VI. Discussion/Information Items/Presentations

A. Matters From County Commissioners and Other Elected Officials

1. Elected Officials Issues and Comments

2. Commissioner Issues and Comments

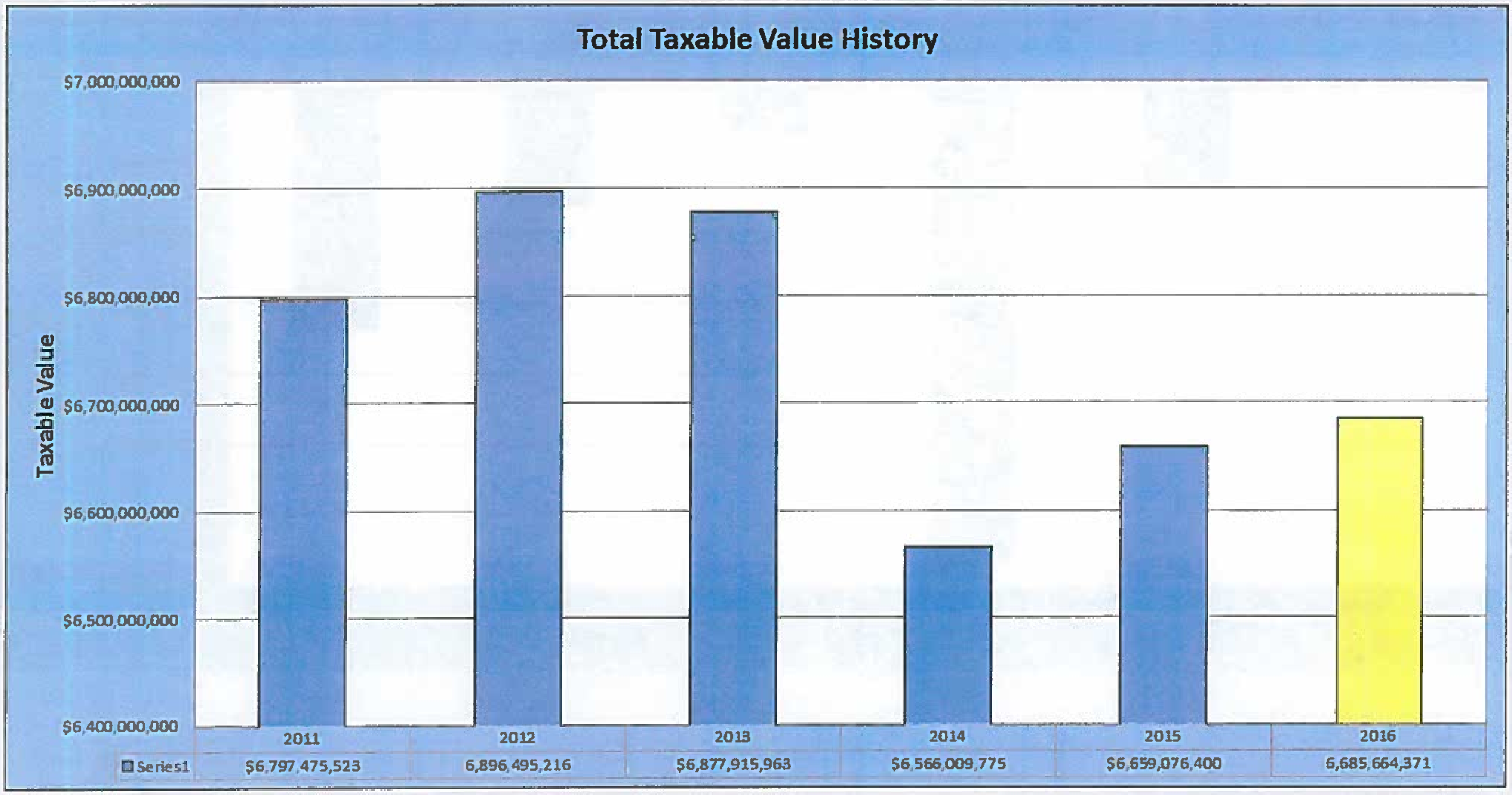
2016 Annual Report

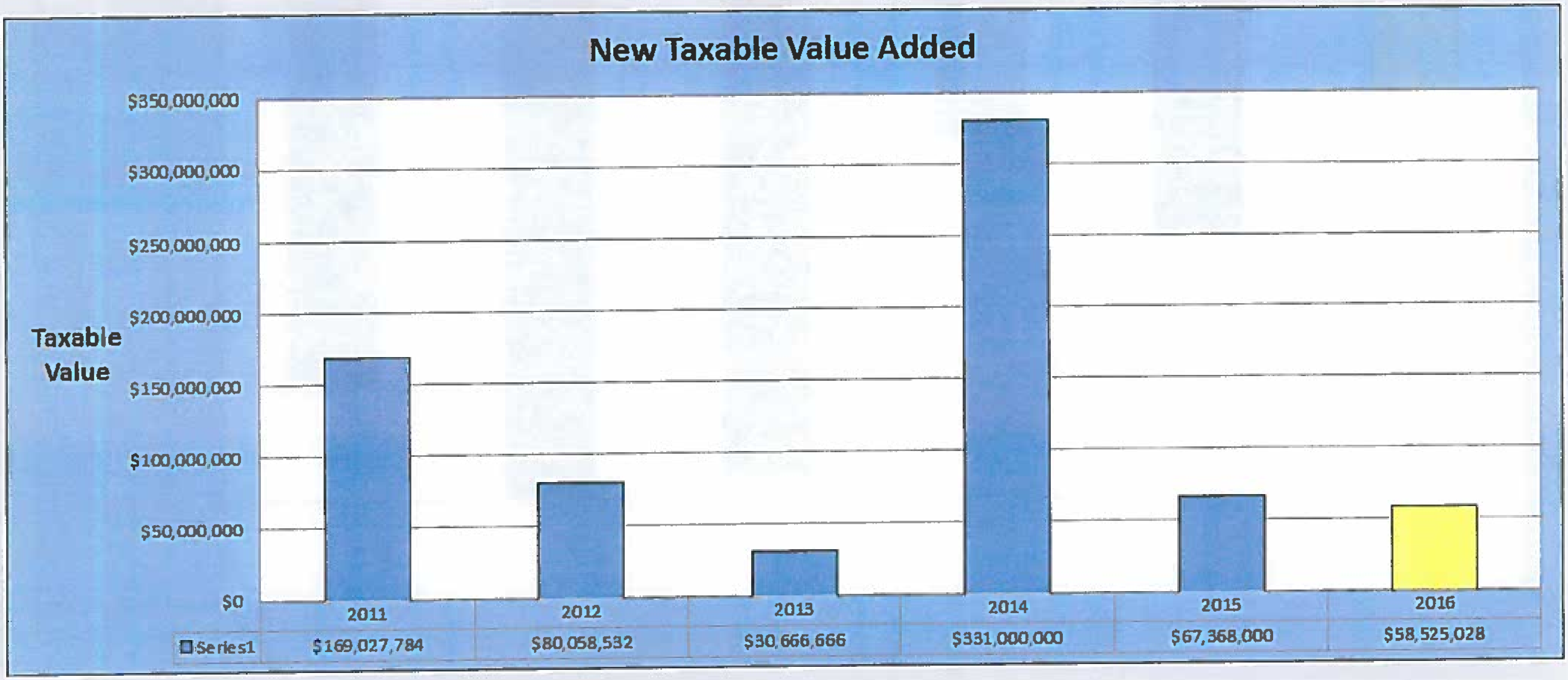
Office of the Santa Fe County Assessor

Gus Martinez
Assessor

Taxable Valuation Comparison

	Tax Year 2015	Tax Year 2016	$ Change	% Change
Total Taxable Value	**$ 6,475,409,059**	**$ 6,685,664,371**	**$ 210,255,312** $ 58, 525,028 Net New	**3.25%**
Total Res. Value	$ 4,907,338,404	$ 5,121,426,887	$ 214,088,483	**4.36%**
Total Non-Res. Value	$1,568,070,655	$1,564,237,484	$ -3,833,171	**- .20%**


Total Taxable Value History
$7,000,000,000
$6,900,000,000
$6,800,000,000
$6,700,000,000
$6,600,000,000
$6,500,000,000
$6,400,000,000
Taxable Value
2011
2012
2013
2014
2015
2016
Series1
$6,797,475,523
6,896,495,216
$6,877,915,963
$6,566,009,775
$6,659,076,400
6,685,664,371


New Taxable Value Added
Taxable Value
$350,000,000
$300,000,000
$250,000,000
$200,000,000
$150,000,000
$100,000,000
$50,000,000
$0
Series1
2011
$169,027,784
2012
$80,058,532
2013
$30,666,666
2014
$331,000,000
2015
$67,368,000
2016
$58,525,028

Santa Fe County Assessor's Sales Ratio Study
2016 Residential Property Assessed Values Vs 2015 Sales Prices

		I.A.A.O. Standard
Number of Sales:	1,948	
Mean Ratio:	93.83%	90% to 110%
Median Ratio:	93.727%	90% to 110%
Coefficient of Dispersion:	11.50%	5% to 15%
Price Related Differential:	100.99%	98% to 103%

Coefficient of dispersion (COD). The average deviation of a group of numbers from the median expressed as a percentage of the median. In ratio studies, the average percentage deviation from the median ratio.

