

**PHILIP YATES VS. TOWN OF PALERMO
TAX ABATEMENT HEARING PETITION #336**

September 18, 2007

2:30 P.M.

(TAPE 1-A)

PRESENT: Waldo County Commissioners John M. Hyk, Chairman; Amy R. Fowler and Donald P. Berry, Sr. Also present was Petitioner Philip Yates along with Defendants Town of Palermo Assessors Royce Nelson, Lee Jackson, Paul Cowing and Gary Boyle. Recording the minutes was County Clerk Barbara Arseneau.

Commissioner John Hyk opened the hearing by having everyone introduce themselves. The rules of the hearing were read to all present and then the Petitioner and Defendants were sworn in. The Petitioner was allowed to speak first.

PETITIONER:

P. Yates: Back, I think it was last November, my wife and I were here for an abatement appeals hearing which was denied and we were told the reason being – first of all, we felt we were being over-assessed on our taxes and we were told the reasons was all part of a two-year process to bring the rates up for the whole town to adjust for the increase in State valuation. My wife and I didn't agree with that, but we understood. So this July when we got our tax bill, we looked at it – it had gone down slightly. We were pleased until we found out from neighbors that we were still being assessed higher compared to the adjacent properties. And my wife and I filed another abatement appeal with the Assessors. We got the notice back saying that it was denied; the reason being that our rates or assessment had pretty much stayed the same, which it had, and that the neighbors' property had, in fact, gone up, which was true. The two properties that we were going to compare again this year was the Mundy property at 361 Stevens Shore Road and the Gogin property at 395 Stevens Shore. Each of those properties has virtually identical acreage - .18; same amount of water frontage – 80 feet; and the buildings themselves are pretty much very similar. So, and, you know, the fact was our rates had gone down, and I know that the mil rate had gone down as well, I think, from 14.5 to 12.1. So the assessors felt, I guess, that we had no grounds for an abatement appeal. But, looking at the records, my wife and I discovered it was the building value that were still being assessed at a much higher than the neighboring properties. Our building assessment for 2007 is \$109,000.00, compared to the Gogin property at 395 Stevens Shore, which was \$58,009.00 and the Mundy property, 361 Stevens Shore, at \$67,400.00. Our total assessment is pretty much unchanged; I think it went from \$169,000.00 last year after the abatement – we did get a \$311.00 abatement last year. It went from \$169,000.00...it was \$169,000.00 last year and I think it's \$168,000.00 this year. So it did go down slightly, but it still appears that our assessment is still based on the 80% of our purchase price and the assessments on the other properties are still on the existing assessments. We were told last year this State valuation deal that was in progress was only going to be for that one tax bill last year and then everyone would be up, or should

be up, on the same level for this year, but that doesn't appear to be the case. So I'm just a little confused as to why our building value is still \$41,000.00 more than the Mundy property and \$50,000.00 more than the Gogin property. I'm just confused because I assumed everyone would be brought up on the same level this year. It just appears that our taxes are still based somewhat indirectly on that fair market assessment from when we purchased the property back in 2005. So, that's why I'm here. I'm just trying to get some answers and that's all I have for now.

J. Hyk: Well, I think you're here also because you'd like to get some money.

P. Yates: That's true.

J. Hyk: I just wanted to be clear on that.

P. Yates: Yes, we are requesting an abatement of about \$422.00 based on what we feel we should be assessed at.

J. Hyk: Amy, Don – do you have some questions for this gentleman?

A. Fowler: No, I have nothing right now.

D. Berry, Sr.: Neither do I.

J. Hyk: Um, me either right now. [To the assessors] Do you gentlemen have any questions for Mr. Yates?

The assessors stated they had none at this time.

