

BEFORE THE STATE BOARD OF EQUALIZATION
FOR THE STATE OF WYOMING

IN THE MATTER OF THE APPEAL OF)	
NATRONA COUNTY ASSESSOR)	Docket No. 2025-08
FROM A DECISION BY THE NATRONA)	
COUNTY BOARD OF EQUALIZATION)	

IN THE MATTER OF THE APPEAL OF)	
TULKINGHORN COMPANY)	Docket No. 2025-08
SCHWARTZ BON, WALKER, AND STUDER, LLC.)	
CONROY ENTERPRISES/CHRIS SMITH)	
FROM A DECISION BY THE NATRONA)	
COUNTY BOARD OF EQUALIZATION)	

DECISION AND ORDER

APPEARANCES

Karen Brent, of Brent Law, APC, appeared on behalf of appellant, Natrona County Assessor Tammy Saulsbury (hereafter Assessor).

Cameron Walker, of Schwartz, Bon, Walker & Studer, LLC, appeared on behalf of cross-appellants, taxpayers Conroy Enterprises/Chris Smith; Schwartz, Bon, Walker & Studer, LLC; and the Tulkingshorn Company (hereafter Taxpayers).

DIGEST

[¶ 1] Assessor appeals, and Taxpayers cross-appeal, from the Natrona County Board of Equalization’s decision reversing Assessor’s valuations of three condominiums owned by Taxpayers. The County Board determined that “Petitioners presented credible evidence that rebutted the strong presumption that the Assessor’s valuation was valid, accurate, and correct.” (County Board’s Amended Decision at 5). It also determined that “Petitioners proved by a preponderance of the evidence that the Natrona County Assessor did not utilize Wyo. Stat. Ann. § 34-20-104(a) when valuing the Petitioners’ condominiums.” (County Board’s Amended Decision at 5). The County Board ordered Assessor to perform new tax assessments that comply with section 34-20-104(a).

[¶ 2] The Wyoming State Board of Equalization (State Board)¹, Chairman E. Jayne Mockler, and Vice-Chairman Martin L. Hardsocg, considered the County Board record, the parties' briefs, and heard oral argument. The County Board erred when it relied upon and cited Wyoming Statutes section 34-20-104(a) as the basis upon which to decide the merits of Taxpayers' appeals. Neither did Taxpayers' offer sufficient evidence, or cite cogent authority, in support of their claim that Assessor could not select and apply a cost valuation method with which to appraise Taxpayers' condominiums. We therefore **reverse** the County Board's decision and **affirm** the assessed valuations.

ISSUES

[¶ 3] Assessor raises four overlapping questions:

1. Was the conclusion in the 2025 County Board Order that Taxpayers "presented credible evidence that rebutted the strong presumption that the Assessor's valuation was valid, accurate and correct": (i) supported by substantial evidence; (ii) in accordance with procedure required by law; and, (iii) not arbitrary and capricious, an abuse of discretion, or in excess of statutory jurisdiction, authority, limitations and rights?
 - 1.a. (Cross-Appeal): Did Taxpayers establish by a preponderance of the evidence that the Assessor's use of the Cost Approach (with Sales Comparison adjustments) rendered the valuation of the Units invalid, inaccurate and/or incorrect?
 - 1.b. Did the Taxpayers establish by a preponderance of the evidence that the Assessor did not utilize (or violated) Wyo. Stat. Ann. 34-20-104(a) when valuing the Units?
2. Was the 2025 County Board's Order's mandate that Taxpayers' "valuations ... are again reversed and the cases are removed back to the Natrona County Assessor's Office for completion of new assessments and valuations utilizing Wyo. Stat. Ann. § 34-20-104(a)": {i) supported by substantial evidence: (ii) in accordance with procedure required by law; and (iii) not arbitrary and capricious, an abuse of discretion, or in excess of statutory jurisdiction, authority, limitations and rights?

¹ Board Member Dave Delicath left the State Board in May of 2025, and his position on the Board remains vacant at the time of this decision's issuance.

(Assessor's Br., 3)

[4] While they did not identify an issue per se, Taxpayers object to the assessed valuation, complaining of "Assessor's use of the cost of replacement less depreciation methodology to arrive at a number which has no relationship to market value for the involved properties." (Taxpayers' Notice of Cross-Appeal of Amended Order following Reversal and Remand from the State Board of Equalization, SBOE Docket # 2024-06).

JURISDICTION

[¶ 5] The State Board shall "hear appeals from county boards of equalization ... upon application of any interested person adversely affected[.]" Wyo. Stat. Ann. § 39-11-102.1(c) (2023). An aggrieved taxpayer or assessor may file an appeal with this Board within 30 days of the County Board's final decision. Rules, Wyo. State Bd. of Equalization, ch. 3 § 2(a) (2021). Any other party may file a cross-appeal within 15 days after the first notice of appeal is filed. Rules, Wyo. State Bd. of Equalization, ch. 3, § 2(c) (2021). The County Board issued its Amended Decision on February 13, 2025. (CBOE Doc. 2023-0673 R. at 014-020; CBOE Doc. 2023-109 R. at 014-020; CBOE Doc. 2023-0110 R. at 014-020). Assessor filed her appeal on March 17, 2025, and Taxpayers filed their cross-appeal on March 24, 2025. Accordingly, the appeal and cross-appeal are both timely and we have jurisdiction.

