INYO COUNTY
SUPPLEMENTAL
ASSESSMENT PRACTICES SURVEY

JULY 2022

CALIFORNIA STATE BOARD OF EQUALIZATION

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July 18, 2022

TO COUNTY ASSESSORS:

No. 2022/028

INYO COUNTY
SUPPLEMENTAL ASSESSMENT PRACTICES SURVEY

A copy of the Inyo County Supplemental Assessment Practices Survey Report is enclosed for your information. The State Board of Equalization (BOE) completed this survey in fulfillment of the provisions of sections 15640-15646 of the Government Code. These code sections provide that the BOE shall make surveys in specified counties to determine that the practices and procedures used by the County Assessor in the valuation of properties are in conformity with all provisions of law.

The Honorable Dave Stottlemyre, Inyo County Assessor, was provided a draft of this report and given an opportunity to file a written response to the findings and recommendations contained therein. The report, including the Assessor's response, constitutes the final survey report, which is distributed to the Governor, the Attorney General, and the State Legislature; and to the Inyo County Board of Supervisors and Grand Jury.

Fieldwork for this supplemental survey was performed by the BOE's County-Assessed Properties Division during July 2021. The report does not reflect changes implemented by the Assessor after the fieldwork was completed.

Mr. Stottlemyre and his staff gave their complete cooperation during the survey. We gratefully acknowledge their patience and courtesy during the interruption of their normal work routine.

Sincerely,

/s/ David Yeung

David Yeung
Deputy Director
Property Tax Department

DY:dcl
Enclosure

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INTRODUCTION

Although county government has the primary responsibility for local property tax assessment, the State has both a public policy interest and a financial interest in promoting fair and equitable assessments throughout California. The public policy interest arises from the impact of property taxes on taxpayers and the inherently subjective nature of the assessment process. The financial interest derives from state law that annually guarantees California schools a minimum amount of funding; to the extent that property tax revenues fall short of providing this minimum amount of funding, the State must make up the difference from the general fund.

The assessment practices survey program is one of the State's major efforts to address these interests and to promote uniformity, fairness, equity, and integrity in the property tax assessment process. Under this program, the State Board of Equalization (BOE) periodically reviews the practices and procedures (surveys) of specified County Assessors' offices. This report reflects the BOE's findings in its current survey of the Inyo County Assessor's Office.

The Assessor is required to file with the board of supervisors a response that states the manner in which the Assessor has implemented, intends to implement, or the reasons for not implementing the recommendations contained in this report. Copies of the response are to be sent to the Governor, the Attorney General, the BOE, and the Senate and Assembly; and to the Inyo County Board of Supervisors and Grand Jury. That response is to be filed within one year of the date the report is issued and annually thereafter until all issues are resolved. The Honorable Dave Stottlemyre, Inyo County Assessor, elected to file his initial response prior to the publication of our survey; it is included in this report following the Appendices.

OBJECTIVE

The survey shall "…show the extent to which assessment practices are consistent with or differ from state law and regulations."[1] The primary objective of a survey is to ensure the Assessor's compliance with state law governing the administration of local property taxation. This objective serves the three-fold purpose of protecting the state's interest in the property tax dollar, promoting fair treatment of taxpayers, and maintaining the overall integrity and public confidence in the property tax system in California.

The objective of the survey program is to promote statewide uniformity and consistency in property tax assessment by reviewing each specified county's property assessment practices and procedures, and publishing an assessment practices survey report. Every Assessor is required to identify and assess all properties located within the county – unless specifically exempt – and maintain a database or "roll" of the properties and their assessed values. If the Assessor's roll meets state requirements, the county is allowed to recapture some administrative costs.

SCOPE AND METHODOLOGY

Government Code sections 15640 and 15642 define the scope of an assessment practices survey. As directed by those statutes, our survey addresses the adequacy of the procedures and practices employed by the Assessor in the valuation of property, the volume of assessing work as measured by property type, and the performance of other duties enjoined upon the Assessor.