J. Hyk: Setting a record for no questions here! O.K., well you guys [the assessors]; it's your turn.

DEFENDANTS:

L. Jackson: O.K. Um, as he stated, we was here last year; however I think he's a little bit mistaken that we said that everything was going to be done in one year. That was not, in my knowledge, said or intended to be done so. We did give him a rebate last year of \$311.00. I believe his '06 total tax last year was \$2,494.94. His tax this year is \$2,036.43, which is \$458.51 less than what it was last year. Mundy's, however, increased taxes \$197.44. Every camp on the lake went up 30%. Every house off the lake went up 20%. Everybody's house lot went up \$5,000.00. Mr. Yates's house lot went up \$5,000.00, but the value of his house was cut \$5,000.00, so his tax rate should have stayed the same; however, I believe he is sharing a well or a septic and I took \$2,700.00 off so his valuation this year is \$2,700.00 less this year than it was last year. The valuation last year was actually \$172,000.00, I believe, after the rebate, I think I'm right. It is now sixty – \$168,300.00. We're still trying to get things up there where it belongs. As promised, his valuation did not, and will not, go up. It says right on his tax bill and

right on these pieces of paper “Do not increase the valuation,” and we did not. As I say, he went down \$2,700.00. Everybody in town taxes went up. When you drop your mil rate from 14.5 to 12.1, there’s a spot there where taxes leveled off and big, high, estate dropped a little bit of taxes and lower people went up a little. My taxes went up, his [one of the assessors] taxes went up; most people in town went up somewhere’s \$50.00 to \$80.00. They had one estate that’s worth over a million; they’re taxes went down slightly. We felt that we’ve done exactly what we said we was going to do last year when we was down here, when Mr. Yates came and talked to us, we told him the same thing. This year he asked for a rebate. He said he was going to be in town for two days. He was told, “Very good, we’ll see what we can do about getting a meeting; if you don’t hear from us, give us a call.” I mailed Mr. Yates a letter. We had a meeting; Mr. Yates never showed up. So I called him. He said he went home instead. I said, “Well, we still took up your application and due to the fact that your taxes went down over \$440.00 and everybody else’s has gone up, we felt that we’ve done exactly what we said we would do, and we’re still in that process. So that was why it was (unintelligible words) and the rebate was denied.

J. Hyk: Don, questions? Amy, questions?

A. Fowler: I mean...just looking at the pictures, the actual colored photographs, for the most part, and I want to make sure I have them straight; Yates and Mundy – right? These camps pretty much look the same – size-wise and everything else. According to your figures on here, you have a – is that a deck out in the back – a 12’ x 10’ deck? Is that what this is?

P. Cowing: Oh, it’s just like a porch deck – it’s not...

A. Fowler: O.K., ‘cause that’s a different dimension than what this is, but I mean, for the most part, it looks like these two are fairly the same. This one here – Gogin, is it?

P. Cowing: Yes, Gogin.

A. Fowler: This actually, dimensions-wise, is quite a bit bigger and I think...

J. Hyk: Is this - on the property record part – I’m sorry – is that the square footage there? It can’t be right. It can’t be 8000 square feet.

G. Boyle: On, no. I can’t imagine it...

P. Cowing: Whose is that?

A. Fowler & J. Hyk: That’s Gogin.

J. Hyk: Where’s the square footage of these things?

A. Fowler: It's 'cause the measurements have to be...well, that's, what – 10' x 18'...

J. Hyk: Could it be 58...

A. Fowler: That's where the square footage is – 5380.

J. Hyk: 5380 – is that possible? It can't be.

P. Cowing: 5000 square feet? No, I don't believe so.

A. Fowler: It's your card! You tell me! (Laughing.)

P. Cowing: I think I know the building. I don't believe the building is that big.

L. Jackson: One portion of it is 320 square...

J. Hyk: There isn't a place on this card where the square footage is written down? No...

L. Jackson: See these little circles?

J. Hyk: Yeah.

L. Jackson: Those are the square footage of the section in which they are...

J. Hyk: O.K.! O.K. Now we're getting somewhere.

L. Jackson: But I would like to extend one more...

J. Hyk: So that's nineteen – that's nineteen...that's one hundred ninety-two...

L. Jackson: Looks like 1920 – you see this was done by somebody else. Nineteen hundred and, well – what is, uh, sixteen by fifteen? What's that come out to?

J. Hyk: Fifteen by fifteen would be 300 square feet, right? Fifteen by fifteen would be 300, so I don't know what that little circle means. It says, "192?"

