



Division of Property Taxation

**A Report to the State Board of Equalization
and the General Assembly**

ESTIMATED RESIDENTIAL ASSESSMENT RATE FOR 2011-2012

Pursuant to § 39-1-104.2(6), C.R.S.

April 15, 2011

FINAL ANALYSIS

The final residential assessment rate estimate for property tax years 2011-2012 is **8.77 percent**. This figure replaces the preliminary estimate of 8.59 percent found in the attached report dated January 14, 2011. The residential target percentage of **46.53 percent** remains unchanged from the figure we provided in our preliminary report.

The residential assessment rate estimate was revised upon receiving updated value estimates from county assessors for the following property classes: vacant land, residential, commercial, industrial, agricultural, natural resources and producing mines. The estimates do not include new construction because 2011 new construction (built during 2010) will be used to adjust the 2013-2014 target percentage. The statewide estimates developed by the Division of Property Taxation for the oil and gas and state assessed property classes were also updated.

The following table lists the preliminary percentage change estimates reported on January 14 and the final percentage change estimates found in this report.

<u>Property Class</u>	<u>Preliminary 2011 Estimates</u>	<u>Final 2011 Estimates</u>	<u>\$ Difference</u>
Residential	- 9.4%	- 9.6%	\$ (68,698,949)
Non-Residential:			
Vacant	- 17.4%	- 16.4%	\$ 60,029,827
Commercial	- 11.2%	- 7.1%	\$ 1,088,705,085
Industrial	- 4.9%	- 4.4%	\$ 19,332,576
Agricultural	+ 5.7%	+ 6.9%	\$ 9,960,396
Nat. Resources	- 16.9%	- 0.4%	\$ 67,576,845
Prod. Mines	+13.8%	+ 7.4%	\$ (35,720,668)
Oil and Gas	+32.0%	+28.0%	\$ (249,979,333)
State Assessed	+ 4.4%	+ 3.4%	\$ (49,073,429)
Non-Residential Total:			\$ 910,831,299

Although the final estimates are generally more accurate than the figures shown in the preliminary report, they are still estimates, and in some cases they may be significantly different from the values that will be reported later this year on county Abstracts of Assessment. This is particularly true for the oil and gas, producing mines, and natural resource classes. The property in these classes is valued by county assessors after they receive the annual declaration statements from producers. Those statements are due on April 15.

The attached addenda show the calculations of the target percentage and residential assessment rate, as well as much of the data used in the calculations. The addenda are described as follows:

Addendum A: 2011 Residential Target Percentage Calculation

The target percentage from the 2009 residential rate study, 46.82 percent, is adjusted to account for the relative additions of residential and non-residential new construction and changes in natural resource production. The new residential target percentage is 46.53 percent. The new construction and production change figures are calculated on Addenda G through O, which are available upon request.

Unlike the calculation of the residential rate itself, the adjustment to the target percentage is based on known prior year values as reported on county Abstracts of Assessment.

Addendum B: 2011 Residential Assessment Rate Calculation

The residential assessment rate shown on Addendum B is our estimate of the residential assessment rate that would achieve a statewide total assessed value consisting of 46.53 percent residential property value and 53.47 percent non-residential property value.

Addendum C: Totals from 2010 Abstracts

Addendum C shows the assessed values reported last year by county assessors on their 2010 Abstracts of Assessment.

Addendum D: 2011 Estimated Values

Addendum D displays 2011 value estimates provided by county assessors and those estimated by the Division.

By early April, most assessors had nearly completed their reappraisals of real property and were able to provide the Division with new estimated real property values in dollar amounts. Counties that had not yet completed their reappraisals provided new value estimates as percentage figures, which were converted into dollar amounts. For the commercial and industrial classes, the real property estimates were combined with personal property estimates to produce the values shown on this addendum. Because counties do not yet have the information they need to value personal property, the Division used a two percent reduction estimate unless the county provided a different figure.

Counties also do not yet have the information they need to revalue the real and personal property classified as natural resources, producing mines and oil and gas. They generally provided percentage change estimates for natural resources and producing mines, and the Division estimated at statewide increase of 28 percent for oil and gas. The oil and gas

estimate was developed using data obtained from the Colorado Oil and Gas Conservation Commission and the Department of Local Affairs after consulting with oil and gas experts and county assessors. The Division also updated its estimate of state assessed property, calculating a statewide increase of 3.4 percent for the state assessed property class.

Addendum E: Projected Rates of Change

This addendum shows the percentage change between the 2010 abstract values shown on addendum C and the 2011 projected values shown on addendum D.