Pursuant to Revenue and Taxation Code[2] section 75.60, the BOE determines through the survey program whether a county assessment roll meets the standards for purposes of certifying the eligibility of the county to continue to recover costs associated with administering supplemental assessments. Such certification is obtained either by satisfactory statistical result from a sampling of the county's assessment roll, or by a determination by the survey team – based on objective standards defined in regulation – that there are no significant assessment problems in the county.

The BOE has elected to conduct a supplemental survey for Inyo County. The supplemental survey includes a review of the recommendations contained in the prior survey report, the Assessor's written response to the recommendations, the Assessor's current records pertaining to those recommendations, and interviews with the Assessor and his staff. This supplemental survey is made to determine the extent to which the Assessor has implemented the recommendations contained in the prior survey report and to identify areas where problems still exist.

This supplemental survey examined the assessment practices of the Inyo County Assessor's Office for the 2020-21 assessment roll. Since this survey did not include an assessment sample pursuant to Government Code section 15640(c), our review included an examination to determine whether "significant assessment problems" exist, as defined by Rule 371.

[1] Government Code section 15642.

[2] Unless otherwise stated, all statutory references are to the California Revenue and Taxation Code and all rule references are to sections of California Code of Regulations, Title 18, Public Revenues.

Our survey methodology of the Inyo County Assessor's Office included reviews of the Assessor's records, interviews with the Assessor and his staff, and contacts with officials in other public agencies in Inyo County who provided information relevant to the property tax assessment program.

For a detailed description of the scope of our review of county assessment practices, ~~please refer to the document entitled *Scope of Assessment Practices Surveys,* which is available on the BOE's website at http://www.boe.ca.gov/Assessors/pdf/Scopemaster.pdf.~~ as of 10/2/2025, please refer to the updated URL on the BOE's website https://boe.ca.gov/proptaxes/assessment-practices-survey-division/scope.htm. Additionally, detailed descriptions of assessment practices survey topics, authoritative citations, and related information can be found at https://www.boe.ca.gov/proptaxes/apscont.htm.

EXECUTIVE SUMMARY

The BOE has elected to perform a supplemental survey of the Inyo County Assessor's Office, addressing only the recommendations from the prior survey and whether the Assessor has implemented those recommendations. In our 2017 assessment practices survey report of the Inyo County Assessor's Office, we made four recommendations.

In the area of the Assessor's administrative policies and procedures that affect both the real property and business property assessment programs, we reviewed one prior recommendation identified in the Assessor's exemptions program. The Assessor has partially implemented the recommendation related to the exemptions program.

In the area of real property assessment, we reviewed two prior recommendations identified in the Assessor's new construction and mineral property programs. The Assessor has not implemented the recommendations related to the new construction and mineral property programs.

In the area of personal property and fixtures, we reviewed one prior recommendation identified in the Assessor's audit program. The Assessor has not implemented the recommendation related to the audit program.

OVERVIEW OF INYO COUNTY

Inyo County is located in eastern California and was created in 1866. The county encompasses a total area of 10,226.9 square miles, consisting of 10,180.87 square miles of land area and 46.03 square miles of water area. Inyo County is bordered by Mono County to the north, the state of Nevada to the east, Kern and San Bernardino Counties to the south, and Fresno and Tulare Counties to the west.

As of 2020, Inyo County had an estimated population of 18,039. Inyo County has only one incorporated city, which is Bishop, and the county seat is Independence.

The Inyo County local assessment roll ranks 48th in value of the 58 county assessment rolls in California.[3]

[3] Statistics provided ~~by the BOE's Table 7 – *Assessed Value of County Assessed Property Subject to General Property Taxes*, for year 2020-21.~~ as of 10/2/2025, by the BOE Open Data Portal dataset - *County Assessed Property Values, by Property Class and County (Table 7)*.

ADMINISTRATION: PRIOR RECOMMENDATIONS, RESPONSES, AND CURRENT STATUS

Following is the recommendation included in our September 2017 Assessment Practices Survey Report that relates to administrative policies and procedures and the Assessor's response to the recommendation. After each recommendation, we report the current status of the Assessor's effort to implement the recommendation, as noted during our supplemental survey fieldwork.

Exemptions

RECOMMENDATION 1: Improve the administration of the welfare exemption by: (1) properly notifying claimants when all or a portion of the property is denied the welfare exemption, and (2) granting the welfare exemption only when the proper supplemental affidavit is submitted with the annual claim form.

