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VALUE ADJUSTMENT BOARD (VAB)
FINAL MEETING MINUTES – APRIL 19, 2017

The Value Adjustment Board (VAB) of Indian River County, Florida, met on Wednesday, April 19, 2017, at 8:30 a.m., in the County Administration Building, 1801 27th Street, Building "A", Room A-102, Vero Beach, Florida. Present were Chairman Susan Adams; Vice Chairman Bob Solari; School Board Member Charlie Searcy; and Citizen Members Duane Weise and Todd Heckman.

Also present were VAB Attorney Michelle Napier, Clerk of Circuit Court and Comptroller Jeffrey R. Smith, VAB Board Clerk Terri Collins-Lister; Deputy Clerks Shelli Gagnon and Rhonda Zirkle; from the Property Appraiser's Office (PAO) was Attorney Eric Barkett; Manager Bruce Goodwyn; Supervisor Janine Hicks; Real Estate Appraiser George Clarke; and Assessment Control Margo Maxwell and Gigi Williams.

Present were John and Deborah Brenner, the taxpayers for Petition 2016-003, Bob and Gina Abel, the taxpayers for Petition 2016-046; and Anthony P. Guettler, representing Taxpayer's Maria Zita Bernardina & Jacinto Ezpeleta for Petition(s) 2016-007 and 2016-008.

1. CALL TO ORDER

Chairman Susan Adams called the meeting to order at 8:35 a.m.

2. INVOCATION

Clerk of Circuit Court and Comptroller Jeffrey R. Smith delivered the Invocation.

3. PLEDGE OF ALLEGIANCE

School Board Member Charlie Searcy led the Pledge of Allegiance to the Flag.

4. **INTRODUCTIONS**

Introductions were made individually by all present.

5. **APPROVAL OF MINUTES**

A. **VAB Organizational Meeting of July 20, 2016**

ON MOTION by Citizen Member Heckman, **SECONDED** by School Board Member Searcy, the Board unanimously approved the Value Adjustment Board Organizational Meeting Minutes of July 20, 2016, as written.

B. **VAB Meeting Minutes of January 23, 2017**

ON MOTION by School Board Member Searcy, **SECONDED** by Citizen Member Heckman, the Board unanimously approved the Value Adjustment Board Meeting Minutes of January 23, 2017, as written.

6. **APPROVE AND ADOPT THE SPECIAL MAGISTRATES' RECOMMENDATIONS AS THE VALUE ADJUSTMENT BOARD'S DECISION AND AUTHORIZE DISTRIBUTION OF FORM DR485V, PURSUANT TO SECTION 194.032, F.S.**

A. **2016 VAB Recap**

ON MOTION by School Board Member Searcy, **SECONDED** by Vice Chairman Solari, the Board unanimously approved the 2016 Value Adjustment Board Recap, as submitted.

B. 2016 Special Magistrates' Recommendations

ON MOTION by Vice Chairman Solari, **SECONDED** by School Board Member Searcy, the Board unanimously accepted the Special Magistrates' recommended decisions, pulling Petitions 2016-003, 2016-007, 2016-008 and 2016-046 for discussion.

MOTION WAS MADE by Vice Chairman Solari, **SECONDED** by Citizen Member Heckman, to accept the Special Magistrates' recommended decisions for Petitions 2016-007 and 2016-008.

School Board Member Searcy referred to Petition 2016-008 and asked how the PAO missed the value by \$666,580. Attorney Anthony Guettler, representing the owner of the property for Petition 2016-008, stated that the property was new construction and the improved values were higher than their cost. He pointed out that a detailed fee appraisal was done on the unique properties which included a main house and a guest house. He added that one of the issues was whether the two properties with the main house and a guest house should be assessed separately or together. PAO Manager Bruce Goodwyn stated the reason for the difference in the values was that the PAO only does a mass appraisal of the properties and when there is a fee appraisal done, it includes the inside of house, so cost figures can get skewed.

Chairman Adams **CALLED THE QUESTION** and by a 5-0 vote, the Motion carried.

Chairman Adams called for Petitioner John Brenner, Petition 2016-003. Mr. Brenner wanted to appeal the decision made by the Attorney Special Magistrate at his November 28, 2016 VAB Hearing on Portability.

