

BOARD OF EQUALIZATION

Madison, Nebraska

June 24, 2015

The Board of Equalization of Madison County, Nebraska met at 9:00 A.M.

Advance notice of meeting was published in the Thursday, June 17, 2015 edition of The Norfolk Daily News. A copy of said notice was mailed to each Board member. An affidavit of acknowledgment of receipt of notice of meeting as published was executed. Chairman Jim Prauner called the meeting to order and notified the public of the location of the information regarding the Open Meeting Act posted in the meeting room.

Present: Commissioners Christian Ohl, Jim Prauner, and Ron Schmidt, County Assessor Jeff Hackerott, and County Clerk Nancy Scheer.

Motion made by Schmidt and seconded by Ohl to approve the agenda for the meeting. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Motion made by Ohl and seconded by Schmidt to approve the minutes of the June 2, 2015 meeting. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

County Assessor Jeff Hackerott presented the following documents that were accepted by the Board as part of the official record for all property valuation protest hearings conducted in 2015:

- 1) Rules and Regulations of the Tax Equalization and Review Commission (TERC)
- 2) Written statement of the basic procedures used to send valuation notices
- 3) Copy of Notice of Valuation Change
- 4) Omitted and Undervalued Property Listing for tax year 2014
- 5) Generalized overview of the procedures used in Madison County Assessor's Office to determine value of real property
- 6) Nebraska Assessor's Reference Manual
 - A) Article 15 of Nebraska Statutes, Chapter 77
 - B) Real Property Appraisal Regulations: 44-001 through 44-005
 - C) County Officials Regulations: 49-001 through 49-010
 - D) Real Property Regulations: 40-001, 003, 004, 008, 010, 011, 012 and 013
- 7) I.A.A.O. Textbooks: Property Appraisal and Assessment Administration, Property Assessment Valuation, and Mass Appraisal of Real Property, and IAAO Glossary for Property Appraisal and Assessment
- 8) Tax Equalization and Review Commission General Orders #4 through #8
- 9) Madison County Sales File Record (Residential, Commercial, and Agricultural)
- 10) Copy of Madison County Measures of Central Tendency as required under Nebraska Revised Statute §77-1315(4) (2000 Cum. Supp., as amended by Nebraska Laws L.B. 170 § 6)
- 11) Copy of Property Valuation Protest Form 422
- 12) Nebraska Agricultural Land Valuation Manual
- 13) Map of Madison County Agricultural Market Areas
- 14) Copy of confidential intra-office spreadsheet of adjustments made by location
- 15) Copy of Ag land values spreadsheet – 3 year comparison
- 16) Copy of Ag land values spreadsheet – values by market area
- 17) Soil Survey of Madison County published by US Dept. of Agriculture / Soil Conservation Service
- 18) 2015 Reports and Opinions of the Property Tax Administrator
- 19) Copy of Nebraska Administrative Code, Chapter 1 TERC Enabling Authority
- 20) "Real Property Valuations and Damage Due to Natural Disaster" Notification from P.A.D. dated June 10, 2011
- 21) U.N.L. Department of Agricultural Economics "Financial Outlook for 2015 Production Agriculture in Nebraska" dated April 8, 2015
- 22) U.N.L. Department of Agricultural Economics "2015 Trends in Nebraska Farmland Values and Rental Rates Reflect Changes in Agricultural Commodity Prices" dated March 4, 2015
- 23) U.N.L. Department of Agricultural Economics "2014 Nebraska Farmland Values and Rental Rates" dated July 2, 2014
- 24) U.N.L. Department of Agricultural Economics "Nebraska Farm Real Estate Market Highlights 2011-2012" dated June 2012
- 25) U.N.L. Department of Agricultural Economics, Cornhusker Economics "Land Booms, Bubbles and Busts: Some Beginning Year 2013 Reflections" dated January 16, 2013
- 26) U.N.L. Department of Agricultural Economics, Cornhusker Economics "Agricultural Land Values and Cash Rental Rates Continue to Climb" dated March 20, 2013

Hearings were conducted on property valuation protests as follows:

Protest #2014-1: Ramiz Ibrahimi, 1206 Meadow Drive, Norfolk
Pasewalks Second Addition E 61 Ft Lot 1, Blk 3

