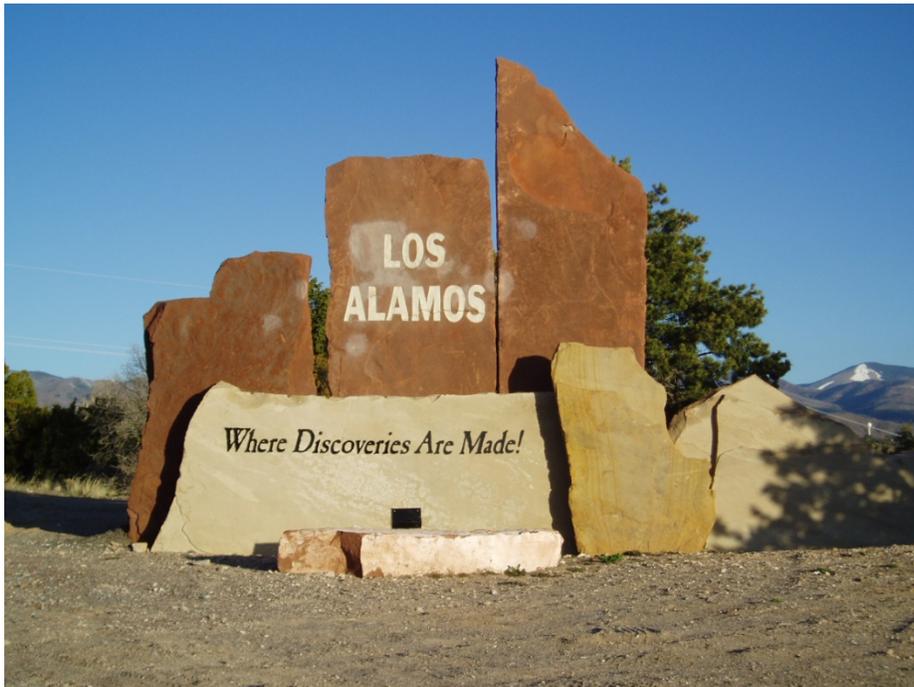


# LOS ALAMOS

Assessor's Office

## Property Valuation and Maintenance Plan



Submitted By:  
**Kenneth H Milder, Los Alamos County Assessor**  
**January 31, 2019**

# LOS ALAMOS

## Assessor's Office

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# LOS ALAMOS

Assessor's Office

## PREFACE

This Property Valuation and Maintenance Plan is prepared in accordance with 7-36-16 (E) and 7-38-38.1 (D) NMSA 1978 to aid the County Council in determining whether the Los Alamos County Assessor is operating an efficient program of property valuation maintenance. The County Assessor shall submit a report annually setting forth new improvement values added to the valuation records due to new construction, addition to buildings, remodeling and any deletion of properties. The report shall contain the relationship of sale prices of property sold, to values of property for tax assessment purposes.

The New Mexico Department of Finance and Administration, in accordance with 7-36-16 (D) NMSA 1978, *"...shall not approve the operating budget of any county in which there is not an adequate allocation of funds to the county assessor for the purpose of fulfilling his responsibilities for property valuation maintenance under this section. If the department of finance and administration questions the adequacy of any allocation of funds for this purpose, it shall consult with the department, the board of county commissioners and the county assessor in making its determination of adequacy."*

The County Assessor and County Council acknowledges that the implementation of the Property Valuation Plan is a joint responsibility. The success or failure of this plan is dependent on the cooperation effort of both parties. Each Council member voting to accept this plan acknowledges reading the plan in its entirety and understands their commitment to its successful completion.

All provisions and requirements regarding property valuation are made pursuant to the New Mexico Constitution and the New Mexico Property Tax Code. In the implementation of this plan the Los Alamos County Assessor will comply with the standards and code of ethics of the International Association of Assessing Officers and the Uniform Standards of Professional Appraisal Practices.

By a majority vote, the Los Alamos County Council will approve this plan as submitted by the Los Alamos County Assessor. A copy of this approved plan will be submitted to the Taxation and Revenue Department as part of our evaluation process.

# LOS ALAMOS

Assessor's Office

## MISSION

The mission of the Los Alamos County Assessor's Office is to provide excellent public service by providing complete, accurate and timely assessments of all property subject to taxation in accordance with the Property Tax Code's applicable statutes, orders, regulations and laws, and the tenets of the International Association of Assessing Officers and the Uniform Standards of Professional Appraisal Practice, with a well-managed office and professional staff.

## GOALS

The goals of the Los Alamos County Assessor's Office are to:

- Provide for a Property Valuation Maintenance Program that implements the processes utilized in the valuation of property taxation and complies with the Property Tax Code.
- Provide fair, uniform and equitable assessments on all real and personal property subject to property taxation by utilizing a computer assisted mass appraisal (CAMA) system incorporated with a geographic information system (GIS).
- Meet or exceed the requirements of the New Mexico Property Tax Division and the Property Tax Code for level of assessment and uniformity by constant market analysis.
- Provide current, accurate information to the public as well as other departments and governmental entities upon which they base decisions.
- Conduct educational outreach programs to increase public awareness of assessment process and taxpayer benefits available.
- Provide and maintain a professional, certified, and knowledgeable staff.

## COUNTY ASSESSOR'S OFFICE AT A GLANCE

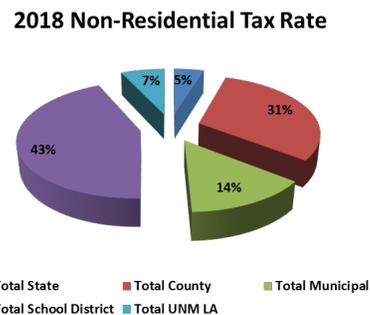
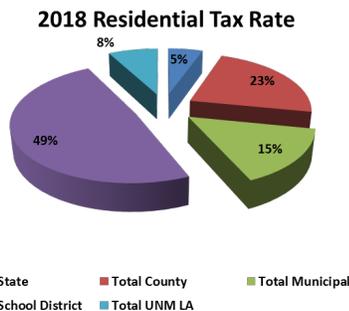
**Population (2010 Census):** 17,950

**Land Area (Sq. Mi.):** 109

<b>Parcels:</b>	<u>2018</u>	<u>2017</u>	<u>Change</u>
Residential	7,332	7,280	52
Non-Residential	945	963	-18
Livestock	310	313	-3
<u>Exempt Properties</u>	<u>618</u>	<u>613</u>	<u>5</u>
<b>Total</b>	<b>9,205</b>	<b>9,169</b>	<b>36</b>

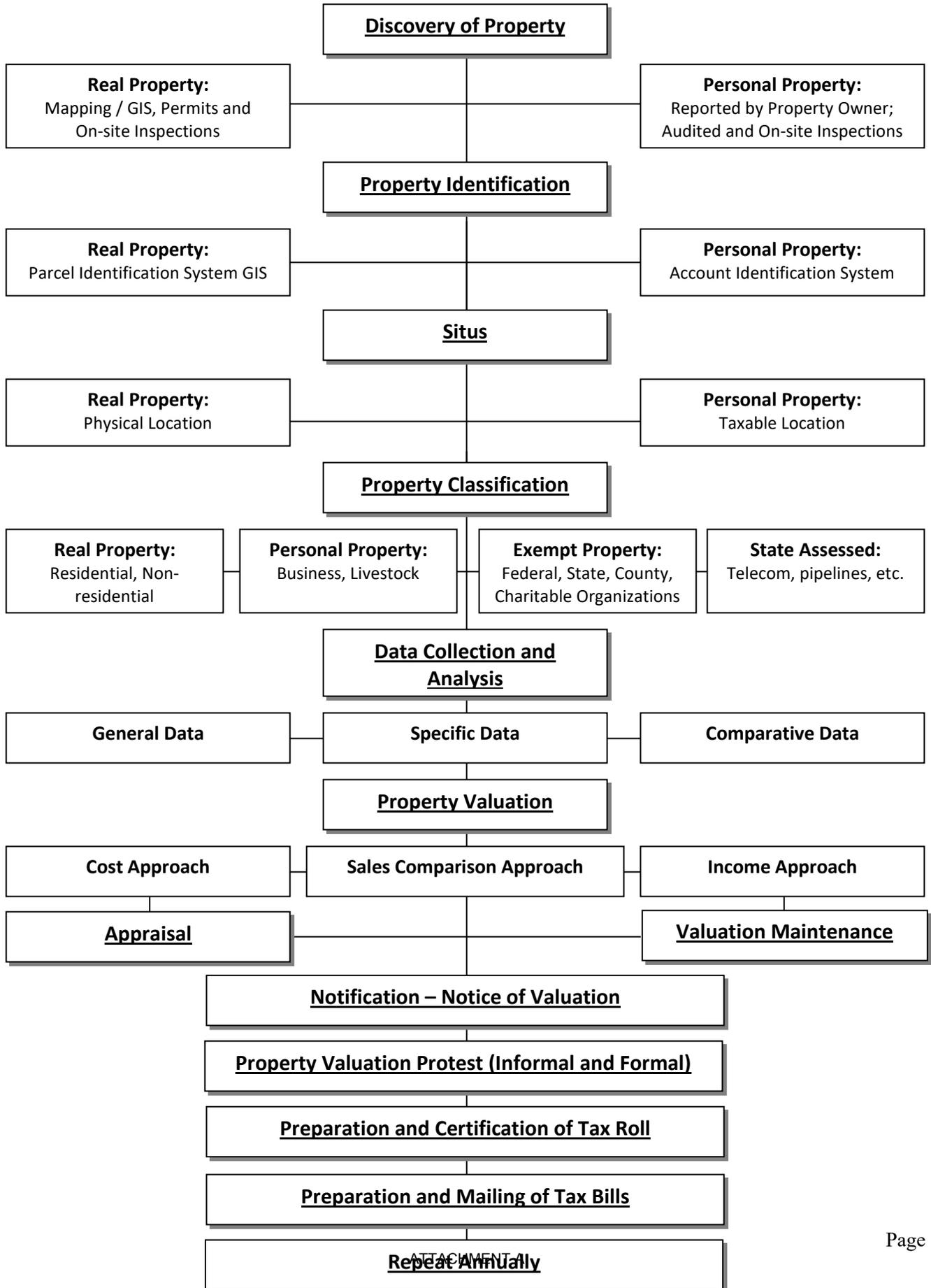
<b>Assessment Uniformity Measurements:</b>	<u>2018</u>	<u>2017</u>	<u>Change</u>
Mean	98.62%	99.47%	-0.85%
Median	97.48%	98.16%	-0.68%
Weighted Mean	98.00%	98.91%	-0.91%
Standard Deviation	9.79%	9.16%	0.63%
Coefficient of Dispersion	7.41%	6.93%	0.48%
Coefficient of Variance	9.93%	9.21%	0.72%
Price Related Differential	100.64%	100.56%	0.08%

<b>Tax Rates:</b>	<b>Residential</b>			<b>Non-Residential</b>		
	<u>2018</u>	<u>2017</u>	<u>Change</u>	<u>2018</u>	<u>2017</u>	<u>Change</u>
Total State	1.360	1.360	-	1.360	1.360	-
Total County	5.705	5.761	-0.056	8.850	8.850	-
Total Municipal	3.837	3.875	-0.038	3.998	3.998	-
Total School Dist.	12.235	12.268	-0.033	12.502	12.500	0.002
<u>UNM LA Branch</u>	<u>1.950</u>	<u>1.969</u>	<u>-0.019</u>	<u>2.000</u>	<u>2.000</u>	<u>-</u>
<b>Total</b>	<b>25.087</b>	<b>25.233</b>	<b>-0.146</b>	<b>28.710</b>	<b>27.708</b>	<b>0.002</b>



	<u>2018</u>	<u>2017</u>	<u>Change</u>
<b>Net Taxable Value: (Certification)</b>	\$745,267,500	\$714,067,380	\$31,200,120
<b>New Construction:</b>	\$4,433,380	\$2,506,590	\$1,926,790
<b>Property Tax Revenue:</b>	\$19,290,947	\$18,542,902	\$748,045
<b>FY Assessor Budget Adopted:</b>	\$647,649 <u>FY 19</u>	\$597,058 <u>FY 18</u>	\$50,591
<b>Staff Size: (Excluding Assessor)</b>	6.00 (FTE's)	6.00 (FTE's)	-

**THE ASSESSMENT PROCESS**



## INTRODUCTION

This report, as required under section 7-36-16 NMSA 1978, paragraph E and section 7-38-38.1 NMSA 1978, paragraph D, is hereby submitted to aid the Los Alamos County Council in determining whether the County Assessor is operating an efficient program of property valuation and maintenance for budgetary purposes. Also, to comply with the requirements of section 7-36-16 NMSA 1978, subsection D and E, the written report setting forth increase and decrease in values and the sales ratio studies is incorporated into this Property Valuation and Maintenance Plan.

Except as limited in section 7-36-21.2 NMSA 1978, the County Assessor shall implement a program of updating assessed property values so that current and correct values of property are maintained. The Los Alamos County Assessor shall have sole responsibility and authority, at the county level, for property valuation and maintenance, in accordance with Chapter 7, articles 35 to 38 NMSA 1978, referred to as the New Mexico Property Tax Code, regulations, orders, rulings and instructions of the New Mexico Taxation and Revenue Department, Property Tax Division.

Limitation on value mentioned in section 7-36-21.2 NMSA 1978, refers to residential property that did not have a change of ownership prior to the annual revaluation cycle, these properties shall not be more than one hundred and three percent from its value in the prior tax year. This limitation in value does not apply to:

- A residential property valued for the first time (new construction units);
- Any physical improvements made to the property in the prior tax year or property omitted in a prior tax year;
- A change in ownership (sold / transfers) or change in use or zoning.

Residential property consists of one or more dwellings together with appurtenant structures, and the land, which includes single family, multi-family, and manufactured home units. All other property, classified as non-residential, which includes commercial, industrial personal property, livestock and all vacant land, which includes vacant residential lots, shall be valued at its market value of the prior tax year.

County Assessors are annually evaluated on their operations, functions, and performance to insure compliance with the Property Tax Code with special emphasis on each County Assessor's valuation activities and the maintenance of current and correct values, (section 7-36-16 NMSA 1978). A copy of the Assessor Evaluation is sent to the county assessor and County Manager. The current Property Tax Division 2018 Assessor Evaluation is herein attached in the addendum section of this report.

The taxable status of all property is affixed as of January 1<sup>st</sup> of each tax year. All parcels must be valued as of that date with notification of set values to be mailed out to property owners by no later than April 1<sup>st</sup> of each tax year. Protests of property values, classification, or exempt status must be submitted within thirty days of the mailing of the Notice of Value.

The Property Tax Code requires valuation of 100% of parcels each year. All potentially taxable property, including exempt and government owned are valued. In accordance with the International Association of Assessing Officers (IAAO) standards and as required by the New Mexico Property Tax Division, every parcel regardless of classification, shall be physically inspected at least every six years. Los Alamos uses a 5 year cycle. That is 20% of parcels are physically inspected and appraised on a rotating schedule. The remaining 80% is revalued through our valuation maintenance program using mass appraisal modeling techniques.

The appraisal methods and techniques utilized in valuing properties, for property tax purposes, will be in accordance with the Property Tax Code, IAAO Appraisal Standards and Code of Conduct, and the Uniform Standards of Professional Appraisal Practices, hereafter referred to as USAP.

The County Assessor must certify the total county net taxable values to the New Mexico Property Tax Division on or before June 15<sup>th</sup> annually, for the purpose of tax levy setting by the NM Department of Finance and Administration.

In addition to valuing properties, the County Assessor is also the custodian of all parcel information for the county. Although the parcel information maintained by the County Assessor is primarily used for property taxation purposes, this information is utilized and made available to all taxpayers, county departments, state and federal agencies in a format which is readily available and does not require special customization. Much of the information and forms are conveniently located on our website as well.

The parcel information constitutes the primary layer of data that various users and departments will need to further develop their layer of specific needs, such as emergency management, police, and planning.

Railroads, communication systems, pipelines, public utilities, airlines, and businesses operating in multiple counties are assessed separately by the New Mexico Taxation and Revenue Department, Property Tax Division, hereafter referred to as the Property Tax Division.

## **APPRAISALS**

An appraisal is an opinion of value based on a process through which conclusions of property values or property facts are obtained and is commonly the report setting forth the conclusion of the value estimate.

According to the Property Tax Code, the purpose of appraisals for property tax purposes is to estimate market value. Market value, as defined by the courts, is the highest price estimate in terms of money which a property will bring if exposed for sale in the open market, allowing a reasonable time to find a purchaser who buys with knowledge of all uses to which it is adapted and for which it is capable of being used and assumes a willing buyer and seller. Market value is not the same as sales price but if the market is reasonably competitive, sales price can be strong evidence of market value. Market values must be time adjusted to the statutory status date of January 1<sup>st</sup> of the current tax year.

## **THE THREE APPROACHES TO VALUATION**

Appraisal, the act of estimating the value of property, has its roots in economic theory. Modern appraisal theory views market value (probable sale price) as that value determined by the interaction of the forces of supply and demand. Prices determined in actual market transactions by sellers and buyers can provide sound evidence of the market value of similar property.

The three approaches to estimating market value have been in existence since the early 1900's. All have been refined through the years and variations have been developed for specific appraisal problems. The three approaches to estimating value are: sale comparison, cost, and income.

### **1. Sales Comparison Approach**

The sales comparison approach derives a value estimate by comparing the property being appraised or value maintained, the subject property, to similar properties, comparables, that have recently sold,

applying appropriate units of comparison to the sales prices of the comparables. Because no two real properties are ever exactly alike, systematic methods must be used to adjust the prices of sold properties for dissimilar features by adding or subtracting a dollar amount or percentage. The adjustments are market derived and based on contribution value and not cost. For example, if the subject property being appraised does not have a garage and a comparable property has a single car garage, a dollar amount must be subtracted from the comparable sale price to make the comparable property similar to the subject property. All property sales are adjusted to January 1<sup>st</sup> of the current year.

In the past few years, we have seen an active real estate market in Los Alamos County. We have adjusted our valuation models appropriately to provide accurate assessment values that are reflective of the market. Although our calculated market value of the real estate market has been adjusted, most of the residential assessments will not reflect this change on their actual assessment. This is true with most properties affected by section 7-36-21.2 NMSA 1978, the Valuation Limitation on residential property. We are anticipating that the real estate market will continue to increase and property assessments will follow.

Terms and conditions of a sale have to be analyzed and, if required, adjusted to market based equivalence. If the adjusted prices of several comparables turn out to be similar, the appraiser has good evidence as to the market value of the subject property.

The sales comparison approach is most suitable when there are numerous and frequent sales of similar properties. This approach is widely used in the appraisal of single-family residential properties and vacant land. The reliability of the sales comparison approach rests on the number and quality of available sales. When sufficient and valid sales are available, this approach tends to be the preferred valuation method.

The increased number of foreclosures has made it difficult to analyze the market. Many of these foreclosures sales have undue stimulus, considered non market sales, and therefore require extensive research and adjustments during our validation of sales. Similar situation exists with "for sale by owner" sales through (private) negotiations. That is, for property not sold through the normal open market transactions.

## **2. Cost Approach**

The cost approach estimates the replacement cost new of improvements, less the estimated accrued depreciation plus the market value of land. This approach is sometimes referred to as the summation approach.

Construction cost and depreciation schedules can be developed internally, based on a systematic study of local construction cost, obtained from firms specializing in such information, or custom generated by a contractor. Cost and depreciation schedules are verified for accuracy by applying them to recently constructed improvements of known cost. Construction and depreciation schedules are updated before every revaluation cycle.

One weakness in the cost approach is the estimation of accrued depreciation. This estimate must be based on non-cost data (primarily sales) and can involve considerable subjectivity, which increases as the improvement continues to age.

The cost approach is most reliable for new construction and special purpose properties, where there is little to no sales data, and sometimes in commercial and industrial properties.

### 3. Income Approach

The income approach requires an appraiser to capitalize net income, after allowable expense, of a property into an estimate of market value. Successful application of the income approach requires the collection, maintenance, and careful analysis of income and expense data.

The most direct method involves the application of gross income multipliers, which express the ratio of market value to gross income. At a more refined level, net income multipliers or their reciprocals, the overall capitalization rates, can be developed and applied. These multipliers and rates should always be extracted from actual income and sales price data obtained from properties that have recently been sold. Income multipliers and overall rates provide reliable, consistent, and readily supported valuations when good sales and income data are available.

The income approach is the best method to use when dealing with income producing properties. This approach recognizes that potential investors demand property because they anticipate a future income stream.

In Table 1, the lower numbers represents the most preferred valuation approach to use for that type of property.

**Table 1**  
Rank of Typical Usefulness of the Three Approaches to  
Value in the Mass Appraisal of Major Types of Property

<u>Property Type</u>	<u>Cost approach</u>	<u>Sales Comparison approach</u>	<u>Income approach</u>
Single-family residential	2	1	3
Multifamily residential	3	1,2	1,2
Commercial	3	2	1
Industrial	1,2	3	1,2
Non-agricultural land-	-	1	2
Agricultural*	-	2	1
Special-purpose**	1	2,3	2,3
*Includes farm, ranch, and forest properties		**Includes institutional, resort, and recreational properties	

## **APPRAISAL MODELS**

Appraisal models represent a systematic way of thinking. They are useful because they help state an appraisal problem systematically and identify the data needed to solve it. The development of models by selecting supply and demand factors, for example square feet of living area, is called model specification. Quantifying the coefficients (percentage or price adjustment), for example the dollar amount the market places on each square foot of living area, is called model calibration. Ongoing, careful and extensive market analysis is required for both specification and calibration of a model that estimates values accurately. All three approaches to value (sales comparison, cost, and income) are modeled for mass appraisal.

Mathematical models that once would not have been feasible are now handled easily on computers that process large amounts of data, referred to as Computer Assisted Mass Appraisals (CAMA). This development is important because many properties are appraised and large quantities of data analyzed as of a given period or date. However, the models must be continually analyzed and calibrated for accuracy to avoid the “garbage in, garbage out” scenario.

All models are rooted in the market place. The sales comparison model begins with actual sale prices, that is, prices at which supply and demand have intersected. Open market transactions involving knowledgeable buyers and sellers are good evidence of the value at which similar properties would sell.

Cost models emphasize the supply side of the market. Cost schedules represent the prices at which new buildings with certain specifications would be supplied. If the subject property is new, and similar property is being constructed and sold, as in a new subdivision, it can be safely assumed that there is a demand for the property at a price equal to cost. The demand side of the market is reflected in land values and in adjustments to the replacement cost of older buildings for physical deterioration and functional and external obsolescence (depreciation).

Income models focus on investor expectations and demand. The appraiser must determine the income to be capitalized and then select an appropriate capitalization rate. This rate reflects a return on and return of the investment. These rates are extracted from sales and market data.

## **MASS APPRAISALS**

Mass appraisal is the systematic appraisal of groups of properties as of a given date. In New Mexico by law the statutory date is January 1<sup>st</sup>. Mass appraisal builds on the same principle as single property appraisal. Mass appraisal techniques, however, emphasize valuation models (expressed as equations, tables, and schedules), standardized practices, and statistical quality control. Single property appraisal is the valuation of a particular property as of a given date. Mass appraisal and single property appraisal differ in their handling of market analysis and quality control, but they have similar valuation steps and are based on the same principles: supply and demand, highest and best use, anticipation, balance, change, competition, contribution, substitution, surplus productivity, and variable proportions.

Mass appraisal involves data collection and maintenance, market analysis, the development of mass appraisal models and tables, quality control, and review of valuation output. Effective mass appraisal requires an adequate budget, staff, and resources.

As mentioned before quality control is handled differently in single property appraisals and mass appraisals. In a single property appraisal, the reliability of valuations can be judged by the depth of research and analysis or by comparison with sales of comparable properties. In mass appraisal,

statistical methods are used to gauge the accuracy and consistency of valuations. The single property appraiser usually has one client to satisfy, although regulatory agencies do establish standards. Assessors however, must satisfy all taxpayers, supervisory agencies, and taxing bodies that assessments are fair, equitable and at the statutory assessment level.

The primary function of a mass revaluation system is valuing and maintaining accurate market values. As market conditions change, properties must be evaluated and adjusted to reflect current conditions. Four values are maintained in the CAMA system: Calculated Market Value, Full Value, Taxable Value, and Net Taxable Value. Calculated Market Value is the opinion of a property's likely sale price if it was sold on January 1<sup>st</sup> of the current year. Full Value is the market value adjusted by any applicable statutory limitations. Taxable Value is one-third the full value. Net Taxable Value is the taxable value minus any approved exemptions and used to apply the annual tax levy to compute the property tax bill. All except the calculated Market Value appear on the annual Notice of Value. As of 2018 we have included, on the NOV's, a flag to identify the properties that are affected by the residential limitation. The allowable increases in value for these properties are considered maintenance and not reappraisal.

All properties in New Mexico, regardless of the revaluation or maintenance cycle, are required to be physically inspected every six years, pursuant to state law and in accordance with IAAO standards. In Los Alamos County all properties that may be subject to taxation are valued annually, including government owned and otherwise exempt properties (non-governmental). One-fifth of these properties are physically inspected and reappraised on a 5 year cycle. The process and procedure utilized to physically inspect property every six years is explained in the System Development Section of this report, page 36.

Performing a reappraisal is a major undertaking for any Assessor and should not be approached or rushed in a casual manner. The fairness and equitability of a property tax system depends on how well it is administered.

Successful implementation of a revaluation and maintenance plan requires all employees to perform their assigned duties in a professional manner, adhering to office policies following procedural and quality control.

For budgetary purposes, the costs associated with physical inspection and reappraisal are allowable expenses from the Property Valuation Fund. Costs associated with Valuation Maintenance are paid from the General Fund.

## REAPPRAISAL

The following is an overview of the Components required for a revaluation.

### Components of Revaluation

1. Public Relations
2. Performance Analysis
3. Reappraisal Decision
4. Analysis of Available Resources
  - Budget
  - Staff
  - Data processing support
  - Maps and GIS
5. Planning and Organization
  - Objectives
  - Work plans
    - Valuation cycles
    - Parcel summary
    - Production
    - Assignment of responsibilities
6. System Development
  - Forms and manuals
  - Data Collection
    - Sources
    - Quality control
    - Data Maintenance
7. Valuation
  - Valuation
  - Testing and refinement
8. Notification and Valuation Defense
  - Notices of value
  - Protest Remedies
  - Informal hearings
  - Formal hearings
9. Repeat Annually

## **PUBLIC RELATIONS**

In any successful revaluation program planning and organizational development begins with an effective public relations program. This program is managed through established laws, policies and procedures. It further recognizes that, in the eyes of the public, perception is reality.