L. Jackson: I don't know...

J. Hyk: I'm trying to get some comparison...

L. Jackson: I understand that...

P. Cowing: Fifteen by fifteen is 225.

J. Hyk: 225. Right.

L. Jackson: But, uh just...

A. Fowler: I don't know what those are; I really don't.

J. Hyk: I'm just trying to get...

D. Berry: Sixteen by twenty would be 320. O.K.?

P. Cowing: I've got 2, 640.00 square feet, if you add up all those numbers in there; you've got 320, 260...

J. Hyk: How much?

P. Cowing: ...1924 and 8...

L. Jackson: Looks like a hundred and eighty-one ninety-two. But I would like to add, though, Mr. Mundy's property did go up over \$35,000.00.

J. Hyk: Here's what I'm trying to do. I'm trying to establish in my mind some kind of - this is what these cards are supposed to do, as I remember it - you grade out the building and it comes to a grade and then there's number of square footage and I'm trying to figure that out 'cause I'm having a little trouble here, so I'd you-all's four assessors in here to explain to me what the - I want to know what the square footage of these buildings is - that's one thing I want to know - and I want a grade on each one. There's got to be a grade, because that's how you do this, right? So that's all I'm asking, so if you could help me with that...

L. Jackson: It says right in here, right in here on the card, it says, "C-grade."

P. Cowing: 2640 he come up with for that Gogin building.

J. Hyk: 2640 and it's a C-grade?

P. Cowing: Yup.

J. Hyk: O.K. What about Yates?

L. Jackson: I would say Gogin is a C-grade...

J. Hyk: Well, yeah - that's what you just said. Gogin's is c-grade?

L. Jackson: Right.

J. Hyk: O.K. What about Yates, how many square feet?

L. Jackson: Tell you in a minute – I think I can... [Looking through records] Isn't that it, Gary, because it's not on this...this is, too – C-Grade.

D. Berry, Sr.: Yes, it's written here – C-grade.

J. Hyk: C-grade. But how many square feet?

D. Berry, Sr. and A. Fowler: 952.

J. Hyk: 952. O.K.

A. Fowler: What was Gogin's, again?

J. Hyk: 2640.

R. Nelson: Did Gogin's have their's 2600?

J. Hyk: Now, what about Mundy?

L. Jackson: Mundy, I believe, is a C-grade.

J. Hyk: C-grade, but square foot? What's that 786? 768?

L. Jackson: Got to find it...

A. Fowler: But you can't go by those figures.

J. Hyk: All right; 24'x32'. 20' x' 30' would be 600 and 8' x 2' is...

D. Berry, Sr.: 768.

A. Fowler: Yup, O.K.

J. Hyk: 768. 768. Now: Can I - do you want to go where I'm going with this

A. Fowler and D. Berry, Sr.: Yeah, I see where you're going... Yes.

J. Hyk: All I'm saying is unless they're C buildings – unless – I'm saying they're pretty much the same.

J. Hyk: So, unless there's something secret/sacred/crypts of Egypt information that I'm not seeing here, it would just seem to a lay-person, because they look to be about the same type of construction; they've got a little chimney; they've got a little tree out front; a little deck here and there; little steps and so forth. It would seem to me that, that unless

I'm stupid, that the building that should be worth the least is the Mundy's. The next least would be the Yates, and the Gogin's should be the most. That's what I'm thinking. Now, I'm willing to be educated on this.

L. Jackson: The reason that his is higher is based on the value of the price when he sold it – what he paid for it. That's what we'd come down last year and that's what was agreed on last year, and because these sales are being so I, he's [Yates] increasing the value of the Town of Palermo so fast. The case in point, this has nothing to do with this one but, we had a sale and a Palermo real estate agent said a piece of property was worth \$36,000.00. Two months later, he hadn't even mowed the lawn, but it's worth \$72,000.00. So the State says, "O.K., we'll throw that out because it was a ridiculous sale and we'll knock a million and a half off your town valuation." This one sale Mr. Yates made probably made over \$3,000,000.00 in the Town of Palermo's valuation. How are we going to be up with the State and keep our valuation up if we can't charge what the book says and our State program says, "Fair market value is the number one thing that you can go by," and so we went 80%. And we did it last year, and this was what we...

