

**BOARD OF EQUALIZATION
WASHOE COUNTY, NEVADA**

THURSDAY

10:00 A.M.

JANUARY 14, 2016

PRESENT:

Philip Horan, Chairman
James Ainsworth, Member
James Brown, Member
Eugenia Larmore, Member
Bobbi Lazzarone, Member
James Covert, Alternate Member

Nancy Parent, County Clerk
Jennifer Gustafson, Deputy District Attorney
Michael Large, Deputy District Attorney

The Board of Equalization convened at 10:03 a.m. in the Central Conference Room of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada. Chairman Horan called the meeting to order, the Clerk called the roll and the Board conducted the following business:

16-115E PUBLIC COMMENTS

Agenda Subject: Comment heard under this item will be limited to three (3) minutes per person and may pertain to matters on and off the Board agenda. Comments are to be made to the Board as a whole.

There was no response to the call for public comment.

16-116E AGENDA ITEM 5 – OATH OF OFFICE

Agenda Subject: Clerk to administer oath of office to new or reappointed Board members. (Philip Horan, Eugenia Larmore, Bobbi Lazzarone and James Covert)

Nancy Parent, County Clerk, administered the oath of office to Member Philip Horan, Member Eugenia Larmore, Member Bobbi Lazzarone and Alternate Member James Covert.

16-117E AGENDA ITEM 6 – ELECTION OF VICE-CHAIRMAN

Agenda Subject: Possible election of a vice-chairman for the 2016 Washoe County Board of Equalization.

Member Ainsworth nominated James Brown as Vice Chairman. Member Brown declined the nomination.

Chairman Horan nominated James Ainsworth as Vice Chairman. There were no additional nominations or objections.

On motion by Chairman Horan, seconded by Member Larmore, which motion duly carried, it was ordered that Member Ainsworth be elected as the Vice Chairman.

16-118E AGENDA ITEM 7 – SWEARING IN

Agenda Subject: County Clerk to Administer Oath to Appraisal Staff.

Nancy Parent, County Clerk, swore in appraisal staff.

Chairman Horan thanked the Board members for serving. He stated his appreciation for the Clerk's staff, the District Attorney's staff and the Assessor's staff for all their hard work.

ORIENTATION AND TRAINING

16-119E AGENDA ITEM 8A

Agenda Subject: Washoe County Assessor's Office presentation and overview of assessment process for the 2016/2017 fiscal year.

Rigo Lopez, Senior Appraiser, presented Assessor Michael Clark to the Board. Mr. Clark mentioned the Assessor's Office senior appraisers also included Gail Vice; Cori Burke; Mark Stafford, in the personal property division; and Ron Sauer, Chief Appraiser, who was the number cruncher. He also mentioned other staff members including Ivy Diezel, Department Systems Support Supervisor; Lora Zimmer, Principal Account Clerk; and Doug Dufva, Senior Department Programmer Analyst.

Mr. Lopez stated there were 10,000 to 12,000 parcels in the County which were split into neighborhoods among each of the 18 appraisers. Appraisals were conducted every year rather than every five years as had been the past practice. He explained Nevada was not a market state. He talked about how land values were calculated according to use and how improvement values were calculated based on their replacement cost new. The depreciation rate was 1.5 percent per year up to 50 years. The value of the improvements and the land were added together for the total value. He said the values had no relation to market values, but the values could also not exceed market values.

He explained the Assessor's hearing evidence packets (HEPs) included comparables to support the assessed values and petitioners submitted their own evidence to support their claims. He stated that Mr. Clark directed the Appraisers to contact every appellant to see if they could come to a resolution, which would result in stipulated agreements with recommended new values for Board approval. He stated if the Assessor's Office determined that

the total taxable value exceeded market value, they would apply obsolescence which was a negative value.

He stated Lora Zimmer provided a count-to-date of appeals filed this year and the count was below the number that had been received by the same date last year. He noted the deadline was tomorrow, January 15th. He said last year the number of petitioners was less than 200 and it was projected that this year it would be closer to 160. He said the previous fiscal year had seen an increase of 1,037 new homes and in the current fiscal year 1,900 new homes had been added. He anticipated the area would continue to grow due to the influx of new businesses and he commented that the Assessor's staff had not grown to match area growth. He stated the median selling price of homes was \$250,000 last year and was currently approximately \$300,000. He said some areas saw an increase of 100 to 150 percent and allocations remained the same as the previous year. Mr. Lopez extended an invitation to the new Board of Equalization members to visit the Assessor's office to see what they did.

Michael Large, Deputy District Attorney, asked how the Assessor's office calculated replacement costs and if they used *Marshall & Swift*. Mr. Lopez confirmed that the Assessor's office used *Marshall & Swift* costing tables as it was mandated by statute. Chairman Horan stated the Board had previously suggested that appellants appeal to the State regarding their opposition to the use of *Marshall & Swift*. Mr. Large stated the County Board of Equalization had limited jurisdiction and was required to use the process as outlined in statute. Chairman Horan thought the issue would come up again.

