



Knox County Board of Assessment Review

A meeting of the Knox County Board of Assessment Review took place on Friday, June 8, 2012 at 10:00 a.m. in the Knox County Commission Hearing Room.

Board members in attendance: Jim Murphy, Martin Cates, John Flood, Marian Robinson, Rick Lavoie. Board members absent: Lauren Hall Kenniston

County Administrative office staff in attendance: Administrative Assistant Candice Richards serving as recording secretary.

Others in attendance: Robert Gingras, Assessing Agent for the Town of St. George; Paul L. Gibbons representing the appellant; Charles D. Jordan, Appraiser; and Steve Smith, neighbor and brother of the taxpayer. S. Dorsey Smith, taxpayer, was not in attendance.

AGENDA

Friday – June 8, 2012 – 10:00 a.m.

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|-------------|--------------|---------------------------------------|
| I. | 10:00 | Meeting Called To Order |
| II. | 10:01 | Opening Remarks by Board Chair |
| III. | 10:10 | Hearing |
| | | 1. Appellant |
| | | 2. Town of Appleton |
| IV. | 11:00 | Board Deliberation & Vote |
| V. | | Other Business |
| VI. | | Adjourn |

I. Meeting called to order
Chair Marian Robinson called the meeting to order at 10:00 a.m.

II. Opening Remarks by Chair

III. Hearing

Appellant's Evidence

The taxpayer requested an abatement based on the following information for the April 1, 2011 tax year:

Address: 340 Harts Neck Road in (Tenants Harbor) St. George, MAP/LOT: 213/070.

Current Assessed Valuation	Land	\$689,600
	Building	\$261,900
	Total	\$951,500

Owner's Opinion of Current Valuation	Land	\$440,000
	Building	\$375,000
	Total	\$815,000
Abatement Requested		\$136,500

- Martin Cates motioned that the appellant has standing for this appeal and all materials were timely filed. Rick Lavoie seconded the motion. A vote was taken with all in favor.

Attorney Gibbons stated that the County Board of Assessment Review granted an abatement to Ms. Smith last year based on there being a problem with the method by which the Town developed property vs. undeveloped property. Nothing has changed on the property since that time. Attorney Gibbons said that he had based the reduction of value on methodology and a property appraisal. Steve Smith, who also owns property in the neighborhood, will testify.

Appraiser Charles Jordan testified that he had followed uniform standard practices to come to an opinion of market value. He said that he had looked at the monthly sales report put forth by the Town and also looked at comparable sales. Since completing the appraisal, he had been presented with some information showing under assessments vs. over-assessments. It appears the data comes from the Town's monthly sales reports. The data shows that of the sales, 48 are over-assessed, with the average of over 131%, and 31 properties under-assessed with the average being 89.5% under-assessed.

Attorney Gibbons asked to present the Board with some data called Town of St. George Maine Real Estate Sales from April 1, 2010 to Date. He explained that it couldn't be handed in 14 days ahead of time because it didn't exist then. The Board Chair allowed him to hand out the document but stated that the Board would decide later whether or not it was relevant.

Steve Smith stated that he lives adjacent to S. Dorsey Smith. There are ten lots all in a line. The size of the lots are virtually identical.

Attorney Gibbons noted that the Maine Constitution Article 9 states that property has to be assessed at just values. He stated that this property is substantially overvalued. The same inconsistency of developed vs. undeveloped property exists as was shown in the written decision done by the Board after the hearing from the previous tax year.

1. In support of the taxpayer's position, she submitted the following documents:

Exhibit 1: Letter to the Board of Assessment Review from Paul Gibbons, dated 5/7/12

Exhibit 2: Application to the Knox County Board of Assessment Review, dated 5/4/12

Exhibit 3: Application to the Town of St. George for an abatement dated 1/12/12

Exhibit 4: Two-page printout from Harris RE Online Detailed View for the subject property, printed on 12/6/10

Exhibit 5: 2011 tax bill

Exhibit 6: Copy of the written decision of the Board of Assessment Review dated 5/18/11 granting a partial abatement on the taxpayer's 2010 taxes

Exhibit 7: Letter from the Town to the taxpayer granting a tax abatement of \$772.50

Exhibit 8: Revised Valuation Report from the Town dated 9/29/11

Exhibit 9: Letter from the Town denying the taxpayer's request for an abatement, dated 3/8/12

Exhibit 10: Summary Appraisal Report prepared by Charles D. Jordan, Jr. Real Estate Appraisal & Consulting – Effective Date of Value: April 1, 2011 (retrospective)

2. In support of the taxpayer's position, he offered the testimony from the following witnesses:

The taxpayer was not present. Attorney Gibbons, on behalf of the taxpayer, offered testimony from the taxpayer's neighbor and brother, Steve Smith, and Charles S. Jordan, appraiser.

3. Overvaluation:

In this appeal, one of the taxpayer's concerns and arguments focused on her belief that the property was substantially overvalued. The evidence of overvaluation the taxpayer presented was primarily based on the taxpayer's belief that the valuation did not reflect "just value" or "market value".

4. Unjust Discrimination:

In this appeal, one of the taxpayer's concerns and arguments focused on her belief that the property was the subject of unjust discrimination. The evidence of unjust discrimination the taxpayer presented was primarily based on the taxpayer's view that the Town's Assessors' Agent did not apply the cost method uniformly and that there was an inconsistency in assessment between developed and undeveloped lots.

