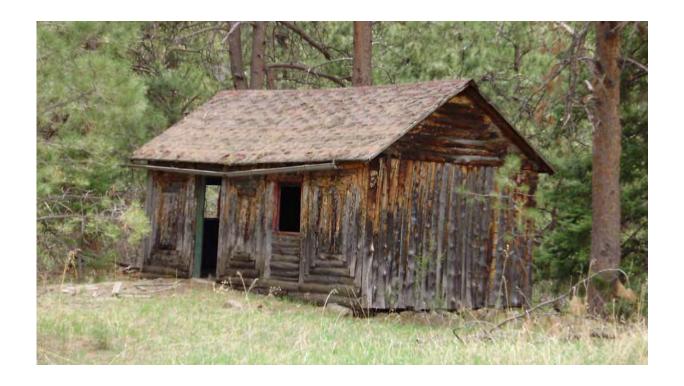
# Jefferson County Assessor's Office 2011 Annual Report



Jim Everson Jefferson County Assessor

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## OFFICE OF COUNTY ASSESSOR

JIM EVERSON

100 JEFFERSON COUNTY PARKWAY GOLDEN, CO 80419-2500 Assessor

May 8, 2012

To the Citizens of Jefferson County:

The 2011 Annual Report of the Jefferson County Assessor's Office is a compilation of information about the Assessor's Office and its operations during the 2011 calendar year. I hope you find it helpful and informative. Some of the highlights of the report are as follows.

In 2011 inflation-adjusted expenditures for Assessor's Office operations <u>decreased</u> 4.82% over 2010. The Office has posted a 13.08% <u>decrease</u> in inflation-adjusted expenditures during the seven years since I took office. The main contributor to decreasing expenditures was decreased expenditures on salary and benefits. In 2011 we improved service to our citizens by making more information available on our web site allowing citizens to self service many questions previously handled by our employees. Total expenditures per property schedule per year in 2004 were \$16.06. By 2011, we trimmed this to \$13.64 (inflation adjusted) for a 15.1% <u>decrease</u> in spending per schedule serviced during the period.

2011 actual spending was 2.5% (\$117,429) <u>less than</u> the Assessor's Office approved 2011 budget. We achieved these results by adopting new methods and procedures that allowed us to lower the amount of employee time needed to do our work and by automating some work processes. Also, through better training and employee utilization, we eliminated the need for overtime and temporary employees during peak periods.

Once again in 2011 the credit goes to our employees who have done a great job of finding ways to be more productive and efficient. The result is that taxpayers get much improved service.

Please feel free to contact me via e-mail at http//:assessor.jeffco.us or at 303.271.8667 if you would like more information about the Jefferson County Assessor's Office.

Very\_Truly Yours,

Im Everson, Jefferson County Assessor

## ${\bf 2011\, JEFFERSON\, COUNTY\, ASSESSOR'S\, OFFICE\, ANNUAL\, REPORT}$

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## 2011 SUMMARY OF OPERATIONS

General: The Jefferson County Assessor's Office identifies, describes, and values all property located in the County and creates the tax roll by applying mill levies to taxable assessed valuation of property. We do not set tax rates. This is done by each entity that levies property taxes during their budget process. The Assessor also maintains parcel maps showing all real property parcels in the County. Our mission is to efficiently provide quality customer service by being courteous, respectful, and informative while performing our statutory duties in a fair, ethical, accurate, and professional manner. Each year on May 1 the Office creates and mails a Notice of Valuation for each taxable real property schedule in the County. In addition, the Office creates and mails a Notice of Valuation to each business personal property owner in the County on June 15. During 2011, the number of property schedules decreased by 213 to 234,011 active property schedules. While we added 2,224 real property schedules during the year, changes to filing requirements lowered the number of business personal property schedules by 883. At year end, we had 201,841 residential real property schedules, 12,501 business personal property or mobile home schedules, 11,101 schedules that were exempt from property taxes and 8,568 commercial property schedules.