(1) Properly notify claimants when either all or a portion of the property is denied the welfare exemption.

Original Findings:

We found that when a property is denied the welfare exemption, the Assessor sends an email notifying the claimant of the denial, but the email does not contain the required language as provided in section 254.5(c). For properties given only a partial exemption due to a partial denial or to a late filing of the claim form, the Assessor does not notify the claimant of the partial denial.

Original Assessor's Response:

We concur. Procedures to comply with this recommendation are being implemented.

Current Status:

We found that the Assessor has not implemented this portion of the recommendation. The Assessor does not notify the claimant when all or a portion of the property is denied the welfare exemption.

Section 254.5(c)(2) provides that the Assessor must notify claimants in writing when it is determined that the claimant's property is ineligible for the welfare exemption. Further, Letter To Assessors No. 2014/058 states that the Assessor must notify the claimant in writing not only when the exemption is denied, but also when any portion of the property is denied the exemption, even if it is due to the late filing of the claim form for exemption. The notice should be dated and identify the reason for the denial, or partial denial, and the fiscal year to which it pertains. In addition, it should contain the statutorily required language stating that the claimant may seek a refund of property taxes paid by filing a claim for refund with the county board of

supervisors, and that if the claim for refund is denied, the claimant may file a refund action in superior court.

By not notifying claimants when their property is partially denied the welfare exemption, the Assessor is not providing proper notification to the claimant as required by statute.

(2) Grant the welfare exemption only when the proper supplemental affidavit is submitted with the annual claim form.

Original Findings:

We found instances where the Assessor granted the welfare exemption on property used for low-income rental housing owned and operated by a qualifying nonprofit organization even though the claimant failed to file supplemental affidavit BOE-267-L, *Welfare Exemption Supplemental Affidavit, Housing – Lower Income Households*, with claim form BOE-267-A, *Claim For Welfare Exemption (Annual Filing)*, or filed an incorrect supplemental affidavit, BOE-236-A, *Supplemental Affidavit For BOE-236 Housing – Lower-Income Households Eligibility Based On Family Household Income (Yearly Filing)*.

Original Assessor's Response:

We concur. Procedures to comply with this recommendation are being implemented.

Current Status:

We found that the Assessor has implemented this portion of the recommendation. We reviewed files where the Assessor granted the welfare exemption on property used for low-income rental housing owned and operated by a qualifying nonprofit organization and found that the correct supplemental affidavits were filed with the annual claim forms.

ASSESSMENT OF REAL PROPERTY: PRIOR RECOMMENDATIONS, RESPONSES, AND CURRENT STATUS

Following are the recommendations included in our September 2017 Assessment Practices Survey Report that relate to the assessment of real property and the Assessor's response to the recommendations. After each recommendation, we report the current status of the Assessor's effort to implement the recommendation, as noted during our supplemental survey fieldwork.

New Construction

RECOMMENDATION 2: Classify wells as land.

Original Findings:

It is the Assessor's policy to classify all wells as structural improvements.

Original Assessor's Response:

We concur. Historically we have classified construction to land as "land" if the land improvement had an unlimited expected life, and we classified wells as improvements because (1) they have a limited life, and (2) it allowed us to perform more accurate appraisals when using comparable sales. My staff and I will explore your recommendation for possible implementation.

Current Status:

We found that the Assessor has not implemented this recommendation. The Assessor classifies wells as structural improvements.

Rule 124 requires that oil and water wells be classified as land. By not attributing value to the land for value added by the new construction of water wells, the Assessor is underassessing the land and overassessing the improvements, which may also result in incorrect special assessments.

Mineral Property

RECOMMENDATION 3: Apply the same rate to estimate the return on working capital as the discount rate applied to the other portions of a mining property.

Original Findings:

When using a discounted cash flow (DCF) analysis to value mining properties, we found that the Assessor applies a significantly lower rate when estimating the return on working capital than the discount rate applied to the other portions of the mining property. The Assessor's procedure for

determining the rate to be applied to estimate the return on working capital in order to deduct it as an expense from the cash flow is to use the short term London Interbank Offered Rate (LIBOR) plus 0.5 percent. While treating the return on working capital as a deduction from the cash flow is a proper procedure, using this short-term rate is contrary to the recommended procedures provided in Assessors' Handbook Section 560, *Assessment of Mining Properties*.

