

**TOWN OF FAYAL**  
**4375 SHADY LANE, EVELETH, MN 55734**

*Heidi Coldagelli, Clerk/Treasurer*

*Anthony Tammaro, Chairman*

*Supervisors: Lee Branville, Dave Ochis, Richard Sather, Patrick Ziegler*

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**LOCAL BOARD OF APPEAL AND EQUALIZATION**

**MAY 16, 2017**

The Local Board of Appeal and Equalization meeting was called to order at 1:06 PM by Chairman Tammaro. Present were: Chairman Tammaro, Supervisor Branville, Supervisor Ochis, Clerk/Treasurer Coldagelli & Deputy Clerk Dickson. Supervisor Sather and Supervisor Ziegler were absent. Chairman Tammaro and Supervisor Branville are the Board certified members.

St. Louis County Assessors in attendance were Mason Couvier, Paul Schoonover, David Sipila, Beth Sokoloski and Ben Thomas.

Paul Schoonover updated the audience and Board that Fayal Township was re-evaluated in 2016 as per every five years. Most of the changes came from reinspection and some came from recalculations of frontages. Beth Sokoloski added that sales are also used to adjust the rates based on the median sales ratio. There was an increase on lake frontage over 100 feet and secondary lots over 50 feet based on sales.

**APPEALS MADE IN PERSON**

**Bert Gunderson, Parcel 340-0105-00120**- Property classified as seasonal recreational for at least the last two years. Paul Schoonover will work with property owner to change to residential homestead.

**Phill Eck, Parcel 340-0010-06760 & 340-0010-04600**- Mr. Eck stated that he faced a \$24,000 increase and his lot is valued at \$2,000/acre. Mason Couvier informed the audience that how the valuation work is sales determine the median sales price. The Department of Revenue determines that valuations need to be within 90% & 105% of those sale prices. Beth Sokoloski added that the river frontage increased the value. The other parcel ending in 06760 is vacant land, 9 acres with no river frontage. The home only received a \$2,000 increase, but the land increased to a value of \$93,200 as it is 39 acres with 1500 feet of river frontage.

Chairman Tammaro asked if foreclosures are calculated into the percentages? Mr. Couvier stated in a sales study, foreclosures sales are not included per the MN Department of Revenue. The only sales considered are Fayal and semi-outlying areas abutting Fayal Township if a need for additional sales. Can also go back a greater time frame to generate sales.

**Gloria Gregorich, Parcel 340-0010-05880 & 340-0010-05790**- Mrs. Gregorich questioned the large increase when her home is 85 years old. She also questioned the change on the second property to a classification of agricultural homestead residential, nonhomestead 4BB. Ms. Sokoloski stated that Mrs. Gregorich's property is listed as agricultural, but the excess was reclassified per the State of Minnesota. On the primary parcel, building value increased from \$30,400 to \$35,100 and the land value increased from \$58,900 to \$68,700. On parcel ending in 05880, the building value decreased by \$500, but land value increased from \$40,100 to \$47,000. Explained classification means residential structure not being used as a primary residence.

**Kurt Gitzlaff, Parcel 340-0010-04670**- Mr. Gitzlaff is requesting a copy of the study used in the valuations. Land was \$42,100 and increased to \$51,100, building value was \$375,200 and increased to \$382,100. Home is currently on the market for \$399,000 which is \$35,000 less than 2018 proposed value. County has not visited the interior of the property. Suggestion was to perform an inspection to ensure the accuracy of the valuation.

Chairman Tammaro posed the question as to what rights does the Board have? St. Louis County educated that the Board of Appeal for Fayal does have the ability to adjust values 1% of overall estimated value of the Township.

**Ed Vest, Parcel 340-0172-00100-** Mr. Vest was concerned that his property's proposed value faced a \$40,000 rate increase and is requesting a removal of \$18,500 off the valuation. In Mr. Vest's opinion, nearby properties sold for more than their value. He would also like the same request for son's property. Ms. Sokoloski stated that property owner needs to be present to address. Per St. Louis County, value is based on sales and Ms. Sokoloski has visited the property and made proper adjustments. Suggested son have a site visit.

**John Sabetti, Parcel 340-0172-00230-** Mr. Sabetti questioned increases with no improvements. Ms. Sokoloski performed an exterior inspection. Building value increased \$15,000 and land value increased \$58,500 to \$77,100. Chairman Tammaro questioned if there were different grades of lakeshore, which there is good, fair to poor. Ms. Sokoloski did not change the valuation due to grading of the lakeshore and the increase was due to sales.