For the 2011 year-end tax roll, the total actual value of property in Jefferson County was \$61,394,183,299. The total assessed value was \$6,997,605,972. We have over 1,300 parcel maps which we maintain. During the year, 172 taxing authorities in the County relied on our office to value property in their district and report those values to them so that they could establish appropriate property tax mill levies for properties within their boundaries and 15 Urban Renewal Districts were serviced. These entities include Jefferson County R-1 Schools, all fire districts, cities and the County. We maintained 746 separate tax districts to apply mill levies from these taxing entities.

Because of the economic downturn, we new construction in the County remained low at \$259 million in 2011 although it improved over the \$208 million in 2010. We also saw a 1.45% decline in the number of plats and deeds processed.

During the year we began implementation of a new Assessor/Treasurer computer system for the office. All of the groups in the office participated in system design, testing and training while continuing to perform their other duties.

**Customer Service:** The Customer Service Department is charged with servicing customers at the front counter, answering telephone inquiries and correspondence, coordinating protest and appeal hearings and maintaining correspondence and appeal files. During the year this group handled 22,714 calls, serviced 7,713 customers at the front desk, processed 9,447 protests and 2,714 other appeals, and answered 1,516 pieces of correspondence.

**Senior Exemptions and Tax Districts:** This Department is responsible for customer service and administration of the Senior/Disabled Veteran Property Tax Exemptions (SPTE) as well as creating and maintaining taxing authority maps and tax districts within the County. In 2011, the department processed 1,493 new SPTE applications, maintained 26,548 existing STPE properties, and maintained all of the 188 urban renewal and taxing entities and 746 tax districts in the County.

**Deeds and Property Description:** The Deeds and Property Description Department is responsible for maintaining and updating all parcel maps, creating new parcels from deeds and plats, and maintaining an accurate record of the ownership of each parcel. During 2011, 20,415 deeds were processed, down from 20,709 in 2010, and 70 plats were mapped and parcels created (78 in 2010).

**Personal Property:** The Personal Property Department identifies, describes and values all business personal property and mobile homes in the County. In 2011, 11,586 personal property schedules were valued. In addition, the department conducted over 100 audits of businesses throughout the County as part of our Personal Property Audit Plan. In addition, this group continued to educate property owners in the use of the new on-line filing system for business personal property.

**Residential Real Property:** The Residential Department is responsible for maintaining residential property inventory records, documenting new residential construction, and valuing all residential structures (other than multifamily) in the County. In 2011, this group maintained inventory records on 190,200 residential schedules and processed 3,210 building permits.

**Commercial Real Property:** The Commercial Real Property Department is responsible for maintaining commercial property inventory records, documenting new commercial construction and new commercial parcels, and valuing both commercial land and all commercial structures (including multifamily residential and possessory interests) in the County. In 2011, there were 9,988 multifamily residential and commercial schedules that were serviced by this department.

**Land Valuation:** In 2011, this group serviced 10,194 vacant land parcels as well as allocating land values for 2,602 new parcels created during the year. In addition, this group audited all agricultural land parcels for compliance.

**Data Control:** The Data Control Department provides, reporting, data entry, data maintenance and data quality control in one group. The department is charged with assuring the integrity of all property information maintained by the Assessor's Office and with reporting to taxing authorities and the State. In addition, this department creates customized data reports for various other governmental entities and the public on a fee basis. In 2011, this group was instrumental in working with the Assessor to implement the new software.

Mass Appraisal: The Mass Appraisal Department is charged with maintaining, upgrading and calibrating the Office's Computer Assisted Mass Appraisal (CAMA) system that is used by the appraisal staff to value all property in the County. This group also maintains and upgrades the Geographic Information System (GIS) that the Office uses to create and maintain all parcel maps for the County. In 2011, this group was instrumental in implementing the new software system. Also, this group headed the effort to integrate our new state-of-the-art parcel editing and mapping system which was installed in 2010 into the office and the County GIS.

**Executive and Administrative:** This group includes the elected Assessor, Deputy Assessor and Administrative Services. The executive group is responsible for overall management of the Office. The administration group provides administrative services for the Office. In 2011, the administration group streamlined our payroll and benefits reporting system. During 2011 the Assessor made more than 50 educational presentations about property taxes across the County.