The success of the revaluation program is dependent upon the level of understanding and support given by the general public. For this reason the County Assessor's staff will develop a complete and effective public relations program. Informational materials will be prepared for use in conjunction with public notices, handouts, and public appearance. The news media will be kept informed as to program objectives, progress, and accomplishments.

The news media can reach wide audiences. News media are orientated towards unusual immediate coverage of unusual events and are not in the business of providing public service coverage for free. Assessments usually become news only after some unusual event, such as revaluation. To avoid misrepresentation of such events, we will issue press releases to clarify major points of the assessment process. The news media must be kept informed as to programs objectives, changes, progress, and accomplishments.

Press releases are the responsibility of the Chief Deputy Assessor. Technical terms will be avoided and process will be expressed in layman's terms.

The Los Alamos County Assessor public relations program will be primarily an in-house activity, and the responsibility of all employees involved in the revaluation program, with primary responsibility for implementation being with the County Assessor and Chief Deputy Assessor.

In a Public Relations Programs little things do count and special consideration will be given to:

### **A. Basic items**

- County issued identification card and name tags
- County issued clothing / uniform(s)
- Business cards
- Desk Name Plates
- That unfamiliar / technical terms should be carefully explained
- Office policies and guidelines for personal contact with the public is a set procedure utilized by the Assessor's office
- Maintaining a welcoming, professional office

### **B. Correspondence and forms**

- These are usually the public's primary contact with the County Assessor
- Letters and memoranda should be plain and not unduly expensive and use County Assessor templates
- Forms to be filled out should be brief with clear instructions
  1. Explain reason(s) for form
  2. Avoid multi part forms / wrong size envelopes

### **C. Notice and information brochures**

- Notices of Value have statutory information required to be printed
  1. Name and address

2. Legal description, map code and class
  3. Full value and taxable value
  4. Exemptions, protest procedures, and classification applications
- Brochures and forms, need to be kept simple and will be annually reviewed
  - Online Presence - website

Recognizing that a taxpayer contact represents a public relations opportunity, employees will be trained in telephone and face-to-face communication etiquette.

In discussing assessment matters, the staff will be courteous and businesslike at all times. It should be noted that most taxpayers are not familiar with assessment terminology, therefore technical and assessment terminology will be expressed in layman's terms. In discussing assessment matters, the following strategy will be followed:

1. Although we are provided with employee identification items, as previously discussed, it is our policy to identify ourselves by our first name. This policy prevents the "a person in your office, said" syndrome.
2. Obtain the name of the person(s) with whom one is conversing and the legal description of the property in question.
3. Allow the person to describe the problem / inquiry. Actively listen.
4. Obtain and record necessary information. If this information is not immediately available, take steps to obtain it. Do not make excuses, if you do not know, find out or direct inquiry to a supervisor.
5. If the inquiry involves research and the person(s) is on hold on the telephone, provide progress reports. If the research is lengthy, obtain phone number and get back to them.
6. Carefully explain any unfamiliar and or technical terms.
7. Assure the person that the matter will be attended to and corrected if needed. If the person is wrong and the matter will not be overturned and becomes extremely argumentative, it is better to end the conversation immediately and report it to your supervisor and/or direct the person to your supervisor.
8. Always advise the property owners of their rights under the Property Tax Code and assist them in any way possible with the available appeal procedures.

All questions or concerns pertaining to the valuation of property and the functions and responsibilities of the county assessor will be answered and inquires followed through.

Field personnel need to know and understand what they say and what they do. Their actions and their appearance are representative of the assessor's office. Again, county issued identification is required on any field inspection. Field personnel will make contact with the property owner, if available before beginning any inspection or measuring improvements. They will provide property owners with their name, offer a business card, purpose of the inspection, duration of the inspection, and a representative's name in the assessor's office for verification or to answer any questions or misunderstandings.

The following guideline will be used when doing field inspections:

<b>DO NOT</b>	<b>DO</b>
Do not inspect a residence when a minor or minors are the only ones present.	Present identification and business card
Enter a residence when wet and or muddy.	Obtain as much information as possible at the curb site.
Quarrel with a property owner, if they withhold permission to inspect.	Be neat in dress and appearance. Be professional.
Voluntarily make statements regarding merits or any discrepancies in previous appraisals.	<b>Estimate</b> the value of the improvements with the best information available if the property owner denies inspection.
Have a know-it-all-attitude or be argumentative.	Review the property record card in advance of inspection to acquaint yourself with the property you are about reappraise.
Answer question about various matters or programs pertaining to assessments that you do not know the correct answers.	Listen respectfully to comments or valid complaints without prolong conversation; use tact and patience.
Bring up voluntarily, references about previous protest or complaints.	Be frank, if you do not know, state it and get back to them. If necessary, refer them to your supervisor.
Discuss or make statements regarding adjoining properties or personalities.	Advise the property owner that upon request the County Assessor can review all property values believed to be in excess of market value.
Attempt to provide a value on the property you are estimating on site.	Listen if conversation is pertinent to appraising; minimize your comments.
Deter anyone from filing an appeal or petition of protest.	Advise the taxpayer on the notification of value process.
	Explain the filing process for appeals or petition of protest.

If a property owner refuses inspection of the property, the property measurements, characteristics, and attributes will be estimated and valued with the best information available. Section 7-38-2 NMSA 1978 and 7-38-93 NMSA 1978 provides for procedures and penalties for refusal of inspections of property and other reports. Appraisal staff will notify their immediate supervisor and note refusal to inspect on their reports.

This plan is a guide that is constantly undergoing modification to adapt to special circumstances as they arise.

Usage of county vehicle(s) are for business use only. Staff will use their own vehicle for lunch break or any other non-business use. Personal business is strictly prohibited. A log is kept with the appropriate information to track time, person, and reason for usage by non-assessor personnel.

## PERFORMANCE ANALYSIS

According to section 7-36-16 D NMSA 1978 of the Property Tax Code, a County Assessor must be adequately funded in order to perform their statutory requirements. To assist the County Council in determining the performance of the County Assessor's office, the County Assessor must submit this valuation and maintenance plan and report growth factors in the county.

An eight-year Los Alamos County summary on pages R through T fully compares this year's activities with the previous seven years. This summary details the change in each of the major categories of the County Assessor's Office to include valuation and revenue. For the tax year 2018, the Los Alamos County Assessor's office valuations will have generated over \$19.2 million of revenue. This is about a 4.03% increase from 2017. The residential tax rate decreased 0.146 mills or 0.58% to 25.087 mills while the Non-Residential tax rate increased 0.002 mills or 0.01% to 28.710 mills. The change in the tax rate was due in part to the \$31,200,820 increase in Net Taxable Value, which is a result of the active real estate market. The Net Taxable Value saw an increase of 4.92% for residential and an increase of 0.881% for non-residential from 2017 to 2018. Through the DFA Yield Control Formula, the tax rates have an inverse effect of the value, when values decrease the tax rates increase, when values increase tax rates decrease.

To ensure compliance with the Property Tax Code and an adequate budget to carry out the statutory requirements, the Property Tax Division evaluates the County Assessor annually. A copy of this evaluation can be found on pages A through Q of this report. According to this evaluation, the Los Alamos County Assessor is in full compliance with the Property Tax Code.

Section 7-36-16 NMSA 1978 requires the County Assessor to determine and maintain current and correct values of properties. (For residential properties purchased in the prior year, newly constructed property, property which had a zoning or use change, and all non-residential property, **current and correct means the property market values of the prior tax year.**) The County Assessor therefore must achieve and maintain the required statutory level of assessments, current and correct values, and uniformity within classes of properties. The problem, of course, is that the number of sales are limited, therefore, the Assessor must infer assessment levels and uniformity measures for all properties on the basis of statistical indicators of sold properties. In other words, how does the Assessor know the degree of performance of his office in regard to statutory compliance and uniformity of assessments? The Assessor must rely on sales ratio studies to gauge performance in determining assessments of all properties.

In measuring an Assessor's performance, the most important gauge is the sales ratio study. This analysis determines whether values are fair and equitable to the taxpayers and consistent with the Property Tax Code. CAMA measures the level (current and correct values) and uniformity (deviation from the level of assessments).

Sales ratio studies are done to determine the current status of the level and uniformity of current property assessments and again during the reappraisal program to ensure that the reappraisal is producing fair and equitable values. When the reappraisal has been completed, a final ratio study is conducted to gauge the overall level and uniformity of the reappraisal.

The primary objective in a ratio study is to develop and maintain a level of assessment that is consistent with statutory requirements and standards. Properties that have sold are used to develop a sales ratio. A sales ratio compares appraised values to market values. Actual sales prices are adjusted for time, financing, personal property or other considerations that are required to be considered in determining

market values. Market value is the most probable price in cash that a property would bring in a competitive and open market assuming the buyer and seller are acting knowledgeably, sufficient time is allowed for the sale, and price is not affected by special influences. All sales are confirmed and verified. Sales that are not an arms-length transaction are not used in a sales ratio study. These nonmarket sales with undue stimulus are Short sales, Foreclosure sales, Sheriff's sales, REO Sales (real estate owned or lender sales), FHA sales, VA sales, plus other types of sales that have conditions to the sale.

Level of Assessments (sales ratio) refers to the overall ratio at which properties are statutorily required to be assessed. Measures of appraisal level are calculated statistically by measurements of central tendency, which describes the level of appraisals by a single number. Three such measures are the median, mean and weighted mean. The median is the middle ratio when arrayed in order of magnitude. The mean, the average ratio, is found by summing the ratios and dividing by the number of ratios. The weighted mean (aggregate mean or ratio of aggregates) is found by dividing the sum of appraised values of sales by the sum of their sales prices. Because each measure has advantages and disadvantages, all of them are computed and used in the Los Alamos ratio study. The State of New Mexico legal sales ratio must be at market value (current and correct). For the tax year 2018, Los Alamos County's level or ratio of assessment is 98.62% (mean). The IAAO standard of assessment ratio is within 10% percent of market value.

The second most important objective is the quality of a reappraisal. This requires measuring the uniformity of the assessments by classes. There are six measurements of uniformity. The most important ones are the coefficient of dispersion, standard deviation, and the price-related differential. The others are the range, average absolute deviation, and the coefficient of variance.

The coefficient of dispersion (COD) is the most used measure of uniformity in ratio studies. The COD measures appraisal uniformity that is independent of the level of assessment and permits comparison between property groups. The COD measures the average deviation from the level of assessment. Low CODs (15% or less) are associated with good appraisal uniformity. Los Alamos County COD is 7.41%, which is considered exceptional. This is due in part to land values being very similar, regardless of location, and the homogeneity of neighborhoods, the exceptional and professional relationship the office has with the real estate community, and the staff's aggressive sales verification program.

The standard deviation indicates whether the uniformity of the appraisals are normally distributed. In ratio studies, the larger the standard deviation, the wider the range of values appraised relative to the level of assessment (market value). Depending on the representativeness of the sample and the distribution of the data, standard deviation can be a powerful tool. The County Assessor must verify that the data approximate a normal distribution before placing credence in the statistic. In a normal distribution (bell shaped curve), the sample data would fall as follows:

- Sixty-eight percent (68%) would fall within plus or minus one standard deviation
- Ninety-five percent (95%) would fall within plus or minus two (2) standard deviations
- Ninety-Nine percent (99 %) of the total sample used would fall within plus or minus three standard deviations

The standard deviation for Los Alamos is 9.79.

Property appraisals sometimes result in unequal tax burdens between high and low value properties in the same property group. Appraisals are considered regressive if high value properties relative to low value properties are under appraised and progressive if high value properties are over appraised. The price related differential (PRD) is a statistic that measures regressively and progressivity. IAAO standard range for PRDs is between 98% and 103%. Los Alamos has a PRD of 100.64%, which indicates excellent treatment of low and high-end value properties.

Table 2 shows the comparison of the various ratio study results for Los Alamos County versus the IAAO standards.

**Table 2**  
COMPARISON OF STATISTICAL MEASURES  
FOR LOS ALAMOS COUNTY

	<u>IAAO STANDARDS</u>	<u>STATUTORY 2018 Assess. vs. 2017 Sales</u>
Mean	90%-110%	98.62%
Median	90%-110%	97.48%
Weighted Mean	90%-110%	98.00%
Standard Deviation	Low #	9.79
COD	20% or Less	7.41%
COV	Varies with the Mean	9.93%
PRD	98% – 103%	100.64%

Analysis of the comparison of statistical measures by categories of Los Alamos County to the IAAO standards indicate fair and uniform treatment of property owners within similar classifications of properties.

Table 3 on the following page is the State of New Mexico ratio studies for the 2018 tax year for all thirty-three counties conducted by the Taxation and Revenue Department, Property Tax Division. Los Alamos is highlighted and the IAAO standards are listed at the bottom of the table.

Table 3



State of New Mexico  
Taxation & Revenue Department  
Property Tax Division



2018 NEW MEXICO SALES RATIO STATISTICAL SUMMARY / AGGREGATE									
Comparing Current Year Values vs. Calendar Year 2017 Sales									
County	Sample Size	Median	Mean Ratio	Wtd Mean	Std Dev	COV	PRD	COD	
Bernalillo	10,331	94.07%	97.07%	96.21%	15.82%	16.30%	100.90%	12.15%	
Catron 1	55	104.06%	102.28%	98.94%	20.30%	19.85%	103.37%	15.91%	
Chaves	780	90.94%	92.36%	92.04%	18.36%	19.88%	100.34%	12.21%	
Cibola	197	88.86%	92.36%	87.21%	57.84%	58.92%	112.56%	49.51%	
Colfax	249	99.95%	103.03%	97.20%	25.22%	24.47%	106.00%	16.37%	
Curry	552	101.72%	103.30%	100.42%	18.08%	17.51%	102.87%	12.84%	
De Baca 1	12	102.22%	92.75%	95.63%	25.58%	27.58%	96.99%	17.52%	
Dona Ana 12	2,287	100.00%	99.52%	99.42%	5.25%	5.28%	100.10%	-13.61%	
Eddy	533	98.41%	97.92%	95.73%	35.75%	36.51%	102.29%	6.75%	
Grant	260	100.00%	101.04%	100.02%	8.92%	8.83%	101.02%	3.62%	
Guadalupe 1	9	98.55%	99.39%	90.63%	17.42%	17.53%	109.67%	13.39%	
Harding 1	32	100.20%	97.90%	94.39%	21.83%	22.30%	103.72%	17.27%	
Hidalgo 1	13	100.54%	105.16%	106.43%	19.40%	18.45%	98.81%	14.21%	
Lea	640	90.20%	90.87%	90.80%	5.65%	6.22%	100.07%	4.40%	
Lincoln	721	97.29%	98.10%	94.15%	21.15%	21.56%	104.19%	12.40%	
Los Alamos	454	97.48%	98.62%	98.00%	9.79%	9.93%	100.64%	7.41%	
Luna	343	105.48%	113.30%	107.63%	27.83%	24.56%	105.26%	19.29%	
McKinley	141	100.00%	102.18%	100.60%	13.77%	13.48%	101.57%	3.62%	
Mora 1	29	97.52%	99.23%	89.74%	28.27%	28.49%	110.58%	25.74%	
Otero	1,001	96.15%	96.31%	96.28%	4.00%	4.16%	100.03%	3.43%	
Quay 1	38	100.00%	100.80%	99.18%	16.81%	16.68%	101.63%	5.87%	
Rio Arriba	166	96.95%	94.29%	94.29%	9.90%	10.50%	100.00%	7.11%	
Roosevelt	162	91.95%	93.77%	91.93%	14.28%	15.23%	102.00%	12.32%	
San Juan	1,085	97.60%	96.03%	96.00%	8.09%	8.42%	100.03%	5.64%	
San Miguel	160	102.97%	107.04%	104.34%	14.56%	13.60%	102.59%	6.98%	
Sandoval	2,694	90.56%	92.29%	90.61%	10.95%	11.86%	101.85%	7.06%	
Santa Fe	2,910	94.19%	94.43%	93.73%	13.32%	14.10%	100.75%	10.77%	
Sierra	234	100.11%	106.23%	107.05%	26.51%	24.96%	99.24%	17.57%	
Socorro	50	99.67%	100.00%	99.51%	6.99%	6.99%	100.50%	4.46%	
Taos	132	95.57%	95.33%	93.86%	14.10%	14.79%	101.57%	10.87%	
Torrance	186	98.99%	97.15%	92.78%	27.84%	28.66%	104.71%	19.18%	
Union 1	21	100.55%	99.23%	101.12%	8.23%	8.29%	98.13%	5.52%	
Valencia	692	97.72%	97.20%	95.27%	21.38%	22.00%	102.02%	17.51%	
1 - Incomplete Sales		7 -				<b>OVERALL STATE STATISTICS</b> <b>MEDIAN</b> 95% Overall Statistics are weighted by number of sales in each individual county <b>MEAN</b> 96% <b>WTD MEAN</b> 96% <b>COD</b> 9% <b>PRD</b> 101%			
2 -		8 -		Without Bernalillo and Dona Ana County Statistics					
3 -		9 -		95%					
4 -		10 -		95%					
5 -		11 -		10%					
6 -		12 - Invald Study		102%					
<b>Median</b>	This is a measure of Central Tendency, or an average. In this case, it is the ratio that falls in the middle of a group with an equal number of ratios falling above and below the Median Ratio. IAAO Standards suggest that this figure should be within 10% of the statutory mandated assessment level. Since New Mexico Statutes require values to be at "Current and Correct" or Market Value, the Median Ratio should be between 90 and 110%.								
<b>Mean Ratio</b>	Also a measure of central tendency. In this case it is the arithmetic average of all the ratios								
<b>Wtd Mean</b>	Another measure of central tendency. In this instance, the individual ratios are weighted by the value of the individual properties.								
<b>Std Dev</b>	The Standard Deviation measures the dispersion of ratios around the mean ratio.								
<b>COV</b>	The Coefficient of Variation is the Standard Deviation expressed as a percentage of the Mean Ratio								
<b>PRD</b>	Price Related Differential: A statistic for measuring tax burdens between high and low value properties. IAAO Standards suggest that this number should be between 98 and 103%								
<b>COD</b>	The Coefficient of Dispersion measures the dispersion of ratios around the Median Ratio. IAAO Standards suggest that this figure be below 15%, but in small rural jurisdictions COD's between 15 and 20% may be acceptable								

## **REAPPRAISAL**

Reappraisal is imposed by state statutes and administrative rules, known as the Property Tax Code. The reappraisal of residential property under section 7-36-21.2 NMSA, limits the increase of residential property to no more than 3% of the value of the prior tax year plus any contributory value of improvements to the property, except solar energy systems. Although these properties are subject to the valuation limitation, all properties must be reappraised every year to properly apply the limitation. Residential property sold in the prior tax year, newly constructed residential units, residential properties with a zoning change or change in use, and non-residential property are valued at full market value and are also required to be reappraised annually.

In recent years, there have been many debates about repealing or changing this law. The unconstitutionality of the statute has been challenged by two District Court Judges in Bernalillo County and Dona Ana County. These court rulings were heard by the NM Court of Appeals on October 17, 2011 and ruled as being constitutional. On March 13, 2013 arguments were heard before the NM Supreme Court and an opinion issued June 30, 2014 with a conclusion stating the section does not violate the NM Constitution. Many legislators, County Assessors, and tax experts continue the debate, however, there is not a unanimity on how to fix it. As of January 1, 2019, Section 7-36-21.2 NMSA 1978 is the current law Los Alamos will continue to adhere to until the law is changed or ordered to do otherwise by some legal proceedings such as the Department, Court order/ruling, or Legislation. Noncompliance with the Property Tax Code could lead to a county assessor being suspended of their functions per section 7-35-6 NMSA 1978.

The New Mexico Association of Counties has been working with the NM Assessor's Affiliate, Legislators, Realtors Association, County officials, and numerous other groups with the knowledge of property taxation to draft and introduce a bill that would fix the current issues, currently called "tax lightning", with the least effect. It was one of their top priorities for 2014, however, there is not a clear consensus on how to resolve it.

With the active real estate market it is most likely that the talks will continue. After a few years of having no legislation introduced to address this issue, Representative McQueen introduced HB647 in the 2019 Legislative session, which excludes residential property which are not owner occupied from the 3% valuation limitation in section 7-36-21.2 NMSA. A few articles in the Santa Fe New Mexican and Albuquerque Journal have been published addressing the "Tax inequities" as a result of this legislation.

Legislative changes most often require mandates that are unfunded and the burden usually fall upon the county assessors.

The Property Tax Division does monitor annually the ratio studies of every county to gauge the level and uniformity of assessed values as stated on the previous Performance Analysis section of this report.

## **ANALYSIS OF AVAILABLE RESOURCES**

### **Budget**

Before defining goals and objectives for the reappraisal, the jurisdiction must take stock of available resources: budget, staff, existing data, maps and GIS capabilities. An assessor's budget is an expression of the political support for accurate and equitable assessments.

Funding for the assessor’s office comes from two funds, the general fund and the property valuation fund. The general fund is used for valuation maintenance and daily office operations. The property valuation fund is statutorily restricted for offsetting reappraisal cost.

The county property valuation fund, pursuant to section 7-38-38.1 NMSA 1978, requires that the Los Alamos Office of Management and Budget collect from all property tax revenue, prior to distribution to recipients, an amount equal to one (1) percent of total property tax entitlements and deposit that amount into the property valuation fund. Recipients in this case means, Incorporated County of Los Alamos, Los Alamos Public Schools, State of New Mexico, UNM at Los Alamos, and the New Mexico Livestock board.

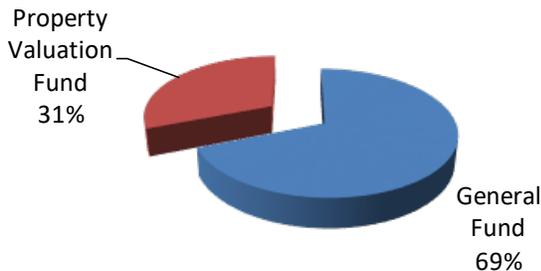
Expenditures from this fund shall be made pursuant to the property valuation program presented by the County Assessor and approved by the County Council, in accordance within the guidelines as set forth by the Department of Finance and Administration (DFA), Local Government Division for allowable expenditures. The funds remaining at the end of the fiscal year are transferred to the beginning cash balance for the next fiscal year. A copy of 7-38-38.1 NMSA 1978 and guidelines and ruling from the DFA are herein attached as Addendum VII of this report.

For the total FY 2018 budget, the Los Alamos County Assessor’s Office saw a below budget expenditure of \$9,074 or 1.54% from the FY 2018 Adopted Budget of \$597,058 to the actual FY 2018 Budget of \$587,984. The assessor’s office will continue to find areas to trim expenditures while continuing to operate the office in an effective and efficient manner and continuing to comply with all statutory requirements. The increases for FY 2018 and FY 2019 were a result of salary and benefit increases, appraisal certificate pay, additional training for the staff, software, equipment, service for the new CAMA/GIS system, a drone, aerial imagery, and a new web portal.

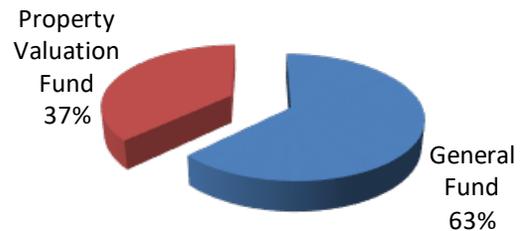
**Breakdown by Funds**

<b>Fund</b>	<b>FY 2017 Actual</b>	<b>FY 2018 Actual</b>	<b>FY 2019 Adopted</b>	<b>% Variance</b>
General Fund	\$ 385,554	\$ 405,752	\$ 407,201	0.36%
Property Valuation Fund	\$ 146,934	\$ 182,232	\$ 240,448	31.95%
<b>Total</b>	<b>\$ 532,488</b>	<b>\$ 587,984</b>	<b>\$ 647,649</b>	<b>10.15%</b>

**FY 2018 Actual**



**FY 2019 Adopted**



**Staff**

County Assessors and their staff must be very familiar with traditional appraisal methods, real estate markets, capital markets, and local conditions. Other technical and professional skills needed are: statistical skills for building and applying statistical models, management skills for recruiting, training and directing staff, data processing skills for designing and maintaining computer programs, and public relation skills for dealing with the public and the media. Employees in smaller offices usually perform more than one function.

The Los Alamos County Assessor’s Office is very fortunate to have six fulltime employees designated as New Mexico Certified Appraiser by the New Mexico Taxation and Revenue Department, Property Tax Division. To receive a NMCA certificate, an individual must have taken and received credit for qualifying educational courses offered by the International Association of Assessing Officers. The certification requires the individual to complete a minimum of 30 hours of continuing education every three years. Our employees are able to appraise/develop values for all property types within Los Alamos County and are able to defend those values at every level of appeal. Ongoing training, education, and certification are major contributions to the success and performance of the office and is highly recommended and enforced. In 2013, four of our staff were accepted for the IAAO professional designation program and continue working towards their IAAO designations.

The number of employees required by an assessor’s office is influenced by many factors. The most important of these, however, are the size of the jurisdiction, its growth rate, usage of temporary positions, and the non-assessment duties of the County Assessor.

The International Association of Assessing Officers<sup>1</sup> has conducted large-scale surveys of assessment budgets and expenditures and has developed certain assessment standards for various taxing jurisdictions. Based on its survey, the IAAO has determined that for small jurisdictions with 10,000 or fewer parcels one employee for every 1,000 to 1,500 is required.

Adhering to IAAO staffing standards, with its 9,205 parcels, Los Alamos County requires 6-9 full time employees excluding the County Assessor ( $9,205 / 1,500 = 6.14$ ). Currently the Assessor’s office is staffed with six fulltime employees, not including the Assessor. Furthermore, one FTE position for a mapper has been avoided by the current staff fulfilling those duties.

The following is the current breakdown of the County Assessors’ staff by primary function. However, due to the small staff size and need for cross-training, all functions are shared.

**Table 5**

<b>Title</b>	<b>Primary Function</b>	<b>FTE</b>	<b>Plan FTE</b>
County Assessor	Elected Official- limited	.1	0
Chief Deputy Assessor	Administrator	1	1
Chief Appraiser	Appraiser / Technical services	1	1
Senior Assessment Specialist	Appraiser	1	1
Assessment Specialist	Clerical / Assistant Appraiser	1	1
Appraiser	Appraisals / Value Maintenance	1	1
Appraiser Apprentices	Reappraisals / field inspections	1	1
<b>Totals</b>		<b>6.1</b>	<b>6</b>

<sup>1</sup> Assessment Practices 1991 edition by Richard Almy

In Los Alamos County the County Assessor's involvement in daily operations is limited to administration and oversight and is not considered to be a full time elected official. Therefore, for the purpose of the projections incorporated herein, the County Assessor was not considered as a valuation plan FTE (fulltime employee).

