



BOARD OF EQUALIZATION - ANNUAL TRAINING SESSION AGENDA

May 04, 2023 at 5:30 PM

Zoom Webinar

<https://juneau.zoom.us/j/99741860260> or 1-253-215-8782 Webinar ID: 997 4186 0260

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF AGENDA

D. AGENDA TOPICS

1. Office of the State Assessor BOE Training - Joseph Caissie, State Assessor

2. Presentation of CBJ Assessment Process - Assessor's Office Staff

3. BOE Hearing Process - Reference Material

4. Election of BOE Chair/Vice Chair

E. NEXT HEARING DATES:

Standing Placeholder Hearings set for **every Thursday May - June at 5:30pm via Zoom Webinar**. Clerk staff will notify BOE members if no hearing is scheduled for that week.

F. ADJOURNMENT



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Section D, Item 1.

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

BOARD OF EQUALIZATION (BOE) TRAINING
OFFICE OF THE STATE ASSESSOR

Joe Caissie
State Assessor

Spring 2023



The Board of Equalization (BOE) and the Appeal Process

Section D, Item 1.



**Prepared by:
Office of the State Assessor
2023**



Taxpayer Confidence in a Fair Property Tax

Section D, Item 1.

- Listen to the case presented
- Decide based on the evidence presented
- Establish a record that supports the decision
- Ask questions on the record
- Follow due process



Citizen Interaction with Government

Section D, Item 1.

Property tax system

- Assessment
- Tax billing and collection

Annual interaction

Meaningful and productive

Opinions and observations given consideration



Mass Appraisal

Section D, Item 1.

“The process of valuing a group of properties as of a given date, using standard methods, employing common data, and allowing for statistical testing.”

USPAP Standard 6

Establish:

What group of properties?

What are the standard methods?

What is the common data?

The results of the statistical testing?



BOE - Points of Discussion

Section D, Item 1.

- What is the assessment process?
- What is the role of the BOE?
- What is expected of the BOE?
- What is an administrative hearing?
- How should an appeal be decided?
- What is expected of the Assessor?
- What is the responsibility of the Appellant?



Administrative Hearing

Section D, Item 1.

Adjudicator

- Judge
- Jury
- Cross-Examiner

The Board of Equalization fulfills all three roles in the hearing of a real or personal property appeal.



Quasi-Judicial Process

Section D, Item 1.

You are a judge!

Think like a judge!

Act like a judge!

Presume decision will be reviewed by a higher court!

Appellate court does not want to substitute judgment on facts.

Follow due process and existing law.



The Appeal Process

Section D, Item 1.

The Assessor is the government official responsible for establishing the value of all property within a municipality's boundaries for ad valorem purposes, not the Board of Equalization (BOE)

The BOE listens to appeals, and if necessary, adjusts the assessment of individual properties, higher, or lower.

Statutory mandates for filing an appeal and scheduling a hearing at the BOE may be found at AS 29.45.190



The Appeal Hearing

Section D, Item 1.

AS 29.45.210(b) - Hearing

- The Appellant bears the burden of proof
- A successful appeal must establish that valuation is unequal, excessive, improper or undervalued based on facts stated in a valid written appeal or proven at the appeal hearing.



Unequal, Excessive, Improper

Section D, Item 1.

The interpretation of meaning from the court decisions:

EXCESSIVE – To show that an assessment is excessive, an appellant must show that the assessment is more than just overvalued. It must be shown that the assessment is grossly disproportionate when compared to other assessments (*or, it can be shown that there is an intentional or fraudulent purpose to place an excessive valuation on the property.*)

UNEQUAL – To show that an assessment is unequal, the appellant must show that there are other properties in the same class as the property being appealed and that there is no basis that would justify different valuations of the property.

IMPROPER – To show that an assessment is improper, it must be shown that the assessor used an improper method of valuation, which amounts to fraud or a clear adoption of a wrong principle of valuation.

UNDERVALUED – Rare, but yes it does happen from time to time.



Unequal, Excessive, Improper

Section D, Item 1.

- Currently no definition in statute or municipal code
- Assessment professional standards provide specific definitions that are measurable
- Ratio of assessed value to sale price and dispersion from the median sale price
- Uniform use of an accepted method of valuation



Role of The Board

Section D, Item 1.

By statute, is comprised of *assembly members* OR assembly may delegate this authority to *one or more lay boards*

- Appointed boards may not be less than 3 members
- May be made up of assembly members, members of the public or a combination of the two
- Listens to presentations by the assessor and the appellant, asks questions, DOES NOT present its own evidence
- Makes a determination based upon the facts presented at the hearing



Role of the Assembly/Council

Section D, Item 1.

The assembly/council acts as the Board of Equalization unless it appoints a BOE made up of individuals that are knowledgeable of real property value and the local real estate market

The BOE is the interpreter/finder of facts

- *only facts presented at the hearing*



Role of the Appellant

Section D, Item 1.

The appellant bears the burden of proof:

- This is because the appellant is the one seeking a change of the status quo
- The appellant must present salient facts, not rumor, not anecdotes, no vague innuendos, but facts, about the property that supports the allegation of an assessment that has been made in error
- The appellant needs to convince you, using those facts, that a mistake has been made in the valuation of the property



Role of the Assessor

Section D, Item 1.

- Appointed by Mayor, Manager, or Assembly
- Administration of property assessments
- Determination of exemption requests
- Discovery of all taxable property (both real and personal)
- Requires adequate mapping for real property
- Personal property: self-reporting; monitoring by assessor, force filings if necessary
- Listing (description) of all property
- Valuation of all taxable (real & personal) property
- Notification to all property owners of values
- Appearance before the BOE to defend assessments



Role of the Assessor

Section D, Item 1.

Establish a foundation proving:

- Equal treatment of all taxpayers
- Uniform assessed values
- Proper use appraisal methods

(See AS 29.45.210)



Role of the Assessor

Section D, Item 1.

Goal is to achieve uniform assessments, consequently, will use “mass appraisal” techniques, not fee appraisal techniques.

In order to produce equality in the tax burden, there must be uniformity in the manner of assessments.

Between standards of actual value and uniformity of assessments, *courts generally prefer the latter.*



Mass Appraisal Techniques

Section D, Item 1.

- Alaska faces unique challenges – small numbers of properties, and even smaller numbers of sales (non-disclosure)
- The State Assessor has been encouraging local assessors to use evidence besides sales (employment, economic activity, sales from other categories of properties) to support value changes, in the absence of sales



Assessor's Appeal Response

Section D, Item 1.

Explain the case

Present evidence of:

- equity in assessment
- relationship to market value
- correct application of appraisal method



The Appeal

Section D, Item 1.

Property owners may appeal to the BOE for relief from inaccurate assessments

Remember: The Appellant, not the Assessor bears the burden of proof

BUT: Once the Appellant meets this burden, then the burden falls to the Assessor to rebut the evidence presented

Appeal should be in a written format with evidence why owner feels assessment is unjust

Not sufficient for appellant merely to establish there is a disagreement with the assessor's value



The Hearing

Section D, Item 1.

Rules should be set down in writing and known to all prior to the hearing.

- Adjudicative hearing
- On the record
- Based on law
- Based on evidence and argument presented at the hearing
- Potential judicial review by a higher court



Due Process

Section D, Item 1.

1. Prior notice and hearing
2. Trial-type hearing (on record)
3. Right to counsel
4. Impartial decision-makers
5. Findings of fact and conclusions of law



Evidence and Argument

Section D, Item 1.

- Both parties have the opportunity to present evidence and argument to support their position.
- Both parties have an opportunity to see the evidence and argument prior to the hearing.
- Both parties have the opportunity to rebut the evidence and argument presented at the hearing.
- Evidence (more to do with presentation of fact)
- Argument (more to do with interpretation of law)



Outside Evidence/Facts

Section D, Item 1.

- Not consistent with due process
- If you make a decision based on privately-held facts, neither party has the opportunity to rebut/contextualize
- We ALL “know” things. Sometimes we’re wrong.
- It’s a fine line, but your questioning can encourage a party to produce evidence that might be helpful in making your decision.



Finding of Facts/Conclusions of Law

Section D, Item 1.

Findings of Fact-

Determinations setting forth all the facts found to be true at the hearing. Facts being those elements of evidence provided by either the appellant or the assessor that the Board found to be decisive and/or significant.

