

# SIERRA COUNTY ASSESSMENT PRACTICES SURVEY

APRIL 2022

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## CALIFORNIA STATE BOARD OF EQUALIZATION

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April 12, 2022

No. 2022/015

TO COUNTY ASSESSORS:

**SIERRA COUNTY  
ASSESSMENT PRACTICES SURVEY**

A copy of the Sierra County 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 Laura Marshall, Sierra 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 Sierra County Board of Supervisors, Grand Jury, and Assessment Appeals Board.

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

Ms. Marshall and her 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 Sierra 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 Sierra County Board of Supervisors, Grand Jury, and Assessment Appeals Board. 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 Laura Marshall, Sierra County Assessor, elected to file her 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."<sup>1</sup> 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<sup>2</sup> 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.

This survey examined the assessment practices of the Sierra 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.

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

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<sup>1</sup> Government Code section 15642.

<sup>2</sup> 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.

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>. Additionally, detailed descriptions of assessment practices survey topics, authoritative citations, and related information can be found at <http://www.boe.ca.gov/proptaxes/apscont.htm>.

## **EXECUTIVE SUMMARY**

This report offers recommendations to help the Assessor correct assessment problems identified by the survey team. The survey team makes recommendations when assessment practices in a given area are not in accordance with property tax law or generally accepted appraisal practices. An assessment practices survey is not a comprehensive audit of the Assessor's entire operation. The survey team does not examine internal fiscal controls or the internal management of an Assessor's office outside those areas related to assessment. In terms of current auditing practices, an assessment practices survey resembles a compliance audit – the survey team's primary objective is to determine whether assessments are being made in accordance with property tax law.

We examined the assessment practices of the Sierra County Assessor's Office for the 2020-21 assessment roll.

During our current survey, we conducted reviews of the following areas:

- Administration

We reviewed the Assessor's administrative policies and procedures that affect both the real property and business property assessment programs. Specific areas reviewed include budget and staffing, workload, assessment appeals, and exemptions. In the area of administration, the Assessor is effectively managing assessment appeals; however, we made recommendations for improvement in the workload and exemptions programs.

- Assessment of Real Property

We reviewed the Assessor's program for assessing real property. Specific areas reviewed include properties having experienced a change in ownership, new construction assessments, declines in value, and certain properties subject to special assessment procedures, such as mineral property. In the area of real property assessment, the Assessor has effective programs for change in ownership, new construction, declines in value, and mineral property.

- Assessment of Personal Property and Fixtures

We reviewed the Assessor's program for assessing personal property and fixtures. Specific areas reviewed include audit, processing business property statements, and business equipment valuation. In the area of personal property and fixtures assessment, the Assessor has an effective program for processing business property statements; however, we made recommendations for improvement in the audit and business equipment valuation programs.

Despite the recommendations noted in this report, we found that most properties and property types are assessed correctly, and that the overall quality of the assessment roll meets state standards.

We found no significant assessment problems as defined in Rule 371. Since Sierra County was not selected for assessment sampling pursuant to Government Code section 15643(b), this report does not include the assessment ratios that are generated for surveys that include assessment sampling. Accordingly, pursuant to section 75.60, Sierra County continues to be eligible for recovery of costs associated with administering supplemental assessments.



## OVERVIEW OF SIERRA COUNTY

Sierra County is located in northeastern California. The county encompasses a total area of 962.21 square miles, consisting of 953.21 square miles of land area and 9.00 square miles of water area. Sierra County is bordered by Plumas and Lassen Counties to the north, Yuba County to the west, Nevada County to the south, and the state of Nevada to the east.

As of 2019, Sierra County had an estimated population of 3,005. Sierra County has only one incorporated city, which is Loyalton, and the county seat is Downieville.

The Sierra County local assessment roll ranks 58th in value of the 58 county assessment rolls in California.<sup>3</sup>



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<sup>3</sup> Statistics provided by the BOE's Table 7 – *Assessed Value of County Assessed Property Subject to General Property Taxes*, for year 2020-21.

## FINDINGS AND RECOMMENDATIONS

As noted previously, our review concluded that the Sierra County assessment roll meets the requirements for assessment quality established by section 75.60. This report does not provide a detailed description of all areas reviewed; it addresses only the deficiencies discovered.

