MINUTES OF THE CHURCHILL COUNTY BOARD OF EQUALIZATION

155 N. Taylor St., Fallon, NV 89406
January 27, 2026

Call to Order:

The special meeting of the County Board of Equalization was called to order at 1:34 PM on January 27, 2026.

PRESENT: Member Bob Getto, Chair
Member Tom Riggins
Member Josh Berney
Member Wyatt Getto
Member Alan Kalt via GoTo Meeting
Alternate Member Rachelle Lunger
Chief Civil Deputy District Attorney Wade Carner
Assessor Denise Felton
Chief Deputy Assessor Leslie Notestine
Property Appraiser Willow Timbrel
Property Appraiser Raeghan Tucker
Property Appraiser Heather Gomes
Deed and Title Review Specialist Teresa Wilson
Assessor's Operation Specialist Morgan Lamont
Jeff Mitchell, State of Nevada, Department of Taxation
Deputy Clerk to the Board Pamela D. Moore
Deputy Clerk Tara Adams

ABSENT: N/A

Pledge of Allegiance:

The Pledge of Allegiance was recited by the board and public.

Public Comment:

Chair Getto asked if there was any public comment, but there was none.

Verification of posting of the Agenda:

It was verified by Pamela D. Moore, Deputy Clerk to the Board, that the Agenda for this meeting was posted on the 21st day of January, 2026, between the hours of 1:00 and 5:00 PM at all of the locations listed on the Agenda, in accordance with NRS 241.

Consideration and possible action re: Approval of Agenda as submitted or revised:

Member Tom Riggins made a motion to approve the Agenda as submitted. Member Josh Berney seconded the motion, which carried by unanimous vote.

Training Working – Presentation and facilitated training for the Churchill County Board of Equalization members:

A- Facilitated training on Nevada's Property Tax System Overview for the Churchill County Board of Equalization Members conducted by the Nevada Department of Taxation.

Jeffrey Mitchell, from the Nevada Department of Taxation, will conduct a facilitated training session for the board members.

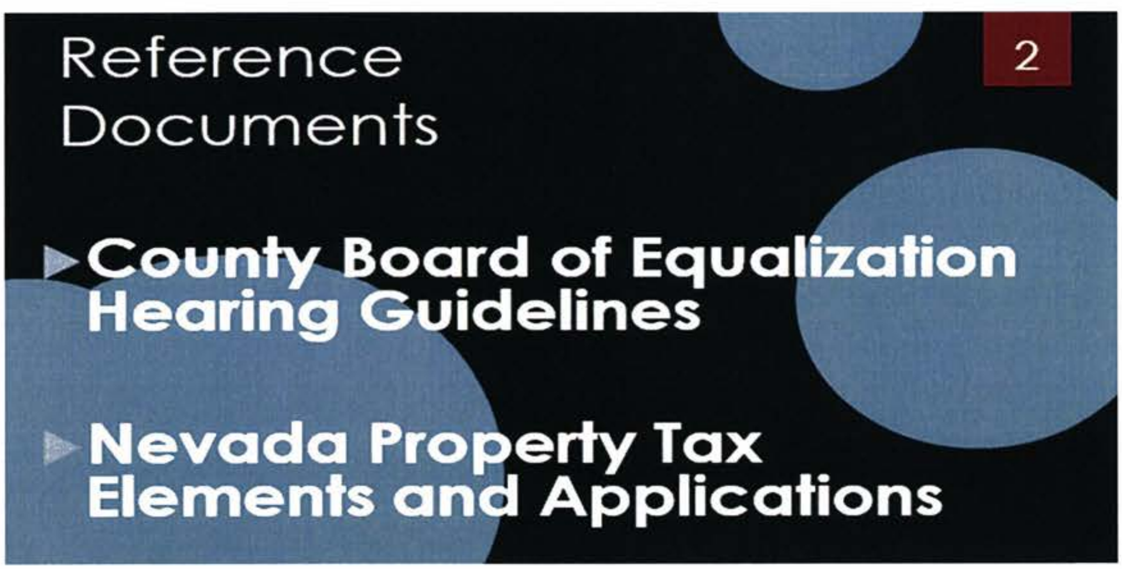
FISCAL IMPACT: N/A

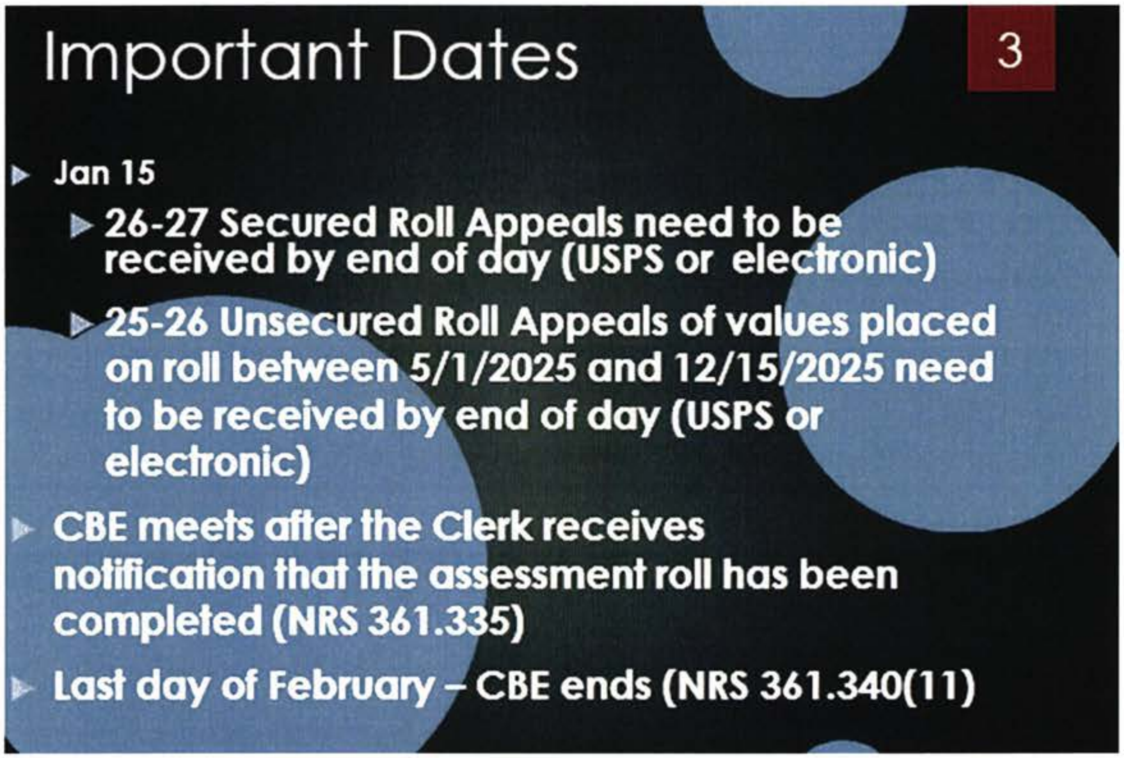
EXPLANATION OF IMPACT: N/A

FUNDING SOURCE: N/A

ACTION REQUESTED: None; Informational Only

Jeff Mitchell, Department of Taxation, had a PowerPoint presentation as follows:




Important Dates
3
Jan 15
26-27 Secured Roll Appeals need to be received by end of day (USPS or electronic)
25-26 Unsecured Roll Appeals of values placed on roll between 5/1/2025 and 12/15/2025 need to be received by end of day (USPS or electronic)
CBE meets after the Clerk receives notification that the assessment roll has been completed (NRS 361.335)
Last day of February – CBE ends (NRS 361.340(11)


Other Important Dates
4
SBE begins on the 4th Monday in March (NRS 361.380)
- Interstate/Intercounty Appeals (NTC appraisals/valuations)
- Appeals from CBE
- Must be received by 3/10/2026
- 23-24 Unsecured Roll values placed on the roll between 12/15/2025 and 4/30/2026 go to SBE if filed prior to 5/15/2026
- NPM appeals must be filed by 5/20/2026
Concludes November 1 (NRS 361.360)

