

**BOARD OF EQUALIZATION, WASHOE COUNTY, NEVADA**

WEDNESDAY

9:00 A.M.

FEBRUARY 1, 2012

PRESENT:

**James Covert, Chairman**  
**John Krolick, Vice Chairman\***  
**James Brown, Member**  
**Philip Horan, Member**  
**Linda Woodland, Member\***

**Nancy Parent, Chief Deputy Clerk**  
**Herb Kaplan, Deputy District Attorney**

The Board of Equalization convened at 9:05 a.m. in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada. Chairman Covert called the meeting to order, the Chief Deputy Clerk called the roll and the Board conducted the following business:

**12-030E      PUBLIC COMMENT**

There was no response to the call for public comment.

**12-031E      SWEARING IN**

Nancy Parent, Chief Deputy Clerk, swore in Cori DelGiudice of the Assessor's staff who would be presenting testimony for the 2012 Board of Equalization hearings.

**12-032E      WITHDRAWN PETITIONS**

<b>Assessor's Parcel No.</b>	<b>Petitioner</b>	<b>Hearing No.</b>
125-441-16	BIGELOW, JON H & RAMONA	12-0246
082-600-07	DAWSON, FRED	12-0045

**12-033E      CONSOLIDATION OF HEARINGS**

The Board consolidated items as necessary when they came up on the agenda.

**12-034E      REQUEST FOR CONTINUANCE**

At the request of the Petitioner, the following hearing was rescheduled to February 24, 2012:

<b>Assessor's Parcel No.</b>	<b>Petitioner</b>	<b>Hearing No.</b>
570-101-03	SINGH, JAGTAR	12-0043

**12-035E      PARCEL NO. 009-433-36 – GALLOWAY LIVING TRUST DATED APRIL 19, 2010 – HEARING NO. 12-0123**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 1100 Greensburg Circle, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

**Exhibit A:** Certificate of Trust dated April 19, 2010, appeal notes and argument, NAC Chapter 361, letter from Complete Building Maintenance dated January 5, 2012, letter from Professional Builders dated January 5, 2012, letter from Tim Milton Construction dated January 4, 2012, *RGJ.com* article, Survey of Counties, 2011 Prevailing Wage Rates for Washoe County, 2010 Prevailing Wage Rates for Washoe County, Producer Price Index Industry Data, and supporting documentation, 32 pages.

**Exhibit B:** Amendment 1, letter from James Galloway to Washoe County Assessor dated January 16, 2012 and supporting documentation, 3 pages.

**Exhibit C:** Amendment 2, letter from James Galloway to Washoe County Assessor dated January 16, 2012 and supporting documentation, 6 pages.

**Exhibit D:** Letter dated January 20, 2012 from Mr. Galloway to Nevada Department of Taxation with supporting documentation, 4 pages.

**Exhibit E:** Email correspondence dated January 27, 2012 from Mr. Galloway to Washoe County Clerk's Office, letter dated January 19, 2012 from Mr. Galloway to Nevada Department of Taxation, letter dated January 24, 2012 from Nevada Department of Taxation to Mr. Galloway and State of Nevada Department of Taxation Notice of Decision dated May 26, 2011, 10 pages.

**Exhibit F:** Email correspondence dated January 27, 2012 from Mr. Galloway to Washoe County Clerk's Office and State of Nevada Department of Taxation 2012-2013 Improvement Factor Report, 65 pages.

**Exhibit G:** Letter dated January 27, 2012 from Mr. Galloway to Washoe County Clerk and supporting documentation, 26 pages.

**Exhibit H:** State of Nevada Department of Taxation Notice of Decision dated May 26, 2011 and letter dated January 19, 2012 from Galloway Living Trust to Nevada Department of Taxation and attachment, 4 pages.

Exhibit I: Letter dated January 24, 2012 from Nevada Department of Taxation to Mr. Galloway and Notice of Decision dated May 26, 2011, 6 pages.

Exhibit J: Letter dated January 25, 2012 from Westek Construction Company to Washoe County Assessor and Washoe County Board of Equalization, 1 page.

**Assessor**

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

Exhibit II: Assessor response to *Marshall and Swift* cost increase, 49 pages.

Exhibit III: Letter from Department of Taxation to Mr. Galloway dated January 24, 2012, 6 pages.

On behalf of the Petitioner, James Galloway was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Joe Johnson, Appraiser, oriented the Board as to the location of the subject property. He noted the property was in the Southampton neighborhood in southwest Reno.

Chairman Covert explained to Mr. Galloway that in order for any vote to pass, there must be a quorum. He stated there was currently a quorum of three; however, all members would be required to vote the same. He explained the other two Board members were expected to be at the meeting later. He then gave Mr. Galloway the option to delay his hearing until more Board members were present. Mr. Galloway stated he would do whatever it took to receive the best hearing possible and he chose to delay his hearing until more Board members were present.

**9:10 a.m.** Member Krolick arrived at the meeting

Josh Wilson, Assessor, recommended the same opportunity be afforded to all Petitioners present. Chairman Covert agreed and provided that opportunity to all Petitioners present.

**12-036E** **PARCEL NO. 220-072-02 – DOXEY LIVING TRUST – HEARING NO. 12-0145**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 40 Sawbuck Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A: Letter from Professional Builders Inc., letter from Complete Building Maintenance, letter from Tim Milton Construction, LLC, Tax Assessments 2012-13--Survey of Counties, PPI-R, Prevailing Wages in Washoe County for Trades Used in Residential Construction and letter from Petitioner, 9 pages.

**Assessor**

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 13 pages.

On behalf of the Petitioner, Robert Doxey was sworn in by Chief Deputy Clerk Nancy Parent.

Chairman Covert asked Mr. Doxey if he wished to proceed with four Board members present or if he would like to wait for Member Woodland to arrive. Mr. Doxey said he would proceed with his hearing with four Board members present.

On behalf of the Assessor and having been previously sworn, Joe Johnson, Appraiser, oriented the Board as to the location of the subject property.

Mr. Doxey questioned *Marshall & Swift's* 8 percent increase of material and labor costs in the Reno area. He noted *Marshall & Swift* was a tool the Assessor was required to use. He stated he received letters from Professional Builders and two other contractors who said the cost of labor and materials in the area had not increased. If anything, the cost of labor and materials had decreased according to the contractors.

He noted counties in close proximity to Washoe County that had decreased taxes: Douglas County, 8 percent; Carson City, 10 percent; Lyon County, 10 percent; and, Churchill County, 20 to 25 percent. He referred to his Exhibit A and said building had slowed and prevailing wages of residential contractors in Washoe County had decreased. He read from his Exhibits.

Mr. Doxey said he contacted *Marshall & Swift* who said they would be willing to review their publication but he had not received a response as to a result. Mr. Doxey asked the Board to reduce the residential replacement cost of his tax bill by 10 percent. Chairman Covert asked Mr. Doxey if he was protesting his land value and Mr. Doxey said he was only protesting building replacement cost.

Josh Wilson, Washoe County Assessor, said the focus of the Petition was on *Marshall & Swift* and not on total taxable value. He stated total taxable value did not exceed market value. He explained Nevada Administrative Code (NAC) 361.227 required assessors to use *Marshall & Swift* for re-costing. He further stated the Nevada Supreme Court had ruled that County Assessors must use uniform standards and methodologies for assessing properties throughout the State.

**9:25 a.m.** Member Woodland arrived at the meeting.

Assessor Wilson stated obsolescence may only be applied when it was determined that taxable value exceeded market value. He said he reviewed the letters from the contractors (Exhibit A) but the contractors had not indicated the true cost to construct or replace improvements. He stated the Nevada Tax Commission had provided the single source, *Marshall & Swift*, because of variations of true changes and this was evidenced in Exhibit A. He also said the single source provided uniformity. He noted that Exhibit I demonstrated total taxable value did not exceed market value.