From the IAAO standard, it is concluded that the current staff of six is adequate for a county and office of this size.

The Chief Deputy Assessor and Chief Appraiser are in charge of all valuation maintenance and reappraisal programs. They are responsible for implementing administrative policy, enforcing procedural and quality control standards, directing, training, and assigning duties to temporary personnel and performing the other statutory ongoing administrative duties.

Property assessment is a field for which there are only minimal opportunities of specialized academic preparation prior to entry. Yet the State of New Mexico and governing bodies have an interest in ensuring that the property tax is competently administered. Certification / re-certification programs not only ensure that assessment personnel, not just appraisers, are able to obtain the qualifications necessary to perform their duties early in their careers, but also to continue education and keep abreast of new developments in the assessment field.

The Los Alamos County Assessor is committed to the employment and retention of competent personnel to carry out the Valuation and Maintenance Plan. Persons recruited and employed by the Los Alamos County Assessor have demonstrated the ability to deal with people, understand the concepts involved in a reappraisal program, communicate effectively, make accurate judgments, and work effectively with minimal supervision.

The Los Alamos County Assessor believes that education should be an ongoing program. Although it is not essential nor a requirement, the Property Tax Division of the New Mexico Taxation and Revenue Department recently revised Regulation 3.6.3.16 outlining the process of strengthening the certification requirements that includes a recertification program to maintain the New Mexico Certified Appraiser designation.

The Protest Boards and Court of Appeals gauge the level of professional expertise of an appraiser by the appraiser's credentials. Therefore, assessment personnel are expected and encouraged to attend all Property Tax Division's accepted appraisal courses and any licensing or certification program. This will benefit Los Alamos County by successfully defending valuation protests that ultimately impact stakeholder budgets and maintains property tax fairness.

The State of New Mexico, Taxation and Revenue Department, Property Tax Division grants certification and 4-39-5 NMSA 1978 allows for additional compensation for successful completion of IAAO (International Association of Assessing Officers) courses appropriate for each level of expertise, Appraiser I through Appraiser IV.

Upon completion of the four certifications listed above, the Property Tax Division designates the individual as a "New Mexico Certified Appraiser".

Recognizing the importance of fair and equitable assessments, the legislators passed House Bill 348, introduced during the 2015 New Mexico Legislature, and signed by Governor Susan Martinez effective July 1, 2015 which amended 4-39-5 NMSA 1978 to increase the amount of pay for the different levels of additional compensation to appraisers. The new law increased the additional compensation, cumulative, as follows:

		<u>Old</u>	<u>New</u>
Appraiser I	compensation for "appraiser I certification"	\$ 500	\$ 500
Appraiser II	compensation for "appraiser II certification"	\$1,500	\$2,000
Appraiser III	compensation for "appraiser III certification"	\$2,500	\$4,500
Appraiser IV	compensation for "appraiser IV certification"	\$3,500	\$7,500

Appraisal certification ensures adequate knowledge of the principles of property appraisals, assessment techniques, and property tax laws. Certification also enhances an individual's and the public confidence in the work being performed by the assessor office.

The Los Alamos County Council approved the following certification pay for the Los Alamos County Assessor's staff at its January 31, 2017 meeting. They did not grant the full amount of \$7,500 allowed under 4-39-5 NMSA 1978, but have allowed up to a total of \$3,750 for an appraiser IV level. The certification pay is an allowable expenditure from the Property Valuation Fund. No expenditure from the General Fund is required.

		<u>Allowed</u>	<u>Granted</u>
Appraiser I	compensation for "appraiser I certification"	\$ 500	\$ 250
Appraiser II	compensation for "appraiser II certification"	\$2,000	\$1,000
Appraiser III	compensation for "appraiser III certification"	\$4,500	\$2,250
Appraiser IV	compensation for "appraiser IV certification"	\$7,500	\$3,750

### **Data processing support**

The Information Management Department of the county provides computing support for the Assessor's office. The hardware is powerful enough to permit computerization of appropriate applications of the cost, sales comparison, and income approaches, as well as providing word processing, data inquiry, and activity summaries. The Information Technology Division of the county maintains the hardware and software.

The county assessor utilizes the Tyler CAMA system, *Eagleassessor* and together with *Eagletreasurer*, which is utilized by the Office of Management and Budget for the tax billing and collection of property taxes. The software is the latest version of Tyler Technologies, Eagle Division, assessment, appraisal, and tax billing and collection system. The newly developed software will continue to utilize the most up to-date appraisal methodology and GIS interface that includes level of securities and built-in quality control features. This integrated computer system consists of administrative, computer assisted mass appraisal, and property tax collection modules that not only improves assessment uniformity and efficiency but, with the built-in audit features, provides for a system of accountability of all users. Tyler Technologies provides this software to numerous counties in New Mexico, and is the most widely used CAMA system in the State of New Mexico. The New Mexico Tyler Users Group meets together annually to discuss issues and/or requests to improve the functionality of the CAMA system. This includes legislative regulatory mandates.

### **Maps and GIS**

The Los Alamos County Assessor uses existing planimetric base maps for reappraisal efforts. They meet minimum specifications for property ownership mapping. These maps have to be developed to include subdivision according to section, township and range. Maintenance of the maps is performed by several county departments, and the County Assessor.

Los Alamos County has installed digital mapping by utilizing Geographic Information Systems (GIS). The County Assessor's Office has been utilizing GIS for roughly 10 years and continues progress in fully integrating CAMA and GIS. By integrating these two systems we have made tremendous progress on modernizing the methodology for valuing property and have made the valuation process as effective and efficient as possible. We now have the ability to value property by using spatial information and incorporate it into our valuation models that will produce current and correct values in accordance with the Property Tax Code. A CAMA/GIS system is one of the primary goals of the County Assessor's office. We are proud to have such a sophisticated system in place and we will continue to work on other avenues that will assist us in providing the best, most accurate valuation to the taxpayers of Los Alamos County.

Los Alamos County parcel map viewer, conveniently located on our website, provides current tax year assessment information for public use. The information is readily available to the public and accessible from the comfort of their own home or business. The parcel viewer underwent some upgrades in 2016 to improve its functionality with a modern feel, and user friendly features.

Los Alamos County is partially mapped at 1"=100' on official zoning maps or at 1"=400' on official state required maps. These map sheets are maintained to correspond with new deeds or other information received of record. Parcelization used by the Base Mapping Program in developing the base maps is consistent with parcel definitions as required by Chapter 7 Article 38 Sections 9 and 10 of the Property Tax Code. The parcel-numbering scheme consists of a 13-digit unique parcel ID for each mapped parcel and a unique map number for each map sheet. Technical details of parcel numbering conventions will be established for the GIS as that work progresses.

The use of maps and the GIS system along with the existing property record identification numbers greatly ease the task of pinpointing a property's location.

Dimensioned maps along with original plats have been used for lot size verification. Map dimensions have been compared to deed or plat dimensions during lot sizing and land value determination. Either or both methods can be referenced as appropriate for determination of land value by the appraiser.

Mapping and the current GIS are ongoing processes that are never really completed. A Geographic Information System stores parcel information in a computer database that is utilized by other state, federal and local agencies and county departments. The database is made up of geography (lines), and attributes (information about the lines).

The County Information Technology Department (IT) and outside governmental agencies provide digital line work, thematic maps, aerial photography and global positioning data to assist with building the parcel land base map/layer.

The recorded plat maps obtained from the Los Alamos County Clerk's office are entered into the land base map/layer. Maintenance of the parcel base map is conducted at the Assessors' office. Parcel maps are electronically stored and linked to parcel data via the uniform parcel code used by all other departments in the county. Each department adds layers to the maps and maintains those layers.

## **PLANNING AND ORGANIZATION**

### **Objective**

The planning and organizational objective of a reappraisal program is the most important aspect of a revaluation project. Los Alamos must develop a specific plan and complete its reappraisal activities within a one-year time period. The revaluation plan defines critical activities, assigns responsibilities, and sets up production standards for data collection and fieldwork. Sufficient time is allocated for quality control, such as ratio studies. Lastly, adequate resources, including budget, must be obtained.

### **Work plan**

A valuation cycle must statutorily begin on January 1<sup>st</sup> of every tax year. This determines the taxable status of all properties. Some of the reappraisal activities are continuously ongoing, while others do have a specific ending date.

A work plan consists of developing an annual valuation cycle that complies with Property Tax Code requirements, inventorying number and types of parcels, developing units of production, and developing a production table. The valuation cycle on the following page indicates the required tasks that must be completed annually.

## **NOTABLE RECENT ACCOMPLISHMENTS AND UPCOMING PROJECTS**

### **Acquisition of Arial and Oblique Imagery**

The County Assessor, in cooperation with IM and other departments acquired the services of Pictometry to provide the county with updated aerial imagery. This imagery captures all angles of a structure to provide its natural prospective. This gives the assessors the ability to complete a desk audit prior to performing a physical inspection. The most recent aerial and oblique imagery was captured in the fall of 2018.

### **Acquisition of Drone**

The County Assessor has recently purchased a drone to assist in capturing aerial imagery for areas with high development activity between years of the Pictometry flyovers. The county has typically acquired the services of Pictometry to provide and update the aerial imagery of the entire county every four to five years. With the purchase of the drone, we have the ability to capture our own aerial imagery limited to small confined areas such as the development of A-19 in White Rock, which is scheduled for 2019.

### **NM Property Tax Division Annual Evaluation**

The Los Alamos County Assessor's Office is evaluated annually by the New Mexico State Property Tax Division. The purpose of the evaluation is to evaluate the operation of the Assessor's Office. The Los Alamos County Assessor's office has been recognized for their excellence in their overall operation and carrying out of their statutory requirements in adherence to the property tax code.

### **Eagle Web**

The County Assessor will be adding the EagleWeb portal to their website to enhance the parcel mapper currently in place. It will allow the public to get current property assessment information from such as ownership, assessment values, tax history, estimated taxes, and view GIS map, 24/7. The public will be able to search by account, address, parcel number, owner/business name, legal description or address.

**Notice of Value**

In the commitment to improve transparency, the NOV layout has been improved to assist the property owner in comparing the prior year's value and taxes with the current year. Property owners will also know if the value of the residential property was subject to the Valuation limitation in which case the value on the NOV may not reflect the calculated market value.

**Informational Videos**

Informational Videos and illustrations have been uploaded to our website to assist the tax payers in understanding the Residential Valuation Limitation, how to properly render business personal property and how to better understand the information on the Notice of Values.

## Valuation Cycle

Phase	Begin	Status/End
Public Relations	Ongoing	Ongoing
Mapping and GIS Maintenance	Ongoing	Ongoing
Data Collection and Analysis		
Building permits reports	January 1	December 31
Real property sales	January 1	December 31
Compile and verify data base	Ongoing	Ongoing
Market/Economic factors	Ongoing	Ongoing
Property characteristics	Ongoing	Ongoing
Sales Ratio Studies	Quarterly	December 31
Field Inspection* and Review		
Permits	May 1	December 1
Inquiries/requests	April 1	December 31
Maintenance	Quarterly	December 31
Sales	Monthly	December 31
Subdivisions	January 1	December 31
Calculation and Data Entry*		
Calculations and data entry of field data	Ongoing	March 1
Quality control	Ongoing	Ongoing
Valuation*	January	March 1
Notices of Value	March 1	April 1
Rechecks and verification request	April 1	April 30
Certification of Values for Rate setting	May 15	June 15
Protest Hearing		
Informal		Formals
Prior to Formal Hearings		Within 180 days after Receiving Notices of value
Tax Schedule	September 15	October 1

*\*Includes 20% rotating field inspection reappraisal.*

An inventory of all parcels in Los Alamos County is verified annually to ensure that all parcels are accounted for and are correctly classified.

The table on the following page summarizes all the parcels in the county and will serve as the basis for calculating production rates to ensure that all valuation activities will be completed within the required reappraisal cycle.

**PARCEL SUMMARY TABLE (as of September 28, 2018)**

<b>Residential</b>						
<b>Abstract</b>	<b>Parcel Count</b>			<b>Assessed Valuation</b>		
<b>Description</b>	<b>Land</b>	<b>Bldg.</b>	<b>Total</b>	<b>Land</b>	<b>Bldg</b>	<b>Total</b>
Res. MH Park (257 Spaces)	2	2	2	\$ 826,410	\$ 1,138,310	\$ 1,964,720
Res Single Family	5,256	5,256	5,256	\$147,815,090	\$378,516,210	\$526,331,300
Res Town Home End	1,351	1,351	1,351	\$ 24,745,350	\$ 60,360,380	\$ 85,105,730
Res Town Home Inside	239	239	239	\$ 2,891,680	\$ 9,099,960	\$ 11,991,640
Res Condo	189	189	189	\$ 1,818,830	\$ 7,463,610	\$ 9,282,440
Res Mobile Home	21	226	247	\$ 380,760	\$ 1,699,950	\$ 2,080,710
Res Bed & Breakfast	5	5	5	\$ 248,400	\$ 904,000	\$ 1,152,400
Res Multi Family	33	33	33	\$ 3,046,480	\$ 15,302,640	\$ 18,349,120
Res Other Improvements	-	10	10	\$ -	\$ 47,570	\$ 47,570
<b>Subtotal Residential</b>	<b>7,096</b>	<b>7,311</b>	<b>7,332</b>	<b>\$181,773,000</b>	<b>\$474,532,630</b>	<b>\$656,305,630</b>
<b>Non-Residential</b>						
<b>Abstract</b>	<b>Parcel Count</b>			<b>Assessed Valuation</b>		
<b>Description</b>	<b>Land</b>	<b>Bldg</b>	<b>Total</b>	<b>Land</b>	<b>Bldg</b>	<b>Total</b>
Land Res Vacant	199	-	199	\$ 7,557,800	\$ -	\$ 7,557,800
Land Commercial Vacant	9	-	9	\$ 917,830	\$ -	\$ 917,830
Commercial	175	182	188	\$ 16,244,550	\$ 67,812,020	\$ 84,056,570
Bed & Breakfast	1	1	1	\$ 47,880	\$ 170,640	\$ 218,520
Hangers	-	43	43	\$ -	\$ 380,950	\$ 380,950
Stables	-	105	105	\$ -	\$ 222,620	\$ 222,620
Personal Property	-	343	343	\$ -	\$ 7,920,170	\$ 7,920,170
Commercial Manufactured Homes	-	35	35	\$ -	\$ 210,890	\$ 210,890
Other Improvements	-	1	1	\$ -	\$ 3,400	\$ 3,400
State Assessed	-	21	21	\$ -	\$ 4,787,970	\$ 4,787,970
<b>Subtotal Non- Residential</b>	<b>384</b>	<b>731</b>	<b>945</b>	<b>\$ 24,768,060</b>	<b>\$ 81,508,660</b>	<b>\$106,276,720</b>
<b>Livestock</b>						
<b>Abstract</b>	<b>Parcel Count</b>			<b>Assessed Valuation</b>		
<b>Description</b>	<b>Units</b>				<b>Livestock</b>	<b>Total</b>
Cattle	3				\$ 720	\$ 720
Goats	83				\$ 2,200	\$ 2,200
Horse	212				\$ 57,810	\$ 57,810
Sheep	10				\$ 220	\$ 220
Hog	1				\$ 30	\$ 30
Alpaca	1				\$ 30	\$ 30
<b>Subtotal Livestock</b>	<b>310</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 61,010</b>	<b>\$ 61,010</b>
<b>Other Exempt Properties</b>						
<b>Abstract</b>	<b>Parcel Count</b>			<b>Assessed Valuation</b>		
<b>Description</b>	<b>Land</b>	<b>Bldg</b>	<b>Total</b>	<b>Land</b>	<b>Bldg</b>	<b>Total</b>
Church	30	30	30	\$ 5,042,120	\$ 11,855,300	\$ 16,897,420
School	20	15	20	\$ 6,928,850	\$ 29,775,180	\$ 36,704,030
County	336	25	341	\$ 103,113,570	\$ 18,552,700	\$121,666,270
State	3	0	3	\$ 144,860	\$ -	\$ 144,860
Federal	16	2	16	\$ 69,734,080	\$ 1,312,340	\$ 71,046,420
Miscellaneous	5	10	10	\$ 481,910	\$ 3,980,590	\$ 4,462,500
Open Area	44	0	44	\$ 1,469,440	\$ -	\$ 1,469,440
Common Area	154	1	154	\$ 1,475,370	\$ 130,450	\$ 1,605,820
<b>Subtotal Exempt Properties</b>	<b>608</b>	<b>83</b>	<b>618</b>	<b>\$188,390,200</b>	<b>\$ 65,606,560</b>	<b>\$253,996,760</b>

**PARCEL SUMMARY TABLE (Continued):**

<b>Exemptions</b>						
<b>Abstract</b>	<b>Parcel Count</b>			<b>Assessed Valuation</b>		
<b>Description</b>	<b>Land</b>	<b>Bldg</b>	<b>Total</b>	<b>Land</b>	<b>Bldg</b>	<b>Total</b>
Head of Family	-	-	2,279	\$ -	\$ 4,557,680	\$ 4,557,680
Veterans	-	-	647	\$ -	\$ 2,580,210	\$ 2,580,210
Disabled Veterans	-	-	22	\$ -	\$ 1,880,150	\$ 1,880,150
Limitation of Value	-	-	-	\$ -	\$ -	\$ -
<b>Subtotal Exemptions</b>	-	-	<b>2,948</b>	<b>\$ -</b>	<b>\$ 9,018,040</b>	<b>\$ 9,018,040</b>

<b>2018 Total Parcels by Classification Summary</b>		
<b>Class</b>	<b>Parcels</b>	<b>Valuation</b>
Residential	7,332	\$656,305,630
Non-Residential	945	\$106,276,720
Livestock	310	\$ 61,010
Other Exempt Properties	618	\$253,996,760
Exemptions	2,948	\$ 9,018,040
<b>Total Parcels and Net Taxable Value</b>	<b>9,205</b>	<b>\$753,625,320</b>

**PRODUCTION MONTHS:**

In developing a production table consideration has to be made to the non-production days, such as vacation, sick, holidays and bad weather. The following table illustrates the number of days we anticipate in a year.

Item	Vacation	Holidays	Sick	Weather	Total
Days	10	11	10	6	37

The estimated non-production days are thirty-seven (37). The monthly production days would then be computed by dividing 2,080 work hours per year by an 8-hour workday, less the 37 non-production days, divided by 12 months. This would give us 18.6 production days per month.

Next, we estimated standards of production based on studies from the IAAO and adjusted to actual Los Alamos production standards as observed. This information is used to determine schedules and staffing requirements.

**STANDARDS OF PRODUCTION  
PER DAY / PER PERSON**

DATA COLLECTION / TRANSFER

Residential	100
Multi-Family	10
Commercial	10
Mobile Homes	100
Hangers and Stables	200
Personal Property	100
Vacant Land	100
Exempt Property	150

CLASSIFY AND REVIEW

Residential	100
Multi-Family	25
Commercial	25
Mobile Homes	100
Vacant Land	100
Hangers and Stables	200
Personal Property	200
Exempt Property	150

DATA ENTRY

Residential	200
Multi-Family	100
Commercial	60
Mobile Homes	200
Vacant Land	200
Stables/Hangers	200
Personal Property	200
Exempt Property	150

VALUATION REAL ESTATE

MICA (Residential) Modeling	500
Land Modeling	500
Income Modeling	40
Personal Property	500
Final Review Residential	400
Final Review Commercial	200

Utilizing data from the parcel summary and estimated production per day tables, we developed the production table on the following page.

## PRODUCTION TABLE

Function /Task Classification	Parcels	Production			Staff	Months			Yearly Fraction
		Level	Days	Months		Required	Training	Total	
<b>Data Collection &amp; Transfers</b>									
Residential *	7,027	100	70.27	3.78	4	0.94	0.05	0.99	0.08
Multi Family	41	10	4.10	0.22	2	0.11	0.05	0.16	0.01
Commercial	207	10	20.70	1.11	2	0.56	0.05	0.61	0.05
Mobile Homes**	225	100	2.25	0.12	4	0.03	0.05	0.08	0.01
Land (Res & NR)	7,477	100	74.77	4.02	2	2.01	0.05	2.06	0.17
Hangers & Stables	151	200	0.76	0.04	4	0.01	0.05	0.06	0.01
Personal Property***	654	100	6.54	0.35	4	0.09	0.05	0.14	0.01
Exempt Property	613	150	4.09	0.22	4	0.05	0.05	0.10	0.01
<b>Totals</b>	<b>16,395</b>	<b>770</b>	<b>183.47</b>	<b>9.86</b>		<b>3.80</b>		<b>4.20</b>	<b>0.35</b>
<b>Classify and Review</b>									
Residential*	7,027	100	70.27	3.78	3	1.26	0.05	1.31	0.11
Multi-Family	41	25	1.64	0.09	3	0.03	0.05	0.08	0.01
Commercial	207	25	8.28	0.45	3	0.15	0.05	0.20	0.02
Mobile Homes**	225	100	2.25	0.12	3	0.04	0.05	0.09	0.01
Land Res & NR	7,477	100	74.77	4.02	3	1.34	0.05	1.39	0.12
Hangers and Stables	151	200	0.76	0.04	4	0.01	0.05	0.06	0.01
Personal Property***	654	200	3.27	0.18	4	0.04	0.05	0.09	0.01
Exempt Property	613	150	4.09	0.22	4	0.05	0.05	0.10	0.01
<b>Totals</b>	<b>16,395</b>	<b>900</b>	<b>165.32</b>	<b>8.89</b>		<b>2.93</b>		<b>3.33</b>	<b>0.28</b>
<b>Data Entry</b>									
Residential*	7,027	200	35.14	1.89	4	0.47	0.05	0.52	0.04
Multi-Family	41	100	0.41	0.02	4	0.01	0.05	0.06	0.00
Commercial	207	60	3.45	0.19	4	0.05	0.05	0.10	0.01
Mobile Homes**	225	200	1.13	0.06	4	0.02	0.05	0.07	0.01
Land Res & NR	7,477	200	37.39	2.01	4	0.50	0.05	0.55	0.05
Hangers and Stables	151	200	0.76	0.04	4	0.01	0.05	0.06	0.01
Personal Property***	654	200	3.27	0.18	4	0.04	0.05	0.09	0.01
Exempt Property	613	150	4.09	0.22	4	0.05	0.05	0.10	0.01
<b>Totals</b>	<b>16,395</b>	<b>1310</b>	<b>85.62</b>	<b>4.60</b>		<b>1.15</b>		<b>1.55</b>	<b>0.13</b>
<b>Valuation</b>									
Mica (Res.) Modeling	7,259	500	14.52	0.78	2	0.39	0.05	0.44	0.04
Land Modeling	8,085	500	16.17	0.87	2	0.43	0.05	0.48	0.04
Income Modeling	254	40	6.35	0.34	2	0.17	0.05	0.22	0.02
Personal Property***	654	500	1.31	0.07	2	0.04	0.05	0.09	0.01
Final Residential Ratio Study	7,259	400	18.15	0.98	2	0.49	0.05	0.54	0.04
Final Non-Res. Ratio Study	908	200	4.54	0.24	2	0.12	0.05	0.17	0.01
<b>Totals</b>	<b>24,419</b>	<b>2140</b>	<b>61.03</b>	<b>3.28</b>		<b>1.64</b>		<b>1.94</b>	<b>0.16</b>
<b>Down Time (Missed Days)</b>								<b>1.2</b>	<b>0.10</b>
<b>Grand Total</b>									<b>1.02</b>

\* Includes Single Family, Town Homes, and Condos

\*\* Includes commercial mobile homes

\*\*\* Includes business fixtures and equipment and livestock

The difference in parcel numbers from the parcel summary and the production table is that improved parcels have been separated into land and building instead of being combined as one.