PROCEEDINGS AND EVIDENCE BEFORE THE COUNTY BOARD

[¶ 6] We have before us an appeal and cross-appeals² from the COUNTY BOARD'S AMENDED ORDER FOLLOWING NATRONA COUNTY BOARD OF EQUALIZATION CONSOLIDATED TAX APPEAL HEARINGS UPON REVERSAL AND REMAND FROM THE STATE BOARD OF EQUALIZATION (hereafter Amended Decision). We reversed and remanded the County Board's first ruling because it did not sufficiently explain the County Board's basis for reversing the Assessor's assessed valuations. *In re Natrona County Assessor and cross Appeal of Tulkington Co., et al.*, Doc. No. 2024-06 (Wyo. St. Bd. of Equalization, Dec. 10, 2024). More particularly, without a clear articulation of the County Board's decision, we were unable to apply the standard of review as required. *Id.* at ¶¶ 8-10; *see infra* ¶ 22.

² There is a separate appeal for each condominium and, consequently, a separate record for each. However, the records are essentially the same as to each exhibit's identity and their order in each record, but the exhibits relate specifically to the condominium at issue. We shall refer to the dockets before the County Board as CBOE Doc. 2023-673 at **; CBOE Doc. 2023-109 at **; CBOE Doc. 2023-110 at **. (2024-06 Hr'g rec. at 00:04:00-00:10:30). Because the County Board consolidated the appeals, we shall refer to the audio record from the contested case hearing as "2024-06 Hr'g rec. at 00:00:00."

[¶ 7] On remand, the County Board revisited its initial decision but entertained no additional evidence. (CBOE Doc. 2023-0673 R. at 014-015; CBOE Doc. 2023-109 R. at 014-015; CBOE Doc. 2023-0110 R. at 014-015). Rather, it issued additional findings in support of its initial ruling in Docket No. 2024-06. So, the record now consists of the original contested case hearing proceedings and decision, which we reversed and remanded in Docket No. 2024-06, and the brief discussion and additional findings set forth in the Amended Decision now under review.³

[¶ 8] The underlying dispute involved the 2023 assessed valuations of three commercial condominiums located in the five-story “Conroy” Building in Casper, Wyoming. The Conroy Office Building converted to condominiums in 1997 through a written Declaration. (Tr. at 31). Taxpayers are owners of condominiums within the Conroy building on the second, fourth, and fifth floors of the building, each floor a separately assessed condominium. The second floor is owned by Conroy Enterprises/Chris Smith. The law firm Schwartz, Bon, Walker, and Studer, LLC, owns the fourth floor, which it rents to various businesses. And, Tulkingshorn Company owns the fifth floor, wherein the Schwartz-Bon offices are housed. (Tr. at 31-32).

[¶ 9] Assessor valued each of the condominiums at approximately \$364,000, but upon appeal revised the assessed values down to approximately \$320,000 each. (Tr. at 50-52; CBOE Doc. 2023-673 at 263-64, 275; CBOE Doc. 2023-209 at 246-47, 259; CBOE Doc. 2023-110 at 235-36, 251). Unsatisfied, Taxpayers appealed claiming that Assessor grossly overvalued the condominiums. One owner sought a re-valuation at \$200,000. (CBOE Doc. 2023-673 at 263; CBOE Doc. 2023-109 at 246; CBOE Doc. 2023-110 at 235).

[¶ 10] At the contested case hearing before the County Board, Taxpayers’ attorney, Cameron Walker, who also testified as a witness⁴, advanced a legal challenge rather than a factual dispute. He focused on Wyoming Statutes sections 39-11-101(a)(vi) and 39-13-103(b)(ii), (vii), explaining that all properties were to be taxed at their “fair market value.” (Tr. at 35-37, 61; CBOE Doc. 2023-673 at 0054-57; CBOE Doc. 2023-109 at 0054-57;

³ The County Board did not replicate and include the Docket 2024-06 record when it prepared the present appeal. But, the present appeal necessarily refers to the initial contested case hearing evidence and related proceedings in Docket 2024-06, so they must be considered together. The record is confusing as the original hearing entertained three consolidated County Board appeals, each concerning one of three condominiums within the Conroy Building (Doc. No. 2023-673 (2nd floor), Doc. No. 2023-109 (5th Floor), and Doc. No. 2023-110 (4th floor)). Further, the actual contested case hearing was reported and transcribed, but other proceedings were only recorded audibly. The hearing addressing the appeal following the State Board’s reversal and remand falls within the captioned State Board docket, 2025-08.

⁴ Mr. Walker acted as Taxpayers’ counsel, and as their witness, intermittently offering both argument and factual information in support of Taxpayers’ appeals. He would continue to argue and testify throughout the hearing and, at one point, “attest[ed] to the accuracy of what [he] said in [his] opening statement as [his] testimony,” before resting Taxpayers’ case. (Tr. at 61).

CBOE Doc. 2023-110 at 0054-57). He emphasized that Assessor had to assess the condominiums at “fair market value,” defined as the amount of cash a willing buyer would pay for property, and a willing seller would accept. *Id.*

[¶ 11] Mr. Walker showed the Board a history of the past twelve valuations from 2010 to 2022 for each property, pointing out that their values rose from approximately \$175,000 in 2019 to the present assessed values over \$300,000. (Tr. at 37-39; CBOE Doc. 2023-673 at 0107-09; CBOE Doc. 2023-109 at 0066-68; CBOE Doc. 2023-110 at 0070-72). Disagreeing with those, he reminded the County Board that the third-floor condominium had sold for \$115,000 in 2021, and that it was an arm’s length transaction reflecting the true value of the other condominiums. (Tr. at 72-74; CBOE Doc. 2023-673 at 207; CBOE Doc. 2023-109 at 204; 2023-110 at 208).