5. Illegally Assessed Valuation:

In this appeal, one of the taxpayer's concerns and arguments focused on her belief that the assessed valuation of the subject property was illegal. The evidence of the supposed illegal nature of the assessment presented was primarily based on the taxpayer's belief that the valuation did not reflect "just value" or "market value".

Town's Evidence

Mr. Gingras stated that the appraisal was not among the evidence supplied to the Town when the Board of Assessors made their initial decision. The Town has realized that it is going in the wrong direction so the Town is going to reduce values on the land across the board, by 110% and 113%. As far as the adding 25% to an undeveloped lot, that math doesn't work. The value on the land is the allocation from the sale of a piece of property. There hadn't been any inequity, but there is now so the Town is going to change the values and reduce the land values across the board by 20% to bring everybody in line with the market value. S. Dorsey Smith was never overvalued and the valuations were all based on the same five sales. The petitioner has not shown any evidence of overvaluation. She should not be getting any abatement.

Rick Lavoie commented that he still didn't understand the explanation of the undeveloped vs. developed. Mr. Gingras replied that it doesn't matter because the issue before the Board is the value of the property being discussed today. It's not an undeveloped lot so that's not an issue today. The issue is if Ms. Smith is overvalued compared to any of the similar properties. The answer is no.

Mr. Smith noted that the property that just sold for \$450,000 was valued at \$800,000.

1. The Assessor(s) submitted as evidence the following documents:

Exhibit 1: Letter to the Knox County Board of Assessment Review dated May 22, 2012

Exhibit 2: Property Cards and Valuation Reports for neighboring properties, including S. Dorsey Smith's property for:

- a) Map 213 Lot 070
- b) Map 213 Lot 069
- c) Map 213 Lot 071
- d) Map 213 Lot 072
- e) Map 213 Lot 073
- f) Map 213 Lot 074
- g) Map 213 Lot 075
- h) Map 213 Lot 076
- i) Map 213 Lot 077
- j) Map 213 Lot 078

Exhibit 3: Property Cards and Valuation Reports for sales of properties with comparable waterfront values.

- a) Map 230 Lot 057
- b) Map 213 Lot 069
- c) Map 216 Lot 028
- d) Map 101 Lot 004
- e) Map 203 Lot 039
- f) Map 209 Lot 029-A
- g) Map 209 Lot 029

Exhibit 4: Results of sales adjusted by 25% as recommended by the Knox County Board for both of the Smith properties (packet of Valuation Reports)

Exhibit 5: Letter from the State of Maine Revenue Services Property Tax Division to the Town of St. George, which included a copy of the preliminary 2012 State Valuation Report for St. George, dated June, 2011

Exhibit 6: Tax maps: 101, 203, 209, 213, 216, 230

2. The Assessor(s) offered the testimony from the following witnesses:

Robert Gingras, Assessors' Agent for the Town of St. George represented the Town. He offered no other witnesses.

3. The town certified ratio for the assessment year being appealed:

Mr. Gingras testified that the Town's ratio was 100%.

Public hearing closed at 10:42 a.m.

IV. Board Deliberation & Vote

Findings of fact

- 1. The appellant has standing for this appeal by virtue of her ownership of this property.
- 2. The appeal was timely filed and only materials filed in a timely manner were considered.

3. In that the Town's abated assessed value is \$951,500 and that the appellant's opinion of value is \$815,000, which is 85.6% of the assessed value, the appellant did not demonstrate that the Town's value was manifestly wrong.
 4. The Town's certified ratio was 100% and the quality rating was 10 for residential and 12 for waterfront for the assessed year being appealed.
 5. The written communication between the Town and the Appellant was clear.
 6. The Knox County Board of Assessment Review finds that the appellant's testimony was not persuasive as to the question of unjust discrimination.
- **A motion was made by Jim Murphy to accept the findings of fact. The motion was seconded by Martin Cates. A vote was taken with all in favor 5 - 0.**

Decision

Based on the Board's review of the written information submitted by Ms. S. Dorsey Smith and the Town of St. George Assessors, and after oral presentations by Robert Gingras, Assessors' Agent for the Town of St. George, Steve Smith, neighbor and brother of Ms. Smith, Charles D. Jordan, appraiser, and Paul Gibbons, attorney for the taxpayer, the Board determined as follows:

The Board finds that that the taxpayer's testimony was not persuasive on the issue of substantial overvaluation, unjust discrimination, or illegal assessment.

Based upon the foregoing, the Board finds that the taxpayer has not proved that the assessed valuation of her property was manifestly wrong; therefore, the Board denies her request for abatement relating to the April 1, 2011 tax year.

- **A motion was made by Jim Murphy to deny the appellant's abatement request. The motion was seconded by John Flood. A vote was taken with all in favor: 5 - 0**

V. Other Business

VI. Adjourn

- A motion was made by Jim Murphy to adjourn. The motion was seconded by Martin Cates. A vote was taken with all in favor.

Meeting adjourned 11:39 a.m.

Respectfully Submitted,

Candice Richards
Administrative Assistant
Board of Assessment Review Recording Secretary