**Ken Holbeck, Parcel 340-0180-00420 & 340-0180-00710-** Mr. Holbeck questioned the valuation changing without a physical interior inspection. The land value increased from \$87,900 to \$91,200 and building value changed from \$119,600 to \$144,300. The small lot across the street increased \$300 to \$1,200 as a structure was recently identified during the last appraisal.

**Gladys Senarighi, Parcel 340-0105-00060-** Land value was \$17,900 and increased to \$20,700 and building value was \$115,000 and increased to \$122,100. An assessor was not granted an interior inspection. Mrs. Senarighi had a previous appraisal that came in at \$100,000. Owner would like an interior inspection.

**Tom Schmucker, Parcel 340-0060-000810 & 340-0060-000690-** Mr. Schmucker had a recent appraisal done and appraisal was well below current value. Current value is \$195,200 and appraisal was \$180,000. Property did have an interior inspection done by St. Louis County. St. Louis County will review the appraisal.

**Barb Nobens, Parcel 340-0042-00500-** Questioning the \$15,600 increase. Land value decreased from \$105,100 to \$103,000 and building value went from \$65,900 to \$83,600. Ms. Nobens questioned the homestead exclusion credit, which declines based on value when property is valued over \$76,000. Property was inspected and value increase was due to sales.

**Joseph Petrich, Parcel 340-0160-00300-** Property had full interior inspection. Land value was \$107,000 and increased to \$111,200 and building value increased from \$182,900 to \$204,800. This assessment was very similar to where it was two years ago and increased due to sales. Questioned if RV shelter is assessed and if removed \$1,000 would be removed from value. Also questioned boathouse value which had considerable ice damage. Value is at \$800 and County can come and look. County also made homeowner aware that anytime there is a structure removed to notify the County.

**John Bratt, Parcel 340-0010-00745-** Land value increased \$112,200 to \$135,500 and building value increased \$196,500 to \$225,400. County reported 249' of frontage but there was an acreage discrepancy in between homeowner and County. Frontages over 100' saw the largest increases. Owner would like his property reviewed. Mr. Bratt questioned market value, which by definition, is the price the buyer will pay. Mr. Bratt also questioned the law regarding interior inspections. Ms. Sokoloski added that the owner has the right to refuse entry, but in order to have reductions favorable to the homeowner, an interior inspection would need to be completed. County will provide the homeowner with the details of his property.

**Carey Peterson-** Just wanted to voice his opinion that everyone appears to have received the same increases and that indicates that sales are strong and signifies a good economy. He was also pleased to hear that valuation increases do not necessarily drive up taxes. Would like to suggest a general posting for reasons for increases that affect the majority of residents.

**Leland Russell, Parcel 340-0070-00095-** Questioned why 15 feet of shoreland increased from \$2,200 to \$6,000. Asking for review of that parcel of property as his survey is listed as 15 feet and the County has it listed as 25 feet.

**Michael Erjavec, Parcel 340-0010-02710 & 340-0010-02030-** Same 40 acres that was brought forward last year. Valued at \$737/acre and adjacent 40 acre properties are valued at \$525 and \$545 per acre. 3,000 feet is swamp, a gasline easement accounts for 3.55 acres, ditch runs through that drains at 1,600 feet, and Ely Lake Creek runs behind that, which totals 9.55 acres as unusable. Land value increased from \$25,600 to \$29,500 and is listed as predominantly fair acreage. Owner disputes that property should be graded as predominantly poor and would like to see an inspection since that prior request has not happened yet. Mr.

Erjavec wanted to express that agricultural uses are only seeing revenues declining. Ms. Sokoloski added that land valuations are not adjusted based upon land classifications. Parcel 02030 was listed as 87% complete and the visit in 2017 brought it to 100% complete. Adjustment needs to be made for finished space from garage and 140 feet needs to be removed from the square footage. Currently, land value is \$48,200 and building value is \$122,800.

**Denver Young, Parcel 340-0060-00340, 340-0060-00110, & 340-0060-00362**- County completed consolidation forms for property owner to complete. Land value on primary parcel went from \$95,300 down to \$93,700 and building value increased from \$285,900 to \$324,300 for a total value of \$418,000. One change from previous reappraisals are patios are now included. Assessor had not completed an interior inspection and will set up an appraisal with the owner.

**Bill and Jayne O'Neal, Parcel 340-0080-00025**- Parcel located on St. Mary's Lake and land value increased from \$44,200 to \$66,400. If the value is that high the property owner's would like to get a variance to build a structure on the property. According to Ms. Sokoloski, their valuation is a direct result of 2<sup>nd</sup> tier frontage. They can check with St. Louis County Planning and Zoning. There are setback restrictions and the owner could anticipate a garage structure on the north side of the property according to feedback from Planning and Zoning. Owner questioned why the parcel changed from timber to residential and primary parcel changed from residential homestead to residential seasonal? The primary parcel has a guest cabin on it that caused a change. If County rejects a variance, owner can provide documentation to Assessor and appeal that the property is unbuildable land.