Price-related differential. The mean divided by the weighted mean. The statistic has a slight bias upward. Price-related differentials above 1.03 tend to indicate assessment regressivity; price-related differentials below 0.98 tend to indicate assessment progressivity.

Itemized Comparison 2015 Vs. 2016

PARCEL COUNTS and VALUATION (Full Value)

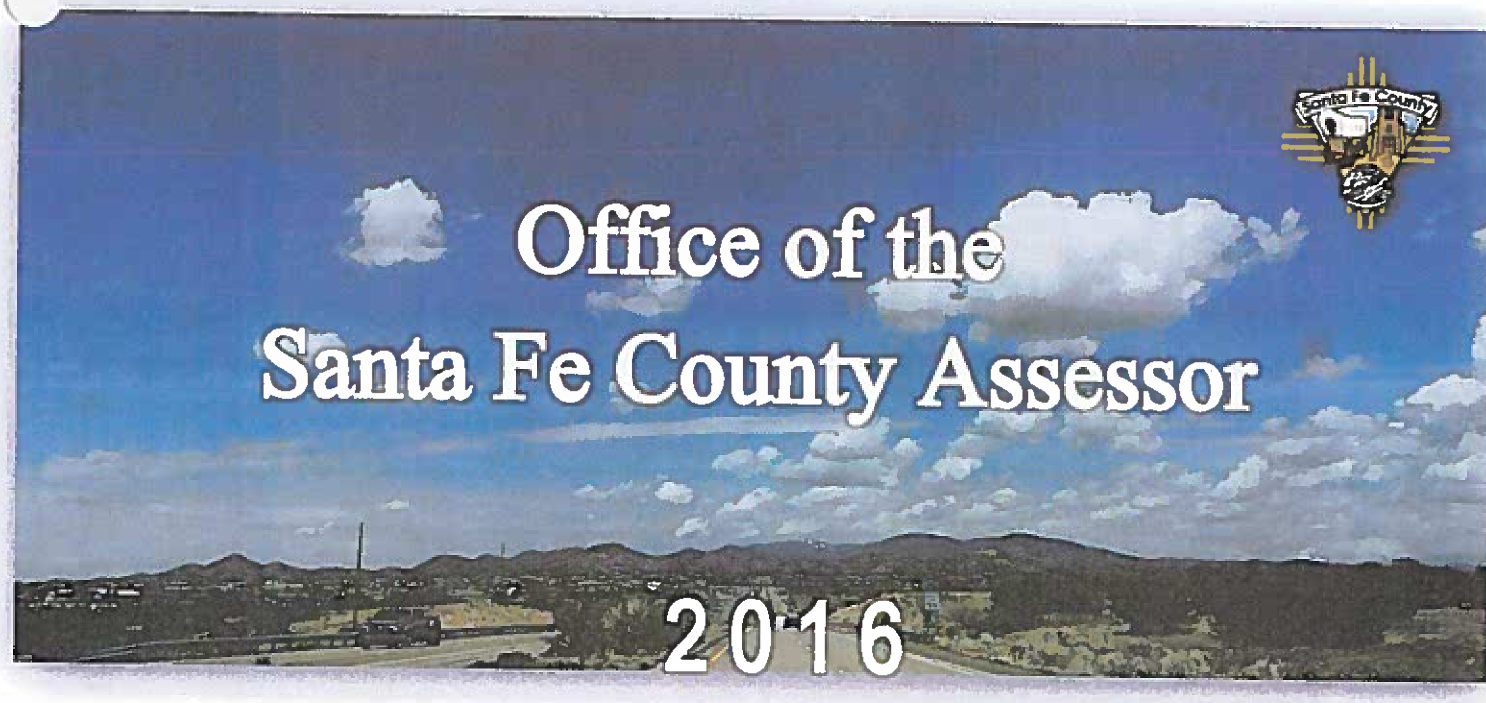
		TY 2015		TY 2016			
REAL ESTATE		Parcels	Full Value	Parcels	Full Value	Change - $$	Change %
Residential		54,658	14,983,531,401	55,798	15,607,287,782	623,756,381	4.2%
Non-Residential (Total of ALL Non-Res)		21,319	4,794,546,243	20,983	5,146,165,994	351,619,751	7.3%
Breakdown	Vacant Land	14,189	2,484,687,219	13,263	1,379,195,869	(1,105,491,350)	-44.5%
of	Imp Com'l Properties	3,359	2,298,878,616	3,428	3,170,251,152	871,372,536	37.9%
NON-Res	Agricultural / Grazing	1,443	10,980,408	1,436	12,301,286	1,320,878	12.0%
PERSONAL PROPERTY							
Business Personal Property		2,667	188,849,577	2,643	182,644,840	(6,204,737)	-3.3%
Manufactured Homes (RES)		6,989	76,085,553	7,018	76,562,386	476,833	0.6%
Livestock (# of Accounts, not # of Head)		558	5,263,029	561	6,295,599	1,032,570	19.6%
STATE ASSESSED							
State Assessed			406,315,791	-	406,315,791	-	-
Copper				-	-		
Other	Mh's non-res	2	14,742	-	-		
Other				-	-		
EXEMPT PROPERTY		952	175,163,628	1,511	241,234,537	66,070,909	37.7%
Personal Exemptions			301,351,611		319,945,461		
GRAND TOTAL		75,977	19,235,491,496	76,781	20,192,273,778	956,782,282	5.0%

PERSONAL EXEMPTIONS

	TY 2015		TY 2016	
	Count	Taxable Value Exempted	Count	Taxable Value Exempted
Veterans	5,480	21,724,047	5,526	21,908,372
100% Disabled Veterans	563	38,184,606	611	42,714,478
Head of Household	20,499	40,541,884	21,228	42,025,637
Over 65 Value Freeze	524		578	

PROTESTS

Tax Year:	2015
Total Number Filed	2010
Resolved Prior to Scheduling	1223
Scheduled for Hearing	374
Resolved Prior to Hearing	230
Protests Heard	144



Property Valuation Maintenance Program

Submitted By:
Gus Martinez, Santa Fe County Assessor

Presented to Santa Fe County Board of County Commissioners
May 31, 2016

INDEX

PREFACE

County Assessors are exclusively responsible for determining values of property for property taxation purposes in accordance with the Property Tax Code [Articles 35 to 38 of Chapter 7 NMSA 1978] and specifically 7-36-16 (A), and the regulations, orders, rulings and instructions of the department. Except as limited in Section 7-36-21.2 NMSA 1978, assessors shall also implement a program of updating property values so that current and correct values of property are maintained and shall have sole responsibility and authority at the county level for property valuation maintenance, subject only to the general supervisory powers of the director.

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

In accordance with 7-36-16 (E) NMSA 1978, to aid the board of county commissioners in determining whether the county assessor is operating an efficient program of property valuation maintenance and in determining the amount to be allocated to him for this function, the county assessor shall present with his annual budget request a written report, (known as the annual report). The report contains improvements of property added to valuation records during the year, additions of new property to valuation records during the year, increases and decreases of valuation during the year, the relationship of sales prices of property sold to values of the property for property taxation purposes and the current status of the overall property valuation maintenance program in the county.