Assessor Wilson noted that Mr. Doxey was correct to say the Assessor was required to use *Marshall & Swift*, which was set forth in Nevada Revised Statute 361.227 and further delineated in the NAC adopted by the Nevada Tax Commission. He explained assessors had no option but to adopt the standards approved by the Nevada Tax Commission. He noted that even the Nevada Supreme Court had ruled that County Assessors must use uniform standards and methodologies to assess properties throughout the State. The Nevada Supreme Court ruling clearly placed a statutory duty on the Nevada Tax Commission to create a uniform system of regulation for assessing real property and County Assessors must adopt the system. Assessor Wilson said that was done with the application of *Marshall & Swift*. He stated the Nevada Tax Commission had tried to move the *Marshall & Swift* publication date closer to the actual date of valuation in order to better reflect the current real estate market. Assessor Wilson went on to state that he attended the majority of workshops presented by the Nevada Department of Taxation and he did not recall the use of *Marshall & Swift* ever being questioned.

Assessor Wilson next reviewed the formula to arrive at total taxable value: determine the cost to replace improvements and establish the market value of the land, then add those two components together to arrive at a property's total taxable value. Pursuant to statute, the only time the Assessor can apply obsolescence was if that computed taxable value exceeded market value of any given property throughout the County. Since that was done, Assessor Wilson noted Mr. Doxey's statement that the Assessor had made no effort to reduce the improvement value was false. He stated all computed taxable values in the County were tested against their market value. Newer neighborhoods that received less depreciation generally required reductions because the computed taxable value exceeded market value. Examples included the D'Andrea subdivision; most all subdivisions in the Spanish Springs area; the North Valleys; and basically any property built in recent years that the 1.5 percent depreciation did not adjust for current economic obsolescence experienced by the real estate market.

Assessor Wilson said most of the letters from contractors which he reviewed talked about increases or whether it cost more to build a house today than it did 18 months ago. The contractors did not provide the true cost of replacement. He said without that a contractor's estimated replacement cost could not be compared to *Marshall & Swift* to determine whether *Marshall & Swift* was too high or too low. He also said the letters from contractors varied as to what the true changes in cost had been and that was why the Nevada Tax Commission had established a single standard for all Assessors to

use, which was the *Marshall & Swift* Cost Manual. He noted some builders built in bulk and got a better break on construction costs and there may be other aspects affecting costs for builders. Since they all had varying opinions as to what the true costs were he felt the Nevada Tax Commission had complied with Article X of the Nevada Constitution which said that the Nevada Tax Commission shall prescribe assessments by a uniform application. He discussed another case ruled on by the Nevada Supreme Court that said uniformity and equality were achieved by having a standard source. He said just because someone knows a contractor and could have something built for a lesser cost than was specified in *Marshall & Swift* created inequality. Adopting a different standard as requested by the Petitioner would create an imbalance.

Assessor Wilson read NAC 361.227(5) into the record. He said he assumed the blanket obsolescence applied by other County Assessors, as testified to by the Petitioner, reduced the total taxable value below market for their county. He said in Washoe County properties that were 30+ years old and received upwards of 75 percent depreciation on improvement values were not above market value even with the increase in *Marshall & Swift* costs.

Chairman Covert asked if the Department of Taxation looked more closely at Washoe and Clark Counties and made blanket assumptions in the outlying counties because of the population densities of Washoe and Clark counties. Assessor Wilson stated he was not sure whether that played a role. He felt the Department of Taxation audited all counties on a three year cycle. He said the purpose of the audit was to ensure each County Assessor was complying with appropriate statutes and regulations. He noted a land audit had recently been conducted by the Department of Taxation on Washoe County and Washoe County had been given favorable remarks. He said it was the State Board of Equalization's role to ensure equalization among the counties.

Chairman Covert said he noticed on page 2 of Exhibit I that taxable land value moved up and down from \$262,000 in 2008 to \$72,000 in 2012. He asked Assessor Wilson to address the fact that improvement values did not move up and down during the same time period. Assessor Wilson said it was a function of the land being valued based on its full cash value and the improvement value being derived through the application of the *Marshall & Swift* Cost Manual, less the appropriate depreciation. He noted that Mr. Doxey's total taxable value was actually reduced and it was unfair to say his taxes would increase. He further said in 2008 and 2009 the County may have been far below market due to *Marshall & Swift* costing.

Member Brown said the Assessor's Office could not logistically or functionally allow contractors to provide actual replacement costs for each assessment in Washoe County as being requested by the Petitioner. Assessor Wilson noted there would most likely be varying standards if that type of methodology was adopted, and that would violate Article X of the Nevada Constitution.

Member Brown asked if all counties reappraise annually. Assessor Wilson said it was his understanding that all counties reappraise land annually. Some smaller

counties were challenged with re-costing their improvements annually so they had adopted to re-cost one-fifth of their County annually and apply the 8 percent factor adopted by the Tax Commission to the remaining four-fifths to adjust improvement values.

In rebuttal, Mr. Doxey agreed that Assessor Wilson had appraised properties accurately and he had no problem with the assessment. He said his problem was with the *Marshall & Swift* manual and he believed it to be inaccurate. Chairman Covert stated that the Board had no authority to change the *Marshall & Swift* process. Mr. Doxey said other counties were able to lower or raise assessments after applying *Marshall & Swift*. Chairman Covert stated that counties may have that option but the County Board of Equalization could not. Mr. Doxey said he thought *Marshall & Swift* was in error and he asked the Washoe County Assessor to make a judgment call.

Member Krolick asked how many other states used *Marshall & Swift* and if *Marshall & Swift* was audited. Assessor Wilson said he was not sure how many other States used *Marshall & Swift*. He said his office asked *Marshall & Swift* about the accuracy of estimating replacement costs new and *Marshall & Swift* responded that they were upheld in 90 percent of appellant court cases they had been involved in. He did not know if *Marshall & Swift* was audited but said they were the national leader and authority in the costing arena. Assessor Wilson said ten or so years ago certain counties throughout the State felt costs were incorrect. He said he thought the counties or the State worked with *Marshall & Swift* and surveyed a number of various components to determine if *Marshall & Swift* had been correct.

Member Krolick asked if there was a competing entity and Assessor Wilson said he was not aware of another entity that captured replacement cost in the same manner as *Marshall & Swift*. He reiterated he was required by the Nevada Tax Commission to use *Marshall & Swift* as of January 1 of the assessment year. He then noted he felt all costs (groceries, gas, etc.) had increased. Member Krolick said the Petitioner brought forward that other counties had not adopted *Marshall & Swift* in full. Assessor Wilson said it was his understanding all County Assessors had adopted the *Marshall & Swift* methodology. He further said County Assessors reacted to the *Marshall & Swift* increase by applying blanket obsolescence to all properties to reduce taxable values below market value which was not the case in Washoe County. He then suggested to the Board that if they found a Petitioner's taxable value exceeded market value, obsolescence should be applied to reduce the improvement value and bring it below market. Similarly, if the computed taxable value did not exceed market, there would be no reason to apply obsolescence.

Member Brown asked if Assessor Wilson felt NAC 361.128(4) said if *Marshall & Swift* made an error, County Assessor's were not required to use the guideline for assessment. Assessor Wilson read the Code and said if a required publication or manual did not provide replacement cost of improvements of a particular occupancy or construction type (unique type of property) a County Assessor could apply to the Executive Director for use of an alternative method. He further stated *Marshall &*

*Swift* did provide replacement cost for residential properties. Member Brown asked what methodology would be used for a unique property type and Assessor Wilson said he was not sure.

Member Brown asked if the question before the Board was whether *Marshall & Swift* was the correct method. Chairman Covert said the Petitioner was protesting the value of improvements on his property, argued that *Marshall & Swift* was not correct and therefore his property value should be reduced. Member Horan said he had reviewed all Petitions for the current hearing day and many of them seemed to be protesting the use of *Marshall & Swift* as the cost application. He further said he did not see how the Board could adopt another cost structure to make reductions.

