



CITY COUNCIL ACTION REPORT

May 24, 2007

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager-Finance/Administration
Nino Licari, City Assessor

SUBJECT: Report & Communication – Council Comments from 05/21/07 – Additional Panel and Security Concerns for Board of Review

Background:

- At the May 21, 2007 City Council meeting, Councilman Howrylak suggested looking into whether or not the Board of Review needed another 3 member panel to augment the existing 3 member Board. He expressed concern over the workload this past March.

He also suggested looking into increased security for the meetings.

It can only be assumed that these concerns were brought forward to him by his father, who serves admirably on the Board of Review. No Board member has mentioned this to me.

The 2007 Board of Review had 155 in-person appeals this year, spread over a 5 day (and meeting) time frame (the first 3 days and hours are set by State law). There were 191 appointments available during those times (each appeal is given a 10 minute appointment). Therefore, there were 36 vacant appointments in the schedule, accounting for 360 minutes, or 6 hours of openings in the schedule. These openings were spread fairly evenly over each day.

There was, however, very few minutes of rest (other than lunches or dinners) for the Board. It seemed that whenever an opening was available, other petitioners would go well beyond their allotted time, and use up the available open space. This was a courteous and commendable action by the Board's Chair, and it's members, as it would have been to the Board's benefit to end the petitioner's appeal after their allotted time had expired.

The 155 appointments were the most we have heard since 1995, the year following the implementation of Proposal A, the 'cut and cap' proposal.

Many petitioners were angry, and aggressive this year, as most saw their assessments go down, and yet had to deal with their taxable value going up. The Board, in its entirety, showed remarkable calm and patience in dealing with these taxpayers.

One petitioner raised concerns for the Board, the waiting petitioners, and the Deputy Assessor, Kimberly Harper, (who was stationed at the Assessing counter to assist petitioners with the forms, and answer questions, which is standard procedure). Kim did request a Police presence, as the petitioner was making everyone within earshot nervous.

The 2 Officers stayed inside the Assessing counter, and no action, or intervention was needed.

All of this being said, there was only 1 extra day added to cover the appointments this year. While 155 appointments are much more than normal, post Proposal A, it is certainly not overwhelming. Prior to Proposal A, we regularly saw over 300 appointments in a year, with 1 Board. We either saw them over 8 days, or shortened the appointments to 5 minutes each, and saw them over 5 days. We regularly worked until 10:30, 11:00, or 11:30 for 7 of the 8 days.

For a few years in the late 80,s and early 90's we ran 2 Boards, and peaked at almost 800 appeals, before Proposal A reduced the number, dramatically.

While 155 appointments (or even fewer in the preceding 8-10 years) is a benefit for the staff in the Assessing Department, only 1 member of this current Board ever saw anywhere near the volume we used to handle, and were used to handling.

Most of the pre Proposal A petitioners were angrier than those we saw in 2007. Any change in their assessment meant a change in taxes, and at that time we were seeing double digit increases in assessments. We had the same security set up then, as now, someone at the counter.

As most taxpayers are now aware of the workings of taxable value, I do not foresee the amount of appointments increasing, even if the market continues to fall for the next year or so. The first time anything new happens in the assessing field is usually the worst year for appeals, after that, the public becomes educated, and the appeals drop off.

The shortest serving member of the board has been on for 9 years, and fatigue with the process, and the time required can be a factor. As they are volunteers, I would not feel abandoned by any who wish to resign. I appreciate the tremendous work that all of our members, past and present have given to the citizens of this community.

It should be apparent that I do not favor adding another Board, with this volume of appointments.

As for the security issue, short of having a metal detector at all of the entrances, I do not see any way to be more secure than we are. As no metal detectors are used at the Council meetings, or any other Board meetings, I am averse to be the first Board to have them.

Financial Considerations:

- Board members are paid \$75 per meeting (usually a minimum of 8 hours long). This year's stipend amounted to \$1,125. The lunches and dinners amounted to \$402.88. This is a total of \$1,527.88 for 2007. Another Board would cost at least $\frac{3}{4}$ of this amount, or \$1,145.91 for a total

of \$2,673.79. Additionally, there would be overtime for 1 more Office Assistant (to take notes), and overtime for an Appraiser to assist at the counter (as the Deputy Assessor would have to be the Secretary of the second Board. At an average cost of \$100 per hour (including benefits for both) this would add an additional \$2,000. This puts the total cost at \$4,673.79, an additional \$3,145.91, which is not budgeted, and has no other funding source.

Legal Considerations:

- There are no legal considerations with this issue.

Policy Considerations:

- Adding another 3 member panel to the Board of Review does not advance any policy considerations of the City Council. It may, in fact, be adverse to Policy Goal II: "Minimize the cost and increase the efficiency and effectiveness of City government.", as it would not minimize the cost, and there is certainly a question of it being more efficient.

Options:

- Council has the option of appointing up to 3 – 3 member panels to the Board of Review by State law.