Original Assessor's Response:

We concur. Our appraisals going forward will utilize a single rate.

Current Status:

We found that the Assessor has not implemented this recommendation. The Assessor applies a significantly lower rate when estimating the return on working capital than the discount rate applied to the other portions of the mining property. The Assessor's procedure for determining the rate to be applied to estimate the return on working capital in order to deduct it as an expense from the cash flow is to use the short-term rate, which is contrary to the recommended procedures provided in Assessors' Handbook Section 560, *Assessment of Mining Properties* (AH 560).

Rule 8(e) provides that when income from operating a property is used, sufficient income shall be excluded to provide a return on working capital and other nontaxable operating assets. For property tax purposes, working capital is the amount of cash needed to meet operating expenses and maintain minimum bank balances during the period expenditures have been made, but revenues have not yet been received. The rate of return on working capital should be the same as the discount rate. Working capital is a long-term investment in a mineral property and it is the same as any other capital investment for equipment or structures. It represents the cash invested at the beginning of the operation of the property to pay operating costs over the life of the property. If costs increase, investment in working capital increases over the years the property is in operation. If costs decrease, investment in working capital is returned to the investor as additional income from the operation. At the end of the property life, all of the invested working capital is returned as part of the income stream. Although working capital is cash on hand, it does not represent a cash account and, therefore, should not be evaluated as such.

The Assessor's current procedures for determining the rate to be applied to estimate the return on working capital is contrary to AH 560 and may lead to an overassessment of the mining properties.

ASSESSMENT OF PERSONAL PROPERTY AND FIXTURES: PRIOR RECOMMENDATIONS, RESPONSES, AND CURRENT STATUS

Following is the recommendation included in our September 2017 Assessment Practices Survey Report that relates to the assessment of personal property and fixtures and the Assessor's response to the recommendation. After each recommendation, we report the current status of the Assessor's effort to implement the recommendation, as noted during our supplemental survey fieldwork.

Audit Program

RECOMMENDATION 4: Perform the minimum number of audits of professions, trades, and businesses pursuant to section 469.

Original Findings:

We found that the Assessor did not conduct the minimum number of audits required under the provisions of section 469 for the past four years. According to the Assessor, this is due to insufficient staffing.

Original Assessor's Response:

Staffing has been an ongoing issue for several years and is the foundation for receiving this recommendation. Each year since assuming office in 2015, I have requested funding for the appropriate staffing through the annual budget process. The upcoming 2017/2018 annual budget again includes a request for fully funding Auditor-Appraiser I and II positions for this department.

Current Status:

We found that the Assessor has not implemented this recommendation. The Assessor did not meet the minimum number of audits required by section 469 for the 2016-17, 2017-18, and 2018-19 fiscal years. The Assessor completed a total of 0 audits for the 2016-17 fiscal year, 0 audits for the 2017-18 fiscal year, and 3 audits for the 2018-19 fiscal year, with each fiscal year falling short of the required 12 audits. In addition, the Assessor had conducted 0 audits for the 2019-20 fiscal year.

For the 2016-17 through the 2018-19 fiscal years, section 469 required the Assessor to audit 12 taxpayers per year, with 6 of those audits from the pool of largest business property assessments and 6 of the audits from the pool of all other business property owners. By failing to conduct the minimum number of audits for those fiscal years, the Assessor was not in compliance with section 469 and risked the possibility of allowing taxable property to permanently escape assessment.

However, effective January 1, 2019, Senate Bill (SB) 1498 (Stats. 2018, Ch. 467) provided the Assessor with some discretion in the number of audits to be completed each year. Rather than requiring the Assessor to complete a specified number of audits each year, SB 1498 amended section 469 to allow the Assessor to complete a four-year total number of audits in each category within a four-year period. The first year of the four-year period began with the 2019-20 fiscal year and, thus, at this time, we are unable to determine whether the Assessor will meet the minimum number of audits required for the current four-year period of audits, which will end with fiscal year 2022-23.