J. Hyk: O.K., I'm asking the...you're changing the subject on me.

L. Jackson: I'm sorry – I didn't mean to.

J. Hyk: No, that's O.K. – I would, too, if I were you. Um, part of the...let's back up for a minute. I was under the impression, when you guys came in here last year, that you were in year one of a two-year total revaluation of the town. Let's what I thought you told me, 'cause that's what I'm thinking. [To the A. Fowler] Is that what you're thinking?

A. Fowler: I thought that...

J. Hyk: The two of us are thinking that that's what we were told, that he got revalued based on because he just bought the property and everybody else was going to be revalued and that would put everybody else on the same playing field. That's what I'm thinking.

A. Fowler: Right.

R. Nelson: That's not correct.

J. Hyk: But you're telling me...are you telling me something different, now? Because that's what you told me then, so help me God.

P. Cowing: Nope, you're absolutely right, but trying to do it in one year is going to be very, very...

R. Nelson: Two years. Two years.

J. Hyk: But this is the second year.

L. Jackson: No, no – this is the first year.

R. Nelson: No, this is the first year.

L. Jackson: We've got one more year to go. We've got this next tax year coming up that we can reevaluate.

P. Cowing: My first I come in was last year when we started to do this because everything was so under valued 70% of what the State said we had to be.

J. Hyk: But you sent – you sent – you sent some people the tax bill that he got last year, represented the first year's work. Is that right?

L. Jackson: Right.

P. Cowing: Last year was...

L. Jackson: Last year's his first year's tax bill.

P. Cowing: Last year his tax bill was based on the sale price, basically. Wasn't in the...this year's our first year of the new tax bills of anybody's property's changing. This is a – this is – I'm starting my second year as a second year to do...

J. Hyk: O.K. I have other...

P. Cowing: Whether it is...

A. Fowler: So have you revaluated these other two properties? Are these in Gogin's?

P. Cowing: Like he said, we brought 'em up 30% this time; we'll try to revalue and bring them up again. Like we said, his will never – won't be brought up until everybody's even. Not a problem. All of these can be abated up. But I don't believe his should go down. It's just the way I...

J. Hyk: I understand that that's what you understand but if you did, we wouldn't be here!

P. Cowing: I can't say that I can go down to somebody that didn't sell a property – have hung onto it for 40 years, and are paying market – an appraised value of going up 10-20% every year, or 5% - their taxes always go up, but you can't take one sale on the lake and force everybody up on one year, but if you're right in saying what you're saying, the Gogin's and all of theirs should go to the \$150,000.00, \$180,000.00, \$190,000.00 mark

and there's no questions there. When we bring the whole town of Palermo down, 'cause everybody jumps \$75,000.00 because he [Yates] bought one piece of property way over-
valuated, I can't – I don't know how we're supposed to deal with it.

J. Hyk: O.K.

P. Cowing: So we're trying to do it slowly and bring it up and bring the mil rate down. Our town can't afford to bring the mil rate down and force everybody up and force the sale of properties. So that's – we're just trying to be fair about it. If you want us to do it in one year; not a problem, but it's going to get – we're going to get burned at the stake. We have quite a responsibility.

J. Hyk: I'm not – I don't think I'm asking you to do that.

P. Cowing: Yeah, well, that's what we're getting asked is to force – that's how I feel, anyways – I don't know about anybody else here.

J. Hyk: Well, let me ask – this gentleman wants to say something.

G. Boyle: Well, we were here last year based on Mr. Yates' 2006 tax bill. This year 2007 tax bill is the first year we've had an opportunity to increase the rest and next year will be the second year, 2008.

J. Hyk: I see. I see what he's saying.

A. Fowler: I do, too.

J. Hyk: But I think I miss-heard; I misconstrued.

A. Fowler: But I also see, and very much respect what this gentleman – and I can't remember your name...

P. Cowing: Paul Cowing.

A. Fowler: It's no different than what's happening on our oceans right now.

P. Cowing: Yup. Exactly. It's exactly – we don't it in our little town overnight like it has on the ocean and people that have tried to hang onto the farm because of a \$4,000,000.00 sale next door to them. Our little town hasn't had that big a trouble in the last ten years. This building boom has hurt a lot in this process, and to get your mil rate where it's got to match for what your town needs for money, and then to force somebody that's – there just going to get a \$100,000.00 valuation – how do you justify the next house to him to go up \$100,000.00 base on one sale?