Chairman Prauner opened a hearing at 9:02 A.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that the property was purchased on March 23, 2015 at a cost of \$40,000 from the Jim Forester estate. He explained that he inspected the property on June 4, 2015 with the owner and that the house is in rough condition. He reported that the basement walls are cracked and heaving in and that there is mold behind the paneled walls in the basement. He stated that the previous owner put a dead man on the inside of the basement to keep the wall from pushing in; however, it didn't fix the problem. He explained that the owner plans to tear out the basement and completely replace it. Chairman Prauner closed the hearing at 9:10 A.M. Motion was made by Schmidt and seconded by Ohl to accept the County Assessor's recommendation for a reduction in the valuation based upon a physical inspection of the property and set the 2015 property valuation at \$42,892. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-2: Calvin, Dale, and Robbie Frisch, 53965 826th Road, Newman Grove
NE1/4 5-22-4 162.62 AC

Chairman Prauner opened a hearing at 9:13 A.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that three brothers purchased this property on October 24, 2014 at a cost of \$1,390,230, which is \$8,549 per acre. He stated that this is a long irrigated quarter of agricultural land which is currently planted to corn. He explained that the current valuation is \$5,347 per acre and when converted to 100% valuation, is \$7,531 per acre. He reported that the current valuation is 62% of purchase price. Chairman Prauner closed the hearing at 9:16 A.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since the valuation appears equitable with similar properties and is reflective of the market. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-3: George and Sherri Frisch, 54070 825th Road, Newman Grove
N1/2 SE1/4 19-21-3 80 AC

Chairman Prauner opened a hearing at 9:28 A.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the subject property is a dryland 80 acre property located northeast of Newman Grove. He stated that the owner reported that the buildings on the property were removed in 2010. He reported that he inspected the property on June 11, 2015 and confirmed that the building were removed, but were not reported by the owner until this year. He recommended removing the building valuation. In addition, he stated that the property was purchased in 2010 for \$440,000. Chairman Prauner closed the hearing at 9:30 A.M. Motion was made by Schmidt and seconded by Ohl to remove the building valuation and set the 2015 property valuation at \$428,088. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-4: Dennis Bretschneider, 1901 Westwood Drive, Norfolk
Westwood Fourth Addition Lot 5, Blk 2

Chairman Prauner opened a hearing at 9:16 A.M. Dennis Bretschneider appeared at the hearing. County Assessor Jeff Hackerott reported that he inspected the property with Mr. Bretschneider on June 16, 2015. He explained that the house is ranch style built in 2000, with 1,673 square feet on the main floor. He stated that the house is very typical for the neighborhood and that the valuation change was a 7% increase on the house, which was the same increase applied to residential properties in the City of Norfolk. Dennis Bretschneider testified that his only concern is that the valuation for his property increased 6% in 2014 and is increasing 7% in 2015. He stated that he compared his property valuation to other homes on his block and he is only one of four properties that will have an increase two years in a row. He said that the other property valuations stayed the same from 2014 through 2015. He presented a copy listing the valuations of other properties in his neighborhood and reiterated that the valuation should not increase two consecutive years. County Assessor Jeff Hackerott responded that in 2014 the valuation of residential properties between the range of \$50,000 and \$200,000 were adjusted by 6%. He further explained that in 2015 the valuation for residential properties ranging between \$30,000 and \$250,000 were adjusted so this is why, property valuations for some residential homes increased both years and other valuations increased only one year. In addition, he explained that six of the ten residential properties listed on Mr. Bretschneider's document were valued higher than \$200,000 in 2014; therefore, the valuation on those six homes did not increase. He stated that Mr. Bretschneider's property was within the valuation ranges that were targeted in both 2014 and 2015. Chairman Prauner asked if any homes in the neighborhood sold and Mr. Bretschneider responded that one property across the street sold in the last two years. County Assessor Jeff Hackerott reported that a home located on 1900 Westwood Drive sold on February 22, 2013 for \$224,500. He said that this sale is one that is pushing the County to change the valuations because the values are below the sale prices. Chairman Prauner closed the hearing at 9:25 A.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since the valuation appears equitable with similar properties. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-5 Charles Frohberg, 54783 843rd Road, Norfolk
Pt SE1/4 SE1/4 17-24-2 35 AC