Conclusion of Law-

The conclusions reached based on the legal premises for the decision.



Finding of Facts/Conclusions of Law

Section D, Item 1.

- Treat every case as though it will be appealed to the courts.
- The courts will review the record of the hearing – an appellant does not receive a new hearing.
- Courts need to know how you made your decision.
- Place yourself in court's position and determine if you can understand why BOE made the decision it made.
- Make sure your findings of fact relate to the issues brought forth.
- If the appellant has made an assertion as to why the value should be lower, make sure your conclusions address the assertion as to why it was or was not considered appropriate. If the court can't understand your findings, it will probably send the case back to the Board.



Appeal Review Law, Fact, and Discretion

Section D, Item 1.

Legal authority, correct application of law

Substantial evidence test:

- Whole record
- Relevant evidence for and against

Abuse of discretion test:

- Arbitrary and Capricious – willful and unreasonable action without consideration or in disregard of facts or law or without determining principle



Late Filed Appeals

Section D, Item 1.

- The BOE may allow a late filing if the owner was unable to comply with the 30 day appeal period.
- The BOE should have, in place, written criteria of why someone may file late appeal.
- Be consistent with approval/denials with applications of late file requests.
- Assessor's office mails notification to last known address or owner.
- A sale of property that occurs after the mailing of notice does not negate the original 30 day filing period, because notice was made.



Exemptions

Section D, Item 1.

- Currently, local governments MAY require their BOE to hear exemption appeals
- Official advice from the State Assessor is that this is an unwise practice
 - The BOE has expertise in valuation, NOT in applying exemption law
- **If you find yourself in the position of deciding eligibility for an exemption, following the law is paramount!**
 - It is not your job to decide what you think the law should be
 - A decision made contrary to law is expensive for all parties involved, as it WILL be reversed on appeal



Alaska Statutes

Section D, Item 1.

AS 29.45.110 through AS 29.45.210 provide the legal authority of the Board of Equalization to hear appeals of an alleged error in valuation. See appendix attached to this presentation for a copy of these statutes as of 2021.

Assessments are guided both by statute, and by Alaska Court cases. There have been several court cases through the years which assist the assessor in applications of standards, such as Possessory Interests, Farm Use, and other disputed issues.



Some (Bad) Reasons Given for Value Reduction

Section D, Item 1.

- Taxes are too high
- Value increase too much
- No improvements made to property
- Neighbors house valued less
- Not enough services from Municipality for taxes paid
- Value is just plain excessive, improper and unequal
- Didn't receive assessment notice



Some BOE “Don’ts”

Section D, Item 1.

- **DO NOT** offer a small deduction to “help out” the appellant
- **DO NOT** bring in your own comparables; you should consider only what is presented at the hearing
- **DO NOT** expect your assessor to provide a long narrative appraisal report
- **DO NOT** try to review a case where the question is a matter of law, not value
- **DO NOT** attempt to re-appraise the property unless the burden of proof has been met by the appellant. Then make a determination of value based upon the information provided or you may also remand the appeal back to the assessor
- **DISASTERS** – All assessments are made as of January 1 of the tax year. Post-Assessment date property tragedies cannot be changed by the BOE. See AS 29.45.230 provided in the appendix.



BOE “Do’s”

Section D, Item 1.

- **Do show both the appellant and the assessment staff the courtesy of your attention, discuss weight given to issues**
- **Do make your decisions based upon ONLY the facts presented at the hearing**
- **Do leave your “appraisal calculator” at the front door**
- **Do remember that the Assessor’s staff are professional appraisers who have been to schools on appraisal standards and techniques; the appellant, typically, has not**



Summary

Section D, Item 1.

The BOE sits in review of the assessments prepared by the Assessor

The BOE does not make a new appraisal

The BOE should make a determination of value based upon issues presented at the hearing

Your determination should include all findings of fact that led to the decision by the BOE



Thank You!

Section D, Item 1.

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Appendix A: Alaska Statutes

Section D, Item 1.

Sec. 29.45.110. Full and true value.

(a) The assessor shall assess property at its full and true value as of January 1 of the assessment year, except as provided in this section, AS 29.45.060, and 29.45.230. The full and true value is the estimated price that the property would bring in an open market and under the then prevailing market conditions in a sale between a willing seller and a willing buyer both conversant with the property and with prevailing general price levels.

(b) Assessment of business inventories may be based on the average monthly method of assessment rather than the value existing on January 1. The method used to assess business inventories shall be prescribed by the governing body.

(c) In the case of cessation of business during the tax year, the municipality may provide for reassessment of business inventories using the average monthly method of assessment for the tax year rather than the value existing on January 1 of the tax year, and for reduction and refund of taxes. In enacting an ordinance authorized by this section, the municipality may prescribe procedures, restrictions, and conditions of assessing or reassessing business inventories and of remitting or refunding taxes.

(d) The provisions of this subsection apply to determine the full and true value of property that qualifies for a low-income housing credit under 26 U.S.C. 42:

(1) when the assessor acts to determine the full and true value of property that qualifies for a low-income housing credit under 26 U.S.C. 42, instead of assessing the property under (a) of this section, the assessor shall base assessment of the value of the property on the actual income derived from the property and may not adjust it based on the amount of any federal income tax credit given for the property; for property the full and true value of which is to be determined under this paragraph, to secure an assessment under this subsection, an owner of property that qualifies for the low-income housing credit shall apply to the assessor before May 15 of each year in which the assessment is desired; the property owner shall submit the application on forms prescribed by the assessor and shall include information that may reasonably be required to determine the entitlement of the applicant;

(2) the governing body of the municipality shall determine by ordinance whether the full and true value of all property within the municipality that first qualifies for a low-income housing credit under 26 U.S.C. 42 on and after January 1, 2001, shall be exempt from the requirement of assessment under (1) of this subsection; thereafter, for property that first qualifies for a low-income housing credit under 26 U.S.C. 42 on and after January 1, 2001, and that, by ordinance, is exempt from the requirement of mandatory assessment under (1) of this subsection, the governing body

(A) may determine, by parcel, whether the property shall be assessed under (a) of this section or on the basis of actual income derived from the property without adjustment based on the amount of any federal income tax credit given for the property, as authorized by (1) of this subsection; and

(B) may not, under (A) of this paragraph, change the manner of assessment of the parcel of property if debt relating to the property incurred in conjunction with the property's qualifying for the low-income housing tax credit remains outstanding.



Appendix A: Alaska Statutes

Section D, Item 1.

Sec. 29.45.120. Returns.

- (a) The municipality may require each person having ownership or control of or an interest in property to submit a return in the form prescribed by the assessor, based on property values of property subject to an ad valorem tax existing on January 1, except as otherwise provided in this chapter.
- (b) The assessor may, by written notice, require a person to provide additional information within 30 days.

Sec. 29.45.130. Independent investigation.

- (a) The assessor is not bound to accept a return as correct. The assessor may make an independent investigation of property returned or of taxable property on which no return has been filed. In either case, the assessor may make the assessor's own valuation of the property subject to an ad valorem tax and this valuation is prima facie evidence of the value of the property.
- (b) For investigation, the assessor or the assessor's agent may enter real property during reasonable hours to examine visible personal property and the exterior of a dwelling or other structure on the real property. The assessor or the assessor's agent may enter and examine the interior of a dwelling or other structure or the personal property in it only (1) if the structure is under construction and not yet occupied; (2) with the permission of a person in actual possession of the structure; or (3) in accordance with a court order to compel the entry and inspection. The assessor or the assessor's agent may examine all property records involved. A person shall, on request, furnish to the assessor or the assessor's agent assistance for the investigation and permit the assessor or the assessor's agent to enter a dwelling or other structure to examine the structure or personal property in it during reasonable hours. The assessor may seek a court order to compel entry and production of records needed for assessment purposes.
- (c) An assessor may examine a person on oath. On request, the person shall submit to examination at a reasonable time and place selected by the assessor.

Sec. 29.45.140. Violations; authorization to prescribe penalties by ordinance.

For knowingly failing to file a tax statement required by ordinance or knowingly making a false affidavit to a statement required by a tax ordinance relative to the amount, location, kind, or value of property subject to taxation with intent to evade the taxation, a municipality may by ordinance prescribe a penalty not to exceed a fine of \$1,000 or imprisonment for 90 days.