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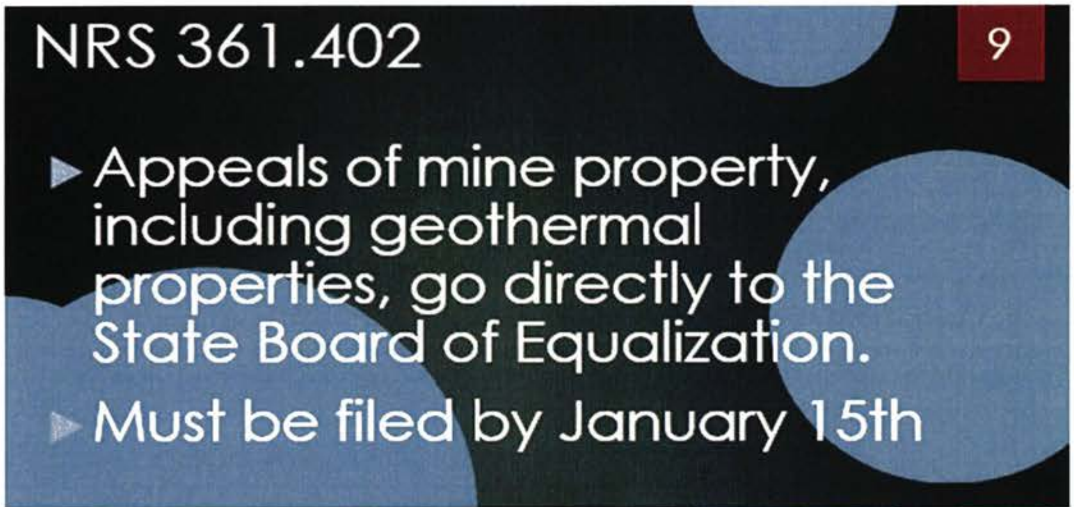
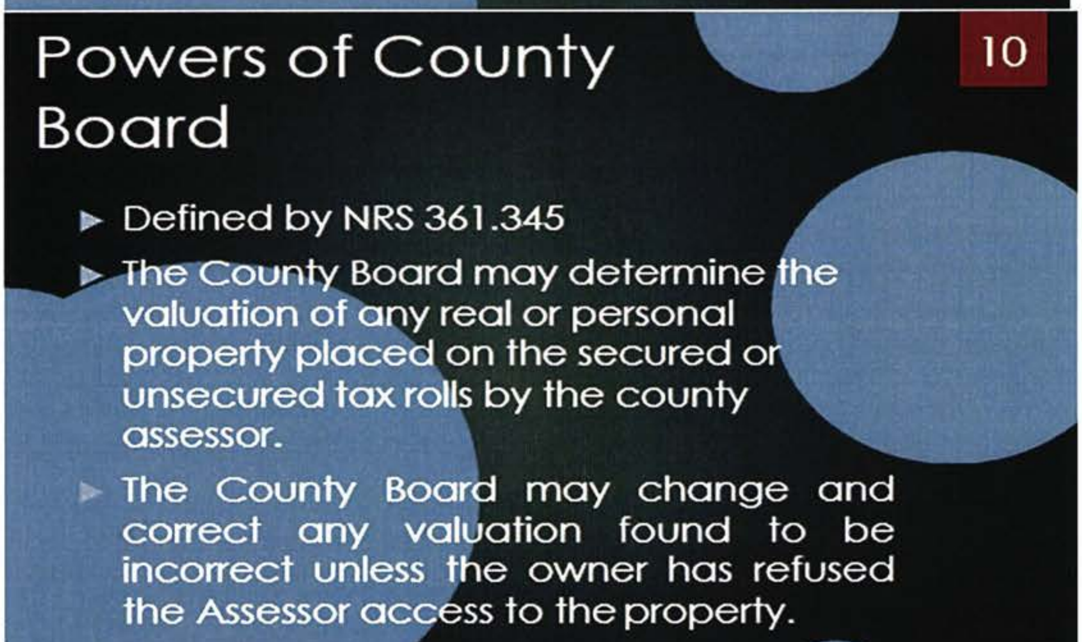
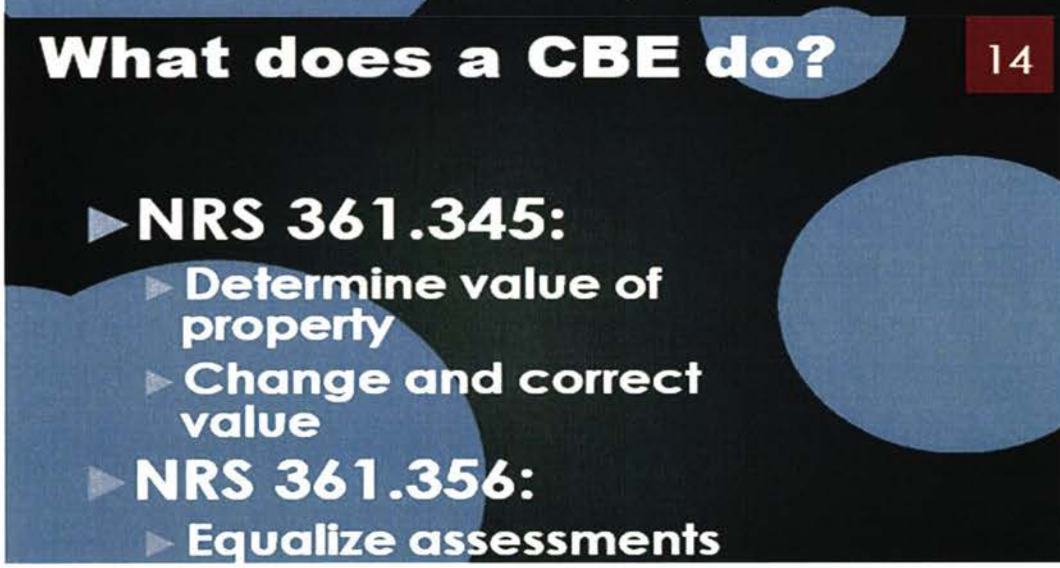

NRS 361.402
9
Appeals of mine property, including geothermal properties, go directly to the State Board of Equalization.
Must be filed by January 15th


Powers of County Board
10
Defined by NRS 361.345
The County Board may determine the valuation of any real or personal property placed on the secured or unsecured tax rolls by the county assessor.
The County Board may change and correct any valuation found to be incorrect unless the owner has refused the Assessor access to the property.


What does a CBE do?
14
NRS 361.345:
Determine value of property
Change and correct value
NRS 361.356:
Equalize assessments

Authority of the County Board

11

- Exceptions:
  - Property on the secured roll NOT assessed by the County Assessor; and
  - Property on the unsecured tax roll assessed by the County Assessor between December 15 and before May 1.