J. Hyk: I'm not...

P. Cowing: And all to do it one year. He's asking us to do it in one year. I can't see that it can be done.

J. Hyk: All right.

P. Cowing: Without us getting burned at the stake. That's just what's going to happen.

J. Hyk: Just, just, just...the...

P. Cowing: We've tried – we've reduced him [Yates]. We've done everything we said we'd do and we'll do everything we said we'll do. And everybody else's. And we've had everybody else has completely understood. We've revaluated \$35,000.00/\$40,000.00. The building didn't change a bit in one year.

J. Hyk: I want to; I want to ask another question, if I may. I'm – what I'm wondering here, is, you know, since taxes aren't assessed on the basis of services, and there's supposed to be, I believe, some parity between properties, it almost sounds like – I'm not saying you're doing this – but it almost sounds like you're maybe penalized Mr. Yates for having spent, perhaps, entirely too much money a property; that you're sort of making him, say “O.K. – you paid for it; it's not worth it - by the way - but you paid for it, so we're going to tax you that much on it.” O.K., but I thought; correct me if I'm wrong – I'm not a certified assessor –

P. Cowing: Neither are we.

J. Hyk: I thought there's supposed to be some parity – some equity – between the properties; that like properties, that the tax would be comparable on like properties. Am I wrong about that?

P. Cowing: Nope, and that's absolutely what we're trying to do.

A. Fowler: But I believe what they're [the assessors] saying is that's what they're doing; they are just trying to do it a little at a time instead of a drastic...

P. Cowing: Do your square footage and do what we should have done. You do it and tell us that we could have been able to do it in one year. Do your numbers and go by square footage and whatever his [Yates] is a square foot – I don't believe his should go down a dime. I think everybody should go up the same, and then whatever we need for a mil rate, based on that assessed value of the whole town. But when you do that, you're going to have people coming in, and they're going to come into our little town office. He [one of the assessors] goes and hays in the field – he's got a farm. I'm a carpenter, is all I am. I'm not a licensed assessor. We're just trying to do this to raise money to plow our roads and get everybody to the same playing field. This has been since 1950 that this has been going on. It's been a selectmen board and a “town father's” type of thing that's assessed.

The lake properties are going nuts. You what is happening down here. We're doing the best we can. And I mean, if he [Yates] doesn't – if he feels he's being picked on, it's nothing to do with him. It's the real estate values that are doing it. And it's the assessed values and the sale values that make us go that way because the State does it to us. You know, as far as Commissioners, what the State does and how they value the...

A. Fowler: State sets the valuation.

P. Cowing: We were 70%, two years ago, of what the State said we was worth. How are we going to bring it up to where it is without, unless we go by...

A. Fowler: And they come with your valuation through some of your highest real estate figures.

P. Cowing: And then, like he [L. Jackson] says, a \$72,000.00 sale amounts to a million and one half. Now what's that going to do when we try to evaluate and try to do something that a licensed assessor – at one point we've got to have the whole town assessed. It's going to cost the Town of Palermo money. All it's going to do is drive everybody's taxes up. We're trying to get away from driving everybody right out of their places. So I have no idea how to do it – if you've got a booklet somewhere that you can give us, I'll gladly do it. But I don't believe his property should be lowered. Everybody's got to come up to it. And the ones that have been brand new – we've got young people that have built \$100,000.00 houses that are assessing for \$200,000.00. They're paying their taxes; they're growing up with it. They're going to have to do the same thing. And what do you do to the older people? They've hung onto the farm for 50 years or 60 years or 70 years and they're going to be penalized because of the market value? What do you do?

J. Hyk: O.K. Here's what I don't want to do anymore, if we could possibly help it. I don't want to talk about what's wrong about the tax system. I think we all know there's plenty wrong. I don't want to talk about, you know, the State. I want to talk about THIS property. The only thing I want to talk about right now is THIS property and the two other properties that are next to it that, I think, we're trying to compare here.