In accordance with 7-38-38.1 (D) NMSA 1978, expenditures from the county property valuation fund shall be made pursuant to a property valuation program presented by the county assessor and approved by the majority of the county commissioners.

In order to achieve successful implementation and completion of this plan all requirements and provisions regarding property valuation and maintenance will be performed in compliance with the New Mexico Constitution, and the New Mexico Property Tax Code. Additionally, the Santa Fe County Assessor's Office ensures that all appraisal methods and techniques will adhere to standards and code of ethics of the International Association of Assessing Officers and the Uniform Standards of Professional Appraisal Practices (USPAP).

1 Property Valuation Program Purpose

The office of the County Assessor has a statutory obligation to determine valuations for all property subject to property taxes, and shall also implement a program of updating property values so that current and correct values of property are maintained. This report known as the "Property Valuation Program" has been compiled for the purpose of planning and implementing an efficient and effective program of updating property values.

In accordance with 7-38-38.1 (D) NMSA 1978, expenditures from the "county property valuation fund" shall be made pursuant to a property valuation program presented by the county assessor and approved by the majority of the county commissioners.

2 Property Valuation Program Components

The valuation maintenance program developed and implemented by the Santa Fe County Assessor consists of two major components: 1- Valuation and data maintenance of all taxable parcels on a yearly cycle; 2- Door to door re-inspection of all taxable improved real property every 5 to 6 years.

2.1 Valuation and Data Maintenance Plan: Yearly Cycle

The following is a brief description of the various duties, functions, and procedures that each department within our office is responsible for accomplishing the yearly cycle. Many duties are indirectly related to the valuation of a property. However they are required to complete the entire assessment process. The program can only be implemented and successfully completed with an adequate budget, and proper management of employees, time, and resources.

2.1a Operating Budget

Approximate Time Frame of Completion: January 2 to May 31
Persons Responsible: Assessor, Deputy Assessor, Dept. Administrator

Summary: The Assessor is provided with two budget sources that fund our operation, the "general fund", which is directly funded from county coffers, and the "county property valuation fund". The revaluation fund is mandated in accordance with 7-38-38.1 NMSA. It requires that all entities (except institutions of higher education) that collect a property tax levy help share the cost of re-appraisal and assessment of parcels within their jurisdiction by contributing 1% of their property tax revenue to this fund. This is a special use fund that may only be used by the Assessor for the purpose of valuation maintenance.

Procedures:

- **Planning (January 2 to February 28):** The Assessor plans and coordinates with supervisory staff to determine the financial needs for operation of the office for the next fiscal year. Needs are determined by February 28 of each year.

- **Prepare Forms (March):** Department administrator prepares all budget forms and packets and submits to county finance department within deadline set by finance department.

- **Informal Hearings (April):** Assessor, Deputy, & administrator attend informal budget hearings conducted by finance director and staff.

- **Commission Hearings (May):** Assessor & Deputy present budget request at formal budget hearings before the Board of County Commissioners (BOCC).

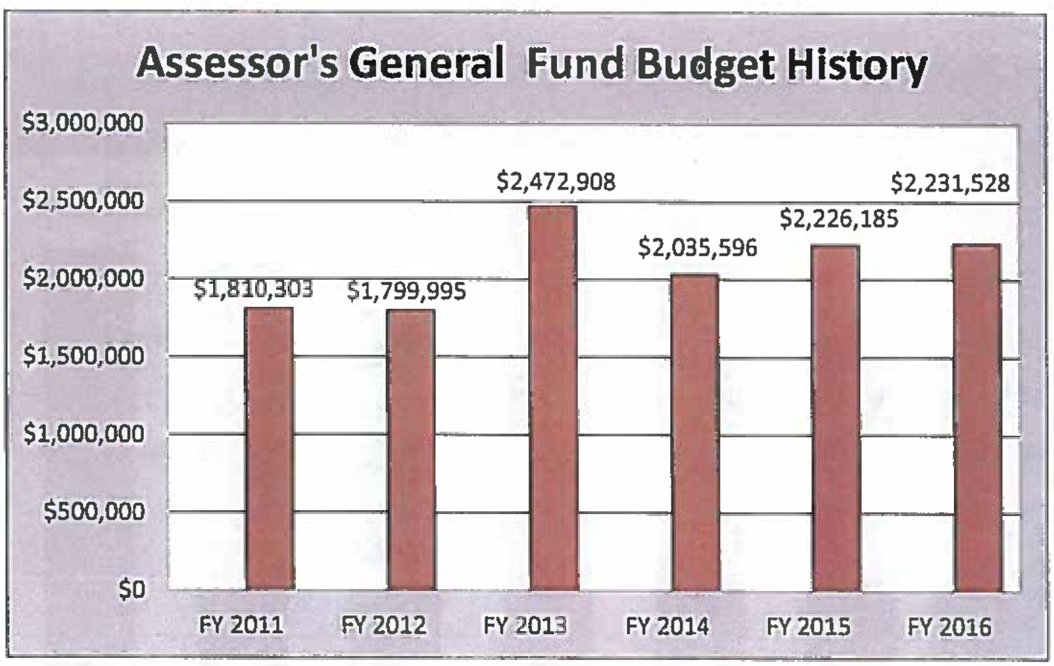
- **Final Adjustments (May):** Adjustments are made to each budget as necessary and budgets are finalized with finance department and approved by BOCC.

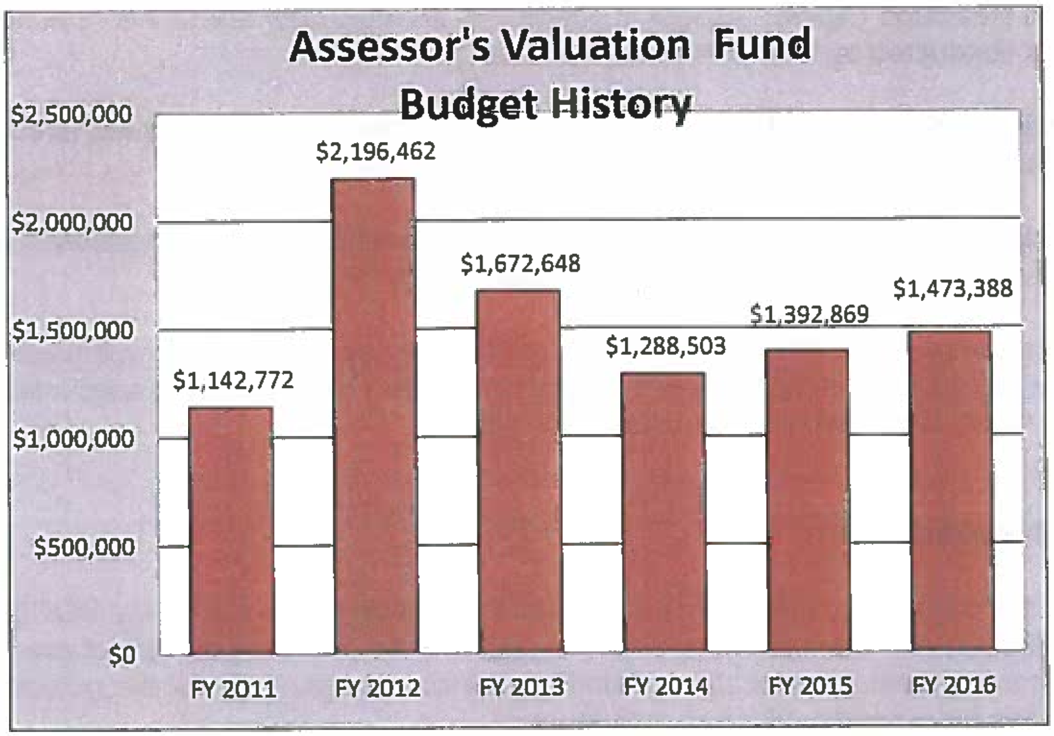
Goal: To obtain adequately funded budgets and other resources necessary to complete a comprehensive, fair and equitable valuation maintenance plan, while ensuring accountable and efficient use of those resources and taxpayer revenues.