Sec. 29.45.150. Reevaluation.

A systematic reevaluation of taxable real and personal property undertaken by the assessor, whether of specific areas in which real property is located or of specific classes of real or personal property to be assessed, shall be made only in accordance with a resolution or other act of the municipality directing a systematic reevaluation of all taxable property in the municipality over the shortest period of time practicable, as fixed in the resolution or act.



Appendix A: Alaska Statutes

Section D, Item 1.

Sec. 29.45.160. Assessment roll.

(a) The assessor shall prepare an annual assessment roll. The roll must contain

- (1) a description of all property subject to an ad valorem tax;
- (2) the assessed value of all property subject to an ad valorem tax;
- (3) the names and addresses of persons with property subject to an ad valorem tax.

(b) The assessor may list real property by any description that may be made certain. Real property is assessed to the record owner. The district recorder shall at least monthly provide the assessor a copy of each recorded change of ownership showing the name and mailing address of the owner and the name and mailing address of the person recording the change of ownership. Other persons having an interest in the property may be listed on the assessment records with the owner. The person in whose name property is listed as owner is conclusively presumed to be the legal record owner. If the property owner is unknown, the property may be assessed to "unknown owner". An assessment is not invalidated by a mistake, omission, or error in the name of the owner, if the property is correctly described.

Sec. 29.45.170. Assessment notice.

(a) The assessor shall give each person named in the assessment roll a notice of assessment showing the assessed value of the person's property that is subject to an ad valorem tax. On each notice is printed a brief summary of the dates when taxes are payable, delinquent, and subject to penalty and interest, and the dates when the board of equalization will sit.

(b) Sufficient assessment notice is given if mailed by first class mail 30 days before the equalization hearings. If the address is not known to the assessor, the notice may be addressed to the person at the post office nearest the property. Notice is effective on the date of mailing.

Sec. 29.45.180. Corrections.

(a) A person receiving an assessment notice shall advise the assessor of errors or omissions in the assessment of the person's property. The assessor may correct errors or omissions in the roll before the board of equalization hearing.

(b) If errors found in the preparation of the assessment roll are adjusted, the assessor shall mail a corrected notice allowing 30 days for appeal to the board of equalization.



Appendix A: Alaska Statutes

Section D, Item 1.

Sec. 29.45.190. Appeal.

- (a) A person whose name appears on the assessment roll or the agent or assigns of that person may appeal to the board of equalization for relief from an alleged error in valuation not adjusted by the assessor to the taxpayer's satisfaction.
- (b) The appellant shall, within 30 days after the date of mailing of notice of assessment, submit to the assessor a written appeal specifying grounds in the form that the board of equalization may require. Otherwise, the right of appeal ceases unless the board of equalization finds that the taxpayer was unable to comply.
- (c) The assessor shall notify an appellant by mail of the time and place of hearing.
- (d) The assessor shall prepare for use by the board of equalization a summary of assessment data relating to each assessment that is appealed.
- (e) A city in a borough may appeal an assessment to the borough board of equalization in the same manner as a taxpayer. Within five days after receipt of the appeal, the assessor shall notify the person whose property assessment is being appealed by the city.

Sec. 29.45.200. Board of equalization.

- (a) The governing body sits as a board of equalization for the purpose of hearing an appeal from a determination of the assessor, or it may delegate this authority to one or more boards appointed by it. An appointed board may be composed of not less than three persons, who shall be members of the governing body, municipal residents, or a combination of members of the governing body and residents. The governing body shall by ordinance establish the qualifications for membership.
- (b) The board of equalization is governed in its proceedings by rules adopted by ordinance that are consistent with general rules of administrative procedure. The board may alter an assessment of a lot only pursuant to an appeal filed as to the particular lot.
- (c) Notwithstanding other provisions in this section, a determination of the assessor as to whether property is taxable under law may be appealed directly to the superior court.

Sec. 29.45.210. Hearing.

- (a) If an appellant fails to appear, the board of equalization may proceed with the hearing in the absence of the appellant.
- (b) The appellant bears the burden of proof. The only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing. If a valuation is found to be too low, the board of equalization may raise the assessment.
- (c) The board of equalization shall certify its actions to the assessor within seven days. Except as to supplementary assessments, the assessor shall enter the changes and certify the final assessment roll by June 1.
- (d) An appellant or the assessor may appeal a determination of the board of equalization to the superior court as provided by rules of court applicable to appeals from the decisions of administrative agencies. Appeals are heard on the record established at the hearing before the board of equalization.



Appendix A: Alaska Statutes

Section D, Item 1.

Sec. 29.45.230. Tax adjustments on property affected by a disaster.

(a) The municipality may by ordinance provide for assessment or reassessment and reduction of taxes for property destroyed, damaged, or otherwise reduced in value as a result of a disaster.

(b) An assessment or reassessment under this section may be made by the assessor only upon the receipt of a sworn statement of the taxpayer that losses exceed \$1,000. A reduction of taxes may be made only on losses in excess of \$1,000 for the remainder of the year following the disaster. On reassessment, the municipality shall recompute this tax and refund taxes that have already been paid.

(c) The municipality shall give notice of assessment or reassessment under this section and shall hold an equalization hearing as provided in this chapter, except that a notice of appeal must be filed with the board of equalization within 10 days after notice of assessment or reassessment is given to the person appealing. Otherwise, the right of appeal ceases unless the board finds that the taxpayer is unable to comply.

(d) In an ordinance authorized by this section, the municipality shall establish criteria for the reduction of taxes on property damaged, destroyed, or otherwise reduced in value as a result of disaster, and may, consistent with this section, prescribe procedures, restrictions, and conditions for assessing or reassessing property and for remitting, refunding, or forgiving taxes.

(e) [Repealed, § 3 ch 1 SLA 2004.]

Property Assessments

An overview for the Board of Equalization
2023



Assessment Basics

- Assessor is required by AS 29.45.110 to determine the fair market value of all taxable properties
- Assessed Values are critical to the equitable distribution of the tax burden
- Value is determined as of January 1st each year
- Three approaches to value are considered: Cost, Sales Comparison, and Income
- CBJ Assessor generally uses a Market Adjusted Cost Approach
- Preferred approaches are usually applied across a property class



Assessment Basics

- Computer Assisted Mass Appraisal (CAMA)
 - The CAMA system is the software where most of the assessment administration and property valuation is managed.
 - Most of our current land models determine values from a base rate (price per square foot or acre) and adjusted for land attributes.
 - Improvement value (building value) considers size, age, construction method, quality, condition and enhancing features.
 - Land and improvements are reviewed for adjustment to market value annually based on comparison to sales through the Ratio Study process.



Property Value Models

- The modeling process involves
 - Model Specification –the process of determining what attributes effect value in the market and should be in the model. This is primarily done once, and then reviewed each year for changes in the market.
 - Model Calibration – the process of determining how much each attribute in your model effects value. This is done annually.



Mass Appraisal

- Market-adjusted cost approach
 - We use Marshall and Swift cost tables for current construction costs.
 - Improvement costs and land values are then compared to assessed values to determine market trends.
 - Market trends area applied to bring cost approach value up to market value.
- Mass appraisal vs single (fee) appraisal
 - Mass appraisal
 - Go through one step for all of the properties, move to next step, arrive at all values at end of steps.
 - Fee appraisal
 - Go through every step for one property, arrive at value, move to next property.



Mass Appraisal

- Uniformity and equity is the goal of mass appraisal
- Similar buildings should be treated the same
- Equity does not mean equal, it means using the same measuring stick. We use the same cost tables and land rates for similar properties, and then adjust based on specific neighborhood influence on market value.



Mass Appraisal

- Mass appraisal can be carried out through a database, spreadsheets or a Computer Assisted Mass Appraisal (CAMA) system
- Currently most of our residential properties are valued within the CAMA system.
- Commercial properties have been a mix of spreadsheets and CAMA functionality.