R. Nelson: O.K.

P. Cowing: Absolutely.

J. Hyk: So, I want to – instead of going out to the big picture, because we know what the big picture is – I want to bring it in. I want to go WHOOSH like this.

P. Cowing: Absolutely. These three properties, there's the same thing. We've got to get theirs up \$100,000.00 and we just felt we couldn't do it in one year. You're right, you're absolutely right. We're under assessed.

J. Hyk: Well, let me ask you this question – if you can't get theirs up in one year...

P. Cowing: His [Yates] come down. His has dropped \$500.00...

J. Hyk: Maybe they should come down more.

P. Cowing: Well, maybe he [Yates] feels it should, but I don't feel it should.

J. Hyk: Let's look at two properties.

D. Berry, Sr.: I've got something to voice, O.K.?

J. Hyk: I'm sorry, sure.

P. Cowing: They've got all kinds of numbers and they all – they don't look right...

D. Berry, Sr.: Sir?

P. Cowing: Yes?

D. Berry, Sr.: My turn.

P. Cowing: Yup, absolutely.

D. Berry, Sr.: Thank you. I look at the amount of tax that each one of these is paying and I roughly look at the square footage of each one. The land seems like it is about the same size for all of them. Now, this one here comes out, and just basing it now on square footage of the property, this one here comes out at \$2.05 a square foot.

J. Hyk: Which one is that?

A. Fowler: Mundy.

D. Berry, Sr.: That is Mundy.

J. Hyk: O.K. – let me find this.

D. Berry, Sr.: This one, which is Yates, comes out at \$2.14. This one, which is Gogin's, comes out at \$1.62.

P. Cowing: That's a big – that's a big change. That one...

D. Berry, Sr.: That's a pretty significant difference, there, in those and based on that, and basing it on what incomparableness here to \$2.05, then I come up with a number of

\$84.83 differential between the \$2.05 and the \$2.14. And I am not looking at the differential for the \$1.62, which would be even greater.

A. Fowler: Right.

D. Berry, Sr.: So, what I would like you gentlemen to explain to me, when we look at these things, we see with comparable properties \$2.05, \$2.14 and \$1.64? Or, I mean, \$1.62. Now that perplexes me.

R. Nelson: So, in other words, you're trying to say we should ignore the sales price, which the State says we should take into consideration.

D. Berry, Sr.: I know that, but I'm also saying equitableness is part of this game of taxation, too.

J. Hyk: You shouldn't ignore the sales price, but you have to apply it across the board. You can't apply it just to the property.

R. Nelson: Yeah, but a lot of these other people give \$30,000.00 for them and have paid their taxes for years and years and years.

J. Hyk: That's true.

D. Berry, Sr.: But those people also owned property there for years. That's why they've paid for years!

L. Jackson: My question is, what figures are you using on Mr. Gogin, because the problem is, some of them cards have not been brought up...

D. Berry, Sr.: Well, the only evidence that we have in front of us, you see...

L. Jackson: I, I understand that and that's why I...

D. Berry, Sr...is this one here showing the 908 square feet.

L. Jackson: Yeah, but what – you said you used the figure to divide that into for Gogin's.

D. Berry, Sr.: Well, I look at his square footage and it's \$1,474.99.

J. Hyk: This building is almost twice as big. It's the same grade, it's twice as big and you're taxing it less.

D. Berry, Sr.: That puzzles me.

L. Jackson: Well, I think if we've got the right figures that would make quite a bit of difference. And I didn't realize that... (Long pause). What I'm kind of confused about is I don't see a Gogin at 395...now I realize you've got a paper for it, and I've got one right here.

J. Hyk: Well, I'm looking at the property tax card. What we tried to do is we tried to add up the square footage of the buildings...

L. Jackson: I understand.

J. Hyk: ...on the back, and, I mean, there's a drawing here – somebody drew it and somebody went to the trouble to measure it.