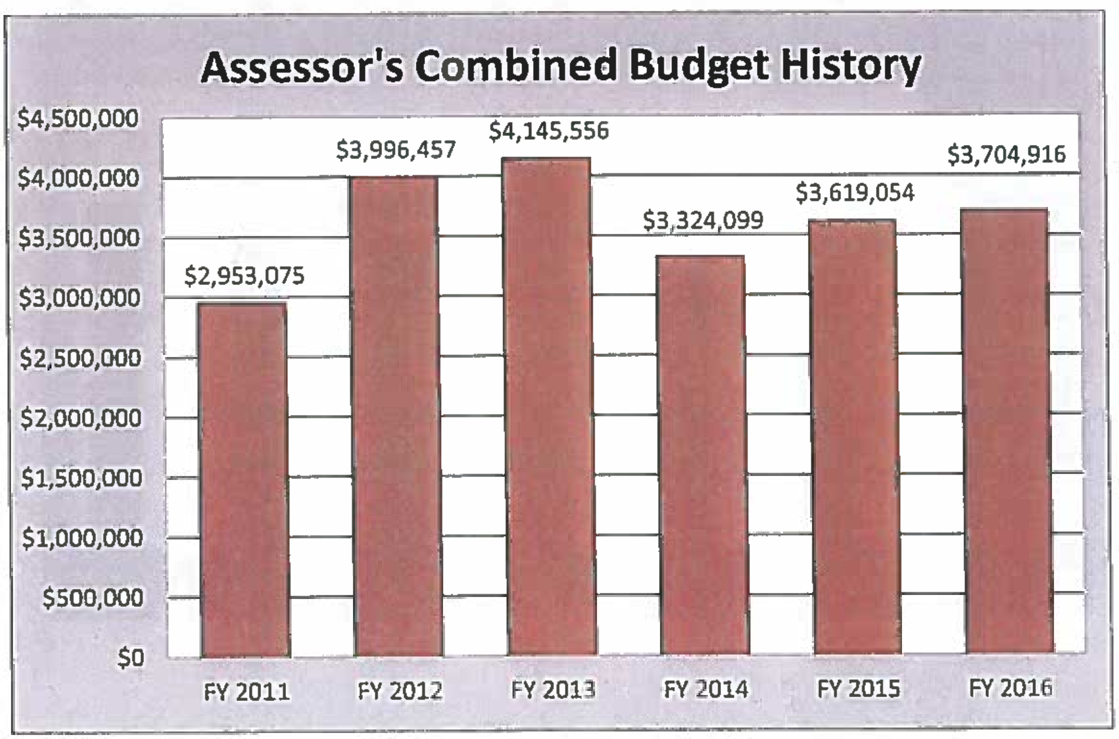
Supporting Information:

Assessors are the only county office that can protest the budget that is set by the BOCC. The department of finance and administration shall not approve the operating budget of any county in which there is not an adequate allocation of funds to the county assessor, for the purpose of fulfilling the responsibilities for property valuation maintenance.

Historical Budget Data:




Assessor's Valuation Fund Budget History
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
$1,142,772
$2,196,462
$1,672,648
$1,288,503
$1,392,869
$1,473,388
FY 2011
FY 2012
FY 2013
FY 2014
FY 2015
FY 2016


Assessor's Combined Budget History
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
$2,953,075
$3,996,457
$4,145,556
$3,324,099
$3,619,054
$3,704,916
FY 2011
FY 2012
FY 2013
FY 2014
FY 2015
FY 2016

2.1b Real Property Ownership Transfers

Approximate Time Frame of Completion: January 1 to December 31

Persons Responsible: (1)-Appraisal/Assessment Manager, (3)-Assessment Specialists

Summary: Legal documents that transfer ownership in real property such as deeds are recorded in the County Clerk's Office. State law mandates that copies are to be provided to the Assessor's office. An electronic copy is provided by the Clerk's office on a daily basis. Assessor's records must be updated to reflect the current owner's name and mailing address to ensure that *Notices of Values* and *Tax Bills* are mailed to the correct owner. Various documents are filed and processed throughout the year, therefore this process is continuous.

General Procedures:

1 Appraisal/ Assessment Manager assigns deeds on a regular basis to Assessment Specialists for data entry in to assessor's "Ascend" database, and assists with transfers as necessary.

2 As account information is updated with new owner's information. Head of Family exemptions, Veteran's Exemptions and Valuation Freezes are also removed and/or verified as required.

3 Assessment Supervisor performs random quality control checks on entered data and ensures completion of work within assigned deadlines.

Goal: Enter all transfers in to database within two weeks of County Clerk's filing date, and minimize data entry errors. Ensure that all transfers are completed prior to preparation of mailing the Assessor's Notice of Value for each tax year (typically April 1) so that the current owner of record receives the notice.

2.1c G.I.S. Parcel Mapping & Maintenance

Approximate Time Frame of Completion: January 1 to December 31

Persons Responsible: (1)-G.I.S. Analyst, (2)-Auto-Drafting Technicians

Summary: Plats and other legal documents that initiate a change in to the legal boundaries of a parcel or parcels are typically filed and processed throughout the year with the county clerk's office. The assessor's office receives copies of the documents and is responsible for creating and maintaining parcel based tax maps from the recorded documents. Tax maps are essential in defining the location, shape and size of each parcel of property that the assessor is responsible for valuing for property tax assessments. Documents are filed throughout the year from various sources such as developers, title companies, and individuals. This is a continuous process, and the assessor's office mapping department must stay current with the creation and merge of parcels in order to properly assess the correct owner of record for the appropriate tax year.

Procedures:

- G.I.S. Analyst evaluates, prioritizes and assigns all work to Auto-Drafting Technicians for completion of work. Analyst assists technicians when necessary.
- Technicians check plats and deeds for legal lot descriptions and make geographical (spatial) changes to the digital parcel layer using GIS software for all properties that have been split,

combined and lot line changes. They reconcile boundary lines among neighboring parcels for representation of taxable areas and assign a UPC number to every parcel in the county. A UPC is a 13 digit code that relates the position of a parcel numerically in a coordinate system (PLSS). The GIS is able to assign and store attribute (tabular) data associated to a UPC, including addresses, legal descriptions, lot sizes, plats, deeds and/or various other source data that may help locate and identify a parcel. Aerial photography and other GIS map layers are also used to assist staff with parcel mapping. Parcel editing is a continuous process as land records often change and as new source data is assimilated.

- G.I.S. Analyst performs random quality control checks on data entry and ensures that work is completed prior to mailing Notice of Value each tax year.
- Mapping staff also produce hardcopy cadastral maps and provide spatial data for the public and other government agencies for a standard fee.
- All mapping staff provides assistance to the public via in person and by telephone.

Goal: Update all records and maps each year prior to mailing notices of value for the upcoming tax year. Complete with minimal to no errors.

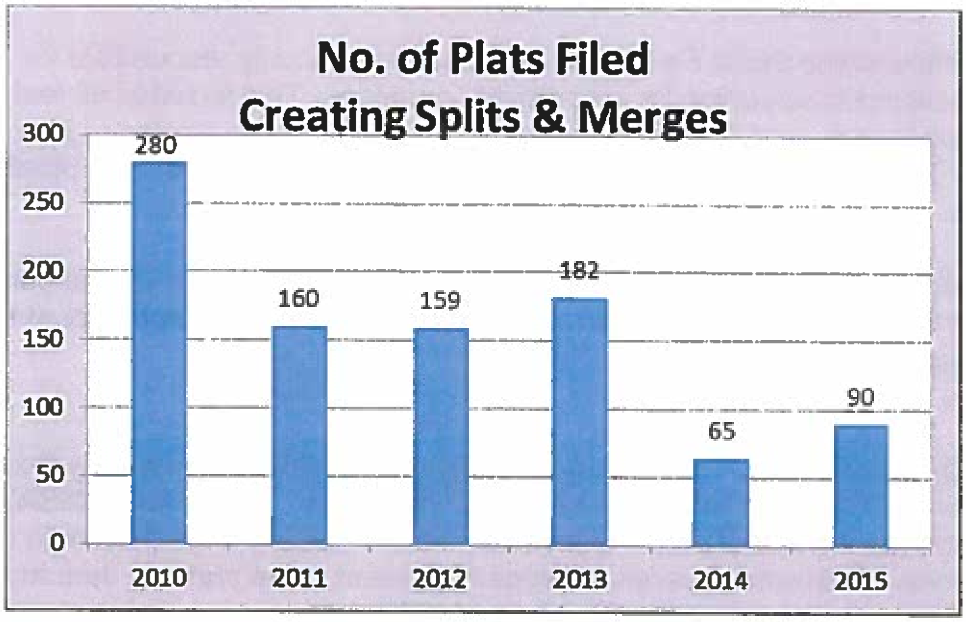
Supporting Information:
Santa Fe County Assessor's office uses a Geographical Information System (GIS) to maintain the county's cadastral (Tax) map. A GIS is a computer-based tool used for mapping and analyzing natural and manmade features on the surface of the earth.