2011 RESIDENTIAL TARGET PERCENTAGE CALCULATION

ADDENDUM A

STEP #1: Calculate the 2009 residential assessed value that would have achieved the 2009 target percentage.

ESTIMATED 2009 RESIDENTIAL ASSESSED	X	0.468242595
	-----	= -----
ACTUAL 2009 NON-RESIDENTIAL ASSESSED	55,486,961,573	0.531757405
		1.000000000
ESTIMATED 2009 RESIDENTIAL ASSESSED X =	48,859,420,925	

The target percentages shown in step #1 are the non-rounded versions of the target percentages enacted into law in 2009.

The figure \$55,486,961,573 is the total non-residential taxable value reported on county abstracts in 2009.

The figure \$48,859,420,925 is the hypothetical residential assessed value that would have exactly achieved the 2009 target percentage.

STEP #2: Add 2009 + 2010 net new construction and increased production to the 2009 res. and non-res. totals.

2009 Net Residential New Construction	803,112,091	Addendum G
<u>2010 Net Residential New Construction</u>	<u>554,912,010</u>	Addendum G
TOTAL RESIDENTIAL NEW CONSTRUCTION	1,358,024,101	
ESTIMATED 2009 RESIDENTIAL	48,859,420,925	
ADJUSTED TOTAL RESIDENTIAL	50,217,445,026	
2009 Net Other New Construction	1,010,026,455	Addendum G
2010 Net Other New Construction	644,900,448	Addendum G
2010 - 2008 Net Mines	-104,390,459	Addendum H
2010 - 2008 Net Coal	-27,388,028	Addendum I
2010 - 2008 Net Earth & Stone	-14,286,142	Addendum J
<u>2010 - 2008 Net Oil & Gas</u>	<u>720,972,325</u>	Sum of Addenda K - O
TOTAL NON-RESIDENTIAL NEW CONST. & PROD.	2,229,834,600	
ACTUAL 2009 NON-RESIDENTIAL	55,486,961,573	
ADJUSTED TOTAL NON-RESIDENTIAL	57,716,796,173	

STEP #3: Calculate the 2011 target percentages from 2009 values adjusted for new construction and production.

ADJ 2009 RES ASSESSED	50,217,445,026	46.52596291%		46.53%
	-----	= -----	OR	
ADJ 2009 OTHER ASSESSED	57,716,796,173	53.47403709%		53.47%

2011 RESIDENTIAL ASSESSMENT RATE CALCULATION

ADDENDUM B

Estimated 2011 Non-Residential Assessed \$48,885,701,852 <small>Addendum F</small>	÷	Non-Res Target % 53.47403709% <small>Addendum A</small>	=	Total Assessed Target Value \$91,419,508,440	
Total Assessed Target Value \$91,419,508,440	X	Residential Target % 46.52596291% <small>Addendum A</small>	=	Residential Assessed Target Value \$42,533,806,588	
Residential Assessed Target Value \$42,533,806,588	÷	Estimated 2011 Residential Actual Value \$485,213,338,859 <small>Addendum F</small>	=	Residential Assessment Rate 8.766001093102% 8.77%	rounded

