

I. CALL TO ORDER

The Board of Equalization Meeting was held on Thursday, June 6, 2013 at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Ruby called the meeting to order at 5:33 p.m.

II. ROLL CALL

Mayor and Council Members present and establishing a quorum:

Mayor Alice Ruby
Tracy Hightower
Bob Himschoot
Paul Liedberg

Staff in attendance:

Janice Williams, City Clerk
Rose Loera, City Manager
Carol Shade, Finance Director

Guest(s):

Arne Erickson, Appraisal Co. of Alaska
Kevin and Sirena Tennyson

III. APPROVAL OF AGENDA

Mayor Ruby asked to amend the agenda to move Real Property items C and D before Personal Property items A and B.

MOTION: Bob Himschoot moved and Tracy Hightower seconded the motion to approve the agenda as amended.

GENERAL CONSENT: The motion passed without objection.

IV. ASSESSOR'S COMMENTS

Arne Erickson reported that:

- based on the sales ratio, as part of the report the firm is required to file with the state assessor, improvement values were raised 10%, sales ratio was at 77.7%;
- homes were selling roughly 22% higher than their assessed value;
- there were 17 personal property appeals, (2% of fleet), had raised vessels by 25% based on his research in the past year; 2 were late filed;
- higher end homes above \$300K, were not moving, ceiling people seem to be willing to spend; lower quality homes were selling much higher than expected; and
- all of the 31 real property appeals were resolved, 2-3 were late, and BOE would have to consider them, but he had dealt with all the appeals whether they were timely or late.

Discussion:

- noted the Council thought the City was closer to its full and true value determination, but appeared to have really dropped in the last couple of years which raised the City's obligation to the school appropriation, answered he had tried to elevate it this year to bring it closer to 100%, but would contact the state assessor in the morning;

V. APPEALS FOR CONSIDERATION

(Clerk Note: The agenda was amended to take up real property before personal property.)

C. Real Property

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

MOTION: Bob Himschoot moved and Tracy Hightower seconded the motion to accept the settled adjustments.

GENERAL CONSENT: The motion passed with no objection.

Arne Erickson explained that he had met with the property owners, reviewed the property card with them, whether or not the construction was at 100% completion, and any additional structures he wasn't aware of.

2. Case No. R 13-06, Tim McCambly, Neqleq Subd. B1 L12

He had met with property owner Tim McCambly. It was unresolved because he had met him the day before, recalculated the value, but was not able to make contact since then to review the adjusted value. The addition was 70% completed, and original structure had many physical problems. He had also calculated the normal life depreciation, which was not done on every property every year.

Arne Erickson felt the house was worth more than the appellant's suggested value. If the appellant did not accept the new value calculated by the appraiser, the appellant's next step would be to appeal to Superior Court.

MOTION: Bob Himschoot moved and Paul Liedberg seconded the motion to concur with the assessor's recommendation of \$148,300 for land and improvements.

GENERAL CONSENT: The motion passed with no objection.

D. Real Property – Late Filed Appeals

1. Case No. R 13-22, Joan Junge, Neqleq B3 L8

Arne Erickson reported that he had advised the appellant that the appeal was late, and if the BOE chose to accept the late filed appeal, he would have a recommendation. City Clerk Williams instructed the BOE that the normal process would be for the Council to schedule a special meeting of the BOE to consider a late filed appeal. Since the BOE was already scheduled to meet, the three late filed appeals were added to the June 6 agenda. The BOE would first need to accept the late filed appeal and could then move to review the appeal. The acceptance of the late filed appeal would be based on the property owner being unable to

comply within the time limits set for filing an appeal as meaning that a taxpayer would have to demonstrate a compelling reason or circumstance which would prevent a reasonable person under the circumstances from filing an appeal.

MOTION: Paul Liedberg moved and Bob Himschoot seconded the motion to accept the late filed appeal.

Discussion:

- spoke in support of considering her late filed appeal because the circumstances were not of her making.

VOTE: The motion passed unanimously.

MOTION: Bob Himschoot moved and Tracy Hightower seconded the motion to accept the assessor's recommendation [decreasing improvements from \$324,500 to \$304,400].

VOTE: The motion passed unanimously.

A. Personal Property

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

MOTION: Bob Himschoot moved and Paul Liedberg seconded the motion to accept the assessor's recommendations.

Arne Erickson confirmed the value of the vessels had been increased by 25%, and the vessels on the adjusted list did not fit the evaluation schedule that he had developed over the years.

VOTE: The motion passed unanimously.

B. Personal Property – Late Filed Appeals

1. Case No. P-13-14, Eddie Haugen, F/V Janice M

City Clerk Williams provided a summary statement noting Mr. Haugen had not filed a letter stating why his appeal received at City Hall May 8, 2013 was late. A letter was sent to him instructing him on the process. She had also discussed it on the phone when all the appellants were given a phone call to notify them of the change in the BOE hearing date. She also explained that even though he had filed late, the city recognized there was an internal accounting error and his valuation should have been \$77,542 and not \$115,669 as recorded. The accounting error would be corrected as according to code. However, he was looking for an adjusted value of \$70,000.

MOTION: Bob Himschoot moved and Paul Liedberg seconded the motion to accept the late filed appeal.

Discussion:

- spoke against accepting the late filed appeal since there was no documentation supporting why it was filed late, but understood the accounting error needed to be fixed.

VOTE: The motion failed with Paul Liedberg, Bob Himschoot, and Tracy Hightower voting to oppose.

2. Case No. P 13-17, Carl Johnson, F/V Helen Marie II

MOTION: Bob Himschoot moved and Tracy Hightower seconded the motion to accept the late filed appeal.

City Clerk Williams provided a summary statement that noted Mr. Johnson had filed a letter with her office notifying the City his appeal received in City Hall April 23, 2013 was late, because he was not aware of the filing deadline.

Arne Erickson reported the engine on the vessel was blown, the vessel did not have any contributory value, did not think it would ever go in the water again, the reason for adjusting it to \$0, but the appeal would have to be accepted before the value was changed.

Discussion:

- spoke against taxing an item that had no value; and
- spoke from a personal perspective that the appellant's age and ability to do paperwork contributed to not filing in a timely manner.

VOTE: The motion passed with Tracy Hightower, Bob Himschoot and Paul Liedberg voting in favor of the motion.

MOTION: Bob Himschoot moved and Tracy Hightower accepted the assessor's recommendation [adjust the value of the vessel to \$0].

VOTE: The motion passed unanimously.

VI. CITIZEN DISCUSSION (Prior Notice or Agenda Items)

There was no citizen's discussion.

VII. MAYOR/COUNCIL COMMENTS

Arne Erickson reported he would be out in the fall to do a complete inventory of all properties. He was hoping to get a new photo log of all properties and was looking to see if BBEDC might have an internship.

Arne Erickson reported vessels valued over \$300,000 were on the eastside, there were none in Dillingham.

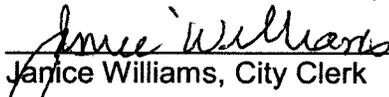
He noted Bristol Bay Borough had gone to a flat tax on private aircraft, but when the value was around \$17K to \$18K started to lose money on it [calculated \$17K times the mil rate of 13 = \$227; flat tax was \$100/\$125]. It did make it simple because didn't have to look up all the aircraft and get a value. They still did the landing fee calculation for the airlines that landed in the BB airport but housed elsewhere.

VIII. ADJOURNMENT

Mayor Ruby adjourned the meeting at 6:39 p.m.


Alice Ruby, Mayor

ATTEST:


Janice Williams, City Clerk

Date Approved: June 27, 2013