With regard to Parcel No. 220-072-02, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried with Member Woodland abstaining, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**9:50 a.m.** Chairman Covert reopened Hearing No. 12-0123.

**12-035E** **CONTINUATION – PARCEL NO. 009-433-36 – GALLOWAY**  
**LIVING TRUST DATED APRIL 19, 2010 – HEARING NO. 12-0123**

Mr. Galloway said he appreciated the Board. He said this was the last resort in the process for correction of an error whereby the State approved the use of *Marshall & Swift*. He said *Marshall & Swift* over-valued the cost of improvements. He stated he had much more evidence than the previous Petitioner, Mr. Doxey. He stated the evidence would show the Board they did have authority, and must act, to correct errors in *Marshall & Swift* and the approval of that by the State.

Mr. Galloway stated he felt Hearing Nos. 12-0123, 12-0145 and a few other hearings should have been consolidated because they were all asking the valuation of replacement cost new of improvements to be rolled back to the prior year's assessment numbers. He further said they all questioned the application of *Marshall & Swift* by the Assessor and *Marshall & Swift's* increases. He stated *Marshall & Swift's* cost of replacements new on October 1, 2009, was in agreement with other data for the current replacement cost of improvements. He asked that his verbal presentation be part of the appeal package.

Mr. Galloway said he had three complaints: The first was the over-estimate by *Marshall & Swift*, which included the increase in replacement costs and the actual resulting valuation of the improvement replacement cost as of January 1, 2011. He stated replacement cost new as of January 1, 2011 was not greater than the replacement cost new as of October 1, 2009. Second, if the appeal was granted, they requested that the



Board would grant the same relief for all like property in Washoe County for equity. The third complaint was for the non-uniform application of the methodology inside and outside of Washoe County. He stated he prepared the survey of the counties presented above by Mr. Doxey. Mr. Galloway said the complaint within Washoe County was based on values in some areas being reduced below those calculated using *Marshall & Swift*, but not in other areas. The complaint between counties was based on the survey.

Mr. Galloway noted everything revolved around the first complaint. He said the Department of Taxation had specified *Marshall & Swift* as the mechanism to determine replacement cost. He said he felt Member Brown's question in Hearing No. 12-0145 about the Nevada Administrative Code (NAC) actually referred to NAC 361.128(4). Based on that, Mr. Galloway felt the Executive Director of the Nevada Department of Taxation had the authority to not approve *Marshall & Swift* if he found it to be in error. Since *Marshall & Swift* was used, Mr. Galloway said it was up to the County Board of Equalization (CBOE) to decide whether *Marshall & Swift* should have been applied. He informed the Board he wrote to Executive Director William Chisel, provided massive data that showed *Marshall & Swift* was wrong, and asked Mr. Chisel to roll the replacement costs back to the previous tax year. He received a response from Mr. Chisel which stated he felt he did not have the authority to withdraw or overturn the approval of *Marshall & Swift* once it had been approved.

Mr. Galloway stated the NAC was only a regulation and was not law. He said since some neighboring counties had taken action to negate *Marshall & Swift* increases, it was up to this Board to correct the error. He said any interpretation of State law or regulations that correction of an error was not possible would be invalid and unconstitutional. He stated he exercised his rights under the United States Constitution and based his appeal on all other rights under State and Federal law and the United States and Nevada Constitutions. He further stated *Marshall & Swift* was wrong for everybody in Washoe County and he had evidence they were wrong for the whole State because they showed increases where all national data showed no increase. Mr. Galloway noted *Marshall & Swift's* primary customers were insurance companies who may have a different goal for the use of the data.

Mr. Galloway asked what evidence *Marshall & Swift* furnished the County or the State of Nevada that they were right. He said he asked Bruce Bartolowits of the Department of Taxation whether *Marshall & Swift* submitted statistical samples or other backup details to support their findings and he was told they had not. He said the use of *Marshall & Swift* as being acceptable was based on the State's confidence in *Marshall & Swift* and their reputation and that they were referenced in the NAC. He noted at some point the State must have had some doubt in *Marshall & Swift* because they polled approximately 1,300 residential building contractors statewide. (Exhibit F, Appendix I). He said 20 percent of those who responded to the poll were not sure whether costs had gone up or not; 20 percent said costs had increased; and the remaining 60 percent were split that costs stayed flat or decreased. He said both *Marshall & Swift* and the Department of Taxation had presented little evidence to support their estimates. Mr. Galloway next reviewed Exhibit A, page 17. He referred to Exhibit A, pages 29

through 32, which reflected the national cost of materials generally used by builders for residential construction. He noted Nevada was a national economy and the nationwide increase of residential construction materials between October 1, 2009 and January 1, 2011 was 4.58 percent. Mr. Galloway said only 30 percent of the cost of building a residence was the cost of materials and the other 70 percent represented labor costs. He reviewed construction labor rates and noted they were flat (Exhibit A, pages 18 through 28). He reviewed Exhibit G, pages 15 through 17, and said based on the report by a licensed appraiser, labor costs did not increase in economies such as Nevada's (13 percent unemployment in November, 2011). He discussed an article by the National Association of Home Builders (NAHB), Exhibit G, pages 6 through 13, which reported that the national cost per square foot of building a home decreased 2.7 percent. He further noted, that according to the NAHB profit margins steadily declined since 2007. He said NAHB's 2011/12 data, which represents replacement costs on October 1, 2009, agreed with *Marshall & Swift* estimates. He reiterated his feeling that *Marshall & Swift*, a private company, was incorrect and said a law that specified the use of a private company could not be valid.

Member Horan assured Mr. Galloway that he personally considered all documentation provided for all cases when making a decision.

Assessor Wilson said, according to the petition, Mr. Galloway had not appealed that the total taxable value of his property was higher than full market value. He noted he could only apply obsolescence if computed taxable value exceeded market value. NRS 361.227 said an assessor must determine the cost of replacement and NAC specified *Marshall & Swift* as the standard for that determination. Assessor Wilson disagreed that a regulation was not a law and the Bakst decision was based on the lack of codified regulations by the Nevada Tax Commission. He said he understood that once a regulation had been approved by the Legislative Commission it carried the full force of law in any Court or before the Board. He stated assessors must use *Marshall & Swift* cost tables and to do something else would be contrary to Article X of the Nevada Constitution. Assessor Wilson told the Board they had authority to act and apply obsolescence to improvement values if they determined total taxable value exceeded market value, which the Petitioner claimed was not the case in this hearing. He further stated there was no documentation in the record showing that Mr. Galloway's home would cost more than \$154 per square foot to reconstruct, which was the replacement cost new of the base structure as assessed by his office. He pointed out that all the letters from building contractors varied in some way. Some letters said there had been slight increases but not as much as *Marshall & Swift*, while others said it was flat. He said this was exactly why the Nevada Tax Commission established a single standard in determining replacement costs across the State.

Assessor Wilson addressed NAC 361.128. He said Mr. Galloway read an outdated version of that regulation and the new regulation applied to values assessors established as of July 1. He pointed out the Department of Taxation's survey of residential contractors was further evidence why the Tax Commission adopted a single

source; 20 percent surveyed did not know; 20 percent thought costs had gone up and 60 percent felt costs were flat or went down.

Assessor Wilson reiterated the Board's authority to reduce the *Marshall & Swift* improvement value was through obsolescence and only if the Board determined total taxable value exceeded market value. He said Mr. Galloway's total taxable value did go down and his tax bill should go down. He noted that the decrease in land value more than offset any improvement cost through the application of *Marshall & Swift*. He assured Mr. Galloway that all neighborhoods in Washoe County were checked and he believed that was why approximately 45 percent of all improvement or property values were reduced by obsolescence. He said Mr. Galloway's improvement value was reduced by 30 percent which was the statutory 1.5 percent annual depreciation rate. He explained that when the improvement value was reduced by depreciation, total taxable value was below market. He said a neighborhood that was only five years old, for example, would only receive 7.5 percent depreciation. With the economic conditions of the real estate market, a comparable sales analysis would show computed taxable value exceeded market value and adjustments would need to be made to bring the total taxable value below market value. Assessor Wilson said the CBOE did not determine taxes. He explained that annually the Board of County Commissioners submitted the tax rate to be applied to assessed values to the Nevada Department of Taxation. Theoretically, he said, when values go up, the tax rate should go down so that the same amount of tax revenue was generated. However, because the local tax rate was at its maximum prior to the current economic conditions, there was no room to adjust the rate. He further explained that there were various components to the tax system; not just the Assessor's valuation.