PROJECTED RATES OF CHANGE

ADDENDUM E

COUNTY	VAC	RES	COM	IND	AGR	NAT	MIN	O&G	STA	TOTAL
Adams	-1.0%	-3.0%	-1.2%	-1.7%	1.0%	-1.2%		28.0%	3.4%	-1.4%
Alamosa	9.3%	3.0%	1.6%	-1.0%	3.0%	3.4%			3.4%	3.2%
Arapahoe	7.0%	-5.6%	-8.5%	-3.7%	9.6%	18.7%		28.0%	3.4%	-6.0%
Archuleta	-37.0%	-26.0%	-11.3%	-10.3%	6.7%	-0.9%		28.0%	3.4%	-23.8%
Baca	6.2%	1.7%	-0.3%	-1.0%	1.0%	0.6%		28.0%	3.4%	4.3%
Bent	-0.3%	0.2%	-0.1%	-0.4%	-0.1%	-0.5%		28.0%	3.4%	1.6%
Boulder	-2.6%	-2.0%	-3.3%	-4.7%	18.9%	-0.4%	-2.0%	28.0%	3.4%	-2.4%
Broomfield	5.0%	-1.5%	-3.9%	-3.8%	-11.1%	-4.6%		28.0%	3.4%	-2.0%
Chaffee	-16.6%	-12.0%	2.0%	-0.3%	8.2%	78.4%			3.4%	-7.3%
Cheyenne	19.1%	18.6%	-5.9%	-6.5%	18.3%	0.7%		28.0%	3.4%	21.7%
Clear Creek	-4.9%	-8.7%	11.2%	-3.7%	4.7%	2.1%	8.7%		3.4%	4.5%
Conejos	4.3%	9.0%	32.7%	3.3%	25.6%	0.4%			3.4%	12.3%
Costilla	-4.1%	2.5%	0.6%	-3.4%	36.0%	-5.4%			3.4%	-0.8%
Crowley	18.1%	-2.0%	25.9%		-1.4%	-100.0%			3.4%	13.9%
Custer	14.0%	-0.1%	2.1%	-2.5%	0.7%	0.4%			3.4%	3.9%
Delta	-5.5%	-3.4%	-9.0%	-7.2%	6.1%	-30.0%		28.0%	3.4%	-6.2%
Denver	-7.0%	-4.8%	-12.6%	-7.6%	21.7%			28.0%	3.4%	-8.3%
Dolores	-1.8%	1.5%	5.3%	51.8%	0.3%	-0.2%		28.0%	3.4%	14.6%
Douglas	-24.5%	-8.9%	-5.7%	-4.0%	-6.5%	10.9%			3.4%	-8.4%
Eagle	-33.2%	-30.7%	-18.0%	-15.5%	-21.9%	-12.1%	-2.0%		3.4%	-27.6%
El Paso	-13.9%	-7.8%	-4.5%	-5.0%	-6.2%	-6.1%			3.4%	-6.5%
Elbert	-10.5%	-10.0%	-8.7%	-9.7%	34.1%	-1.2%		28.0%	3.4%	-6.3%
Fremont	-1.0%	-6.0%	-0.3%	-1.6%	5.0%	-0.8%		28.0%	3.4%	-2.5%
Garfield	-35.8%	-28.7%	-9.1%	-5.4%	11.6%	-5.3%	0.0%	28.0%	3.4%	7.4%
Gilpin	0.0%	-2.0%	-6.8%	-2.0%	1.0%	-4.0%	-2.0%		3.4%	-4.9%
Grand	-16.2%	-20.4%	-17.1%	-33.3%	7.5%	3.2%	8.7%		3.4%	-16.7%
Gunnison	-19.8%	-20.0%	-18.2%	-18.8%	0.0%	-1.1%	-2.0%	28.0%	3.4%	-16.9%
Hinsdale	-1.5%	2.7%	-3.9%	9.9%	0.3%	0.0%	19.4%		3.4%	0.4%
Huerfano	11.4%	1.9%	-9.3%	-14.0%	2.5%	-6.1%		28.0%	3.4%	4.8%
Jackson	-0.5%	0.0%	-0.4%	-1.2%	4.0%	1.2%		28.0%	3.4%	5.7%
Jefferson	-7.7%	-3.6%	-4.4%	-1.1%	19.4%	-0.1%	0.0%	28.0%	3.4%	-3.6%
Kiowa	1.0%	1.5%	0.2%		0.8%	-0.2%		28.0%	3.4%	8.4%
Kit Carson	0.4%	22.7%	-8.1%	8.0%	1.2%	-0.1%		28.0%	3.4%	3.0%
La Plata	-21.2%	-8.8%	-4.1%	-5.6%	2.3%	-1.4%		28.0%	3.4%	6.1%
Lake	0.0%	0.0%	-0.3%	-0.1%	0.0%	0.0%	2.9%		3.4%	0.6%
Larimer	-18.6%	-0.9%	-1.4%	-6.5%	1.4%	-2.0%		28.0%	3.4%	-2.5%
Las Animas	-1.4%	-1.4%	-4.3%	0.9%	5.0%	-4.6%		28.0%	3.4%	15.0%
Lincoln	0.0%	-3.0%	-2.0%	-1.2%	17.0%	0.0%		28.0%	3.4%	7.8%
Logan	-12.6%	-2.1%	-0.4%	6.6%	6.3%	-7.9%		28.0%	3.4%	2.9%
Mesa	-21.4%	-19.8%	-9.4%	-6.5%	-1.1%	28.2%	98.0%	28.0%	3.4%	-11.0%
Mineral	7.0%	7.0%	2.0%	2.3%	-2.3%	5.0%			3.4%	5.7%
Moffat	-2.0%	-4.6%	-4.2%	-9.0%	0.3%	-5.1%		28.0%	3.4%	4.5%
Montezuma	0.9%	-8.6%	-0.4%	-1.5%	-2.1%	1.0%		28.0%	3.4%	10.4%
Montrose	-15.0%	-9.0%	-9.1%	-8.0%	8.0%	-11.6%	-3.5%		3.4%	-8.0%
Morgan	-12.5%	-6.5%	-6.6%	-0.5%	14.5%	-5.0%		28.0%	3.4%	0.2%
Otero	-0.3%	-0.3%	0.0%	-1.7%	12.9%	-9.9%			3.4%	2.3%
Ouray	-4.2%	-15.2%	2.1%	-70.3%	-0.2%	-0.2%	-2.3%		3.4%	-7.8%
Park	-3.7%	-7.8%	-18.5%	0.0%	5.2%	0.0%	-2.0%		3.4%	-6.3%
Phillips	0.1%	1.7%	-2.5%	-0.6%	12.8%	8.7%		28.0%	3.4%	6.6%
Pitkin	-28.6%	-25.6%	-12.2%	-16.7%	1.5%	-15.5%			3.4%	-23.2%
Prowers	-8.8%	1.2%	-1.9%	-0.9%	5.5%	24.2%		28.0%	3.4%	3.0%
Pueblo	-2.0%	-6.3%	5.0%	1.3%	6.5%	-0.9%			3.4%	-1.2%
Rio Blanco	-7.5%	-1.3%	-2.1%	-3.6%	1.3%	7.9%		28.0%	3.4%	13.5%
Rio Grande	-6.6%	-1.1%	5.3%	3.4%	19.4%	4.9%			3.4%	1.6%
Routt	-46.9%	-25.0%	-16.9%	-17.7%	7.2%	16.3%		28.0%	3.4%	-23.0%
Saguache	0.0%	-0.2%	-0.2%	-0.5%	2.1%	-0.2%			3.4%	0.6%
San Juan	-15.0%	-24.0%	-13.8%	-13.0%	-5.0%	-5.0%			3.4%	-14.5%
San Miguel	-1.5%	-11.3%	-7.2%	-13.3%	0.7%	-6.6%		28.0%	3.4%	-6.9%
Sedgwick	0.0%	-5.0%	5.4%	-0.6%	19.5%	-0.1%		28.0%	3.4%	6.7%
Summit	-26.5%	-18.1%	-6.1%	4.1%	-0.6%	-51.3%			3.4%	-16.5%
Teller	-7.7%	-4.8%	2.6%	4.4%	2.9%	1.0%	0.8%		3.4%	-2.3%
Washington	-1.6%	-0.5%	0.3%	-1.7%	4.4%	-3.2%		28.0%	3.4%	9.3%
Weld	-17.8%	-5.1%	-0.5%	-0.2%	14.8%	-2.0%		28.0%	3.4%	8.6%
Yuma	3.7%	1.4%	-2.7%	-3.0%	-5.9%	-9.8%		28.0%	3.4%	9.5%
WEIGHTED AVERAGE	-16.4%	-9.6%	-7.1%	-4.4%	6.9%	-0.4%	7.4%	28.0%	3.4%	-5.5%