Chairman Prauner opened a hearing at 9:40 A.M. County Assessor Jeff Hackerot reported that he is unsure how many acres on this parcel are in CRP and he needs the owner to submit the information from the Farm Service Agency. Charles Frohberg appeared at the hearing and testified that there are between 20 to 22 acres of crops on this parcel and these acres are in the program. He explained that the remaining acres are in trees and terraces. He reported that the map was recently reviewed with the GIS staff member in the Assessor's office because he was assessed for a lot on this 35 acre parcel and the lot was removed. County Assessor Jeff Hackerott requested Mr. Frohberg to obtain maps and data from the Farm Service Agency showing the number of acres in CRP and the originating dates of placing the acres in the CRP program. Mr. Frohberg reported that the land is non-productive and this is why it was put in the CRP program. Chairman Prauner closed the hearing at 9:45 A.M. Motion was made by Schmidt and seconded by Ohl to table a decision until receipt of additional information from the owner. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-6 Joe and Gladys Weis, 303 North 33rd Street, Norfolk
Green Meadow 2nd Addition Lot 3, Blk 2 Unit A

Chairman Prauner opened a hearing at 9:51 A.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the property is a town house which has 1,224 square feet and sits on a slab. He stated that he did not make contact with the owner. He reported that the property was purchased August 29, 2012 for \$129,900 and that the valuation change was a 7% increase on the building valuation, which is the same valuation change that a vast majority of the City of Norfolk residential properties received. He explained that the 2014 valuation on the subject property was 85.69% and the 2015 proposed valuation is 91.29% of the purchase price, so the valuation is still below the market value. Chairman Prauner closed the hearing at 9:55 A.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since the valuation appears equitable with similar properties and is reflective of the market. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-7 Roger Lamm, 510 South 8th Street, Norfolk
 Durlands First Addition S1/2 Lot 6 & All Lot 7, Blk 9

Chairman Prauner opened at hearing at 11:06 A.M. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that he inspected the property on June 15, 2015 with Roger Lamm. He stated that the house is typical for the neighborhood and has been owned by Mr. and Mrs. Lamm since 1976. He reported that the house is well maintained and no changes were noted from the previous inspection of the house. He reported that the house is very typical for the age and neighborhood and that the valuation change was a 7% increase on the building valuation that was applied to most residential properties in the City of Norfolk. Chairman Prauner closed the hearing at 11:09 A.M. Motion was made by Schmidt and seconded by Ohl to accept the County Assessor's recommendation for no change to the 2015 property valuation based upon a physical inspection of the property. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-8 Ross Bartlett, 304 North Nebraska Street, PO Box 423, Madison
 Fritz Addition W 113 Ft Lots 3 & 4 Blk 2

Chairman Prauner opened a hearing at 10:04 A.M. Ross Bartlett appeared at the hearing and testified that he purchased the property in August 2010 at a cost of \$47,900 and at that time the property was appraised at \$61,000. He said that prior to his purchase, the property was valued by the County at \$55,254 and the proposed valuation for 2015 is \$80,124. He reported that he hasn't done a single thing to the house since he bought it and the house needs a lot of work. He submitted pictures of the inside and outside of his house, his neighbors' homes which are not in good shape, and the junk across the street. He said that the neighbor's pasture is nothing but weeds and he went to the City Council about the problem. He reported that his neighbor's house has two different colors of shingles, a gravel driveway, and a garage which is almost falling over. He said that when heavy rains are received, all the water pools between the end of his driveway and the street. He reported that the shut off for his neighbor's house is in the center of his driveway. Mr. Bartlett explained that the pictures of the inside of the house reflect water damage on ceilings from the bad roof, floor damage, mold, and the tub torn up in the main bathroom, old linoleum in main entryway, old carpet, mold and water damage in basement block walls, old windows which aren't energy efficient, water damage by front door, cracks in the garage floor, hail damage and mold on siding, and a sinking back patio. He reported that water gets into the basement when the creek rises. County Assessor Jeff Hackerott reported that he inspected the property with Mr. Bartlett on June 15, 2015 and that from the outside the house appears to be a standard split level mid-1970s house which has been re-sided with vinyl. He said that he has issues with the corky heating and air conditioning system which was installed when the house was built. He said that there is no duct work in the basement and that the basement is heated with electric radiant heat coming from the ceiling, but doesn't push any heat to the basement. He stated that the air conditioner for the main floor sits outside; however, the furnace, condensing coil, and the fan motor sits in the attic which is very odd and inefficient. Mr. Bartlett stated that the radiant heat only works in two bedrooms downstairs, but not in the family room. He said that the temperature in the basement family room is about 50 degrees in the winter. He reported that the house has some problems and the neighbors' houses aren't very good. Chairman Prauner closed the hearing at 10:17 A.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation for a revised valuation based upon a physical inspection and set the 2015 property valuation at \$68,694. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-9 Pete Becker, 3506 Portia Place, Norfolk
 Lakeview 4th Addition Lot 2