[¶ 12] Mr. Walker testified⁵ and argued that Assessor should not have applied the cost valuation method (using Marshall & Swift cost tables), wherein she determined the replacement cost new of the property, and then adjusted for depreciation, commonly termed the RCNLD (replacement cost new less depreciation). (Tr. at 39-44, 67-70, 97-99). Mr. Walker insisted that because Taxpayers owned only the *condominium space* within the building, Assessor could not value the surrounding structure. *Id.* The statutory “fair market value” definition itself prohibited application of the cost valuation method set out in the Department of Revenue’s rules. *Id.* He asserted that the valuation should be limited to a market valuation using comparable sales of condominiums. (Tr. at 83-86). In response to a County Board member’s question, he elaborated:

Their model doesn’t -- can’t work for a condo. They’re, -- they’re charging us for what we don’t own. The replacement cost of replacing the entire building that we don’t own. Most of what we don’t own. We just own our interior space and they’ve not made an attempt to value replacement of

⁵ After Mr. Walker and witness Paul Wilhelm testified, the County Board variably questioned everyone, without following any particular order. The hearing devolved into a multi-person conversation among several board members, Deputy Assessor Renee Berry, and witnesses Mr. Walker and Paul Wilhelm. Board members added personal, anecdotal insights as they evaluated the witnesses’ testimony and sought to understand the valuation evidence, mixed with Mr. Walker’s legal arguments. Commissioner Laird argued against Assessor’s applied methodology throughout. While contested case hearings may stray from a strict trial practice structure and sequence, evidence should be received in a question-and-answer format, with *one party questioning one witness at a time*. Thereafter, opposing parties (or counsel) may cross-examine or redirect questions to that witness regarding the testimony *just given*. Board members should avoid testifying, as litigants are unable to anticipate evidence that a board member may offer without advance notice to the parties. Moreover, a board member’s views are not evidence and may be irrelevant to the issues presented. Nor do board members swear an oath before speaking, and they are not typically subject to cross-examination. *See In re Teton Cty. Assessor*, 2019 WL 2165526, ¶¶ 34-35, ** 7-8 (Wyo. St. Bd. of Equalization, May 2019) (Board members must rely upon properly submitted evidence and not their respective unidentified standards or personal views).

the interior space that we have less depreciation. ... I'm still arguing that that is not a method that's authorized by the Statute. This is something that – that got cooked up, but is not authorized by the statute, because they say fair market value, and fair market value is based on sales, period. That's what they say. That's the statute. That's my argument.

(Tr. at 85-88). He offered the market evaluation and opinion of his witness Paul Wilhelm as the appropriate valuation approach. *Id.*

[¶ 13] Coupled with Taxpayers' assertion that Assessor improperly attributed the building's entire value to the condominium owners, Mr. Walker raised a separate statutory point which the County Board ultimately seized upon in reversing the assessments. Mr. Walker referenced Wyoming's "Condominium Act," Wyoming Statute section 34-20-102 through 104, and particularly an excerpt from section 104:

(a) Whenever condominium ownership of real property is created, or separate assessment of condominium units is desired, a written notice thereof shall be delivered to the assessor of the county in which said real property is situated, which notice shall set forth descriptions of the condominium units. Thereafter all taxes, assessments and other charges of this state or of any political subdivision or of any special improvement district or any other taxing or assessing authority shall be assessed against and collected on each condominium unit, each of which shall be carried on the tax books as a separate and distinct parcel for the purpose, and not on the building or property as a whole. The valuation of the general and limited common elements shall be assessed proportionately upon the individual air space unit in the manner provided in the declaration.

(Tr. at 43-45). Unfortunately, Mr. Walker did not precisely explain how Assessor's appraisal violated this statute.

[¶ 14] Mr. Walker expected that, through his witness Paul Wilhelm, he would prove that the fifth and second floor condominium units were each worth \$175,000, while the fourth floor condominium was worth \$140,000. (Tr. at 45-46).

[¶ 15] Paul Wilhelm, an experienced Casper real estate broker, performed a "market analysis" on the condominiums. (Tr. at 54-55). He explained that such market analyses served to determine a property's likely fair market value to anticipate the price a property would command on the open market between willing buyers and sellers. (Tr. at 55-56). He relied upon the "Wyoming Multiple Listing Service" database, containing information about properties advertised for sale, and those that sold. He observed that many realtors used such information to perform market analyses for properties to be offered for sale. (Tr.

at 56-57). He prepared a written analysis for each condominium, citing comparable sales, including the condominium sold within the building in 2021, and opined that the second and fifth floors should be valued at \$175,000, while the fourth floor was worth \$140,000 due to its lesser condition. (Tr. at 59-60; CBOE Doc. 2023-673 at 0113-183; CBOE Doc. 2023-109 at 0110-181; 2023-110 at 0114-184). Both Mr. Walker's and Mr. Wilhelm's testimony included their general disbelief that the Conroy Building would sell for Assessor's total appraisal of the building.

