

February 1, 2012

Virginia:

AT A CONTINUED MEETING of the Nelson County Board of Supervisors at 3:00 p.m. in the Board of Supervisors room located on the second floor of the Nelson County Courthouse in Lovingston, Virginia.

Present: Allen M. Hale, East District Supervisor
Constance Brennan, Central District Supervisor
Thomas H. Bruguire, Jr. West District Supervisor - Vice Chair
Larry D. Saunders, South District Supervisor
Thomas D. Harvey, North District Supervisor -Chair
Stephen A. Carter, County Administrator
Candice W. McGarry, Administrative Assistant/Deputy Clerk
Debra K. McCann, Director of Finance and Human Resources
Phillip D. Payne, IV, County Attorney

Absent: None

I. Call to Order

Mr. Harvey called the meeting to order at 3:15 pm with all Supervisors present to establish a quorum.

II. 2012 Real Property Reassessment

Mr. Carter noted Mr. Payne's memorandum regarding his confidential opinion on the Board's questions and then noted that Ms. McCann had developed some impact of general reassessment examples.

Mr. Harvey then opened the discussion by noting that the Board would have to reassess within the next two years anyway, so if a challenge occurred, they would still have to go back two years.

Mr. Bruguire stated that he thought the County was stuck with the current results and Mr. Payne advised that they would be hard pressed to defend not using the 2012 assessment. He noted that the Dillon rule was in affect and the Board had no authority once the process was started.

Mr. Hale inquired as to whether or not the Board could choose to not implement the current assessment given that a large number of citizens never received notice of their reassessment. He added that he was not saying that the reassessment was done improperly, but that the Board could not implement it on the basis that proper notice was not given in some cases in order to give them the opportunity to challenge their assessment. He added that he was convinced that this was a failure of BRMAC, who had a problem with the vendor doing the notice mailing.

Mr. Carter advised that it was not unusual for some citizens to not get their notice and Mr. Payne recollected that failure to get notice was not a basis for not implementing a reassessment.

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Members noted that some citizens were getting notices when they had not appealed and members and staff discussed that this notice was poorly worded and that the assessors had corrected certain areas resulting in everyone in that area receiving a revised notice.

Mr. Bruguere noted that even though they had problems with sending more than one notice per envelope etc., they did send one per envelope of the revised notices.

Mr. Harvey stated that he thought it indicated a problem when everyone was complaining that their assessments were too low.

Ms. Brennan noted that if the sale to assessment ratio is proper it was hard to fight it. Mr. Carter then reported that the break point was 29%, if a property declined in value 29%, the tax rate was .78 to equalize it so that the taxpayer would pay the same amount of tax. He noted that conversely, if the change was below 29%, the taxpayer would pay more and if it were above 29%, the taxpayer would pay less.

Ms. McCann noted that overall there were increases in value last time and that the drop in values was not unreasonable in light of how high they were last time.

Mr. Harvey suggested that there were not as many sales right now and that was skewing things. Ms. McCann noted that the average increase in tax was 29% and it was at the same level last time.

Mr. Hale supposed that most complaints would come from those whose values went up; and members noted that they disagreed, and that most were complaining that they were too low.

Mr. Payne noted that it would be risky, but if the Board declined to implement the reassessment, it would be on the basis of notice, wild variations in values casting doubt on the entire thing, and that they were only required to assess no later than every 6th year and they were exercising that right.

Mr. Harvey stated that he believed that the County has had a terrible job done and that local realtors keep saying that things are way undervalued.

Mr. Carter suggested that if the Board decided not to proceed, to not say it was wrong. Mr. Bruguere noted that if they threw it out and it impacted BRMAC's business then they could come back on the Board.

It was noted that it would then cost another \$250-\$350 thousand to complete and that there was usually a charge per parcel included in this cost.

The Board then asked Commissioner of Revenue, Jean Payne for her thoughts.

Ms. Payne stated that she would hate to throw money away but that she was concerned that she could look at properties on the same road that were valued so differently. She added that the computer part of their work was still not right and they did not know what they said they did. She noted that BRMAC did not know the AS400 program and that Mr. Hickey did the work on his system and put it into the County's and the book and computer files were not right. She agreed also that the revised notices sent

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out were very confusing. She noted that she thought that the assessors were not ready and put it off until the last minute to capture the sales. She noted that the Treasurer uses the same mailing company to do tax bills so she was not sure what happened there; but that she knew of some that still had not gotten their notices, which was the major complaint.

Mr. Hale stated that if they went with it, and then attempted to at least keep revenues the same, the outcry would be enormous because the increase in taxes would be substantial. He noted that people on fixed incomes with real estate would take a real hit. He added that he would like Mr. Payne to check Code for the notice provisions; adding that the Board of Equalization would have a lot of work if people paid attention to these things.

Mr. Bruguere inquired as to whether or not the assessors could come back to meet with people and Mr. Carter noted that they could give input to the BOE but that they had concluded their meetings.

Ms. Payne advised the Board that a person from Wintergreen said that they would get their neighbors together to go to court because their values were so low.

Mr. Carter then advised the Board that they needed to decide ASAP because the tax rate would have to be set.

Mr. Harvey suggested that the lower values would help the County with the Composite Index at some point in a couple of years.

It was then noted that Conservation Easements had the same value as Land Use but that it was also considered the Fair Market Value.

Mr. Harvey inquired as to if the Board had to decide that day and if not, the Board needed to decide when they would meet again to decide.

Mr. Payne then reported that there was nothing in the State Code one way or another on notices. It was then questioned as to how they would prove how many did not get notices.

Mr. Bruguere stated that he thought they should stick with it and acknowledged that some would be happy and some would not. He added that people paid more last time and that the Board just shouldn't use BRMAC again. He added that they made a good pitch to the interview committee and the committee did not want to deal with Wingate again. He added that the County was doomed either way and that he did not want to pay for another reassessment.

Mr. Hale noted that he was torn but agreed with Mr. Bruguere. He noted that it was a problem but did not see a clear outcome as Mr. Payne had pointed out and that he thought the County would have to live with it even though he did not like it and did not think that the assessors had done a good job.

Ms. Brennan noted that if the current assessment was kept for another two years people would say the Board was trying to keep getting more money out of them. Mr. Harvey stated that there were multiple problems with the reassessment and Mr. Saunders wondered if any of them were correct. Mr. Harvey then stated that he considered it a mess and it was best not to accept it.

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Ms. Brennan stated that they should get the word out to people to meet with the BOE and check their assessments.

Mr. Hale noted that it would put a great deal of pressure on the Board to look very hard at the budget and that they may have to look even harder at the education budget.

Mr. Bruguere stated that it may behoove them to lobby their Delegates about raising the VRS rates since the State has not taken care of the VRS fund wisely. Ms. McCann added that the General Assembly has continued to underfund it by not using the actuarial rates that were recommended.

Mr. Hale supposed the Board would have to decide before the BOE started its work and the Members agreed by consensus to make its decision in February. It was noted that a special meeting could be called after seeing where they were and that all members would be present at the February 23rd meeting. It was also noted that the BOE would be coordinating schedules for meetings pretty quickly.

III. Other Business (As May Be Presented)

Mr. Carter noted he was working on the item discussed the previous week, but needed to do some more work.

IV. Adjournment

At 4:15 pm, Ms. Brennan moved to adjourn and Mr. Bruguere seconded the motion. There being no further discussion, Supervisors voted unanimously by voice vote to approve the motion and the meeting adjourned.