## 2011 FINANCIAL RESULTS

The Assessor's Office, while instrumental in the generation of property tax revenue for all taxing entities in the County, is not a primary producer of revenue. Therefore, revenues generated are somewhat incidental to the mission of the Office. Almost all of the expenditures of the Office are funded from the County General Fund.

**Current Year:** A summary of the revenues and expenses of the Assessor's Office for 2011 are as follows (see Appendix 3 for detailed report):

\$81.250

(\$117,429)

2.5%

2011 Revenues from the sale of data and maps, fees, and other sources.	φ01,230
2011 Expenditures:	
Salaries and Benefits	\$3,488,544
Supplies, including postage and printing	\$147,066
Capital Projects and Other Services	\$128,571
Interdepartmental Charges	\$880,166
2011 Total Expenditures	\$4,644,347
2011 Expenditure Budget	\$4,761,776

2011 Revenues from the sale of data and maps, fees, and other sources:

## **Management Discussion:**

2011 Percent Under Budget

2011 Actual Expenditure Amount Under Budget

When adjusted for inflation to 2004 constant dollars using the Denver-Boulder-Greeley Consumer Price Index (CPI), total expenditures in 2011 were \$199,622 less than in 2010 or a 4.82% decrease in inflation adjusted spending. (see Appendix 1 for the full 2004-2011 expenditure and percent change analysis).

Over the 7 year period 2005 though 2011 inflation adjusted expenditures excluding interdepartmental charges were reduced by \$479,912 or 13.06%. During the same period, the total number of schedules serviced by the Office increased by 5,465 schedules. From 2004 to 2011 the CPI increased by 17.8%.

In 2011, total salary and benefits increased 3.82% (\$128,269) over 2010. This was largely due to having to fill a number of vacancies in 2010 which resulted in vacancy savings. However, the CPI index increased by 3.69% for 2011 leading to inflation-adjusted salary and benefits increases of only 0.12%. In 2011, employees received no regular salary increase, although there were \$10,753 in salary adjustments made to bring all salaries in the office to the minimum for salary grade.

In 2011, total interdepartmental charges were cut 20.45% largely due changes in indirect costs allocated to the Assessor's Office. In 2011, we began implementation for a more efficient, Assessor/Treasurer computer system from an outside vendor in consort with 3 other Metro area counties. The Information Technology group has been instrumental in supporting this effort, however charges from this group reduced significantly because of savings associated with discontinuing any upgrades to the old system.

## 2011 PERFORMANCE MEASURES

The Assessor's Office has developed a group of performance measures which are used to evaluate the performance of the Office (see Appendix 2 table of historic performance measures). Results were as follows:

2000

2040

2044

	2008	2009	2010	2011
Performance Measures				
Percentage of protests that result in CBOE appeal.	14.67%	22.97%	16.97%	24.47%
Weighted combined COD.	7.64	9.07	9.05	9.97
Inflation adjusted (2004 base year) annual office expenditures per schedule excluding Interdepartmental	\$13.72	\$14.16	\$13.54	\$13.64
Demand Indicator				
Total actual value of new construction in the County in Millions of dollars	\$668.0	\$547.1	\$207.5	\$259.2
Number of deeds and plats processed.	21,810	19,636	20,787	20,485

2000

The **number of deeds and plats processed** indicates the amount of real property related activities in the County. It also shows directly how much work was performed by the Property Description Department during a given year. It also gives an indication of the amount of work the appraisal staff will have to do to verify sales and value newly platted properties. If this number is growing, additional resources will be needed and the reverse is true if it is getting smaller. In 2011, the number of deeds and plats processed dropped by 302 or 1.45% versus 2010. This continues a downward trend since 2004. This resulted in not filling one vacancy and two employees being changed to reduced schedule status.

