

The Alleghany County Board of Commissioners met in special session on Thursday, January 18, 2007, at 6:30pm in the Commissioners Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina.

Present: Chair Ken Richardson, Vice-Chair Warren Taylor, Commissioner Randy Miller, Commissioner Doug Murphy, County Attorney Donna Shumate, County Manager Don Adams, and Clerk to the Board Karen Evans. Commissioner Milly Richardson was present but arrived late.

Chair Ken Richardson called the meeting to order.

Commissioner Randy Miller made a motion to approve the agenda for this January 18, 2007, meeting. Commissioner Doug Murphy seconded the motion. Vote 4:0.

AGENDA
Thursday, January 18, 2007
6:30 PM

6:30 Meeting Called To Order
Motion on Agenda for January 18, 2007, meeting
6:35 Mary Walker/Pearson Appraisals
RE: Revaluation
Public Comments
Adjourn

Mary Walker, Tax Administrator, talked about the purpose of revaluation, revaluation laws and how the market affects values. She stated that Bob Pearson and Donny Smith with Pearson Appraisals completed this revaluation and in 1991. She passed around sales data books. She talked about there are four mass appraisal companies in the United States, and Alleghany County has always contracted these services out.

Bob Pearson explained the revaluation process; task is to appraise each and every parcel at market value while trying to be fair. He stated that they went through the informal appeals and used fairness in completing the process.

Commissioner Milly Richardson and Bob Pearson talked about the process started in February 2005.

Commissioner Milly Richardson asked about values changing.

Bob Pearson stated that they are looking at accurate market values as of January 1, 2007. He explained that the process is to keep up with the market rates, and sales tell the true story.

Commissioner Milly Richardson and Bob Pearson talked about the rates were changed to reach the market value as of January 1, 2007.

Bob Pearson explained the public utilities and reasons for being as close to 100% of market price.

Commissioner Milly Richardson and Bob Pearson talked about the revaluation numbers should be within 10% either way as of January 1, 2007. He talked about they try to correct any errors that are discovered and the tax office will continue to do so.

Commissioner Milly Richardson and Bob Pearson talked about the table of values. He explained that the last assessment had 8 neighborhoods, and they have 85 neighborhoods. He further explained the importance of the neighborhoods and sales data. They talked about subdivisions in the different neighborhoods.

Commissioner Milly Richardson asked about use-value changes.

Bob Pearson stated that the State provides the use-value rates. He further

stated that if anyone challenges those rates, then the State handles it.

Commissioner Doug Murphy asked if there isn't a comparable structure, how is it handled.

Bob Pearson explained how they price things according to the neighborhoods rather than each house, and they compare the ratio to the sales.

Commissioner Doug Murphy asked how they adjust for lack of sales data in a particular area.

Bob Pearson stated that if they are in doubt, they are conservative. He talked about the State will publish the County sales ratio as compared to others that just completed a revaluation.

Commissioner Milly Richardson asked about how two same style houses are valued in two different locations and a larger house compared to the next door smaller house.

Bob Pearson explained style adjustments for houses.

Commissioner Warren Taylor asked Bob Pearson to explain a revenue-neutral tax rate.

Bob Pearson stated that the overall values have doubled. He talked about the current tax rate of 70¢ and how the tax rate will be adjusted. He reiterated that errors will continue to be corrected. He explained the types of errors that he is talking about; number of bathrooms, finished area, etc.

Commissioner Milly Richardson and Bob Pearson talked about the number of appeals that Pearson's handled; 2,600. He explained the informal appeal process.

Commissioner Milly Richardson and Mary Walker talked about how many property owners are there in Allegheny County; 16,300.

Bob Pearson stated that approximately 15% was appealed.

Commissioner Milly Richardson asked if that is within normal ranges.

Bob Pearson talked about that is standard for the large value increases. He further talked about the market is good in Allegheny County and other places are flat.

Rosamond Joines stated that she has made several trips to the Tax Office, and she wants to personally thank them for their professional courtesy and assistance.

Don Nester reiterated Rosamond Jonies's comments regarding the staff in the Tax Office.

Dean Choate asked about his property assessment because Duke Power lines cover part of his land. He asked why the value went up so much.

Bob Pearson stated that the sales show the market value.