Following is a list of the formal recommendations contained in this report.

- RECOMMENDATION 1:** Improve the workload program by reporting statistics as requested by the BOE pursuant to section 407.....8
- RECOMMENDATION 2:** Properly apply late-filing provisions for welfare exemption claims that are not timely filed.....9
- RECOMMENDATION 3:** Perform the minimum number of audits of professions, trades, and businesses pursuant to section 469. ....10
- RECOMMENDATION 4:** Support any divergence from the Board-recommended use of the price indices and percent good factors published in Assessors' Handbook Section 581, *Equipment and Fixtures Index, Percent Good and Valuation Factors* (AH 581), with market evidence. ....11
- RECOMMENDATION 5:** Apply the construction and agricultural mobile equipment percent good factors prescribed in Tables 5 and 6 of AH 581 as intended. ....12

## ADMINISTRATION

### **Workload**

Generally, the Assessor is responsible for annually determining the assessed value of all real property and business personal property (including machinery and equipment) in the county. In order to accomplish this task, the Assessor reviews recorded documents and building permits to discover assessable property. In addition, the Assessor will identify and value all business personal property (including machinery and equipment), process and apply tax exemption claims for property owned by qualifying religious and welfare organizations, and prepare assessment appeals for hearing before the local board of equalization.<sup>4</sup>

In addition, for most real property, the Assessor is required to annually enroll the lower of current market value or the factored base year value. Therefore, when any factor causes a decline in the market value of real property, the Assessor must review the assessment of the property to determine whether the decline has impacted the taxable value of the property for that year. In certain economic times, this decline may greatly impact the workload of the Assessor. Additionally, the number of assessment appeals may increase during this period.

**RECOMMENDATION 1:** Improve the workload program by reporting statistics as requested by the BOE pursuant to section 407.

During the survey, we requested statistics from the Assessor for various topics, since the Assessor had not reported requested statistics to the BOE for the annual publication of *A Report on Budget, Personnel, and Appeals Data* for years 2017-18 through 2019-20 & *Roll Data* for years 2018-19 through 2020-21.

Section 407 provides that the Assessor shall transmit a statistical statement to the BOE annually, on the second Monday in July, supplying any statistical information that the BOE may require, and shall supply from time to time any other information required by the BOE.

By not reporting statistics to the BOE, the Assessor is not in compliance with current statute.

### **Exemptions**

Article XIII, section 1 of the California Constitution sets forth the general principle that all property is taxable unless otherwise provided. Section 3 of article XIII authorizes exemption of certain types of property from property taxation and section 4 authorizes the Legislature to exempt certain other types of property from property taxation.<sup>5</sup>

Our review of the Assessor's exemptions program focused on the welfare exemption.

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<sup>4</sup> For a detailed description of the scope of our review of this topic, please refer to the document entitled *Budget, Staffing, and Workload*, which is available on the BOE's website at [http://www.boe.ca.gov/Assessors/pdf/budget-staffing\\_general.pdf](http://www.boe.ca.gov/Assessors/pdf/budget-staffing_general.pdf).

<sup>5</sup> For a detailed description of the scope of our review of this topic, please refer to the document entitled *Exemptions*, which is available on the BOE's website at [http://www.boe.ca.gov/Assessors/pdf/exemptions\\_general.pdf](http://www.boe.ca.gov/Assessors/pdf/exemptions_general.pdf).

## Welfare Exemption

Article XIII, section 4(b) of the California Constitution authorizes the Legislature to exempt property owned and used exclusively for religious, hospital, or charitable purposes by organizations formed and operated exclusively for those purposes. When the Legislature enacted section 214 to implement this constitutional provision, a fourth purpose (scientific) was added. Both the organizational and property use requirements must be met for the exemption to be granted.

The welfare exemption is co-administered by the BOE and County Assessors. The BOE is responsible for determining whether an organization is qualified for either an *Organizational Clearance Certificate* (OCC) or a *Supplemental Clearance Certificate* (SCC), while the Assessor is responsible for determining whether the use of a qualifying organization's property is eligible for the welfare exemption.

The Assessor may not grant a welfare exemption on an organization's property unless the organization holds either a valid OCC or SCC. The Assessor may, however, deny an exemption claim based on non-qualifying use of the property, notwithstanding that the BOE has issued an OCC or SCC to the organization.