**ASSIGNMENT OF RESPONSIBILITIES**

<b>Chief Deputy Assessor</b>								
<b>Training / Meetings</b>	<b>IAAO</b>	<b>Assessors</b>	<b>PTD School</b>	<b>Local / State</b>	<b>Others</b>	<b>Weeks</b>	<b>Months</b>	<b>% per Yr</b>
Weeks	1	1	1	3		6	1.5	12.5%
<b>Mapping / GIS</b>	<b>Coding</b>	<b>Maps</b>						
Weeks	0.5	0.5				1	0.25	2.1%
<b>Comp./Prg./Dev.</b>	<b>CAMA</b>	<b>Sales Ratio</b>	<b>CAMA / GIS</b>					
Weeks	2	2	1			5	1.25	10.4%
<b>Appraisal</b>	<b>Valuation</b>	<b>Data Mgt</b>	<b>Protests</b>					
Weeks	3	2	2			7	1.75	14.6%
<b>Administrative</b>	<b>Administrative</b>	<b>Legislative</b>	<b>Customer Srvc.</b>	<b>Reports</b>				
Weeks	13	2	4	3		22	5.5	45.8%
<b>Down Time</b>	<b>Vacation</b>	<b>Holidays</b>	<b>Sick</b>	<b>Weather</b>				
Weeks	2	2.2	2	1		7.2	1.8	15.0%
<b>Totals</b>							12	100%
<b>Chief Appraiser</b>								
<b>Training / Meetings</b>	<b>IAAO</b>	<b>Assessors</b>	<b>PTD School</b>	<b>Local / State</b>	<b>Others</b>	<b>Weeks</b>	<b>Months</b>	<b>% per Yr</b>
Weeks	1	1	1	1	1	5	1.25	10.4%
<b>Mapping / GIS</b>	<b>Coding</b>	<b>Maps</b>	<b>Development</b>					
Weeks	0.5	0.5	1			2	0.5	4.2%
<b>Comp./Prg./Dev.</b>	<b>CAMA</b>	<b>Sales Ratios</b>	<b>CAMA / GIS</b>					
Weeks	3	2	1			6	1.5	12.5%
<b>Appraisal</b>	<b>Valuation</b>	<b>Data Mtg.</b>	<b>Protests</b>	<b>Inspections</b>				
Weeks	5	3	5	3		16	4	33.3%
<b>Adminstrative</b>	<b>Administrative</b>	<b>Reports</b>	<b>Customer Srvc.</b>	<b>Data Entry</b>				
Weeks	4	2	4	2		12	3	25.0%
<b>Down Time</b>	<b>Vacation</b>	<b>Holidays</b>	<b>Sick</b>	<b>Weather</b>				
Weeks	2	2.2	2	1		7.2	1.8	15.0%
<b>Totals</b>							12	100%
<b>Appraiser</b>								
<b>Training / Meeting</b>	<b>IAAO</b>	<b>Assessors</b>	<b>PTD School</b>	<b>Local/state</b>	<b>Others</b>	<b>Weeks</b>	<b>Months</b>	<b>% per Yr</b>
Weeks	1	1	1	1	1	5	1.25	10.4%
<b>Mapping / GIS</b>	<b>Coding</b>	<b>Maps</b>						
Weeks	0.5	0.5				1	0.25	2.1%
<b>Comp./Prg./Dev.</b>	<b>CAMA</b>	<b>Sales Ratios</b>	<b>CAMA / GIS</b>					
Weeks	3	1	1			5	1.25	10.4%
<b>Appraisal</b>	<b>Valuation</b>	<b>Data Mtg.</b>	<b>Protests</b>	<b>Inspections</b>				
Weeks	8	3	6	3		20	5	41.7%
<b>Adminstrative</b>	<b>Administrative</b>	<b>Customer Srvc.</b>	<b>Data Entry</b>					
Weeks	3	3	4			10	2.5	20.8%
<b>Down Time</b>	<b>Vacation</b>	<b>Holidays</b>	<b>Sick</b>	<b>Weather</b>				
Weeks	2	2.2	2	1		7.2	1.8	15.0%
<b>Totals</b>							12	100%

**ASSIGNMENT OF STAFF RESPONSIBILITIES (Continued):**

<b>Senior Assessment Specialist</b>								
<b>Training / Meetings</b>	<b>Assessors</b>	<b>PTD School</b>	<b>Local / State</b>	<b>Others</b>	<b>Others</b>	<b>Weeks</b>	<b>Months</b>	<b>% per Yr</b>
Weeks	1	1	1	1		4	1	8.3%
<b>Mapping / GIS</b>	<b>Deeds</b>	<b>Coding</b>	<b>Mapping</b>					
Weeks	3.5	0.5	1			5	1.25	10.4%
<b>Comp./Prg./Dev.</b>	<b>CAMA</b>							
Weeks	3					3	0.75	6.3%
<b>Appraisal</b>	<b>Valuation</b>	<b>Data Mtg.</b>	<b>Personal Prprty</b>					
Weeks	1	2	4			7	1.75	14.6%
<b>Administrative</b>	<b>Administrative</b>	<b>Reports</b>	<b>Customer Srvc.</b>	<b>Data Entry</b>				
Weeks	4	1	12	5		22	5.5	45.8%
<b>Down Time</b>	<b>Vacation</b>	<b>Holidays</b>	<b>Sick</b>	<b>Weather</b>				
Weeks	2	2.2	2	1		7.2	1.8	15.0%
						<b>Totals</b>	<b>12</b>	<b>100%</b>
<b>Assessment Specialist</b>								
<b>Training / Meetings</b>	<b>Assessors</b>	<b>PTD School</b>	<b>Local / State</b>	<b>Others</b>	<b>Others</b>	<b>Weeks</b>	<b>Months</b>	<b>% per Yr</b>
Weeks	1	1	1	1		4	1	8.3%
<b>Mapping / GIS</b>	<b>Asst. Deed</b>	<b>Coding</b>						
Weeks	1	0.5				1.5	0.375	3.1%
<b>Comp./Prg./Dev.</b>	<b>CAMA</b>							
Weeks	2					2	0.5	4.2%
<b>Appraisal</b>	<b>Valuation</b>	<b>Personal Prprty</b>	<b>Permits</b>	<b>Permits Insp.</b>				
Weeks	1	3	2	2		8	2	16.7%
<b>Administrative</b>	<b>Administrative</b>	<b>Customer Srvc.</b>	<b>Data Entry</b>					
Weeks	4	12.5	9			25.5	6.375	53.1%
<b>Down Time</b>	<b>Vacation</b>	<b>Holidays</b>	<b>Sick</b>	<b>Weather</b>				
Weeks	2	2.2	2	1		7.2	1.8	15.0%
						<b>Totals</b>	<b>12</b>	<b>100%</b>
<b>Appraiser Apprentice</b>								
<b>Training / Meetings</b>	<b>Assessors</b>	<b>PTD School</b>	<b>Local / State</b>	<b>Others</b>	<b>Others</b>	<b>Weeks</b>	<b>Months</b>	<b>% per Yr</b>
Weeks	1	1	1	1		4	1	8.3%
<b>Mapping / GIS</b>	<b>Asst. Deed</b>	<b>Coding</b>						
Weeks	1	0.5				1.5	0.375	3.1%
<b>Comp./Prg./Dev.</b>	<b>CAMA</b>							
Weeks	1					1	0.25	2.1%
<b>Appraisal</b>	<b>Permits</b>	<b>Inspections</b>						
Weeks	2	20				22	5.5	45.8%
<b>Administrative</b>	<b>Administrative</b>	<b>Customer Srvc.</b>	<b>Data Entry</b>					
Weeks	1	7.5	4			12.5	3.125	26.0%
<b>Down Time</b>	<b>Vacation</b>	<b>Holidays</b>	<b>Sick</b>	<b>Weather</b>				
Weeks	2	2.2	2	1		7.2	1.8	15.0%
						<b>Totals</b>	<b>12</b>	<b>100%</b>

## **SYSTEM DEVELOPMENT**

System development consists of developing forms, manuals, and procedures for collecting and processing property characteristics, sales, income, and cost data.

### **Forms and manuals**

The forms, called property record cards, are electronically stored. The property record card(s) are printed and taken to the field when valuing or reviewing properties. Our CAMA system has the capability of integrating with electronic portable hand held computers where parcel data is downloaded for field inspection. We will be looking at implementing this functionality if the need arises. Property data, characteristics, improvements, and building sketches are verified and corrected. Once the property data has been modified, the corrected data and sketches are uploaded to the CAMA main system and the property information is automatically updated. This system can handle a large volume of parcels at a given time while eliminating double data entry and errors.

Valuation models have been created and serve as valuation and depreciation schedules for all taxable properties. Marshall Swift Valuation Services is used to support our valuation models and to value special purpose properties to include some commercial property.

### **Data collection**

#### **Sources**

The appraisal staff first classifies all parcels in Los Alamos County as residential or non-residential. These two categories will then be further classified into type, class, and grade as required by law and professional appraisal standards. Field review is performed to ensure correct classification and proper grade.

The data collection process is ongoing, and includes field inspection for the required five-year physical inspection cycle<sup>2</sup>. All of the data collected through both the gathering of market and economic data and of property characteristics will be used as the basis for a detailed study of current market values in Los Alamos County. This will include construction indexes, cost schedules, depreciation tables, regression analysis, income and expense, and valuation models.

This data will be obtained from sources such as:

1. Assessor's Property Records
2. Buyers and Sellers Questionnaires
3. Real Estate Brokers
4. Mortgage Companies
5. Builders
6. Property Managers
7. Building Permits
8. New Businesses

Field data will be collected on each parcel in Los Alamos County in accordance with the specifications set out by the data control and records staff.

Sales affidavits are statutorily required to be filed with the county assessor's office for all residential property sales or transfers. We also attempt to gather essential information to assist us in providing the most accurate valuations by requesting non-residential sales information as well as income and expense data. The assessor's office maintains a close working relationship with local title companies

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<sup>2</sup> State statute requires physical inspection every six years. Los Alamos, however, uses a five-year inspection cycle.

who, as an added service to their clients and the county, files the questionnaires with the assessor's office.

Prior to field visits, property occupants will be notified by press releases prepared for the local media. All field personnel will be required to wear identification badges, uniforms, and use clearly marked county vehicles. The quality of the data gathered from the field inspection will be carefully monitored. The records control personnel will check all property record cards for missing data, etc., returning all incomplete or incorrect record cards to the field inspection personnel for correction.

### **Quality control**

Quality control is critical. Data is thoroughly reviewed and tested to ensure consistency and accuracy before it is used for valuation. Supervisory personnel will check the accuracy of the data collected and will also conduct random re-inspections of sample properties. In addition, the current computer software used by the assessor's office has a quality control feature referred to as "versioning". This software provides an audit trail of changes made to a particular parcel. The system automatically records the person making a change, the work station, and type of change, including the time, date, and the change made.

### **Data maintenance**

Data maintenance is the process of capturing any changes in our parcel data such as property transfers, new construction, and demolition. Los Alamos County has four components: recording, permitting, personal property tracking, and re-inspections.

The first is the recording of property transfer data (deeds) and subdivisions in the County Clerk's office. As required by law, copies of transfers and official recorded subdivisions are provided to the County Assessor for our parcel database. Recorded subdivision plats means the creation of new parcels; lot splits or consolidation that will create substantial changes in value. These must be entered into the land data inventory database and field inspections.

The second is building permits. As the assessor's office receives copies of the permits that are filed with the Community Development Department, property record cards are pulled or flagged and inspections scheduled. All property owners are required to obtain a building permit for new construction, additions, remodeling or replacement of worn components such as roof covering, siding, or windows. The County Assessor receives these permits regularly and the initial property characteristics and sketches are entered into the CAMA system.

On all property inspections, when possible, contact with the property owner will be made. County Assessor's staff must always wear county issued identification items.

The basis for value on permits is market value, not cost.

There are basically three types of permits, a new unit, an addition, or a remodel of the building.

Los Alamos residential building types consist of the following:

- **Single Family** – single family unit.
- **Duplex** – two family units.
- **Tri – Plex** – Three family units.
- **Four – Plex** – Four family units.

- **Multi – Family** – More than four family units.
- **Townhouse End** – The first or last in a row of houses with common walls with ownership of land.
- **Townhouse Inside** – The middle unit in a row of house with common walls with ownership of land.
- **Patio – House** – These are similar to a town house but without a common wall. One or both of the sidewalls are on the zero lot line.
- **Condominium** – A set of properties that are one parcel where each unit has an interest in the common area (s). These units are generally valued separately plus a percentage of the common interest of the value for the common area.

For additions and remodels, the value obtained is the contributory value and not the cost of the project. For example, the cost to replace a roof covering might not add to the market value of a house on a dollar for dollar basis.

A new addition will require field verifications of dimensions, condition, quality and any other building attribute changes. The structures effective age will change as well.

Remodels on structures are usually internal which creates an access problem; therefore we must rely on the building permit data.

On remodels, the area of remodel can be used to drive at a percentage of the total area for calculating the new effective age. The condition and any attribute changes must also be corrected with the new value being entered in the value tracking software of the CAMA system.

All valuations derived from the building permits are considered new value and must be entered and tracked on the CAMA system. The NM Department of Finance and Administration, as part of the allowable growth (yield control) for operations by governmental entities, uses the new values in the tax rate setting process.

The third component is the personal property tracking system. The assessor’s office receives a listing from the Community Development Department of new businesses. For verification purposes, the county assessor’s office also has access to the utility department database. Those business properties that are not on the tax roll are entered and a business personal property reporting questionnaire is mailed to the business.

The fourth essential component of a good data maintenance program is the requirement for periodic re-inspection of all properties in Los Alamos. No matter how good a permit reporting and monitoring system is, undetected changes will always occur. The Property Tax Division has directed assessors to implement a six-year re-inspection cycle for this purpose, which is also the IAAO standard. The county assessor, however, uses a more frequent, five-year inspection cycle. The main function of these inspections is to verify existing information.

Los Alamos County uses the permit tracking system, aerial imagery and software, digital photographs, and field inspections to physically verify and update current information. The aerial photography software is capable of tagging changes from one fly-over period to the next.

One fifth of the county will be inspected annually, beginning at the northeastern portion of the county going by section and subdivision. There are approximately nine thousand two hundred five parcels (9,205) in Los Alamos County; therefore approximately one thousand eight hundred forty-one parcels (1,841) would be inspected each year. Our 2018 field inspection effort included the North Community and Quemazon areas. Through these inspections, we collected an additional \$263,180 of omitted value, which will amount to approximately \$6,600 in property taxes. Our target for the current tax year are Western Area 1 and 2, and portions of Eastern Area 3, which is phase 3 of our 5 year cycle.

## **VALUATION**

In valuing property for property tax purposes, the Los Alamos County Assessor's office employs individuals who have appraisal background and who are trained and certified in the appraisal standards of IAAO and USAP.

Los Alamos County uses a Computer Assisted Mass Appraisal (CAMA) system to value and maintain valuation data for all taxable properties in the county. The market value of each taxable property must be maintained regardless of ownership (government or schools), statutory value limitation, or exemption (non-governmental).

Mass appraisal requires the development of valuation models capable of replicating the forces of supply and demand over a large area. Appraisal judgments relate to groups of properties rather than to single properties.

The assessor must develop, support, and explain standardized adjustments, such as size, location, quality, view, etc in valuation models among use classes, construction types, neighborhoods and other property groups.

In mass appraisal, quality controls are handled through the use of statistical methods to gauge the accuracy and consistency of the valuations generated by the valuation models.

The valuation system used in Los Alamos County consists of mass appraisal applications using the three approaches to value; the sales comparison approach, the cost approach, and the income approach. The sales comparison approach application includes multiple regression and automated sales analysis. The cost approach requires maintenance of computerized cost schedules and equations, derivation of depreciation schedules from market data, and reconciliation of cost generated values with the market. Mass appraisal application of the income approach include the development and use of income multipliers and overall rates.

The valuation system uses property characteristics maintained in the data management system, along with sales data and ratio studies. Sales ratio studies refine valuation models and determine which valuation method produces the most accurate results. The analysis of the relationship of property characteristics to values within the valuation system indicates which data items are required to support effective valuation methods.

Valuation model are calibrated annually to adjust to current market trends and value as of January 1 of every tax year. Model calibration is the process of adjusting mass appraisal formulas, tables and schedules to the current market.

Valuation model development and creation for the different classes of taxable properties, as used in Los Alamos County, are:

- Land Models
  - Commercial Land
  - Residential Land
- Improvement Models
  - Apartment
  - Commercial
  - Condo/Townhome
  - Residential
  - Mobile
  - XFOB

The most common models and schedules are:

- Land valuation tables: these tables contain land values per unit, along with standard adjustments for topography, depth, site view and other locational features.
- Cost approach tables: these tables include base rates, per square-foot adjustments, and lump sum used to estimate replacement cost new. Associated tables include depreciation, time, location and market adjustment factors.
- Sales comparison tables: includes market-adjusted tables that reflect current and local sales analysis.
- The income approach software model is currently under development. Sufficient income data essential for the development of this model is scarce. Therefore development has been slow, but progressing. It is, however, annually utilized on an individual basis for accurately valuing commercial property.

The development of numerous Microsoft Excel templates to assist in the valuation on commercial, income-producing properties have been incorporated to properly apply the income approach. These templates are essential in providing evidence before the Valuation Protest Board, in a professional and uniform manner. The office has been recognized in its protest procedures.

The statutory special methods of valuation for the applicable classes of properties will be utilized. They consist of:

- Business Personal Property (NMSA 1978 7-36-33) reported to the assessor are those fixtures and equipment used in businesses, which were depreciated and reported to the IRS for the previous year, excluding inventory.<sup>3</sup>
- Agricultural land and livestock, the land value is based on its capacity to produce agricultural products and the livestock values are derived from the livestock industry via the Property tax Division. Since the Property Tax Division establishes the livestock values, they are responsible for defending those valuations in case of a value protest. Application for agricultural lands must be submitted not later than the last day in February of each tax year. Los Alamos currently does not have agricultural land on its tax roll.

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<sup>3</sup> Unlike IRS, New Mexico limits depreciation to 12.5% of initial cost.

- Manufactured homes are classified as residential and subject to a special method of valuation as stated in NMSA 1978 7-36-26. The cost approach to value is used to determine cost new less depreciation. A manufactured home is taxed as real property if it is permanently affixed to the land and certain other criteria are met as outline in NMAC part 14.12.2 and NMSA 7-36-26, regulation 3.6.5.33. Manufactured homes not permanently affixed to the land must annually register with the NM Motor Vehicle Division.

Land will be valued separately from its improved parcels. Adjustments for size, shape, view, and any other pertinent, required adjustment will be made in accordance with accepted appraisal standards.

The limitation of value applied to residential property as applicable to NMSA 1978 7-36-21.2 and 21.3 will be enforced by the assessor and is monitored by the Property Tax Division annually to insure compliance with applicable laws.

Valuation initially involves market analysis, model development, model calibration, and calculations of preliminary values. A ratio study then evaluates the accuracy and consistency of values. When model results are statistically acceptable, field reviews are conducted.

Improvements made to residential properties made in the prior tax year and any omitted improvements from prior tax years will be valued according to their contributory values as indicated by market data.

Granting of exemptions to taxable value will be according to the Property Tax Code on forms developed and provided by the Property Tax Division and/or the Los Alamos County Assessor. The type and amount of available exemptions are:

- **Head of Family** (NMSA 1978 7-37-4), \$2,000 off of the net taxable value.
- **Veteran** (NMSA 1978 7-37-5), \$4,000 maximum per veteran in tax year 2006 and subsequent years off of the net taxable value.
- **Disabled Veteran** (NMSA 1978 7-37-5.1), totally exempted from paying property taxes.
- **Veterans' Organization** (NMSA 1978 7-37-5.3), totally exempted from paying property taxes.
- **Charitable/Education and Churches** (NMSA 1978 7-36-7), totally exempted from paying property taxes.
- Federal, State, Schools, County, and Municipal owned property are exempted from property taxation

In addition to the above exemptions there is a limitation on residential property owned by low-income taxpayers over sixty-five (65) years of age, or disabled. Currently, any taxpayer whose modified gross income does not exceed \$32,000 for the prior year may qualify for this limitation in value increase on their primary single-family residence. In addition to this limitation, Los Alamos County has also adopted an ordinance to provide for relief for low income property owners up to 75% of their property tax bill as a rebate on their personal income tax.

Regulation 3.6.5.41, Market Value of Affordable Housing, was enacted in 2009, allowing individual taxpayers to apply for special method of valuation on affordable housing. The regulation allows for the affordable housing subsidies and/or accrued interest to be deducted from a property's market value therefore reducing the property valuation and, in turn, might lower the property tax bill. As of 2018, there have been 52 property owners who have applied for this exemption.

The limitation on increase refers to state law (7-36-21.2) that limits increase of properties that did not sell in the immediate prior tax year to three percent per year. Properties that had a change of ownership (sold) in the immediate prior tax year are not subject to this limitation and are valued at market value.

### **Testing and refinement**

Before notice of values are mailed notifying taxpayers of their property(s) assessment value(s), values must be tested and, if necessary, refined to insure fairness and accuracy. As mentioned earlier, sales ratio studies are utilized to gauge level and uniformity of the reappraised property. The process of testing is to compare the assigned values to known sales then determine if they are within accepted statutory and appraisal standards described on pages 17 - 20.

If refinement is required, then calibration is done on the specific model to obtain the acceptable standards. This is discussed in length in the valuation model section above.

## **NOTIFICATION AND VALUATION DEFENSE**

### **Notice of value (NOV)**

A preliminary change of value report will be generated and reviewed the first week of February. Notices of valuation will then be mailed to all property owners on or before April 1<sup>st</sup>. Information contained in the NOV is governed by NMSA 7-38-20. These notices will show the value for property taxation purposes, taxable value, the classification(s) of the parcel, assessed value of the current and prior year, prior year tax amount and prior year tax rate. The notices will also contain information regarding claiming of exemptions, reporting requirements, procedures to file a valuation protest and a brief explanation on how to calculate your estimated taxes.

As the Los Alamos County residential market has been extremely active in recent years, most active since 2007, the gap between the assessed value and the market value has increased significantly due to the residential valuation limitation. For this reason, the assessor's office has made an effort to make the office as transparent as possible and has included an additional step to identify those residential properties affected by the limitation. Residential properties affected by the valuation limitation now include a flag on their NOV's for 2018 and thereafter.

### **Protest Remedies**

**It is the policy and goal of the Los Alamos County Assessor's Office that all assessments be fair, equitable, correct and current. Property owners are encouraged to contact the assessor's office if they have questions concerning an assessment or feel the assessment is incorrect. No property owner should pay more tax than what is legally required.**

There are two times per tax year when taxpayers may elect to file a protest:

- 1) Filing a **petition of protest** with the county assessor no later than thirty days after the mailing of the notice of value, or
- 2) Filing a **claim for refund**, in the district court, after paying the first installment of taxes due.

A petition of protest and claim for refund cannot be filed in the same year for the same property.

Electing to file a protest through option one, is less costly. Property owners may protest assessed values, classification, and allocation of value to a particular governmental taxing unit, denial of

exemptions or limitation on increase in value determined by the county assessor. The most common type of protest is for over assessed value. If a property owner believes their assessment is in excess of market value, the first thing to do is to talk to a representative in the assessor's office. The best time to do this is within thirty days of the mailing of the NOV's. After this time it becomes increasingly difficult and costly to change an assessment.

### **Informal hearing**

The process of a property valuation protest and a property valuation review has two separate functions. One is to provide a procedural method of reviewing assessments whereby any inaccuracies may be corrected, without having to protest. The other is to have the protest heard before an independent Valuation Protest Board.

Review allows the re-examination of assessments by the assessor to correct and clarify any discrepancies in the individual assessments within statutory limits, before certifying values.

Approximately 150 property owners per year inquire about their property value and, of that, approximately 30-35 % will proceed to file an official protest. When an inquiry cannot be resolved quickly, taxpayers are offered the option to file a protest which extends the time for resolution from 30 days to 180 days. Once an appeal is filed, appraisal staff will conduct an informal hearing. If the taxpayer is not satisfied with the informal hearing, a formal hearing will be scheduled before the independent Los Alamos Valuation Protest Board.

A protest petition must be filed and will be tracked until the dispute is completely resolved. Protest petitions must contain the property owner's name, address and a description of the property. The petitioner must also state why the owner believes the value, classification; allocation of value, claim for exemption, or the limitation of value determined by the county assessor is incorrect. The owner must also state what (s)he believes is the correct value, classification, allocation of value, claim for exemption, or the limitation of value by the county assessor to be. The petition must also state what item(s) is not subject to protest. Petition forms are available at the county assessor's office and through our Los Alamos County website.

After receiving a petition, the assessor will set up an informal hearing with the property owner. The informal hearing is off the record where data is exchanged and verified. During or before this meeting, the property owner should review their property data to be sure that the information listed is correct. The assessor will provide the property owner with copies of this information.

The assessor will explain the method(s) used in determining assessment. Any pertinent data assembled by the property owner should be presented at this hearing. The goal of a protestant at this informal process should be:

- 1) verify all information on their property,
- 2) to make sure they understand how their assessed value or other taxing attributes were determined,
- 3) to be sure that they understand the protest procedure and how the assessor's office can help them, if they want to proceed with a formal protest.

If a change of value is warranted, then they will be notified of the change. The burden of proof is on the protestant. Pursuant to state statute the assessor's values are presumed to be correct and the protestant has the burden of overcoming that presumption.

### **Formal hearing**

If a protestant chooses to continue with their protest, the assessor must schedule a formal hearing before the Los Alamos County Valuation Protest Board. Property owners will be notified by certified mail of the date, time and location of the formal protest hearing. An Order of No Show will be filed if the taxpayer or a representative of the taxpayer fails to appear at the hearing without reasonable justification.

As the current market conditions begin to stabilize, it is projected that approximately 30% of informal appeals will go to the Valuation Protest Board. Board hearings are planned for September, as they have been in recent years. The Los Alamos Chief Deputy Assessor, Chief Appraiser, and Appraiser will defend the county assessor's valuations.

The Valuation Protest Board is an unbiased, independent board which hears protests of assessments used for determining property taxes. The board consists of volunteers appointed by the county council for a two year term. To assure independence, the Assessor's Office must not participate in the selection of members. The board has three voting members, of which one is a property appraisal officer employed by the NM Taxation and Revenue Department and serves as the chairperson of the board. The other two members and two alternates must be electors of Los Alamos County. One member and one alternate must demonstrate experience in the field of valuation of property; the other member and alternate do not need such experience. The two locally appointed members can't be employed by the state, a political subdivision or a school district, can't hold an elective public office, and must be registered to vote in Los Alamos County. The board must make its decision and notify the property owner in writing within thirty days after the hearing, but the deadline may be extended if the taxpayer and board agree.

All protests must be decided within one hundred eighty (180) days of the date on which the protest was filed unless the parties agree otherwise. A copy of the decision must be sent to the property owner by certified mail. A copy of the decision must also be sent to the county assessor so that valuation records, if required, are changed in accordance with the decision.

The property owner or the county assessor can appeal the board's decision in the district court. The appellant will bear all costs associated with this appeal. Appeals by or against the County Assessor are litigated by the County Attorney's Office.

For the 2018 tax year there were forty (42) property valuation protests filed in Los Alamos County. Of those protests nineteen (19) were residential and twenty-three (23) were non-residential. All but three (3) protests were resolved through the informal hearings. All three (3) were scheduled and heard before the Valuation Protest Board Hearing. The county successfully defended all protests with the board ruling in favor of the county. The total revenue savings in tax dollars for all entities who receive revenue from the property tax is estimated at approximately \$235,859.