Dean Choate stated they tried to meet with them, and they put them on a time frame.

Chair Ken Richardson asked would the Choate's like another appointment.

Mrs. Choate stated yes.

Dean Choate stated that they have a list of stuff that can't be done on the property because of the power lines. He talked about the land is steep, too.

Bob Pearson stated that they need to see the list. He asked the Choate's to put

information together and come see them.

Chair Ken Richardson assured Dean Choate that his issue will be addressed.

Rosamond Joines asked about right-of-way issues.

Bob Pearson stated that they would have to see it and see how it affects the property.

Hoyt Sparks asked about use value and market value, also.

Bob Pearson explained they always assess property as market value first then use value if the individual qualifies.

Hoyt Sparks explained his situation regarding his market value and was told why worry about it since you have use value.

Bob Pearson stated that shouldn't have happened.

Hoyt Sparks and Mary Walker talked about selling property and the three year roll-back process. Mr. Sparks stated that if the market value is wrong then unjust money goes to Alleghany County.

Bob Pearson reiterated that the market value issue should have been addressed.

Hoyt Sparks talked about the utility property issue and being unclear regarding the 90%. He also talked about the constant adjusting of the market rates during the process.

Bob Pearson stated that they have to keep up with the changing prices and the contract requires that.

Hoyt Sparks stated that Pearson's Appraisals didn't have to make the changes.

Bob Pearson stated that yes they did because they had to hit certain percentages that was in the contract. He explained that early 2005 was the beginning of the process, and they had to move with the margin and stay on top of the market. He talked about working with the tax office in obtaining the sales data. He explained that they looked for everything they can.

Martha Holder asked how the style adjustments are established.

Bob Pearson explained the process of the style adjustments and reviewing how they are selling.

Martha Holder asked who determines the value of each style.

Bob Pearson stated that the square feet and condition affects the value.

Martha Holder talked about looking at the house in a neighborhood and having no comparison of like houses in the same neighborhood.

Bob Pearson stated as appraisers, they take the sales and look at market values.

Martha Holder talked about when looking at the housing market, what the assessments can be used for.

Bob Pearson stated that a willing buyer and a willing selling is a valid sale.

Martha Holder stated that the inflated land values are because of outside people coming here.

Bob Pearson stated that he was shocked at some of the numbers he has seen. He said he can't say it is inflated because the sales data supports the values.

Martha Holder said that she knows the Board of Commissioners is bound by law but can they make adjustments.

Bob Pearson stated no because everyone should pay based on market values.

Martha Holder asked about does the Board of Commissioners have the authority to create categories that would separate areas.

Commissioner Warren Taylor stated that areas can't be singled out. He furthered stated that action would have to come from the State.

Martha Holder and Commissioner Warren Taylor talked about the process, State law regarding elderly exemption and illiterate people having a hard time understanding this information.

Commissioner Milly Richardson talked about having an educational process to make citizens more aware and target people who have elderly people in their family.

Martha Holder talked about having this in the communities and advertise it through the schools.

Commissioner Milly Richardson stated that is an excellent idea. She asked about a view tax

Bob Pearson and Mary Walker stated that Alleghany County doesn't have a view tax.

Commissioner Milly Richardson asked if a good view is factored in.

Bob Pearson gave an example of two lots in Roaring Gap being valued differently only because of the view.

Commissioner Milly Richardson stated that the County doesn't have a view tax but view comes into play. She stated that a view is subjective and how can it be factored into the value.

Bob Pearson says the sales tell that data.

Commissioner Milly Richardson asked is there something to do to eliminate the view factor.

Bob Pearson stated that all properties should be assessed at true market value.

Commissioner Milly Richardson and Bob Pearson talked about a view factor placed on properties.

Chair Ken Richardson asked for additional public comments. None were received.

Chair Ken Richardson encouraged everyone to contact the Tax Office for any additional concerns. He talked about the Board of Equalization and Review. He thanked everyone for attending this meeting.

Being no further business, Commissioner Warren Taylor made a motion to adjourn at 7:35pm. Commissioner Doug Murphy seconded the motion. Vote 5:0.

Respectfully submitted,

Karen Evans
Clerk to the Board

Attest:

Ken Richardson
Chairman