Property Characteristics

- There are many factors that effect a properties value.
- Some key factors
 - Property Class
 - Residential
 - Commercial
 - Building Structural Elements
 - Age
 - Depreciation
 - Frame type
 - Quality
 - Land Attributes
 - Location



Property Characteristics

- Property Classes

- Residential

- Single Family Residential
 - Residential with apartment
 - Multiple Improvements
 - Zero-Lot
 - Condos & Townhouses
 - Plexes
 - Manufactured Homes

- Commercial

- Retail
 - Apartment
 - Office
 - Medical
 - Hotel
 - Industrial
 - Others



Property Characteristics

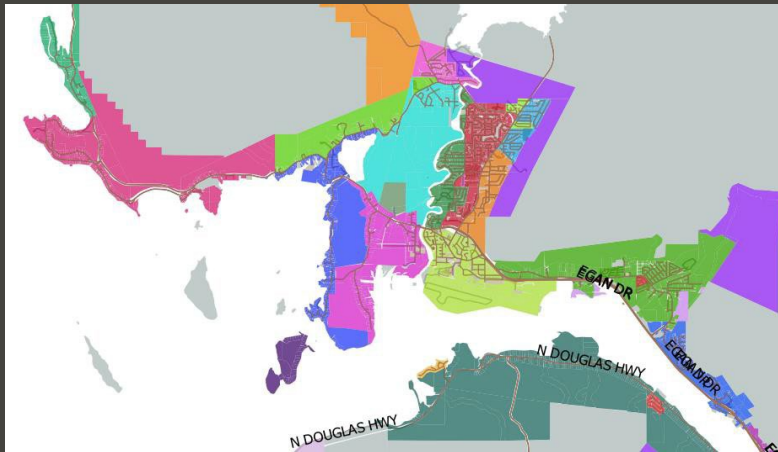
- Land Attributes

- Topography
 - Shape
 - View
 - Waterfront
 - Access
 - Wetlands
 - Flood Zones
 - Others



Property Characteristics

- Location
 - We have defined neighborhoods for residential and commercial properties.
 - Our analysis utilizes sales in the same neighborhood if data is available



Property Valuation Process

Section D, Item 2.

In General, there are three processes utilized in establishing a property's value

- **Generation within the CAMA system**
 - Building value is generated by applying cost tables to specific building elements and gross building area.
 - Site value base rate
 - Neighborhood adjustment are applied to capture market trends of specific locations.
- **Mass appraisal outside of the CAMA such as with a spreadsheet**
 - Sometimes, due to CAMA system limitations or other factors, generation of values outside of the CAMA system becomes necessary or preferred.
 - Income Approach for some commercial properties.



Property Valuation Process

Let's look at how application of these principles looks within our CAMA system.



Property Valuation Process

CAMA Land Screen

(1) Assessor's Office.Land Appraisal Information Land Id. 185327

Land Adjustments

Site Number: [Dropdown] Lot Size: 28361 ☐ Exclude Unit Type: Square Feet

Land Use Code (Land Type): [Dropdown] Depth: [Dropdown] ☐ Exclude

Rate Schedule: [Dropdown] Frontage: [Dropdown] ☐ Exclude

Site Value: [Dropdown]

Adjustments: Land: \$185,935 Site: [Dropdown] Neighborhood: \$10,649

Notes: LOC VIEW WTRFRNT

Possessory Interest: Beginning Lease Year: [Dropdown] Lease Term: [Dropdown]

Total Units: 28361 Unit Type: [Dropdown]
 Unit Price: 5.96 Total: \$169,032
 Unit Price AG: [Dropdown] Total AG: [Dropdown]

Land Value: ☐ Override Final Adjustment: [Dropdown]
 Total AG Value: [Dropdown] Total Land: \$365,600

Editing Existing Record (1/1)

New Save Delete Browse Exit



Property Valuation Process

CAMA Land Features

(1) Assessor's Office.Land Appraisal Information Land Id. 185327

Land Adjustments

Adjustment Type	Adjustment Code	Value	Override
1 Location Adjustment	1 - Prime (140%)	140	
2 Size Adjustment			
3 Topography/Slope			
4 Access			
5 Wet Adjustment			
6 View Adjustment	2 - Very Good (125%)	125	
7 Waterfront	1 - Large (120%)	120	
8 Shore			
9 Services			
10 Possessory Interest			
11 Vacant Adjustment			
12 Flood Zone Adjustment			

Editing Existing Record (1/1)

New Save Delete Browse Exit



Property Valuation Process

CAMA Building Components

1) Assessor's Office Building Structural Elements & Features Bldg Id. 5446.0 - 1010 OTTER RUN

Inventory	Values	R-Bldg Data	Gar./Heat	R-Porches	C-Bldg Data	CE Comp
Site No.	Building Use Code	Model Code	Sub Model Code			
1998	Residential	R- Single-family Residence	002 (Two Story)			
Year Built	Eff. Year Built	Total Rooms	Bedrooms	Full Baths	Half Baths	GLA_SF
1998	2013	12	4	5	2	9142
		BSMT SF	1484			
		Basement Finish SF	1484			
Structural Element Name	Code	%	Value			
1010 R-Quality	5					
1012 R-Quality Adjustment						
1015 R-Structure	Stud Frame					
1040 R-Base Rate (Ext Wall)	Frame, Cement Fiber Siding	100	93.5			
1041 R-Base Rate (Ext Wall)						
1042 R-Base Rate (Ext Wall)						
1043 R-Base Rate (Ext Wall)						
1060 R-Roof Rate	Composition Shingle	100	1.8			
1061 R-Roof Rate						
1070 R-Heating/Cooling Rate	Evaporative Cooler with Ducts	100	3.17			
1071 R-Heating/Cooling Rate	Floor Radiant, Hot Water	100	3.11			
1072 R-Heating/Cooling Rate						
1073 R-Heating/Cooling Rate						
1080 R-Number of Plumbing Fixt	30		91500			
1100 R-Basement Base Rate	Total Basement Area (SF)	26				

Recompute

Editing Existing Record (1/1)

1110	R-Basement Finish Rate	Minimal Finish Area (SF)	12.35
1115	R-% of Selected Bsmt Fin	100	
1130	R-Basement Garage Cost		
1140	R-Garage Base Rate(Att)	Attached Garage (SF)	37.5
1141	R-Garage Base Rate(Det)		
1142	R-Garage Base Rate(BI)		
1145	R-Garage Finish Rate(Att)	Garage Finish, Attached (SF)	6.39
1146	R-Garage Finish Rate(Det)		
1147	R-Garage Finish Rate(BI)		
1170	R-Carport Base Rate		
1180	R-Wood Deck (P/P1)	Wood Deck (SF)	18.4
1181	R-Wood Deck w/Roof (P/P2)	Wood Deck (SF) with Roof	39
1182	R-Encl. Porch SW (P/P3)		
1183	R-Open Slab Porch (P/P4)		
1184	R-Slab Porch w/Roof P/P5		
1230	R-Current Cost Multiplier		1.25
1240	R-County Cost Multiplier		1.21
1245	Nbhd./Market Multiplier		
1260	R-Depreciation		6
1262	R-Functional Obsolescence		
1264	R-Economic Obsolescence		
1270	R-Condition	4	0.9
9010	% Completed Construction	100%	100



Property Valuation Process

CAMA Cost Report



5/25/2022 10:40:48AM

Page 1

Cost Report - Residential

9032	Record	1				
Parcel Code Number	4B20101030090	Building Type	R- Single-family Residence			
Owner Name	SCHULTZ CHARLES J	Quality	5			
Parcel Address	1010 OTTER RUN	Construction	Stud Frame			
Effective Year Built	2013	Total Livable	9142			
Year Built	1998	Style	Two Story			
Improve	Property Valuation Process	Quantity	Unit Cost	Percent	#/-	Total
Base						
Exterior	Frame, Cement Fiber Siding	93.50	100%			
Roof	Composition Shingle	1.80	100%			
Heating	Evaporative Cooler with Ducts	3.17	100%			
	Floor Radiant, Hot Water	3.11	100%			
Adjusted Base Cost		9,142	101.58			928,644
Basement Area						
Basement	Total Basement Area (SF)	1,483	26.00			38,558
Basement	Minimal Finish Area (SF)	1,483	12.35			18,315
Total						56,873
Garage Improvements						
Other Garage	Attached Garage (SF)	1,754	37.50			65,775
Other Garage	Garage Finish, Attached (SF)	1,754	6.39			11,208
Porch	Wood Deck (SF)	1,081	18.40			19,822
Porch	Wood Deck (SF) with Roof	277	39.00			10,803
Total						107,308
Additional Features						
Feature	Picture	30				91,500
Total						91,500
Sub Total						1,184,326
Condition	Good					
Local Multiplier		1.21	[Q]			1,433,034
Current Multiplier		1.25	[Q]			1,791,203
Quality Adjustment						1,791,203
Neighborhood Multiplier						1,791,203
Depreciation - Physical		0.90	[Q]	6.00	\$	96,730
Depreciation - Functional					\$	0
Depreciation - Economic					\$	0
Percent Complete		100.00	\$			1,894,563
Cost to Cure						194,875
Neighborhood Adjustment		111.50	[Q]			1,889,438
Replacement Cost less Depreciation						1,889,438
Miscellaneous Improvements						
Solid Fuel Heater						2,000
Solid Fuel Heater						2,000
Extra Kitchen						10,700
Elevator						35,000
HDI						2,000
Total Miscellaneous Improvements						51,700
Total Improvement Value					[Rounded]	\$1,941,100

