

Wednesday, August 12, 2009

The Board met at 1920 Squaw Valley Road, Olympic Valley, at 1:35 p.m., with Ms. Yee, Chairwoman, Ms. Steel and Mr. Shea present, Ms. Mandel present on behalf of Mr. Chiang in accordance with Government Code section 7.9. Ms. Barbara Alby was present and observing on behalf of Mr. Leonard.

ANNUAL BOARD MEETING WITH COUNTY ASSESSORS

Ms. Yee opened the annual meeting of the Board and county assessors required under section 15607 of the Government Code to discuss administrative issues related to assessment and taxation laws and to promote uniformity in tax procedural matters throughout the State. Ms. Yee welcomed the county assessors to the meeting on behalf of the Board.

Greetings and Introductory Remarks by each Board Member

Ms. Yee thanked Mark E. Colombo, Tehama County Assessor, for hosting the meeting this year. Ms. Yee acknowledged the leadership of Dan Goodwin, President, California Assessors' Association, and welcomed Ron Thomsen as the incoming president. Ms. Yee made brief remarks regarding: BOE's budget reduction and furlough opt-out; reform efforts including *Commission on the 21st Century* and *California Forward*; and the convening of a constitutional convention, which Ms. Yee invited the county assessors to join. Ms. Yee announced that Dr. Chu is the newest member of Congress, representing the 32nd Congressional District, and introduced Mr. Shea, Acting Board Member, Board of Equalization, Fourth District. Ms. Yee introduced Mr. Leonard's Chief Deputy Barbara Alby, to represent the Second District at this meeting.

Ms. Mandel conveyed Controller John Chiang's regret for not attending this meeting and made brief remarks regarding IOUs and the Property Tax Postponement Program.

Ms. Steel remarked that split rolls will hurt small businesses and cause difficulty for the counties; and that she looks forward to working this out with the county assessors.

Mr. Shea made brief remarks regarding the spirit of working together with local government to resolve issues resulting from the current budget and legislation.

Ms. Alby conveyed Mr. Leonard's warmest regards and his appreciation for the county assessors as a tremendous information resource.

Opening Remarks by California County Assessors' Association

Honorable Dan Goodwin, President, California Assessors' Association, acknowledged the county assessors' awareness that California taxpayers are worried about their property assessments and stated that counties have taken a very pro-active approach by reducing the assessment rolls. Mr. Goodwin commended the Board and its staff, as well as his colleagues, for their honorable work for the future of California.

Honorable Ron Thomsen, President-Elect, California Assessors' Association, thanked the Board and its staff, in addition to his colleagues, for their commitment and continued communication to maintain the integrity of the property tax system in the State of California.

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Legislative and Research Division Presentation

Joe Fitz, Chief Economist of the State Board of Equalization, opened a discussion of the current California and national economic outlook with a report and a PowerPoint presentation. (Exhibit 8.1.)

Exhibits to these minutes are incorporated by reference.

Property and Special Taxes Department Presentation

Mr. Thompson, Chief, State-Assessed Properties Division, Property and Special Taxes Department, discussed the state of state assessment, the Master Settlement Agreement 10 years after, coordination efforts with county assessors, solar partnerships, and other current issues.

Legal Department, Tax and Fee Programs Division, Property Taxes Section, Presentation

Richard Moon, Tax Counsel, Tax and Fee Programs Division, Legal Department, discussed current and emerging legal issues. Mr. Moon reported that the Legal Department is currently considering whether the proper interpretation of Proposition 13's inflation factor includes reducing base year values when the California Consumer Price Index is negative, and welcomes any input from the county assessors. (Exhibit 8.2.)

The Board recessed at 2:52 p.m. and reconvened at 3:00 p.m. with Ms. Yee, Ms. Steel, Mr. Shea, Ms. Mandel and Ms. Alby present.

Split Roll Presentation

Honorable Dan Goodwin, Ventura County Assessor, and President, California Assessors' Association, moderated a panel discussion of issues relating to the concept of 'split roll' for non-residential property assessment and reassessment.

Panel: Lenny Goldberg, California Tax Reform Association
Kyla Christoffersen, California Chamber of Commerce
Rick Auerbach, Los Angeles County Assessor
Larry Stone, Santa Clara County Assessor
Robert Ingenito, Chief, Research and Statistics Division

Robert Ingenito, Chief, Research and Statistics Division, Legislative and Research Division, Legal Department, provided an overview of assessed value data and discussed some economic ramifications of a split roll.

Ms. Yee requested the Research and Statistics Division staff to work with interested parties and county assessors to reconcile discrepancies discussed regarding the data.

The Board adjourned at 4:04 p.m.

The foregoing minutes are adopted by the Board on December 16, 2009.

Note: The following matter was removed from the calendar prior to the meeting: Closed Session.