

**THE CITY AND BOROUGH OF JUNEAU, ALASKA**  
**BOARD OF EQUALIZATION**  
**September 6, 2006**

*Worksession – Summary Notes*

**CALL TO ORDER:** Cathy Munoz called the meeting to order at 12:07pm. There being three members present, quorum was established.

**ROLL CALL**

Members Present: Cathy Munoz, Ed Kalwara, Jeannie Johnson, and Dennis Egan

Since four members were present, a quorum was established.

Members Absent: Frankie Pillifant

Staff Present: Jim Canary, Assessor; Craig Duncan, Finance Director; John Hartle, City Attorney; Kenneth Miller, Appraiser; Barbara Ritchie, Assistant City Attorney; Beth McEwen, Deputy Municipal Clerk; Terry Ullmeyer, Kim Kiefer,

Others Present: Mayor Bruce Botelho.

**Approval of Minutes:**

MOTION by Mr. Kalwara to approve all minutes for panels 1 – 5.

Ms. Johnson made a correction on May 3, page 2 - Mr. Miller said the value was too “high”.

There being no objection, minutes were approved as corrected.

- A. BOE Panel 1 - May 18, 2006  
Members: Frankie Pillifant, Ed Kalwara, Alexander Hoke
- B. BOE Panel 2 - May 30, 2006  
Members: Jeannie Johnson, Dennis Egan, Cathy Munoz
- C. BOE Panel 3 - June 15, 2006  
Members: Jim Powell, Dennis Egan, Cathy Munoz
- D. BOE Panel 4 - July 12, 2006  
Members: Jeannie Johnson, Ed Kalwara, Jim Powell
- E. BOE Panel 5 - August 10, 2006  
Members: Dennis Egan, Alexander Hoke, Ed Kalwara

Discussion continued on the Board of Equalization Process 2006 with Board Members and Staff.

Ms. Munoz asked for feedback on the BOE process.

Jim Canary thanked all the volunteer board members. It's a hard process, lots of people disagree with different concepts. Staff really tries to keep values at what it sells for and keep it consistent with neighborhood... strive for consistency. Last hearing over 3 appeals took long time, hired appraiser to give opinion on another appraiser. As assessor, trying to get packets out in a timely manner but hard to know who will show up. Try to accommodate needs of appellants as well get info out timely. Everything is hand entered.

Ms. Munoz said the staff was professional in the process, information was all available, and the video presentation very helpful.

Ms. Johnson felt the best set up was to meet in the Chambers, and to have all present be seated at tables. She was concerned about the timeliness of material going to both BOE and the appellants. Assessor's staff was working hard to do exactly what they were supposed to be doing. In one case, appellants didn't get information until they walked in the door, in case of board sometimes didn't get info until day before meeting. Need at least three day minimum on materials and if not ready by then, would need to go to next panel... 3 days absolute minimum, 5 days would be better. She understood the dynamics of the office, would rather see applicants on the schedule and then drop off if need be but at least it was there.

Ms. Ritchie said it seemed that appellants never had the packet.

Mr. Canary said the Assessors tried to meet with the appellants ahead of time to go over what the assessor was presenting. They usually discussed the information prior to the meeting and many of them got it at the meeting as well. During the meeting, they get it in packet form.

Ms. Johnson requested that a better effort be made to provide the appellants with the packet

Ms. Johnson reminded the group of the case of one young man who missed deadline and had asked if there was a possibility to make the deadline on Friday.

Ms. Munoz thought about that too and wondered what the difference would be for Friday or any other day.

Mr. Egan said he thought that applicant worked out of town.

Mr. Duncan said that all the appellants received adequate notice but many people waited until last minute to appeal.

Mr. Canary said he thought they wanted Friday for the perception of having the weekend. They really do pick up things at midnight.

Mr. Duncan said staff had proposed an appeal fee a while ago. Some folks filed an appeal the moment they got it and the assessor's office had to jump through many hoops to chase it down. Anchorage had an appeal fee.

Mr. Canary said Anchorage and Kenai had fees.

Mr. Miller said that work on one appeal averaged about 5 hours of work this year, which was a significant amount of time.

Ms. Johnson said that due to the income increases this year, hopefully they will cover that budget. Because the amounts have increased so much, she anticipated more appeals next year.

Mr. Canary said that they compared sales vs. assessed value and the numbers were set in January. They were going to watch it very closely.