Analysis

- Canvass – We visit properties once every 5 years and review properties with open building permits every year.
- Ratio studies – assessed values vs sales price
- Special studies - specific classes
- Information that we look at includes
 - Sales prices
 - Sale qualification
 - Construction costs
 - Income and expenses
 - Lease rates
 - Capitalization rates



Analysis

- For sales analysis, we utilize 3 years of sales.
- For property types with fewer sales, which include all commercial property types, we expand the sales data up to 5 years back until we have a large enough sample.
- All sales go through the sale validation process to determine if they are an arms-length sale.



Analysis

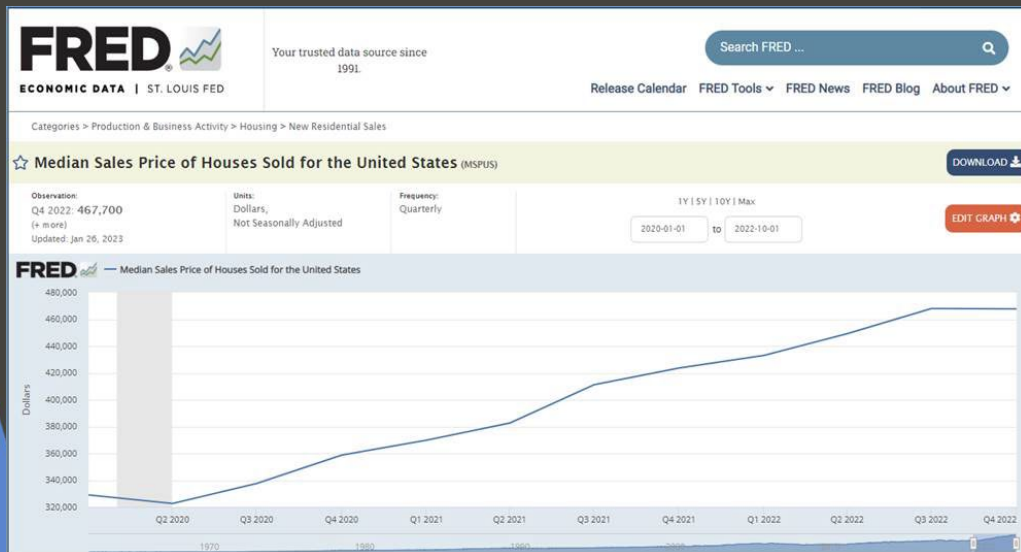
The Juneau challenges

- We are a somewhat isolated market with a limited number of commercial properties available and a fairly low number of sales.
- Alaska is a voluntary sales disclosure state. We do not have access to all market sales.
- Regardless of the challenges, we are State mandated to assess real property at full market value each year.



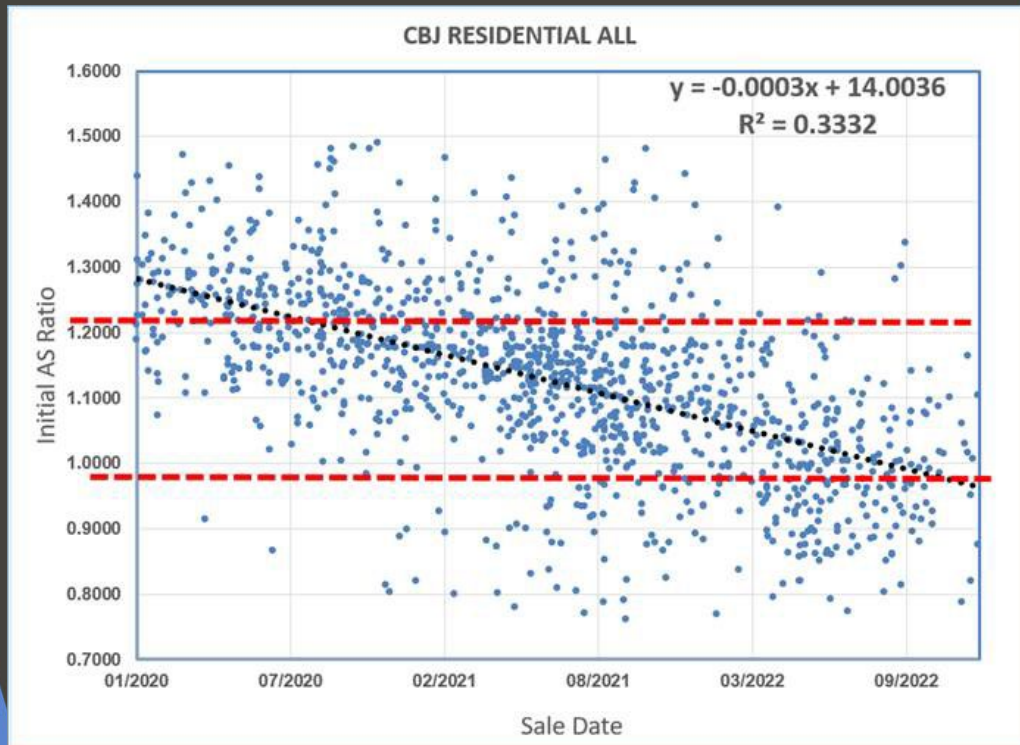
Residential 2023 Summary

- Residential prices continued to increase – building costs increased about 5.8% from 2021, supply remains low.
- FRED median housing price indicates around a 42% increase since 2020 (12% annual increase)



Residential 2023 Summary

- Our market analysis indicates a time trend of about 9.8% per year. This is supported by recent purchase appraisals which are utilizing a time adjustment factor of 0.75%/mo, approx. 9.5% per year.
- We assess properties at full market value on 1/1/2023, and sales are trended to that date to follow market trends.
- Trending allows sales to be compared on an even scale. Sale trending is standard for mass appraisal and fee appraisal.



Residential 2023 Summary

TIME ADJ. CALCULATOR			
<i>Another fine product from OSA Labs®!!!</i>			
A/S	DATE	A/S FORM:	LINEAR MODEL FACTORS:
BEGIN	1/1/2020	1.28168750	COEFFICIENT: -0.00029025
END	12/31/2022	0.96386375	CONSTANT: 14.00363525
DIFF	1095	0.31782375	
% CHANGE	DATE	% FORM	
BEGIN	1/1/2020	1.28168750	
END	12/31/2022	0.96386375	
% CHANGE		32.97%	
	RATES	DECIMALS	
DAILY RATE:	0.0260%	0.000260	
MTH RATE:	0.7948%	0.007948	
ANN RATE:	9.9653%	0.099653	
CHECK	1/1/2020	1.281688	
TIME ADJ	12/31/2022	1.704310	
TIME ADJ		32.97%	
DIFFERENCE		0.00%	



Residential 2023 Summary

Section D, Item 2.