3 Types of Appeals

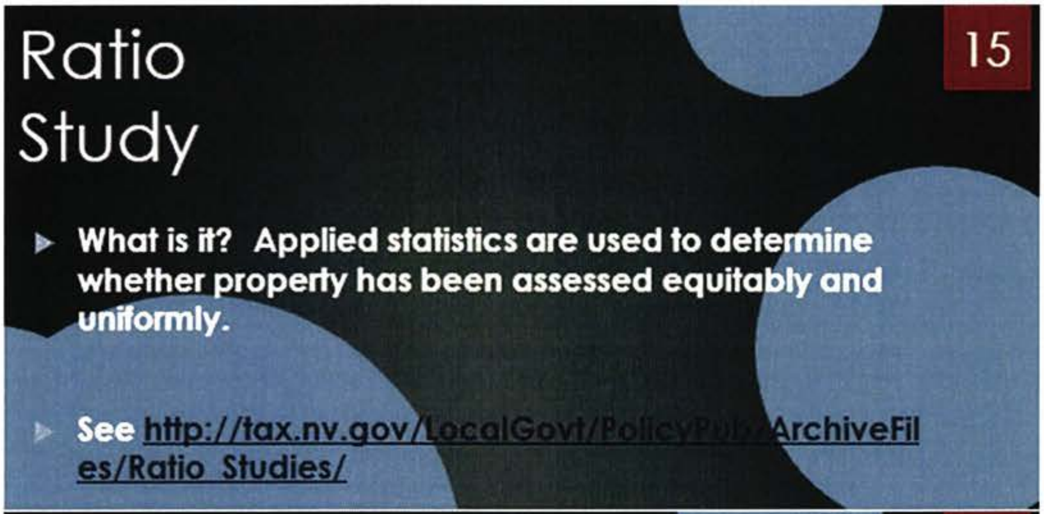
12

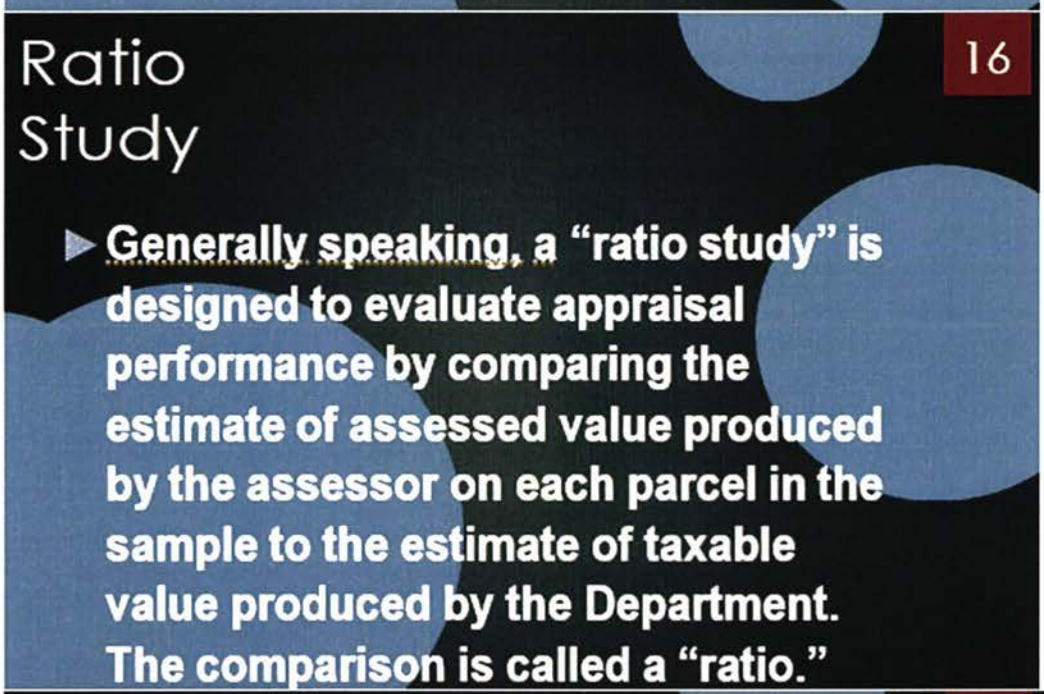
- **Overvalued because similarly situated property is undervalued (NRS 361.355)**
- **Inequity exists because property is valued higher than similarly situated property (NRS 361.356)**
- **Full cash value of property is less than its taxable value (NRS 361.357)**

NRS 361.025

13

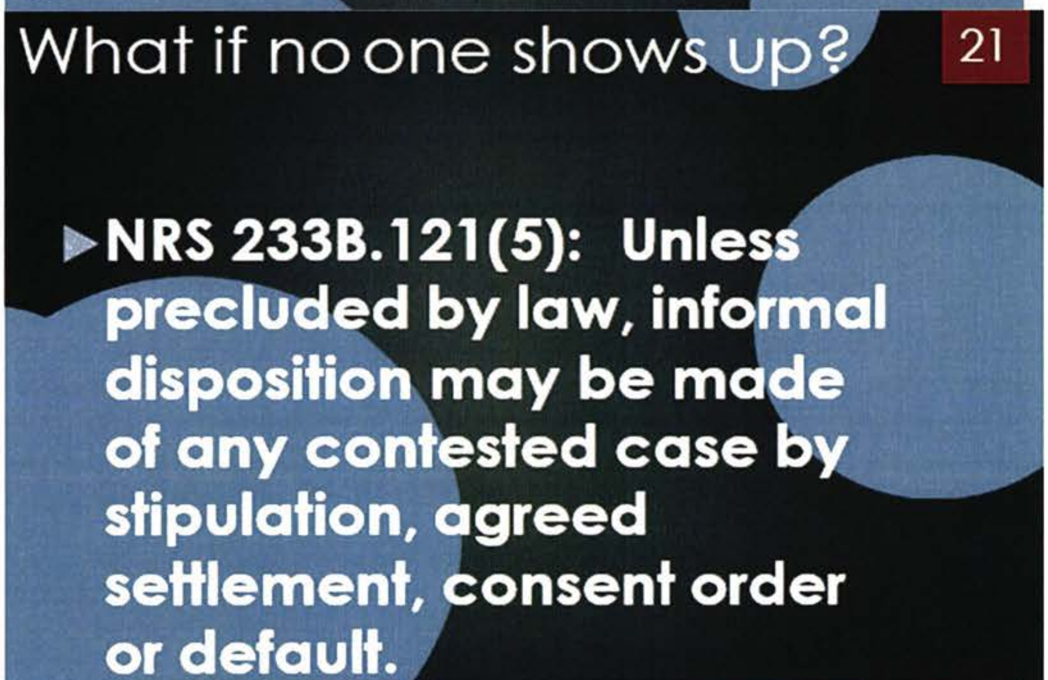
- **Full cash value means the most probable price which property would bring in a competitive and open market under all conditions requisite to a fair sale.**

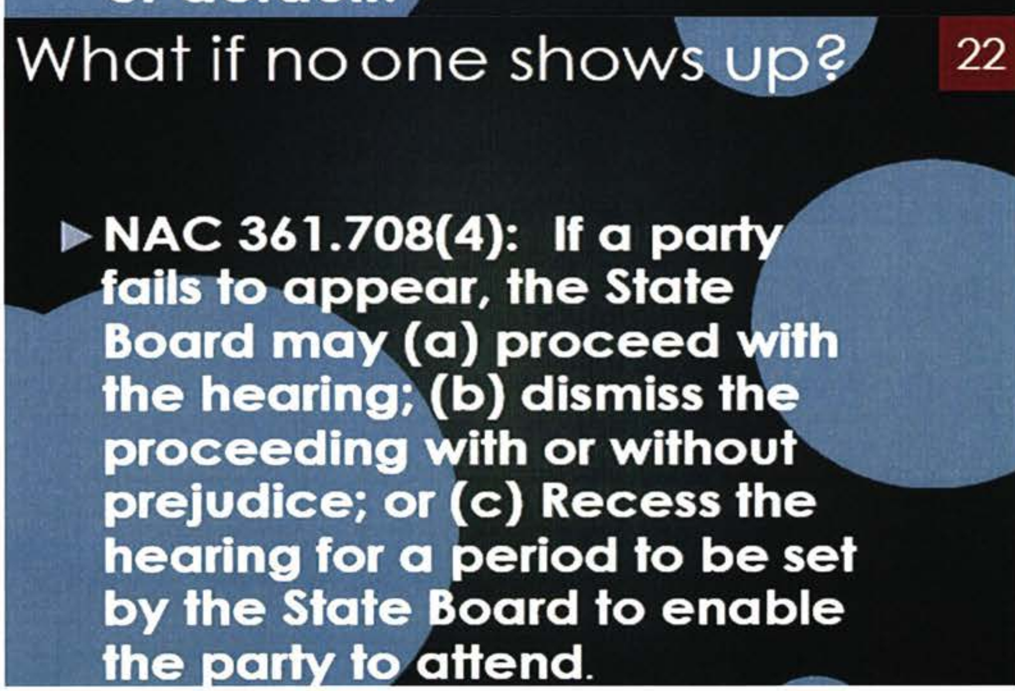

Ratio Study
15
What is it? Applied statistics are used to determine whether property has been assessed equitably and uniformly.
See http://tax.nv.gov/LocalGovt/PolicyPub/ArchiveFiles/Ratio_Studies/

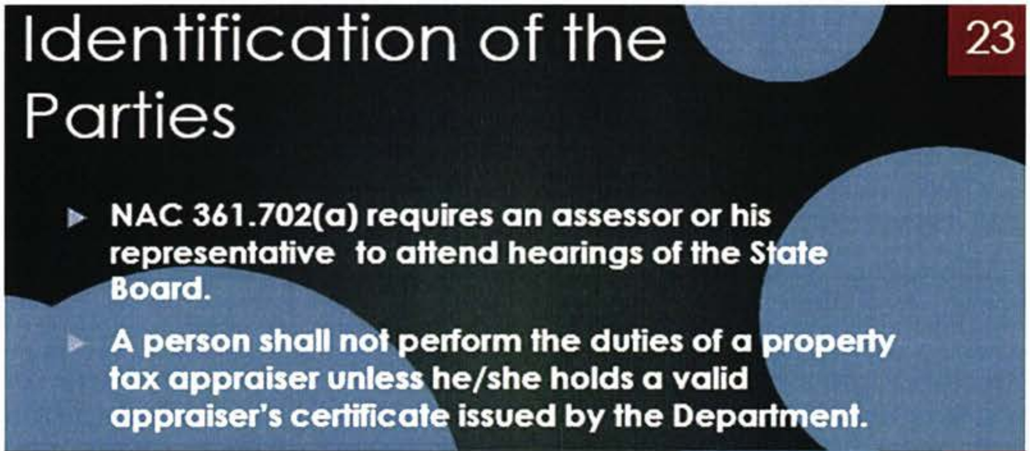

Ratio Study
16
Generally speaking, a "ratio study" is designed to evaluate appraisal performance by comparing the estimate of assessed value produced by the assessor on each parcel in the sample to the estimate of taxable value produced by the Department. The comparison is called a "ratio."