Chairman Prauner opened a hearing at 10:23 A.M. Pete Becker appeared at the hearing. County Assessor Jeff Hackerott reported that the subject property is a vacant commercial lot located behind Midwest Bank off the corner of 25th Street and Benjamin Avenue. He said that the lot is vacant and sits at the top of the hill and slopes off to the west. Pete Becker testified that to the south of the subject parcel the USDA office was built and occupied in 2014. He explained that as the property for the USDA office was developed, one lot was platted and taken from the entire parcel. He reported that in 2013, the total valuation, including the lot for the USDA office, was valued at \$326,069. He stated that he's had an ongoing concern with this property since it's been assessed at a high value. He explained that one lot for the USDA office was broken off last year and that land value for the parcel with the USDA office is valued at \$122,283. Mr. Becker assumed that some valuation was taken off the valuation for the remaining parcel, and some value was removed since the 2014 valuation was \$263,000; however, the 2015 valuation is \$287,282. He said that if \$120,283 valuation is assigned to a new lot, this value should be taken off somewhere. He complimented Mr. Hackerott for an accurate building valuation for the USDA building; however, the valuation for the vacant property remaining is too high. He explained that Midwest Bank purchased the corner lot and paid premium price, but that subsequently has been causing problems. Mr. Becker reported that within a year or two from the time that Midwest Bank purchased their lot, he sold 5 acres on Benjamin Avenue across the drainage way ditch for \$125,000 per acre which is a comparable sale. He explained that on one side the sale was \$275,000 and on the other side the sale was \$125,000. He asked for some relief on the 3.95 acres of vacant property which is left. Chairman Prauner closed the hearing at 10:29 A.M. Motion was made by Ohl and seconded by Schmidt to set the 2015 property valuation at \$229,826 based on the County Assessor's review of area property valuations. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-10 Ronald and Barbara Forslund, 3703 Lakeview Drive, Norfolk
 Lake View Terrace Lot 7 (10-23-1)

Chairman Prauner opened a hearing at 9:58 A.M. Ronald and Barbara Forslund appeared at the hearing. County Assessor Jeff Hackerott reported that the subject property is located south of Sherwood Road in a subdivision which has a small lake. He stated that this house is located on the west side of the lake and is a ranch style house which is typical for the neighborhood. He reported that the house does not have a basement and he inspected the house with the owners on June 15, 2015 and the owners have not moved into the house, but are in the process of updating the house with paint. Barbara Forslund presented a drawing showing the lots in the subdivision. She testified that the property was purchased in August 2014 for \$132,500. She said that the house was built in 1976 and has not had any major updates, except for painting. She said that the lot size is 100 foot wide and on the north side the lot is 180 feet deep and on the south side the lot is 168 feet deep, so the total lot size is 17,400 square feet. Mrs. Forslund reported that the lot located south of their property is slightly smaller at 16,625 square feet and the lot located on Sherwood Road is slightly larger; however, the other two lots are valued at \$13,781 and their lot is valued at \$25,040. She explained that calculating the lot value based on square feet, the lot on Sherwood Road is valued at 71 cents per square foot, the lot located south of their property is valued at 83 cents per square foot, and their lot is valued at \$1.44 per square foot.