### **Claim for Refund in District Court**

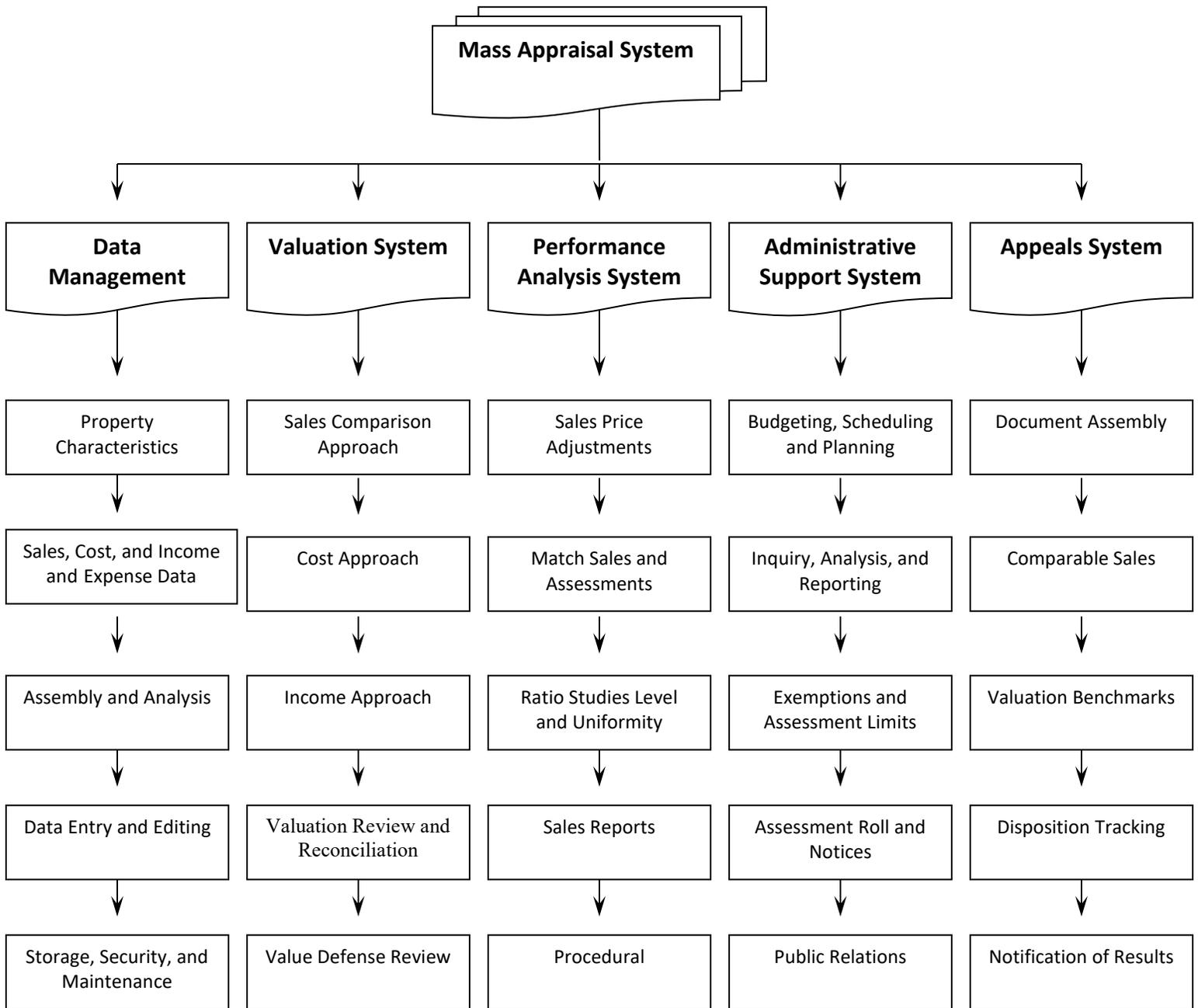
Refund claims are filed in the District Court. Claims must be filed against the county assessor, no later than the sixtieth (60) day after the due date for the first installment of the tax that is subject to a claim of refund. Payment of all taxes due in accordance with the tax bill must be made prior to the delinquency date before filing for a claim for refund. The payment is held in a suspense fund until the claim is resolved. Claims must contain the property owner's name and address, as well as other

persons receiving a tax bill for the property. The action must state the basis for the refund claim, the amount of the refund to which the owners believe they are entitled, and amounts paid. Property owners or the county may appeal final decisions or orders from a district court. The County Assessor is represented by the County Attorney.

Once the courts have determined the amount of refund, if any, the county treasurer will make the appropriate change to the tax records and issue the refund amount ordered by the court plus interest.

We currently have a couple of Claim for Refund pending. One was filed in District Court January 8, 2018 for the 2017 property taxes and the other was filed on January 7, 2019 for the 2018 property taxes. Both complaints are claiming the property was overvalued approximately three times its assessed value. The county filed a Motion to Dismiss on January 24, 2019 for the 2018 case. The Plaintiff has until February 26, 2019 to respond to this motion.

## COMPONENTS OF A MASS APPRAISAL SYSTEM



## ADDENDUM

<u>ITEM</u>	<u>PAGES</u>
I. 2018 Los Alamos County Assessor’s Evaluation .....	A - Q
II. Los Alamos Eight Year Statistical Summaries .....	R - T
III. Ranking of Counties by Net Valuation .....	U
IV. Counties Tax Rates Comparison .....	V - X
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# I. Annual Assessor Evaluation

**State of New Mexico  
Taxation & Revenue Department  
Property Tax Division  
ANNUAL ASSESSOR EVALUATION**

<b>COUNTY:</b>	<b>Los Alamos</b>	Tax Year:	<b>2018</b>	Reviewer:	<b>William J. Kourkos</b>
Assessor:	<b>Ken Milder</b>			Review Date:	<b>Wednesday, April 11, 2018</b>

<b>STAFFING</b>					
ADMINISTRATION		APPRAISAL		CLERICAL	
Elected Assessor	0.10	Chief Appraiser	0.80	Administrative Clerks	0.40
Administrative Assistant	0.00	Residential Appraisers	0.90	Title Examiner	0.10
Chief Deputy Assessor	1.00	Commercial Appraisers	0.30	Deeds / Mapping	0.50
Deputy Assessor(s)	0.00	Manufactured Homes	0.30	Exemptions	0.20
GIS Director	0.00	Business Personal Property	0.50	Data Entry	0.30
		Agriculture / Grazing Land	0.00	Quality Control	0.30
		Livestock	0.40		

<b>PARCEL COUNTS and VALUATION (Taxable Value)</b>						
	TY 2017		TY 2018		Change - \$\$	Change %
	Parcels	Taxable Value	Parcels	Taxable Value		
<b>REAL ESTATE</b>						
Residential Land	7,078	177,071,850	7,096	181,784,500	4,712,650	2.66%
Residential Improvements	7,067	447,096,410	7,086	472,883,920	25,787,510	5.77%
Non-Residential Land (ALL INCL. AG)	399	23,503,090	384	24,792,010	1,288,920	5.48%
Non-Residential Improvements	335	66,073,990	331	68,603,810	2529820	3.83%
<b>PERSONAL PROPERTY</b>						
Business Personal Property	341	8,109,120	342	7,912,540	(196,580)	-2.42%
Manufactured Homes	225	1,462,350	259	1,910,200	447,850	30.63%
Livestock (# of Accounts, not # of Head)	313	64,690	311	61,270	(3,420)	-5.29%
<b>STATE ASSESSED</b>						
State Assessed	25	6,048,100	25	6,164,450	116,350	1.92%
<b>AGRICULTURAL/GRAZING LAND</b>						
Grazing	-	-	-	-	-	#DIV/0!
Irrigated Farmland	-	-	-	-	-	#DIV/0!
Dryland Farming	-	-	-	-	-	#DIV/0!
<b>EXEMPT PROPERTY</b>	613	247,731,570	619	253,996,760	6,265,190	2.53%
<b>GRAND TOTAL</b>	15,783	729,429,600	15,834	764,112,700	34,683,100	4.75%

<b>PERSONAL EXEMPTIONS</b>				<b>PROTESTS</b>		
	TY 2017		TY 2018		Tax Year:	<b>2017</b>
	Count	Taxable Value Exempted	Count	Taxable Value Exempted		
Veterans	660	2,631,600	630	2,512,210	Total Number Filed	27
100% Disabled Veterans	22	1,804,860	23	1,937,170	Resolved Prior to Scheduling	24
Head of Household	2,262	4,524,000	2,194	4,387,680	Scheduled for Hearing	3
Over 65 Value Freeze	7		8		Resolved Prior to Hearing	0
					Protests Heard	3

<b>SALES RATIO STUDY - 2017 Values vs. 2016 Sales</b>					<b>2016 Values vs. 2016 Sales</b>			
Sample Size	Median	Mean Ratio	Std Dev	COD	PRD	Median	COD	PRD
440	98.16%	99.47%	9.16%	6.93%	100.56%	87.88%	11.40%	102.27%

<b>Sales Ratio Study Guidelines</b>	
<b>MEDIAN</b>	IAAO Standards suggest that this figure should be within 10% of the statutory mandated assessment level. Since New Mexico Statutes require values to be at "Current and Correct" or Market Value, the Median Ratio should be between 90 and 110%.
<b>PRD</b>	The Price Related Differential is a measure of equitability between properties within a jurisdiction. PRD should be between 98% and 103%, indicating fair and equitable assessment in all value ranges.
<b>COD</b>	The Coefficient of Dispersion measures the dispersion of ratios around the Median Ratio. IAAO Standards suggest that this figure be below 15%, but in small rural jurisdictions COD's between 15 and 20% may be acceptable.

## I. Annual Assessor Evaluation

State of New Mexico  
Taxation & Revenue Department  
Property Tax Division  
ANNUAL ASSESSOR EVALUATION

LOS ALAMOS COUNTY CONTACTS			
	Name	Phone	E-Mail
Assessor	Kenneth H Milder	(505) 662-8030	<a href="mailto:kenneth.milder@lacnm.us">kenneth.milder@lacnm.us</a>
Chief Deputy	Joaquin Valdez	(505) 6628359	<a href="mailto:joaquin.valdez@lacnm.us">joaquin.valdez@lacnm.us</a>
Chief Appraiser	Lucas Fresquez	(505) 662-8029	<a href="mailto:lucas.fresquez@lacnm.us">lucas.fresquez@lacnm.us</a>
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GIS Director / Mapper	Michael Smith	(505) 662-8097	<a href="mailto:michael.smith@lacnm.us">michael.smith@lacnm.us</a>
Online Access Web Address: <a href="http://www.losalamosnm.us/assessor/Pages/default.aspx">www.losalamosnm.us/assessor/Pages/default.aspx</a>			
DOCUMENTS REQUESTED			
1	Copy of Annual Report to County Commissioners. (Or current draft and last year's Annual Report) (7-36-16-E; NMSA)		
2	Preliminary and Prior Year Budget.		
3	Please provide your employee education tracking report listing all educational courses successfully completed, i.e., IAAO, Appraisal Institute, USPAP, etc. for the Assessor and Assessor's Staff, including each staff member's current certification level.		
4	Organization Chart. (Please include name, title, phone, email)		
5	Make available all Treasurer's change orders from October 1st to present. (7-38-77, NMSA)		
6	Property Record Cards for all Elected Officials, County Manager, County Attorney, and Assessor's Staff.		
7	Last Year's NOV and Current values for Elected Officials, County Manager, County Attorney, and for Assessor's Staff.		
8	Listing of non-governmental Exempt Property showing Owner, Location, and Valuation. (Not personal exemptions) (7-38-8.1, NMSA)		
9	Review of building permits will be made at time of evaluation. Please make available at time of evaluation. ( All Building Permits)		
10	List of properties receiving Special Method of Valuation for Agricultural Properties including: Location, Owner, Lessee, Acreage. (for Grazing properties, only those properties containing 50 or less acres, for Agricultural properties, only those containing 10 or less acres.)		
11	Review of transfer affidavits will be made at time of evaluation. Please make available at time of evaluation.		
12	Property Re-Inspection Plan with start / end dates and current status.		
13	A listing of all properties that filed protest petitions in 2017 showing Parcel ID, Owner Name, Property Address, Original NOV value, Final Value after resolution, and reason for change. Please make protest files available for review.		
REVIEWER'S COMMENTS ON ABOVE DOCUMENTS		ASSESSOR'S COMMENTS ON ABOVE DOCUMENTS	
1	A hardcopy of the 2018 Annual Report to the County Commissioners was provided at the time of the evaluation and did not reference the Net New Value. However, a Power Point presentation of the Annual Report was also provided which met and/or exceeded all of the requirements under 7-36-16.E NMSA.	Approved on April 3, 2018. Copy provided.	
2	The preliminary and prior years budgets were provided in hardcopy. No discrepancies were noted.	Copy of budget Provided.	
3	The Assessors staff are all TRD Certified Appraisers. The certificates and class tracking logs for all employees was received in hardcopy format. The spreadsheet showed the employee's name, title, certification level, dates and results of the classes attended. No discrepancies were noted.	Copy of the employee education tracking report provided.	
4	An organization chart was provided with names, phone numbers and email addresses for the Assessor and all staff members. No discrepancies were noted.	Copy of organizational chart provided.	
5	There were a total of 14 Treasurer's Change Orders from October 1 to present. All change orders were made available for review and all appeared to be allowed by statute under 7-38-17 NMSA.	Change orders will be made available during evaluation scheduled for April 11, 2018.	
6	Property Record Cards for Newly Elected Officials, County Manager, County Attorney, and Assessor's Staff were provided in hardcopy. No discrepancies were noted.	Property Record Cards provided.	
7	Last Year's NOV and Current values for Elected Officials, County Manager, County Attorney, and for Assessor's Staff were provided in hardcopy. No discrepancies were noted.	Prior years NOVs and Current Values provided.	
8	A listing of all non-governmental exempt property was provided in hardcopy. There were a total of 10 properties. Two properties were questioned, but explained by the Chief Deputy. No discrepancies were noted.	A list of non-governmental Exempt Properties provided.	

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9	An electronic copy of all 814 building permits were provided on a spreadsheet. A random sample of permits were chosen for review. Permit progress is noted and tracked within their CAMA system and Excel to completion. No discrepancies were noted.	Building permits will be provided during the evaluation scheduled for April 11, 2018.
10	There are no properties receiving special method of valuation for agricultural purposes in Los Alamos County.	N/A
11	All 102 transfer affidavits were made available at the time of evaluation. A random sampling of 32 were reviewed. The review demonstrated all transferred properties were brought to current and correct market value.	Real Property Transfer Declaration Affidavit's will be provided during the evaluation scheduled for April 11, 2018.
12	A hardcopy of the property Re-inspection Plan was provided with start and end dates. The Re-inspection cycle is every 5 years and the county is currently on year 2 of their re-inspection plan. No discrepancies were noted.	Copy of Re-inspection plan provided.
13	A master log of all protests filed for 2017 was provided in hardcopy. A review of 5 protest files for 2017 was made. The hardcopy protest files contained good notation on the actions taken. The Assessor maintains notes and new value appraisals within the CAMA system as well as the hardcopy files.	Protest Master Log provided showing requested information.

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<b>Los Alamos County</b> <b><u>Assessment Administration</u></b>
1. What is your assessment cycle: a. Residential properties? b. Non-Residential properties?
Los Alamos County is on a 1 year assessment cycle for residential and non-residential properties.
2. When will the 2018 NOV's be mailed?
Los Alamos County 2018 NOV's were mailed on March 30, 2018.
3. When were NOV's mailed last year? a. If an extension was requested, why was it necessary?
Los Alamos County 2017 NOV's were mailed on March 31, 2017.
4. Describe your procedures regarding informal protest hearings.
Los Alamos County makes every effort to have an informal hearing with the protestant as many protests are resolved during that period. A protest requires an in depth review of the property. The process starts with a field inspection where our measurements and overall characteristics of the property are reviewed. The next step is to gather comparable sales information, similar to the property and make proper adjustment to the sales prices to come up with an estimated market value of the property, an appraisal. We then schedule an informal hearing with the protestant or an authorized agent to exchange information and discuss our findings. If the opinion of value on our appraisal merits a change in value and there is a mutual agreement between parties, we will make a valuation correction on the property for that tax year. If there is no agreement, the protest is scheduled before the Valuation Protest Board.
5. Who on staff is allowed to make Treasurer's change orders, and do they require the signatures of the Assessor and Treasurer?
Los Alamos County Senior Assessment Specialist, Appraiser, Chief Appraiser, and Chief Deputy Assessor have the authority to make change orders. Treasure's signature is required on all change orders.
6. What software programs are used in your office for assessment data management?
Los Alamos County utilizes the Tyler Technologies, Eagle Assessor for assessment data management.
7. What continuing training is provided on valuation software for your staff?
Los Alamos County makes available training opportunities, to all staff, on the valuation maintenance software. Tyler also provides technical support if we encounter any issues.
8. Is incentive pay provided to your appraisers?
Los Alamos County Council approved a \$3,750 annual incentive for all assessor's staff on January 31, 2017.
9. Does your office have an active public relations program? Provide examples of material/media available to taxpayers.
Los Alamos County has a public relations program as part of the Property Valuation and Maintenance Plan
<b>Reviewer Comments:</b>
The Annual Report to the County Commissioners was provided in hardcopy format and as a PowerPoint Presentation. The report included a review of administrative services and management goals which exceeded the statutory requirements under 7-36-16.E NMSA. Los Alamos County provides presentations to service groups and press releases/columns on the website as part of their public relations programs.
<b>Assessor Comments:</b>

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<b>Los Alamos County</b> <b>Data Management</b>	
1. When was the last time your office <b>physically</b> inspected all properties in your county? (IAAO standard is every 4-6 years)	Los Alamos County has a 5 year reappraisal plan where one-fifth of the parcels are physically inspected each year by sub-areas. Changes and photos are tracked in our CAMA system.
2. Do all improved properties have a current improvement sketch in the valuation system?	Los Alamos County Maintains a sketch of all real property improvements on their property record cards using the Apex sketching program which is integrated with our CAMA system.
3. Are you currently using override values on a significant number of properties? If so, explain why.	Los Alamos County make an effort to enter all property amenities and attributes into their valuation models and provide a valuation that is generated by the valuation models without the use of overrides. Overrides are only used in cases where the property is affected by atypical circumstances.
4. What training and/or experience is required for appraisers who collect data in the field?	Los Alamos County appraisers must have at least 2 years experience with data collection work in real estate, construction or a related field and a HS Diploma or GED. All Los Alamos County field appraisers are NM PTD State Certified. LAC also has a great mentoring program and in-house training and made part of our Property Valuation and Maintenance Plan.
5. How do you maintain field inspection data within your valuation system?	a. Describe the accuracy of your current property inspection data and what steps are being taken to assure accurate records and assessments.
	Los Alamos County maintains field inspection data by entering the date of the latest field inspection on the valuation system. Property inspections are also verified through internal audit trails.
6. List the property types covered by your re-inspection plan.	Los Alamos County re-inspection plan covers all property types, including manufactured homes. This includes residential and non-residential properties. All manufactured homes that are not on a permanent foundation are inspected annually. Manufactured homes on a permanent foundation are included in our 5 yr reappraisal plan.
7. Do you use any alternate methods to an on-site inspection, i.e., Pictometry? Please explain your procedures and how it is tested for accuracy.	Los Alamos County utilizes Pictometry and ESRI software for periodic on-site reviews.
9. At what percentage of completion is new construction added to the tax roll?	Los Alamos County begins to add new construction at a minimum of 10% completion to the tax roll. Percentages from the Marshall and Swift /Local Cost Manuals are used to determine the percent complete of the improvement.
10. Was all new construction, renovation, addition, or demolition field reviewed by an appraiser prior to valuation?	Los Alamos County field reviews all new construction, renovations, additions and demolitions prior to valuation. Properties are valued at its percent complete as of January 1st. Please see prior question.
<b>Reviewer Comments:</b>	
Los Alamos County is doing a good job of inspecting all properties within their jurisdiction, training their staff on proper data collection, and maintaining accurate property data.	
<b>Assessor Comments:</b>	

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<b>Los Alamos County</b> <b><u>Valuation - General</u></b>
<p>1. Is there a written office policy in place regarding the verification of sales? If so, provide a copy. Describe your sales verification process.</p>
<p>Los Alamos County does not have a written office policy in place regarding the verification of sales. However, we have a workflow for Sales verification on our CAMA system. Transfer documents recorded in the county clerks office are searched, reviewed and entered in our CAMA system as an ownership change. From there it is forwarded to the appropriate appraisers workflow where he/she verifies and validates the sale(s). The Chief Deputy Assessor also conducts a year end QC to assure all sales have been verified.</p>
<p>2. Is your valuation system only stratified by school district or is it further stratified by market areas/neighborhoods? Please explain and be prepared to demonstrate.</p>
<p>Los Alamos County utilizes Super Neighborhoods (Market Areas) which are further separated into Neighborhoods.</p>
<p>3. How often are cost schedules checked against local buildings of known cost and adjusted as necessary? Please provide a copy of the last study.</p>
<p>Los Alamos County analyzes all building cost information on an annual bases and checks against cost schedules. (Copy provided)</p>
<p>4. Are transferred properties field inspected as part of the sales verification process?</p>
<p>Los Alamos County reviews all transferred properties as part of the sales verification process, however, not all properties are physically inspected.</p>
<p>5. What quality control measures are in place to ensure accurate property values?</p>
<p>Los Alamos County utilize the Tylereagle CAMA system which has internal controls to ensure property values are uniformly and equitably assessed. Sales Ratio studies are also utilized as quality control. Valuation models are stratified in many ways to ensure the values are fairly and equitable, not only for sales but all property values.</p>
<p>6. Are protested properties field inspected prior to determining whether a value change is necessary?</p>
<p>Los Alamos County has a process in place to field inspect all protested properties and comparable used to determine an estimated market value of the property.</p>
<p>7. Describe your office's protest process from beginning to end.</p>
<p>Los Alamos County protest process starts with a field inspection where our measurements and overall characteristics of the property are reviewed. The next step is to gather comparable sales information similar to the property and make proper adjustment to the sales prices to come up with an estimated market value of the property, an appraisal. We then schedule an informal hearing with the protestant or an authorized agent to exchange information and discuss our findings. Los Alamos County makes every effort to have an informal hearing with the protestant as many protests are resolved during that period. If the opinion of value on our appraisal merits a change in value, and there is a mutual agreement between parties, we will make a valuation correction on the property for that tax year. If there is no agreement, the protest is scheduled before the Valuation Protest Board.</p>
<p>8. Are there tribal lands within your County?</p>
<p>Los Alamos County does not have any tribal lands within it boundaries.</p>
<p>9. If you answered yes to question 8, describe how you assess tribal lands under the different ownership interests.</p>
<p>N/A</p>
<p><b>Reviewer Comments:</b></p>
<p>The Assessor provided a copy of the survey's of local building costs from their permit data which is collected from homeowners and local contractors for comparison against the Marshall and Swift cost tables.</p>

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<b>Los Alamos County</b>
<b>Assessor Comments:</b>
The mission of the Los Alamos County Assessor's Office is to provide excellent public service by providing accurate and timely assessments of all property subject to property taxation in accordance with the Property Tax Code, regulations, orders, rulings and instructions from the department.

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<b>Los Alamos County</b> <b>Land Valuation</b>	
1. Describe your land valuation process. When was the last time land values were updated?	Los Alamos County develops and utilizes land valuation tables for the assessment of land. Land sales are reviewed annually.
2. Are land sales reviewed, confirmed, and maintained in a sales file? Please provide an example.	Los Alamos County land sales are limited but looked at annually. All sales are maintained in our CAMA system (Tylereagle).
3. How long are land sales maintained in your office records?	Los Alamos County enters all sales in the Tylereagle system and are maintained for multiple years. Land sales are limited and therefore kept in a data bank.
4. Please explain the method of valuation used when recent land sales are not available.	Los Alamos County conducts annual extractions on improved properties to gather land values and land to building ratios. This information is used to further verify land values are uniformly applied to the neighborhoods.
5. How were your current land tables derived?	Los Alamos County land tables were derived by analysis of land sales and use of the extraction method.
6. Do you perform a separate sales ratio study on vacant land? Provide a copy.	Los Alamos County performs sales ratio studies on vacant land to determine proper adjustments to our land valuation models. (Copy provided)
<b>Reviewer Comments:</b>	
Although Los Alamos County has limited vacant land sales, they have developed land valuation tables and provided a hardcopy at the time of evaluation.	
<b>Assessor Comments:</b>	
Because there are very few land sales in Los Alamos County, the Extraction Method is used to verify that our land values are conforming to the market.	

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<b>Los Alamos County</b> <b><u>Personal Property Valuation</u></b>	
1.	Are new manufactured home accounts field reviewed prior to valuation and placement on the tax rolls?
Los Alamos County conducts annual field inspections on manufactured homes including new accounts.	
2.	What valuation manual or method is used in valuation of manufactured homes? Is there an established maximum depreciation?
Los Alamos County looks at the market (recent sales), cost approach (M&S), and the NADA Guide to establish and maintain manufactured home valuation models. The Manufactured Home Valuation Model incorporates a maximum depreciation of 80%.	
3.	Are personal property forms mailed to all businesses annually? (7-38-8 NMSA 1978)
Los Alamos County mails out business personal property (BPP) rendition forms to all active BPP accounts and all active licensed businesses by the Los Alamos County Economic Development Department (CEDD).	
4.	How do you discover and assess new personal property accounts?
Los Alamos County develops a list of new businesses from the Los Alamos County Economic Development Department EnerGov permitting system and mails out a BPP Rendition Form. Furthermore, the BPP form is made part of the new Business License application from the CEDD as a courtesy of informing new business owners of the BPP obligation.	
5.	How does your office follow up on non-returned personal property rendition forms?
Los Alamos County follow up on non-returned personal property rendition forms by force assessments if an active account and business license exists. Personal phone calls are conducted as needed.	
<b>Reviewer Comments:</b>	
Los Alamos County uses multiple sources for valuation of personal property. The NADA Guide is used in the valuation of mobile homes and the Assessor has a maximum mobile home depreciation of 80%.	
<b>Assessor Comments:</b>	
Los Alamos County adheres to the Property Tax Code and the regulations, orders, rulings and instructions of the department for the valuation of business personal property.	