Assessor Wilson asked that his testimony from Hearing No. 12-0145 (see 12-036E) be incorporated into this hearing.

In rebuttal, Mr. Galloway said he was not personally attacking Assessor Wilson. Chairman Covert said he had not taken it that way. Mr. Galloway stated there were no regulations stating the CBOE could not correct values if the actual replacement cost new to replace a structure was lower than the assessed value. He said it was not a matter of it being his house, but the cost per square foot for any area anywhere in the State. He also said it was not a matter of him obtaining a bid for a different amount, but he proved that the average per square foot of replacement costs new for improvements corresponded to the October 1, 2009 values in the previous assessment period. Mr. Galloway stated the proper thing for the Board to do was to correct the mistake. He said he was entitled to be assessed on the lesser of two numbers: total market value or market value of land plus depreciated value of replacement cost of improvements. He stated an error such as this was a de-facto tax increase without due process. He told the Board they were not prohibited from taking action.

Member Krolick asked what the average increase in *Marshall & Swift* was from last year to the current year. Assessor Wilson said it varied on occupancy and quality class, but assuming no obsolescence was applied, he would estimate 5 to 6 percent. Member Krolick said it was rare to build a house in the current economy and he

stated it might be appropriate to err on the side of the public by rolling back assessment values to the previous year and then apply a 1 percent increase rather than an increase of 5 or 6 percent. Assessor Wilson said certain components of building a home would increase and that was what *Marshall & Swift* indicated. He then noted some property in Washoe County had sold for less than it could be built. Assessor Wilson said cost and value were not the same; values continued to decline. He stated the real estate market was going down but that did not mean the cost to construct a house had gone down equal with the decline in value of the real estate market.

Member Brown said Mr. Galloway did not present actual replacement costs in his presentation. Mr. Galloway said he provided actual replacement costs based on NAHB data as a dollar amount per square foot. Member Brown stated there was no evidence provided relevant to Washoe County. Mr. Galloway said that was not the intent of State law. He stated he provided letters from contractors but the contractors did not provide specific costs. He further stated costs as of October 1, 2009, were not disputed by anyone, including the contractors. Member Brown asked Mr. Galloway if he was saying that the opinions of surveys and contractors' estimates as presented concluded that *Marshall & Swift* was wrong. Mr. Galloway said he thought they substantiated an error by *Marshall & Swift* because there was no dispute over the October 1, 2009 data. Mr. Galloway further stated everyone admits the cost of some materials went up, but 70 percent of the cost of building a residence was labor and not materials. He said he had proof that labor costs were flat in the State. He further stated profit margins were down for both primary and sub-contractors. He said he would welcome reform in the tax law, hopefully on a revenue neutral basis and if there was a need to raise taxes somebody would have to take action and not disguise the tax increase by changing a formula. He stated his value would have decreased even more than it did had the assessment been done correctly.

Assessor Wilson told the Board he felt they were bound by the same statutes and regulations he was bound by and that was specified in NRS 361.340(10) which said a CBOE shall comply with any applicable regulation adopted by the Nevada Tax Commission. Also, NRS 360.250 said county boards of equalization, County Assessors and the State Board of Equalization all must adopt regulations approved by the Nevada Tax Commission. Mr. Galloway said there was no provision that said market value could only be corrected by a local or State Board of Equalization if it exceeded total taxable value.

Deputy District Attorney Herb Kaplan said he felt the appropriate version of NAC 361.128 was the version effective June 30, 2012, which gave the Executive Director authority to adopt or reject *Marshall & Swift*; and it was adopted.

Mr. Kaplan told the Board they needed to address the basis upon which Mr. Galloway's petition was brought. He said the Board was created by statute and had statutory authority for certain things as set forth on the actual petition. Mr. Galloway added a box on his petition. Mr. Kaplan said the Board could not make a determination on the adoption of *Marshall & Swift* and Code did not provide for an unhappy individual

to petition the CBOE for recourse. He recommended Mr. Galloway identify one of the enumerated statutes through which to petition the Board so the Board could move forward. He said identifying one of the three statutes to petition under was required by the Department of Taxation and State law. Mr. Galloway stated he was appealing the State law, and the right to petition could not be denied based on a box not being checked on the application. Mr. Kaplan said he was not implying the petition should be denied based on the failure to check a box, and many petitions had come in with no box checked or all boxes checked. In those instances it could be determined by the argument what was being appealed. He stated if Mr. Galloway had provided evidence that the application of *Marshall & Swift* had caused his assessed valuation to exceed full cash value, the Board would address that under NRS 361.375.

Member Horan asked how that would apply to the decision the Board made in Hearing No. 12-0145 and Mr. Kaplan said the petition in Hearing No. 12-0145 was brought specifically under NRS 361.357. Member Horan noted that, as in Hearing No. 12-0145, the Board did not have the authority to change the use of *Marshall & Swift*.

Mr. Kaplan said if the Petitioner was unwilling or unable to identify an appropriate statute for his petition, the Board would need to decide what motion it would make. Member Woodland stated she thought it fell under NRS 361.357.

Chairman Covert said Mr. Galloway had an interesting argument, but for the Board to make the decision he was requesting would require testimony from the opposing side. He said the Assessor was not the opposing side. He further stated the Assessor's responsibility was to enforce the laws.

Mr. Kaplan said under NRS 361.345 the Board was given authority to reduce an assessment if it was established by a preponderance of evidence that the valuation established by the county assessor exceeded full cash value or was inequitable. Mr. Kaplan stated those were the only two basis by which the Board could reduce value. He said the Board might want to state that it was not the appropriate Board to determine whether the adoption of *Marshall & Swift* was proper.

Member Krolick said the Petition was brought on the basis that the application of *Marshall & Swift* to improvements was inequitable from last year. Mr. Kaplan stated he did not interpret inequity to be as broad as "any inequity". He further stated NRS 361.227 provided the cost approach as the approach to use in determining value and to use *Marshall & Swift* for the cost approach. The Assessor then used other methods to ensure taxable value did not exceed full cash value.

Member Woodland said everyone pays taxes whether they like them or not. She said her property value decreased and her building value increased, but her total tax bill went down. She stated she felt the increase in improvement value helped with the resale value.

With regard to Parcel No. 009-433-36, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**11:05 a.m.** The Board took a brief recess.

**11:12 a.m.** The Board reconvened with all members present.

**12-037E PARCEL NO. 125-522-12 – BRUNOS` TAHOE TRUST – HEARING NO. 12-0036**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 563 Antler Court, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

**Exhibit A:** Sample Analysis of Property Valuations with supporting documentation, 29 pages.

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 12 pages.

On behalf of the Petitioner, Thomas F. Bruno was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Patricia Regan, Appraiser, Rigoberto Lopez, Sr. Appraiser, and Josh Wilson, Assessor, offered testimony. Appraiser Regan oriented the Board as to the location of the subject property. She explained the subject was located in the lower Tyner neighborhood, on the west slope, at Incline Village.

Members Horan and Krolick went on the record to note they know and had worked with Mr. Bruno but they did not feel their relationship would impact their ability to make a decision on his petition.