She reported that the building value of the house located on Sherwood Road has 2,668 square feet, 3 bedrooms, 2¾ bath, 3 car garage, large cement patio in back, and utility shed and is valued at \$61.78 per square foot. Mrs. Forslund reported that the house located to the south of their house has 3 bedrooms, 2½ bath, nice screened in porch on the back, and utility shed and is valued at \$71.55 per square foot. She reported that their home has 1 bath, 3 bedrooms, wooden deck, 2 car garage, and 35 year old cracked concrete which is valued at \$97.60 per square foot. She stated that the values aren't in alignment between these three properties. She reported that all the homes in the neighborhood were built between 1976 and 1979. Commissioner Schmidt asked if there was anything that is wrong with the other two houses and Mrs. Forslund said that nothing is wrong with the other homes and that all three homes have similar siding. Chairman Prauner closed the hearing at 10:04 A.M. Motion was made by Schmidt and seconded by Ohl to consider the recent purchase price and set the 2015 property valuation at \$132,500. Roll call vote: Ayes, Ohl, Prauner and Schmidt. Nays, none. Motion carried.

Protest #2015-11 Bob Dudley, 1006 Darrus Drive, Norfolk
 NW1/4 Less PT to State 30-23-2 151.1 AC

Chairman Prauner opened a hearing 10:31 A.M. Bob Dudley was present. County Assessor Jeff Hackerott reported that the subject property is 151.1 acres of property located approximately 4 miles south of Battle Creek along on Highway 121. He explained that a portion of the property is in the CRP program and Mr. Dudley submitted a copy of his CRP contracts. He stated that the CRP contracts are for 72.2 acres in one parcel and 76 acres in another parcel for a total of 142.8 acres through the year 2017. Bob Dudley testified that the property is very hilly ground and a portion was used as a former junk yard. He reported that he has food plots for hunting pheasants for recreation purposes. He stated that he purchased the property in December 2003 and the original valuation was \$1,250 per acre. He stated that he doesn't want the valuation to force him into farming the property. He reported that the FSA map and soil descriptions were given to Mr. Hackerott. He testified that the inventory report reveals the high degrees of slope at 82%, the ground is not highly productive, and production rates are historically 20% below the average range. Chairman Prauner closed the hearing at 10:38 A.M. Motion was made by Schmidt and seconded by Ohl to accept the County Assessor's recommendation to adjust the CRP acres and set the 2015 property valuation at \$596,619. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-12 William Zechmann, 1800 West Pasewalk Avenue, PO Box 1097, Norfolk
 The Meadows Second Addition Lots 5, 6, 7, & 8, Blk 2

Chairman Prauner opened a hearing at 11:10 A.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the owner's concern is the land valuation. He explained that the 2015 proposed valuation is \$537,612 and the owner requested a valuation of \$450,000. He explained that the subject property was combined with three other parcels this year since a building is located on three of the parcels and the parking lot surrounding the building is located on the fourth parcel. He reported that the lots were purchased in 2008 for a total cost of \$570,000 which is \$4.33 per square foot and the proposed valuation for 2015 is \$4.10 square foot, which is 94.68% of the purchase price. Chairman Prauner closed the hearing at 11:13 A.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 valuation since the valuation is between 92% and 100% of the purchase price of the property. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-13 Donald and Linda Zastrow, 2901 Dover Drive, Norfolk
 Berry Hill 4th Addition Lot 7, Blk 10

Chairman Prauner opened a hearing at 11:26 A.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the house sold in May 2015 for \$207,000 and the 2015 proposed valuation is \$222,146. He stated that he inspected the property on June 16, 2015 with Mrs. Zastrow. He explained that the house was built in 1991 and is typical for the neighborhood, except there is no bedroom on the main floor which substantially limits the marketability of the house. He reported that all the bedrooms are upstairs and that the basement has a lot of finish; however, there is no bathroom in the basement. He stated that the owners submitted an independent appraisal in the amount of \$209,000. Chairman Prauner closed the hearing at 11:29 A.M. Motion was made by Schmidt and seconded by Ohl to consider the appraisal submitted by the protestor and set the 2015 property valuation at \$209,000. Roll call vote: Ayes, Ohl, Prauner and Schmidt. Nays, none. Motion carried.