The cadastral map (Parcel layer) is the land record for the Assessor's office and is the base layer of Santa Fe County's spatially integrated GIS.

The GIS is integrated with the Assessor's office CAMA system. The CAMA system is able to more accurately value properties as they relate to each other geographically, and assure that properties are being valued fair and equitable.

GIS maps assist assessor's appraisers with neighborhood designations and value comparisons. Appraisers are able to analyze markets, create reports and statistical data with GIS maps. Other county departments are also able to use the Assessors' GIS to assist them in their work endeavors. Common records processes such as searching and sorting through records is made easier because of the CAMA system and its mapping interface.

Historical GIS & Mapping Statistics



Year	Public Notices	Lot Line Adjustments	Lot Splits	Condos	Boundary Surveys	Family Transfers	Development Plans	Subdivisions	Easement Surveys	Lot Consolidations	Other	Total # Items
2006	640	110	99	81	66	68	34	64	42	24	25	1253
2007	568	117	77	62	51	55	35	27	29	21	28	1070
2008	102	23	13	16	14	14	15	7	10	6	4	224
2009	272	80	33	31	31	36	30	21	12	20	13	579
2010	267	54	38	26	24	20	26	11	10	8	11	495
2011	310	53	41	14	23	17	26	14	16	17	10	541
2012	334	53	39	7	22	17	23	8	12	22	8	545
2013	309	70	32	9	13	17	9	15	8	17	21	520
2014	365	40	24	12	17	21	18	12	6	8	11	534
[illegible]	[illegible]	[illegible]	[illegible]	8	[illegible]	[illegible]	14	[illegible]	[illegible]	18	1	[illegible]
Totals	3547	651	421	266	263	290	230	194	154	161	132	6309

2.1d Valuation/ Appraisal: Real and Personal Property

Approximate Time Frame of Completion: January 1 to December 31

Persons Responsible: (2)-Chief Appraisers, (7)-Senior Appraisers, (14)-Appraisers, (2)-Field Auditors, (1)-Manufactured Housing Auditor

Summary: The Office of the Santa Fe County Assessor is statutorily responsible for and authorized to value property subject to valuation for property tax purposes. This includes all real property, business personal property, and livestock, except for property that is assessed by the PTD's state assessed bureau. These properties include: railroad, communications systems, pipelines, airline and public utilities, etc.

The assessor shall also implement a program of updating property values so that current and correct values of property are maintained and shall have sole responsibility and authority at the county level for property valuation maintenance.

In accordance with §7-36-7 NMSA all property is subject to valuation for property taxation purposes under the Property Tax Code if it has a taxable situs in the state (§ 7-36-7 NMSA). Property has a taxable situs in the state if it is real property located in the state, it is an interest in real property located in the state or it is business personal property present in the state on January 1 of each year, the official date of property tax valuation (§7-36-14 NMSA).

Property that is not subject to valuation for property taxation purposes under the Property Tax Code as specified by subsection B of §7-36-7 NMSA includes property exempt from property taxation under the federal or state constitution, federal law, the Property Tax Code or other laws.

All taxable property is to be valued at market value, unless the property is assessed with a special valuation method under § 7-36-20 through § 7-36¬33 NMSA 1978. Market value is determined by the sales comparison, income, or cost valuation method, or any combination of methods. The methods for appraising properties must employ generally accepted appraisal techniques (§ 7-36-15).

Assessors are mandated to re-appraise properties either once per year (one-year reappraisal cycle), or once every two years (two-year reappraisal cycle). Santa Fe County Assessor's Office is currently employing a one year cycle. The phrase "current and correct values of property" (when on a one year cycle) as used in §7-36-16 NMSA 1978 means that valuations for any given tax year are to be based on the prior year's market value.

Employing a one year cycle is a tremendous undertaking by the office. However, this cycle is most beneficial to the taxpayer. In a rising real estate market it means smaller increases (3%) in valuation per year rather than a larger increase (6.1%) in valuation every other year. In a decreasing or stagnant market valuations may be lowered each year instead of every other year, and result in a more current and fair assessment for the owner/ taxpayer.

The tax code also imposes limitations on increases in valuation under § 7-36-21.2 NMSA. While under a one year reappraisal cycle, the assessor's value of a property in any tax year shall not exceed 103% of the prior years' value. While under a two year reappraisal cycle, the assessor's value of a property in any tax year shall not exceed 106.1% of the value from two years prior.

Procedures Directly Associated to Valuation
(All dates are approximate and are assigned & accomplished according to workload.)

- **Affidavits (September 1 to February):** Appraisers, and Field Auditors field verify all affidavits of sale price for improved residential property for determination if sale is a valid "arms-length transaction" and useable as a comparable. Affidavits are submitted by owners throughout the year and in accordance with the law, are kept confidential.

- **New Construction Permits (October to January 31):** Appraisers and Field Auditors field review all properties that have been issued new construction permits. This process includes: locating the property; interviewing the property owner to determine interior property characteristics; collecting exterior data; measuring the exterior of the structure(s); drawing a floor plan of the structure(s) and enter all relevant data in to ProVal and Ascend computer databases.

- **Land Splits/ Merges (January 2 to December 31):** Appraisers and Auditors field review parcels of land that have been split or combined by the mapping department. Properties must be checked for correct location of improvements and correct land values on newly created parcels. This is an ongoing process, but all reviews must be completed prior to all properties being reappraised and prior to the notice of value being mailed each year.

- **Agricultural/ Grazing Land Review (January 2 to December 31):** Under the supervision of the commercial chief appraiser, one appraiser is assigned to review all new applications for an agricultural or grazing special method of valuation. The appraiser field reviews all parcels and approves or denies the application. Appraiser completes the data entry for the approved parcels and notifies the owner of approval by mail. Properties that are denied are sometimes protested and appraiser must defend the decision to deny in a protest hearing if necessary.

- **CAMA (computer assisted mass appraisal) Modeling (February 1 to March 1):** Residential Chief Appraisers prepare and generate new statistical "models" for use in yearly reappraisal.

- **Data Entry (January to December):** Appraisers, Field Auditors, and Assessment Specialists complete data entry of all information acquired from field work. Supervisors and quality control specialists perform quality control measures.

Special Methods of Valuation:

- **Business Personal Property & Livestock Renditions & NOVs (Dec. to April 1):** Requests for information reports are mailed out December 1 of each year to every business owner with a license to operate a business in Santa Fe County. Personal property appraiser receives the completed reports from business owners (by February 28) listing their fixtures and equipment that were depreciated and reported to the IRS for the previous year. Appraiser enters all information into database and generates a value for assessment & taxation purposes. Values are finalized by March 15th of each year and notice of value is mailed on April 1 along with real property NOVs.

Personal property appraiser receives livestock reports from NM State Livestock Inspector's Office listing all livestock that was recently inspected. Appraiser uses the reports and enters information into database for assessment of livestock. A notice of value is mailed to each livestock owner by April 1 of each year. Livestock values are derived from the livestock industry by the Property Tax Division and are provided to the assessor each year for use in assessing the livestock.