- Sales analyzed range from 1/1/2020 to 12/31/2022
- 1,266 qualified sales

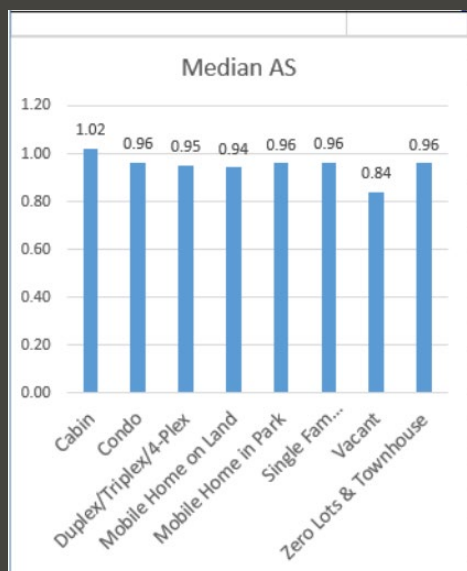
Median Sale Price by Year & Property Type				
SaleYear	SFR	Attached Home	Condos	Dup/3P/4
2020	429,000	324,900	242,250	462,000
2021	479,900	350,000	241,500	500,000
2022	527,124	383,500	268,700	595,000
% Change in SP over Previous Year				
SaleYear	SFR	Attached Home	Condos	Dup/3P/4
2020				
2021	12%	8%	0%	8%
2022	10%	10%	11%	19%
Definitions:				
SFR				
Single Family Residences, SFR w/Apt, Multiple Improvement				
Attached Homes				
Zero Lots and Townhomes				
Condos				
Dup/3P/4P				
Duplexes, Triplexes, 4-Plexs				



15

Residential 2023 Summary

- A/S Ratio – median assessed value / median sales prices
- Overall, we are slightly below market value



57

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Residential 2023 Summary

- Assessed values increased due to positive market trends
 - Market adjustments that bring assessed values to full market value vary by class and location.

Type	2022AV-Avg	2023AV-Avg	%Chg
Single Family Residence	469,840	541,705	15%
Duplex	495,036	563,540	14%
Triplex	533,250	615,037	15%
4-Plex	640,664	669,752	5%
SFR w/Apt	583,824	695,398	19%
Zero Lot	336,763	386,981	15%
Townhome	360,464	415,246	15%
Condo	238,741	279,962	17%
Cabin	117,848	119,911	2%
Mobile Home on Land	200,360	228,766	14%
Mobile Home in Park	42,989	54,479	27%
Multiple Improvements	660,002	785,957	19%
Vacant Land	133,167	136,558	3%

NGHD2	2022AV	2023AV	%Chg
AREA_R_NC	390,425	408,550	5%
Auke Bay	608,884	704,426	16%
Auke Mountain	476,015	562,761	18%
Backloop N	523,848	612,423	17%
Backloop S	435,264	502,141	15%
Casey Shattuck	411,343	449,973	9%
Mobile Home in Park	43,058	54,595	27%
Central Valley	380,337	436,197	15%
Douglas	392,320	455,554	16%
Eagle Edge	210,359	249,851	19%
Glacier Spur	515,408	555,747	8%
Highlands	411,482	496,760	21%
Juneau Townsite	330,236	396,624	20%
Lemon Creek	379,459	429,370	13%
Mendhall Peninsula	428,145	493,286	15%
Montana Creek	21,250	22,292	5%
Bonnie Brae	388,738	433,582	12%
Bayview	633,287	708,600	12%
N Douglas	412,932	465,915	13%
NE Valley	363,081	422,159	16%
Out the Road	241,597	285,950	18%
Pederson Hill	334,502	413,195	24%
Park Place	348,508	398,169	14%
Pt Louisa	588,662	695,786	18%
Remote	52,030	52,029	0%
S Douglas	85,568	86,129	1%
SE Valley	421,380	483,017	15%
Shelter Island	54,994	54,994	0%
Spuhn Island	196,665	198,019	1%
S Valley	424,451	497,256	17%
Taku River	27,940	28,503	2%
Thane	371,726	439,528	18%
Tee Harbor	486,542	541,154	11%
Twin Lakes	427,117	492,293	15%
Atwater Estates	461,500	506,550	10%
West Juneau	437,387	511,225	17%
W Valley	454,975	519,952	14%
Grand Total	369,945	427,029	15%

Residential 2023 Summary

High Value Neighborhood Market Adjustment

- In the past, our office applied a negative value adjustment to residential properties with improvement values over \$350,000 RCNLD.
- Negative adjustment for “High Value” is no longer appropriate based on market data, and these properties are now treated the same as all other residential properties.
- As a result, properties in this “High Value” neighborhood were subject to a larger % change than other residential properties this year.



Commercial 2023 Summary

- Overall, commercial properties still appear undervalued.
- We continue to work on bringing values up to market value and establish equity within each class of property.
 - Data collection, cleanup, and implementation
 - Re-review of past sales using sales validation policy
 - Special studies



Commercial 2023 Summary

2023 Adjustments

- 6% increase area wide except downtown
- 5% decrease to downtown commercial properties
- 8% increase to warehouse condominiums
- No change to boathouses

Levels of Assessment before valuation adjustments

Property Class	Count	Mean	Median
Commercial Properties Overall (without boathouses)	87	.86	.81



Commercial 2023 Summary

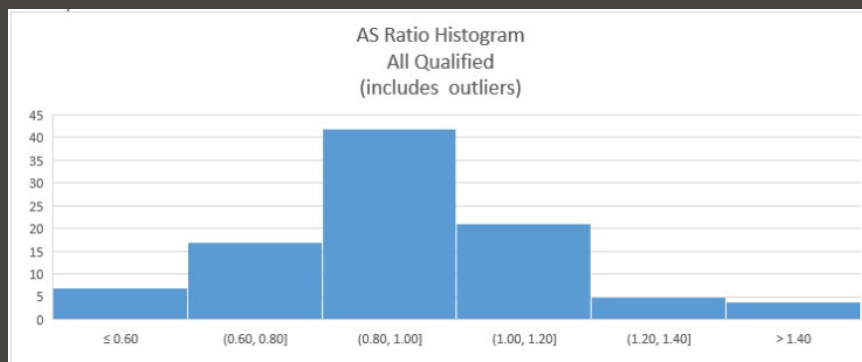
Assessed Value / Sale Price (A/S Ratio)

Ratios	Count	Mean		Median		Notations
		Starting	Ending	Starting	Ending	
Commercial- Overall (No Boathouses)	87	.86	.92	.81	.89	Includes outliers
Commercial- Improved	67	.86	.92	.82	.91	Includes outliers
Commercial- Vacant (Land)	20	.86	.89	.80	.85	Includes outliers
Commercial- Downtown	13	1.07	.98	1.03	1.01	Includes outliers
Area Wide (No Downtown)	47	.89	.95	.86	.93	Includes outliers
Business/ Warehouse Condos	27	.78	.88	.77	.97	Includes outliers



Commercial 2023 Summary

Final A/S Ratio



Commercial 2023 Summary

COD = Uniformity

COD & COV (Measurements of Assessment Uniformity)	Count	COD		Notations
		Starting	Ending	
Commercial- Overall (No Boathouses)	87	22.93	20.95	
Commercial- Improved	67	24.14	21.56	
Commercial- Vacant (Land)	20	19.35	16.45	
Commercial- Downtown	13	23.21	23.51	
Business/ Warehouse Condos	27	23.95	20.19	



Commercial 2023 Summary

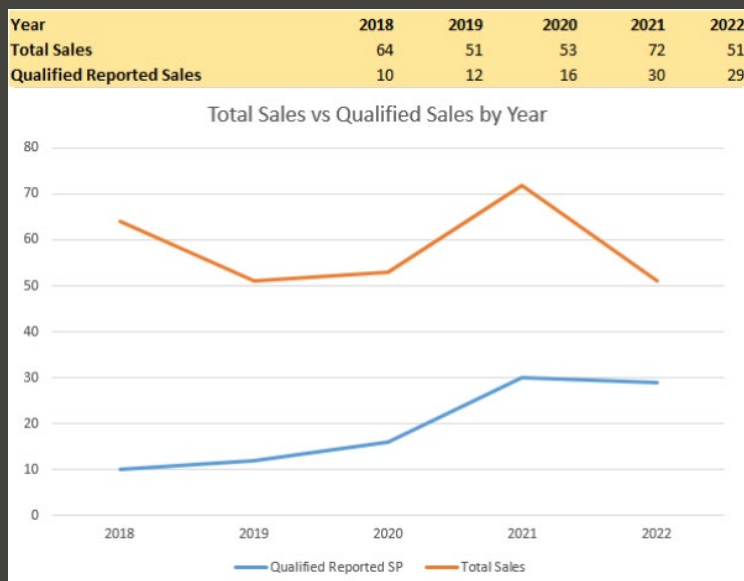
Section D, Item 2.