Protest #2015-14 Cynthia Skye, 2378 County Road 16, Colon, NE 68018
 C S Hayes Addition Lot 4, Blk 2

Chairman Prauner opened a hearing at 10:50 A.M. Cynthia Sky appeared at the hearing. County Assessor Jeff Hackerott reported that the house is bungalow style with 1,008 square feet built in 1913. He explained that the house is typical for the neighborhood with age and condition. He reported that he inspected the property with Ms. Skye on June 16, 2015. He stated that the house does not have an accessible attic, has two bedrooms and ¾ bath on the main floor, and the basement is entirely unfinished and only 6'1" to the rafters. Cynthia Skye stated that she appreciated the County Assessor inspecting the house because she wanted to make sure that the property listing was correct. She testified that no improvements have been made to the house since 2013. She reported that the person who inspected the property before she bought it said that all the drainage slopes towards the house, so they did minor landscaping by putting soil up against the house so that water would drain away. She testified that an electrician who inspected the house said that all the wiring is old and there is no ground, so this needs to be fixed in the future. She reported that her cost of living increase at work was only 1.5%, and even though the County bases valuation on other things, she wanted to point this out. She explained that the property was purchased in June 2013 for \$61,000. County Assessor Jeff Hackerott reported that the valuation change was a 7% increase that was applied to most residential properties in the City of Norfolk. Commissioner Prauner asked if the kitchen cupboards were replaced and Ms. Skye responded that the kitchen was refurbished, but the cupboards were probably the cheapest ones available. County Assessor Jeff Hackerott stated that the kitchen has been updated, probably during the 1990s, with wood cabinets with white laminate inserts. Chairman Prauner closed the hearing at 10:57 A.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation for no change to the 2015 property valuation based upon a physical inspection. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-15 Steve Denn, 2500 Alaska Avenue, Norfolk
Westwood First Addition Lot 1, Blk 4

Chairman Prauner opened a hearing at 11:16 A.M. Steven Denn appeared at the hearing. County Assessor Jeff Hackerott reported that he inspected the property on June 15, 2015 with Mr. and Mrs. Denn. He explained that the owners paid \$190,500 for the property in February 2015 and that the proposed valuation for 2015 is \$251,221. He stated that the valuation for the subject property has been estimated since it was constructed in 1994 because the previous owners would not allow the County inside the house for an inspection. Steve Denn testified that there is approximately \$60,000 between the purchase price and the 2015 proposed valuation. He stated that a home valued at \$250,000 in the City of Norfolk should have a three car garage without a very steep driveway. He explained that the house is located on a corner lot and there were many trees around the property that were overgrown and broke out the vinyl fence. He reported that the house was for sale for three years and the owners' original asking price started at \$269,000. Mr. Denn stated that the house is surrounded by homes that are valued between \$200,000 and \$300,000 and the house would not sell at that price. He stated that home is unique and has a strange setup, but it works well for their family. Chairman Prauner closed the hearing at 11:21 A.M. Motion was made by Schmidt and seconded by Ohl to consider the recent purchase price and set the 2015 property valuation at \$191,867. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-16 Eugene Hemmer Jr., P.O. Box 476, Humphrey
W1/2 SW1/4 35-21-2 80 AC

Chairman Prauner opened a hearing at 11:30 A.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott confirmed that all the bins and open ended Quonset have been removed from this parcel. Chairman Prauner closed the hearing at 11:31 A.M. Motion was made by Ohl and seconded by Schmidt to set the 2015 valuation at \$448,263 since the bins and buildings are removed. Roll call vote: Ayes, Ohl, Prauner and Schmidt. Nays, none. Motion carried.

Protest #2015-17 H. Dale Remmich, P.O. Box 464, Norfolk
Pasewalks 5th Addition Lots 8 & 9, Blk 8 & PT Vac Alley

Chairman Prauner opened a hearing at 11:32 A.M. No one appeared at the hearing to offer verbal testimony. The written protest attachment was read. County Assessor Jeff Hackerott reported that the subject property is a vacant lot and that the Mr. Remmich owns the lot located north of the subject property and had an apartment building constructed on the lot. He explained that the owner's concern is that there is no paved access to the subject property. He reported that he spoke to Trent Howard with the City of Norfolk and was told that the City says that the lot can be built on. Mr. Hackerott stated that the City water and sewer does not extend beyond the intersection and that constructing a building on the lot would involve additional costs to extend the water and sewer lines. He reported that the 2014 valuation was \$17,779 and the owner paid \$24,000 for the lot in 2001. Chairman Prauner closed the hearing at 11:42 A.M. Motion was made by Ohl and seconded by Schmidt to accept the Assessor's recommendation to make no change to the 2015 property valuation based upon a physical inspection of the property and information received from the City of Norfolk. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-18 Lowell Beckenhauer Jr, Beckenhauer Leasing LLC, 4701 North Deer Run Drive, Norfolk
SW1/4 SE1/4 15-24-2 40 AC

