

DRAFT

COUNTY FINANCE MEETING
MAY 22, 1992, 10:00AM

PRESENT: Chairman Johnnie Evans
Commissioner Sherrell Riddle
Commissioner Tom Bacote
Cliff Strassenburg, County Mgr.
Steve Horne, County Assessor
Tom Grantonic, Asst. Tax Assessor
Bill Conley, Property Tax Specialist with N.C. Dept. of Revenue
Joe Hunt, Member of Staff, Institute of Government, University
of North Carolina at Chapel Hill
Marsha Fogle, Clerk

Commissioner Evans called the meeting to order. Cliff Strassenburg noted that the Board of Commissioners had referred review of the County's Revaluation to the Finance Committee. He said he had invited Mr. Conley and Mr. Hunt to review our process.

He introduced Mr. Conley and Mr. Hunt noting their areas of expertise. Mr. Conley is with the N.C. Department of Revenue, Property Tax Division. He has been involved in appraisals for the past 25-30 years in both the public and private sector. He is a member of the International Association of Assessors; he is also a Broker. He has been the Mayor of Wendell and also a Councilman.

Mr. Hunt has been on the staff of the Institute of Government for 10 years. Prior to that he worked in appraisals for over 30 years. He is nationally known and has published nationally. Mr. Hunt is also an MAI.

Mr. Strassenburg asked Mr. Conley and Mr. Hunt to validate the county's revaluation relative to the methods and procedures used.

Mr. Conley remarked that he has been in contact with this county's tax assessor office over the past two years and feels confident he knows what is going on in this county. He said that the Assessor's office has done a good job in this valuation. He also said that you can expect some errors and that is why the revaluation process includes an appeal process. Anyone can appeal their values to the E & R Board and the State Property Tax Commission. He said he thought it wrong to target the county's revaluation system for review, instead we should be looking at specific values.

Joe Hunt reviewed briefly the revaluation process. He noted there are standards that must be followed for mass appraisal. He said that as a part of the process appeals are heard by the Equalization and Review Board and the Ad Valorem Section of the State Property Tax Division. He noted he had not done an "in-depth review" however he looked at our system of revaluation. He said that our computerized system is one of the best, in fact we may be on the leading edge. He said our system is "in tact." He noted our people are fully certified and trained. From his review he said we have a high degree of equity in our revaluation. He said the Sales Assessment Ratio study indicated our median level to be 100.74% with a coefficient of dispersion of 8.40, which is well within standards. He said there is no evidence there is anything wrong with the system we are using. He noted that people who have problems with their revaluation should go through the proper channels to appeal.

SPEAKERS:

1. Mr. D.S. McCormick, Jr.: Concerned about farmland and forestland. Does not think revaluation has hit on the fair market value of farmland and forestland.

In response, Mr. Conley said that in appraising agriculture property you look at the "highest and best possible use of the property." Mr. Hunt noted that valuing farmland and forestland may be the most difficult to value. He also said that unless it has been designated as property to be considered under present use status, it is valued on the highest and best use of the property.

2. Jerry Holstad: Also concerned about farmland and forestland and what he termed as disparities in the revaluation.
3. J.P. Riddle: Noted specific problems with properties he owned.
4. Robert Butler: Said there were some gross mistakes made; concerned that 17,000 parcels decreased.
5. Betty Carter: Alleged tax assessor officials not competent to do the work. Noted some large increases from revaluation from 1988. Wants revaluations checked to insure accuracy before they are mailed to public.

In response, Mr. Hunt stated that all the staff involved in the revaluation were property certified by the State of North Carolina. He said we have expertise in this office we should be proud of. He said you can't just look at decreases/increases in the revaluation. He said we do not have a county-wide problem; only some specific errors.

6. Mr. Von Autry: Said his revaluation was too high. He appealed it and his value was lowered. More concerned about inconsistencies and the number of reductions. Noted reductions in the mall area. Does not think all is well with the system.

Commissioner Evans asked if in future revaluations we could red-flag excessive increases and decreases and look at them prior to sending out the revaluation notices.

Mr. Hunt and Mr. Conley both stated that all of the problems they had heard today could be handled by going through the proper appeal process. They said there is no need to change the way (system) we do our revaluation just because some errors have been made.

Mr. Strassenburg said that we could indeed program the computer to red-flag excessive increases/decreases for our next revaluation. Mr. Hunt said this would be a good quality control measure.

Meeting adjourned: 12:00