

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Judy M. Sersha, Clerk/Treasurer

Steven J. Kniefel, Chairman

Supervisors: Tony Tammaro, James Pernu, Lee Branville, Mike Erjavec

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BOARD OF EQUALIZATION

APRIL 15, 2009

The Board of Equalization Meeting was called to order at 1:00 PM by Chairman Kniefel. Present were: Chairman Kniefel, Supervisor Erjavec, Supervisor Branville, Supervisor Tammaro and Clerk Sersha. Supervisor Pernu was absent. Also in attendance were St. Louis County Assessors Dan Christianson and Cindy Okstad.

Approximately eighteen property owners were in attendance at the beginning of the meeting. Those persons signed in on a sign up sheet and it is included with these minutes. Chairman Kniefel asked that Assessor Dan Christianson give a brief report on property tax assessments for 2009.

Mr. Christianson reported the following:

A complete reappraisal was done of the town in 2006. In 2007 there was a 20% increase on valuation on land on rural neighborhood and 5% increase on land on lakes. In 2008 there were no increases. Seventeen sales occurred between October 2007 and September 30, 2008.

*6 sales in off lake rural	83.9 ratio
*4 sales small lake	96.9 ratio
*4 sales Ely Lake	95.1 ratio
*2 sales suburban	87.2 ratio
*1 sale St. Mary's Lake	72.4 ratio

The only neighborhood with 6 sales was the off lake rural and it was under the state mandated ratio of 90-105%. The 2009 assessment increases value of off lake land by 15% and off lake buildings by 5%. Suburban and St. Mary's Lake were not increased since there were only two sales in the suburban and one sale on St. Mary' Lake. Those areas will be watched for next year.

Changes by the State Legislature this year: Rural Vacant Land is a new classification and takes the place of Timber. This classification applies to all improved properties with more than 20 acres and to all vacant land parcels which are rural in nature. Improved properties with more than 20 acres now have 10 acres split out and remaining with the building site. Any acreage beyond the first 10 acres are not rural vacant land. This will actually be a slight benefit to most property owners as it will slightly increase the homestead credit by lowering the value of the homestead portion.

New requirements for AG (agricultural) classification: Now requires the sale of some kind of AG products to be eligible for the AG classification. Requires at least 10 acres in production. If less than 10 acres, AG use must be either intensive or exclusive. Contiguous land which is non-productive is now rural vacant land and assessed at the same rate as productive. Land which is non-contiguous and non-productive is not eligible to be linked to the AG homestead. Productive AG land eligible for Green Acres requires the filing of Schedule F or Schedule E.

During the time Mr. Christianson was giving his report, several of the audience members interrupted and shouted. Chairman Kniefel called for order and advised them they would be asked to leave if they could not sit quietly during the meeting. Four persons left the meeting without submitting their appeal, those being Mike Tuomala, Gene Omersa, Sauli Vourala, and Walter Beckman.

At this time Chairman Kniefel stated the process would now begin for those persons wishing to appeal their valuations.

Russell & Gladys Keating- 340-0010-03480- Requested reduction in valuation due to crack in basement wall.

Motion to make no change to the valuation made by Supervisor Erjavec, support from Supervisor Branville. Motion carried unanimously.

Cyril & Patricia Beaudette- 340-0010-03105- Requested reduction on land valuation due to proximity of United Taconite property.

Motion to make no change to the valuation made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Glen Sedgeman- 340-0042-00820 & 340-0042-00930- Request reduction do to swampy nature of property and that it is an unbuildable site.

Motion to reduce the valuation of 340-0042-00820 by \$3600, for a total value of \$4300, and make no change to the valuation of \$340-0042-00930, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

Marguerite Newman- 340-0010-02740- Mrs. Newman's nephew was present as a representative. Request reduction to valuation due to swampy nature of the property.

Motion to reduce the value of 340-0010-02740 by \$15,900, for a total value of \$58,000, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

William Harvey- 340-0010-02710- Mr. Harvey's nephew was present as a representative. Request reductio to valuation due to swampy nature of the property.

Motion to reduce the value of 340-0010-02710 by \$6,000, for a total value of \$27,200, made by Supervisor Branville, support from Supervisor Erjavec. Motion carried unanimously.

Thomas Maki- 340-0010-03110- Mr. Maki requested a reduction in valuation due to proximity of his property to United Taconite.

Motion to make no change to the valuation of 340-0010-03110, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

Mark Peterson- 340-0010-05080, 340-0010-05030, 340-0010-05210, 340-0010-05150, 340-0010-05090, 340-0010-05100- Requested change to classification from homestead and timber to AG. SLC Assessors informed Mr. Peterson he must provide verification, which Mr. Peterson stated he will do.

Motion to agree the classification of the above referenced parcels should be changed to AG, pending verification with the Assessor's office, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

Joanne Pelzer- 340-0010-01845- Requested valuation reduction due to cracked basement wall and damage from sewer project.

Motion to make no change to the valuation of 340-0010-01845, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

Daniel & Wendy Garman- 340-0010-05810, 340-010-05860, 340-0010-05820, 340-0010-06060 (record 1) and 340-0010-06060 (record 2)- Request reduction in valuation of vacant land due to swampy conditions, and request reduction in valuation to home since it is valued at more than was paid for it.