Identification of the Parties
19
Petitioner
Respondent
Intervenor

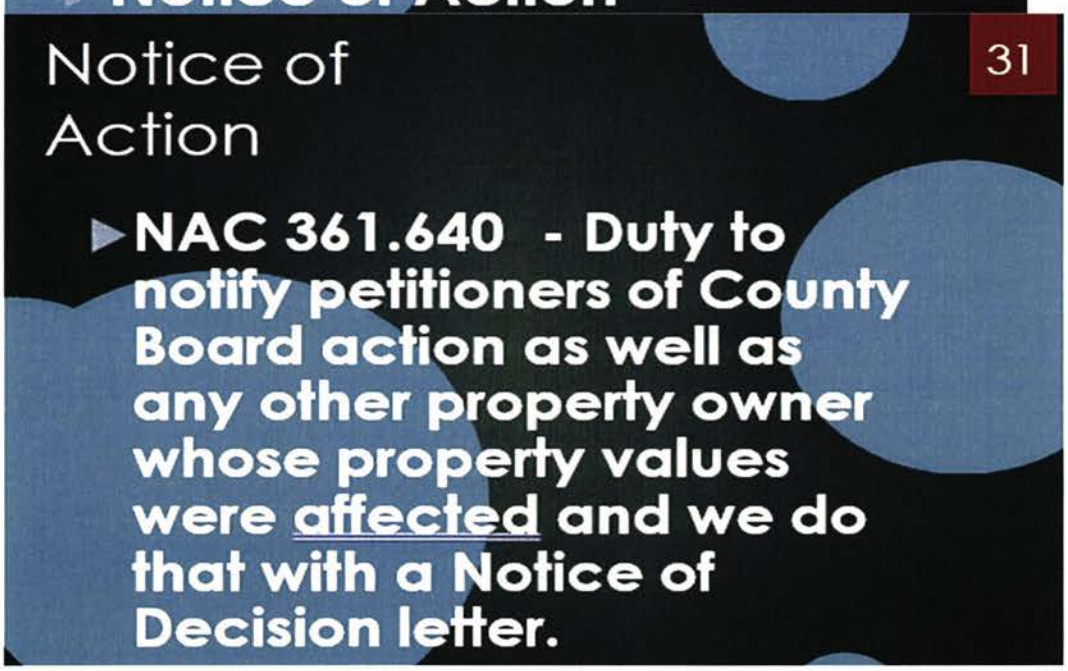

Identification of Parties
20
Who is appearing on behalf of the Petitioner?
Agent Authorization Form, page 31


What if no one shows up?
21
NRS 233B.121(5): Unless precluded by law, informal disposition may be made of any contested case by stipulation, agreed settlement, consent order or default.


What if no one shows up?
22
NAC 361.708(4): If a party fails to appear, the State Board may (a) proceed with the hearing; (b) dismiss the proceeding with or without prejudice; or (c) Recess the hearing for a period to be set by the State Board to enable the party to attend.


Identification of the Parties
23
NAC 361.702(a) requires an assessor or his representative to attend hearings of the State Board.
A person shall not perform the duties of a property tax appraiser unless he/she holds a valid appraiser's certificate issued by the Department.


Due Process Requirements
24
Adherence to Open Meeting Law
Proper Notice
Clear and Complete Agenda
Notice of Action


Notice of Action
31
NAC 361.640 - Duty to notify petitioners of County Board action as well as any other property owner whose property values were affected and we do that with a Notice of Decision letter.

What is the purpose of a hearing?

32

- To construct a model of real world events on which a decision can be made
- Evidence supplies the building blocks of the model; it provides the proof of the model.

Your Goal Should Be To:

34

- Exclude evidence which is:
  - Irrelevant
  - Repetitious
  - Barred by Law
- Weigh the evidence admitted

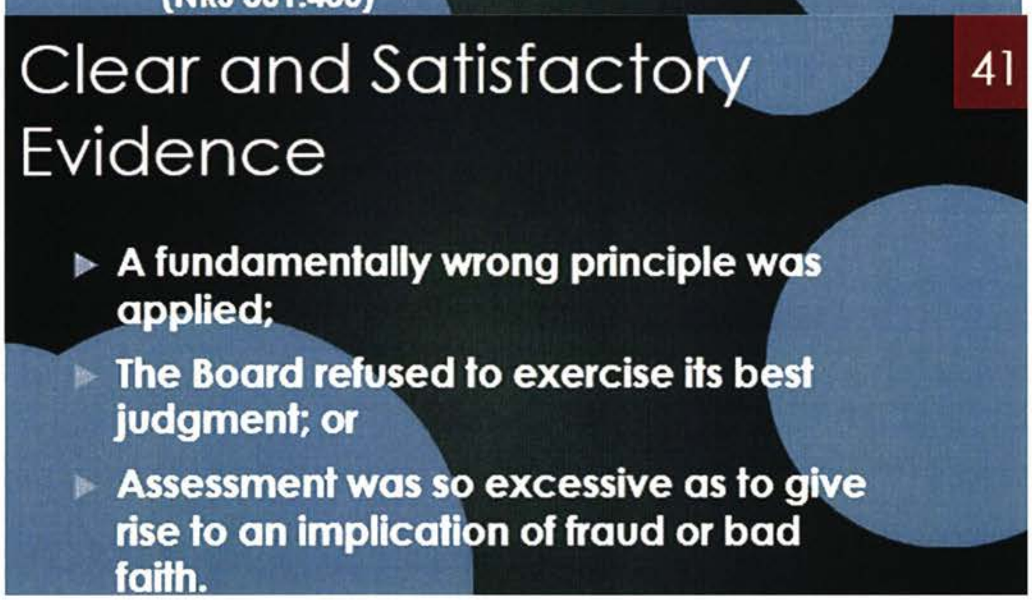
"Weight" of the Evidence

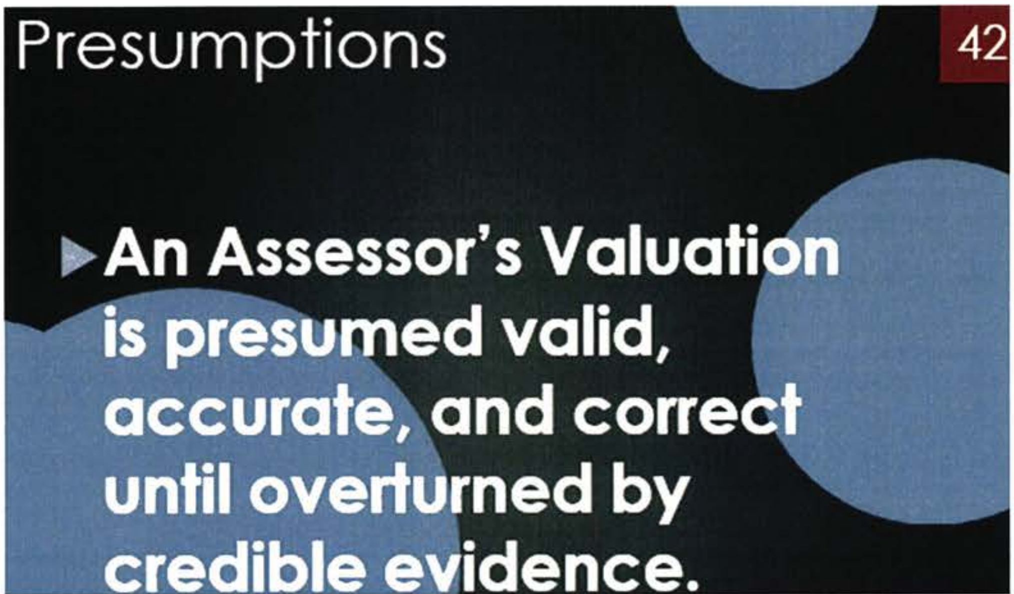
35

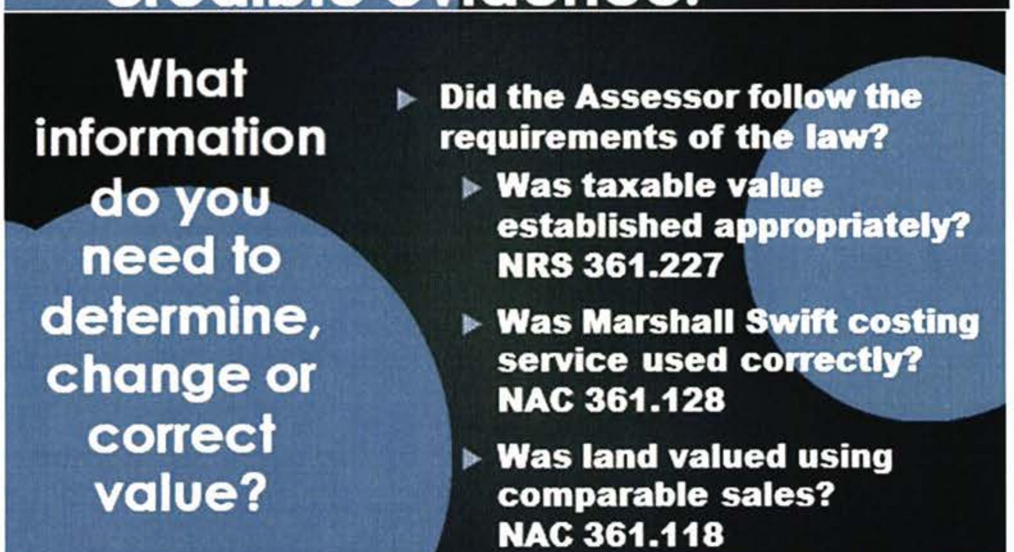
- Is defined as "Relative" value assigned to credible evidence supporting a party's position – it is not quantifiable in the absolute sense