[¶ 16] On cross-examination, Mr. Wilhelm explained that he tried to use three comparable sales, and/or listings, but "the closest [sale]" was the sale of the third-floor condominium. (Tr. at 61-62). Mr. Wilhelm admitted he performed no appraisal and was not an appraiser. (Tr. at 75-76). Rather, he referred to his reports and the property sales outlined therein, acknowledging several times that properties comparable to condominiums were difficult to find. When asked whether he verified or "validated" the sales to determine the similarity of property characteristics, sale terms and conditions, and other information, he deferred to the multi-listing service's verification method. (Tr. at 62-67). He did not explain how the multi-listing service filtered or vetted sales data. *Id.*

[¶ 17] Deputy Assessor Renee Berry testified in support of the assessments, responding to Taxpayers' claim that the cost valuation method (calculating a "replacement cost new less depreciation") was improper. (Tr. at 93-97). She referred to chapter nine of the Department of Revenue's rules, which directed that assessors could apply a cost valuation method in the absence of sufficient valid sales to perform a sales comparison appraisal. *Id.*; see *infra* ¶ 29. She reviewed Exhibit 0-1 which revealed the grouping of seven condominium sales surveyed and used to calculate a market adjustment of .91. *Id.*

[¶ 18] When pressed why Assessor did not use the 2021 sale of the third-floor condominium to value the condominiums, given its similarity to the condominiums assessed, she explained that Assessor used the sale to calculate a market adjustment. See *supra* ¶ 17. The 2021 sale resulted in a reduced cost-based valuation to the extent it influenced the downward market adjustment. (Tr. at 73-75; CBOE 2023-673 at 289; CBOE 2023-109 at 273; CBOE 2023-110 at 296). Ms. Berry explained that within the overall commercial property grouping⁶ at issue, Assessor had to look back to 2019 to identify sufficient commercial condominium sales to calculate a market adjustment—to ensure that the cost valuation reflected the current condominium market prices and demand

⁶ Mass appraisal relies heavily upon groupings of similar properties and a statistical overlay of the relationship between valid open-market sales within the group and the appraised valuations. Appraisers develop and apply a ratio between median sales prices and values to adjust cost-based valuations up or down, accounting for market trends within such groupings. Accordingly, taxable market valuations can be greater or less than the cost to replace a structure depending upon market demand and sales price trends.

trends. *Id.* She referred to seven valid commercial condominium sales, reviewed the statistical ratio study measurements, and discussed the adjustment applied to bring the valuations within statistical compliance. *Id.*

[¶ 19] Ms. Berry further testified that Assessor's valuation reflected the advanced age of the building, nearly 100 years old, through three adjustments: that the building was a mixed-retail office building; that the building was assigned only a "fair" quality; and that the building's condition was designated "fair," with an additional depreciation deduction allowed. (Tr. at 74-76; CBOE 2023-673 at 264-289; CBOE 2023-109 at 247-73; CBOE 2023-110 at 270-296). She explained that these characteristics reflected the building's limited capacity for use and diminished value due to age, quality of construction, and condition. *Id.*

[¶ 20] Following remand to the County Board, which required that it specify why it reversed Assessor's valuation and to support its determination with citations to the record, the County Board issued the following additional findings:

1. The building at issue is a condominium unit and a condominium declaration was filed with the County Clerk's Office. The condominium unit has five floors. (*RA*, #0110, pp. 103-109; #0673, pp. 81-88; #0109, pp. 99-106).
2. The Property Profiles for each floor state the floors are commercial with mixed retail with office units. (*RA*, #110, pp. 62-64; #0673, pp. 62-63; #0109, pp. 59-60).
3. The Assessor did not assess the condominiums as required by Wyo. State. Ann. § 34-20-104(a):
 - (a) Whenever condominium ownership of real property is created, or separate assessment of condominium units is desired, a written notice thereof shall be delivered to the assessor of the county in which said real property is situated, which notice shall set forth descriptions of the condominium units. Thereafter all taxes, assessments and other charges of this state or of any political subdivision or of any special improvement district or any other taxing or assessing authority shall be assessed against and collected on each condominium unit, each of which shall be carried on the tax books as a separate and distinct parcel for the purpose, and not on the building or property as a whole. The valuation of the general and limited common elements shall be assessed

proportionately upon the individual air space unit in the manner provided in the declaration.

(See Wyo. Stat. Ann. § 34-20-204(a); *Tr. 09/13/23*, pp. 52-54, 94-95).

4. Instead, the Assessor divided the value of the structure among the five (5) floors. (See *Tr. 09/13/23*, pp. 52-53).

5. In 2021, another unit in the condominium (not at issue here) was sold for \$115,000. (See *Tr. 09/13/23*, pp. 73-78, *RA*, #0110, p. 66; #0673, p. 65; #0109, p. 62).

(County Board's Amended Decision, CBOE Doc. 2023-0673 R. at 014-020; CBOE Doc. 2023-109 R. at 014-020; CBOE Doc. 2023-0110 R. at 014-020).

[¶ 21] From these additional findings, the County Board again reversed Assessor's "valuations" of the three commercial condominium floors "because the Assessor's Office did not apply the condominium statute to their analysis of the condominium," and it ordered that Assessor reperform the assessments "utilizing Wyo. Stat. Ann. § 34-20-104(a)." (County Board's Amended Decision, CBOE Doc. 2023-0673 R. at 014-020; CBOE Doc. 2023-109 R. at 014-020; CBOE Doc. 2023-0110 R. at 014-020). The County Board did not address the balance of Taxpayers' arguments.