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<b>Los Alamos County</b> <b><u>Residential Valuation</u></b>
<p>1. How do you revalue transferred residential properties at “current and correct” market value?</p>
<p>Los Alamos County values transferred residential properties at current market value in adherence with 7-36-16 NMSA 1978. Residential properties are valued by having two sets of values, market value, and assessed value. The internal control of our CAMA system looks at each residential assessed value and determines if there has been a transfer (sale) in the year prior and transfers the calculated market value as the assessed value for those properties. For residential properties that do not have a sale, the CAMA system applies the 3% increase, then adds the amount of new value, if there is value applied for new construction, and transfers that value as the assessed value. The assessed value shall never be higher than the calculate market value.</p>
<p>2. Do you perform independent sales ratio studies on each neighborhood or market area to verify that non-transferred property values are current and correct?</p>
<p>Los Alamos County performs statistical testing on each neighborhood to verify values reflect market value. A pre-sales ratio is performed prior to adjusting valuation models to specify target areas.</p>
<p>3. What is your office policy on the assessment of:</p> <p>a. Tiny homes?</p> <p>b. Park models?</p>
<p>Los Alamos County currently does not have any Tiny Homes or Park Model homes, however, if and when we get any we will value them at its Current and Correct Value as per 7-36-16 NMSA 1978. If they are permanently affixed to the property they will be assessed as real property, if they are tangible, they will be valued as a manufactured home or modular home, unless there are changes to the law.</p>
<p>4. How do you determine the need to raise or lower values in each area of stratification?</p>
<p>Los Alamos County analyze the market to determine the affect on the valuations.</p>
<p><b>Reviewer Comments:</b></p>
<p>Los Alamos County tracks its sale data from the transfer affidavits and conducts statistical testing by market area, values then move accordingly based upon the CAMA system models.</p>
<p><b>Assessor Comments:</b></p>
<p>Los Alamos County adheres to the Property Tax Code and the regulations, orders, rulings and instructions of the department for the valuation of residential property.</p>

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<b>Los Alamos County</b> <b><u>Commercial Valuation</u></b>	
1. How are commercial properties stratified into separate market areas?	Los Alamos County mainly stratifies commercial properties by Super Neighborhood (Market Area) and further separated into Neighborhoods and property use (Occupancy).
2. When was the last time a complete field review and reappraisal of commercial property was completed?	Los Alamos County conducts an annual field inspection on commercial property. Upon inspection we review the properties characteristics, property use, and the occupancy/vacancy.
3. Were commercial property values changed in 2017? Please provide the documentation used to determine if commercial values required a change in the 2017 tax year.	Los Alamos County values commercial property at it current and correct value. Data collected from inspections, sales and questionnaires are used to establish vacancy rates, cap rates, expense ratios, rental rates and compared to other third party resources. Occupancies and property characteristics are analyzed to calibrate our models based on the above mentioned data.
4. What is your procedure for collecting income and expense data? Please provide copies of forms used to collect income data.	Los Alamos County utilizes questionnaires and personal interviews with real estate professionals to collect income and expense data. We have developed relationships with appraisers, real estate agents, business owners, and local, state and federal government agencies that share income and expense data with our office.
5. Briefly describe how your office maintains and utilizes collected income data.	Los Alamos County maintains and utilizes collected and income data in an in-house data bank, stored electronically (on network server and CAMA system) and hard copy.
6. What approaches to value are utilized for commercial properties?	Los Alamos County utilizes the three approaches to value Income, Cost an Sales Comparison approach when information is available. The valuation models are developed by the market and cost approach, Market Influenced Cost Approach (MICA).
7. Do you perform sales ratio studies on commercial properties?	Los Alamos County performs sales ratio studies on all valid sales and stratified by various groups to determine proper adjustments to the valuation models.
8. Does your office use commercial publications or online databases to help in the development of rental rates, expense ratios, and capitalization rates? Which publications are used?	Los Alamos County utilizes the Marshall & Swift black box integrated with our CAMA system, residential and commercial estimator, and manual update services. Other online databases utilized are LoopNet data bank for listings and sales data, Realty Rate and other websites/publications to obtain income data such as cap rates, expense ratios, operating expense ratio, occupancy rates, and other information useful for valuing commercial properties.
<b>Reviewer Comments:</b>	
Los Alamos County uses a custom Commercial Income and Expense Questionnaire to track its commercial property data. A hardcopy was provided for review during the evaluation process. The Assessor appears to be doing a good job of using multiple data sources for the assessment of commercial property.	
<b>Assessor Comments:</b>	
Los Alamos County adheres to the Property Tax Code and the regulations, orders, rulings and instructions of the department for the valuation of commercial property.	

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<b>Los Alamos County</b>  <b>Mapping</b>
1. Is there a link between the parcels in your digital maps and the ownership data in your CAMA system? If a link exists, briefly describe how it operates.
Los Alamos County's GIS and CAMA system are linked and utilized for valuation modeling. The GIS spatial data is integrated with the CAMA system.
2. Are your parcel maps available online?
Los Alamos County has parcel maps available online through our Parcel Viewer
3. Are your property tax boundaries consistent with your school district boundaries?
a. Please describe how annexations are conveyed to your office from incorporated places within the county.
b. Within the proximity of property tax area boundaries, is there a practice of regularly verifying that parcels are correctly coded for their respective tax/school district?
Los Alamos County tax boundaries are consistent with our school district. In cooperation with the GIS Coordinator, the county assessor runs a check to verify consistency between Assessor and GIS data, annually.
4. Are deed splits and combinations mapped within 1 month?
a. What is your back log of deed splits and/or combinations?
b. Is it noted in your CAMA system that a change has occurred upon split or combination?
Los Alamos County completes all splits and consolidations in a timely manner, there is no back log. All splits and consolidations are maintained in our CAMA system.
5. Please describe your policies for providing parcel and ownership data to public and private entities. Please cite any local ordinances that govern your data sharing policies.
Los Alamos County parcel and ownership data is available online. Only information that is identified as confidential through IPRA is redacted.
6. Is the mapping department managed and maintained within the Assessor's Office? If not, where is this work performed and describe how the Assessor's Office maintains data authority?
Los Alamos County mapping is managed and maintained by the Los Alamos County Information Management (IM) Department. The GIS Coordinator routinely checks with the assessors office and the clerks office for newly recorded plats, surveys, lot line adjustment, etc. The GIS Coordinator creates and maintains all UPC's and spatial parcel data.
<b>Reviewer Comments:</b>
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<b>Assessor Comments:</b>
Los Alamos County adheres to the Property Tax Code and the regulations, orders, rulings and instructions of the department and are in compliance with the mapping requirements. Mapping functions are shared between the Assessor's office and IM.

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<b>Los Alamos County</b> <u><b>Agriculture</b></u>
1. How do you periodically verify that properties receiving the special method of value are being used for agricultural purposes? Los Alamos County does not have any agricultural properties.
2. What are your verification procedures when receiving an application for a Special Method of Valuation for Agricultural properties? (7-36-20 NMSA 1978) Los Alamos County does not have any agricultural properties.
3. Are you inspecting and reappraising the residential portion of agricultural properties upon sale and bringing the improvements to current & correct? Los Alamos County does not have any agricultural properties.
4. Do you maintain agricultural applications on file for all properties currently receiving special method of valuation? Los Alamos County does not have any agricultural properties.
5. Do you require livestock to be rendered in order to apply the grazing special method of value on non-exempt tribal lands? Los Alamos County does not have any agricultural properties.
6. Do you revalue the portions of agricultural properties that are leased for commercial use? (i.e. solar and wind farms) Los Alamos County does not have any agricultural properties.
7. Have you done any independent studies of agricultural values? Does the data indicate a need to update these values? Los Alamos County does not have any agricultural properties.
<b>Reviewer Comments:</b> There are no agricultural properties within the jurisdiction of Los Alamos County.
<b>Assessor Comments:</b> 

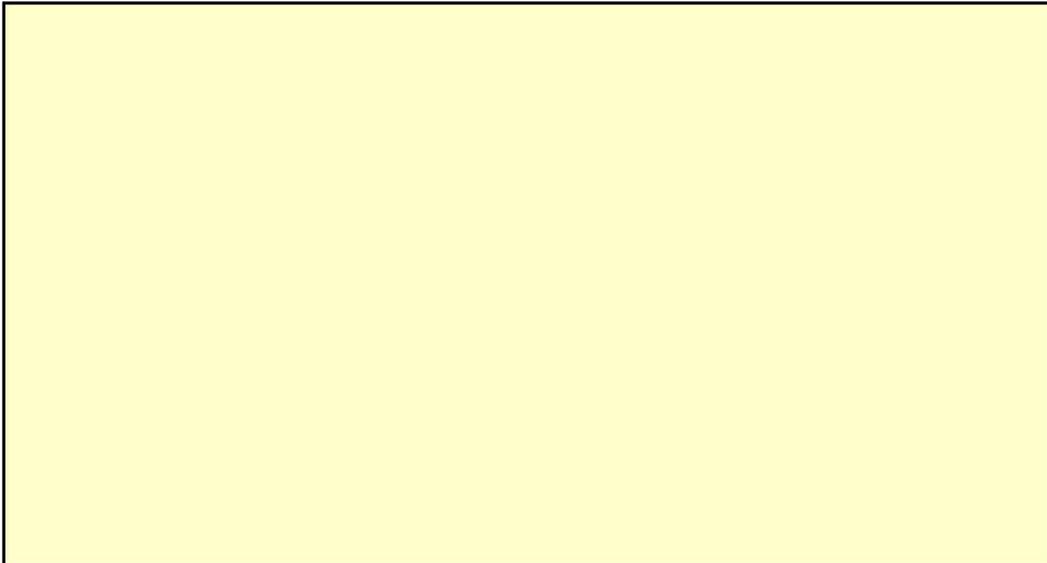
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<b>Los Alamos County</b> <b><u>Self Assessment</u></b>	
1. Is your office adequately funded? Describe any budget constraints and if your 1% fund is used solely for reappraisal purposes.	<p>Los Alamos County is adequately funded with no budget constraints and solely uses the Property Valuation Fund for approved reappraisal purposes only. The Assessor's FY2019 budget has not gotten the final approval from County Council as of the date of this evaluation.</p>
2. Are there any additional resources needed that would assist your office in the administration of the laws and regulations under the property tax code?	<p>Los Alamos County does not need any assistance to administer the laws and regulations required by the Property Tax Code, however, there are issues that we could work together to provide uniformity when it comes to assessing BPP, administering certain exemptions and other valuation processes that have come up in recent years. Educational workshop, orders, and regulation changes are just some suggestions that could assist county assessors.</p>
3. What successes has your office had this year?	<p>Los Alamos County has had numerous success this year. Successfully complete Phase 1 of our 5 year inspection plan, which comprises of approximately 20% of or total parcels. Successfully defended all Property Appeals. Successfully produced the annual sales ratio studies with statistical measures that met or exceed national standards. Included an informational video on our website on the NM Residential Valuation Limitation. Provided a flag on the Notice of Value on all residential properties limited to the 3% cap. Evaluation by the Property Tax Division with no finding. Staff completed continuing education required to maintain the NM Certified Appraiser Certificate.</p>
4. What obstacles has your office faced this year?	<p>Obstacles that we face every year in the lack of commercial sales and income and expense data.</p>
<b>Reviewer Comments:</b>	
<p>The Los Alamos County Assessor's office staff were very cooperative and well prepared for the evaluation.</p>	
<b>Assessor Comments:</b>	

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**State of New Mexico  
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Property Tax Division  
ANNUAL ASSESSOR EVALUATION  
General Comments and Recommendations**



Ken Milder, Los Alamos County Assessor

The Los Alamos County Assessor and staff were very cooperative, organized and professional throughout the evaluation process. The Assessor's office is very organized, and they take full advantage of their CAMA system and all available resources.



William J. Kourkos, Property Tax Division

## I. Annual Assessor Evaluation



**Susana Martinez**  
Governor

**John Monforte**  
Acting Cabinet Secretary

### DIVISIONS

**Office of the Secretary**  
(505) 827-0341  
**Administrative Services**  
(505) 827-0369  
**Audit and Compliance**  
(505) 827-0900  
**Motor Vehicle**  
(505) 827-2296  
**Property Tax**  
(505) 827-0870  
**Revenue Processing**  
(505) 827-0800  
**Tax Fraud Investigation**  
(505) 827-0354

August 6, 2018

Kenneth Milder  
Los Alamos County Assessor  
1000 Central Ave. Ste 210  
Los Alamos, NM 87544

Dear Mr. Milder:

Your 2018 Evaluation was conducted on April 11, 2018 by William J. Kourkos and the following was observed:

**Assessment Administration** (9 Questions): In compliance, no discrepancies noted.

**Data Management** (10 Questions): In compliance, no discrepancies noted.

**General Valuation** (9 Questions): In compliance, no discrepancies noted.

**Land Valuation** (6 Questions): In compliance, no discrepancies noted.

**Personal Property Valuation** (5 Questions): In compliance, no discrepancies noted.

**Residential Valuation** (4 Questions): In compliance, no discrepancies noted.

**Commercial Valuation** (8 Questions): In compliance, no discrepancies noted.

**Mapping** (6 Questions): In compliance, no discrepancies noted.

**Agricultural Properties** (7 Questions): Not Applicable.

**Self-Assessment** (4 Questions): In compliance, no discrepancies noted.

I want to thank you and your staff for your cooperation and professionalism throughout the evaluation process. The annual evaluations are a good tool to assist Assessor's in identifying

I. Annual Assessor Evaluation



**Susana Martinez**  
Governor

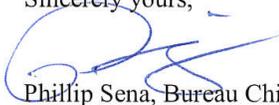
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areas that need improvement and to assure that they are in compliance with all statutory requirements.

Sincerely yours,



Phillip Sena, Bureau Chief  
Property Tax Division

## II. Los Alamos Eight Year Summaries

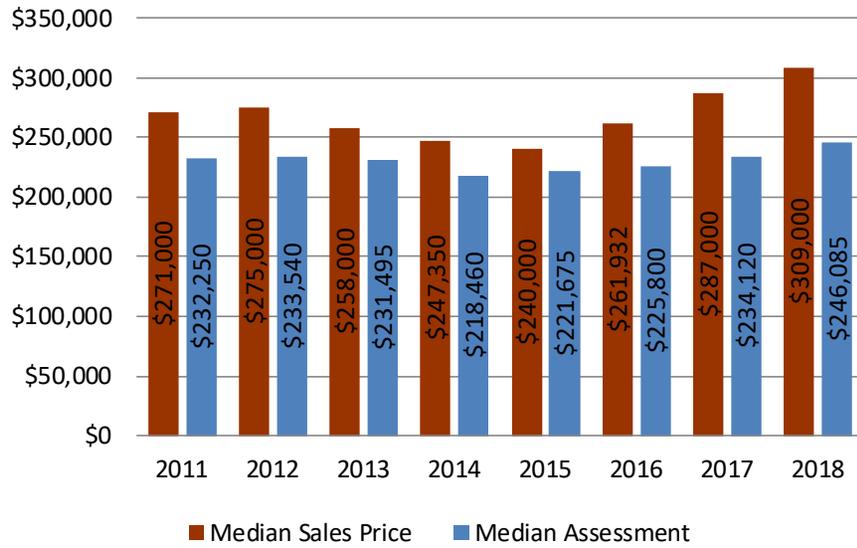
Single Family Units Sales								
Tax Years	2011	2012	2013	2014	2015	2016	2017	2018
Median Sales Price	\$271,000	\$275,000	\$258,000	\$247,350	\$240,000	\$261,932	\$287,000	\$309,000
Sales Price / Sq. Ft.	\$139.59	\$135.92	\$124.09	\$122.09	\$126.76	\$139.01	\$157.44	\$165.72
# of Sales	206	175	221	233	306	416	421	479
Single Family Units Assessed Values								
Tax Year	2011	2012	2013	2014	2015	2016	2017	2018
Median Assessment	\$232,250	\$233,540	\$231,495	\$218,460	\$221,675	\$225,800	\$234,120	\$246,085
Assessment / Sq. Ft.	\$123.80	\$123.66	\$121.93	\$115.12	\$116.84	\$118.44	\$122.71	\$127.77
# of Permits	563	597	681	668	544	631	814	830
New Construction Value	\$1,763,040	\$1,596,610	\$3,580,620	\$5,013,200	\$1,672,150	\$2,506,590	\$4,433,380	\$3,456,110
Total Parcel Summary								
Tax Year	2011	2012	2013	2014	2015	2016	2017	2018
Residential**	7,001	7,003	7,004	7,019	7,034	7,040	7,048	7,066
M.H. Park	2	2	2	2	2	2	2	2
Residential Mobile Homes	218	203	194	189	178	185	192	226
Bed & Breakfast	6	6	7	6	6	5	5	5
Apartments	32	32	32	32	32	32	33	33
<b>Total Residential Parcels</b>	<b>7,259</b>	<b>7,246</b>	<b>7,239</b>	<b>7,248</b>	<b>7,252</b>	<b>7,264</b>	<b>7,280</b>	<b>7,332</b>
Commercial	181	180	179	183	182	186	188	188
Bed & Breakfast	1	1	1	1	1	1	1	1
Non-Residential Mobile Homes	39	39	41	40	40	33	33	35
Hangers	46	46	45	45	45	45	45	43
Stables	108	109	109	110	106	106	106	105
Other Improvements	1	1	1	1	1	1	1	1
Land Res. Vacant	246	243	240	234	231	222	215	199
Land Commercial Vacant	8	8	7	7	7	9	8	9
Personal Property	315	328	387	377	352	340	341	343
Livestock	319	331	354	320	348	324	313	310
State Assessed	18	20	18	21	18	23	25	21
Exempt Properties	538	539	611	607	610	611	613	618
<b>Total Non-Residential</b>	<b>1,820</b>	<b>1,845</b>	<b>1,993</b>	<b>1,946</b>	<b>1,941</b>	<b>1,901</b>	<b>1,889</b>	<b>1,873</b>
<b>Total Residential &amp; Non Res.</b>	<b>9,079</b>	<b>9,091</b>	<b>9,232</b>	<b>9,194</b>	<b>9,193</b>	<b>9,165</b>	<b>9,169</b>	<b>9,205</b>
Personal Property Valuation								
Tax Year	2011	2012	2013	2014	2015	2016	2017	2018
Personal Property Valuation	\$10,083,870	\$7,894,730	\$7,441,000	\$8,075,980	\$8,390,600	\$8,194,380	\$8,109,120	\$7,920,170
Livestock Valuation	\$49,870	\$55,290	\$66,080	\$49,390	\$64,420	\$59,930	\$64,690	\$61,010
<b>Total Valuation</b>	<b>\$10,133,740</b>	<b>\$7,950,020</b>	<b>\$7,507,080</b>	<b>\$8,125,370</b>	<b>\$8,455,020</b>	<b>\$8,254,310</b>	<b>\$8,173,810</b>	<b>\$7,981,180</b>

## II. Los Alamos Eight Year Summaries (continued)

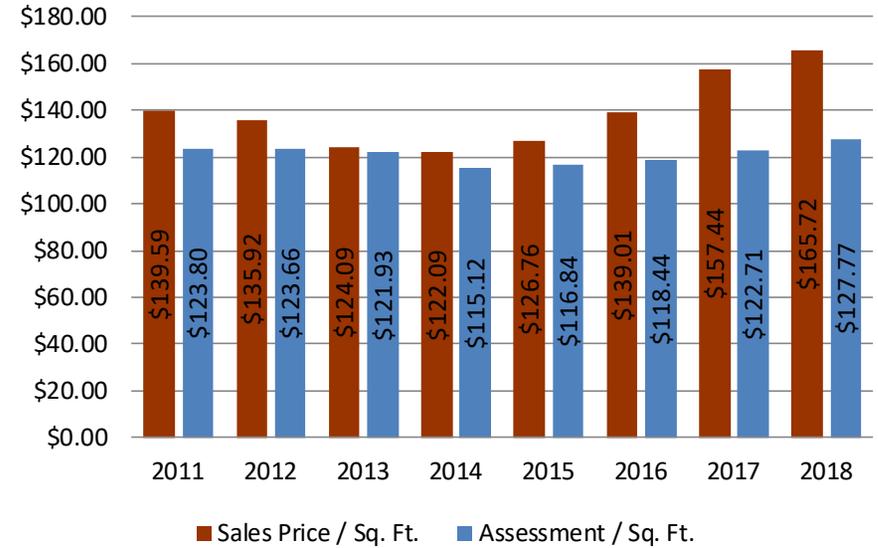
Manufactured Homes								
Tax Year	2011	2012	2013	2014	2015	2016	2017	2018
Mobile Home Residential Value	\$1,224,440	\$1,171,640	\$1,141,920	\$1,066,240	\$1,075,510	\$1,170,210	\$1,274,690	\$1,699,950
Mobile Home Non-Res. Value	\$205,600	\$199,840	\$201,630	\$212,070	\$212,070	\$187,660	\$187,660	\$210,890
<b>Total M.H. Valuation</b>	<b>\$1,430,040</b>	<b>\$1,371,480</b>	<b>\$1,343,550</b>	<b>\$1,278,310</b>	<b>\$1,287,580</b>	<b>\$1,357,870</b>	<b>\$1,462,350</b>	<b>\$1,910,840</b>
<b>Los Alamos</b>								
Residential	\$403,623,290	\$407,748,160	\$404,215,120	\$384,889,260	\$390,993,810	\$398,313,760	\$414,373,920	\$435,444,000
Non-Residential	\$81,687,150	\$79,020,910	\$78,577,960	\$80,966,980	\$85,442,900	\$84,797,220	\$89,294,040	\$91,489,070
State Assessed	\$7,300,910	\$6,051,950	\$5,478,780	\$5,601,990	\$5,762,060	\$6,165,250	\$6,048,100	\$4,787,970
<b>Total Los Alamos</b>	<b>\$492,611,350</b>	<b>\$492,821,020</b>	<b>\$488,271,860</b>	<b>\$471,458,230</b>	<b>\$482,198,770</b>	<b>\$489,276,230</b>	<b>\$509,716,060</b>	<b>\$531,721,040</b>
<b>White Rock</b>								
Residential	\$201,872,490	\$198,626,170	\$195,905,470	\$187,360,420	\$191,508,810	\$194,759,520	\$202,112,570	\$211,921,620
Non-Residential	\$7,867,210	\$8,259,760	\$8,605,590	\$8,479,380	\$8,379,320	\$8,089,480	\$8,640,510	\$9,982,660
<b>Total White Rock</b>	<b>\$209,739,700</b>	<b>\$206,885,930</b>	<b>\$204,511,060</b>	<b>\$195,839,800</b>	<b>\$199,888,130</b>	<b>\$202,849,000</b>	<b>\$210,753,080</b>	<b>\$221,904,280</b>
<b>Total County</b>	<b>\$702,351,050</b>	<b>\$699,706,950</b>	<b>\$692,782,920</b>	<b>\$667,298,030</b>	<b>\$682,086,900</b>	<b>\$692,125,230</b>	<b>\$720,469,140</b>	<b>\$753,625,320</b>
Percentage growth in valuation	1.54%	-0.38%	-0.99%	-3.68%	2.22%	1.47%	4.10%	4.60%
<b>Exemptions</b>								
Tax Year	2011	2012	2013	2014	2015	2016	2017	2018
Head of Household	2,259	2,259	2,255	2,224	2,214	2,250	2,262	2,279
Veterans	760	748	735	718	714	688	660	647
Disabled Veterans	15	18	18	19	20	20	22	22
Age 65 & Low Income	5	5	6	7	6	7	7	8
Total Exemption Value	\$8,744,840	\$9,111,190	\$9,042,360	\$8,884,910	\$8,944,770	\$8,743,650	\$8,960,460	\$9,018,040
<b>Tax Rates</b>								
Tax Year	2011	2012	2013	2014	2015	2016	2017	2018
Residential	21.544	21.811	22.014	22.584	24.430	24.374	25.233	25.087
Non-Residential	25.433	25.464	25.445	25.652	27.496	27.575	28.708	28.710
<b>Property Tax Revenue</b>								
Tax Year	2011	2012	2013	2014	2015	2016	2017	2018
Total County (all entities)	\$15,509,049	\$15,603,300	\$15,570,178	\$15,369,558	\$16,970,153	\$17,188,234	\$18,542,902	\$19,290,947
State Assessed Portion	\$185,684	\$154,107	\$139,408	\$143,702	\$158,434	\$170,007	\$173,629	\$137,463
County / City Portion	\$5,249,798	\$5,334,430	\$5,391,121	\$5,410,445	\$7,070,700	\$7,098,378	\$7,276,452	\$7,541,844
Percentage growth in tax \$'s	1.06%	0.61%	-0.21%	-1.29%	10.41%	1.29%	7.88%	4.03%
** Includes Townhomes, Condos & Quads								

## II. Los Alamos Eight Year Summaries (continued)

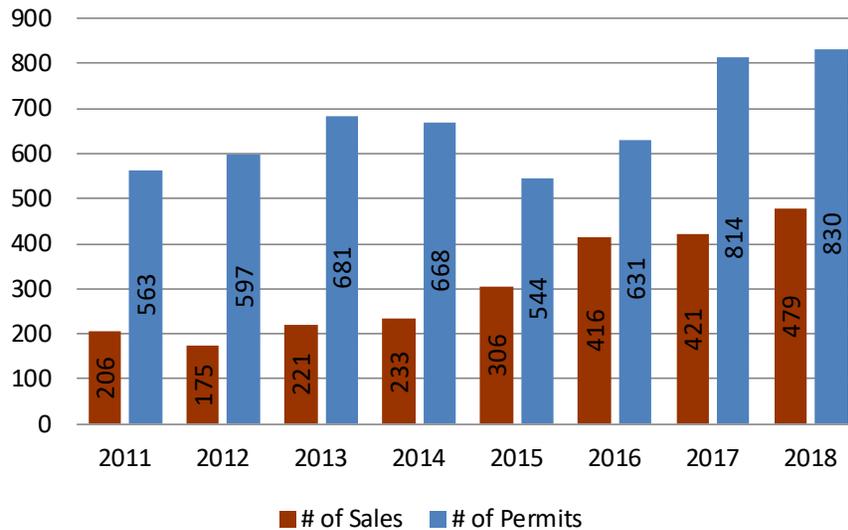
### Median Sales vs. Median Assessment



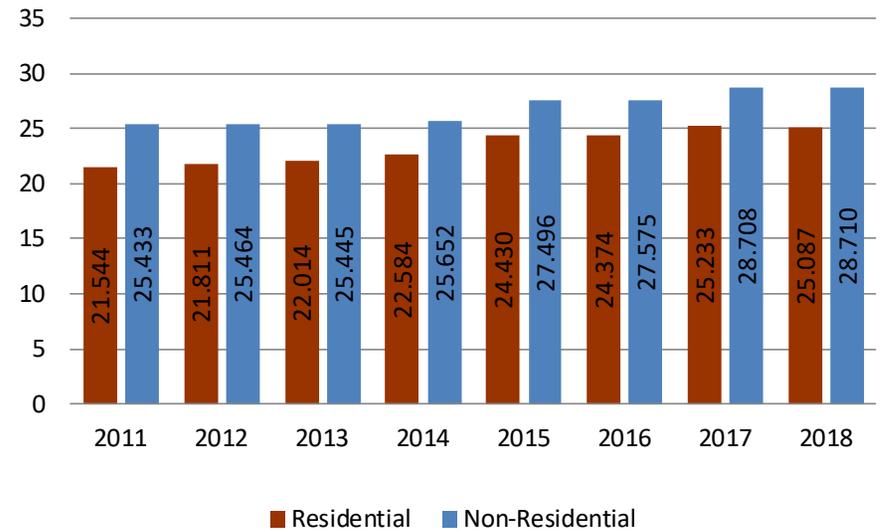
### Sales \$/SqFt. vs. Assessment \$/Sqft.