What is "Burden of Proof"?
36
The parties involved have the burden of establishing certain facts as true

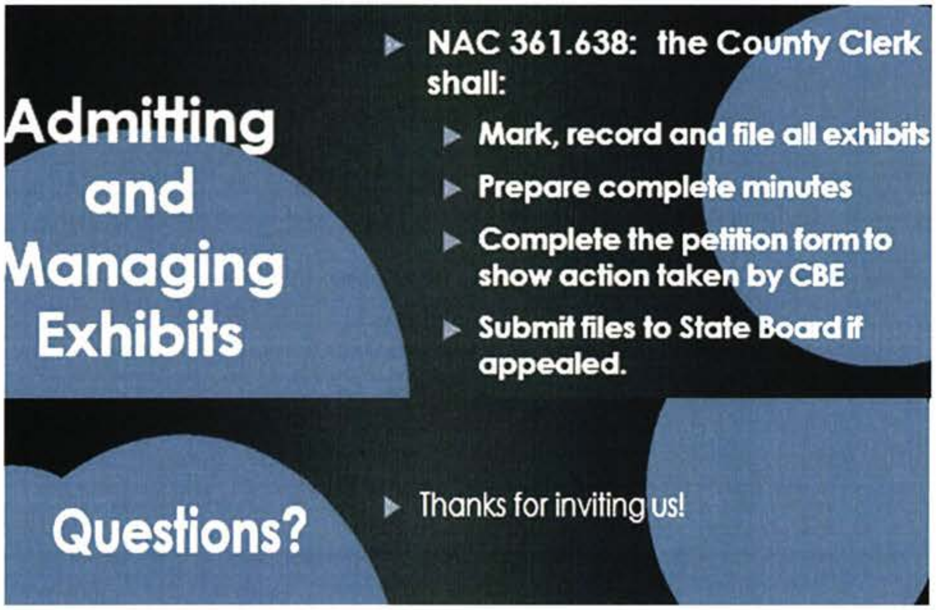

Burden of Proof
40
When a tax issue is appealed to the courts:
The burden of proof is on the plaintiff to show by clear and satisfactory evidence that the value established by the . . . . . county assessor is unjust and inequitable (NRS 361.430)


Clear and Satisfactory Evidence
41
A fundamentally wrong principle was applied;
The Board refused to exercise its best judgment; or
Assessment was so excessive as to give rise to an implication of fraud or bad faith.


Presumptions
42
An Assessor's Valuation is presumed valid, accurate, and correct until overturned by credible evidence.


What information do you need to determine, change or correct value?
Did the Assessor follow the requirements of the law?
Was taxable value established appropriately? NRS 361.227
Was Marshall Swift costing service used correctly? NAC 361.128
Was land valued using comparable sales? NAC 361.118


Exceptions to NRS 361.227
Agricultural property – NRS Chapter 361A
Value based on use; established by
Nevada Tax Commission
Personal Property – NAC 361.1345
Acquisition cost
Centrally-assessed property: No worries!
Mining Property: Just like the assessor does it.



Tom Riggins asked Mr. Mitchell, where in the spectrum do solar fields fall? Mr. Mitchell said centrally assessed property, which is property that is valued by the state, is limited to what is referred to as inter-state, or inter-county nature, meaning it crosses either state or county lines. There is an exception to what is referred to as wholesale generators, which have to be locally assessed. When looking at a solar field, if it meets a wholesale generator, as defined by federal regulation, then it has to be locally assessed, whether or not it crosses county or state lines. A lot of solar fields fall into that category, there are some that do not, but then they are completely contained within a county, and if that is the case, then they are fully valued by the County Assessor, as well. What we look at when determining if it is fully contained within the county, is solar companies of that magnitude often has what is referred to as a Power Purchase Agreement, and that outlines when that deed to that electricity is transferred. Sometimes it happens at the solar field, sometimes it happens at the substation, sometimes it happens further down the lines. There are, occasionally, solar fields where they do cross, and they are not a wholesale generator. In those cases, they would be valued by the state. That does not happen very often; I would say 95% to 99.9% of the time they are valued at a local county level.

Assessor Felton said we have three examples in our county: there one is over the Lyon County line, which crosses county lines, so the state values that; we have one that is in Stillwater; it was an Enel Plant that Ormat has since purchased, and it is attached to the geothermal plant, so it is centrally assessed because it is attached to the geothermal plant as a mine; and the solar field that is south of that, which was an Enel Plant, also purchased by Ormat, has a Power Purchase Agreement with the Wynn in Las Vegas, so we locally assess that one.

Chair Getto asked if Nevada is still unique in the way that we tax properties, and Mr. Mitchell said I do not have the statistics on the number of states. Most states are a fair market value state, or a derivative of that, given that they will do, for example, 30% of fair market value or something along those lines. Nevada is not that; we are a cost state, meaning that any improvements to property, especially real property, is valued with Marshall and Swift, replacement cost new, what it would cost to build today, and then it is depreciated upon its age at a state mandated rate, and that is 1.5% per year for 50 years. The real property, in my opinion, often falls below what market value is, and we do have that caveat within the appeals; that you cannot exceed full cash value. In those cases, we do kick that down to that full cash value, but many other states use that full cash value as a measure of taxability and assessment. So, yes, we are very unique in the property tax world.

Chair Getto asked why do you think that was developed? Was it that way from the beginning, or did it change ten or thirty years ago, and why is it that way? Mr. Mitchell said it changed in 1981. They made a conscious decision at the Legislature to shift more from reliance on property taxes, to other taxes, such as, sales and use tax, etc., and rates were increased during that period. It is often referred to as the "tax shift", and that is when law was established to go on this route, with, and I do not want to speak for them, but I think the intentionality was to shift the reliance on property taxes onto those other taxes. Chair Getto said hasn't the Legislature, from different years, tried to combat that, and can they take it away, and make it go back to pre-1981? Mr. Mitchell said there has been different legislation over the years that has come forward trying to shift Nevada to a fair market value state, or a variety of different proposals have come forward; removal of the abatement upon sale of the property, removal of the depreciation, or a reset of the depreciation upon sale of the property. There have been a variety of different iterations that have come forward, but none have progressed to passing law.

Chair Getto asked Mr. Mitchell, in correlation to the way we do our taxes, yet, we do not have income tax. These states that do it the other way, are those the ones that have state income tax? Is that where they are trying to catch and balance, and what is the relationship there? Mr. Mitchell said some do. Some of our neighboring states, Utah for example, are a fair market value state. They give an exemption, I believe, of 45%, to anyone that is a primary residence, and so secondary homes are at a lot higher rate in that state, and they also have an income tax. California's property tax system, I do not understand, and so I will not speak to that one, but I know that they have a lot of different propositions, sets and limits, and so forth, that are in place there. Oregon does not have an income tax, they are a fair market value state, but they also have a very complicated abatement structure within that, and a variety of different evaluations.

Chair Getto said do you find that other states are adopting our way of doing things, is it going another way, or is nothing moving? Mr. Mitchell said I do not think there has been a lot of change. I know that property tax is a hot button item in most Legislative S
essions in a variety of different states.

Chair Getto acknowledged that Member Kalt had joined the meeting via GoTo Meeting.

B- Facilitated training for the Churchill County Board of Equalization on the Open Meeting Law and Ethics in Government by the Churchill County District Attorney's Office.

The Churchill County District Attorney's Office will provide training to the board members on the Open Meeting Law and Ethics in Government.
FISCAL IMPACT: N/A
EXPLANATION OF IMPACT: N/A

FUNDING SOURCE: N/A
ACTION REQUESTED: None; Informational Only

Wade Carner, Chief Civil Deputy District Attorney, had the following PowerPoint presentation:

OPEN MEETING LAW & ETHICS

NRS 241.010

- In enacting this chapter, the Legislature finds and declares that **all public bodies exist to aid in the conduct of the people's business**. It is the intent of the law that their **actions be taken openly and that their deliberations be conducted openly**.

WHAT IS A MEETING THAT IS SUBJECT TO OPEN MEETING LAW?

- Gathering of members of a **public body** at which a **quorum** is present to **deliberate** toward a decision or to **take action** on any matter over which the public body has supervision, control, jurisdiction or advisory power.

- Quorum: a simple majority of the membership of a public body.
  - Example: 5 person/member board
  - Quorum = 3 members

ACTION AND DELIBERATION

- Generally, <u>action</u> is taken when:
  - A decision is made;
  - A commitment or promise is made; or
  - An affirmative vote is made.

- **"Deliberate"** means collectively to examine, weigh and reflect upon the reasons for or against the action.