- Sales data used in our analysis ranges from 1/1/2018 to 12/31/2022.
 - 96 qualified sales used in analysis.
- Overall, market values have increased at a rate of 2.15% annually over the analysis range.



Commercial 2023 Summary

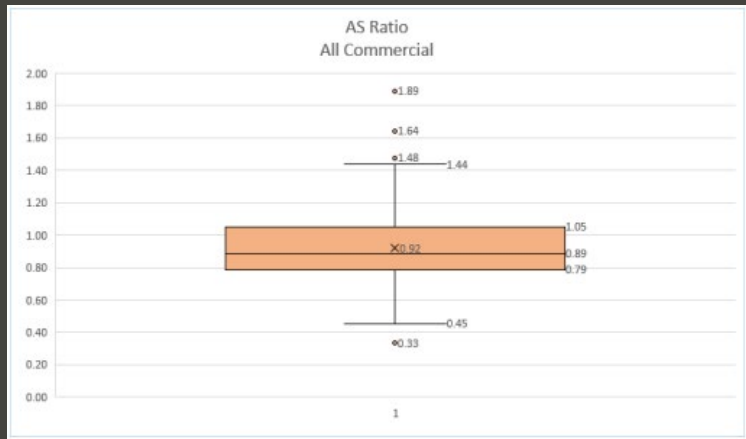
- Re-review of sales and broader data collection has resulted in more usable sales data.



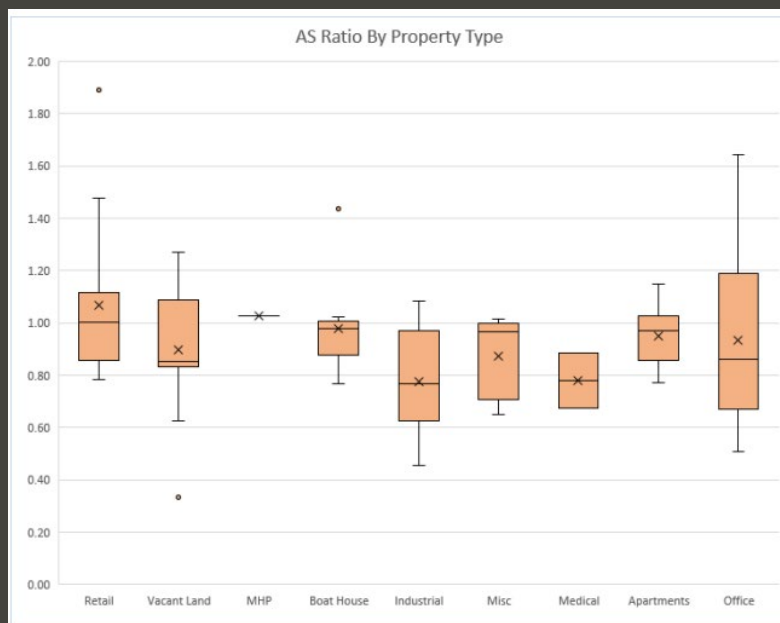
Commercial 2023 Summary

Box Plots

- Box = Inner Quartile Range (IQR)
- Line in box = Median
- X = Average
- Whiskers = Range
- Circles = Outliers



Commercial 2023 Summary



Assessor Office Staff

Section D, Item 2.

- We have
 - An assessment clerk who provides tax payer services and handles administrative tasks
 - A BPP Appraiser who specializes in the Business Personal Property valuations and manufactured home valuations.
 - Two certified staff appraisers who primarily work on residential valuations but may assist with commercial valuations.
 - One certified staff appraiser who primarily works on commercial valuation.
 - A Deputy Assessor who primarily oversees residential valuations.
 - The Assessor who oversees the office and the valuation process.



External Appraisals

- How external appraisals relate to our work is often misunderstood.
 - We welcome their submission for review.
 - Sometimes they contain information regarding a property that changes our valuation.

However...

- We do not match fee appraisal values. We review the appraisal and compare their value reconciliation to our model.
- Valuation can vary from full market value depending on the reason of appraisal.
- The aspect of uniformity of assessed values is paramount as they are used to calculate an individuals tax burden.



External Appraisals

- External appraisals are a separate individuals opinion of value. Below is an example of a vacant parcel, which had good comparable sales. The owner recently had appraisals done by three appraisers and their conclusions on value varied by 40%.

An Illustration of Differences in Appraiser Opinion of Value

Parcel Number: 5B1601380035

<u>Appraiser</u>	<u>Eff Date</u>	<u>Opinion of Value</u>
Appraiser 1	1/9/2020	1,450,000
Appraiser 2	5/1/2020	1,050,000
Appraiser 3	6/5/2020	1,330,000
Range Between Low & High		400,000
Variance as a Percentage		38%
Mean		1,276,667
Median		1,330,000



Upcoming Appeal Hearings

- In our review we readily correct any errors
- Only a portion of the Petitions for Review become actual appeals before the BOE
- Feelings are not Evidence
- Equity is paramount – we must use the same measuring stick for similar properties throughout Juneau.
- State Statute requires the total assessed value to be considered, we segment land value and improvement value for our purposes only.



Thank You!



Board of Equalization Orientation

The BOE's Purpose:¹

The BOE determines whether an error in valuation occurred regarding annual CBJ property assessments. If the BOE determines there was an error, the BOE alters the property assessment to the correct value **or** remands the matter to the assessor for reconsideration.² The decision to remand is based on whether or not the BOE has sufficient evidence of value in the record or it is necessary for the assessor and appellant to gather more evidence.

Appeal Process:

(a) Assessment Notice

The assessor gives every person named in the assessment roll a notice of assessment containing their property's assessed value, the date payment is due, and date when the Board will meet.³ The notice is sufficiently given if it is mailed first class 30⁴ or more days prior to the BOE hearing, and the notice must be either addressed or delivered to the person's last known address.⁵

(b) The Assessor

The assessor determines properties' "full and true value" in money as of January 1 of the assessment year.⁶ Under state statute, "full and true value is the estimated price that the property would bring in an open market and under the then prevailing market conditions in a sale between a willing seller and a willing buyer both conversant with the property and with prevailing general

¹ This memo's purpose is to provide big picture guidance regarding the BOE process. Pursuant to Ordinance 2022-21, substantial changes were made to the BOE process in late 2022. BOE members should review CBJC 15.05.041—.210 online (or the ordinance itself) to see all changes made (particularly CBJC 15.05.190). As always, BOE members should defer to the guidance of their designated CBJ attorney advisor.

² AS 29.45.200(b); AS 29.45.210(b).

³ AS 29.45.170; CBJC 15.05.120(a).

⁴ CBJC 15.05.120(b). The date the notice is mailed or delivered is the date the notice is given (i.e. the "mailbox rule").

⁵ CBJC 15.05.120(b).

⁶ AS 29.45.110(a); CBJC 15.05.100; CBJC 15.05.020.

price levels.”⁷ The assessor has broad discretion to adopt assessment methods to set values for properties.⁸

(c) The Appellant

The appellant has 30 days to appeal their property assessment, which they must do by submitting a written notice of appeal to the assessor specifying the grounds for their appeal.⁹ If an appeal is filed late, the would-be appellant must show—to the BOE’s satisfaction—they were unable to comply with the 30-day period.¹⁰

(d) Prehearing Information Exchange Between the Assessor and the Appellant

Once the 30-day appeal period closes, the appellant has 15 days to send the assessor all documentary evidence and briefing in their possession that the appellant believes is relevant and wishes the Board to consider.¹¹ During this same 15-day window, the assessor must make available to the appellant all reasonably relevant assessor records requested by the appellant.¹² If the appellant and the assessor agree, the 15-day deadline to supplement the record may be waived up until 10 days prior to the BOE hearing.¹³ Supplementation after the 10-days-out point will require authorization from the BOE’s chair (the chair will determine whether CBJC 01.50.110(e) criteria is satisfied).¹⁴ If an appellant has refused or failed to provide the assessor or assessor's agent full access to property or records, the appellant shall be precluded from offering evidence on the issue or issues affected by that access and those issues shall be decided in favor of the assessor.¹⁵ *A timeline for this process is provided below.*

⁷ AS 29.45.110(a).