### Number of Sales and Permits



### Residential and Non-Residential Rates



### III. Ranking of Counties by Net Valuation

County	Class	Population			2014	2015	2016	2017	2018	Value					
		2000	2010	% Chg.	Valuation	Valuation	Valuation	Valuation	Valuation	% Chg.	2014	2015	2016	2017	2018
Bernalillo	A	556,678	662,564	19.02%	\$14,677,240,080	\$14,925,292,293	\$15,410,437,184	\$15,983,875,289	\$16,457,671,240	2.96%	1	1	1	1	1
Santa Fe	A	129,292	144,170	11.51%	\$6,515,268,763	\$6,563,245,270	\$6,763,810,967	\$6,994,646,682	\$7,122,647,940	1.83%	2	2	2	2	2
Lea *	B+	55,511	64,727	16.60%	\$4,189,410,181	\$4,753,607,555	\$3,708,066,183	\$3,595,509,017	\$4,865,047,771	35.31%	4	4	5	5	3
Eddy*	B+	51,658	53,829	4.20%	\$5,156,441,094	\$5,327,994,259	\$4,090,305,240	\$3,721,516,133	\$4,552,534,501	22.33%	3	3	4	4	4
Dona Ana	A	174,682	209,233	19.78%	\$3,874,858,844	\$4,088,963,196	\$4,173,726,189	\$4,305,618,665	\$4,470,235,921	3.82%	5	5	3	3	5
San Juan*	A	113,801	130,044	14.27%	\$3,699,760,378	\$3,971,520,476	\$3,633,984,075	\$3,540,376,687	\$3,634,808,236	2.67%	6	6	6	6	6
Sandoval*	A	89,908	131,561	46.33%	\$3,218,987,082	\$3,281,955,891	\$3,337,949,847	\$3,436,312,273	\$3,555,320,582	3.46%	7	7	7	7	7
Valencia	B+	66,152	76,569	15.75%	\$1,316,346,298	\$1,347,643,159	\$1,382,830,758	\$1,430,123,924	\$1,473,318,489	3.02%	10	10	9	9	8
Taos	B+	29,979	32,937	9.87%	\$1,382,827,714	\$1,376,086,693	\$1,422,907,056	\$1,461,229,454	\$1,467,912,079	0.46%	9	9	8	8	9
Lincoln	B+	19,411	20,497	5.59%	\$1,163,765,087	\$1,198,390,624	\$1,235,532,025	\$1,235,065,578	\$1,298,854,557	5.16%	12	12	10	10	10
Chaves*	B+	61,382	65,645	6.95%	\$1,174,056,125	\$1,227,456,723	\$1,233,758,158	\$1,215,256,719	\$1,268,334,256	4.37%	11	11	11	11	11
Rio Arriba*	B+	41,190	40,246	-2.29%	\$1,434,904,540	\$1,484,479,159	\$1,175,477,256	\$1,108,199,147	\$1,199,522,486	8.24%	8	8	12	13	12
Otero	B+	62,298	63,797	2.41%	\$1,064,379,222	\$1,101,635,025	\$1,132,391,124	\$1,166,317,694	\$1,194,024,848	2.38%	13	13	13	12	13
Curry	B+	45,044	48,376	7.40%	\$790,106,063	\$841,953,508	\$892,931,602	\$896,533,979	\$936,752,110	4.49%	16	14	14	14	14
McKinley*	B+	74,798	71,492	-4.42%	\$828,686,423	\$833,310,058	\$858,446,499	\$846,971,210	\$838,874,566	-0.96%	14	15	15	16	15
Grant**	B+	31,002	29,514	-4.80%	\$791,414,221	\$822,204,992	\$841,061,500	\$847,085,480	\$837,948,000	-1.08%	15	16	16	15	16
<b>Los Alamos</b>	<b>H</b>	<b>18,343</b>	<b>17,950</b>	<b>-2.14%</b>	<b>\$665,525,266</b>	<b>\$679,783,115</b>	<b>\$687,392,479</b>	<b>\$714,067,416</b>	<b>\$745,267,498</b>	<b>4.37%</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>
Colfax*	B+	14,189	13,750	-3.09%	\$642,521,295	\$665,893,145	\$644,823,360	\$643,851,492	\$646,673,520	0.44%	18	18	18	18	18
San Miguel	B+	30,126	29,393	-2.43%	\$548,760,802	\$579,241,292	\$583,539,531	\$594,296,203	\$610,906,020	2.79%	20	19	19	19	19
Luna	B+	25,016	25,095	0.32%	\$549,718,676	\$548,285,472	\$573,585,059	\$593,636,779	\$595,370,798	0.29%	19	20	20	20	20
Torrance	B-	16,911	16,383	-3.12%	\$358,726,441	\$376,873,400	\$390,725,148	\$409,463,685	\$419,935,731	2.56%	21	21	21	21	21
Roosevelt*	B-	18,018	19,846	10.15%	\$345,581,308	\$372,389,293	\$381,025,422	\$377,323,941	\$388,041,366	2.84%	22	22	22	22	22
Cibola	B-	25,595	27,213	6.32%	\$325,613,784	\$313,088,798	\$326,053,107	\$310,540,763	\$349,254,759	12.47%	23	23	23	24	23
Sierra	B-	13,270	11,988	-9.66%	\$298,497,807	\$304,308,627	\$312,394,055	\$314,726,091	\$319,657,445	1.57%	24	24	24	23	24
Socorro	B-	18,078	17,866	-1.17%	\$255,665,987	\$263,290,559	\$268,247,049	\$273,673,986	\$281,430,862	2.83%	25	25	25	25	25
Quay*	B-	10,155	9,041	-10.97%	\$176,769,255	\$194,009,707	\$201,158,062	\$210,678,271	\$212,949,144	1.08%	27	27	26	26	26
Union*	B-	4,174	4,549	8.98%	\$202,581,553	\$208,946,751	\$187,748,730	\$176,689,560	\$173,501,978	-1.80%	26	26	27	27	27
Hidalgo	B-	5,932	4,894	-17.50%	\$160,126,258	\$163,740,607	\$169,444,563	\$169,769,442	\$171,469,263	1.00%	28	28	28	28	28
Guadalupe	B-	4,680	4,687	0.15%	\$129,576,769	\$140,294,814	\$146,706,923	\$153,389,770	\$160,512,923	4.64%	29	29	29	29	29
Mora	B-	5,180	4,881	-5.77%	\$126,173,425	\$130,538,076	\$140,667,932	\$140,089,615	\$140,051,126	-0.03%	30	30	30	30	30
Catron	B-	3,543	3,725	5.14%	\$121,701,290	\$125,239,085	\$128,155,234	\$129,029,162	\$128,850,227	-0.14%	32	31	31	31	31
De Baca	C1+	2,240	2,022	-9.73%	\$67,086,979	\$76,222,839	\$82,919,133	\$84,980,498	\$91,348,468	7.49%	33	33	33	33	32
Harding*	C1+	810	695	-14.20%	\$124,710,467	\$125,080,243	\$106,969,890	\$92,670,792	\$89,919,961	-2.97%	31	32	32	32	33

\* Includes oil and gas

\*\* includes copper production

Data as of 9/27/2018 from the Department of Finance and Administration.

#### IV. Comparison of Counties by the Residential Rates in Descending Order

COMPARISON OF COUNTIES BY THE RESIDENTIAL RATES IN DESCENDING ORDER										
Rank	County	Class	2010 Population	2018 Valuation	Principle Municipality	2018 Residential Rates				
						County Only	City Only	County & City Only	Percentage of Total	Total Rate
1	Bernalillo	A	662,564	\$16,457,671,240	Albuquerque	8.49	11.229	19.719	47.23%	41.751
2	Cibola	B-	27,213	\$349,254,759	Grants	9.254	4.553	13.807	40.69%	33.936
3	Valencia	B+	76,569	\$1,473,318,489	Los Lunas	7.597	8.563	16.160	48.07%	33.621
4	Mc Kinley	B+	71,492	\$838,874,566	Gallup	6.541	7.747	14.288	43.08%	33.165
5	Socorro	B-	17,866	\$281,430,862	Socorro	11.033	5.363	16.396	51.26%	31.989
6	Dona Ana	A	209,233	\$4,470,235,921	Las Cruces	9.245	8.770	18.015	57.53%	31.315
7	Lea	B+	64,727	\$4,865,047,771	Lovington	7.041	3.733	10.774	34.64%	31.103
8	San Juan	A	130,044	\$3,634,808,236	Aztec	6.700	4.475	11.175	38.73%	28.851
9	Lincoln	B+	20,497	\$1,298,854,557	Ruidoso	7.973	6.754	14.727	51.14%	28.800
10	Guadalupe	B-	4,687	\$160,512,923	Santa Rosa	9.347	4.521	13.868	48.58%	28.549
11	San Miguel	B+	29,393	\$610,906,020	Las Vegas	5.265	6.713	11.978	42.25%	28.348
12	Otero	B+	63,797	\$1,194,024,848	Alamogordo	6.808	6.805	13.613	52.25%	26.054
13	Quay	B-	9,041	\$212,949,144	Tucumcari	9.42	4.031	13.451	52.19%	25.772
14	Luna	B+	25,095	\$595,370,798	Deming	9.821	5.940	15.761	62.21%	25.336
<b>15</b>	<b>Los Alamos</b>	<b>H</b>	<b>17,950</b>	<b>\$745,267,498</b>	<b>Los Alamos</b>	<b>5.705</b>	<b>3.837</b>	<b>9.542</b>	<b>38.04%</b>	<b>25.087</b>
16	Union	B-	4,549	\$173,501,978	Clayton	6.764	4.714	11.478	46.14%	24.877
17	Colfax	B+	13,750	\$646,673,520	Cimarron	8.927	5.256	14.183	57.57%	24.634
18	Eddy	B+	53,829	\$4,552,534,501	Carlsbad	5.616	4.950	10.566	42.98%	24.584
19	Santa Fe	A	144,170	\$7,122,647,940	Santa Fe	7.945	2.199	10.144	41.26%	24.583
20	Roosevelt	B-	19,846	\$388,041,366	Portales	10.649	2.819	13.468	54.99%	24.493
21	Torrance	B-	16,383	\$419,935,731	Estancia	12.661	2.235	14.896	60.85%	24.481
22	De Baca	C1+	2,022	\$91,348,468	Ft. Sumner	9.894	1.873	11.767	48.48%	24.274
23	Curry	B+	48,376	\$936,752,110	Clovis	9.352	3.366	12.718	54.16%	23.482
24	Sandoval	A	131,561	\$3,555,320,582	Bernalillo	7.048	3.253	10.301	44.20%	23.307
25	Sierra	B-	11,988	\$319,657,445	T or C	9.899	1.487	11.386	49.78%	22.871
26	Chaves	B+	65,645	\$1,268,334,256	Roswell	5.416	7.329	12.745	55.82%	22.834
27	Hidalgo	B-	4,894	\$171,469,263	Lordsburg	9.193	2.465	11.658	52.93%	22.027
28	Rio Arriba	B+	40,246	\$1,199,522,486	Espanola	4.753	3.503	8.256	39.02%	21.157
29	Catron	B-	3,725	\$128,850,227	Reserve	9.879	1.999	11.878	57.15%	20.783
30	Taos	B+	32,937	\$1,467,912,079	Taos	5.969	2.666	8.635	47.67%	18.114
31	Grant	B+	29,514	\$837,948,000	Silver City	7.47	2.669	10.139	57.78%	17.549
32	Harding	C1+	695	\$89,919,961	Roy	7.871	1.375	9.246	54.02%	17.116
33	Mora	B-	4,881	\$140,051,126	Mora	8.973	0	8.973	60.42%	14.852

Rates are expressed as dollars per thousand. Data obtained from NM Department of Finance and Administration.

Fell to 15th lowest, comparing 2017 to 2018.

5th lowest of Total County/City Residential Tax Rates.

#### IV. Comparison of Counties by the Non-Residential Rates in Descending Order

COMPARISON OF COUNTIES BY THE NON-RESIDENTIAL RATES IN DESCENDING ORDER										
Rank	County	Class	2010 Population	2018 Valuation	Principle Municipality	2018 Non-Residential Rates				
						County Only	City Only	County & City Only	Percentage of Total	Total Rate
1	Bernalillo	A	662,564	\$16,457,671,240	Albuquerque	12.224	11.520	23.744	50.70%	46.833
2	Mc Kinley	B+	71,492	\$838,874,566	Gallup	11.850	9.134	20.984	52.38%	40.061
3	Valencia	B+	76,569	\$1,473,318,489	Los Lunas	12.559	8.905	21.464	54.58%	39.325
4	Lea	B+	64,727	\$4,865,047,771	Lovington	10.600	5.650	16.250	42.41%	38.315
5	San Miguel	B+	29,393	\$610,906,020	Las Vegas	11.850	7.650	19.500	52.88%	36.874
6	Cibola	B-	27,213	\$349,254,759	Grants	11.850	4.555	16.405	44.51%	36.858
7	Socorro	B-	17,866	\$281,430,862	Socorro	13.376	5.813	19.189	54.87%	34.974
8	Dona Ana	A	209,233	\$4,470,235,921	Las Cruces	11.958	9.126	21.084	61.03%	34.546
9	San Juan	A	130,044	\$3,634,808,236	Aztec	8.500	6.873	15.373	44.53%	34.525
10	Otero	B+	63,797	\$1,194,024,848	Alamogordo	11.850	8.897	20.747	61.48%	33.745
11	Quay	B-	9,041	\$212,949,144	Tucumcari	11.850	7.650	19.500	58.28%	33.459
12	Santa Fe	A	144,170	\$7,122,647,940	Santa Fe	13.973	3.766	17.739	53.92%	32.900
13	Guadalupe	B-	4,687	\$160,512,923	Santa Rosa	11.850	4.938	16.788	51.92%	32.333
14	Lincoln	B+	20,497	\$1,298,854,557	Ruidoso	11.508	5.787	17.295	55.33%	31.257
15	Rio Arriba	B+	40,246	\$1,199,522,486	Espanola	11.850	5.935	17.785	57.79%	30.775
16	Sandoval	A	131,561	\$3,555,320,582	Bernalillo	10.943	5.725	16.668	55.60%	29.980
17	Colfax	B+	13,750	\$646,673,520	Cimarron	11.850	6.608	18.458	63.52%	29.057
18	Chaves	B+	65,645	\$1,268,334,256	Roswell	10.158	8.204	18.362	63.62%	28.861
19	Eddy	B+	53,829	\$4,552,534,501	Carlsbad	7.500	6.225	13.725	47.56%	28.860
<b>20</b>	<b>Los Alamos</b>	<b>H</b>	<b>17,950</b>	<b>\$745,267,498</b>	<b>Los Alamos</b>	<b>8.85</b>	<b>3.998</b>	<b>12.848</b>	<b>44.75%</b>	<b>28.710</b>
21	Union	B-	4,549	\$173,501,978	Clayton	9.150	4.938	14.088	50.52%	27.886
22	Luna	B+	25,095	\$595,370,798	Deming	11.850	5.970	17.820	64.98%	27.424
23	Roosevelt	B-	19,846	\$388,041,366	Portales	11.850	3.148	14.998	57.49%	26.090
24	Hidalgo	B-	4,894	\$171,469,263	Lordsburg	11.850	3.225	15.075	58.73%	25.667
25	Sierra	B-	11,988	\$319,657,445	T or C	11.850	2.225	14.075	55.07%	25.560
26	Taos	B+	32,937	\$1,467,912,079	Taos	11.850	4.225	16.075	63.38%	25.363
27	Curry	B+	48,376	\$936,752,110	Clovis	9.850	3.725	13.575	55.58%	24.426
28	Grant	B+	29,514	\$837,948,000	Silver City	12.988	3.488	16.476	68.47%	24.064
29	Torrance	B-	16,383	\$419,935,731	Estancia	12.771	0.970	13.741	59.07%	23.263
30	Catron	B-	3,725	\$128,850,227	Reserve	11.850	2.225	14.075	60.96%	23.088
31	De Baca	C1+	2,022	\$91,348,468	Ft. Sumner	8.624	1.964	10.588	46.68%	22.683
32	Harding	C1+	695	\$89,919,961	Roy	10.850	2.055	12.905	63.05%	20.468
33	Mora	B-	4,881	\$140,051,126	Mora	13.626	0.000	13.626	67.12%	20.301

Fell to 20th lowest, comparing 2017 to 2018.

2rd lowest comparing of the Total County/City Non-Residential Tax Rate.

### IV. Trend of County Tax Rates for Past Ten Years

Residential Rates													Non-Residential Rates												
County	Principle Municipality	2001 Base	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	County	Principle Municipality	2001 Base	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Bernalillo	Albuquerque	1	1	1	1	1	1	1	1	1	1	1	Bernalillo	Albuquerque	1	1	1	1	1	1	1	1	1	1	1
Cibola	Grants	31	3	4	5	5	4	4	4	4	3	2	Mc Kinley	Gallup	3	2	2	3	2	2	2	2	2	2	2
Valencia	Los Lunas	6	2	2	2	2	2	2	3	3	4	3	Valencia	Los Lunas	7	3	3	2	3	3	3	3	3	3	3
Mc Kinley	Gallup	13	4	3	3	3	3	3	2	2	2	4	Lea	Lovington	20	7	7	6	8	8	6	4	4	4	4
Socorro	Socorro	2	5	6	4	4	5	5	6	5	5	5	San Miguel	Las Vegas	2	5	4	4	4	4	4	5	5	6	5
Dona Ana	Las Cruces	12	10	8	6	6	6	6	7	7	7	6	Cibola	Grants	31	6	9	7	11	6	5	6	6	5	6
Lea	Lovington	17	7	7	7	7	8	10	5	6	6	7	Socorro	Socorro	4	8	6	5	5	5	7	8	9	7	7
San Juan	Aztec	22	19	18	20	20	13	17	13	8	9	8	Dona Ana	Las Cruces	10	10	10	11	9	11	12	11	12	13	8
Lincoln	Ruidoso	10	13	13	13	13	12	8	8	10	8	9	San Juan	Aztec	21	17	17	17	15	10	14	10	7	8	9
Guadalupe	Santa Rosa	7	6	5	10	10	9	9	10	11	10	10	Otero	Alamogordo	5	11	11	12	10	12	11	13	15	12	10
San Miguel	Las Vegas	4	8	10	9	9	7	7	9	9	11	11	Quay	Tucumcari	9	9	8	8	7	9	9	9	10	9	11
Otero	Alamogordo	9	15	15	16	16	17	15	19	18	16	12	Santa Fe	Santa Fe	23	14	16	15	16	16	13	14	14	10	12
Quay	Tucumcari	3	18	16	15	15	15	11	12	13	12	13	Guadalupe	Santa Rosa	6	4	5	9	12	13	10	12	13	11	13
Luna	Deming	30	25	24	23	23	18	18	17	20	21	14	Lincoln	Ruidoso	8	16	14	14	13	17	15	15	16	14	14
<b>Los Alamos</b>	<b>Los Alamos</b>	<b>26</b>	<b>21</b>	<b>25</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>25</b>	<b>18</b>	<b>17</b>	<b>13</b>	<b>15</b>	Rio Arriba	Espanola	16	21	19	18	18	15	17	16	11	15	15
Union	Clayton	18	26	29	25	25	28	29	29	29	19	16	Sandoval	Bernalillo	15	15	13	10	6	7	8	7	8	16	16
Coffax	Cimarron	11	22	23	28	28	25	23	23	23	24	17	Coffax	Cimarron	14	13	15	19	19	19	18	19	18	21	17
Eddy	Carlsbad	21	20	20	19	19	23	19	14	14	17	18	Chaves	Roswell	11	12	12	13	14	14	16	18	19	19	18
Santa Fe	Santa Fe	28	27	26	24	24	26	20	20	19	14	19	Eddy	Carlsbad	29	26	25	26	26	26	19	17	17	17	19
Roosevelt	Portales	25	12	11	11	11	16	14	15	15	15	20	<b>Los Alamos</b>	<b>Los Alamos</b>	<b>30</b>	<b>18</b>	<b>21</b>	<b>22</b>	<b>22</b>	<b>23</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>18</b>	<b>20</b>
Torrance	Estancia	5	23	22	27	27	21	21	25	22	23	21	Union	Clayton	25	28	30	29	29	31	32	31	32	20	21
De Baca	Ft. Sumner	16	9	9	8	8	11	13	16	16	18	22	Luna	Deming	27	25	26	27	25	21	24	21	21	22	22
Curry	Clovis	15	17	17	17	17	19	22	22	21	22	23	Roosevelt	Portales	22	20	20	20	23	20	25	23	23	23	23
Sandoval	Bernalillo	19	16	14	12	12	10	12	11	12	20	24	Hidalgo	Lordsburg	13	22	22	21	20	22	22	22	22	24	24
Sierra	T or C	20	24	21	21	21	27	26	24	27	25	25	Sierra	T or C	18	24	24	24	21	28	23	24	27	25	25
Chaves	Roswell	14	11	12	14	14	14	16	21	25	26	26	Taos	Taos	28	32	31	30	30	29	29	27	24	26	26
Hidalgo	Lordsburg	8	14	19	18	18	20	24	26	26	27	27	Curry	Clovis	17	23	23	25	24	25	26	25	25	27	27
Rio Arriba	Espanola	23	30	30	31	31	24	28	27	24	28	28	Grant	Silver City	32	27	27	23	27	24	27	26	26	28	28
Catron	Reserve	33	32	33	33	33	33	27	28	28	29	29	Torrance	Estancia	12	29	32	32	32	32	31	32	31	31	29
Taos	Taos	29	33	32	32	32	32	33	33	33	31	30	Catron	Reserve	33	33	33	33	33	33	28	30	30	30	30
Grant	Silver City	32	31	31	30	30	31	32	32	32	32	31	De Baca	Ft. Sumner	19	19	18	16	17	18	21	28	28	29	31
Harding	Roy	27	29	27	29	29	29	30	31	30	30	32	Harding	Roy	26	30	29	31	31	30	33	33	33	32	32
Mora	Mora	24	28	28	26	26	30	31	30	31	33	33	Mora	Mora	24	31	28	28	28	27	30	29	29	33	33

Ranking from number 1 to 33, the lower the number the higher the tax rate. Using tax year 2001 as a base year this chart reflects the trend of each county due to the tax rates requirement changes since 2001. For example, Los Alamos County tax rates trends can be traced from the tax year 2001 as being 26th and 30th to the current 2018 tax year as having fell to 15th and 20th for the residential and non-residential rates.

**V. New Mexico County Operating Imposed and Remaining Authority  
Property Tax Rates Report  
2018 Tax Year - All Counties**

Rank	County	Residential	Nonresidential	Ad Valorem Production & Equipment	Imposed Operating Rate	Remaining Authority <sup>1</sup>
1	Catron	9.692	11.850	N/A	11.850	0.000
2	Cibola	8.802	11.850	N/A	11.850	0.000
3	Colfax	8.927	11.850	10.350	11.850	0.000
4	De Baca	9.828	8.954	N/A	11.850	0.000
5	Dona Ana	9.055	11.850	N/A	11.850	0.000
6	Grant	6.262	11.850	11.850	11.850	0.000
7	Guadalupe	9.118	11.850	N/A	11.850	0.000
8	Hidalgo	9.321	11.850	N/A	11.850	0.000
9	Luna	9.602	11.850	N/A	11.850	0.000
10	McKinley	6.172	11.850	11.850	11.850	0.000
11	Mora	6.924	11.850	N/A	11.850	0.000
12	Otero	6.714	11.850	N/A	11.850	0.000
13	Quay	7.701	10.350	10.350	11.850	0.000
14	Rio Arriba	4.569	11.850	11.850	11.850	0.000
15	Roosevelt	10.656	11.765	11.850	11.850	0.000
16	San Miguel	5.179	11.850	N/A	11.850	0.000
17	Santa Fe	5.801	11.850	N/A	11.850	0.000
18	Sierra	9.664	11.850	N/A	11.850	0.000
19	Socorro	9.283	11.850	N/A	11.850	0.000
20	Taos	5.834	11.237	N/A	11.850	0.000
21	Torrance	11.179	11.850	N/A	11.850	0.000
22	Valencia	6.755	11.850	N/A	11.850	0.000
23	Lincoln	5.139	8.850	N/A	11.600	0.250
24	Harding	8.240	10.850	10.850	10.850	1.000
25	Bernalillo	6.996	10.750	N/A	10.750	1.100
26	Lea	6.916	10.600	10.600	10.600	1.250
27	Chaves	5.326	9.616	10.350	10.350	1.500
28	Sandoval	6.383	10.350	10.350	10.350	1.500
29	Curry	9.278	9.850	N/A	9.850	2.000
30	Union	6.582	9.150	9.150	9.150	2.700
31	Los Alamos	5.761	8.850	N/A	8.850	3.000
32	San Juan	6.045	8.000	8.500	8.500	3.350
33	Eddy	5.545	7.500	7.500	7.500	4.350
<b>Average</b>		<b>7.553</b>	<b>10.908</b>	<b>10.415</b>	<b>11.183</b>	<b>0.667</b>
<sup>1</sup> 11.85 mill maximum allowed by law less the imposed rate. Information source: compiled from DFA rate certificate files. Data obtained from NM Department of Finance and Administration. (2018 Property Tax Facts)						

**VI. New Mexico County Operating Imposed and Remaining Authority  
Local Property Tax Rates Report  
2018 Tax Year - All Municipalities**

Rank	Municipality	Residential	Nonresidential	Imposed Operating Rate	Remaining Authority <sup>1</sup>
1	Angel Fire	5.096	7.650	7.650	0.000
2	Belen	5.575	6.113	7.650	0.000
3	Cimarron	5.256	6.608	7.650	0.000
4	Columbus	3.154	6.945	7.650	0.000
5	Cuba	3.673	7.650	7.650	0.000
6	Espanola	3.503	5.935	7.650	0.000
7	Eunice	5.405	7.650	7.650	0.000
8	Grady	5.970	7.650	7.650	0.000
9	Grenville	6.779	7.650	7.650	0.000
10	Hope	4.253	7.650	7.650	0.000
11	House	4.309	7.650	7.650	0.000
12	Jal	5.893	7.650	7.650	0.000
13	Las Vegas	6.713	7.650	7.650	0.000
14	Logan	7.650	6.919	7.650	0.000
15	Los Lunas	7.308	7.650	7.650	0.000
16	Maxwell	5.667	7.650	7.650	0.000
17	Milan	2.728	7.334	7.650	0.000
18	Mountainair	6.110	6.733	7.650	0.000
19	Raton	5.778	7.650	7.650	0.000
20	Red River	6.149	7.650	7.650	0.000
21	Rio Rancho	7.525	7.650	7.650	0.000
22	Roswell	6.775	7.650	7.650	0.000
23	Ruidoso Downs	5.015	7.465	7.650	0.000
24	San Jon	5.118	7.650	7.650	0.000
25	San Ysidro	6.228	7.116	7.650	0.000
26	Springer	5.413	7.650	7.650	0.000
27	Sunland Park	6.394	7.650	7.650	0.000
28	Taos Ski Valley	7.650	7.223	7.650	0.000
29	Tucumcari	4.031	7.650	7.650	0.000
30	Tularosa	5.270	7.650	7.650	0.000
31	Vaughn	7.650	7.650	7.650	0.000
32	Wagon Mound	5.450	5.847	7.650	0.000
33	Gallup	6.263	7.650	7.550	0.100
34	Carrizozo	6.329	5.923	7.225	0.425
35	Alamogordo	4.972	7.064	7.064	0.586
36	Bloomfield	4.841	7.000	7.000	0.650
37	Aztec	4.475	6.873	6.873	0.777
38	Corrales	3.975	6.870	6.870	0.780