The percentage of protests that result in County Board of Equalization (CBOE) appeals measures how well the Office is doing in resolving protests at the Assessor's Office level. From May 1 through June 1 of every year, property owners are afforded the opportunity to protest or appeal to the Assessor the value the Assessor determines for their property in the May 1 Notice of Valuation. We encourage owners to visit the Office as this is the best environment in which to resolve valuation concerns. In August of each year the Assessor sends a Notice of Determination to each owner who protested stating whether or not the value of their property will be adjusted based upon their appeal and if so, by how much. At this point the owner may appeal to the CBOE if they are not satisfied with the result. In

2011, the percentage of protests that resulted in CBOE appeals increased from 16.97% to 24.47%. This increased percentage was typical in a revaluation year. With the housing market crash of 2008-2011, many owners believed that real estate values in the Denver Metro area had declined more than they actually had by the June 30, 2010 appraisal date. All Colorado Assessors were required by law to value properties for the market conditions that existed on the appraisal date. By May 1, 2011 when property owners received their Notices of Valuation, the level of value to which properties were appraised was almost 1 year old. In a declining market, owners felt they were being taxed on values that no longer existed and reacted accordingly.

The weighted combined Coefficient of Dispersion (COD) is a measure of how well the Office is doing at valuing all the properties in the County on an equalized basis i.e. do we value properties with like characteristics the same. In the annual audit of the Assessor's Office conducted for the Colorado Legislative Council, the values that are set by the Assessor's Office are tested for compliance with minimum acceptable COD standards set by the State Board of Equalization. COD measures the uniformity of the assessment values set by the Office. The lower the COD the more uniform the assessment and the more likely it is that all property owners are being treated equally. In 2011, combined weighted COD increased 10.2%. This significant increase was due largely to the fact that markets as of June 30, 2010 continued to be quite unstable with a great deal of variation in price. Therefore, uniformity in valuations did not exist in the marketplace. This caused our market based valuations of residential housing to become less equalized.

**Inflation adjusted annual Office expenditures per schedule** measures the overall efficiency of the Office in performing its duties. Since this figure is stated in constant 2004 dollars the effects of inflation are eliminated and the true cost per unit is measured. In 2011, total expenditures per active property schedule serviced increased 0.71%. Since 2004, inflation adjusted expenditures per schedule has <u>decreased</u> by 15.1%.

The Demand Indicator of **total actual value of new construction in the County** is included as an indicator of the level of effort that is required in appraising properties in the County. Generally, there is not as much work involved in maintaining the inventory of existing buildings that have been well documented and inventoried over time as there is in creating an entirely new schedule for a new building. Thus, if the amount of new construction increases, then the amount of appraisal resources needed also increases. Increases in new construction also indicate that more property schedules and parcels will be forthcoming. In 2011, total new construction remained low due to the economic downturn. However, the fact that Jefferson County is a mature county, with fewer locations for new construction due to declining availability of developable land, would lead one to believe that this figure will trend lower over time.

## 2011 OBSERVATIONS AND 2011 GOALS

In 2011, all real property in Jefferson County was revalued to the June 30, 2010 level of value. Revaluation of real property occurs every two years, the next in 2013. Because of this, 2012 will not be as difficult as a revaluation year. Appeals in 2012 are expected to be much lower. This will allow our staff to concentrate on the implementation of the new Assessor/Treasurer software package. As of the date of this report, data conversion and testing of the new software is ongoing, but it will be a major project in 2012 using all of our in-house resources and some outside consulting resources to accomplish our 2012 go live date.

In 2012, the major goal of the Office will be to complete all the tasks necessary to implement the new software system and to train our people. In 2012 we will need to integrate our new software program with other software platforms that use data from the A/T system.

As always, we will continue in 2012 to provide the best possible customer service and at the same time find ways to do so in an efficient cost-effective manner. This is the best way we know to assure the taxpaying public that they are getting real value from their Jefferson County Assessor's Office.

## Jefferson County Assessor's Office Expenditures per Schedule 2004-2011 Adjusted for Inflation Jim Everson, Jefferson County Assessor



## Appendix 1 page1

# Jefferson County Assessor's Office Expenditures 2004-2011 Adjusted for Inflation to 2004 Dollars Jim Everson, Jefferson County Assessor

