

April 18, 2018

**PERCH LAKE TOWNSHIP
MINUTES OF THE BOARD OF APPEAL AND EQUALIZATION**

Motions are tagged in bold. The County Assessor is presumed to hold the official record of transactions.

1. CALL TO ORDER, ROLL CALL

Chair Gary Harms opened the meeting at 10:00 a.m., with roll call.

Town Board Officers: Chair Gary Harms, Supervisor Steve Olson, Supervisor Tom DeLovely, and Clerk Lora Eames.

Attend. not required: Treasurer Cheri DeMenge.

County Assessor: County Assessor Kyle Holmes, Chief Deputy Assessor Donna House, Appraiser Brian House.

2. APPROVAL OF AGENDA.

MOTION (Olson/DeLovely): To approve the agenda as presented. Motion carried.

3. INTRODUCTION AND COMMENTS

Chair Harms announced that this meeting was for the review of property assessments for 2019.

County Assessor Holmes introduced his staff and provided the following information:

- The Assessor (i) reviews the property valuations and classifications each year to ensure that they are in line with sales values; (ii) conducts a door-to-door re-inspection every five years; and (iii) anticipates doing one in Perch Lake in the summer of 2019.
- The Assessor determined/implemented a slight decrease three years ago, and has made no changes since then. In the last two years, Perch Lake had seven good sales with a 96.9% ratio one year and eleven good sales with a 96.7% ratio the next year. (Ratio here is the assessed value to selling price.)
- Home sales in Carlton County are "hot" right now, especially in Moose Lake.
- Perch Lake Township saw \$450,000 in new construction this year, and \$550,000 last year.

4. COUNTY ASSESSOR

a. Hearing appeals from those in attendance.

(1) Kelley Family Trust

- Parcel Nos. 92-010-3900 & 92-010-3910, 3148 Magney Drive

Both Joseph and Arlene Kelley, Trustees, were present to request a reduction in the Estimated Market Value (EMV) of each parcel.

MOTION (Harms/Olson): To recommend a reduction of 7.5% in Estimated Market Value (EMVs) on both parcels. Motion carried.

<u>Parcel #</u>	<u>Change in EMV</u>	<u>Explanation</u>
92-010-3900	-\$1,900	Value too high, lowland
92-010-3910	-\$1,100	Value too high, lowland

b. Other appeals and motions.

- (1) Erik R. Johnson
 - Parcel #92-010-4800

Erik Johnson contacted the County Assessor. He had a survey done, which corrected the acreage, resulting in fewer acres. Therefore, he is asking for a reduction in value.

MOTION (Olson/DeLovely): To recommend a reduction in the Estimated Market Value (EMV). Motion carried.

<u>Parcel #</u>	<u>Change in EMV</u>	<u>Explanation</u>
92-010-4800	-\$2,100	Value too high, fewer acres as verified by survey

5. **ADDITIONAL COMMENTS**
Enbridge Lawsuit

Background: Enbridge has appealed five years of taxes, claiming the Minnesota Department of Revenue unfairly valued its pipeline network in the state. The company argues that this overvaluation resulted in much higher property tax payments. Holmes reported that he expected a court decision sometime in May or June, which is likely to be appealed to the State Supreme Court.

Discussion centered on four townships involved - Perch Lake, Sawyer, Twin Lakes, and Silverbrook, and the potential impacts from adverse judgements. Holmes noted that (i) thirty-seven public utilities companies have statewide lawsuits pending against Minnesota Revenue; and (ii) the State Supreme Court would not likely allow these lawsuits to bankrupt local governments.

The Carlton County Board has supported Enbridge and its Line 3 Replacement, but has not signed off on any new easements until after the outcome of the court case. The amount owed by the County from the lawsuit is likely to figure into the cost charged to Enbridge for the easements.

6. **ADJOURNMENT**

MOTION (Harms/DeLovely): To adjourn the meeting at 12:00 noon. Motion carried.

Respectfully submitted,

Approved by Town Board

Lora Eames, Clerk

Gary Harms, Chair

7. **EXHIBITS AVAILABLE UPON REQUEST**

- a. Exhibit A - March 20, 2018, Listing of Owners, Property Classifications, and Estimated/Taxable Market Values.
- b. Exhibit B - Booklet of 2017 Sales
- c. Exhibit C - Carlton County Final 2018 Local Tax Rates