CONCLUSIONS OF LAW

A. State Board's review function and burdens of proof.

[¶ 22] This Board reviews county board decisions as an intermediate appellate body and treats the county board as the finder of fact. *Town of Thermopolis v. Deromedi*, 2002 WY 70, ¶ 11, 45 P.3d 1155, 1159 (Wyo. 2002). Our standard of review of a county board decision is nearly identical to the Wyoming Administrative Procedure Act standard, found at Wyoming Statutes section 16-3-114(c)(ii) (2023), that a district court must apply in reviewing such decisions. Our review is limited to determining whether a county board's action is:

- (a) Arbitrary, capricious, an abuse of discretion or otherwise not in accordance with law;
- (b) In excess of statutory jurisdiction, authority or limitations or lacking statutory right;
- (c) Without observance of procedure required by law; or
- (d) Unsupported by substantial evidence.

Rules, Wyo. State Bd. of Equalization, ch. 3, § 9(a)-(d) (2021).

[¶ 23] “A strong presumption favors the Assessor’s valuation. ‘In the absence of evidence to the contrary, we presume that the officials charged with establishing value exercised honest judgment in accordance with the applicable rules, regulations, and other directives that have passed public scrutiny, either through legislative enactment or agency rulemaking, or both.’ ” *Britt v. Fremont Cnty. Assessor*, 2006 WY 10, ¶ 23, 126 P.3d 117, 125 (Wyo. 2006) (quoting *Amoco Prod. Co. v. Dep’t of Revenue*, 2004 WY 89, ¶ 7, 94 P.3d 430, 435 (Wyo. 2004)); see also, Rules, Wyo. State Bd. of Equalization, ch. 7 § 14(a) (2021) (“There is a presumption that the assessor’s property valuation is valid, accurate, and correct.”). “Petitioner may present any credible evidence to rebut the presumption in favor of the assessor’s valuation.” *Id.* at § 14(b). If a taxpayer presents credible evidence sufficient to rebut the presumption, the county board must then “equally weigh the evidence of all parties and measure it against the appropriate burden of proof”. *Britt*, ¶ 23, 126 P.3d at 125 (citing *CIG v. Wyo. Dep’t of Revenue*, 2001 WY 34, ¶ 10, 20 P.3d 528, 531 (Wyo. 2001)). The burden of going forward⁷ would then shift to Assessor, but the ultimate burden of persuasion would remain with the taxpayer to prove, by a preponderance of the evidence, that Assessor’s valuation wasn’t derived in compliance with constitutional or statutory requirements. *Id.* “A mere difference of opinion as to value” is not sufficient to overcome the presumption. *Britt*, at ¶ 34, 126 P.3d at 127.

B. Distracted by the Condominium Ownership Act, the County Board failed to adjudicate the actual valuation challenge presented.

[¶ 24] Pivotal to the County Board’s Amended Decision is a statute which simply directs that tax assessments or like encumbrances on condominiums shall be on an individual unit basis, rather than assessed on a structure in its entirety. *See supra* ¶ 20. The County Board determined that Assessor did not comply with that statute and reversed the assessment. Unfortunately, Taxpayers’ oblique references to that statute, *which does not address tax valuation methodology selection*, distracted the County Board from Taxpayers’ actual challenge.

[¶ 25] The core challenge to Assessor’s assessment—Taxpayers claimed that Assessor did not identify the condominiums’ “fair market value” as statutorily defined and that the cost valuation method (calculating a property’s RCNLD) was incapable of doing so. *Supra* ¶ 12. Inasmuch as this appeal is a property *tax valuation dispute*, section 34-20-104(a) was

⁷ The burden of going forward, also called the burden of production, is “[a] party’s duty to introduce enough evidence on an issue to have the issue decided by the fact-finder, rather than decided against the party in a peremptory ruling such as a summary judgment or a directed verdict.” *Burden of Production*, *Black’s Law Dictionary*, 236 (10th ed. 2014).

a red herring. The County Board never actually resolved Taxpayers' core objection to the assessment. As it is a legal question, we will consider it here.

[¶ 26] Taxpayers argue that the cost valuation methodology set forth in the Department of Revenue's rules, wherein assessors calculate the cost to reproduce a property as if it were new through cost information in CAMA, and then subtract depreciation (wear, tear, obsolescence, etc.), is fundamentally contrary to the statutory requirement that assessors identify the "fair market value." *Supra* ¶¶ 10-12; (Taxpayers' Br. at 6-9). Taxpayers countered that Assessor should have simply found comparable sales of like properties under the "sales comparison" methodology, much like a traditional "fee" appraisal.⁸ A recent 2021 sale of one of the building's condominiums, Taxpayers argue, should have decisively limited the condominiums' taxable values in any event. *Supra* ¶ 12; (Taxpayers' Br. at 7-9). In simple terms, Taxpayers challenged Assessor's **selection** of the cost valuation method as invalid and incompatible with the definition of "fair market value." *Id.*

[¶ 27] Wyoming's property tax system requires that assessors annually list and value properties at "fair market value." Wyo. Stat. Ann. § 39-13-103(b)(i), (ii) (2025). "Fair market value" is "the amount in cash, or terms reasonably equivalent to cash, a well informed buyer is justified in paying for the property and a well informed seller is justified in accepting," if neither is compelled to buy or sell, and if the property has been offered on the open market for a reasonable time. Wyo. Stat. Ann. §39-11-101(a)(vi) (2025). The Department of Revenue must, *and has*, "prescribed [a] system of establishing the fair market value of all property valued for property taxation," and the Department must continually support and instruct county assessors as to the system's implementation. Wyo. Stat. Ann. § 39-11-102(c)(xv), (xvi), (xviii), (xix), (d); *see* Rules, Wyo. Dep't of Revenue, ch. 9 (2016). Assessors, for their part, must abide by departmental guidelines, directives, and procedures. Wyo. Stat. Ann. § 18-3-204(a)(ix) (2025).

