

**BOARD OF ASSESSMENT APPEALS,
STATE OF COLORADO**

1313 Sherman Street, Room 315
Denver, Colorado 80203

Docket No.: 46684

Petitioner :

**MARGARET R. MATZICK FKA: MARGARET R.
PETERSON**

v.

Respondent :

DOLORES COUNTY BOARD OF EQUALIZATION

ORDER

THIS MATTER was heard by the Board of Assessment Appeals on April 5, 2007, Karen E. Hart and Debra A. Baumbach presiding. Petitioner appeared pro se. Respondent was represented by Todd Starr, Esq. Petitioner protested the 2006 actual value of the subject properties.

PROPERTY DESCRIPTION:

The subject properties are described as follows:

| Dolores County Schedule Number | Mining Claim | Acres |
|---|---------------------------------------|--------------|
| 504726200005 | Aztec | 10.33 |
| 504726200016 | Dacota, Mining Congress | 14.31 |
| 504726100012 | Gulch, Lakeview | 21.66 |
| 504726200006 | Collar & Cuff | 10.33 |
| 504531200004 | Carbonate Union & Zach Taylor | 25.91 |
| 504531200015 | Pay Roll | 8.14 |
| 504736100615 | Chauncy, Fickle Goddess & Iron Silver | 6.88 |
| 504531200008 | Forest | 7.89 |
| 504531200009 | Grand Duke | 5.61 |
| 504531200012 | Magpie | 6.38 |
| 504531200018 | Small Hopes | 7.59 |
| 504530100015 | Dawn of Day | 10.33 |

| Dolores County Schedule Number | Mining Claim | Acres |
|---|-------------------------------|--------------|
| 504530100016 | Dawn of Day Millsite | 5.00 |
| 504531100014 | Orphan Girl | 9.64 |
| 504531100013 | Orphan Girl Millsite | 5.00 |
| 504531100020 | Wildcat | 7.57 |
| 508501200018 | Prometheus (50% interest) | 5.07 |
| 508501200003 | Blue | 10.34 |
| 504728100005 | Handout | 10.33 |
| 504721400003 | Elgin Boy, Belzora, Harriette | 25.46 |
| 504724200001 | Blackbird | 6.42 |
| 504724300010 | Dolores Park | 4.77 |
| 504726100018 | Skeptical | 10.32 |

The subject properties are unimproved patented mining claims located near the city of Rico.

The subject properties were reclassified from natural resource properties to vacant land. The properties are located in steep terrain with high elevations and limited access. Many of the properties can only be accessed by foot or horseback and there is minimal potential for any residential development. The Belzora, Elgin Boy, Handout, and Harriet claims were classified back to natural resource properties due to lack of access and elevation.

The mining claims have been in the family for several generations. Market conditions have prohibited any mining, and there has never been a plan in place for any type of development. If market conditions allowed for the feasibility of future mining, Petitioner would consider selling to a larger mining company.

Petitioner did not present any comparable sales and requested an actual value of \$62.00 per acre based upon the previous year valuation of mining claims. Petitioner also requested the subject properties be classified as natural resource properties.

Respondent's witness, the Dolores County Assessor Ms. Berna Ernst, had been the Assessor for approximately three months. She relied upon data from the previous Assessor, as well as the appraisers in the office, in the valuation process.

The historical data presented a value of \$62.00 per acre for mining claims. However, there were eight sales of mining claims that occurred within the eighteen month statutory study period which indicated a value of \$17,500.00 per acre. Additionally, the Dolores County Assessor's office contacted surrounding counties to inquire about sales of mining claims and all reported higher per acre values.

Respondent followed guidelines set forth in the Division of Property Taxation manuals and proper appraisal methodology during the valuation process. Respondent placed a value of \$500.00

per acre on all the mining claims within the county. The subject properties are non-producing mines and the highest and best use was considered to be vacant land. The Dolores County Assessor testified that the value is very low and reasonable, and takes into consideration all aspects of topography, location, access, and elevation.

Respondent assigned an actual value of \$500.00 per acre for the subject properties for tax year 2006.

Judy Zimmerman, San Juan County Assessor, testified there are 3,000 mining claims within San Juan County. All mining claims are considered patented claims even though they maybe non-producing mines and are classified as natural resource properties. The San Juan County Assessor's office considers the current use, not the highest and best use. Many of the claims have residential improvements and may consider future mining. The market approach is utilized in the valuation of the mines. There are usually sufficient sales during the time frame to stratify any adjustments and market conditions.

Petitioner presented sufficient probative evidence and testimony to prove that the subject properties were incorrectly classified for tax year 2006. The Board was convinced that the subject property, as well as all other mining claims within Dolores County, should be re-classified as natural resource properties.

Petitioner did not present any comparable sales to refute the valuation of the subject properties. Respondent presented eight sales all indicating higher per acre values. The sale of the Little Maggie mining claim, located within close proximity to several of Petitioner's claims, is the best indication of value. This sale shares similar access, location, elevation, and topography as the subject. Its sales price was \$7,800.00 per acre, which more than supports the assigned value. The Board was provided limited information regarding the presented sales and what adjustments would be warranted for physical differences. However, based upon the sales, the value is reasonable. No value reduction is warranted

ORDER:

The subject properties should be classified as natural resource properties.

The Dolores County Assessor is ordered to change his/her records accordingly.

APPEAL:

Petitioner may petition the Court of Appeals for judicial review within 45 days from the date of this decision.

If Respondent alleges procedural errors or errors of law by this Board, Respondent may petition the Court of Appeals for judicial review within 30 days from the date of this decision.

DATED and MAILED this 14th day of June 2007.

BOARD OF ASSESSMENT APPEALS

Debra A. Baumbach

Debra A. Baumbach

Karen E. Hart

Karen E. Hart

This decision was put on the record

JUN 13 2007

I hereby certify that this is a true
and correct copy of the decision of
the Board of Assessment Appeals.

Heather Heinlein

Heather Heinlein

