

I. CALL TO ORDER

The Board of Equalization Meeting was held on Thursday, May 3, 2012 at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Ruby called the meeting to order at 5:31p.m.

II. ROLL CALL

Mayor and Council Members present and establishing a quorum:

Mayor Alice Ruby
Tracy Hightower
Bob Himschoot
Tim Sands

Staff in attendance:

Janice Williams, City Clerk

Guest(s):

Adam Verrier, Appraisal Co. of Alaska

III. APPROVAL OF AGENDA

MOTION: Tim Sands moved and Bob Himschoot seconded the motion to approve the agenda.

GENERAL CONSENT: The motion passed without objection.

IV. ASSESSOR'S COMMENTS

Adam Verrier introduced himself as a residential appraiser, working for Appraisal Co. of Alaska, the contract assessor for the City of Dillingham. He commented as a general trend the market in COD was stable, 5-7 sales in the last twelve months, and sales prices were consistent with the last few years, increasing by only less than a couple of percentage points. He noted the slight increase was probably tied somewhat to increased construction and building material costs.

He commented the City's assessed values, compared to the actual sales prices of properties sold, was at about 100%. State law required the full and true value be at 100%, and assessors in the State had taken this to mean around 100%. The reported sales ratio for 2011 was 1.0 based upon 9 known sales, where the City needed to be.

The last field trip to assess all properties was performed in the fall of 2007, bringing assessed values from 69% to close to 90+%. A field trip was scheduled for every three years unless the sales ratio was close to 100%. Since then the sales ratios for 2010 and 2011 have been close to 100%, 96% in 2010 and 100% in 2011. It was recommended that there be some way to keep the Council apprised of the sales ratio percentage, by referencing it through the budget presented by the Finance and Budget Committee, or adding it to the regular Council agenda under New

Business, Full and True Value, and provide a report. This would prevent experiencing the situation in 2008, when assessed values were increased substantially to meet the State's requirement of being at 100%.

He was not aware of any changes to boat values over the prior year.

V. APPEALS FOR CONSIDERATION

A. Real Property

1. Approval of Settled Adjustments (Refer to Attached List)

MOTION: Tim Sands moved and Bob Himschoot seconded the motion to approve the settled adjustments.

Discussion:

- commented homes built thirty years ago in Dillingham were built with lower construction standards advancing the age of the structure.

Adam Verrier commented that the Courthouse had added a windmill that accounted for the increase in value, and the appellant agreed it was worth at least the amount of the difference.

VOTE: The motion passed unanimously.

2. Case No. R-12-03, Braswell Subdivision, Tract J

MOTION: Tim Sands moved and Bob Himschoot seconded the motion to concur with the assessor's recommendation.

Adam Verrier reported that when the appellant bought the property he was told by a City rep that he could argue that the assessed value would be what the property was sold for, or \$375,000. The City's assessor did not agree, felt the land value was consistent with surrounding properties and recommended no change, but recommended a decrease in the improvement value to recognize the condition of the structure. They did not come to an agreement on the proposed change. He had also contacted the City's rep, who related he had told the appellant he had bought the property at a certain price, and he could argue to the Board that it was not worth more than what he paid for it. The City rep noted he did not represent himself as the assessor, or say the assessed value would be \$375,000, but could make that argument. Adam noted septic and well are not included in the land values, but in the improvement value.

Discussion:

- noted if the owner had a formal appraisal done, he could bring it back to the City.

VOTE: The motion passed unanimously.

3. Case No. R-12-10, Pearson Subdivision, Lot 4

MOTION: Tim Sands moved and Bob Himschoot seconded the motion to concur with the assessor's recommendation.

Adam Verrier read from the appellant's report where she noted she had paid \$148,000 in 2010, had added some new paint and cleaned up the yard, and felt it was worth \$160,000. The City's assessor recommended denial of the appeal. When he approached the property to do a physical inspection, he was asked by someone other than the owner to leave the property, unless he was a licensed appraiser. The City's assessor was not a licensed appraiser, which was not required by the State. Since he was not able to do a physical inspection, he was not able to determine if the value should change, and recommended keeping the value as stated.

Discussion:

- asked why it had leaped by \$100K, answered he was not certain, but it had been valued the same in the prior year and was not appealed then; and
- noted the appellant could get an appraisal done to prove the value, if they felt the City had overvalued it.

VOTE: The motion passed unanimously.

B. Personal Property

1. Approval of Settled Adjustments (Refer to Attached List)

MOTION: Tim Sands moved and Bob Himschoot seconded the motion to concur with the settled adjustments.

Adam Verrier reported in one of the cases the boat had been removed from the taxing jurisdiction, and in another case the boat was overvalued.

VOTE: The motion passed unanimously.

VI. CITIZEN DISCUSSION (Prior Notice or Agenda Items)

There was no citizen discussion.

VII. MAYOR/COUNCIL COMMENTS

Mayor Ruby noted that Peter Pan was scheduling an auction of boats, would be making room for other boats, and could ask for the list to help with ownership and valuation of the boats.

Discussion:

- suggested contracting with a surveyor to supplement the assessor's duties and make an onsite visit of each boat.

Adam Verrier commented when he valued boats several years ago, he would contact brokers each year and make adjustments to different models of boats. He noted his familiarity was that the assessments were based on make, model and year. The more detailed the assessment the more costly, and would be the same as on the real property side which was done from the driveway, and instead have a full inspection, inside and out, that could take weeks and be very costly.

VIII. ADJOURNMENT

Mayor Ruby adjourned the meeting at 6:28 p.m.


Alice Ruby, Mayor

ATTEST:


Janice Williams, City Clerk

Date Approved: 5/17/2012