- **Manufactured Home Valuation & Tax Releases (January 2 to December 31):** MH Appraiser and Auditor are responsible for field checking and collecting data on MH's for valuation under the special method as stated in NMSA 1978 7-36-26. In 2013 we began utilizing the electronic version of the N.A.D.A. cost guides to derive values for MH's. This approach once fully implemented will make it easier and more efficient to re-appraise all MH's valued as personal property. Cost tables will be updated yearly by the provider and updated MH values will be automated and calculated in batch.

  A manufactured home may be assessed and taxed as real property if permanently affixed to the land and certain other criteria are met as outlined in statutes. In this case the MH is valued as real property and "costed" through the Pro-Val system.

  The MH Auditor and Appraiser collect information on MH's for omitted assessments and also issue tax releases to MH owners when owners need a MH moving permit. MH owners must pay their taxes in advance in order to receive a tax release, per state statutes.

Supporting Information:

Appraisals- An appraisal is an opinion of value. According to the Property Tax Code, the purpose of appraisals for property tax purposes is to estimate market value. Market value, as defined by the courts, is the highest price estimate in terms of money which a property will bring if exposed for sale in the open market, allowing a reasonable time to find a purchaser who buys with knowledge of all uses to which it is adapted and for which it is capable of being used and assumes a willing buyer and seller. Market value is not the same as sales price but if the market is reasonably competitive, sales price can be strong evidence of market value.

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

- **Sales Comparison Approach-** the Sales Comparison Approach compares recently-sold local similar properties to the subject property. Price adjustments are made for differences in the comparable and subject property. Terms and conditions of the sale have to be analyzed and, if required, adjusted to market based equivalence. If the adjusted prices of several comparables turn out to be similar, the appraiser has good evidence as to the market value of the subject property.

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

- **Cost Approach-** The cost approach estimates the replacement cost new of the improvements, less the estimated accrued depreciation plus the market value of land. The cost approach is most reliable in new construction and special purpose properties, where there is little to no sales data, and sometimes in commercial and industrial properties.

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

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

2.1e Quality Control & Preparation of Valuation Data for Printing NOVs

Approximate Time Frame of Completion: February 1 to March 10
Persons Responsible: Assessor's System Programmer, & quality control & appraisal staff.

Summary: After all appraisal work has been completed for each new tax year and prior to the notice of values being mailed, data is processed for errors. This is necessary in order to prevent major problems prior to mailing, avoid additional costs, and provide the property owner with an accurate and valid valuation.

Procedures:

- **Checking for Errors:** Systems programmer prints reports of all taxable property. The report lists the prior years' value and the current years' value along with a % difference in the two values. The reports are reviewed by the appraisal staff who check for large increases or decreases in valuation to determine if the changes are valid.

- **Field Reviews:** Appraisal staff field reviews any properties with errors that cannot be determined from the office. Appraisers resolve all errors until lists are complete. Lists are assigned by chief appraisers.

- **Deliver Data (March 15+-):** All data necessary to produce the NOVs is prepared and exported electronically by assessor's system administrator to printing contractor for mailing of NOV by April 1 of each year, or designated official mail date. Printing contractor usually requires the data to be delivered two weeks prior to the mailing date. The office is currently under contract with Peregrine Corporation for printing the notices.

2.1f Mailing of Notices of Value & Rendition Period

Approximate Time Frame of Completion: April 1 to May1
Persons Responsible: All assessors' staff.

Summary: Assessors are mandated to mail all notices of net taxable value of the property to all property owners by April 1 of each tax year (§ 7-38-20 NMSA), unless and extension has been granted by the NM Property Tax Director. The notice of value is the culmination of the assessor's responsibilities and efforts.

The NOV informs the property owner of the valuation that is determined by the assessor's office for property tax purposes. The 30 day time period from the date the notices of value are mailed is known as the rendition period. During this 30 day period the owner or their representative (licensed appraiser, tax consultant, or attorney) is afforded the opportunity to "protest" their valuation, and file for taxpayer benefits such as exemptions. This period is the busiest time of year for "walk-in" traffic by the public and phone calls.

Procedures:

- **Mail NOVs (April 1 or before):** Chief Deputy and Assessor's System Programmer collaborate and ensure that contracted printing company mails out approximately 89,000 notices as scheduled.

- **Public Assistance (April 1 to May1):** Assessment specialists, assessment supervisor and appraisal staff provide information and assistance to walk-in and phone in customers. Staff also provides assistance and receives applications for head of family exemptions, veteran's exemptions, valuation freezes, church exemptions, charitable / educational exemptions and agricultural / grazing status.

- **Receive Protest Forms (April 1 to May1):** All three Chief Appraisers and assigned appraisal staff meet with property owners in person to discuss concerns with assessor's valuation and accept protest forms. Forms are filled out electronically. Copies are made and given to protestant. Chief appraisers assign and distribute protests to appraisal staff.

- **Process Incoming Mail (April 1 to May 31):** Two quality control specialists are responsible for retrieving mail from the post office and printing out e-mails that are sent to assessor@santafecounty.gov. All mail is sorted and scanned into assessor's database. Scanned documents are linked to their property location ID. Originals are distributed to the appropriate staff for assignment of work. When no longer needed originals are filed and stored for the mandated time period. A follow up process is used to ensure all correspondence is addressed by staff.

- **Application Review & Data Entry (January to December):** Appraisers, field auditors, and assessment specialists determine eligibility and review all exemption and freeze applications that were filed during rendition period. Assessment specialists complete data entry of all information acquired from field work.

2.1g Valuation Protests

Approximate Time Frame of Completion: April 1 to September 30
Persons Responsible: Chief Appraisers, Senior Appraisers, Appraisers, Field Auditors, Assessment Specialist staff, Assessor's Attorney

Summary: Each year property owners or their representative may appeal the value or classification determined for their property by filing a petition of protest with the county assessor within 30 days of the official mail date of the notice of value. Santa Fe County typically mails notices on or around April 1st of each year. The assessor may mail NOVs later than April upon approval from the NM Property Tax Director. All protests are mandated to be resolved within 180 days of filing the protest with the assessor's office. This deadline may be extended by the tax director if the assessor requires and requests more time to resolve protests.

Procedures:

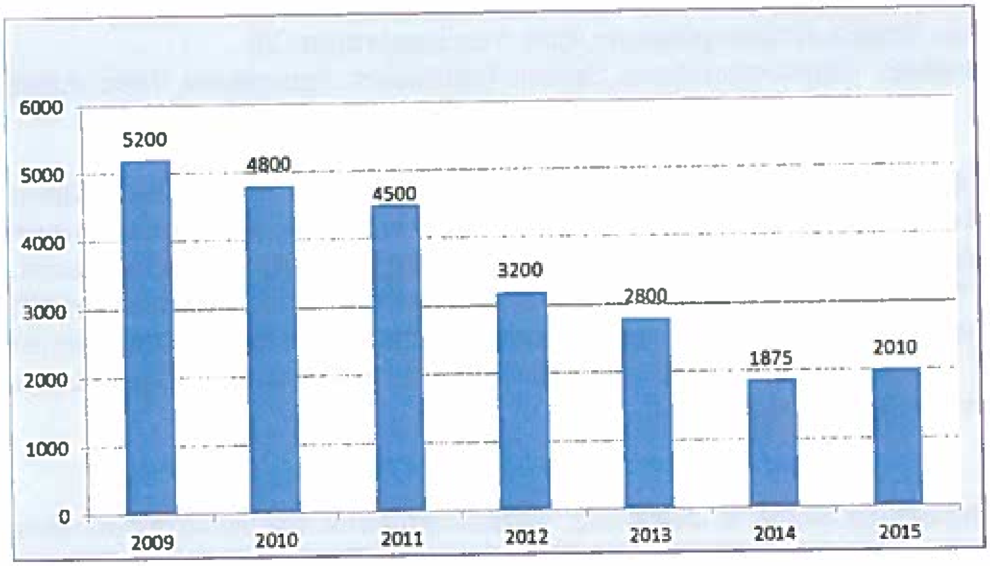
- **On Site Inspection (April to June 15):** Protest petitions are assigned to appraisers & auditors for a complete on site review of the property. This review will include: taking current photos, inspecting the exterior of the property, verifying and correcting all pertinent data, and measuring and sketching the exterior of all structures if necessary. In some cases an interior inspection may be necessary as well. Protests are assigned based on difficulty and as evenly as possible to each appraiser in order to maintain fairness.