16-120E AGENDA ITEM 8B

Agenda Subject: Washoe County Clerk's Office presentation and overview by Washoe County Clerk's Office of statutory responsibilities as Clerk of the Board and administrative and clerical practices.

Nancy Parent, County Clerk, introduced her staff to the Board, including Chief Deputy Clerk Jan Galassini; Cathy Smith, Board Records and Minutes Division Supervisor; Doni Gassaway, Deputy Clerk; Michael Siva, Deputy Clerk; and Jonathan Lujan, Department Programmer Analyst. She provided a handout which included a tasks chart, County Board of Equalization (CBOE) website pages and suggested motion language.

She explained the tasks chart supplied information about the various tasks performed by the Clerk's Office and the Assessor's Office. Clerk's Office responsibilities included acting as the independent record keeper, staffing all the meetings, arranging for payment to the Board members, swearing in witnesses, marking and distributing evidence, recording the hearings, keeping the permanent record of the Board's actions and decisions, sending written decision letters to petitioners within 10 days of the hearings, and preparing and preserving the minutes and evidence both digitally and on microfilm. She noted all CBOE hearings had to be concluded by the last day in February.

Ms. Parent discussed the Clerk's Office website and the web pages that were dedicated to the CBOE. She noted some of the Board members had submitted their biographies

and asked any other Board members to let her know if they wanted their bios to be included. She noted the website offered information to the public about CBOE procedures such as how to submit evidence, how many copies to make for the Board, how hearings were conducted and what to expect. She stated the website also included Frequently Asked Questions (FAQs), helpful links, agendas and minutes. She mentioned the website also cautioned petitioners to ensure their evidence did not contain social security numbers and private information as it would become part of the public record. Chairman Horan asked if private information would be redacted by the Clerk's Office. Ms. Parent replied it would be redacted if it was noticed by staff.

Ms. Parent mentioned the scripted motions that were included in her handout to the Board. She said the suggested motion language was based on suggestions from the State and the District Attorney's Office. She thought the standardized language was helpful for the Board, provided consistency, and saved time since the motion language was pre-programmed into a software system utilized by the Clerk's Office.

Ms. Parent informed the Board that laptops were available for Board members to check out if they desired to do so. She explained all the petitions and evidence would be provided digitally to the members via a thumb drive prior to each hearing.

Finally, Ms. Parent informed the Board the Clerk's Office would provide coffee, water and snacks. She asked Board members to let her know if they had any special requests.

Michael Large, Deputy District Attorney, discouraged Board members from sending emails to each other and to petitioners. He noted the Board was public and any such emails would be considered public record. Chair Horan commented it was not typical for Board members to receive a lot of emails from the public.

16-121E AGENDA ITEM 8C

Agenda Subject: Washoe County District Attorney's Office discussion of Nevada Open Meeting Law, Ethics in Government Law and State Board of Equalization Guidelines.

Jennifer Gustafson, Deputy District Attorney, conducted a PowerPoint presentation, which was placed on file with the Clerk. She also provided a handout entitled "Nevada Acknowledgment of Ethical Standards for Public Officials" and a document intended for public officers and employees regarding conflicts of interest, both documents were also placed on file with the Clerk.

The PowerPoint presentation discussed the Open Meeting Law (OML) and included slides which covered the following topics: learning objectives, the legislative intent of the OML, the pillars of the OML, Who is, and is not, a "public body", the definition of "meeting" and "quorum" according to the Nevada Revised Statutes (NRS), methods of holding meetings, special notes about electronic communications between Board members, the definition of meetings, avoiding deliberations by Board members at social functions, noticing and posting meeting agendas, voting minimums, ensuring meeting materials were available to the public, the

requirement to audio record meetings and to make the minutes available to the public, the consequences of OML violations, and sources for information about the OML.

Chairman Horan stated it was important to avoid discussing petitions during meeting breaks. Ms. Gustafson added that Board members should avoid discussing petitions through email as well. Deputy District Attorney Michael Large concurred that discussions regarding the business of the Board through email could result in a violation of the OML. Chairman Horan stated he was a big believer in the OML and public comment and he recognized the need to be careful. Mr. Large advised the Board members to seek legal advice if they had any questions about the OML.

Ms. Gustafson discussed the agenda posting requirements and said any member of the public could submit a request to be put on a subscription list to receive the agendas. She said Board members should only discuss items on the agenda and should avoid segues into topics that were not agendized.

Ms. Gustafson explained the Board could not censor people during public comment; however, they could require individuals to address the Board as a whole. Mr. Large added the Board could also address any crude, profane or vulgar comments and it was up to the Chairman to decide if the behavior of an individual was too disruptive.

Ms. Gustafson talked about providing meeting materials to the public and said although the meetings would be audio recorded, petitioners were permitted to record the meeting themselves if they wished to do so. Chairman Horan asked if the minutes had to be available within 30 days and Ms. Parent explained the audio would be available within that time frame, but there was a new law that required the minutes to be completed within 45 days.