Mr. Bruno briefly described his education and professional background to the Board. Based on that, he said he felt he knew the real estate market in Incline Village. He stated he was appealing the inequity and assessment practices within the Incline Village and Crystal Bay communities. He said his investigations revealed that approximately 40 percent of residential land values at Incline Village were de-valued and

the remainder had not changed. He noted that on properties where land values remained the same their improvement values went up 6.5 percent. He said it was not possible to have appreciation and depreciation in Incline Village. He further stated that in Exhibit A sales of single family homes outside of the Mill Creek and Woods areas prices reflected a reduction in total value of 6.7 percent the past year. Mr. Bruno referred to a news article in the *Reno Gazette-Journal* wherein Assessor Wilson said the median price of homes in Incline Village was currently \$847,500 compared to \$805,000 the past year. He said Assessor Wilson stated in an email to him that the Assessor's Office tracked median and average prices to estimate the direction in which the market went. The email said they also look at taxable values versus sales price to check that taxable value does not exceed market value. Mr. Bruno noted that his research showed the median price during fiscal year 2009/2010 was \$829,000 and in 2010/2011 it was \$812,500 which was exactly opposite of the direction Assessor Wilson stated. He said he was able to track the median price of homes in Incline Village and Crystal Bay from 2003 to the present and the assessed values of the subject property were adjusted in sync with the median. Mr. Bruno had three questions: 1) How did the Assessor's Office arrive at the median price quoted in the *Reno Gazette-Journal* by Assessor Wilson; 2) Why did the assessed land value of the subject property not go down for the coming year; and 3) Under what circumstances did the Assessor's Office reduce land value? He then questioned the justification for Assessor Wilson coming before the County Board of Equalization (CBOE) in 2009/2010 to request lowering assessments. Mr. Bruno stated he contended there had been a 6.7 percent decline in the total market value of properties, not just land, in Incline Village and that represented \$28,417.65 of assessed value for the subject. He noted he was not requesting a reduction in that amount but he was requesting a reduction of \$22,500. He said that reduction would be in line with the reduction received by the Woods subdivision, and slightly less than the Mill Creek subdivision. He also requested all single family residences in Incline Village and Crystal Bay that did not receive a reduction, be granted the same 9 percent reduction in their land value to rectify the inequity.

Appraiser Lopez said he had many discussions with Mr. Bruno. He noted that in Exhibit I the overall value of the subject did not exceed market value. He said in his discussions with Mr. Bruno over the past couple of months, Mr. Bruno had stated he believed the total taxable assessed value was 50 to 55 percent of the subject's market value. Appraiser Lopez said the median selling price quoted in the *Reno Gazette-Journal* was derived from the timeframe used for the 2012/13 reappraisal, which were sales between July 1, 2010, and June 30, 2011. He noted the sales information obtained included recorded documents and verification letters. He said if something was outside the norm, a verification letter was mailed to obtain better information and make adjustments if necessary. Appraiser Lopez then noted there were limited sales for the 2012/13 reappraisal and reviewed page 2 of Exhibit I which contained the land sales. He said when analyzing the land sales, the majority of the ratios were between 50 and 75 percent of taxable value to sales price and no adjustment to land value was necessary. Two neighborhoods, the Woods and Mill Creek, warranted 9 percent adjustments because their ratios were in the 90th percentile. The subject's neighborhood fell in the 70th percentile of taxable value to sales price. Appraiser Lopez stated in 2009/10 when Assessor Wilson requested the CBOE reduce land values countywide by 15 percent that

was due to sales after July 1, 2008; it was not based on the median falling 6 percent or a particular neighborhood dropping 20 percent. He said the value on the tax roll was not market value; land was market value and improvement value was based on the modified cost approach. The two were then added to reach a total taxable value. He said adjustments were not made based on median selling prices, which were used only to see what the market was doing in certain neighborhoods. He then noted two vacant lots on Lakeshore Boulevard, which sold for \$1,000,000 and \$1,360,000. Those lots had the base assessed value of \$680,000. This indicated there was no data justifying a decrease in assessed base lot values. He noted there were more foreclosure sales in the Woods and Mill Creek subdivisions, which contributed to the reduction in land value. He also noted that data was for residential properties and not condominiums. Appraiser Lopez noted current base lot values in the subject's neighborhood had been reduced 45 percent since the reappraisal in 2008.

In rebuttal, Mr. Bruno said not all of the homes in Mill Creek exceeded market value, but all properties in Mill Creek were reduced. Chairman Covert asked if there were condominiums in Mill Creek and Mr. Bruno said no.

Member Horan asked Mr. Bruno exactly what it was he was requesting and Mr. Bruno said he was disputing the inequity of assessment practices for Incline Village and Crystal Bay. He said property values in Incline Village could not go up in some areas and down in other areas. He said he was asking for a reduction in land value for his property to \$22,500, which corresponded to the 9 percent reduction in the Mill Creek and the Woods subdivisions. Chairman Covert asked Mr. Bruno if he considered Mill Creek and the Woods to be comparable subdivisions in terms of type of property and views to the subject property. Mr. Bruno said he could find properties in Mill Creek that were comparable to his property. He noted that in Incline Village there could be three properties next to each other ranging in value from \$500,000 to \$5,000,000.

Member Horan asked how many neighborhoods were in Incline Village and Appraiser Lopez said 19 residential neighborhoods (excluding condominiums). Member Horan asked how many neighborhoods received adjusted land values and Appraiser Lopez said only two neighborhoods, and the rest were exactly the same as 2011 assessed values.

Mr. Bruno stated that in his 41 years of sales experience in Incline Village the areas that devalue the most were the upper subdivisions; those above Mt. Rose Highway. He noted Mill Creek was below Tahoe Boulevard and the Woods was below the Mt. Rose Highway. He said those properties tend to increase in value quicker and fall in value slower. He asked for equality.

Member Krolick said he supported what Mr. Bruno said. He noted he listed a property which was purchased in 2008, and was currently on the market for substantially less than what it was purchased for. He felt the reduction to \$22,500 was reasonable. He noted the subject was on a cul-de-sac, at a higher elevation and access was difficult in the winter and would support applying a 5 percent reduction to the land.



He said Mill Creek and the Woods were premium locations. Member Krolick asked when was the last time a land study had been conducted at Incline Village.

Member Woodland made a motion to uphold the current values based on NRS 361.356. The motion was seconded by Chairman Covert.

Member Horan said he had some question about the applicability of an adjustment based on the location of the subject without looking at whether it was a unique piece of property. He was not sure that would not impact the general area. Chairman Covert agreed. Member Krolick asked the Assessor's Office if they had some data regarding how the land value in that area had been determined.

Member Woodland asked if the hearing needed to be re-opened. Chairman Covert called for the motion on the table and the motion failed, 2 to 3.

Appraiser Lopez said in 2008 the reappraisal went back three years to establish land values. The base lot value was set at \$400,000. As the market declined there was a 10 percent reduction in 2009, an additional 15 percent in 2009, 10 percent in 2010 and 10 percent in 2011. He said these reductions were based on a review of land sales every year. From 2008 forward land sales were minimal. He further said one of the differences between Mill Creek and the west slope was elevation. He believed that was reflected in the base lot value, because a typical parcel at Incline Village with no view had a base lot value of \$250,000 and Mill Creek was \$335,000.

Assessor Wilson said in 2006 Incline Village land values were rolled back to \$121,500, then increased to \$240,700 in 2007. During the reappraisal in 2008 land values were increased to \$400,000 and then reduced in 2009 by 10 percent plus the 15 percent countywide reduction to \$306,000. In 2010 the land value was further reduced to \$275,000 and in 2011 to \$250,000, where the base lot value was for 2012. He asked Member Krolick if he was aware of any listings on lower Tyner that would indicate a reduction from \$250,000 and Member Krolick said no. Assessor Wilson reviewed page 4 of Exhibit I.