P. Cowing: Is the tax bills with that drawing?

A. Fowler: No.

J. Hyk: No. There won't be a drawing with tax bills.

P. Cowing: But you've got a figure for the tax bill, you're saying. Where did you get the figure for that?

D. Berry, Sr.: This document right here, which lists the taxes...

P. Cowing: It's the same property?

L. Jackson: I don't have it for 395.

D. Berry, Sr.: ...for the – yeah – two years.

P. Cowing: It is the same property?

D. Berry, Sr.: Yeah.

P. Cowing: I just want to make sure it's the same property 'cause I don't know how many Gogin's there is and....

G. Boyle: Estate of. Look under E – Estate of...

A. Fowler: If you look on the dates of the transfers on these properties, Gogin's – Gogin's? Is that how you say it?

P. Cowing: Gogin is his name.

A. Fowler: Gogin has been there. It's been there the longest.

P. Cowing: Yeah, if it's the same property that I'm thinking of, yes; it's just – it's a mistake. It's as simple as that. It slipped through the process because if it's, like he's saying...

A. Fowler: I can see this. This is petty. But, you know, but this...

P. Cowing: But Gogin's is – if he didn't get the thirty – what I'm wondering and looking for, if he didn't get the \$35,000.00 or whatever it was – the 30% everybody else went up or he was so totally under-assessed. We had such a problem of buildings being so under-assessed and you bring them all up 30% and even a \$20,000.00 at 30% doesn't jump as much as a \$100,000.00 one at 30% and we haven't – I mean, there's 1500 of them and we try to go over each one as we do, and if we made a mistake on that one, absolutely his has got to be brought up.

J. Hyk: You know, I...

L. Jackson: His total valuation should be \$121,900.00.

A. Fowler: Gogin's? Gogin's?

P. Cowing: Is that what it is?

L. Jackson: And on this piece of paper her, it's only \$103,000.00, so that would make a little difference in your square footage.

D. Berry, Sr.: I have \$121,900.00.

P. Cowing: Yup. That's still for the square footage – he's got so much square footage and what I'm thinking is the square footage got by us, because we did do – we did try to do a comparison and assessment on all the square footage...

J. Hyk: O.K. I want to bring this back – I want to get – this is getting a little too free-wheeling for me. You guys have got to understand we've been here since 8:00 a.m. We're exhausted. Maybe not even thinking as clearly as we might, but pretty clear, yet.

P. Cowing: You ain't suckers yet? (Laughing.)

J. Hyk: One of the things – are we done with our questions? O.K.? Because we're not going to talk anymore. You're all done talking, asking questions. Now the Commissioners are going to do the talking. One of my concerns here, is I can't pretend we're operating in a void. I can't pretend this gentleman wasn't in here last year saying, "This ain't right." And I'm thinking that what I heard was the Town said, "Give us another year; we'll straighten it out. And I think everybody's made a fair effort at trying to do that; yet I still an inequity here and I don't like it. I don't know what to do about it,

but there's something here that isn't working. That's my – and then I'm going to wait to hear from you all [the other Commissioners].

A. Fowler: So what is the solution, Chairman? Where do you feel the solution lies?

J. Hyk: Well, let's put it this way – I think this gentleman [Yates] has a pretty good case. I think if the other property had been properly valued in comparison to his property, he wouldn't have a leg to stand on, but I think he's got a half a leg to stand on. That's what I'm struggling – I am struggling because this property [Gogin's] seems to me to be a superior property to this property [Yates] and their paying less taxes! I've got a problem with that! I've got a problem with it!

R. Nelson: Yes, but they didn't give this fabulous amount of money, like the State says that we're supposed to value them all.

J. Hyk: To me...

R. Nelson: In other words, you want us to ignore the State laws.

J. Hyk: No, I'm not asking you to do that at all.

R. Nelson: Well, that's what you're saying.

J. Hyk: But I am asking you to let the Commissioners decide this now. This is in the hands of the Commissioners, now. We're not taking anymore presentation or testimony.

A. Fowler: [To R. Nelson] I respect and see what you're saying. And there is a significant discrepancy with this property [Yates] and the Gogin property, I'll give you that [to P. Yates], which I think these guys [the selectmen] have realized that there was an error there and I can only assume that they're going to go back to the office and straighten that one out.