Ms. Gustafson explained that any actions that were taken by the Board when there was a violation of the OML would be void. Any Board members who were guilty of violating the OML would be guilty of a misdemeanor and could be required to vacate their seat. Any OML violations would have to be agendized on a subsequent meeting so they could be corrected during a public meeting. Chairman Horan asked if a Board member would be required to vacate their seat if they did not take corrective action and Mr. Large replied it would be up to the Attorney General's (AG's) Office to decide. He explained the AG was the primary enforcer, but a private citizen could also initiate a legal proceeding. Chairman Horan thought a citizen would generally report such a violation to the AG's office. Ms. Gustafson stated the golden rule was for Board members to seek legal advice to avoid any issues. Mr. Large said there would be a Deputy District Attorney at every meeting.

Also, included in the PowerPoint presentation was information about the Ethics Code according the Nevada Revised Statute (NRS) 281A. Ms. Gustafson advised the Board members that it was against the law for them to accept gifts, to use their positions on the Board to obtain privileges, to accept bribes, to use confidential information for their benefit, to seek employment or contracts, or to engage in the personal use of County equipment. She advised the Board members to read the handout she provided regarding conflicts of interest. Member Lazzarone inquired about disclosing a conflict of interest during a meeting. Mr. Large replied

Board members should consult with their Deputy District Attorney for help forming language regarding any potential conflicts. Chairman Horan asked if the question of conflict should be raised during each agenda item and Mr. Large indicated it would be up to the members to bring it up. Ms. Gustafson stated a member could recuse himself/herself from a hearing, but it was disfavored unless a petitioner happened to be a close relative or if there was a financial relationship with a petitioner. She explained if a member recused himself/herself from a proceeding the quorum would be reduced. Member Ainsworth mentioned the financial disclosure forms that the members were required to complete and Mr. Large stated the members still had some time get that done.

Chairman Horan stated the Board was lucky to have such outstanding support. He said he appreciated Assessor Michael Clark's new rule to contact each and every petitioner.

16-122E AGENDA ITEM 9 – 2016 HEARINGS

Agenda Subject: Discussion and possible adoption of Rules and Procedures to be used by the Board for hearings during the 2016 Board of Equalization meetings, including but not limited to, discussion and direction to staff on petitions filed after deadline date.

Nancy Parent, County Clerk, discussed how and when to conduct public comment during the meetings. She asked whether the Board desired to allow public comment during each item or if they preferred to allow it only at the beginning and end of the meetings. Member Covert commented he would not want to discourage public comment. Chairman Horan indicated he would prefer to limit public comment to the beginning and end of the meetings, and he wanted to set that as the policy for this year.

Ms. Parent asked the Board about scheduling and Board member availability. Due to some scheduling conflicts for Board members and the Assessor's requirement to provide 10 days' notice to petitioners, Chairman Horan determined it would be best to start the hearings during the week of February 8th. Ms. Parent asked which dates the Board would like to hear continuances and Chairman Horan indicated the Board would prefer to complete the hearings by February 26th. Member Lazzarone stated she would have a scheduling conflict on the afternoon of February 26th.

Ms. Parent asked about start time for the meetings and Chairman Horan stated the meetings should commence at 9:00 a.m. Michael Large, Deputy District Attorney suggested the Board consider starting the hearings at 8:00 a.m. if a flood of petitions was received.

Ms. Parent asked about withdrawals and whether the Board would like to hear them at the beginning of the meetings. Chairman Horan agreed they should be heard at the beginning of each meeting.

Ms. Parent inquired as to how late petitions should be handled. She said untimely petitions had been sent directly to the District Attorney's office in the past. Mr. Large concurred that is how they had been handled in the past and stated that there had been issues with petitioners rolling back dates. He stated petitions would only be accepted if they were post

marked by the Post Office on or before the January 15th deadline. Any petitions received by the Post Office after that date would be outside the Board's jurisdiction. In response to a question by Member Lazzarone, Mr. Large stated the District Attorney's office would instruct petitioners who filed too late with the County Board of Equalization to file with the State Board of Equalization.

16-123E BOARD MEMBER COMMENTS

Chairman Horan stated that serving on the Board of Equalization was enjoyable. He expected that the Board members would not always agree, but could agree to disagree. He noted the Board members all had experiences in different areas and suggested they should feel free to ask questions if they had any.

Member Ainsworth commended the Assessor's Office for their work and expressed his gratitude.

Member Lazzarone stated she felt fortunate to serve on the Board.

16-124E PUBLIC COMMENTS

Agenda Subject: Comment heard under this item will be limited to three (3) minutes per person and may pertain to matters on and off the Board agenda. Comments were to be made to the Board as a whole.

There was no response to the call for public comment.

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11:25 a.m. There being no further hearings or business to come before the Board, and without objection, the meeting was adjourned.

PHILIP HORAN, Chairman
Washoe County Board of Equalization

ATTEST:

NANCY PARENT, County Clerk
and Clerk of the Washoe County
Board of Equalization

*Minutes prepared by
Cathy Smith, Deputy Clerk*