Mr. Bruno said when he makes a listing presentation to a client he tells them the property value will be approximately the value from 2003. He noted his total assessed value in 2003 was \$340,000 and currently it was \$424,000. Assessor Wilson said that analysis might be applicable on a market value system but Nevada's taxable value system had little or no relationship, with exception of the land, to market value of properties. He noted Mr. Bruno paid \$825,000 for the subject in June 2004. Mr. Bruno noted that would most likely be what he could sell it for in the current market. Assessor Wilson stated that was a perfect example of how taxable value did not exceed market value (what it would sell for currently). Mr. Bruno said if the market value was \$190,000 in 2003 and land followed market value, market value of the subject's land should be \$190,000 and not \$250,000. Member Krolick said in 2003 the market value would have been in arrears based on the data used by the County back then.

With regard to Parcel No. 125-522-12, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued higher than another property whose use is identical and whose location is comparable.

**12-038E      PARCEL NO. 220-181-07 – GLOCKLER FAMILY TRUST –**  
**HEARING NO. 12-0096**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 3265 Sierra Crest Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

**Exhibit A:** Letter, photographs and supporting documentation, 11 pages.

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 10 pages.

On behalf of the Petitioner, Hermann Glockler was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Joe Johnson, Appraiser, oriented the Board as to the location of the subject property. He noted it was the Upper Green subdivision in Caughlin Ranch.

Mr. Glockler said after his review of Assessor's Exhibit I there was a discrepancy in square footage of the subject. The Assessor's Office showed the square footage being 4,049 and he believed it to be 3,563, based on the Bristlecone floor plan (Exhibit A, page 2). He stated he had added 135 square feet to the daylight basement only. He said he felt IS-1 and IS-2 in Exhibit I were comparable to his property but were one year older and their assessed valuation was more than \$56,000 less than his assessed value. He then reviewed Exhibit A and said his neighbor (APN 220-181-11) had an equivalent lot size and the residence had 33 square feet more than the subject, but was valued \$9,500 less. He asked if he could expect a similar valuation as his neighbor on Ponderosa Court when his property was re-sized properly. He noted both properties on Ponderosa Court in Exhibit A had superior views to the subject. He said he felt a fair valuation for his property would be similar to APN 220-181-08, which was older than the subject.

Chairman Covert asked that the difference in square footage be cleared up. Appraiser Johnson noted it was the square footage on the Assessor's data and thought Mr. Glockler may have measured the interior walls instead of exterior. He said he had offered to go to the subject and re-measure and inspect to ensure correct data was on file. He noted the Assessor's data was generally taken off of plans from the builder.

Chairman Covert asked if the basement was finished or unfinished and Appraiser Johnson said it was finished.

Member Horan asked if there was a correction to the square footage would it be a factual error. Appraiser Johnson said it would be a factual error, and corrected for the current year and previous couple of years.

Mr. Glockler said his neighbor's house, which was the Pinion site plan (page 6, Exhibit A) was listed as 3,417 square feet, but the basement had been extensively increased. He noted builders do not usually discount 400 square feet of buildable home when selling to a buyer.

Appraiser Johnson reviewed page 1 of Exhibit I and noted most weight was placed on Improved Sale (IS) 1 and IS-2 as they were located similarly to the subject. Chairman Covert noted the two sales were older and Appraiser Johnson said they had been time adjusted to July 1, 2011, at the rate of 1.25 percent per month based on sales analysis in Washoe County. Appraiser Johnson said from having looked at the Bristlecone brochure it showed an extra half bath and wet bar that were not included in the Assessor's data. He noted the homes were semi-custom and sometimes adjustments were made to original plans. He explained that the difference in valuation between the neighbor and the subject was depreciation. He said the subject's upper floor square footage was more than the neighbor's and the neighbor's basement square footage was more than the subject's. He then noted, per *Marshall & Swift*, basements were costed at a lower price than main living areas even when the basement was finished. He noted the upper level of the subject was costed at \$138.22 per square foot and the neighbor's upper level was costed at \$141.63 per square foot. He said that land values were the same. He said the subject's improvements were valued at \$109 per square foot and the neighbor's improvements were \$102 per square foot. Appraiser Johnson said APN 220-181-11 was costed lower than the subject due to depreciation, smaller garage, fewer fixtures, smaller upper floor and smaller basement. He noted these differences did not include the size of patios, decking and those types of items. APN 220-181-03 had a larger lot size but Appraiser Johnson noted items such as utilities, lot shape, usable space, and slopes were considered on a site basis. He said it was countywide policy not to adjust base lot value unless there was considerably more usable space. Appraiser Johnson was not sure where Mr. Glockler's numbers came from as County records did not match what Mr. Glockler presented. He noted he did not see a permit pulled for the addition to the subject's basement. Appraiser Johnson said Mr. Glockler was not comparing sales data. He also said the photographs in Exhibit A appeared to be taken from the side yard and not the back for purposes of view. Mr. Glockler said both photographs were taken from the side

of the building and that the neighbor had superior views. He noted the addition to the subject's basement had been done through the contractor.

Chairman Covert said a decision needed to be made on the hearing and Member Woodland noted if there were any errors they would be corrected through a roll change request. Chairman Covert explained to Mr. Glockler if there was an error, a reassessed value would go back three years.

With regard to Parcel No. 220-181-07, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued higher than another property whose use is identical and whose location is comparable. It was further ordered the Assessor's Office going back out and re-assessing the property.

Chairman Covert advised that the two parties get together and if an error was, that it would be corrected through a Roll Change Request.

**12-039E      PARCEL NO. 125-223-15 – AKERS, WILLARD D & ELFRIEDE –**  
**HEARING NO. 12-0167**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 815 Ellen Court, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A: Newspaper article, letters regarding construction replacement costs, tax assessment and Price Index data, 11 pages.

Exhibit B: Letter from Westek Construction dated January 25, 2012, 2 pages.

Exhibit C: Letter from Westek Construction Company dated January 25, 2012, 1 page.

**Assessor**

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

Exhibit II: Assessor's response to *Marshall and Swift* cost increase dated February 1, 2012, 49 pages.

Exhibit III: Letter from State of Nevada, Department of Taxation to Mr. Galloway dated January 24, 2012 and Notice of Decision, 6 pages.

On behalf of the Petitioner, Dale Akers was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Patricia Regan, Appraiser, oriented the Board as to the location of the subject property. She said it was considered the Jennifer-Upper Tyner-Apollo neighborhood on the west slope at Incline Village.

Chairman Covert asked if the difference the Petitioner was asking for was \$9,000 and Mr. Akers said yes.

Mr. Akers said he was requesting the taxable value of improvements be rolled back to the 2011-12 valuation. He noted he had lived at the same property since 1980. He discussed the survey of builders conducted by the Nevada Department of Taxation, noting that out of 1,300 surveyed, 979 responded. Of those, 76 percent said they felt building prices had gone down or stayed the same and only 20 percent thought costs had increased. He said he felt the State would not have spent time and money conducting such a survey had they not had confidence in the knowledge of building contractors. He said *Marshall & Swift*, an out of state company, mass appraised every home in Nevada and decided that certain classifications had an 8 percent increase in the cost of building replacement. He said it was his opinion that *Marshall & Swift* was only to be used as a guideline by assessors and not as the ultimate arbiter of building costs. He said otherwise, there would be no need for county assessors. He further noted that *Marshall & Swift* had refused to be interviewed by the *Reno Gazette-Journal*. Mr. Akers said assessors in several counties did their own survey of local builders, took into account the Department of Taxation's survey, and felt replacement costs had not increased. The assessors then offset the *Marshall & Swift* increase with an 8 percent, or higher, factor for obsolescence. He said Carson City, Douglas, Lyon, Storey and Churchill Counties took that approach. He said Washoe County had not and the Washoe County Assessor's Office had a history of not following State law and regulations to accurately value properties, and that had been ruled by numerous State and County Boards of Equalization and Courts, including the Nevada Supreme Court.

Mr. Akers said his home was 32 years old and not built to a high standard. He said the least expensive materials were used for doors, molding, light fixtures, etc. He said replacement cost for a house such as his had not increased between October 2009 and January 1, 2011. He referred to Exhibit C.