Motion to reduce the valuation of 340-0010-06060, record 2, by \$12,600 to \$55,400, and make no change to valuation to record 1, made by Supervisor Tamaro, support from Supervisor Erjavec. Motion carried unanimously.

Motion to reduce the valuation of 340-0010-5810 by \$4,200 to \$31,500, made by Supervisor Erjavec, support from Chairman Kniefel. Motion carried unanimously.

Motion to reduce the valuation of 340-0010-05860 by \$6,300 to \$60,800, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

Motion to make no change to 340-0010-5820, made by Supervisor Tammaro, support from Supervisor Erjavec. Motion carried unanimously.

Russell J. Keating 340-0010-03450- Discussed classification change to AG, requested reduction in valuation.

Motion to make no change in valuation to 340-0010-03450, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Ronald J. Erjavec- 340-0010-03425, 340-0010-3575- Requested reduction due to sewer easement and encroachments.

Motion to make no change to 340-0010-0345, made by Chairman Kniefel, support from Supervisor Tammaro. Supervisor Erjavec abstained. Motion carried unanimously.

Motion to reduce the valuation of 340-0010-3575 by \$2,600 to \$108,900, made by Chairman Kniefel, support from Supervisor Tammaro. Supervisor Erjavec abstained. Motion carried unanimously.

Ronald S. Erjavec- 340-0010-03460- Request reduction in valuation.

Motion to make no change to 340-0010-03460, made by Chairman Kniefel, support from Supervisor Tammaro. Supervisor Erjavec abstained. Motion carried unanimously.

Thomas C. Dean LTC- 340-0010-05720, 340-0010-05710- Request reduction in valuation due to swampy conditions of land.

Motion to reduce the valuation of 340-0010-05720 by \$5,500 to \$21,800, and make no change to 340-0010-05710, made by Supervisor Tammaro, support from Chairman Kniefel. Motion carried unanimously.

Edward & Carolyn Vest- 340-0010-03561, 340-0172-00100- Request for reduction in valuation. An error on building value was discovered.

Motion to reduce the valuation of 340-0172-00100 by \$4,900 to \$310,000 and make no change to 340-0010-03561, made by Supervisor Tammaro, support from Supervisor Erjavec. Motion carried unanimously.

Christopher Vest- 340-0010-02994- Request for reduction in valuation.

Motion to make no change to 340-0010-02994, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Boundary Company, Jack Rajala- 340-0010-02810, 340-0010-02850, 340-0010-340-0010-03850, 340-0010-03940, 340-0010-03980, 340-0010-04110- Request for reduction in valuation due to swampy conditions and reduced access.

Motion to reduce the valuation of 340-0010-02810 by \$21,100 to \$56,400 due to reduced access, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Motion to reduce the valuation of 340-0010-02850 by \$10,300 to \$27,500 due to reduced access, made by Supervisor Tammaro, support from Supervisor Erjavec. Motion carried unanimously.

Motion to reduce the valuation of 340-0010-03780 by \$13,400 to \$60,440 due to reduced access, made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.

Motion to reduce the valuation of 340-0010-03850 by \$23,500 to \$22,600 due to swampy conditions and reduced access, made by Supervisor Tammaro, support from Supervisor Erjavec. Motion carried unanimously.

Motion to reduce the valuation of 340-0010-03940 by \$22,700 to \$60,400 due to reduced access, made by Supervisor Branville, support from Supervisor Tammaro. Motion carried unanimously.

Motion to reduce the valuation of 340-0010-03980 by \$75,700 to \$340,500 due to reduced access, made by Supervisor Tammaro, support from Supervisor Kniefel. Motion carried unanimously.

Motion to make no change to 340-0010-04110, made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.

Mike Erjavec- 340-0010-02030, 340-0010-00210, 340-001001880, 340-0010-01872, 340-0010-02700- Request for reduction due to swampy conditions. Since Mr. Erjavec is on the town board, this decision will be forwarded to the St. Louis County Board of Equalization.

Motion to make no change to the above listed parcels made by Supervisor Tammaro, support from Chairman Kniefel. Erjavec abstained. Motion carried unanimously.

LETTERS RECEIVED BY THE BOARD OF EQUALIZATION

Clerk Sersha read into the record letters received from the following property owners:

Harold Butala- 340-0110-00010- Letter requesting reduction in valuation.

Motion to make no change to 340-0110-00010 made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Kelly Erjavec & Curtis Schramm- 340-0010-02020- Letter requesting reduction in valuation due to swampy conditions.

Motion to reduce the valuation by \$1,800 to \$99,100 made by Chairman Kniefel, support from Supervisor Tammaro. Supervisor Erjavec abstained. Motion carried unanimously.

Bruce Williams-340-0010-06010 (record 1), 340-0010-06010 (record 2), 340-0010-06020, 340-0010-05730, 340-0010-05760. Request to change classification to AG. Schedule F was included.

Motion to change the classification on the above mentioned parcels to AG, made by Chairman Kniefel, support from Supervisor Erjavec. Motion carried unanimously.

Motion to adjourn made by Supervisor Tammaro, support from Supervisor Erjavec. Motion carried unanimously.

Board of Equalization adjourned at 5:32 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Date: _____

Attest: _____
Clerk