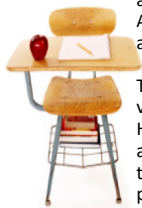
Years	Rate enacted into law	Rate calculated by Preliminary RAR Study	Rate calculated by Final RAR Study
1983-1986	21.00%		
1987	18.00%	16.74%	
1988	16.00%	15.62%	
1989-90	15.00%	15.04%	
1991-92	14.34%	14.34%	
1993-04	12.86%	12.86%	12.16%
1995-96	10.36%	10.50%	10.02%
1997-98	9.74%	9.71%	10.08%
1999-2000	9.74%	9.81%	9.83%
2001-02	9.15%	9.35%	9.15%
2003-04	7.96%	8.18%	8.04% (rev. 4/23/2003 to 7.96%)
2005-06	7.96%	8.15%	8.17%
2007-08	7.96%	8.00%	8.19%
2009-10	7.96%	8.91%	8.85%
2011-12	7.96%	8.59%	8.77%
2013-14	7.96%	9.09%	9.13%
2015-16	7.96%	8.30%	8.24%

For 2017-2018 the assessment rate was lowered to 7.2%

THE TABOR / GALLAGHER CONFLICT AND SCHOOL FUNDING

The 2011--2012 projected residential assessment rate prior to the application of TABOR was 8.59 percent, but it was maintained at 7.96 percent.

That was the fifth time that the study resulted in a residential assessment rate calculation greater than the rate most recently enacted into law. Such an occurrence makes relevant a conflict in the Colorado Constitution Section 3(1)(b) of article X of the Colorado Constitution, and § 39--1--104.2(5)(a), C.R.S., require that the rate be adjusted (up or down) to achieve the residential target percentage, but section 20(4)(a) of article X of the Colorado Constitution (TABOR), requires voter approval for an assessment ratio increase for a property class. When this conflict occurred in 1999, 2005, 2007, and 2009, the General Assembly reenacted the previous residential assessment rate. The rate enacted into law for assessment years 2009 and 2010 was 7.96 percent.



The impact of TABOR's prohibition against raising the residential assessment rate without voter approval is difficult to estimate across the board for all property taxing jurisdictions. However, due to the passage of SB 07-199, most school districts' total program mill levies are fixed. Consequently, this TABOR impact could be estimated for that year as it relates to the total program school mill levy. If the residential assessment rate were increased to 8.59 percent as the Gallagher amendment originally anticipated, Colorado's 2011 total taxable value would have increase from an estimated \$86,666,551,000 to \$89,728,833,000, generating approximately \$67,600,000 of additional property tax revenue from the total program mill levies of school districts for that year. While the 2017 assessment rate study resulted in a decrease and there is speculation that it may go even lower in 2019, there is still concern that when the market fluctuates the state will again be in a situation that does not allow for a increase to the residential rate.