[¶ 28] Critical to understanding Wyoming's property tax law, the Department's prescribed valuation system is a "mass appraisal" system⁹, which annually values "a

⁸ A "fee appraisal" is an appraisal of properties one at a time, for pay. *Glossary for Property Appraisal and Assessment, International Assoc. of Assessing Officers*, International Association of Assessing Officers (3rd ed., Rev. 2021).

⁹ There is much confusion about "mass appraisal," and taxpayers often misunderstand and dislike the concept primarily because it is not understood or easily accessed. Yet, assessors must appraise and assess thousands of properties each year and could not possibly value each property through a traditional "fee appraisal" process. So, mass appraisers maintain detailed account information to estimate the cost of reproducing properties given their characteristics, adjust for depreciation and other factors reflecting a property's condition or salability, and then adjust the value further to account for market demand, i.e. sales prices paid for similar properties within a group compared to the replacement cost new less depreciation. Assessors then statistically measure the relationship between estimated market values and recent sales prices among a group of properties to ensure that values are at fair market and that they are uniform, i.e.,

universe of properties as of a given date using standard methodology, employing common data, and allowing for statistical testing.” Rules, Wyo. Dep’t of Revenue, ch. 9 § 4(xxii) (2016). Assessors may use one or more of three methods, the “sales comparison” method, the “cost” approach, and/or the “income or capitalized earnings” method. *Id.* at § 5(i)-(iii). Ideally, appraisers use all three methods to appropriately reconcile and weight the results to estimate fair market value as defined by law. *Id.* at § 5. In mass appraisal, even when an assessor is unable to use a sales comparison methodology because there are too few comparable sales, the rules direct that assessors may apply a market adjustment. Developing a market adjustment entails evaluation of similar properties in a group to understand how market sales are trending relative to the cost-based valuation results reached. If market sales are outpacing or consistently dropping below valuations, assessors apply a multiplier to reflect how sales, relative to valuations, are trending. *See id.* § 6(a)(iv).

[¶ 29] Assessor applied the cost approach to value the condominiums:

The cost approach is a method of estimating value by summing the land value, where applicable, with the depreciated value of improvements. In the CAMA system, RCNLD is calculated using Marshall and Swift cost tables. The cost approach is an accepted approach and could serve as the primary approach even when sales data is unavailable or inadequate (such as special purpose properties). Market adjusted RCNLD plus land value is an accepted method of the cost approach. Sales prices shall be adjusted for time. Other factors influencing sale price should be considered. The cost approach relies on the principle of substitution in which an informed buyer will not pay more for a property than its comparable replacement. The approach requires:

- (A) Accurate, current land values in the case of real property;
- (B) Accurate, pertinent physical data regarding the property to which cost data may be applied;
- (C) Current cost data, which considers appreciation in the case of real and personal property;

market ratio studies. The State Board and Department of Revenue annually perform “ratio studies” and other statistical measurements to evaluate whether assessors are valuing properties at fair market value, and are doing so uniformly across each county, to ensure the system is operating in compliance with Article 15 of Wyoming’s Constitution.

(I) Costs may be estimated on the basis of typical replacement or reproduction costs.

(II) Typical replacement or reproduction costs may be estimated by the quantity survey method, the unit-in-place method, the comparative unit method, or the trended original cost method.

Rules, Wyo. Dep't of Revenue, ch. 9 § 5(b)(ii) (2016). The cost method is commonly employed when appraising commercial properties because assessors rarely find sufficient sales of comparable business properties. Even when there are sales, appraisers are often unable to isolate the price paid for the land and improvements apart from other components of the properties sold, i.e. personal property, accounts receivable, etc. Rarely are assessors given income information with which to perform an income valuation. *See In re Alpenhof Lodge Assoc.*, 2021 WL 1839755, ¶¶ 10-14, 36-39, ** 2-3, 9-10 (Wyo. St. Bd. of Equalization, May 4, 2021) (Discussing whether assessor was required to consider an income valuation, along with a cost valuation). Consequently, the cost valuation method is sometimes all that is readily available under the circumstances.

[¶ 30] And so, it is doubtful Taxpayers could prevail on a theory that Assessor *could not apply* the cost valuation method when she appraised the condominiums. The method is one of three set forth in the Department's rules and was, therefore, authorized as a matter of law. *See Britt v. Fremont Cnty. Assessor*, 2006 WY 10, 126 P.3d 117 (Wyo. 2006). Assessor clearly had discretion to use the method, and its validity is unquestionable.