APPENDIX A: STATISTICAL DATA

Table 1: Assessment Roll

The following table displays pertinent information from the 2020-21 assessment roll.[4]

	PROPERTY TYPE	ENROLLED VALUE
Secured Roll	Land	$3,172,457,450
	Improvements	$1,221,267,676
	Fixtures	$66,452,295
	Personal Property	$37,019,945
	Total Secured	$4,497,197,366
Unsecured Roll	Land	$29,970,568
	Improvements	$88,207,583
	Fixtures	$269,825,050
	Personal Property	$49,106,828
	Total Unsecured	$437,110,029
Exemptions[5]		($76,656,877)
	Total Assessment Roll	$4,857,650,518

Table 2: Change in Assessed Values

The following table summarizes the change in assessed values over recent roll years:[6]

ROLL YEAR	TOTAL ROLL VALUE	CHANGE	STATEWIDE CHANGE
2020-21	$4,857,651,000	5.5%	5.0%
2019-20	$4,602,997,000	2.2%	6.1%
2018-19	$4,503,343,000	7.2%	6.5%
2017-18	$4,199,750,000	3.5%	6.3%
2016-17	$4,057,732,000	2.7%	5.5%

[4] Statistics provided by BOE-822, *Report of Assessed Values By City,* County 14 Inyo, for year 2020.

[5] The value of the Homeowners' Exemption is excluded from the exemptions total.

[6] Statistics provided ~~by the BOE's Table 7 – *Assessed Value of County-Assessed Property Subject to General Property Taxes*, for years 2016-17 through 2020-21.~~ as of 10/2/2025, by the BOE Open Data Portal dataset - *County Assessed Property Values, by Property Class and County (Table 7)*.

Table 3: Gross Budget and Staffing

The Assessor's budget has grown from $857,475 in 2015-16 to $1,099,273 in 2019-20.

For fiscal year 2019-20, the Assessor had 9 budgeted permanent positions. This included the Assessor, 2 real property appraisers, 2 business property auditor-appraisers, 2 computer programmer/analyst/technicians, and 2 support staff.[7]

The following table identifies the Assessor's budget and staffing over recent fiscal years:[8]

FISCAL YEAR	GROSS BUDGET	PERCENT CHANGE	PERMANENT STAFF
2019-20	$1,099,273	26.4%	9.00
2018-19	$869,406	14.1%	8.00
2017-18	$762,012	-7.7%	8.72
2016-17	$825,587	-3.7%	7.72
2015-16	$857,475	2.7%	7.50

Table 4: Assessment Appeals

The following table shows the number of assessment appeals filed in recent fiscal years:[9]

FISCAL YEAR	ASSESSMENT APPEALS FILED
2019-20	11
2018-19	106
2017-18	28
2016-17	23
2015-16	17

[7] Statistics provided by Dave Stottlemyre, Assessor.

[8] Statistics provided by Dave Stottlemyre, Assessor for fiscal year 2019-20. Remaining statistics ~~provided by *A Report on Budgets, Workloads, and Assessment Appeals Activities in California Assessors' Offices 2015-16* and *A Report on Budget, Personnel, and Appeals Data* for years 2016-17 through 2018-19 *& Roll Data* for years 2017-18 through 2019-20.~~ as of 10/2/2025, provided by the BOE Open Data Portal dataset - *Gross and Net Budget* and *Budgeted Permanent Positions*.

[9] Statistics provided by Dave Stottlemyre, Assessor, for fiscal year 2019-20. Remaining statistics ~~provided by *A Report on Budgets, Workloads, and Assessment Appeals Activities in California Assessors' Offices 2015-16* and *A Report on Budget, Personnel, and Appeals Data* for years 2016-17 through 2018-19 *& Roll Data* for years 2017-18 through 2019-20.~~ as of 10/2/2025, provided by the BOE Open Data Portal dataset - *Distribution of Assessment Appeals by Property Types*.