Ms. Johnson said she was now hearing the market was going down, there were some who had assessed values that were greater than the actual sales prices and were paying property taxes on the higher rates.

Mayor Botelho thanked the former Assemblymembers for stepping up and trying this out. He said the Assembly would not likely impose an appeal fee without a recommendation from the Board of Equalization as the ability to challenge governmental action wasn't something they wanted to limit. He asked the BOE if 3 member panels worked, or if they should consider 5 member panels.

Ms. Johnson said the majority of decisions were unanimous.

Mr. Kalwara said that most of the appeal presentations went longer than anticipated, and the timing for the meetings needed to be considered. Regarding numbers, 3 members was a balance which could address the issue and take care of it. He thanked the clerks for keeping the process together and thought the whole thing went well.

Mr. Duncan said the time for each appeal averaged 20-30 minutes per appeal.

Mr. Egan said that no matter whether the Assembly or an independent board heard the appeals, personalities got involved. This was a major step in the right direction, (to take the BOE out of the political arena) and he would take it one step further and make it a professional board of appeals. He thought it would eventually reduce the number of appeals, as well as take some of the personality out of the process. He suggested a professional board include an engineer, an architect, a CPA, etc.  
Professional board: engineer, architect, CPA.

Mayor Botelho said there was a preference in the ordinance for those professions, and appreciated the experience former assemblymembers brought to the table.

Mr. Egan agreed that one member could be former assembly member.

Mayor Botelho said the Assembly needed to start recruiting now to find professionals to fill the seats.

Mr. Egan said a real estate professional was needed as well.

Mr. Duncan asked if there was a need to have a different board for commercial and residential property.

Ms. Johnson said that would be helpful. She thought an independent BOE should continue.

Ms. Munoz liked the structure split up between multiple panels so that no one person had to do it all.

Mayor Botelho said the Assembly was very appreciative since other activities were happening at same time.

Mr. Hartle said in his experience, this process went well. The appellants had more time spent on them and felt they were heard. He agreed with Jeannie about packet problem and next year the appellants had to have the packets in their hand prior to the meeting.

Mr. Duncan spoke with many appellants afterward, who indicated they were treated fairly and felt good about the process.

Cathy heard that feedback as well from at least 2 of the appellants. She asked that the information about the senior hardship exemption get out to people ahead of the appeal process and suggested public announcements.

Mr. Duncan had discussed this with senior groups many times in the past.

Ms. Johnson asked about a pamphlet on the hardship exemption process.

Ms. Ritchie said the ordinance suggested a three year term, and asked if a report to the Assembly would be presented. Mayor Botelho said the thought this meeting was sufficient for the reporting purposes.

Mr. Duncan suggested standardizing the process for the appeal hearing and that the process be shared with the appellants as well.

Ms. Johnson thought it was difficult to be chair due to the limitation on the chair regarding comments.

Ms. Munoz summarized the BOE Recommendations:

- Timeliness of packet distribution
- Allocate time for each appeal – when scheduling approx. 30 minutes.
  - Suggested three hours as a maximum time for a meeting and left it up to staff to determine how many appeals to schedule per meeting.
- Watching closely the changes in the market and adjust values accordingly.
- Having separate BOE with appointed professionals
  - Jim – called around to everyone he could think. Asked how much they were paid? Lay boards in Anchorage... boardmembers had conflicts, realtor's, bankers, attorney's, get less work professionally due to their service on boards.
- Continue with numerous panels with former assemblymembers or anyone else they could get. In the future, still thought it was important to get professionals on there. At least have someone with real estate experience.
- Laying out the process before hand at the beginning of the meeting.
  - Have one page brief sentence "State laws require assessments at fair market value." Referred to the Law Dept. memo.
- Hardship Exemption info available to the community.
  - Jim – open to anything, tried to get it out in as many ways as possible... trying to use terms other "hardship" exemption. Some cases taking 5-10% of their income in taxes. Matter of being able to communicate that with folks. There were currently about 1000 hardship exemptions on the books. Ms. Johnson suggested a mail out to seniors about the program or adding it to the assessment notice. Discussion took place re: information dissemination about the hardship exemption for seniors.

**ADJOURNMENT** - Chairman Munoz adjourned the meeting at 1:04 p.m.

Signed: \_\_\_\_\_  
Beth McEwen, CMC, Deputy Clerk

Signed: \_\_\_\_\_  
Cathy Munoz, BOE Chair