**RECOMMENDATION 2:** Properly apply late-filing provisions for welfare exemption claims that are not timely filed.

We found instances where the Assessor did not properly apply the late-filing provisions to a property when a welfare exemption claim was not filed timely. In these instances of late-filed annual claims, the Assessor allowed a reduced exemption of either 85 or 90 percent, depending on when the claim form was filed; however, this reduced exemption resulted in a tax liability for the claimant that exceeded the \$250 maximum allowed.

Section 255(a) provides that annual claims for the welfare exemption must be filed with the Assessor between the lien date, which is January 1, and 5 p.m. on February 15. Section 270(a) states that 90 percent of any tax, penalty, or interest shall be cancelled or refunded if the claim is filed on or before the lien date in the next calendar year next succeeding the calendar year in which the exemption was not claimed by a timely application. If a claim is filed after this specified time period in section 270(a)(1), then 85 percent of any tax, penalty, or interest shall be cancelled or refunded, as specified in section 270(a)(2). However, section 270(b) provides that any tax, penalty, or interest may not exceed \$250.

By not limiting the total amount of tax, penalty, and interest to a maximum of \$250, the Assessor is not properly applying the penalty limitations of section 270 and, therefore, is not in compliance with statutory requirements.

# ASSESSMENT OF PERSONAL PROPERTY AND FIXTURES

## **Audit Program**

Prior to January 1, 2019, County Assessors were required to annually conduct a significant number of audits as specified in section 469. The significant number of audits required was at least 75 percent of the fiscal year average of the total number of mandatory audits the Assessor was required to have conducted during the 2002-03 fiscal year to the 2005-06 fiscal year, with 50 percent of those to be selected from a pool of those taxpayers with the largest assessments.<sup>6</sup> However, effective January 1, 2019, Senate Bill 1498 (Stats. 2018, ch. 467) amended section 469 to provide County Assessors flexibility in meeting this annual audit requirement. Thus, beginning with the 2019-20 fiscal year, Assessors may also meet the requirements of section 469 by completing the four-year total of required annual audits within that four-year period. The first four-year period began with the 2019-20 fiscal year and ends with the 2022-23 fiscal year.

The Assessor does not have an auditor-appraiser on staff to conduct audits. Instead, the Assessor contracts with the Shasta County Assessor's Office to conduct property tax audits.

**RECOMMENDATION 3:** Perform the minimum number of audits of professions, trades, and businesses pursuant to section 469.

We found that the Assessor did not meet the minimum number of audits required by section 469 for the 2017-18 and 2018-19 fiscal years. The Assessor completed a total of zero audits for the 2017-18 fiscal year and zero audits for the 2018-19 fiscal year, with each fiscal year falling short of the required two audits. In addition, the Assessor did not conduct any audits during the 2019-20 fiscal year.

For the 2017-18 and 2018-19 fiscal years, section 469 required the Assessor to audit two taxpayers per year, with one of those audits from the pool of largest business property assessments and one 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, as stated previously, effective January 1, 2019, Senate Bill (SB) 1498 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.

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<sup>6</sup> For a detailed description of the scope of our review of this topic, please refer to the document entitled *Audit Program*, which is available on the BOE's website at [http://www.boe.ca.gov/Assessors/pdf/auditprogram\\_general.pdf](http://www.boe.ca.gov/Assessors/pdf/auditprogram_general.pdf).

## **Business Equipment Valuation**

Assessors value most machinery and equipment using business property valuation factors. Some valuation factors are derived by combining price index factors with percent good factors, while other valuation factors result from valuation studies. Under this methodology, value for taxation purposes is established by multiplying a property's historical cost by an appropriate valuation factor.<sup>7</sup>

**RECOMMENDATION 4:** Support any divergence from the Board-recommended use of the price indices and percent good factors published in Assessors' Handbook Section 581, *Equipment and Fixtures Index, Percent Good and Valuation Factors* (AH 581), with market evidence.