[¶ 31] Moreover, selection of a valuation method is a matter of appraisal discretion. In *Britt*, taxpayers challenged the assessor's selection of the comparable sales method to value a cabin, arguing that she should have applied a cost method. *Id.* at ¶¶ 35-41, 126 P.3d at 127-28. The Court rejected the argument, stating "[i]t is not a function of our review process to consider, among several valid appraisal approaches, which method might be most favorable to the taxpayer." *Id.* at ¶ 38, 126 P.3d at 128; *see also Gray v. Wyo. St. Bd. of Equalization*, 896 P.2d 1347, 1350-51 (Wyo. 1995) (Not for the court to determine which appraisal method worked best, but to determine whether substantial evidence supported manner in which method was used)) (quotation omitted).

[¶ 32] Taxpayers' argument presumed that valuation methods were inherently unworkable when valuing certain property types. They offered no such evidence or authority in support of this conclusion, only anecdotal views that the assessed values were too high. (Tr. at 77-78). While some appraisal methods are better suited to appraise certain properties under different circumstances, all three methods are generally acceptable, and an appraiser must then work to adjust value within the construct of the methodology itself to account for difficulties or irregularities. *But see In re HollyFrontier Cheyenne Refining LLC*, 2019 WL

6464766, ¶¶ 57-63, ** 15-18 (Wyo. St. Bd. of Equalization, Nov. 21, 2019) (discussing appraisal discretion to select valuation methodologies and general views on strengths and weaknesses of methods).

[¶ 33] Taxpayers believe that Assessor should have broadly deferred to the \$115,000 price paid for the third-floor condominium in 2021, and treated it as clear evidence of the other condominiums' fair market value. *Supra* ¶¶ 11, 15. We have, of course, addressed this argument before. *See In re Carbon Creek Energy, LLC, et al.*, 2018 WL 3978750, ¶¶ 52-67, ** 15-19 (Wyo. St. Bd. of Equalization, Aug. 8, 2018) (Whether purchase price of mining equipment was conclusive evidence of taxable value) (citing and discussing *Thunder Basin Coal Co. v. Cambell Cty.*, 2006 WY 44, 132 P.3d 801 (Wyo. 2006) and *Gray v. Wyo. State Bd. of Equalization*, 896 P.2d 1347 (Wyo. 1995)). The answer is “no,” and while a recent, arm's length sales price for property may be compelling evidence of that property's fair market value, assessors are not required to adopt a recent sale price as that property's fair market value. *Id.*; *see also Gray*, 896 P.2d at 1351-54 (Assessor appropriately applied CAMA and cost valuation method notwithstanding recent purchase prices paid for property valued).

[¶ 34] We are unable to agree that the evidence demonstrated the inherent inapplicability of Wyoming's cost methodology to appraise the condominiums. First, the County Board reached no such conclusion, focusing primarily on whether Assessor complied with Wyoming Statutes section 34-20-104(a) (2025). Second, the evidence was less than convincing and insufficient to prove the fundamental inapplicability of the cost method. Mr. Wilhelm was not an appraiser and performed no appraisal of the condominiums. *Supra* ¶ 16. He assembled three reports from a commonly used real estate multi-listing service database, which surveyed completed sales and properties advertised for sale. *Supra* ¶ 16. We are unclear how those sales were vetted from an appraisal “validity” standpoint. *See Rules*, Wyo. Dep't of Revenue, ch 9 § 5(b)(i) (2016 (criteria for selecting comparable sales)). Most significantly, his valuation opinions did not establish that Assessor erred in how she applied the cost method. Finally, Taxpayers generally conceded that Assessor likely applied the cost valuation method correctly, challenging only whether Assessor correctly selected the cost method in the first place. (Tr. at 41; County Board's Amended Decision at CBOE Doc. 2023-0673 R. at 014-020; CBOE Doc. 2023-109 R. at 014-020; CBOE Doc. 2023-0110 R. at 014-020).

[¶ 35] Taxpayers' most viable response to the assessment would have been to claim greater depreciation/obsolescence within the cost valuation appraisal and assessment. Once Assessor calculated the cost to reproduce the condominium properties using Marshall and Swift cost tables, she calculated the depreciation and obsolescence to account for the properties' condition, quality of construction, and functional obsolescence.

Supra ¶¶ 17-19. The building is over 100 years old. Even with remodeling or refurbishing, evidence supporting a greater depreciation and obsolescence discount might have been compelling. But, Taxpayers did not present that case, and the record does not well address those challenges.

C. The County Board's misapplication of Wyoming Statutes section 34-20-104(a) (2025).

[¶ 36] Returning to the County Board's determination that Assessor failed to comply with Wyoming Statutes section 34-20-104(a), the County Board found a connection between this statute and Taxpayer's argument that Assessor attributed more property to Taxpayers than they owned. *Supra* ¶¶ 13, 21. Mr. Walker, on behalf of Taxpayers, repeatedly testified and argued that the condominium properties were limited to the interior condominium space, not the surrounding building materials or common areas within the building, such as stairwells, lobbies, etc. *Supra* ¶ 12. Taxpayers argue: "Moreover, by using this methodology to determine the value of the Conroy units, the Assessor has taxed the condominium units as part of the building or property as a whole, contrary to W.S. 34-20-104(i) [sic]." (Taxpayers' Br. 6).