Table 5: Exemptions – Welfare

The following table shows welfare exemption data for recent roll years:[10]

ROLL YEAR	WELFARE EXEMPTIONS	EXEMPTED VALUE
2020-21	30	$13,257,785
2019-20	77	$14,284,806
2018-19	67	$8,851,499
2017-18	72	$10,388,381
2016-17	21	$7,270,284

Table 6: Change in Ownership

The following table shows the total number of transfer documents received and the total number of reappraisable transfers due to changes in ownership processed in recent roll years:[11]

ROLL YEAR	TOTAL TRANSFER DOCUMENTS RECEIVED	REAPPRAISABLE TRANSFERS
2020-21	922	496
2019-20	4,287	639
2018-19	5,287	585
2017-18	4,920	607
2016-17	3,983	598

[10] Statistics provided by BOE-802, *Report on Exemptions,* for years 2016-17 through 2020-21.

[11] Statistics provided by Dave Stottlemyre, Assessor, for roll year 2020-21. Remaining statistics ~~provided by *A Report on Budget, Personnel, and Appeals Data* for years 2016-17 through 2018-19 & *Roll Data* for years 2017-18 through 2019-20.~~ as of 10/2/2025, provided by the BOE Open Data Portal dataset - *Real Property Workload Data, Transfers*.

Table 7: New Construction

The following table shows the total number of building permits received and the total number of new construction assessments processed in recent roll years:[12]

ROLL YEAR	TOTAL BUILDING PERMITS RECEIVED	NEW CONSTRUCTION ASSESSMENTS
2020-21	674	56
2019-20	0	0
2018-19	531	123
2017-18	445	98
2016-17	382	150

Table 8: Declines In Value

The following table shows the total number of decline-in-value assessments in recent roll years:[13]

ROLL YEAR	DECLINE-IN-VALUE ASSESSMENTS
2020-21	994
2019-20	1,692
2018-19	2,055
2017-18	1,949
2016-17	2,104

[12] Statistics provided by Dave Stottlemyre, Assessor, for roll year 2020-21. Remaining statistics ~~provided by *A Report on Budget, Personnel, and Appeals Data* for years 2016-17 through 2018-19 *& Roll Data* for years 2017-18 through 2019-20.~~ as of 10/2/2025, provided by the BOE Open Data Portal dataset - *Real Property Workload Data, New Construction*.

[13] Statistics provided by Dave Stottlemyre, Assessor, for roll year 2020-21. Remaining statistics ~~provided by *A Report on Budget, Personnel, and Appeals Data* for years 2016-17 through 2018-19 *& Roll Data* for years 2017-18 through 2019-20.~~ as of 10/2/2025, provided by the BOE Open Data Portal dataset - *Real Property Workload Data, Proposition 8*.

Table 9: Audits

The following table shows the minimum number of audits required to be conducted and the total number of audits completed in recent fiscal years.[14]

MINIMUM NUMBER OF AUDITS REQUIRED[15]	2019-20	2018-19	2017-18	2016-17	2015-16
Largest Assessments		6	6	6	6
All Other Taxpayers		6	6	6	6
Total Required		**12**	**12**	**12**	**12**
NUMBER OF AUDITS COMPLETED					
Total Audits Completed	**0**	**0**	**0**	**0**	**0**
Largest Assessments	0	0	0	0	0
Over/(Under) Required		**(6)**	**(6)**	**(6)**	**(6)**
All Other Taxpayers	0	3	0	0	0
Over/(Under) Required		**(3)**	**(6)**	**(6)**	**(6)**
CCCASE AUDITS					
Prepared for other county Assessors	0	0	0	0	0

[14] Statistics provided by Dave Stottlemyre, Assessor, for fiscal year 2019-20. Remaining statistics ~~provided by *A Report on Budgets, Workloads, and Assessment Appeals Activities in California Assessors' Offices 2015-16* and *A Report on Budget, Personnel, and Appeals Data* for years 2016-17 through 2018-19 *& Roll Data* for years 2017-18 through 2019-20.~~ as of 10/2/2025, provided by the BOE Open Data Portal dataset - *Business Property Workload Data, Audits*.