**A Report to the State Board of Equalization
and the General Assembly**

**THE ESTIMATED RESIDENTIAL ASSESSMENT RATE FOR
2011 – 2012**

Pursuant to § 39-1-104.2(6) C.R.S.

January 14, 2011

SUMMARY

Section 39-1-104.2(3), C.R.S., is amended by the General Assembly during years of general reassessment by the adoption of a new residential target percentage and residential assessment rate. The figures enacted into law are the product of a study conducted in accordance with § 39-1-104.2(5)(c), C.R.S, by staff of the Division of Property Taxation (Division) under the direction of the Property Tax Administrator. This report documents the preliminary findings of the Residential Assessment Rate Study used for determining the 2011-2012 residential target percentage and the residential assessment rate. The preliminary findings of the study are as follows:

- The 2011-2012 residential target percentage is **46.53 percent**.
- The 2011-2012 projected residential assessment rate is **8.59 percent**.
- The residential assessment rate for 2009 and 2010 was **7.96 percent**. Section 20(4), art. X, COLO. CONST. (TABOR), requires voter approval for an increase to the assessment rate of a property class.

The target percentage listed above is based on known values that were reported by assessors in 2009 and 2010 on their Abstracts of Assessment. As such, the 46.53 percent figure is not anticipated to change. The projected residential assessment rate however, is based largely on estimated 2011 values, and the figure is likely to change prior to our final report in April.