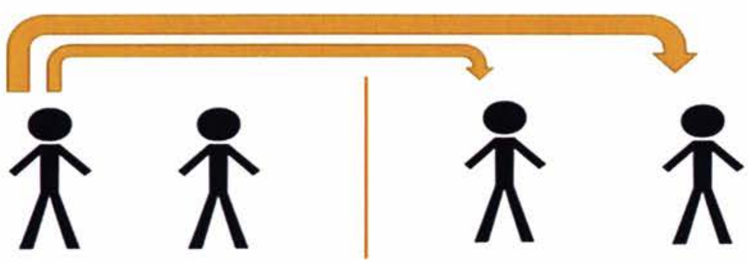
SOCIAL GATHERINGS AND CONFERENCES

- Social gatherings and conferences are <u>not</u> meetings subject to open meeting law even if a quorum is present <u>unless that quorum deliberates on a matter over which the public body has supervision.</u>

THINGS TO WATCH FOR

- Watch sidebars – no deliberation with a quorum off the record.
- Watch discussions on the bench during breaks.
- Watch rolling quorums, serial communications.
- Watch emails.
- Avoid the **<u>appearance</u>** of impropriety
  - JFK: "The basis of effective government is public confidence, and that confidence is endangered when ethical standards falter or appear to falter."

SERIAL COMMUNICATIONS (WALKING QUORUMS)



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ELECTRONIC COMMUNICATION

- **A quorum of a public body using serial electronic communication to deliberate . . . Violates the Open Meeting Law**. That is not to say that in the absence of a quorum, members of a public body cannot privately discuss public issues or even lobby for votes. However, if a quorum is gathered by serial electronic communications, the body must deliberate and actually vote on the matter in a public meeting.

NEVADA SUPREME COURT

MEETINGS WITH ATTORNEY

MEETINGS WITH ATTORNEY

- No Public Notice Required
- Can it be agendized and done during a meeting?
  - Yes
- What can you discuss?
  - Only to receive information and discuss potential or existing litigation
- Can you take action?
  - No

NOTICE REQUIREMENTS

- Posted three working days prior to the meeting, not including the day of the meeting, by 9:00 am.
  - If Thursday, must post by Monday at 9:00 a.m.

- Must include concise but informative notice to the public of the items to be discussed. (If you don't know what an agenda item means, neither does the public.)
  - If "adopting changes to organizational chart," need to be clear if terminating a position or firing.
- No action may be taken on items not on the agenda, or that are not marked for action.

THE AGENDA

- Stick to it
- Items can be taken out of order unless there is a specific appointment time.
- Be careful with Staff Reports, Request for Future Agenda Items and Visiting before and after Meeting.

WHAT <u>NOT</u> TO SAY IN A MEETING

"I came today with my mind already made up."
"There's nothing you can tell me today that will change my mind about this situation."

VIOLATION OF OPEN MEETING LAW

- Rehear action taken (actions taken in violation are void)
- Notice of corrective action included as agenda item at subsequent meeting
- $500 civil fine for first offense, $1,000 for second offense, and $2,500 for each subsequent violation
  - County cannot reimburse
- Misdemeanor - $1,000 fine, 6 months jail
  - With knowledge of the fact that meeting is in violation

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PUBLIC COMMENT

- Legal Requirement: 1) Once before any item on which action may be taken are heard, and once after all other business (before adjournment of the meeting) OR 2) after each action item on the agenda is discussed but before taking action.

- Best practice: Once before any action item, once immediately prior to the end of the meeting. On each action item for which a public member wishes to speak that is not disruptive to the meeting process.

PUBLIC COMMENT CONTINUED

- Public Comment at the start and end of the meeting may be on any item over which the Board has jurisdiction, even if that item is not on the Agenda.
  - Public body must allow the general public to comment on any matter that is not specifically included on the agenda as an action item at some time before adjournment of the meeting

- Public comment may be limited to uniform periods of time. This applies to everyone! Failure to enforce this on any one speaker means it cannot be enforced on any other speaker.

- Board members should avoid making public comment.

CONDUCTING A MEETING

- Chairperson is responsible for the orderly procession of the meeting. Including calling for a motion and voting, acknowledging speakers, and ensuring the meeting proceeds in a timely fashion.

- Chairperson may cut-off speakers and presentations that are redundant or irrelevant. Chairpersons may not limit public comment based upon viewpoint.

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Removal of Disruptive persons

- **Chairperson may order that a person be removed from the meeting when they <u>willfully disrupt</u> the meeting <u>to the extent that the orderly conduct of the meeting is impractical</u>.**

- **For example, a person may be removed for intentionally making comments in the audience that are audible to the board and disruptive to the meeting. This includes things like clapping, whistling, stomping feet, etc.**

- **Best practice is to admonish then remove.**

ETHICS FOR NEVADA OFFICIALS

- **General Rule: Do not participate in any matter in which you have a personal interest.**
- **Do not approve, disapprove, comment on any matter in which:**
  - **You have accepted a gift or a loan**
  - **You have a pecuniary (economic) interest**
  - **The interests of a person to whom you have a <u>commitment in a private capacity</u> are at issue**

If the above is true, then…

ETHICS FOR NEVADA OFFICIALS

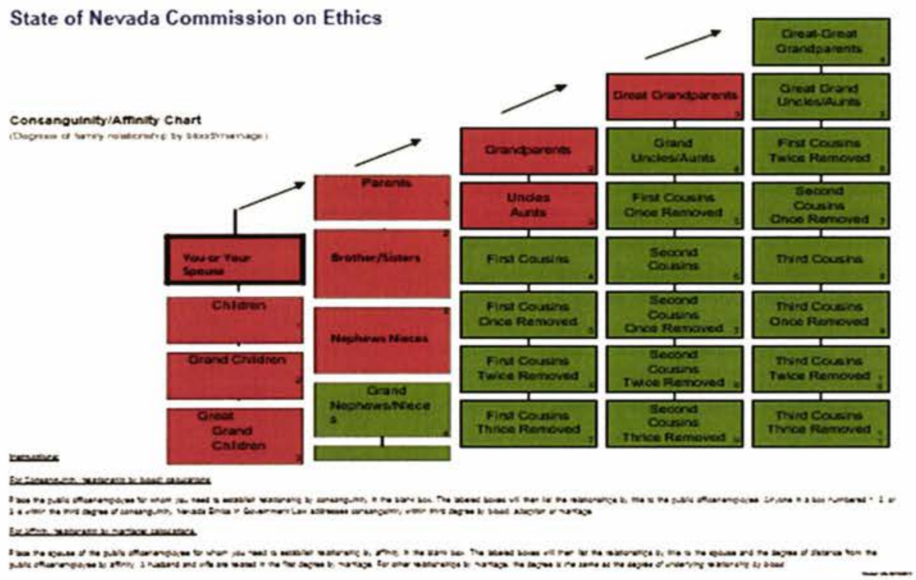
- **DISCLOSE THE INTEREST**

- **ABSTAIN IF THE INTEREST WOULD AFFECT JUDGMENT OF A <u>REASONABLE PERSON</u>**
  - **Disclose and do not participate at all.**

- **When in doubt – Disclose**

"Commitment in private capacity"

- **Commitment to a person:**
  - **In your household**
  - **Family/Relatives: Related by blood or marriage within third degree of consanguinity**
  - **Employs you or a member of your household**
  - **You have a continuing ongoing business relationship**
  - **Other substantially similar relationship**



OTHER ETHICAL RULES

- Do not seek/accept gifts, service, favors, etc.
- Do not use position to secure/grant unwarranted privileges.
- Do not use inside information.
- Do not use government time, equipment, property for personal use.
  - OK under certain circumstances if cost or value related to the use is nominal and does not create appearance of impropriety.

OTHER ETHICAL RULES

- Any public officer or public employee with questions regarding his or her own past, present or future conduct related to the Ethics in Government Law may request a confidential advisory opinion from the Nevada Commission on Ethics. Consideration of these advisory opinions has been statutorily exempted from Nevada's Open Meeting Law

OTHER ETHICAL RULES

- NRS 241.010: In enacting this chapter, the Legislature finds and declares that **all public bodies exist to aid in the conduct of the people's business**. It is the intent of the law that their **actions be taken openly and that their deliberations be conducted openly**.

Chair Getto said one thing that you said, Mr. Carner, is that during the public comment section, the board should refrain from making public comments. Can you expand on that? Mr. Carner said typically, the Agenda is built in a way that, anything the board would want to discuss, normally, there in an item there that says, "board announcements" or "request for future Agenda items", things like that, where the board has that opportunity to make their comments. For the items that are on the Agenda, the board has their opportunity to make comments during those individual action items. The public comment period is reserved for the public to come in and make their comments.

Chair Getto said he has noticed, whether it be on a school board, or a County Commission, when there are public comments, the public commenter is asking the board to do something, and they continually sit there and do not respond. Is that how that is supposed to go? Mr. Carner said yes, a lot of times for our Agendas, we will have something for the Chair to read that actually says that there can be discussion on items on or off the Agenda. There will be no discussion amongst the board members regarding the public comment. It is not a dialogue, essentially, it is the public coming there, making their comments, and the board is not there to have that discussion with them, because those items are not on an Agenda. It is not something to sit and have a dialogue with the public on, at that point. If it is something that a public commenter brings up that the board wants to talk about it, then it can go on a future Agenda for the board to discuss. Mr. Getto said I think sometimes the general public does not know that, and they come and say something, and they will want someone to say something back, and they do not. Then they leave disgruntled because they think the board just sat there. I guess it is up to the board to say we cannot comment, but we can on a future Agenda, or something like that. Mr. Carner said the Chair can say that during public comment, just to let them know that we are not here to have a discussion on that, but, if it is something that we want to have on a future Agenda, we can look at that.

