

LINCOLN COUNTY BOARD OF EQUALIZATION

Hugo, Colorado

HEARING MINUTES

Thursday, August 1, 2024

The Board of County Commissioners met for a Board of Equalization hearing in the commissioners' board room at 9:00 a.m. on August 1, 2024. Chairman Steve Burgess called the meeting to order and requested a roll call.

ATTENDEES:

BOE chairman Steve Burgess, BOE members Wayne Ewing and Doug Stone, County Attorney Stan Kimble, County Administrator Jacob Piper, Secretary to the Board/County Clerk Corinne Lengel, County Assessor Jeremiah Higgins, Deputy Assessor Renita Thelen, Assessor's office employees JaLisa Newcomb, Amy Vice, and Nicholas Knutson, petitioner Emilio Tipismana, Debra Davis, and Lincoln County Sheriff's Corporal Jesus Ortiz-Marrufo.

PROPERTY ADDRESS/LEGAL DESCRIPTION:

721 2nd Avenue, Hugo, CO 80821

Lots 37, 38, 39, 40; Blk 12, Hills Addition to the town of Hugo, CO

BOE STATUTORY DUTIES/COUNTY ATTORNEY GUIDANCE/MEETING RULES

Mr. Kimble cited CRS 39-8-102 (1): *The county board of equalization shall review the valuations for assessment of all taxable property appearing in the assessment roll of the county, directing the assessor to supply any omissions which may come to its attention. It shall correct any errors made by the assessor, and, whenever in its judgment justice and right so require, it shall raise, lower, or adjust any valuation for assessment appearing in the assessment roll to the end that all valuations for assessment of property are just and equalized within the county.*

Mr. Kimble noted that the landowner/petitioner had the burden of providing clear and convincing evidence to overturn an incorrect assessment. Mr. Piper explained that the Assessor would have ten minutes to present his case, Mr. Tipismana would then have ten minutes to present his case, and each would get a five-minute rebuttal.

BOARD OF EQUALIZATION HEARING RE: PROPERTY TAX VALUATION/CLASSIFICATION

Mr. Higgins handed out packets containing copies of the Notice of Determination, documentation on non-minor structures and vacant land sales, photos of the property, and requests for utility service data. Mr. Tipismana also handed out information.

Mr. Piper started Mr. Higgins' ten minutes; Mr. Higgins explained the primary duties of an assessor. Discovering, listing, classifying, and valuing the county's taxable real and personal property granted exemption by the Division of Property Taxation on the assessment date are referred to as the assessment function in CRS 39-5-101. The methods and techniques used to appraise real property in a real property assessment system are known as the "mass appraisal" technique. Properties are valued using a mass appraisal process, defined as "The process of valuing a group of properties as of a given date, using standard methods and allowing for statistical testing." The sales comparison method is the most reliable valuation method for the subject property; it compares similar parcels sold during the selected data collection period with the subject property. For the 2024 tax year, the level of value for the 5-year period from July 1, 2017, to June 30, 2022, shall be utilized for determining actual value.

Mr. Higgins noted that Emilio Tipismana purchased the property on April 8, 2004, and it was transferred between him and Debra Davis four times between 2006 and 2022.

Referencing Attachment #s 1A and 1B (letters from KC Electric Association and the Town of Hugo), he said the assessor's office changed the property classification upon learning there were no electric, water, sewer, and trash services since 2015 or prior. They moved it to "non-minor structures on vacant land." The definition of non-minor structures references buildings that add value to what would otherwise be considered vacant land but do not meet statutory requirements to be classified as residential, commercial, industrial, or agricultural. "Residential land values are based on desirability, scarcity, surroundings, restrictions, *utilities*, and locations. The more desirable the location, the more valuable the land. Desirability is stimulated by the factors of surroundings, land use restrictions, utilities, availability of transportation, shopping facilities, schools, and churches."

Mr. Higgins referred to Attachment #2 (Notice of Determination), #2A (letter from Mr. Tipismana), and #2B (Eastern Slope Telephone Association, aka Eastern Slope Technologies phone records). Land valuation in Hugo starts at \$1.00 per square foot with adjustments for size and topography. The land value for this parcel is \$13,125. Improvement #1 is valued at \$1.28 per square foot, and Improvement #2 is valued at \$2.00 per square foot for a total improvement valuation of \$3,454 and a total valuation of \$16,579. The assessor's office tried to schedule an appointment for a physical inspection by phone with no success. Renita Thelen and Nicholas Knutson took new pictures of the property on June 26, 2024 (Attachment #3), illustrating roof damage and missing siding. Attachment #4 gave sales information on land value and storage houses.

When Mr. Tipismana protested the value, which he estimated at \$27,000 (\$7,000 for the land, \$20,000 for improvements) as of June 30, 2024, Mr. Higgins said Mr. Tipismana felt it was a discriminatory overvalue; however, Mr. Tipismana's value was even higher than the assessor's value of \$20,954. After review, the assessor reduced the actual value to \$16,579 because they had no comparative topography from the adjacent property. Mr. Higgins concluded that the property was classified and valued precisely where it should be as vacant land valued at \$16,579.

Mr. Tipismana had not brought enough copies of some of his documents but provided what he had to the board members. While he did so, Mr. Kimble told him that the BOE stood in a quasi-judicial capacity and acted as judges, wanting to be fair and impartial.