[15] See Letter To Assessors (LTA) No. 2009/049, *Significant Number of Business Property Audits*, for the minimum number of annual audits required pursuant to the provisions of section 469 for fiscal years 2015-16 through 2018-19. Effective January 1, 2019, section 469 was amended to give Assessors more flexibility in completing the number of audits by allowing for the four-year total of required annual audits to be completed within a four-year period of time, rather than annually, beginning with the 2019-20 fiscal year. For more information on the amendments to section 469, see LTA No. 2018/067.

APPENDIX B: COUNTY-ASSESSED PROPERTIES DIVISION SURVEY GROUP

Inyo County

Chief

Patricia Lumsden

Survey Program Director:

Holly Cooper	Manager, Property Tax Department

Survey Team Supervisor:

David Dodson	Supervisor, Property Tax Department

Survey Team Leader:

Tina Salazar	Senior Specialist Property Appraiser

Survey Team:

James McCarthy	Senior Petroleum and Mining Appraisal Engineer
Alexander B. Fries	Senior Specialist Property Auditor Appraiser
Laura Ruiz	Associate Property Appraiser
Dany Lunetta	Associate Governmental Program Analyst

ASSESSOR'S RESPONSE TO BOE'S FINDINGS

Section 15645 of the Government Code provides that the Assessor may file with the Board a response to the findings and recommendations in the survey report. The survey report, the Assessor's response, and the BOE's comments regarding the Assessor's response, if any, constitute the final survey report.

The Inyo County Assessor's response begins on the next page. The BOE has no comments regarding the response.

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County of Inyo

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RECEIVED
JUN 22 2022
County-Assessed Properties Division
State Board of Equalization

Dave Stottlemyre, Assessor

Monday, June 13, 2022

David Yeung, Deputy Director
Property Tax Department
County Assessed Properties Division
State Board of Equalization
PO Box 942879
Sacramento, CA 94279-0064

Dear Mr Yeung:

Pursuant to California Government Code 15645, I am providing our written response to the four (4) findings and recommendations contained in the 2021 Inyo County Supplemental Assessment Practices Survey for inclusion with the final published survey report.

We would like to acknowledge the professional and considerate manner in which the Board survey team conducted themselves while surveying our office. We appreciate their constructive comments and suggestions for improvement regarding our operations.

We believe these periodic surveys are a useful tool, providing practical and insightful suggestions for proper administration of the various functions carried out by the Assessor's office. We accept this function of the Board is an important element of insuring that our property tax system is kept uniform and in compliance with current laws.

In reviewing my response, please note that we agree with all of your findings and have fully implemented or are planning to implement the recommendations provided.

Finally, and most importantly I want to thank my staff for their hard work, professionalism, and dedication to serving the property owners and citizens of Inyo County. It was only through their committed effort that we are able to provide the level of services that we do.

Cordially,

Dave

Dave Stottlemyre
Inyo County Assessor

INYO COUNTY ASSESSOR'S RESPONSE
To The
STATE BOARD OF EQUALIZATION SUPPLEMENTAL ASSESSMENT PRACTICES SURVEY
2020-2021

Recommendation 1:
Improve the administration of the welfare exemption by:
(1) Properly notifying claimants when either all or a portion of the property is denied the welfare exemption.

Response:
We agree. Procedures to comply with this recommendation have been implemented.

(2) Granting the welfare exemption only when the proper supplemental affidavit is submitted with the annual claim form.

Response:
We agree. This recommendation has been implemented.

Recommendation 2:
Classify wells as land.

Response:
We agree. Historically, we classified Structural Improvements to land as "Land" if the improvement had an anticipated unlimited life. Wells have limited lives, so we chose to classify them as "Improvements" and not Land. Furthermore, our legacy property tax software was restrictive, and by classifying a well as an "Improvement" we were able to perform more accurate appraisals. We believe our new property tax software will allow us to comply with this recommendation, and we will implement it as time and staffing permits.

Recommendation 3:
Apply the same rate to estimate the return on working capital as the discount rate applied to the other portions of a mining property.

Response:
We agree. This recommendation has been implemented.

Recommendation 4:
Perform the minimum number of audits of professions, trades, and businesses pursuant to section 469.

Response:
We agree. Staffing has been and continues to be an impediment to our ability to comply with the audit requirements of section 469. We will reestablish our audit program once staffing is restored.