

SPECIAL ASSEMBLY MEETING
BOARD OF EQUALIZATION
APRIL 26, 2007

- I. Call to Order: The special meeting of April 26, 2007 was called to order by Mayor Dan O'Hara at 7:39 p.m. The meeting was held in the Assembly Room of the Borough Building, Naknek, Alaska.
- II. Roll Call: Present: Assembly Members Shelby Boothe, Eddie Clark, Russell Phelps and Bill Hester. Absent: Carvel Zimin, Jr.

Also present: Mayor Daniel J. O'Hara, Borough Clerk Betty Bonin, Assessor Arne Erickson, Tax Clerk Rosalie Johnson and Borough Manager David Soulak.

- III. Assembly Convenes as Board of Equalization: The Borough Assembly will act as the Board of Equalization to hear all tax appeals.

Arne Erickson gave a brief overview. He increased the boat values 25% this year with only 2% appealing. He also increased the processor assessments 25% and only had Trident appeal on their South Naknek plant. Residential properties have also increased.

- IV. Appeals – Real Property: There were a total of 3 appeals.

1. Rapids Camp Lodge - There were two parcels in question: Tax Lot 37-016-123A and 37-016-124A. Arne Erickson stated the assessments are consistent with other properties in the area. He recommended no change.

EDDIE CLARK MADE A MOTION TO DENY THE APPEAL ON RAPIDS CAMP LODGE SINCE IT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMINATORY. BILL HESTER SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

2. Richard Galloway: The tax lot being appealed was 20-027-608. Arne Erickson recommended no change since the value is consistent with land values established in the immediate area.

BILL HESTER MOVED TO DENY MR. GALLOWAY'S APPEAL SINCE IT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMINATORY. EDDIE CLARK SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

3. Chris Thomas: Chris Thomas was present to address his appeal. He Bought this property from Fanny May for \$25,000. After purchasing the property He found out the sewer system is not on the said lot but on the adjoining lot. The well is not in compliance with ADED and it is only 75 feet away from the septic system. There is water damage and freeze damage, improper construction and it has been neglected. Water was coming through the roof and that caused the floor to buckle and also caused Sheetrock damage. The original building posts are rotted and sinking. He is not sure It's worth fixing. He can't get a loan since there is no legal access to the property And there are a lot of technical issues to fix the place. He thinks the Borough is Assessing it twice than what it's worth. There is only 1/3 acre of land, the pipes have been broken and there is no interior bathroom. After he purchased the property, he inquired about any taxes due and the Borough did not show him as the owner. Now he is getting taxed for those years he inquired about plus penalties and interest. He does not think its fair when he had previously inquired about it. The Assembly stated that can be addressed at a different time since they are only hearing appeals tonight.

Arne Erickson stated he depreciated the home 70% bringing the assessed value of the house down from \$117,900 to \$37,500. The assessed value on the land remains the same at \$10,500 since there has been comparable sales in that area.

BILL HESTER MADE A MOTION TO DECREASE THE VALUE OF THE HOME TO \$14,500 AND LEAVING THE ASSESSMENT ON THE LAND AT \$10,500 MAKING THE TOTAL \$25,000 SINCE IT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMITORY. SHELBY BOOTHE SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

V. Appeals - Personal Property: (9)

1) John Anderson – Arne Erickson stated he inspected Mr. Anderson's property and recommended no change. Last year the Assembly established a rate on older vehicles than were operable at a minimum of \$1000 assessment. His vessel's assessment is consistent with the valuation schedule and he did not provide any information regarding an deficiencies.

Mayor Dan O'Hara stated this boat can easily be assessed at \$110,000 and that Arne Erickson is right on with the assessment. Eddie Clark suggested informing Mr. Anderson that all running vehicles in the Borough are valued at \$1000.

SHELBY BOOTHE MADE A MOTION TO DENY MR. ANDERSON'S APPEAL SINCE THE ASSESSMENT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMINATORY. MOTION WAS SECONDED BY RUSSELL PHELPS AND IT PASSED UNANIMOUSLY.

2) John Vukas: Arne Erickson recommended a reduction from \$113,750 to \$76,125. Mr. Vukas' vessel was valued as a Rozema with a diesel engine. Upon inspection, he found the vessel to be a 3 engine with gas engines. Mr. Vukas has been trying to sell the vessel for \$30,000 but didn't provide any further evidence.

EDDIE CLARK MADE A MOTION TO ACCEPT THE ASSESSOR'S RECOMMENDATION SINCE IT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMINATORY. BILL HESTER SECONDED THE MOTION. The Assessment will be reduced from \$113,750 to \$76,125 and the nets will remain the same at \$2500. MOTION PASSED UNANIMOUSLY.

3) Hubert Von Palm: Arne Erickson stated Mr. Von Palm was appealing the assessed value on his two vehicles. They were assessed at \$4025 and Arne Erickson recommended the assessed value lowered to \$2750. There was a light discussion about the vehicles. The assessment was based from the "blue books".

RUSSELL PHELPS MOVED TO DENY HURBERT VON PALM'S ASSESSMENT SINCE IT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMINATORY. BILL HESTER SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

Mayor Dan O'Hara declared a Conflict of Interest and excused himself since he was the Appraiser on the next three appeals and he left the room.