We found a number of factor compilation errors in the Assessor's 2020-21 business equipment valuation tables resulting from the use of unsupported minimum percent good factors and the misapplication of Board-prescribed indices. The errors are widespread and generally weighted towards the bottom of the valuation tables. The Assessor's business equipment valuation tables do not adhere to the Board-recommended 125 percent maximum price index factor, as delineated in AH 581, and the percent good factors used to compile the valuation tables terminate at various minimum levels without market support.

The price index and percent good factors published in AH 581 are intended for use in mass appraisal and are generally reliable and practical for converting historical cost to estimates of reproduction cost. Index factors are developed to recognize both price changes and technological progress, and are intended to reflect the price of a new replacement. The percent good factors are supported by the premise that business equipment loses value with both use and age, and are intended to reflect the average loss in value suffered by specific types of properties over their expected service lives.

The Board-prescribed factors published in AH 581 are based upon specific market behavior and are intended to facilitate the derivation of current market value estimates in mass appraisal applications. Any deviation from these recommended factors must be supported by documented market evidence to substantiate that a more accurate value indicator would result.

To account for normal technological change over time, the BOE recommends that Assessors use a maximum equipment index factor when valuing equipment. The recommended maximum index factor is the factor for an equipment age equal to 125 percent of the estimated average service life of the equipment. Using a recommended maximum index factor, combined with percent good factors, not only accounts for the normal effects of technological change on value, but also contributes to the correct calculation of the composite minimum value factors.

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<sup>7</sup> For a detailed description of the scope of our review of this topic, please refer to the document entitled *Business Equipment Valuation*, which is available on the BOE's website at [http://www.boe.ca.gov/Assessors/pdf/businessequipval\\_general.pdf](http://www.boe.ca.gov/Assessors/pdf/businessequipval_general.pdf).

The Assessor's improper application of Board-prescribed factors reduces their effectiveness as a mass valuation estimate tool and increases the chance of inaccurate value conclusions. A further consequence of using unsupported valuation tables is the increased likelihood of disparate enrolled valuations when comparing similar property enrollments in other counties.

**RECOMMENDATION 5:** Apply the construction and agricultural mobile equipment percent good factors prescribed in Tables 5 and 6 of AH 581 as intended.

We found several instances where the Assessor applied mobile agricultural and construction equipment percent good factor tables to other non-mobile related personal property.

The Board-prescribed percent good factors published in Tables 5 and 6 of AH 581 are intended solely for the valuation of self-propelled machinery and related implements. Therefore, when the Assessor applies these tables to other non-mobile equipment, including bins, air compressors, portable calf pens, portable pumps, welders, irrigation pipe, and generators, the resulting value conclusion will likely be inaccurate. The mobile equipment percent good factors indicated in AH 581 are based upon an exclusive set of market parameters. Accurate assessments depend on the judicious application of these tables.

Improper application of the percent good factors found within Tables 5 and 6 may lead to inaccurate value conclusions.

## APPENDIX A: STATISTICAL DATA

**Table 1: Assessment Roll**

The following table displays pertinent information from the 2020-2021 assessment roll.<sup>8</sup>

	PROPERTY TYPE	ENROLLED VALUE
<b>Secured Roll</b>	Land	\$273,220,667
	Improvements	\$333,180,563
	Fixtures	\$2,764,308
	Personal Property	\$5,637,956
	Total Secured	\$614,803,494
<b>Unsecured Roll</b>	Land	\$11,799,325
	Improvements	\$2,233,166
	Fixtures	\$2,591,518
	Personal Property	\$3,817,294
	Total Unsecured	\$20,441,303
<b>Exemptions<sup>9</sup></b>		(\$19,839,165)
	<b>Total Assessment Roll</b>	\$615,405,632

**Table 2: Change in Assessed Values**

The next table summarizes the change in assessed values over recent roll years:<sup>10</sup>

ROLL YEAR	TOTAL ROLL VALUE	CHANGE	STATEWIDE CHANGE
2020-21	\$615,406,000	4.2%	5.0%
2019-20	\$590,595,000	3.4%	6.1%
2018-19	\$571,424,000	4.4%	6.5%
2017-18	\$547,102,000	3.4%	6.3%
2016-17	\$529,317,000	2.8%	5.5%

<sup>8</sup> Statistics provided by BOE-822, *Report of Assessed Values By City, Sierra County* for year 2020.

<sup>9</sup> The value of the Homeowners' Exemption is excluded from the exemptions total.