Section 3(1)(b) of article X of the Colorado Constitution and § 39-1-104.2(5)(a), C.R.S., require an adjustment in the residential assessment rate in order to maintain a consistent relationship between the total assessed value of residential compared to non-residential property. The General Assembly must adjust the residential assessment rate to ensure that the percentage of residential real property assessed value, when compared to the assessed value of all property, remains essentially the same as it was the preceding year (2010). The adjustment is intended to stabilize residential real property's share of the property tax base. The study includes three major calculations.

1. Using the total actual 2009 assessed value for nonresidential property, calculate what the total 2009 residential real property value should have been to exactly achieve the 2009 residential real property target percentage of 46.82 percent. Then, adjust the 46.82 percent target percentage to account for 2009 and 2010 net changes in new construction and the production volumes of producing metallic mines, producing coal mines, oil and gas wells, and earth and stone operations as reported on county Abstracts of Assessment. Upon completing the adjustments, the 2011-2012 residential real property target percentage is 46.53 percent.
2. Estimate 2011 values and determine residential real property's share of the tax base assuming the residential assessment rate remains at 7.96 percent. The estimated 2011 tax base share for residential real property at an assessment rate of 7.96 percent is 44.6 percent.
3. Calculate the residential assessment rate that is estimated to achieve a statewide total taxable assessed value consisting of 46.53 percent residential property.

At one time, the State Board of Equalization (state board) had the authority to adjust the residential rate during its fall hearings if the valuations actually implemented by the counties, as reflected in the Abstracts of Assessment, showed that the estimated residential rate was incorrect. Because of a conflict with provisions in section 20 of article X of the Colorado Constitution (TABOR), the statute giving the state board that authority, § 39-1-104.2(7), C.R.S., was repealed in 1993. As a result, the Division reports an amended figure to the General Assembly in April. The amended report contains revised value estimates provided by county assessors after much of their revaluation work is completed.

The following table lists the estimated changes in assessed value by class of property between 2010 and 2011.

COMPARISON OF 2010 AND ESTIMATED 2011 ASSESSED VALUES BY CLASS

<u>Class of Property</u>	<u>2010 Assessed</u>	<u>Estimated 2011</u>	<u>% Change</u>	<u>% of Total</u>
VACANT LAND	5,942,074,798	4,907,709,631	-17.4%	5.7%
RESIDENTIAL	42,724,826,559	38,691,680,722	-9.4%	44.6%
COMMERCIAL	27,132,443,419	24,105,078,808	-11.2%	27.8%
INDUSTRIAL	3,529,734,298	3,356,365,894	-4.9%	3.9%
AGRICULTURAL	883,380,213	933,969,362	5.7%	1.1%
NAT RESOURCES	409,858,623	340,524,662	-16.9%	0.4%
PRODUCING MINES	556,282,045	633,187,427	13.8%	0.7%
OIL & GAS	6,249,483,321	8,249,317,984	32.0%	9.5%
STATE ASSESSED	<u>5,220,577,546</u>	<u>5,448,716,785</u>	<u>4.4%</u>	<u>6.3%</u>
TOTAL	92,648,660,822	86,666,551,274	-6.5%	100.0%

Note: The comparison between 2010 and 2011 is based upon the current residential assessment rate of 7.96 percent. If the 2011 estimated residential rate of 8.59 percent is used, the “% of Total” associated with residential would equal the target percentage of 46.53 percent.

THE TABOR / GALLAGHER CONFLICT AND SCHOOL FUNDING

This is the fifth time that the study resulted in a residential assessment rate calculation greater than the rate most recently enacted into law. Such an occurrence makes relevant a conflict in the Colorado Constitution. Section 3(1)(b) of article X of the Colorado Constitution, and § 39-1-104.2(5)(a), C.R.S., require that the rate be adjusted (up or down) to achieve the residential target percentage, but section 20(4)(a) of article X of the Colorado Constitution (TABOR), requires voter approval for an assessment ratio increase for a property class. When this conflict occurred in 1999, 2005, 2007, and 2009, the General Assembly reenacted the previous residential assessment rate. The rate enacted into law for assessment years 2009 and 2010 was 7.96 percent.