⁸ CBJC 15.05.100. *Fairbanks Gold Mining, Inc. v. Fairbanks North Star Borough Assessor*, 488 P.3d 959, 967 (Alaska 2021) (“The assessor has broad discretion to decide how to complete this task. We will only upset the assessor’s choice of method in cases of ‘fraud or the clear adoption of a fundamentally wrong principle of valuation.’ Accordingly, we review the Board’s approval of the assessor’s valuation method under the deferential ‘reasonable basis standard.’”).

⁹ AS 29.45.190(b); CBJC 15.05.150(b); *see also* AS 29.45.180(a).

¹⁰ CBJC 15.05.150(c)(1).

¹¹ CBJC 15.05.190(a).

¹² CBJC 15.05.190(c)(8)(iii); *see also* AS 29.45.190(d).

¹³ CBJC 15.05.190(c)(8)(ii).

¹⁴ CBJC 15.05.190(c)(8)(ii).

¹⁵ CBJC 15.05.190(c)(8)(iv).

(e) Rules (Robert's, Evidence)

Robert's Rules of Order: Robert's Rules of Order (11th ed.) is the default set of conduct rules governing BOE hearings and meetings. However, Robert's Rules takes the backseat where CBJ Code, ordinances, and resolutions conflict.

Resolution 2976 (A Resolution Repealing and Reestablishing the Assembly Rules of Procedure): These rules of procedure replace Robert's Rules where the two sets are in conflict.

Rules of Evidence: The formal rules of evidence do not apply to hearings. Still, evidence must be relevant to the issues on appeal. Hearsay evidence may be considered as long as it is sufficiently trustworthy and it is more probative on the point for which it is offered than any other evidence the proponent can procure by reasonable efforts.

(f) Presentation

CBJC 15.05.190(c)(7) – (8) are the primary Code provisions on appeal presentations' lengths and content. Three notable Code changes are (1) clarification the BOE may provide parties additional time for good cause,¹⁶(2) limitations on evidence that may be considered at the hearing,¹⁷ and (3) clarification on confidentiality of commercial enterprises' income information.¹⁸

(g) Voting

Once a member makes a motion, and the presiding officer has restated the motion, the members should discuss the motion—this discussion should include statements regarding the evidence and arguments and whether these were or were not persuasive. The point here is to let the parties know (and create a record in case there is an appeal) the reasons for the BOE's decision.

The norm:

- Member makes the motion.
- Presiding officer restates the motion and asks the maker to speak to their motion.

¹⁶ CBJC 15.05.190(c)(7).

¹⁷ CBJC 15.05.190(c)(8)(ii) & (iv).

¹⁸ CBJC 15.05.190(c)(8)(v).

- The maker explains the reasons for their motion.
- The members discuss the arguments/evidence.
- Members then vote.

A change this year is a “deemed denied” default¹⁹ meaning that, unless there is a majority vote to grant, alter, or remand an assessment, the appeal is considered denied and the assessment stands. This means you do not have to vote to deny an appeal.

(h) Sample Motions:

“I move that the Board grant the appeal because the appellant has provided sufficient evidence of error showing the assessed valuation is”

“I move that the Board adjust the assessment to _____ as requested by the _____ because”

“I move that the Board remand the assessment to the assessor for further consideration because the appellant has proved there was error in valuation; however, the Board lacks sufficient evidence of valuation on the record.”

Deemed Denied

*For each of the scenarios above, if the vote fails, then the appeal is deemed denied and no further motions are necessary.

*If the case presentation concludes and no member wishes to make a motion, then the appeal is deemed denied and no further action is necessary.

(i) FAQs/Reminders:

Discretion: BOE members have reasonable discretion to decide which items of evidence and arguments they find persuasive. Likewise, they have the discretion to interpret Code; members may—and are likely to—have varying thresholds of what constitutes “excessive” or “unequal.”

¹⁹ CBJC 15.05.190(b)(2).

Ex Parte Communication: Generally, in the interests of fairness and credibility, BOE members should not discuss appeals with parties outside of appeal hearings. There are some minor exceptions, such as when the chair makes a ruling on supplemental evidence. For further guidance, BOE members should contact their CBJ attorney advisor.

Due Process: In essence, due process is the “opportunity to be heard and the right to adequately represent one’s interests[.]”²⁰ The reasonableness of the opportunity to be heard is based on the nature of the case.²¹ The BOE’s current process has undergone and overcome several recent challenges.²² A cornerstone of due process is fairness to the parties, so best practice is to afford each party equal opportunity (e.g., if one party receives extra time, the other should as well).²³

Absent Appellant: Due process requires a reasonable opportunity—it does not require the appellant take advantage of their reasonable opportunity. If the appellant chooses not to attend after they were properly notified of the hearing, the Board may proceed without them.²⁴

Making a Record: BOE members should articulate the reasons for their motions and votes in order to inform parties (and potentially the superior court) the bases for the BOE’s decision.

²⁰ *Fairbanks North Star Borough Assessor’s Office v. Golden Heart Utilities, Inc.*, 13 P.3d 263, 274 (Alaska 2000).

²¹ *Markham v. Kodiak Island Borough of Equalization*, 441 P.3d 943, 953 (Alaska 2019).

See Griswold v. Homer Bd. of Adjustment, 426 P.3d 1044, 1045 (Alaska 2018) (“[P]rocedural due process under the Alaska Constitution requires notice and opportunity for hearing appropriate to the nature of the case.” (alteration in original) (quoting *Price v. Eastham*, 75 P.3d 1051, 1056 (Alaska 2003))).

²² *See, e.g., James Sydney et al v. CBJ, Bd. of Equalization*, 1JU-21-00929 CI (Alaska Superior Court, Hon. Schally, Decision issued

²³ *See, e.g., CBJC 15.05.190(c)(7).*

²⁴ AS 29.45.210(a); CBJC 15.05.190(c)(4).

BOE Hearing Guideline

1. Presiding officer appointed by panel.
2. Call to order: “*I call the [May 1, 2023] meeting of the Board of Equalization to order.*”
3. Roll call: “*Will the clerk please do a roll call?*”
4. [If applicable] Presiding officer announces if there will be hearings regarding late-filed appeals and, if so, whether those will take place before or after the appeal hearings.
5. Presiding officer introduces the first appeal for hearing.
 - “*We are on the record with respect to ‘Petition for Review of Assessed Value’ in Appeal [2023-0523] filed by [Coin Shop] with respect to Parcel Id. No. [1CO....].*”
6. Presiding officer recites the hearing rules/procedures.
 - This should be done before each appeal hearing *unless* the appellant was in attendance for an earlier reading. The below statements are intended as guidance:
 - a. *The appellant has the burden of proving error in the assessment, which they can do by sufficiently showing—with factual evidence—the assessed value of their property was unequal, excessive, improper, or too low.*²⁵
 - b. *The formal rules of evidence do not apply to this hearing. However, the presiding officer may exclude evidence irrelevant to the issues on appeal.*
 - c. *The appellant and the assessor will each have 15 minutes total to make their arguments and present their evidence.*
 - d. *The appellant will present first, followed by the assessor.*
 - e. *The appellant may reserve up to 10 minutes of their time for rebuttal after the assessor’s presentation. The appellant’s rebuttal is limited to issues raised by the assessor during the assessor’s presentation.*
 - f. *After the parties’ presentations, Board members may ask the parties questions.*
 - g. *After Board members are done questioning the parties, the presiding officer will call for a motion from the Board members. Once a motion is made, the Board members will discuss the motion and then vote on the motion.*
 - h. *Does either party have questions?*
 - i. *Are the parties ready to proceed?*
7. The Board will hear appeals.
 - The presiding officer should recite hearing rules/procedures as necessary (i.e., if the appellant was not present for an earlier reading).
8. [If applicable] The Board will hear late-filed appeals.
9. After the hearing, the chair will call for discussion and motions. If no motion is made, the appeal is deemed denied. If a motion is made and fails, the appeal is deemed denied.
10. Adjourn.

²⁵ AS 29.45.210(b); CBJC 15.05.190(c)(5)