Year	2004	2005 in 2004\$	%inc yr/yr	2006 in 2004\$	%inc yr/yr	2007 in 2004\$*	%inc yr/yr*	2008 in 2004\$*	%inc yr/yr*	2009 in 2004\$*	%inc yr/yr*	2010 in 2004\$*	%inc yr/yr*	2011 in 2004\$*	%inc yr/yr*
FTE	60.00	57.00	(5.00)	57.00	0.00	57.00	0.00	57.00	0.00	57.00	0.00	57.00	0.00	57.00	0.00
Salaries and Benefits	\$3,334,022	\$3,213,761	(3.61)	\$3,084,557	(4.02)	\$3,078,279	(0.20)	\$3,001,819	(2.48)	\$3,077,067	2.51	\$2,957,780	(3.88)	\$2,961,386	0.12
Supplies	\$222,583	\$147,413	(33.77)	\$158,645	7.62	\$142,295	(10.31)	\$112,411	(21.00)	\$118,762	5.65	\$115,118	(3.07)	\$124,843	8.45
Services & Capital Projects	\$118,678	\$138,857	17.00	\$96,662	(30.39)	\$98,675	2.08	\$99,947	1.29	\$119,836	19.90	\$95,389	(20.40)	\$109,142	14.42
TTL Cap. Projects and Other Expense	\$341,261	\$286,270	(16.11)	\$255,307	(10.82)	\$240,970	(5.62)	\$212,358	(11.87)	\$238,598	12.36	\$210,506	(11.77)	\$233,985	11.15
TTL Expenditures excluding															
Interdepartmental	\$3,675,283	\$3,500,031	(4.77)	\$3,339,863	(4.58)	\$3,319,248	(0.62)	\$3,214,177	(3.17)	\$3,315,664	3.16	\$3,168,286	(4.44)	\$3,195,371	0.85
Interdepartmental	\$77.015	\$68.768	(10.71)	\$65.601	(4.60)	\$1.475.691	2.149.49	\$823,063	(44.23)	\$809.430	(1.66)	\$973.870	20.32	\$747.163	(23.28)
Total Expenditures	\$3,752,298	\$3,568,799	(4.89)	\$3,405,464	(4.58)	\$4,794,940	40.80	\$4,037,239	(15.80)	\$4,125,094	2.18	\$4,142,156	0.41	\$3,942,534	(4.82)
Total compounded % increase (decrease) since 2004 of Expenditures Excluding Interdepartmental			(4.77)		(9.13)		(9.69)		(12.55)		(9.78)		(13.79)		(13.06)
Number of Schedules	228,882	230,077	0.52	231,569	0.65	233,093	0.66	234,290	0.51	234,224	(0.03)	234,011	(0.09)	234,347	0.14
Increase (decrease) No. of Schedules		1,195		1,492		1,524		1,197		-66		-213		336	
\$ per Schedule Processed*	16.06	15.21	(5.26)	14.42	(5.19)	14.24	(1.27)	13.72	(3.66)	14.16	3.19	13.54	(4.36)	13.64	0.71
Total % increase (decrease) in \$ per schedule since 2004*			(5.28)		(10.19)		(11.33)		(14.58)		(11.86)		(15.70)		(15.10)
*excluding interdepartmental			,		,		,		,		,		, ,		,
CPI Denver-Boulder	187.0	190.9	2.10	197.7	3.56	202.0	2.18	209.9	3.91	208.5	(0.67)	212.447	1.89	220.288	3.69
		0.97957		0.94588		0.92574		0.89090		0.89688		0.88022		0.84889	
Total Compounded % CPI increase since 2004			2.09		5.72		8.02		12.25		11.50		13.61		17.80
						New budget	svstem								
						adopted in 2	•								
						includes									
						Interdepartr	nental								
						charges for									
						Facilities an	d other								

## Appendix 1 page 2

# Jefferson County Assessor's Office Expenditures 2004-2008 Not Adjusted for Inflation Jim Everson, Jefferson County Assessor