4) Bucko, Inc.: Mr. Kleinedler for Bucko, Inc. was requesting a reduction of \$125 Since he said that was the present market value. The assessment was \$29,125 for his Vessel "Bucko". Since the assessments of vessels increased this year the Assembly felt It should remain at \$29,125.

BILL HESTER MADE A MOTION TO DENY MR. KLEINEDLER'S APPEAL SINCE THE ASSESSMENT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMINATORY. SHELBY BOOTHE SECONDED THE MOTION AND IT PASSED UNANIMOUSLY. Shelby Boothe commented to make sure Mr. Kleinedler's address was correct. He stated His mail was always sent to Oregon and this assessment went to Seattle. Rosie Johnson Stated she was not the only person changing addresses.

5) Anthony Campo: Arne Erickson recommended no change. He was unable to get A hold of Mr. Campo and he did not have any supporting documents stating why his assessment should be lower. This was a Rawson boat and is currently assessed within the range of \$25-26,000. The Borough has it assessed at \$18,125.

RUSSELL PHELPS MADE A MOTION TO DENY MR. CAMPO'S APPEAL SINCE IT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMINATORY. EDDIE CLARK SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

6) Joe Thorton - Arne Erickson stated he tried several times to reach Mr. Thorton. He recommended no change since they were fair assessments. There were two boats on this assessment, the Valli and the other, Deacon. Mr. Thorton is stating he does not own the Deacon. All the recorded with the State show Joe Thorton as the last known owner.

Shelby Boothe suggested the Borough inform Mr. Thorton not to pay the taxes on the Deacon if it's not his vessel, then the Borough can auction it off for taxes.

Joe Thorton also referred to Bay Watch withholding \$2100 from his fish pay for taxes. Rosie Johnson stated that Lotta Hines had sent bills to canneries for their fishermen that owed taxes. In the past, it was up to the taxpayer to ask the Cannery to pay their tax bills. The Assembly felt that was between Bay Watch and Joe Thorton.

BILL HESTER MADE A MOTION TO DENY MR. THORTON'S REQUEST OF APPEAL SINCE THE ASSESSMENT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMINATORY. RUSSELL PHELPS SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

Mayor Dan O'Hara returned to the room and began Chairing the meeting again.

7) Gerald Leitzke – Arne Erickson stated he inspected the vessel “Isbjorn” which was a 1982 Shore Boat. He recommended the assessment be lowered from \$32,875 to \$23,000.

SHELBY BOOTHE MADE A MOTION TO DECREASE THE VALUE FROM \$32,875 TO \$23,000 SINCE IT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMINATORY. BILL HESTER SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

8) Griffin Quinton – Mr. Quinton was appealing his motor vehicles, skiff, trailer and Outboards. Arne Erickson recommended no change since it was consistent with Borough's minimum value standards established.

SHELBY BOOTHE MADE A MOTION TO DENY MR. QUINTON'S APPEAL SINCE IT WAS FAIR, JUST, EQUITABLE AND NON-DISCRIMINATORY. MOTION WAS SECONDED BY BILL HESTER AND IT PASSED UNANIMOUSLY.

9) Chad Reel – Arne Erickson recommended a reduction in the assessed value from \$53,200 to \$34,700 to reflect 1) inoperative condition of F/V Sally M III; 2) Revalue of F/V Harmony as a bow picker rather than as a Rawson, Gillnetter; and 3) deletion of an Assessed skiff.

SHELBY BOOTHE MADE A MOTION TO FOLLOW THE RECOMMENDATIONS OF THE ASSESSOR AND DECREASE THE VALUE FROM \$53,200 TO \$34,700. RUSSELL PHELPS SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

Shelby Boothe asked if all the vans and trailers by the Dock have been assessed? Rosie Johnson stated she was not sure. Most of the companies just lump everything on their Inventory. Shelby Boothe is also concerned about the chassis by Paug-Vik and the Polar Scout at the dock being picked up and taxed.

There was a light discussion about who is responsible to make sure everything is picked up for taxes. Shelby Boothe also pointed out that Quality Asphalt has equipment in King Salmon.

- VI. Reconvenes as Borough Assembly: Having heard all the appeals, the Borough now reconvenes as the Borough Assembly.
- VII. Resolution No. 2007-06 – Amending PERS Plan with the State of Alaska: Betty Bonin stated this would delete the Manager’s Position from the PERS Plan that we currently have with the State. It can be amended by Resolution. SHELBY BOOTHE MADE A MOTION TO ADOPT RESOLUTION NO. 2007-06 AND IT WAS SECONDED BY EDDIE CLARK. MOTION PASSED UNANIMOUSLY.
- VIII. Adjournment: EDDIE CLARK MOVED TO ADJOURN. MOTION WAS SECONDED BY BILL HESTER AND IT PASSED UNANIMOUSLY. The meeting adjourned at 9:04 p.m.

Daniel J. O’Hara, Mayor

ATTEST:

Betty J. Bonin, CMC, Borough Clerk