C- Presentation and discussion of the valuation of real and personal property for tax purposes in Nevada conducted by the Churchill County Assessor.
Denise Mondhink-Felton, Assessor, and her staff will provide an overview of the valuation of real and personal property in Nevada.
FISCAL IMPACT: N/A
EXPLANATION OF IMPACT: N/A
FUNDING SOURCE: N/A
ACTION REQUESTED: None; Informational Only

Denise Felton, Assessor, had the following PowerPoint presentation:

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In Nevada, we have two tax rolls, a secured tax roll and an unsecured tax roll. Both tax roll contain the same elements.

- *** Land**
- *** Structures**
- *** Personal Property**
- *** Exempt Value (Land & Structures)**
- *** Personal Exemptions**

The Secured Tax Roll

The assessment is tied to the real property (parcel)

- Land
- Structures or Improvements
- Personal Property – mostly manufactured homes
  - NRS 361.450(2) If real and personal property are assessed against the same owner, a lien attaches upon such real property also for the tax levied upon the personal property within the county. <u>A lien for taxes on personal property also attaches upon real property assessed against the same owner</u> in any other county of the State from the date on which a certified copy of any unpaid property assessment is filed for record with the county recorder in the county in which the real property is situated.
- Exempt Value (property value that is not taxable)
- Personal Exemptions (benefit that reduces an assessment)

Secured Tax Roll

Method of Valuation

= Certified Property Appraiser

NRS 361.221 Certification required; Appraiser's Certification Board

1) A person shall not perform the duties of an appraiser for purposes of the taxation of property as an employee of or as an independent contractor for the State or any of its political subdivisions unless the person holds a valid appraiser's certificate issued by the Department. A person not so certified may collect data but shall not appraise value, and data so collected must be reviewed by a certified appraiser.

NRS 361.227 DETERMINATION OF TAXABLE VALUE.

1. Any person determining the taxable value of real property shall appraise:

(a) **The full cash value of:**

(1) **Vacant land** by considering the uses to which it may lawfully be put, any legal or physical restrictions upon those uses, the character of the terrain, and the uses of other land in the vicinity.

(2) **Improved land** consistently with the use to which the improvements are being put.

(b) Any improvements made on the land by subtracting from the **cost of replacement (Marshall & Swift Costing Service)** of the improvements all applicable depreciation and obsolescence. Depreciation of an improvement made on real property must be calculated at 1.5 percent of the cost of replacement for each year of adjusted actual age of the improvement, up to a maximum of 50 years.

Secured Tax Roll

Notice of Assessed Valuation

NRS 361.300 Time and manner for completion of secured tax roll; list of taxpayers and valuations; notice of assessed valuation.

- On or before January 1 of each year, the county assessor shall publish the county secured tax roll, that it is complete and open for inspection by interested persons of the county.
- Before December 18 of the fiscal year, the county assessor shall deliver or mail to each owner of such property a written notice stating the assessed valuation of the property property on the secured tax roll.
- The Assessor's Office has an extensive data base of property data going back decades. However, it is the parcel owner's responsibility to make the Assessor's Office aware of any changes or information pertaining to their parcel.

NRS 361.227.5

The Churchill County Assessor's Office monitors the local market daily through listings and sales.

Churchill County Assessor's Office appraisal review process:

- Review the appraisal in depth with owner
- Visit parcel to ensure the most accurate and up to date appraisal
- Complete a pair sales analysis
- Review any evidence provided by taxpayer

The computed taxable value of any property must not exceed its full cash value. Each person determining the taxable value of property shall reduce it if necessary to comply with this requirement. A person determining whether taxable value exceeds that full cash value or whether obsolescence is a factor in valuation may consider:

(a) Comparative sales, based on prices actually paid in market transactions.

(b) A summation of the estimated full cash value of the land and contributory value of the improvements.

(c) Capitalization of the fair economic income expectancy or fair economic rent, or an analysis of the discounted cash flow.

A county assessor is required to make the reduction prescribed in this subsection if the owner calls to his or her attention the facts warranting it, if the county assessor discovers those facts during physical reappraisal of the property or if the county assessor is otherwise aware of those facts.

The Unsecured Tax Roll

Property assessed to someone other the owner of the real property

- Land
  - Example: possessory interest
- Structures
  - Example: Manufactured home in a park
- Personal Property
  - The bulk of personal property is on the unsecured roll
- Exempt Value (value that is not taxable)
- Personal Exemptions (benefit that reduces an assessment)

The Unsecured Tax Roll is used to value:

- Less permanent property such as business equipment
- Property that is not permanently secured to real estate
- Can be used to bill new construction after roll close, this is referred to as the "supplemental roll"

Unsecured property is just that, the lien is not secured by a parcel, and the only way to collect unpaid taxes is to seize or lock enough property to satisfy the unpaid debt.

Personal Property

Method of Valuation

= Declared

NRS 361.265 Written statement concerning personal property

1) To enable the county assessor to make assessments, he or she shall demand from each natural person or firm, and from the president, cashier, treasurer or managing agent of each corporation, association or company, including all banking institutions, associations or firms within the county, **a written statement, signed under penalty of perjury**, on forms and in the format prescribed by the county assessor of **all the personal property within the county, owned, claimed, possessed, controlled or managed by those persons, firms, corporations, associations or companies.**

Unsecured Tax Roll

Declaration

NRS 361.265 Written statement concerning personal property

2. The statement must include:

(a) A **description of the location of any taxable personal property** that is owned, claimed, possessed, controlled or managed by the natural person, firm, corporation, association or company, but stored, maintained or otherwise placed at a location other than the principal residence of the natural person or principal place of business of the firm, corporation, association or company;

(b) The **cost of acquisition of each item** of taxable personal property including the cost of any improvements of the personal property, such as additions to or renovations of the property other than routine maintenance or repairs, **and the year in which each item of taxable personal property was acquired**.

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Unsecured Tax Roll

Statement Filing Deadline

NRS 361.265 Written statement concerning personal property

3. The **statement must be returned not later than July 31**, except for a statement mailed to the taxpayer after July 15, in which case it must be **returned within 15 days after demand** for its return is made. Upon petition of the property owner showing good cause, the county assessor may grant one or more 30-day extensions.

4. If the owners of any taxable property not listed by another person are absent or unknown or **fail to provide the written statement as described in subsection 1, the county assessor shall make an estimate of the value of the property and assess it accordingly**. If the name of the absent owner is known to the county assessor, the property must be assessed in that name. If the name of the owner is unknown to the county assessor, the property must be assessed to "unknown owner," but no mistake made in the name of the owner or the supposed owner of personal property renders the assessment or any sale of the property for taxes invalid.

5. If any person, officer or agent neglects or refuses on demand of the county assessor or his or her deputy to give the statement required by this section, or gives a false name, or refuses to give his or her name or sign the statement, the person, officer or agent is guilty of a misdemeanor

Unsecured Tax Roll

Assessment Notice =

Tax Bill

NRS 361.300 Time and manner for completion of secured tax roll; list of taxpayers and valuations; notice of assessed valuation.

- Any personal property billed on the unsecured tax roll is appraised or reappraised pursuant to NRS 361.260, the delivery or mailing to the owner of such property of an individual tax bill or individual tax notice for the property shall be deemed to constitute adequate notice to the owner of the assessed valuation of the property as determined from the appraisal or reappraisal.

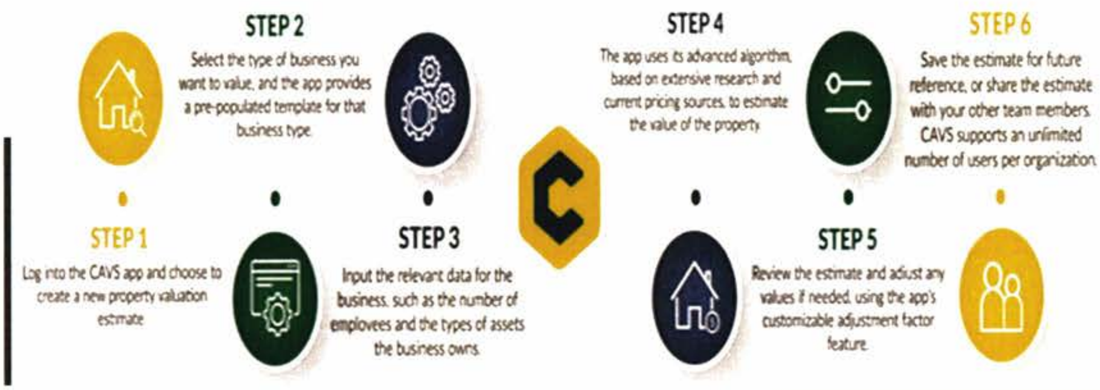
Unsecured Tax Roll

Cost Analysis Valuation System (CAVS)

The Churchill County Assessor's Office utilizes an application called CAVS. The application is a tool for understanding which assets are owned by which businesses, and how much those assets are worth. Their business models are based on industry research and experience. Asset values are averaged across multiple sources. Their algorithm increases appropriate values based on the number of employees. The CAVS applications gives local governments access to consistent business models.