- **Informing the Owner:** After the field review has been completed the appraiser, with assistance from the assessment specialists, e-mails or mails a letter informing the property owner of any change to their valuation. If an adjustment has been made, and the owner is in agreement with the valuation, they may choose to withdraw the petition of protest by signing and returning a copy of the letter.

- **Informal Conference (June 15 to August 31):** If the appraiser decides not to adjust the valuation or the owner remains in disagreement with our revised valuation, the owner may choose not to withdraw the protest and proceed with the protest process. If this is the case, the appraiser will schedule "informal conferences" and meet with Protestants in person. At this time the appraiser informs the owner of any changes made to the property records and presents the owner with information that supports the assessor's valuation. Owners may provide any new documentation they have not already provided to the office in support of their value for the appraiser to consider.

- **Formal Hearings (6 to 8 weeks between July and September):** If the protest is not resolved at the informal conference, then a formal hearing will be scheduled by the appraiser before the County Valuation Protest Board. The assessor is required to notify the protestant by certified mail of the date, time, and location of the hearing at least 15 days prior to the hearing. In addition, the office provides a nine page "Information Pamphlet" that provides the owner with more information relating to the protest hearing process. Appraisal staff prepares written reports and present testimony, exhibits and is cross examined at the protest board hearing.

Historical Protest Data:



Supporting Information:

The County Valuation Protest Board consists of three members. Two members and two alternates are residents of the county, and are appointed by the County Commission. The third member and an alternate are employees of the State Property Tax Division, and serve as the chairperson of this board. The hearing is an open meeting and is also recorded, for appeal purposes, by one person from the PTD. The protest board will hear testimony and accept documentation from both the assessor's office and the protestant.

After the hearing the board will privately discuss and decide the case. The board will then mail a written decision and order to both parties within thirty days after the hearing, as required by statute. If the board rules in the owner's favor, the Assessor's valuation will be adjusted accordingly.

If a protestant fails to appear at the hearing, the protest will be denied and the valuation will default to the assessor's value. Property owners or the county may appeal final decisions or orders from a district court.

If a person misses the deadline for filing a protest, the owner may file a "Claim for Refund" in the Santa Fe District Court after the County Treasurer mails tax bills in November of each year. Claims must be filed against the county assessor, no later than the sixtieth (60) day after the due date for the first installment of the tax that is subject to a claim of refund. Payment of all taxes due in accordance with the tax bill must be made prior to the delinquency date before filing for a claim for refund. Claims must contain the property owners' names and addresses, as well as other persons receiving a tax b for the property. The action must state the basis for the refund claim, the amount of the refund to which the owners believe they are entitled, and amounts paid.

Once the courts have determined the amount of refund, if any, the County Assessor and the County Treasurer will make the appropriate change to the tax records.

Claim for refunds, amongst other issues, are usually defended in court by the assessor's contract attorney, Bridget Jacober with assistance and testimony from Assessor staff. Over three hundred refund claims have been filed in the past 6 years.

Goal: Successfully resolve all protests prior to September 15, (before the tax roll is generated) or no later than the statutory deadline of 180 days after the protest is filed.

2.1g Staffing & Professional Development

In order to accurately and professionally accomplish the mandated duties of the office, the Assessor must hire educated, experienced, and motivated individuals and provide continuous training and continuing education in the field of real and personal property appraisal. Having well trained and professional individuals in other facets of the duties of the office is equally important and essential to our office.

Under §4-39-2 NMSA, the issuance of certificates and incentive pay is authorized upon completion of a series of four one week long courses taught by our professional organization called the International Association of Assessing Officers. An Assessor, Deputy Assessor or appraiser can earn the designation of "Certified Property Appraiser" issued by New Mexico Property Tax Division. Recently, a continuing education program was self-imposed by the Assessor's Affiliate and endorsed by PTD. The Santa Fe County Assessor's Office has 12 fulltime employees designated as New Mexico Certified Appraisers.

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

Santa Fe County has agreed to implement a certification program similar to the one stated above. The incentive pay is included with the assessor's appraisal staff salaries.

Additionally, The NM EDGE County College, in collaboration with the NM Assessors Affiliate has developed a certification curriculum specific to the NM County Assessor office for a NM Certified Public Assessing Official" designation. Nationally recognized designations are also available through our membership in the IAAO. Several of our appraisers are currently working towards one of these designations. The Assessor's goal is to re-classify the appraiser's position and compensate them accordingly once the designation is attained.
County Assessors and their staff should be very familiar with traditional appraisal methods, real estate markets, and local conditions. Other technical and professional skills needed are: statistical skills for building and applying statistical models, management skills for recruiting, training and

directing staff, data processing skills for designing and maintaining computer programs, and public relation skills for dealing with the public and the media.

Our employees possess skills in administration, mass appraisal, mapping/GIS, and personal real property appraisals. Our employees are able to appraise/develop values for all property types within Santa Fe County, and are able to defend those values at every level of appeal. Continuing training and education is a major resource for the success and performance of the office, and highly recommended and enforced.

The following is a listing of the County Assessors' staff by primary function:

STAFFING					
ADMINISTRATION		APPRAISAL		CLERICAL	
Elected Assessor	1	Chief Appraiser	2.00	Administrative Clerks	5.00
Administrative Assistant	1	Residential Appraisers	13.00	Title Examiner	1.00
Chief Deputy Assessor	1	Commercial Appraisers	4.00	Deeds / Mapping	2.00
Dept. Administrator	1	Manufactured Homes	1.00	Exemptions	
GIS Analyst	1	Business Personal Property	0.50	Data Entry	
CAMA Specialist	1	Agriculture / Grazing Land	1.00	Quality Control	4.00
Systems Programmer	1	Livestock	0.50	Special Projects Administrator	1

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

The County Assessor believes that education should be an ongoing program and it only strengthens the valuation program. The Protest Board and District Court gauge the level of professional expertise of an appraiser by the appraiser's credentials. Therefore, assessment personnel are expected and encouraged to attend all Property Tax Department's accepted appraisal courses and any licensing or certification program. This will benefit Santa Fe County by successfully defending valuation protests that ultimately impact county budgets.

2.2 Periodic Door to Door Re-Inspection Plan

The second essential component of a proper valuation maintenance program is the requirement for periodic re-inspection of all properties in Santa Fe County. The New Mexico Property Tax Division has directed assessors to implement a four to six-year re-inspection cycle for this purpose, which is in conformance with a professional standard of the International Association of Assessing Officers. The main function of these inspections is to verify and update existing information and discover improvements to properties that are not currently on the tax schedule.

2.2a Re-Inspection Plan Completed by December 31, 2014.

The office completed the last phase of the last re-inspection project that was begun in 2010. Work included field verifying, collecting data, and reappraising the last remaining properties to be inspected, including:

1. Manufactured Homes
2. Residential Condos
3. Commercial Improved Properties
4. Agricultural & Grazing Properties

2.2b Parcel by parcel re-inspection Plan phase 1 commenced August 2015

On August 15, 2015, the Assessor's staff began implementing a five year parcel by parcel re-inspection plan utilizing in house staff. The plan involves reviewing & re-inspecting both residential and non-residential accounts each year of the plan to achieve total coverage of 84,017 real property accounts in Santa Fe County.

Approach
To accomplish this five year project we implemented the use of two new technologies that were previously unavailable to this office in the past.

The first was the introduction of oblique, side-view imagery of most of the improved portions of the county purchased in March of 2015 from Pictometry International. This technology has greatly reduced the need for a physical door-to-door review. Most properties have been adequately inspected from the high quality digital photos. Assessor Gus Martinez plans on contracting for new photos to be delivered in April, 2017 for use in the third and fourth years of the plan, and every two years thereafter.

The second technology we used is specialized software that visually compares two sequential acquisitions of oblique imagery for changes in existing building footprints or new building footprints. The tool is called "Change Finder" and is also provided by Pictometry. This tool will make it much easier for the office to identify unreported, improved properties without an initial field inspection. For properties that are not included in the photo project, or for hard to view properties, a field inspection will be required by staff appraisers.