Year	2004	2005	% inc yr/yr	2006	%inc yr/yr	2007	%inc yr/yr*	2008	%inc yr/yr*	2009	%inc yr/yr*	2010	%inc yr/yr*	2011	%inc yr/yr*
FTE	60.00	57.00	(5.00)	57.00	0.00	57.00	0.00	57.00	0.00	57.00	0.00	57.00	0.00	57.00	0.00
Salaries and Benefits	\$3,334,022	\$3,280,788	(1.60)	\$3,261,044	(0.60)	\$3,325,209	1.97	\$3,369,423	1.33	\$3,430,847	1.82	\$3,360,275	(2.06)	\$3,488,544	3.82
Supplies	\$222,583	\$150,488	(32.39)	\$167,722	11.45	\$153,710	(8.35)	\$126,177	(17.91)	\$132,416	4.94	\$130,783	(1.23)	\$ 147,066	12.45
Services & Capital Projects	\$118,678	\$141,753	19.44	\$102,193	(27.91)	\$106,590	4.30	\$112,186	5.25	\$133,614	19.10	\$108,369	(18.89)	\$ 128,571	18.64
TTL Cap. Projects and Other Expense	\$341,261	\$292,241	(14.36)	\$269,914	(7.64)	\$260,300	(3.56)	\$238,363	(8.43)	\$266,030	11.61	\$239,152	(10.10)	\$275,637	15.26
TTL Expenditures excluding															
Interdepartmental	\$3,675,283	\$3,573,028	(2.78)	\$3,530,959	(1.18)	\$3,585,508	1.54	\$3,607,786	0.62	\$3,696,877	2.47	\$3,599,427	(2.64)	\$3,764,181	4.58
Interdepartmental	\$77.015	\$70.202	(8.85)	\$69.355	(1 21)	\$1,594,066	2,198.43	\$923.855	(42.04)	\$902.493	(2 31)	\$1,106,394	22.59	\$880.166	(20.45)
Total Expenditures	\$3,752,298	+ -, -	. ,	\$3,600,313	. ,	\$5,179,575	43.86	+,	. ,	\$4,599,370		\$4,705,821		\$4,644,347	(1.31)
Total compounded % increase															
(decrease) since 2004 of Expenditures Excluding Interdepartmental			(2.78)		(3.93)		(2.44)		(1.84)		0.59		(2.06)		2.42
			(=,		(0.00)		(=:::,		(,				(====,		
Number of Schedules	228,882	230,077	0.52	231,569	0.65	233,093	0.66	234,290	0.51	234,224	(0.03)	234,011	(0.09)	234,347	0.14
Increase (decrease) No. of Schedules		1,195		1,492		1,524		1,197		-66		-213		336	
\$ per Schedule Processed*	16.06	15.53	(3.29)	15.25	(1.81)	15.38	0.88	15.40	0.11	15.78	2.50	15.38	(2.55)	16.06	4.43
Total % increase (decrease) in \$ per schedule since 2004*			(3.30)		(5.06)		(4.22)		(4.12)		(1.72)		(4.23)		0.02
*excluding interdepartmental			(0.00)		(0.00)		(1.22)		(1.12)		(1.72)		(1.20)		0.02
CPI Denver-Boulder	187.0	190.9	2.10	197.7	3.56	202.0	2.18	209.9	3.91	208.5	(0.67)	212.447	1.89	220.288	3.69
Total Commounded 9/ CDI increase															
Total Compounded % CPI increase since 2004			2.09		5.72		8.02		12.25		11.50		13.61		17.80
							New budget system								
							adopted in 2007			0.0404					
							that includes Interdepartmental			2.24%					
							charges for IT,								
							Facilities and other								

# Appendix 2 JEFFERSON COUNTY ASSESSOR'S OFFICE PERFORMANCE MEASURES THROUGH 2011 Jim Everson, Jefferson County Assessor

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Performance Measures									
Percentage of protests that									
result in CBOE appeal.	15.60%	24.78%	18.80%	17.68%	13.42%	14.67%	22.97%	16.97%	24.47%
Weighted combined COD.	7.00	6.74	7.14	7.25	8.04	7.64	9.07	9.05	9.97
Inflation adjusted (2004 base									
year) annual office									
expenditures per schedule									
excluding Interdepartmental	\$15.81	\$16.06	\$15.21	\$14.42	\$14.24	\$13.72	\$14.16	\$13.54	\$13.64
Demand Indicator									
Total actual value of new									
construction in the County in									
Millions of dollars	\$803.0	\$633.0	\$776.0	\$723.0	\$810.0	\$668.0	\$547.1	\$207.5	\$259.2
Number of deeds and plats									
processed.	33,195	31,527	27,045	25,431	23,757	21,810	19,636	20,787	20,485