**VI. New Mexico County Operating Imposed and Remaining Authority  
Local Property Tax Rates Report  
2018 Tax Year - All Municipalities (continue)**

Rank	Municipality	Residential	Nonresidential	Imposed Operating Rate	Remaining Authority <sup>1</sup>
39	Albuquerque	6.253	6.544	6.544	1.106
40	Ruidoso	5.248	4.281	6.368	1.282
41	Carlsbad	4.950	6.225	6.225	1.425
42	Jemez Springs	3.898	5.278	5.950	1.700
43	Socorro	5.363	5.813	5.813	1.837
44	Bernalillo	3.253	5.725	5.725	1.925
45	Lovington	3.733	5.650	5.650	2.000
46	Hobbs	3.984	5.555	5.555	2.095
47	Hatch	5.299	5.500	5.500	2.150
48	Folsom	2.852	5.425	5.425	2.225
49	Bayard	4.275	5.225	5.225	2.425
50	Chama	4.040	4.533	5.225	2.425
51	Hurley	4.308	4.058	5.225	2.425
52	Questa	4.192	5.225	5.225	2.425
53	Willard	5.225	4.728	5.225	2.425
54	Las Cruces	4.776	5.120	5.120	2.530
55	Clayton	4.714	4.938	4.938	2.712
56	Des Moines	3.820	4.938	4.938	2.712
57	Santa Rosa	4.521	4.938	4.938	2.712
58	Grants	4.553	4.555	4.555	3.095
59	Deming	4.445	4.475	4.475	3.175
60	Corona	3.763	4.352	4.425	3.225
61	Bosque Farms	2.691	2.496	4.225	3.425
62	Capitan	3.205	4.225	4.225	3.425
63	Elephant Butte	4.225	4.225	4.225	3.425
64	Santa Clara	2.678	3.788	4.225	3.425
65	Taos	2.666	4.225	4.225	3.425
66	Tatum	3.126	4.225	4.225	3.425
67	Los Alamos	<b>3.837</b>	<b>3.998</b>	<b>3.998</b>	<b>3.652</b>
68	Silver City	2.669	3.488	3.825	3.825
69	Clovis	3.366	3.725	3.725	3.925
70	Artesia	3.500	3.500	3.500	4.150
71	Eagle Nest	1.690	3.225	3.225	4.425
72	Lordsburg	2.465	3.225	3.225	4.425
73	Portales	2.819	3.148	3.225	4.425
74	Santa Fe	1.616	3.183	3.183	4.467
75	Edgewood	2.991	3.000	3.000	4.650

**VI. New Mexico County Operating Imposed and Remaining Authority  
Local Property Tax Rates Report  
2018 Tax Year - All Municipalities (continue)**

Rank	Municipality	Residential	Nonresidential	Imposed Operating Rate	Remaining Authority <sup>1</sup>
76	Peralta	2.914	2.944	3.000	4.650
77	Estancia	2.235	0.970	2.750	4.900
78	Rio Communities	2.750	2.750	2.750	4.900
79	Mesilla	1.029	2.340	2.340	5.310
80	Causey	1.567	2.225	2.225	5.425
81	Cloudcroft	0.868	2.225	2.225	5.425
82	Dexter	1.137	2.225	2.225	5.425
83	Dora	1.470	2.225	2.225	5.425
84	Elida	1.537	1.639	2.225	5.425
85	Encino	1.772	1.846	2.225	5.425
86	Farmington	1.425	2.225	2.225	5.425
87	Floyd	1.672	2.169	2.225	5.425
88	Fort Sumner	1.873	1.964	2.225	5.425
89	Hagerman	1.723	2.225	2.225	5.425
90	Lake Arthur	2.068	1.835	2.225	5.425
91	Loving	1.630	2.179	2.225	5.425
92	Magdalena	0.787	2.225	2.225	5.425
93	Melrose	1.913	2.225	2.225	5.425
94	Moriarty	2.225	1.461	2.225	5.425
95	Mosquero	1.125	1.900	2.225	5.425
96	Pecos	0.434	1.448	2.225	5.425
97	Reserve	1.999	2.225	2.225	5.425
98	Roy	1.375	2.055	2.225	5.425
99	T or C	1.487	2.225	2.225	5.425
100	Texico	1.924	2.225	2.225	5.425
101	Tijeras	0.874	2.225	2.225	5.425
102	Virden	1.099	1.977	2.225	5.425
103	Williamsburg	1.645	2.207	2.225	5.425
104	Anthony*	0.000	0.000	0.000	7.650
105	Kirtland*	0.000	0.000	0.000	7.650
106	Los Ranchos*	0.000	0.000	0.000	7.650
<b>Average</b>		<b>3.735</b>	<b>4.730</b>	<b>4.964</b>	<b>2.686</b>

<sup>1</sup>7.65 mill maximum allowed by law less the imposed rate.

\*Imposes no operating rate.

Information source: compiled from DFA rate certificate files.

## **VII. County Property Valuation Fund Statute**

### **7-38-38.1. Recipients of revenue produced through ad valorem levies required to pay counties administrative charge to offset collection costs.**

A. As used in this section:

(1) "Revenue" means money for which a county treasurer has the legal responsibility for collection and which is owed to a revenue recipient as a result of an imposition authorized by law of a rate expressed in mills per dollar or dollars per thousands of dollars of net taxable value of property, assessed value of property or a similar term, including but not limited to money resulting from the authorization of rates and impositions under Subsection B and Paragraphs (1) and (2) of Subsection C of Section 7-37-7 NMSA 1978, special levies for special purposes and benefit assessments, but the term does not include any money resulting from the imposition of taxes imposed under the provisions of the Oil and Gas Ad Valorem Production Tax Act [Chapter 7, Article 32 NMSA 1978], the Oil and Gas Production Equipment Ad Valorem Tax Act [Chapter 7, Article 34 NMSA 1978] or the Copper Production Ad Valorem Tax Act [Chapter 7, Article 39 NMSA 1978] or money resulting from impositions under Paragraph (3) of Subsection C of Section 7-37-7 NMSA 1978; and

(2) "Revenue recipient" means the state and any of its political subdivisions, excluding institutions of higher education located in class A counties and class B counties having more than three hundred million dollars (\$300,000,000) valuation, that are authorized by law to receive revenue.

B. Prior to the distribution to a revenue recipient of revenue received by a county treasurer, the treasurer shall deduct as an administrative charge an amount equal to one percent of the revenue received.

C. The "county property valuation fund" is created. All administrative charges deducted by the county treasurer shall be distributed to the county property valuation fund.

D. Expenditures from the county property valuation fund shall be made pursuant to a property valuation program presented by the county assessor and approved by the majority of the county commissioners.

History: 1978 Comp., § 7-38-38.1, enacted by Laws 1986, ch. 20, § 116; 1988, ch. 68, § 1; 1990, ch. 125, § 7; 2001, ch. 173, § 1.

**VII. Department of Finance and Administration Directives and Memos**



**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
LOCAL GOVERNMENT DIVISION**

Bataan Memorial Building, Suite 201 • Santa Fe, New Mexico 87503  
(505) 827-9950 • FAX No. (505) 827-4940 -Toll Free (800) 432-7708

David W. Harris  
Secretary

Jeff Condrey  
Director

Gary E. Johnson  
Governor

**MEMORANDUM - 05**

DATE: May 4, 2000

TO: County Managers and County Assessors

FROM: Darlene Mares Bureau Chief Financial Management *DM*

RE: County Property Valuation Fund

The purpose of this Memorandum is to follow-up on the January 26, 2000, Local Government Division (LGD), Memorandum-012, which pertains to the County Property Valuation Fund.

Since the distribution of Memorandum-012, the LGD has received numerous inquiries pertaining to the allowable uses of the 1% administrative revenue. Expenditures from the County Property Valuation Fund are restricted and are for the sole purpose of conducting a reappraisal program. With this in mind, the LGD has prepared and attached a list of allowable uses pertaining to the 1% administrative revenue that is deposited in the County Property Valuation Fund.

I hope this information is of use to you when preparing your 2000-2001 County Property Valuation Fund Budget. If you have any questions or require additional information, please contact me at 827-8071.

DM

Attachment

## VII. County Property Valuation Fund 1% Administrative Revenue

### Permitted Uses

Section 7-38-38.1 NMSA 1978 provides for the following:

“Expenditures from the county property valuation fund shall be made pursuant to a property valuation program presented by the county assessor and approved by the majority of the county commission.”

1. Full time employee salaries **not permitted** out of the County Property Valuation Fund; however, full time employees that work in the Assessor’s Office and do work pertaining to a property valuation program may have their salaries prorated between the General Fund and the Property Valuation Fund. The county Assessor should determine what percentage of salaries to prorate.
2. Part-time employees hired for the purpose of assisting with the property valuation program **are permitted** salaries out of the County Valuation Fund.
3. Overtime expenses associated with conducting a property valuation program **is permitted**.
4. Capital outlay purchases related to the sole purpose of conducting a reappraisal program **are permitted** expenditures, i.e. vehicles, computer hardware, software, printers, copiers.
5. Travel expenditures associated with reappraisal, i.e. training, workshop, conferences, **is permitted**.
6. Any debt service incurred from conducting a property valuation program **is permitted**, i.e. the issuance of revenue bonds, loans with the NM Finance Authority, loans with the NM Taxation and Revenue Department

**Example:** If revenue bonds are issued for the sole purpose of reappraisal then the principal and interest payments for these revenue bonds should be expended from the County Property Valuation Fund. However, if revenue bonds are issued for various county projects, then the principal and interest payment should be prorated between the appropriate funds. The County Property Valuation Fund should not absorb cost not associated with reappraisal.

7. The County Property Valuation fund is a restricted fund; therefore, transfers out of the fund are **not permitted**. However, if expenditures were made from another fund on behalf of the County Valuation Fund then a transfer may be made in order to reimburse the other fund.
8. Cash balances remaining at the end of the fiscal year, in the County Valuation Fund, transform into the beginning cash balance in that fund. Cash balances **may not** be transferred from the County Valuation Fund to another fund.
9. Maintenance and repair expenses associated with equipment belonging to the County Property Valuation Fund and / or equipment used for the reappraisal program **is permitted**.

## VIII. New Mexico Property Tax Code Calendar

Date	Subject	Statute
<b>January 1</b>	<b>Valuation Date.</b> January 1st determines the taxable status of all property in the state of New Mexico. If property is destroyed or improved during the year, any resulting increase or decrease will not be reflected until January 1 of the following year.	<b>7-38-7</b>
<b>January (1st 3 full weeks)</b>	<b>Publication of notice of certain provisions relating to reporting property for valuation and claiming exemptions.</b>	<b>7-38-18</b>
<b>February 28</b>	<b>Reporting of property for valuation; penalties for failure to report.</b>	<b>7-38-8</b>
	<b>Statement of decrease in value of property subject to local valuation.</b>	<b>7-38-13</b>
	<b>Claiming exemptions; requirements; penalties.</b>	<b>7-38-17</b>
	By the last day of February, all new improvements, decreases in value, mobile homes, livestock, and claims for any applicable property exempt status must be made. This reporting period begins January 1 and ends thirty days after the mailing of the notices of value.	
<b>April 1</b>	<b>County assessor to mail notices of valuation.</b> County assessors shall mail a notice of value to each taxpayer informing them of the net taxable value placed on their property. Failure to receive a notice does not invalidate the value set on the property or property tax based on the value.	<b>7-38-20</b>
30 days after mailing of NOV	Claims for Head of Household or Veteran exemptions must be applied for in order for it to be allowed for the current tax year.	<b>7-38-17</b>
30 days after mailing of NOV	Option 1: Period for protesting values, denial of exemptions, classification, allocation of taxes to a governmental unit or limitation in value increase as provide by state law. There is no provision under the property tax code to protest taxes (dollar amount).	<b>7-38-21</b>
<b>May 1</b>	<b>Property Tax Division to mail notices of valuation.</b>	<b>7-38-20</b>
<b>June 1</b>	<b>Property Tax Division to allocate and certify valuations to county assessors.</b>	<b>7-38-30</b>
<b>June 15</b>	<b>County assessor to certify net taxable values to the Property Tax Division.</b> After this date, valuation changes become increasing difficult and will generally require a court order	<b>7-38-31</b>
<b>June 30</b>	<b>Property Tax Division to prepare a compilation of net taxable values to be used for budget making and rate setting.</b> The Division compiles all of the values certified by all counties and forwards to the Department and Finance for its use in making budgets and setting tax rates.	<b>7-38-32</b>
<b>September 1</b>	<b>Department of finance and administration to set tax rates.</b> Rates consist of operating rates that finance ongoing operations of government, and debt rates used to finance long-term capital improvements. Governing bodies of imposing entities, for example county council and educational boards, within statutory limits, impose operating rates. Voters approve debt rates.	<b>7-38-33</b>
<b>September</b>	<b>Board of county commissioners to order imposition of the tax.</b> A copy of the written order imposing the tax rates shall be delivered to the county assessor.	<b>7-38-34</b>
<b>October 1</b>	<b>Preparation of property tax schedule by assessor.</b> County assessor prepares the property tax schedule (tax roll) for the county and delivers it to the finance department. This lists for every property its description, owner, address, value for property tax purposes, classification, exemptions allowed, applicable tax rates and tax amount.	<b>7-38-35</b>
<b>October 1</b>	<b>Preparation and mailing of property tax bills.</b> The finance department mails the tax bills based on the values set as of January 1st of this tax year.	<b>7-38-36</b>
<b>November 10</b>	<b>Payment of property taxes; installment due dates; refunds in case of overpayments.</b> First half of taxes are due based on values set January 1 <sup>st</sup> of this tax year.	<b>7-38-38</b>
60 days after taxes are due	Option 2: Period for protesting values, denial of exemptions, classification, allocation of taxes to a governmental unit or limitation in value increase as provide by state law. There is no provision under the property tax code to protest taxes (dollar amount).	<b>7-38-40</b>
<b>December 10</b>	<b>Unpaid property taxes; imposition of interest.</b> Penalty and interest began to accrue on unpaid portion of first half taxes.	<b>7-38-49</b>
<b>January 9</b>	<b>Claims for refund; civil action.</b> Last day to file a claim for refund on values that were set on Jan. 1 of prior year.	<b>7-38-40</b>
<b>April 10</b>	<b>Payment of property taxes; installment due dates; refunds in case of overpayments.</b> Second half of taxes are due based on values set January 1 <sup>st</sup> of previous tax year.	<b>7-38-38</b>
<b>May 10</b>	<b>Unpaid property taxes; imposition of interest.</b> Penalty and interest began to accrue on unpaid portion of second half taxes.	<b>7-38-49</b>

This calendar provides general information and does not cover all of the county assessor's duties.

## IX. Tax Payer's Property Profile Example

### Property Profile

Account:	R001293	Tax Year:	2011	Account Type:	EXEMPT
Mill Levy:	25.599000	Version:	20110318000	Area ID:	1N
Estimated Tax:	N/A	Parcel:	1034112152349	LEGAL:	EA2 142D1
* This Mill Levy is from the most recent tax roll				Status:	A

### Name and Address Information:

INCORPORATED COUNTY OF LOS  
 P.O. BOX 30  
 LOS ALAMOS, NM 87544

### Property Location:

1175 IRIS ST



### Legal Description:

SUB:EASTERN AREA 2 LOT:142B BK:144 PG:991 RECPT:199106 PARCEL: 1-034-112-152-349-SECT,TWN,RNG:15-19N-6E SITUS: 1175 IRIS ST SITUS: 1305 IRIS ST SITUS: 1075 IRIS ST

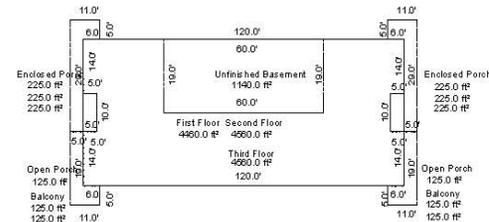
### Assessment Information:

Tax Year: 2011	Actual	Assessed	Sq Ft	Acres	Taxable
Land	447,770.00	149,260.00	92,787.00	2.13	
Improvements	.00	.00		2.13	
Exempt					
<b>Total</b>	447,770.00	149,260.00			149,260.00
Tax Year: 2010	Actual	Assessed	Sq Ft	Acres	Taxable
Land	447,770.00	149,260.00	92,787.00	2.13	
Improvements	2,676,420.00	892,140.00	45,756.00	2.13	
Exempt					
<b>Total</b>	3,124,190.00	1,041,400.00			1,041,400.00

### User Remarks

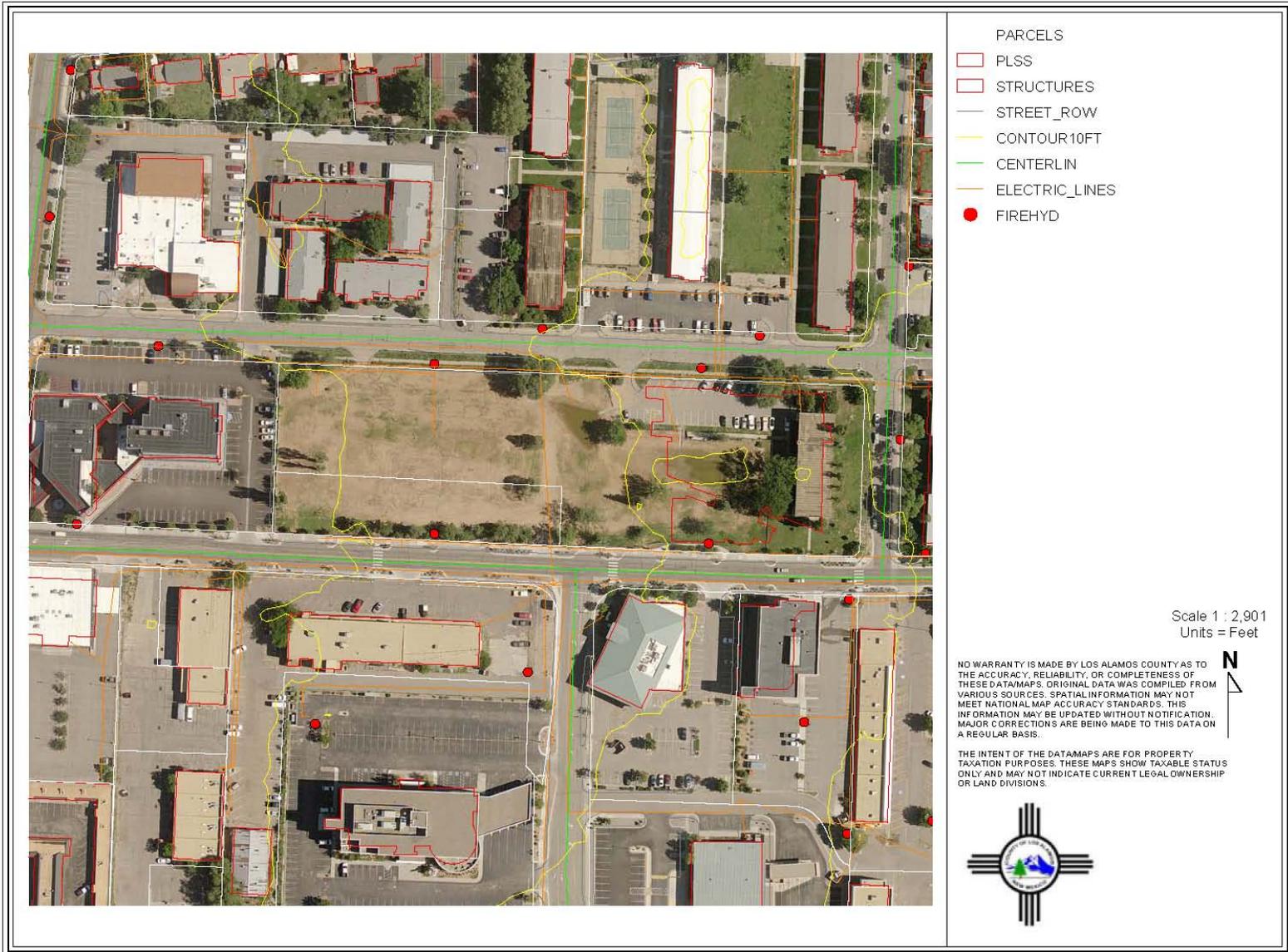
CONSOLIDATED 142A & 142D INTO 142D1 ON 6/28/06. DEACTIVATED 142A. CONSOLIDATED 142B & 142C1 INTO 142D ON 6/28/06. DEACTIVATED 142C1.

1305 Iris St.



**Los Alamos County**

# IX. Tax Payer's Property Profile Example

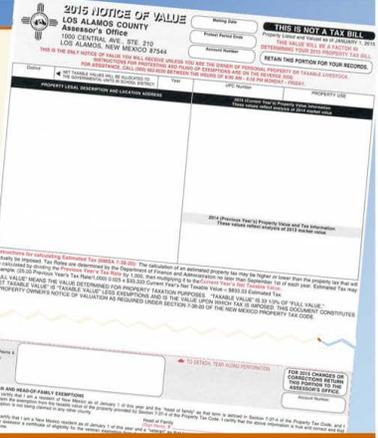


## X. Public Relation Programs

### 1 YOUR NOTICE OF VALUE IS THE KEY TO UNDERSTANDING YOUR PROPERTY TAX PROCESS.

Each year the Assessor mails each property owner a "Notice of Value." This form serves to inform the owner of the total assessed value, the property description and exemptions applied to the property. Los Alamos County typically mails notices on or around April 1st of each year. This form is an important step in the property tax process. Please read it carefully and follow the instructions on the back. The assessed value on the "notice" will be a factor in determining your property taxes. See example on back.

**DISAGREE WITH YOUR VALUATION?**  
Property owners may appeal the value or classification determined for their property by filing a petition of protest with the county assessor within 30 days of the official mail date of the notice of value. Los Alamos County typically mails notices on or around April 1st of each year. Protest forms are available on our website or in our office.



## Helpful Tips for Property Owners

A GUIDE TO UNDERSTANDING YOUR PROPERTY ASSESSMENT.

QUESTION? PLEASE CONTACT OUR OFFICE.

**Kenneth H Milder**  
Los Alamos County Assessor  
1000 Central Ave., Ste. 210  
Los Alamos, NM 87544  
Phone: (505) 662-8030  
Fax: (505) 663-1764



### 2 LIMITATION ON VALUATION INCREASE FOR RESIDENTIAL REAL PROPERTY

DID YOU KNOW THAT THERE ARE LIMITS ON VALUATION INCREASES?

Los Alamos County re-appraises property each year. The total value determined by the assessor for real property each tax year is based on the market value of the property in the prior year. For example your 2015 notice of value will reflect a 2014 market value. However, there are restrictions against increasing residential property valuations, i.e. houses, apartments, manufactured homes. Under state law, valuation increases on residential property must not exceed 3 percent per year of the prior year's assessed value. Example:

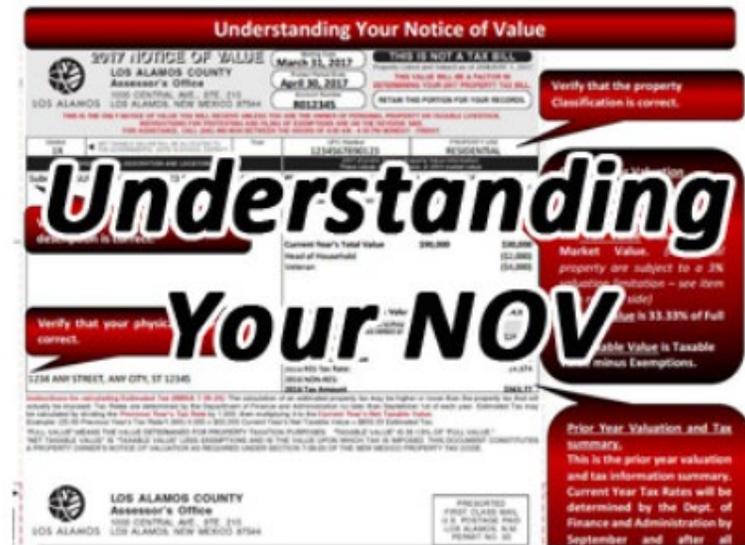
2013 Assessor's Full Value was	\$100,000
2014 Assessor's Full Value can not exceed	\$103,000
2015 Assessor's Full Value can not exceed	\$106,090

**There are some exceptions to the limitations. The limitation does not apply to:**

- Property that has changed in ownership due to a sale. In this case the valuation cap is removed in the tax year after the sale date and the Assessor's valuation must be changed to reflect the market value of the year of the sale date. This is especially important to potential home buyers. **Please be aware of the potential increase in property valuation that could lead to increased taxes.**
- Property that is placed on the tax rolls for the first time such as a new home.
- Any new improvements made to property in the year prior to the current tax year such as additions or outbuildings.
- Property whose use or zoning has changed.

[www.losalamosnm.us/assessor](http://www.losalamosnm.us/assessor)

Helpful Tips for Property Owners



The infographic titled "Understanding Your Notice of Value" provides a visual breakdown of the Notice of Value (NOV) form. It highlights key sections such as "Verify that the property Classification is correct," "Verify that your physical condition is correct," and "Prior Year Valuation and Tax Summary." It also includes a table showing the calculation of the current year's total value and tax amount, and a note that market values are subject to a 3% valuation limitation.



The video thumbnail features the text "3P Explainer Los Alam..." at the top, followed by "VALUE CAN STILL CHANGE MORE THAN 3%". The background is a blue gradient with a house icon and a play button in the center.

New Website Informational Presentations