The impact of TABOR’s prohibition against raising the residential assessment rate without voter approval is difficult to estimate across the board for all property taxing jurisdictions. However, due to the passage of SB 07-199, most school districts’ total program mill levies are fixed. Consequently, this TABOR impact can be estimated as it relates to the total program school mill levy. If the residential assessment rate were increased to 8.59 percent as the Gallagher amendment originally anticipated, Colorado’s 2011 total taxable value would increase from an estimated \$86,666,551,000 to \$89,728,833,000, generating approximately \$67,600,000 of additional property tax revenue from the total program mill levies of school districts.

RECAP OF RESIDENTIAL ASSESSMENT RATES

<u>Years</u>	<u>Rate enacted into law</u>	<u>Rate calculated prior to application of TABOR</u>
1983-1986	21.00%	
1987	18.00%	
1988	16.00%	
1989-90	15.00%	
1991-92	14.34%	
1993-94	12.86%	
1995-96	10.36%	
1997-98	9.74%	
1999-2000	9.74%	9.83%
2001-02	9.15%	
2003-04	7.96%	
2005-06	7.96%	8.17%
2007-08	7.96%	8.19%
2009-10	7.96%	8.85%

RESIDENTIAL ASSESSMENT RATE ESTIMATION METHODOLOGY

In September through November of the year prior to the effective year of the new rate, data reported in each county's Abstract of Assessment is reviewed, corrected where necessary, and entered into the Residential Assessment Rate Model. County assessors are asked to provide the Division with an electronic version of their qualified residential, commercial, industrial, and vacant land sales that occurred over the 24-months that preceded the new appraisal date. (The appraisal date for tax years 2011 and 2012 is June 30, 2010.) The data requested includes the sale price, sale date, actual value (from the prior base year), and property class code for each qualified sale. Division staff "time-trends" the sales data using a weighted monthly median sales ratio regression analysis to develop preliminary value change estimates for each county submitting data.

In December, Division staff meets with county assessors and appropriate staff to review the time trending results and mutually develop value change estimates for the vacant land, residential, commercial, and industrial property classes. Assessors are also asked to provide estimates for agricultural land, natural resources and producing mines if they are ready to do so. By this time, the county has often begun its own time trending studies, and has been analyzing other appraisal information, such as property income, vacancy rates, and capitalization rates. For the commercial and industrial classes, the percentage change estimates developed with assessors are for real property only. The Division calculates weighted averages between these projections and a statewide change estimate developed for commercial and industrial personal property. The Division has estimated a two percent decline for 2011 commercial and industrial personal property.

Division staff members also develop statewide change estimates for oil and gas and state assessed property, and for the three smallest classes, agricultural land, natural resources, and producing mines. Oil and gas is an expanding and volatile class of property that is best approached at a statewide level. Division staff members estimate the change in this class based upon data obtained from the Colorado Oil and Gas Conservation Commission and the Department of Local Affairs after consulting with oil and gas experts and county assessors. For state assessed property, the same appraisers who value the property for tax purposes are asked to project future values based upon financial indicators for the various public utility sectors. The statewide estimates for agricultural land, natural resources, and producing mines are used when the county did not provide its own estimate or when the value of the class is small. The agricultural land estimate is based on changes to the 10-year averages of commodity prices, yields and expenses, while the estimates for natural resources and producing mines are based on estimates provided by some counties and on economic factors. Pursuant to § 39-1-104(6), C.R.S., the preliminary study results are reported to the State Board of Equalization and the General Assembly by January 15 of the year of revaluation (2011). The Division will submit a final report to the General Assembly in April 2011 after receiving updated value projections from county assessors.

ADDENDA

The following addenda are provided with this report.

<u>Addendum A:</u>	Target percentage calculation.
<u>Addendum B:</u>	Residential assessment rate calculation.
<u>Addendum C:</u>	2008 assessed values from county abstracts.
<u>Addendum D:</u>	Percentage change estimates from assessors and Division studies.
<u>Addendum E:</u>	Estimated 2009 values - The product of Addenda C and D.
<u>Addendum F:</u>	A summary of Addendum E values (Used in the rate calculation).
<u>Addendum G:</u>	2007 and 2008 new construction (Used in target percentage calculation).
<u>Addendum H:</u>	Net increase in metallic mines production (Used in target percentage calculation).
<u>Addendum I:</u>	Net increase in coal mines production (Used in target percentage).
<u>Addendum J:</u>	Net increase in earth and stone production (Used in target percentage).
<u>Addenda K – O:</u>	Net increase in production of each subclass of oil and gas leaseholds and land. The sum of these changes is used in the target percentage calculation.
<u>Addenda P:</u>	History of the residential assessment rate.

(Note: The addenda identified above were submitted as part of this report on January 14, 2011. They are available upon request.)