**Mark Peterson, Parcel 340-0010-05150, 340-0010-05090, 340-0010-05100 & 340-0010-05080**- Increase of 42% at \$28,900. According to County, 6.73 acres is underwater. 173 acres is in sustainable forestry with 31 acres that is grass and brush. Questioning increase without physical inspection. Ms. Sokoloski stated that frontage is 700 feet and is valued as fair and 560 as poor. Land value went from \$67,700 to \$96,600 and County can check the accuracy of the land grader. Other parcels are being valued on a tier system and need to be included. Will set up a site visit to visit the property and owner would still like to appeal at the County level as well.

**Cal Turner, Parcel 340-0040-00030**- Mr. Turner would like a copy mailed to him of how his property arrived at a \$60,000 increase.

Chairman Tammaro requested a 10 minute recess. Recessed at 4:03 P.M. Meeting reconvened at 4:15 P.M.

#### **APPEALS MADE TO ST. LOUIS COUNTY ASSESSOR**

**Judy Mikkola, Parcel 340-0010-05610**- Email also sent to Town Board. Owner requested inspection but will not be available until end of May, but can appeal to County Board.

**Paul Prout, Parcel 340-0025-00350**- Received a revised notice as his property had a few errors in the valuation. Land did not change at \$28,100 and building value decreased from \$243,700 to \$192,400.

**Raija Sarich, Parcel 340-0040-00430**- Letter appealing increase to her cabin property. Assessor has not been in the property. There has been some siding, roofing and window updates. Inspection was completed and a few changes were made regarding the structure quality, quarter bath added and basement finish removed. Original value was \$154,600 and recommending a revised change of \$139,300.

#### **APPEALS MADE TO TOWN OF FAYAL**

**Ashley Samargia, Parcel 340-0070-00120**- Email sent to Clerk contesting tax appraisal. Ms. Sokoloski spoke with property owner and will be scheduling an interior inspection. Since last reappraisal there have been a few structure additions to the property.

**Max Thieman, Parcel 340-0010-00630**- Letter sent to the Town Board regarding the increases to the assessed value. Property increased from a total value of \$194,700 to \$226,400. Ms. Sokoloski completed a review from exterior since no one was home and a few improvements were noted. Messages have been left with Mr. Thieman to discuss having an interior inspection completed and would recommend no change at this time.

**Bruce Williams, Parcel 340-0010-05730 & 340-0010-05760**- Letter send to Town Board regarding both parcels. Parcel 05760 increased from \$21,800 to \$33,400 and parcel 05730 increased from \$17,900 to

\$25,000. Mr. Williams states that both parcels are completely swamp. Mr. Couvier stated that there was an issue with a tract of land located off of South Highway 37 and west of Highway 53 that were inaccurately graded by the GIS system. Mr. Couvier is recommending parcel 05730 reduced from \$20,500 to \$15,200 and parcel 05760 would reduce from \$33,400 to \$20,900. Mr. Williams was satisfied with the changes.

**Randy Garman, Parcel 340-0010-05820, 340-0010-05810 & 340-0010-05860**- These parcels also had more low ground than the GIS system accounted for and St. Louis County adjusted. Parcel ending in 05820 was valued at \$51,300 and recommending reducing to \$40,300, parcel ending 05810 is valued at \$37,100 and recommending reducing to \$30,200. The final parcel ending in 05860 is valued at \$66,300 and recommending to change to \$53,300.

**Dave Hamalainen, Parcel 340-0045-00480**- Spoke with St. Louis County during the meeting and will be having an assessor visit his property to check for inaccurate data on record.

**Chris Vest, Parcel 340-0010-02994**- Phone call during the meeting. Recommended to have an inspection.

Chairman Tammaro asked if the Fayal Town Board did reduce valuations by the 1% would it cause issues? Mr. Sipila added that yes it disrupts the equalization. Reconvene meeting must be held within 20 days, but before May 31<sup>st</sup>.

Chairman Tammaro scheduled to reconvene the 2017 Local Board of Appeal and Equalization for Thursday, May 25<sup>th</sup> at 1:00 P.M.

Chairman Tammaro recessed the meeting at 4:50 PM.

Respectfully submitted,

*Heidi M. Coldagelli*

Heidi M. Coldagelli  
Clerk/Treasurer Town of Fayal

Approved:

*Andy J. Tammaro*  
Chair

Date:

*6-20-17*

Attest:

*Heidi M. Coldagelli*  
Clerk