<sup>10</sup> 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.



**Table 3: Gross Budget and Staffing**

The Assessor's budget has grown substantially from \$463,619 in 2015-16 to \$1,011,528 in 2019-20, with a reported high of \$1,057,349 in 2018-19.

As of the date of our survey, the Assessor had 4.9 budgeted permanent positions. These positions consist of the Assessor, 1 chief deputy, 1 senior appraiser, 1 appraiser IV, and 0.9 assessment technicians.<sup>11</sup>

The following table identifies the Assessor's budget and staffing over recent fiscal years:<sup>12</sup>

BUDGET YEAR	GROSS BUDGET	PERCENT CHANGE	PERMANENT STAFF
2019-20	\$1,011,528	-4.33%	4.9
2018-19	\$1,057,349	112.19%	4.1
2017-18	\$498,304	10.35%	4.5
2016-17	\$451,575	-2.60%	4.5
2015-16	\$463,619	0.03%	4.7

**Table 4: Assessment Appeals**

The following table shows the number of assessment appeals filed in recent fiscal years:<sup>13</sup>

FISCAL YEAR	ASSESSMENT APPEALS FILED
2019-20	9
2018-19	3
2017-18	3
2016-17	1
2015-16	31

<sup>11</sup> Statistics provided by Laura Marshall, Assessor.

<sup>12</sup> Statistics provided by *State Controller County Budget Act, Schedule 9, County of Sierra, Assessor – Budget Unit Detail*, which was provided by Laura Marshall, Assessor, for fiscal years 2015-16, 2016-17, 2017-18, 2018-19, and 2019-20.

<sup>13</sup> Statistics provided by Laura Marshall, Assessor.

**Table 5: Exemptions – Welfare**

The following table shows welfare exemption data for recent roll years:<sup>14</sup>

<b>ROLL YEAR</b>	<b>WELFARE EXEMPTIONS</b>	<b>EXEMPTED VALUE</b>
2020-21	28	\$16,085,030
2019-20	31	\$16,480,685
2018-19	32	\$16,110,552
2017-18	32	\$16,311,404
2016-17	31	\$16,830,834

**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:<sup>15</sup>

<b>ROLL YEAR</b>	<b>TOTAL TRANSFER DOCUMENTS RECEIVED</b>	<b>REAPPRAISABLE TRANSFERS</b>
2020-21	582	367
2019-20	615	368
2018-19	625	314
2017-18	656	446
2016-17	729	475

<sup>14</sup> Statistics provided by BOE-802, *Report on Exemptions*, for years 2016-17 through 2020-21.

<sup>15</sup> Statistics provided by Laura Marshall, Assessor.

**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:<sup>16</sup>

<b>ROLL YEAR</b>	<b>TOTAL BUILDING PERMITS RECEIVED</b>	<b>NEW CONSTRUCTION ASSESSMENTS</b>
2020-21	125	52
2019-20	122	56
2018-19	129	61
2017-18	114	53
2016-17	94	45

**Table 8: Declines In Value**

The following table shows the total number of decline-in-value assessments in recent roll years:<sup>17</sup>

<b>ROLL YEAR</b>	<b>DECLINE-IN-VALUE ASSESSMENTS</b>
2020-21	387
2019-20	434
2018-19	500
2017-18	601
2016-17	707

<sup>16</sup> Statistics provided by Laura Marshall, Assessor.

<sup>17</sup> Statistics provided by Laura Marshall, Assessor.

**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.<sup>18</sup>

<b>MINIMUM NUMBER OF AUDITS REQUIRED<sup>19</sup></b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>
Largest Assessments		1	1	1	1
All Other Taxpayers		1	1	1	1
<b>Total Required</b>		<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>NUMBER OF AUDITS COMPLETED</b>					
<b>Total Audits Completed</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
Largest Assessments	0	0	0	0	1
<b>Over/(Under) Required</b>		<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>0</b>
All Other Taxpayers	0	0	0	0	1
<b>Over/(Under) Required</b>		<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>0</b>
<b>CCCASE AUDITS</b>					
Prepared for other County Assessors	0	0	0	0	0

<sup>18</sup> Statistics provided by Laura Marshall, Assessor.

