

**CITY OF GILBERT**  
**GILBERT BOARD OF APPEAL AND EQUALIZATION**  
**MAY 7, 2015**  
**6:00 P.M.**

Mayor Kutsi called the Board of Appeal and Equalization to order at 6:00 p.m.

Members present included Mayor Rob Kutsi, Councilors Robert Pontinen, John Skalko and Jeremy Liimatta. Also present Clerk/Treasurer Debra Sakrison.

St. Louis County personnel present included St. Louis County Assessor David Sipila, St. Louis County Principal Appraiser Patrick Orent and St. Louis County Real Estate Appraiser Mason Couvier.

Mason Couvier addressed those present. There were 19 residential sales during the past year and the median sales ratio was 94.23% of value. The purpose of this meeting is to review property owner's appeal of the Estimated Market Value or the Property Classification. There were some adjustments based on neighborhood differences. After the adjustments the final city wide ratio will be 92.6%.

Dan England, parcel 060-0038-00110, 4705 Differding Point, questioned the increase in valuation. The land is valued at \$74,500 and building is valued at \$196,900 for a total assessed valuation of \$271,400. It was explained that the values are based on sales on area lakes including Ely Lake, St. Mary's Lake, Pleasant Lake and Long Lake. On September 12, 2012 an appraiser visited but, no one was home. The details include the house is 1392 sq. feet, log siding, wood fireplace with decorative fireplace insert, 1 ¼ baths and an unfinished basement. Pat Orent asked permission to do an interior inspection. Arrangements will be made for the inspection to be completed.

Councilor Bol arrived at 6:12 p.m.

Anton Udovich, parcel 060-0032-00505, expressed dismay that his real estate taxes have doubled in eight years. It was explained that this meeting is to discuss assessed valuation and not real estate taxes. Mr. Udovich has no issue with the assessed market value.

Mark Gentilini, parcel 060-0010-01360 located at 102 Michigan Ave East, and his father questioned the assessed valuation of \$80,300. It was explained that since 2012 to present all increases have been due to market increases. Gilbert has had a 10% increase on buildings. The house was built in 1920 and it is on a 25 foot lot. Pat Orent left with the Gentilinis to do an inspection.

Corey Bol, parcel 060-0010-02280 located at 119 Minnesota Avenue West, questioned how his valuation has gone from \$64,900 in 2005 to a current value of \$87,100.

Mason Couvier explained that valuations are all driven by sales. The state of Minnesota dictates how counties have to value property. The estimated market value has to be between 90% - 105% of the median sales value. Gilbert has experienced a decrease in median ratio. The Central neighborhood had to go up in value because the median sales value was less than 90%. The real estate market has rebounded and sales prices are increasing.

Councilor Pontinen discussed the Open Book format rather than the Council Board of Appeal and Equalization. The county conducts the Open Book meetings, the local city council is not involved. Councilor Pontinen does not feel the City Council should even be involved with the assessed valuation.

Assessor Sipila explained the median ratio is one of the mass valuation tools used. It does not mean that each and every property has to exactly meet the 90% - 105% criteria. It is the median sales price for all sales that is critical. He also explained that as one valuation is lowered that action effectively increases everyone else's valuation because it is based on tax capacity as a whole.

Councilor Pontinen stated that two years ago his value was \$100,000 and now it is \$130,000 but his taxes increased 100%

Assessor Sipila explained it is not equalization of taxes but strictly an equalization of values.

Pat Orent returned from Gentilini's at 6:45 p.m. He reported that the land value should remain at \$2,900 but the interior inspection revealed the completion % should be reduced to 98%, the second story should be reduced to 75% due to deficiencies. The kitchen is the original kitchen, cabinets need repair resulting in it being below standard. The garage was built in the late 1990s, has no heat but is insulated with a fair value for finishing. Based on what Pat Orent observed he is recommending a reduction of \$17,700 in building value to \$59,700.

**Councilor Bol moved to change the assessment value for parcel 060-0010-01360 from \$80,300 to \$62,600, a reduction of \$17,700 to the building value. Motion was seconded by Councilor Skalko and carried unanimously.**

Pat Orent and Corey Bol left to review Bol's property. They returned at 7:25 p.m. The condition of the foundation of the garage is actually below average condition and Pat Orent is recommending an approximate 5% decrease because of the excessive heaving of the floor joists and walls. The land value would remain at \$2,900 but the building value should be decreased to \$77,000 for a total decrease of \$7,200.

**Councilor Skalko moved to change the assessment value for parcel 060-0010-02280 from \$87,100 to \$79,900, a reduction of \$7,200 to the building value. Motion was seconded by Councilor Pontinen and carried with Councilor Bol abstaining.**

**Councilor Liimatta moved to reconvene the Board of Appeal & Equalization at 6:00 p.m. on May 26, 2015. Motion was seconded by Councilor Skalko and carried unanimously.**

**Councilor Bol moved to recess at 7:32 p.m. Motion was seconded by Mayor Kutsi and carried unanimously.**

May 26, 2015

Mayor Kutsi called the reconvened Board of Appeal and Equalization to order at 6:00 p.m. Members present include Mayor Kutsi, Councilors Pontinen, Skalko, Bol and Liimatta. Clerk/Treasurer Sakrison and Mason Couvier from St. Louis County were also present.

Dan England was present and he reported that an inspection of his property has not occurred due to scheduling conflicts.

**Councilor Bol moved for no change to parcel 060-0038-00110. An appeal can be filed with the St. Louis County Board. Motion was seconded by Councilor Skalko and carried unanimously.**

Mason Couvier reported that parcel 060-0020-02400 owned by Thomas Sandstrom located at 502 South Broadway Street was inspected by Mr. Couvier. The addition at the back of the house was done some time ago and there is actually a full basement under the one story portion. The original portion of the house has a deteriorating basement. Therefore, Mason Couvier is recommending no change to the land value of \$2,400 but is recommending a decrease of \$7,300 to the building value for an adjusted total value of \$96,700.

**Councilor Bol moved to change the assessment value for parcel 060-0020-02400 from \$104,000 to \$96,700, a reduction of \$7,300 to the building value. Motion was seconded by Councilor Skalko and carried unanimously.**

**Councilor Skalko moved to adjourn at 6:11 p.m. Motion was seconded by Councilor Liimatta and carried unanimously.**

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Debra Sakrison, Clerk/Treasurer

Attest:

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Robert Kutsi, Mayor