[¶ 37] Our function is to determine the legislature's intent when it adopted the statutory law governing condominium property rights and adjudicate whether the County Board was correct: did Assessor's application of the cost method violate section 104(a)? Wyoming Statutes section 34-20-104 (2025) is the last of four statutory sections in what is called the "Condominium Ownership Act," which simply recognized a form of real property ownership in Wyoming. 1965 Wyo. Sess. Laws, ch. 59. It allowed condominium owners to isolate their ownership interest within a building and agree on how owners shall be responsible for "general" and "limited common elements" within the building, vis-à-vis their "individual air space unit." See Wyo. Stat. Ann. § 34-20-103(a) (2025). By statute, the owners of a condominium are subject to a "declaration" or a mutual agreement establishing how a building's common or general components will be assessed to, or bourn by, condominium owners, which is true of the Taxpayers in the present appeals. *Supra* ¶ 13.

[¶ 38] But, does the Condominium Ownership Act dictate how an assessor may value a condominium? The answer is "no," at least not expressly. Although compliance with the Condominium Ownership Act refers to valuation through the assessment process, it simply directs that upon written notice to the Assessor, condominium assessments include only the value of the condominium unit and not "the building or property as a whole." *Id.* The statute specifies that "general and limited common elements shall be assessed

proportionately upon the individual air space unit in the manner provided in the declaration.” *Id.*

[¶ 39] The County Board, following Taxpayers’ lead, read too much into the language and inferred valuation limitations we are unable to reconcile. Assessor valued the building and isolated the value of each individual condominium, adding the agreed upon allocation percentage to each condominium’s value. Taxpayers’ characterization of their property rights under the Declaration does not support their view in this case. The Declaration provides:

The condominium project is hereby divided into five (5) separate condominium units (five floors) ... each being a separate Unit. The percentage of value assigned to each Unit in the condominium project as set forth below, represents the undivided ownership interest of each Owner in the general and limited common elements, and shall be determinative of the common elements, and shall be determinative of the proportionate share of each Owner in the proceeds and expenses of administration

(CBOE Doc. 2023-0673 R. at 088; CBOE Doc. 2023-109 R. at 105; CBOE Doc. 2023-0110 R. at 109). The Declaration provides that the condominium project’s (the building’s) total value is 100%. *Id.* Each condominium is assigned and burdened with 18.1% of the value of the common elements, equal to its value as a percentage of the building. *Id.*

[¶ 40] In order to administer the Declaration’s common area allocation, Assessor would necessarily value the whole building to identify 18.1% because each condominium (except for the first floor) is deemed to be 18.1% of the building as a whole for allocation purposes. Neither Taxpayers nor the County Board explained how Assessor should have accounted for the Conroy Building’s common areas and general structure from an appraisal standpoint. Without such an explanation, Taxpayers did not carry their burden of proof with respect to this contention.

[¶ 41] Assessor did not violate section 104(a) in how she appraised the properties or allocated the value of the Conroy Building’s common areas to the condominiums assessed.

CONCLUSION

[¶ 42] The County Board erred when it reversed Assessor’s application of the prescribed cost valuation method on grounds that she failed to comply with Wyoming Statutes section 34-20-104(a) (2025). The County Board misinterpreted that statute. Correspondingly, the Amended Decision lacks substantial evidence of both Assessor’s failure to comply with law and the County Board’s conclusion that Taxpayers carried their burden.

[¶ 43] The County Board did not resolve Taxpayers' primary valuation challenge wherein they asserted that Assessor could not select the cost valuation method to appraise the condominiums. Nevertheless, we find Taxpayers' claim lacked merit. Taxpayers failed to overcome the presumption that Assessor correctly assessed the condominiums.


ORDER

[¶ 44] **IT IS, THEREFORE, ORDERED** that the decision of the Natrona County Board of Equalization is **reversed** and Assessor's assessments are **affirmed**.

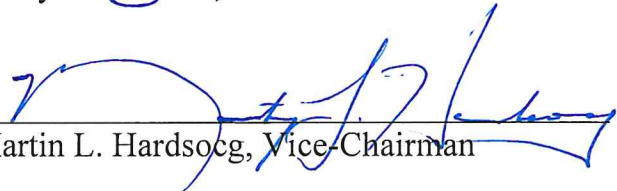
[¶ 45] **Pursuant to Wyoming Statutes section 16-3-114 (2025) and Rule 12, Wyoming Rules of Appellate Procedure, any taxpayer aggrieved or adversely affected in fact by this decision may seek judicial review in the appropriate district court by filing a petition for review within 30 days after the date of this decision.**

DATED this 13 day of August 2025.

STATE BOARD OF EQUALIZATION




E. Jayne Mockler, Chairman



Martin L. Hardsocg, Vice-Chairman

ATTEST:



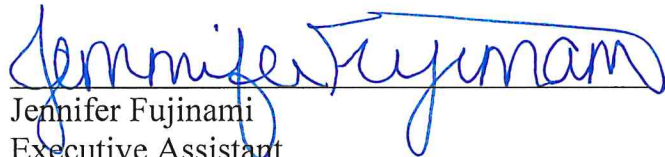
Jennifer Fujinami, Executive Assistant

CERTIFICATE OF SERVICE

I certify that on the 13 day of July 2025, I served the foregoing **DECISION AND ORDER** by placing a true and correct copy thereof in the United States Mail, postage prepaid, and properly addressed to the following:

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Schwartz, Bon, Walker & Studer, LLC
141 S. Center St. Suite 500
Casper, WY 82601

Karen K. Brent
Brent Law, APC
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cc: Bret Fanning, Director, Dep't of Revenue
Kenneth Guille, Property Tax Div., Dep't of Revenue
Commissioners/Treasurer/Clerk/Assessor – Natrona County
State Library