<sup>19</sup> 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 required number of annual 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

### Sierra County

*Chief*

Patricia Lumsden

*Survey Program Director:*

Holly Cooper

Manager, Property Tax Department

*Survey Team Supervisor:*

Andrew Austin

Supervisor, Property Tax Department

*Survey Team Leader:*

Gary Coates

Senior Specialist Property Appraiser

*Survey Team:*

James McCarthy

Senior Petroleum and Mining Appraisal Engineer

Amanda Lopez

Senior Specialist Property Appraiser

Artemis Oestreich

Associate Property Appraiser

Alexander B. Fries

Associate Property Auditor-Appraiser

Nicole Grady

Assistant Property Appraiser

Dany Lunetta

Associate Governmental Program Analyst

## APPENDIX C: RELEVANT STATUTES AND REGULATIONS

Reference	Description
<i>Government Code</i>	
§15640	<b>Survey by board of county assessment procedures.</b>
§15641	<b>Audit of records, appraisal data not public.</b>
§15642	<b>Research by board employees.</b>
§15643	<b>When surveys to be made.</b>
§15644	<b>Recommendations by board.</b>
§15645	<b>Survey report, final survey report, Assessor's report.</b>
§15646	<b>Copies of final survey reports to be filed with local officials.</b>
<i>Revenue and Taxation Code</i>	
§75.60	<b>Allocation for administration.</b>
<i>Title 18, California Code of Regulations</i>	
Rule 371	<b>Significant assessment problems.</b>

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

# SIERRA COUNTY

Office of the Assessor  
P.O. Box 8  
Downieville, California 95936  
Phone: 530-289-3283  
assessor@sierracounty.ca.gov

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MAR 03 2022

County-Assessed Properties Division  
State Board of Equalization



Laura A. Marshall  
Assessor

February 28, 2022

David Yeung  
Deputy Director  
State Board of Equalization  
P.O. Box 942879  
Sacramento, CA 94279-0064

Re: Sierra County Assessment Practices Survey Response

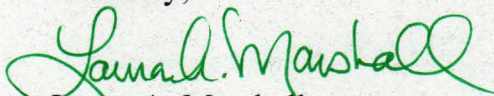
Dear Mr. Yeung,

Pursuant to Section 15645 of the California Government Code, please find my response attached regarding the recommendations made in the Sierra County Assessment Practices Survey conducted by the State Board of Equalization, dated February 2022. Please include my response in your final survey.

Having completed this survey during the pandemic, I am grateful for the professionalism of the survey team and their support, providing a clear and stable platform in which documents were requested and submitted. In addition, I am grateful for the time spent by each member of the survey team providing insight to staff as well as taking the time to listen and understand office procedure.

I would like to express my genuine appreciation to staff of the Sierra County Assessor's Office for their professionalism and their commitment to provide high quality and responsive service on behalf of the County of Sierra. I am honored to work with such dedicated staff—this survey is the result of their efforts.

Sincerely,

  
Laura A. Marshall  
Sierra County Assessor



**Recommendation 1: Improve the workload program by reporting statistics as requested by the BOE pursuant to section 407.**

We agree that we have not submitted the *Budget, Personnel, and Appeals Data* in recent years; we are, however, meeting the reporting requirements pursuant to Section 407 in a timely manner. As time allows we will strive to submit the report in the coming year.

**Recommendation 2: Properly apply late-filing provisions for welfare exemption claims that are not timely filed.**

We agree. Procedures have been clarified to ensure proper late-filing provisions are followed.

**Recommendation 3: Perform the minimum amount of audits of processions, trades, and businesses pursuant to section 469.**

We agree. As time and funding allows, we will restart our audit program.

**Recommendation 4: Support any divergence from the Board-recommended use of the price indices and percent good factors published in Assessors' Handbook Section 581, *Equipment and Fixtures Index, Percent Good and Valuation Factors* (AH 581), with market evidence.**

We agree and have implemented the Board-recommended 125 percent maximum price index factor.

**Recommendation 5: Apply the construction and agricultural mobile equipment percent good factors prescribed in Tables 5 and 6 of AH 581 as intended.**

We agree and are currently implementing this recommendation. We have created the appropriate prescribed factor tables and I am actively working to identify mobile and non-mobile equipment as I work the 2022 property statements.