Mr. Akers asked the Board to carefully consider the result of the survey conducted by the Department of Taxation and the approach taken by Carson City, Douglas, Lyon, Storey and Churchill Counties. He requested the increase to taxable values be rolled back to 2011-12 values and the required 1.5 percent depreciation be applied.

Assessor Wilson asked that Exhibits II and III from hearing 12-0123 be incorporated to the current hearing. He said he had not heard the Petitioner argue that his

taxable value exceeded market value. He noted Appraisers Regan and Lopez had put together a list of comparable sales that clearly indicated total taxable value did not exceed full cash value and there was no justification to apply obsolescence. He noted the Department of Taxation conducted the survey of contractors, but they ultimately recommended to the Nevada Tax Commission an increase of 8 percent on improvement values for properties not reappraised in the current year. He further noted that improvement values in the reappraised areas saw that increase based on the cost tables provided by *Marshall & Swift*. He said he was surprised to hear Mr. Akers say *Marshall & Swift* was only a guide and that assessors could develop their own standards because this was contrary to Mr. Akers' testimony in 2003 as Historian for the Village League. He said in 2003, Mr. Akers felt assessors must follow all regulations adopted by the Nevada Tax Commission and assessors could not pick and choose whatever regulation they thought applicable to value property. Assessor Wilson said he did not view *Marshall & Swift* as a guide, but as law. He explained that valuation was a small portion of the overall assessment process in Washoe County and that part of the tax shift of 1981 was to limit the discretion of assessors by specifying a standard to determine improvement value of all properties across the State. He said the standard was to determine the cost of replacement; and further specified that *Marshall & Swift* was the standard to use. Assessor Wilson said standardization was achieved in all assessments across the State by having one cost source and the discretion of assessors was limited to the land component of the total taxable value. He said the only way the few counties (out of 17 counties) in Nevada could make the blanket adjustment for obsolescence across their county was because market value would have been exceeded had the adjustment not been made. He felt that was an issue the State Board would deal with. Assessor Wilson said he was not sure whether there had not been enough time to survey all counties or if the Petitioner only chose the counties that benefited his case. He noted NRS 361.260(5) was changed from saying the assessor shall establish standards for a reappraisal and appraisal of property, to read the assessor shall use the standards established by the Nevada Tax Commission. He assured the Board he attended every regulation hearing he could attend and sought guidance from the Department of Taxation to ensure his office implemented the statutes and regulations appropriately. He stated the Bakst Supreme Court case said the assessor failed to follow rules of the Tax Commission or the Tax Commission failed to adopt general and uniform regulations to govern the evaluation of property. Because of that, the Nevada Tax Commission had clearly specified the use of *Marshall & Swift* as of January 1 prior to the lien date. Assessor Wilson said that computed taxable value was then tested against market value and obsolescence was applied to market areas within Washoe County where the taxable value exceeded market value.

In rebuttal, Mr. Akers said statistics testified to earlier by Mr. James Galloway showed labor and building costs had not increased in Washoe County the way *Marshall & Swift* said they had. He said *Marshall & Swift* was unjustly wrong this time.

With regard to Parcel No. 125-223-15, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the

Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-040E      PARCEL NO. 047-100-09 – ISERT TRUSTEES, WILLIAM A JR & VALERIE J – HEARING NO. 12-0031**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 225 Piney Creek Road, Washoe County, Nevada.

Pete Kinne, Appraiser, told the Board that Mr. Isert had withdrawn his appeal at the hearing and he had the signed withdrawal.

**12:45 p.m.**      The Board recessed.

**1:30 p.m.**      The Board reconvened with all members present.

**12-041E      PARCEL NO. 080-730-23 – KAUNE, BRADFORD S & MARY R – HEARING NO. 12-0035R11**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1015 Alicia Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

None

**Assessor**

**Exhibit I:** Taxable Value Change Stipulation, 1 page.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Cori Delgiudice, Sr. Appraiser, recommended that the Board approve the written Stipulation as presented. She told the Board a Value Change Stipulation represented the Appellant and the Appraiser came to an agreement on a value.

With regard to Parcel No. 080-730-23, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$653,000, resulting in a total taxable value of \$725,000 for tax year 2011-12. With that adjustment, it was found that the land and

improvements are valued correctly and the total taxable value does not exceed full cash value.

**12-042E      PARCEL NO. 030-327-07 – PRZYBYLA, PAUL & REBECCA –**  
**HEARING NO. 12-0084**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 2624 Sunny Slope Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

None

**Assessor**

**Exhibit I:** Taxable Value Change Stipulation, 2 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Cori Delgiudice, Sr. Appraiser, recommended that the Board approve the written Stipulation as presented.

With regard to Parcel No. 030-327-07, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$21,000, resulting in a total taxable value of \$27,300 for tax year 2012-13. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**12-043E      PARCEL NO. 030-692-17 – PERRY, STEPHEN R & NATALIE –**  
**HEARING NO. 12-0103**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 2171 Red Blossom Court, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

None



**Assessor**

**Exhibit I:** Taxable Value Change Stipulation, 1 page.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Cori Delgiudice, Sr. Appraiser, recommended that the Board approve the written Stipulation as presented.

With regard to Parcel No. 030-692-17, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$136,900, resulting in a total taxable value of \$155,000 for tax year 2012-13. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**12-044E      PARCEL NO. 041-490-11 – GALLOWAY LIVING TRUST DATED  
APRIL 19, 2010 – HEARING NO. 12-0307**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 4773 Caughlin Parkway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A: Supporting documentation, 15 pages.

**Assessor**

Exhibit I: Taxable Value Change Stipulation, 1 page.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Cori Delgiudice, Sr. Appraiser, recommended that the Board approve the written Stipulation as presented.

With regard to Parcel No. 041-490-11, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$195,719, resulting in a total taxable value

of \$382,749 for tax year 2012-13. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**12-045E      PARCEL NO. 003-510-23 – KOLODGE, ROBERT & MYRNA –**  
**HEARING NO. 12-0023**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 830 Neptune Court, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

None

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 10 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Pete Kinne, Appraiser, oriented the Board as to the location of the subject property. He said the property was just north of the University of Nevada, Reno.

Appraiser Kinne reviewed Exhibit I. He noted improved sales 1 through 4 indicated a range of value per square foot of \$.70 cents to \$1.05 and that the subject fell into the low end of that range at \$.77 cents per square foot. He explained the subject land value was supported by land sales presented in Exhibit I, page 1.

With regard to Parcel No. 003-510-23, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-046E      PARCEL NO. 041-051-03 – KOLODGE, ROBERT S & MYRNA L –**  
**HEARING NO. 12-0024**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 4265 Plateau Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

None

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 18 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Joe Johnson, Appraiser, oriented the Board as to the location of the subject property. He noted the single family residence was located in southwest Reno on a private road with private access. He said as of the last interior inspection, the residence was estimated to be 80 percent complete. He reviewed page 1 of Exhibit I. He stated the comparables used showed a range of value from \$192, at 100 percent complete, to \$361 per square foot with the subject valued at \$191 per square foot. Appraiser Johnson reviewed page 2 of Exhibit I, noting land sales ranged from \$125,000 to \$260,000, which also supported the subject's value of \$118,470.

Chairman Covert asked if the Petitioners were disputing that the subject was 100 percent complete. Appraiser Johnson stated it was not 100 percent complete but that the Assessor's Office had to cost it as though it was because there were no comparables that were 80 percent complete. He stated it was computed at 100 percent complete and compared to sales that were 100 percent complete.

With regard to Parcel No. 041-051-03, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**DISCUSSION AND CONSOLIDATION – NEWTON, RONALD L.  
& SUE E. TTEES – HEARING NOS. 12-0079A, 12-0079B  
AND 12-0079C**

Stacy Ettinger, Appraiser, informed the Board that Hearing Nos. 12-0079A (030-541-27), 12-0079B (030-541-33) and 12-0079C (030-541-48) could be consolidated.