The 5 Year Plan:

Phase 1- To be completed in 2015
The plan starts the first year in the southernmost portion of the county, encompassing the entire 8T tax district. This area will contribute roughly 8,500 accounts for review. As resources permit, more accounts will be inspected by including properties immediately north of the 8T tax district. While this value is lower than the average number of accounts that need to be inspected, more properties can be added if resources permit. The five year plan is anticipating the first year may require a higher administrative load than future years, and for that reason, is preparing for higher than average loads future years to compensate. Details are as follows:

Completed
2015

Work Area: Tax District 8T In and Out
Starts: August 15, 2015
Ends: December, 15, 2015
Work Days: 68 (excluding holidays, and estimated vacation and sick leave days)
Appraisal Staff: 20 total (16 Residential - 1 Chief, 15 Appraisers) & (4 Commercial – 1 Chief, 3 Appraisers)
Property Count: 8270 Total *(numbers are subject to change)*

449 Manufactured Homes
3550 Single Family Residential
3776 Vacant land parcels
114 Commercial
2 Manufactured Home RES,
379 Other (mixed use properties)

Quantities Necessary to Complete the Project With in the Allotted Time:

A per day ratio for residential properties is as follows:
7505 / 68 = 110 per day overall, 110 / 15 = 7 per person per day

A per day ratio for commercial & MH properties is as follows:
753 / 68 = 11 per day overall, 12 / 3 = 4 per person per day

While these numbers are low, we believe they are attainable. They are intended to be low to due to other factors affecting the project for this particular year.

- First, the project's area of review is one of the furthest away from the office. While Pictometry should significantly help in the areas that were flown, roughly 60% of 8T was not covered by Pictometry. Distance and lack of aerial imagery will influence the rate at which data can be reviewed. This area will require an actual in person, on the ground, door to door re-inspection for those properties without an updated or recent aerial photo.

- Second, many other tasks are required to be completed by the same staff assigned to completing this review during the same time period of the project. These tasks include verification of sales affidavits, building permits.

- Third, there are a few things changing in the CAMA system that will warrant moving slower than we're capable of in this first year. These include creating new neighborhoods, configuring and using a land model for land valuation for the first time, updating the improvement models for the first time in 8 years, reclassifying vacant land as either residential vacant or non-residential vacant. If not slowly introduced and reviewed, these changes could erroneously affect property valuations on a large scale.

Phase 2- To be completed in 2016

The second year is scheduled to review properties south of the City of Santa Fe, including Eldorado, Madrid, Cerrillos, Glorietta, and Lamy, encompassing the southern portion of the CO tax district. This area will contribute roughly 17,914 accounts for review. Details are as follows:

Work Area: C-Out south of Santa Fe City
Starts: August 15, 2016
Ends: December, 15, 2016
Work Days: 68 (excluding holidays, and estimated vacation and sick leave days)
Appraisal Staff: 20 total (16 Residential - 1 Chief, 15 Appraisers) & (4 Commercial – 1 Chief, 3 Appraisers)
Property Count: **17,914** Total *(numbers are subject to change).*

1,024	Manufactured Homes
10,704	Single Family Residential
4,280	Vacant land parcels
290	Commercial
10	Manufactured Home RES,
1,606	Other (mixed use properties)

Quantities Necessary to Complete the Project With in the Allotted Time:

A per day ratio for residential properties is as follows:
15,797 / 68 = 232 per day overall, 232 / 15 = 15 per person per day

A per day ratio for commercial & MH properties is as follows:
2117 / 68 = 31 per day overall, 31 / 3 = 10.3 per person per day

Phase 3- To be completed in 2017

The third year is scheduled to review properties north of the City of Santa Fe, including Pojoaque and Espanola, encompassing the entirety of the 1 and 18 tax districts, as well as the northern portion of the CO tax district. This area will contribute roughly 15,000 accounts for review. Details are as follows:

Work Area: 1, 18T, and C-Out north of Santa Fe City
Starts: August 15, 2017
Ends: December, 15, 2017
Work Days: 68 (excluding holidays, and estimated vacation and sick leave days)
Appraisal Staff: 20 total (16 Residential - 1 Chief, 15 Appraisers) & (4 Commercial – 1 Chief, 3 Appraisers)
Property Count: **15, 036** Total *(numbers are subject to change).*

1,353	Manufactured Homes
7,364	Single Family Residential
4,455	Vacant land parcels

205 Commercial
16 Manufactured Home RES,
1,643 Other

Quantities Necessary to Complete the Project With in the Allotted Time:

A per day ratio for residential properties is as follows:
12,657 / 68 = 186 per day overall, 186 / 15 = 13 per person per day

A per day ratio for commercial & MH properties is as follows:
2379 / 68 = 35 per day overall, 35 /3 = 12 per person per day

Phase 4- To be completed in 2018

The fourth year is scheduled to review properties within the Santa Fe City limits, encompassing the entirety of the CI tax district. This area will contribute roughly 21,000 accounts for review.

Work Area: C-In tax district
Starts: August 15, 2018
Ends: December, 15, 2018
Work Days: 68 (excluding holidays, and estimated vacation and sick leave days)
Appraisal Staff: 20 total (16 Residential - 1 Chief, 15 Appraisers) & (4 Commercial – 1 Chief, 3 Appraisers)
Property Count: 20,234 Total *(numbers are subject to change).*
1,876 Manufactured Homes
12,561 Single Family Residential
2,640 Condos-Residential
991 Vacant land parcels
1,027 Commercial
90 Manufactured Home RES,
1,049 Other

Quantities Necessary to Complete the Project With in the Allotted Time:

A per day ratio for residential is as follows:
16,806 / 68 = 247 per day overall, 247 / 15 = 16 per staff per day

A per day ratio for commercial is as follows:
3428 / 68 = 50.41 per day overall, 12 / 3 = 17 per staff per day

Phase 5- To be completed in 2019

The fifth year is also scheduled to review properties within the Santa Fe City limits, encompassing the entirety of the CI tax district. This area will contribute roughly 21,000 accounts for review.

Work Area: See Above
Starts: August 15, 2019
Ends: December, 15, 2019
Work Days: 68 (excluding holidays, and estimated vacation and sick leave days)

Appraisal Staff: 20 total (16 Residential - 1 Chief, 15 Appraisers) & (4 Commercial – 1 Chief, 3 Appraisers)
Property Count: 22,563 Total (*numbers are subject to change).*

1,119	Manufactured Homes
12,827	Single Family Residential
2,005	Vacant land parcels
3,102	Condos- Residential
1,803	Commercial
72	Manufactured Home RES,
1,635	Other

Quantities Necessary to Complete the Project With in the Allotted Time:

A per day ratio for residential is as follows:
18,824 / 68 = 277 per day overall, 277 / 15 = 18 per person per day

A per day ratio for commercial is as follows:
3,739 / 68 = 55 per day overall, 55 / 3 = 18 per person per day

Reinspection Plan Procedural Outline:

All changes made to a property along with any data gathered from the field inspection will be entered to the property record at the time of the review. Any changes which result in a change to the valuation will be reflected on the notice of value for the following year.

1. **Initial review**
    a. Proval vs historic record
        i. Comparison is made to make sure present record is accounted for in value
            1. If not then changes need to be captured.
    b. Pictometry
        i. Comparison of Pictometry is made to current card in Proval
            1. All angles must be viewed
                a. If changes then additions need to be captured
    c. Determine if the property will need a field review:
        i. Any square footage discrepancies.
            1. Unable to make determination in Pictometry
        ii. Needs an updated photo for grade, condition or other circumstances.
    d. Owner has requested we do so.

2. **Gather property characteristics**
    a. Update amenities
        i. Estimation
        ii. Property characteristic forms
        iii. Appraisal of property
        iv. Owner interview

3. **Data Entry in Proval**
   a. Vacant land
      i. Acreage is updated or confirmed in Land Tab.
      ii. Land is updated to land schedule or sales comparison is used to determine new values
      iii. Allocations are confirmed

   b. Single residential
      i. Acreage is updated or confirmed in Land Tab.
      ii. Land is updated to land schedule
      iii. Property characteristics are entered and confirmed in Proval
      iv. Allocations are confirmed
      v. Cost is performed, change of value is determined.
      vi. Notes are entered, photos updated

SRES FLOWCHART