Mr. Brenner reviewed a timeline of events in regards to his granted Homestead Exemption and the denial of his portability request for the 2016 Tax year on his subject property at 945 Bowline Drive. He also discussed both the Florida Statute for Portability and the information on the PAO website. He summarized that the two main issues were that he was denied his Portability because of late application and delayed the ability to adjust the market value of the original house from \$467,000 to \$1,065,000.

PAO Attorney Eric Barkett referred to the complexity of the Portability Statute with regard to the Market Value issue specifically; there was absolutely no legal question, in his opinion, that it was handled properly by the PAO.

VAB Attorney Michelle Napier added under the Florida Statutes and Florida Administrative Code, the VAB has the discretion and the authority to rely on the Special Magistrate's recommendations without further hearing. She had reviewed all the Special Magistrate Recommendations and opined they were legally sufficient.

Mr. Brenner continued on his discussions with the PAO regarding his Portability, the PAO website, and the disclaimer on the website.

A discussion ensued and Chairman Adams invited questions from the Board.

MOTION WAS MADE by School Board Member Searcy to accept the Special Magistrate's Recommendation for Petition 2016-003.

A discussion ensued and Vice Chairman Solari asked for a quick synopsis of the steps in the process that had taken place prior to this meeting.

VAB Attorney Napier summarized the VAB hearing process and reiterated that she had reviewed the Special Magistrate's Decision for legal sufficiency.

PAO Attorney Barkett stated there was a hearing where the Petitioner was represented by a Counsel and they were afforded every opportunity to present all of the evidence. He continued that their hearing was postponed to supply additional evidence and reset to another date; on which the hearing lasted for several hours.

Mr. Brenner recapped the areas where he felt the appeal failed and that he was not afforded an informal meeting with the Property Appraiser.

VAB Attorney Napier explained that it was the Petitioner's right to appeal to the Circuit Court if they do not agree with the position of the Board.

Vice Chairman Solari commented that although he heard some things that did not seem correct one way or another, he could not at this point; interject into this process which has already gone on to a significant degree. He stated that he would support the Special Magistrate's recommendation because the Petitioner was represented by an attorney, had the opportunity to present his desired information, and had the right to appeal in Circuit Court. Vice Chairman Solari also hoped that any potential or incorrect interpretations of the law on the PAO website would be cleared up.

There was a **MOTION ON THE FLOOR, SECONDED** by Vice Chairman Solari, to accept the Special Magistrate's Recommendation for Petition 2016-003; the Motion carried (4-0) with Citizen Member Heckman abstaining.

Citizen Member Heckman abstained because he knew John and Debbie Brenner personally and was also involved with an issue on his Portability.

Chairman Adams referred to Petition 2016-046 and asked VAB Attorney Napier if she had anything to add and whether the Petitioner was afforded the same process as the previous Petitioner. VAB Attorney Napier affirmed that the Petitioner was afforded the same process as Mr. and Mrs. Brenner and that the Board had the authority to rely on its Special Magistrate's Recommendation and the VAB Attorney's review of the recommendation for legal sufficiency.

Petitioner Robert Abel stated that he lived in a fairly new subdivision with his house being the smallest and the least square footage than of all the homes in the community. He pointed out that he was assessed at 86 percent of his purchase price, whereas the other homes were assessed between 77 and 81 percent of their purchase price.

Mr. Abel told the Board that he went through the VAB process and in the Special Magistrate Recommendations, under Findings of Fact it stated, "However it appears that this property is slightly being assessed more compared to that of his neighbors" and he felt that this supported his argument.

George Clarke with the PAO explained that the value determined by the PAO was \$56,000 less than Mr. Abel's submitted appraisal and both the PAO and the Petitioner's submitted comparables supported the PAO's value.

A discussion ensued on the homes located on the same street as Mr. Abel's house that were larger, but the assessed value was lower. Mr. Abel wanted to be in line with those homes on his assessment.

School Board Member Searcy questioned PAO Manager Goodwyn on the rule that caps 3% per year maximum increase for assessed value.

PAO Manager Goodwyn explained that the 3% cap per year was based on the property being homesteaded; the assessed value becomes capped at a maximum of 3% per year unless there is an addition to the property. He pointed out that Mr. Abel just stated one of the fallacies or problems with mass appraisal.

ON MOTION by Vice Chairman Solari, **SECONDED** by School Board Member Searcy, the Board unanimously accepted the Special Magistrates' recommended decision for Petition 2016-046.