Appraiser Ettinger reviewed Exhibit I, page 1. He explained the improved sales (IS) indicated a price range of \$93,000 to \$119,000 and the subject's taxable value was \$96,047, which was within the lower end of the sales prices. He noted IS-1 was the

only bank foreclosure sale. Chairman Covert asked if the Petitioner was claiming the property's market value should be \$85,000 and Appraiser Ettinger responded yes. Appraiser Ettinger said he felt the Petitioner's main concern was the overall decline in the market. He further stated the neighborhood was large (approximately 2,600 parcels) and it was one of the few tract neighborhoods carrying no obsolescence. He said the market values had fallen and were getting close to taxable values. He also noted he felt the Petitioner was concerned with the increase in improvement value.

**12-047E      PARCEL NO. 030-541-27 – NEWTON, RONALD L. & SUE E. TTEES – HEARING NO. 12-0079A**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 3114 Myles Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

Exhibit A: Letter and supporting documentation, 5 pages.

Exhibit B: Letter and supporting documentation, 3 pages.

Exhibit C: Letter and supporting documentation, 2 pages.

**Assessor**

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Stacy Ettinger, Appraiser, oriented the Board as to the location of the subject property.

For the discussion that took place on this hearing, see DISCUSSION AND CONSOLIDATION – NEWTON, RONALD L. & SUE E. TTEES – HEARING NOS. 12-0079A, 12-0079B AND 12-0079C, above.

With regard to Parcel No. 030-541-27, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-048E**      **PARCEL NO. 030-541-33 – NEWTON, RONALD L. & SUE E.**  
**TTEES – HEARING NO. 12-0079B**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 3150 Myles Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

**Exhibit A:** Letter and supporting documentation, 5 pages.

**Exhibit B:** Letter and supporting documentation, 3 pages.

**Exhibit C:** Letter and supporting documentation, 2 pages.

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Stacy Ettinger, Appraiser, oriented the Board as to the location of the subject property.

With regard to Parcel No. 030-541-33, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-049E**      **PARCEL NO. 030-541-48 – NEWTON, RONALD L. & SUE E.**  
**TTEES – HEARING NO. 12-0079C**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 3226 Myles Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

**Exhibit A:** Letter and supporting documentation, 5 pages.

**Exhibit B:** Letter and supporting documentation, 3 pages.

**Exhibit C:** Letter and supporting documentation, 2 pages.

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Stacy Ettinger, Appraiser, oriented the Board as to the location of the subject property.

With regard to Parcel No. 030-541-48, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-050E      PARCEL NO. 009-432-10 – WARNER, WILLIAM D & MICHELLE**  
**– HEARING NO. 12-0156**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 905 Greensburg Circle, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

**Exhibit A:** Letter indicating reason for appeal, 1 page.

**Exhibit B:** Email from William Warner sent Monday, January 30, 2012 to Theresa Wilkins of the Washoe County Assessor's Office, 1 page.

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Joe Johnson, Appraiser, oriented the Board as to the location of the subject property.

Appraiser Johnson reviewed page 1 of Exhibit I. He noted the improved sales ranged from \$131 per square foot to \$152 per square foot and that the subject was assessed at \$126 per square foot, which was well below the range of the improved sales.

Member Horan said it seemed the Petition was based on the *Marshall & Swift* application and that previous discussions supported upholding the Assessor's recommendation.

With regard to Parcel No. 009-432-10, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-051E      PARCEL NO. 009-382-05 – CARRICO, DAVID & BEATRICE B – HEARING NO. 12-0241**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 3390 Southampton Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

**Exhibit A:** Comparable sales and photos, 1 page.

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 10 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Joe Johnson, Appraiser, oriented the Board as to the location of the subject property. He reviewed page 1 of Exhibit I. He stated comparables provided a range of value from \$153 per square foot to \$177 per square foot and the subject's taxable value was at \$135 per square foot.

Member Woodland said per the petition, the Petitioner had not yet purchased the house. Appraiser Johnson said Mr. Carrico was the seller. Chairman Covert asked Appraiser Johnson to comment on the sales contract on the home for \$340,000. Appraiser Johnson said it was a short sale that had not been approved by the lender. He noted he used three of the comparable sales in Exhibit I, which the Petitioner used in Exhibit A. He further noted Improved Sale (IS) 4 and 5 demonstrated the potential profit when purchasing a distressed property. Chairman Covert asked if the \$340,000 sales contract was just an offer and Appraiser Johnson said yes.

With regard to Parcel No. 009-382-05, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member

Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-052E      PARCEL NO. 163-261-05 – KOLODGE LIVING TRUST, ROBERT & MYRNA – HEARING NO. 12-0025**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 9110 Double Diamond Parkway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

None

**Assessor**

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser, oriented the Board as to the location of the subject property. He said the sales comparison approach was reconciled to approximately \$70 per square foot. He noted the subject was currently listed for sale for \$85 per square foot.

Member Horan asked if the property had been vacant since it was built and Appraiser Stockton said yes.

With regard to Parcel No. 163-261-05, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-053E      PARCEL NO. 163-261-06 – KOLODGE LIVING TRUST, ROBERT & MYRNA – HEARING NO. 12-0026**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 9110 Double Diamond Parkway, Washoe County, Nevada.



The following exhibits were submitted into evidence:

**Petitioner**

None

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser, oriented the Board as to the location of the subject property. He noted the subject was currently listed for sale at \$85 per square foot and had been vacant since built.

With regard to Parcel No. 163-261-06, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-054E      PARCEL NO. 163-261-07 – KOLODGE LIVING TRUST, ROBERT & MYRNA – HEARING NO. 12-0027**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 9160 Double Diamond Parkway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

None

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser, oriented the Board as to the location of the subject property. He noted the subject was currently listed for sale at \$85 per square foot and vacant since it

was built. Member Horan asked if the entire building was vacant and if there were other owners in the complex. Appraiser Stockton said this was a free-standing condominium and was entirely vacant. He said not all the buildings in the complex were in shell condition and vacant; he said some were finished and occupied.

With regard to Parcel No. 163-261-07, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-055E      PARCEL NO. 232-602-10 – KOLODGE, ROBERT S – HEARING NO. 12-0028**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 1695 Circle Stone Court, Washoe County, Nevada.

The following exhibits were submitted into evidence:

**Petitioner**

None

**Assessor**

**Exhibit I:** Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 9 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Ginny Sutherland, Appraiser, oriented the Board as to the location of the subject property.

Chairman Covert said the photograph provided (Exhibit I) made the property appear to have rough terrain. Appraiser Sutherland said the land was flat. She explained the improvement value on the property was for common area. Chairman Covert noted the Petitioner was asking for a value of \$25,000 and the Assessor's Office had the property valued at \$61,533. Member Brown asked if the property sold for \$315,594 in 2006 and Appraiser Sutherland said yes. Chairman Covert noted that speculators took risks.

With regard to Parcel No. 232-602-10, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner

failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

**12-0056E      BOARD MEMBER COMMENTS**

Member Horan asked if there were still a number of hearings that would relate to *Marshall & Swift*. Appraiser Delgiudice stated there were a few more scheduled later in the month and they tried to get the majority of those petitions on the current agenda. Theresa Wilkins, Chief Deputy Assessor, said there were at least two or three leftover and she suggested incorporating the testimony and exhibits for those as each appeal came before the Board.

**12-0057E      PUBLIC COMMENT**

There was no one present for public comment.

**2:07 p.m.**      There being no further hearings or business to come before the Board, on motion by Member Horan, seconded by Member Woodland, which motion duly carried, the meeting was adjourned.

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**JAMES COVERT**, Chairperson  
Washoe County Board of Equalization

ATTEST:

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**AMY HARVEY**, County Clerk  
and Clerk of the Washoe County  
Board of Equalization

*Minutes prepared by  
Melissa Ayrault, Deputy Clerk*