The Churchill County Assessor's office sends an estimate of equipment to each new business with our new business letter. Estimates are also sent in response to personal property declarations in question or non-filers.

HOW DOES CAVS WORK?

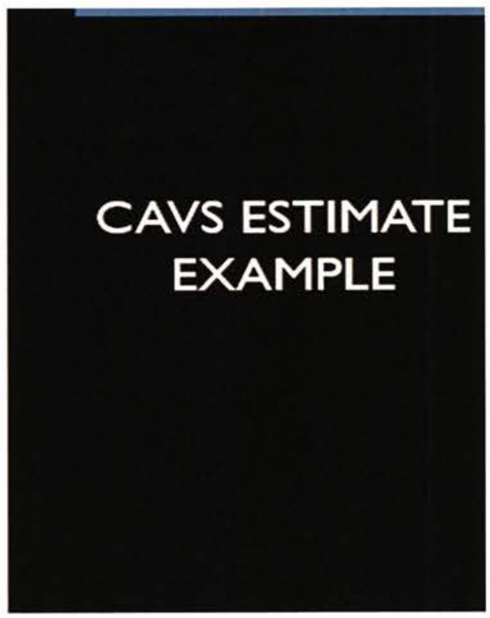


CAVS Business Estimate

CHURCHILL COUNTY NV

Business Contact

Primary Contact



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County Board of Equalization

Change or Correct Value

NRS 361.345 Power of county board of equalization to change valuation of property

1. Except as otherwise provided in subsection 2, the county board of equalization may:

(a) Determine the valuation of any real or personal property placed on:

(1) The **secured tax roll** which was assessed by the county assessor; or

(2) The **unsecured tax roll** which was assessed by the county assessor on or after May 1 and on or before December 15; and

(b) Change and correct any valuation found to be incorrect either by adding thereto or by deducting therefrom such sum as is necessary to make it conform to the taxable value of the property assessed, whether that valuation was fixed by the owner or the county assessor. The county board of equalization may not reduce the assessment of the county assessor unless it is established by a preponderance of the evidence that the valuation established by the county assessor exceeds the full cash value of the property or is inequitable. A change so made is effective only for the fiscal year for which the assessment was made. The county assessor shall each year review all such changes made for the previous fiscal year and maintain or remove each change as circumstances warrant.

County Board of Equalization

Estimated Value

NRS 361.345 Power of county board of equalization to change valuation of property

2. If a person complaining of the assessment of his or her property:

(a) **Has refused or, without good cause, has neglected to give the county assessor the person's list under oath, as required by NRS 361.265**; or

(b) Has, without good cause, refused entry to the assessor for the purpose of conducting the physical examination required by NRS 361.260, **the county assessor shall make a reasonable estimate of the property and assess it accordingly. No reduction may be made by the county board of equalization from the assessment of the county assessor made pursuant to this subsection.**

NRS 361.430 Burden of proof on plaintiff in action brought under NRS 361.420.

In every action brought under the provisions of NRS 361.420, the burden of proof shall be upon the plaintiff to show by clear and satisfactory evidence that any valuation established by the Nevada Tax Commission or the county assessor or equalized by the county board of equalization or the State Board of Equalization is unjust and inequitable.

Member Riggins asked Ms. Felton if there are adjustments for effective age, as opposed to chronological age? Ms. Felton said no, that is always a huge discussion; making that effective age adjustment, like the appraisers do, but there is nothing in NRS to bring that value up to what the market is, it is just pure cost. Chair Getto said that is the big beef with many people, because if you have fifty-year-old house, and a new house, and they are both at $500,000.00, someone is paying less tax. Ms. Felton said, if they do a major remodel or something like that, we do go in and do adjustments for that, but, if they are going through time and they are doing that deferred maintenance, we typically do not make an adjustment for that. However, like I said, if they do a major remodel, we do what we call "a percent complete" to determine how much of the structure was replaced, and we make an adjustment for that, or a fire would be another example of that. Member Riggins said that really goes to effective age then, in a round about way. Ms. Felton said, if there was a major remodel, or a fire, but not for things that people do over time. Member Riggins asked how do you document that, and Ms. Notestine said, typically, how we document that is upon discovery, and we have many methods of discovery; it could be a listing, the owner reporting something that has happened, or it could be a building permit for a remodel. We will go through and inspect the property, figure out all the components that have been replaced, such as, dry wall, fixtures, and electrical. We have a Marshall and Swift percent complete worksheet we go through to figure out exactly how much of that house has been redone. Then we do a weighted year, based on that percentage, then the difference of that is then marked as new construction, so it comes outside of that tax cap for that year. It inflates the taxes a little bit because it is new construction, but then that goes in our record as new construction for that remodel. That is how we document all of that.

Chair Getto asked to expand on that more, for example, a house that is fifty years old, and the maintenance has been normal all the way through, so that house is very livable, and now are at year fifty-five or fifty-six, and those taxes are just going to keep hitting the same every year at that twenty-five percent. Ms. Felton said, basically, that house is re-cost with the new cost, but then it is depreciated to that twenty percent residual, and then that is where that three percent increase is every year. Essentially, your values, regarding taxes, correlate with what you paid in taxes last year, then it does the assessed value of the property.

Member Riggins said grazing permits are often, due to Supreme Court cases, considered a possessory interest in public lands. Do you value those at all? Ms. Felton said it is hard to get some of that information, even from the Naval Base. I had someone that used to give that information, then he retired, and I have made a Freedom of Information Act Request, trying to get that information on who has leases, but sometimes that information is really hard to obtain. When we do get that information, we then assess people on a possessory interest on that. Member Riggins said the BLM or Forest Service grazing permits are what I am referring to. Ms. Felton said the Forest Service grazing permits, I believe, Forest Service land, there is an exemption for that as it is something different, and I do not have that NRS off the top of my head. We used to do the Navy ones, and then we lost our contact, so we have not been able to get some of that information from the Navy.

Regarding the market update, Ms. Notestine said that I know, in the past, that everyone has enjoyed our statistics, unfortunately, because of a Microsoft error, I am not able to query any of our sales out of our database, so we will have to wait until next year.

Member Riggins said agricultural properties fall under the Green Belt Exemption, if they are properly filed. Is there any consideration in the land value for conservation easements the county has on irrigated properties? Ms. Felton said agriculturally assessed are assessed pursuant to NRS 361(A). We are using a preferred value to value those agricultural properties. Those Transfer of Development Rights (TDRs) are a county program, and what we do with those is, we actually have land characteristics, where we keep track of those, but it does not really come into play, as far as valuation for us, because, if it is an agricultural property, we are actually using the state's classification, and we are not using the market side of that. Member Riggins stated that the state makes no allowance for a conservation easement, and Ms. Felton said no.

Chair Getto asked what percentage do property taxes contribute to the overall income of the county, yearly? Member Kalt said it is about thirty-two percent of the General Fund. Lyon County is slightly less, and Humboldt County is around thirty-four percent.

Member Kalt said, Ms. Felton, correct me if I am wrong, but, the role of the Board of Equalization is valuation, not the level of taxes. A lot of these questions that were asked kind of appear to me that you are focused on what the taxpayers pay on their tax liability. I always thought this board was to determine if the correct valuation of the property, be that the land and the improvements, or the personal property is adequate, not the number of dollars they have to pay the Clerk/Treasurer to pay taxes on. Ms. Felton said you are correct, and then, if you want to appeal your taxes for one reason or another, I believe the Tax Commission is the authority for taxes themselves, and that would be an exemption, or abatements, etc. Once the value leaves the Assessor's Office, it goes to the Clerk/Treasurer's Office, and then, there is a different avenue for that.

Chair Getto said connex boxes are personal property, people are using them for storage sheds or buildings, and those have value. Are you keeping track of those? Ms. Notestine said, typically, what we do for commercial businesses, is that would be something they would declare on their personal property declaration as part of their business equipment. When they are on residential properties, we cost them as a prefabricated shed, as they are being used for storage, so we cost them through Marshall and Swift.

Public Comment:

Chair Getto asked if there was any public comment, but there was none.

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Adjournment:

The meeting was adjourned at 2:51 PM.

APPROVED: Robert Getto
Robert M. Getto, Chairman

ATTEST:
Linda Rothery, Clerk/Treasurer

Tara Adams
Tara Adams, Deputy Clerk