Mr. Ewing wanted to know if he could ask questions during the hearing, and Mr. Kimble told him he could. Mr. Ewing asked the assessor's group how many years they could go back, and Mrs. Thelen said they used a five-year study for land values and eighteen months for houses. Mr. Higgins added that if there aren't thirty sales, they can go back five years or thirty sales, whichever came first.

Mr. Piper started Mr. Tipismana's time clock, and the petitioner presented his case.

NOTE: Due to difficulty understanding Mr. Tipismana's broken English, please refer to the audio recording or documents presented by the taxpayer (Mr. Tipismana).

Mr. Tipismana protested his property's classification; he admitted he needed to repair the house but said the inside was in good condition except for "whatever was leaking." He didn't believe that was reason enough to reclassify the property as vacant and said the assessor had incorrect data. He also noted that Mr. Higgins charged him \$100 for documents he didn't request. When Mr. Tipismana spoke about taxes, Mr. Higgins and Mr. Kimble told him he couldn't discuss taxes, only valuations. Mr. Kimble noted the commissioners' duties were limited to value, so they acted as the Board of Equalization.

Mr. Tipismana felt he didn't have enough time to prepare his case because he thought the hearing was on August 20, which Mr. Piper initially told him. He received a mail notice of hearing on July 27

that the hearing date was August 1, at 9:00 a.m. When he called Mr. Piper on July 29, he told Mr. Tipismana that the law dictated that the BOE hold the hearing between August 1 and August 5, August 1 being the only available option.

Mr. Tipismana's documents noted that the taxpayer (Mr. Tipismana) uses the house periodically; it is unoccupied but not vacant. He "informed the assessor and disputed the fact that properties with higher market value due bigger building and bigger size of land are given lower assessed value by Assessor and pay lower tax. It's unreasonable that poor people who owned property are given higher land with the increase of tax rate from 6.9% to 29%."

Mr. Tipismana requested that the assessor classify his property as residential, not vacant land.

Mr. Piper informed the BOE members that Mr. Tipismana filed the protest on time on July 12 (the deadline was July 15). He scheduled the hearing for August 20, but when the commissioners met on July 17, they chose August 1. Mr. Kimble said that since the deadline was August 5, the board had no other choice but to hold the hearing on August 1.

On July 18, Mr. Piper called Mr. Tipismana three times to inform him of the date change. The only requirement was to send a notification a week before the hearing, which Mr. Piper did, by regular and certified mail. The certified letter had been in Denver since July 23, but Mr. Tipismana hadn't picked it up.

Ms. Davis asked which address Mr. Piper sent the certified letter to, and Mr. Higgins wanted the record to reflect that the petitioner had multiple addresses of which the assessor wasn't aware. Mr. Piper noted the only address he had was E. 44th Avenue in Denver.

Mr. Burgess informed the group the BOE had five days to make its decision.

Mr. Piper gave Mr. Higgins five minutes for a rebuttal. Mr. Higgins felt the issue came down to poor communication and told Mr. Tipismana his office would willingly work with him to resolve the problem, but he had to allow staff to see inside the house. Without doing so, the assessor couldn't prove to the auditor that the building was habitable.

Mr. Higgins addressed Mr. Tipismana's allegations of charging \$100 for documents, stating it was an estimate and he hadn't sent him documents or an invoice.

Mr. Higgins felt that Mr. Tipismana wanted the property value to increase because values changed with the reappraisal.

Mr. Burgess asked if it would help if Mr. Tipismana allowed the assessor to see inside the house; Mr. Higgins said it would, but since the petitioner asked for more value, his taxes might actually increase if that were to happen. He noted that he had to prove to an auditor and himself that someone could move into the house within seventy-two hours.

Mr. Piper gave Mr. Tipismana his five minutes. Mr. Tipismana said he didn't have a problem if they came to the house but that he scheduled an appraisal and still wanted it done.

Mr. Burgess wanted time to review the information and said they could decide at the next commissioner meeting on August 6. He asked Mr. Higgins if he could change the classification if someone moved into the house. Since Colorado is a "use state," Mr. Higgins said they wanted to see progress and improvement and would much rather the property be classified as residential. He repeated that if they could see inside the house, they might be able to help. Mr. Higgins noted that "vacant" meant nothing was there, while "vacated" meant it had been vacated for so long that it became vacant.

Mr. Higgins' final recommendation to the BOE members was to leave the property classified as vacant for now.

Mr. Piper asked if the decision required a resolution, but Mr. Higgins said it didn't. Mr. Kimble noted that the board must mail its findings to the petitioner within five business days.

The assessor's group, Mr. Tipismana, Ms. Davis, and Corporal Ortiz left at 10:12 a.m. Mr. Burgess recessed the BOE hearing at 10:15 a.m.

FINAL DETERMINATION:

Mr. Stone moved to affirm the valuation of the property located at 721 2nd Avenue, Hugo, CO, based on the fact that the non-minor structures on vacant land classification made by the Lincoln County Assessor appeared reasonable. Mr. Ewing seconded the motion. Mr. Burgess called for a voice vote.

Voting Yes – Mr. Stone, Mr. Ewing, Mr. Burgess

Voting No –

Motion carried unanimously

Mr. Piper said the commissioners, acting as the Board of Equalization, must adopt a resolution at the August 6 meeting. Since the petitioner hadn't left the courthouse yet, he verbally informed him of the BOE decision and would also notify him by mail.

Mr. Burgess adjourned the meeting at 10:20 a.m.

Chairman – Board of Equalization

ATTEST: _____
Clerk of the Board