P. Cowing: We're going to look at it.

A. Fowler: But in light of real estate and property; I am a farmer. To me, my farmland – to somebody, it's a huge subdivision. You know but to me, it's something else. And unfortunately that is the case; that is the problem, is some of this land is being sold and these properties are being sold for these ridiculous sums of money which ends up, unfortunately, penalizing everyone else. My greatest concern is what if the Gogin's had been there for a hundred years and it was passed down and now, all of a sudden, their being penalized because you paid a large sum of money for your property, whatever it's worth. With that said, I hope – it's my hope...

P. Cowing: It's a hard decision...

A. Fowler: Do I sound like a politician, here?

D. Berry, Sr.: Almost.

J. Hyk: Please, please...

A. Fowler: It is my hope that you [the selectmen] will go back to the office and tweak, work with Gogin property around a little bit, or figure something out there, because I have a problem with giving Mr. Yates an abatement where he is so close to the other property beside him. I feel that there is a discrepancy with Gogin's and so fix it, but, or do what you can on it.

J. Hyk: I just try to remind you that we're not here to try straighten out the assessing practices of the Town of Palermo.

D. Berry, Sr.: Correct.

J. Hyk: We have a petitioner in front of us who is requesting relief. That is the issue.

A. Fowler: We've been here since 8:00, all right? (Laughing)

D. Berry, Sr.: You know, when you look at the differential, and I just used the 214 and the 205, but if you use that 162, then you have the differential of 494. That's pretty significant as far as a tax bill and so...

A. Fowler: How many camps are on Sheepscott? Can I ask that?

J. Hyk: No.

A. Fowler: No, I can't ask! Never mind!

J. Hyk: No, you can't ask. That part of the hearing is closed.

D. Berry, Sr.: What's interesting is, as a newly elected Commissioner last year before I took office; I sat in this case as an observer.

J. Hyk: Oh, you were here!

A. Fowler: Yes!

J. Hyk: Oh, you were!

D. Berry, Sr.: So I've heard this twice [unintelligible few words.]

J. Hyk: If we, Don, excuse me, if we wanted to – if you're struggling this much with this, there is something else that we sometimes do, don't we? We sometimes let the parties take ten or twelve minutes to see if they can sort it out amongst themselves to their mutual satisfaction. We have done that in the past; I don't know whether that's an option in this case.

(A. Fowler briefly joked about them beating each other in the hallway.)

P. Cowing: [Unintelligible] ...appreciate that, that's an option, but then whatever you guys decide. It's a hard question. No doubt.

D. Berry, Sr.: I'm going to move a rebate of \$100.00.

J. Hyk: It has been moved.

A. Fowler: I will second it for discussion.

J. Hyk: Discussion.

D. Berry, Sr.: I'm just looking at, you know, the inequity that's here and I see an inequity between two comparable properties even though one is larger than the other, if it's a differential of, you know, ten cents, makes a significant amount in that one. And the differential in the other one is much greater. What I'm saying is that I believe there is an inequity here, that it does need to be addressed and that's why I'm proposing the \$100.00.

J. Hyk: Thank you, Don. I appreciate your motion and sentiment. I have a question for you – are we permitted to grant less than what's asked?

A. Fowler: We can give whatever figure we so choose.

D. Berry, Sr.: Yes, I believe so. I don't think that is the situation, here.

J. Hyk: O.K. Are we through with discussion? Would you like to discuss this some more?

A. Fowler: I fear it's getting late in the day and I'd have to use vulgarity at this point! (Laughing)

D. Berry, Sr.: And that would not be recorded!

A. Fowler: It won't be professional anymore, so I'll...you know where I stand.

J. Hyk: O.K. It's been moved and seconded to grant an abatement of \$100.00. Seeing that there is no further, um, arguing or questioning or debate, we will call the vote. All in favor?

The vote passed with two in favor and A. Fowler opposed.

J. Hyk: Thank you, gentlemen [to the selectmen].

P. Cowing: Thank you very much. It is well understood and we appreciate it.

The County Clerk obtained the spelling of all names.

The hearing was adjourned at approximately 3:05 p.m.

Respectfully submitted by *Barbara L. Arseneau*
Waldo County Clerk