7. AUTHORIZE AND APPROVE THE CHAIRMAN TO EXECUTE THE FOLLOWING FORMS PURSUANT TO F.S. 193.12

A. Tax Impact Notice DR-529 for Tax year 2016

ON MOTION by Vice Chairman Solari, SECONDED by School Board Member Searcy, the Board unanimously approved and authorized the Chairman to execute the Tax Impact Notice Form DR-529 for Tax Year 2016 for publication.

B. Certification Form DR-488 Real Property

ON MOTION by Vice Chairman Solari, SECONDED by School Board Member Searcy, the Board unanimously approved and authorized the Chairman to execute the Certification Form DR-488 for Real Property.

C. Certification Form DR-488 Tangible Personal Property

ON MOTION by Vice Chairman Solari, SECONDED by School Board Member Searcy, the Board unanimously approved and authorized the Chairman to execute the Certification Form DR-488 for Tangible Personal Property.

8. APPROVE RENEWAL OF THE AGREEMENT BETWEEN INDIAN RIVER COUNTY VALUE ADJUSTMENT BOARD AND MICHELLE NAPIER FOR LEGAL SERVICES, Pursuant to DOR Rule 12D-9.013(1) (C).

A. Attorney Agreement

ON MOTION by Vice Chairman Solari, SECONDED by School Board Member Searcy, the Board unanimously approved the renewal of VAB Attorney Michelle Napier's Agreement, Pursuant to DOR Rule 12D-9.013 (1)(C).

9. APPROVE THE PROPOSED REVISED SPECIAL MAGISTRATE CONTRACT

A. Special Magistrate Revised Contract

ON MOTION by Vice Chairman Solari, **SECONDED** by School Board Member Searcy, the Board unanimously approved the proposed revised Special Magistrate Contract.

Terri Collins-Lister, VAB Clerk, informed the Board that in the proposed contract there were some minor word changes and added to Exhibit "A", Article 2: Fees in Section 2.1 was "a minimum of two (2) hours" which reads, "*The BOARD shall pay the «Title» SPECIAL MAGISTRATE at the rate of «rate » per hour for his/her services. SPECIAL MAGISTRATE shall be paid for a minimum of two (2) hours of his or her time for each day the SPECIAL MAGISTRATE is scheduled and reports for hearings*".

10. AUTHORIZE THE VALUE ADJUSTMENT BOARD CLERK TO SOLICIT FOR SPECIAL MAGISTRATES IN THE CAPACITY OF ATTORNEY, TANGIBLE AND APPRAISER FOR THE 2017 VAB HEARINGS.

ON MOTION by Citizen Member Heckman, **SECONDED** by School Board Member Searcy, the Board unanimously authorized the Value Adjustment Board Clerk to solicit for Attorney and Appraiser Special Magistrates for the 2017 Tax Year Hearings.

11. PUBLIC COMMENT

There was none.

12. OTHER BUSINESS

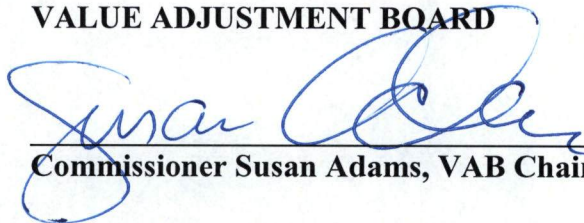
VAB Clerk Terri Collins-Lister mentioned at the 2016 Organizational Meeting, the Board had asked if the VAB Clerk would provide a copy of the budget, as well as a breakdown of the VAB expenses by use categories. She handed out copies of the 2016/2017 VAB Budget and the 2015 VAB expenses by category.

The Board reviewed and commented on the VAB Budget categories and inquired whether a column could be added to the VAB Budget Details of Operating Expenses to compare with the current year expenditures to previous year actual spent. Clerk of Circuit Court and Comptroller Jeffrey R. Smith, in response to the Board's questions, said the VAB Budget Details of Operating Expenses could be changed to show prior expenditures.

13. ADJOURNMENT

There being no further business, the meeting adjourned at 9:38 a.m.

VALUE ADJUSTMENT BOARD



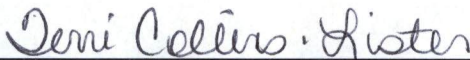
Commissioner Susan Adams, VAB Chairman

AUG 16 2017

Approved: _____

ATTEST:

Jeffrey R. Smith, Clerk of Circuit Court and Comptroller

By: 

Terri Collins-Lister, VAB Clerk