Chairman Prauner opened the hearing at 11:50 A.M. Lowell Beckenhauer Jr. testified that the property is all agricultural land and the valuation for agricultural land is driven by commodity prices. He read an article from the State Chamber of Commerce newsletter dated June 23, 2015 which stated that Nebraska's personal income is next to last in the country for the first quarter because of declining farm income. He said that Nebraska's personal income was tied to the second worst performance among states in the first quarter. In addition, the article said that U.S. farm earnings fell by 22.4% and commodity prices are down in the dumps. He stated that his first argument is why is the valuation going up when the commodity prices, which drive the valuations, is going down. He said that if he had corn to sell he would take it to the Coop in Battle Creek and would get \$3.50 per bushel. Mr. Beckenhauer explained that the property is in CRP until 2020 and that his annual payment is \$3,004 and the current tax of \$1,256 is 42% of the income. He stated that he is arguing about the cost of trying to keep the property and it doesn't make any sense from a financial standpoint for someone to buy this property when the margin is so thin and prices are going down. He reiterated that 42% of the income from this property is going to pay the taxes without doing any upkeep to the property. He reported that he has been required to do periodic burns and pay for these costs. He explained that he has an easement across some very rough property to get access to this parcel and if family didn't own the property where the easement is, he would need to spend a lot of money to get to this parcel. He said that the property is too hilly for row crops and there is no well on the parcel for irrigation. County Assessor Jeff Hackerott reported that the property is in CRP acres and has several drainage areas running through it. Chairman Prauner closed the hearing at 11:53 A.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since the land is classified correctly and the valuation appears to be equitable with similar properties. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-19 Lowell Beckenhauer Jr, Beckenhauer Leasing LLC, 4701 North Deer Run Road, Norfolk
PT NW1/4 NW1/4 North of County Road 23-24-3 35.72 AC

Chairman Prauner opened the hearing at 11:53 A.M. Lowell Beckenhauer Jr. testified that the property is a combination of hilly pasture ground that is almost entirely covered with trees and ravines. He said the property is not much good for pasture, but at one time he was able to support two horses on this pasture. He stated that a good part of the property is in CRP type grass since 1978 because it was hilly, but it was never in the CRP program. He reported that he tried raising a crop on it twice and couldn't do it. Mr. Beckenhauer stated that in 2013 he put 15 acres into alfalfa and his income from the alfalfa last year was \$1,200 and the current tax is \$702.88, which is 59% of the income generated from the property. He explained that he doesn't have any way to get any more income from this piece of property. County Assessor Jeff Hackerott reported that this property sits northwest of Battle Creek. He explained that the assessment record reflects grass and not alfalfa. Mr. Beckenhauer responded that approximately 7 acres of alfalfa was seeded in 2013 and another 7 acres was seeded in 2014. He stated that he put in the alfalfa because he couldn't keep the volunteer trees out. Chairman Prauner closed the hearing at 11:57 A.M. Motion was made by Ohl and seconded by Schmidt to make no change to the 2015 property valuation since the valuation appears equitable with similar properties. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-20 Lowell Beckenhauer Jr, Beckenhauer Leasing LLC, 4701 North Deer Run Road, Norfolk
NE1/4 NW1/4 Lying North of County Road 23-24-3 29.2 AC

Chairman Prauner opened the hearing at 11:57 A.M. Lowell Beckenhauer Jr. testified that this parcel is hilly pasture with about two acres of alfalfa that was seeded in 2013 to keep the volunteer trees out of the property. He said that the house on the property is two old schoolhouses that were pushed together and set on a basement and has about 900 square feet. He reported that he gets \$300 per month rent, minus the expenses. He said that he had to put in a septic tank two years ago that cost almost \$8,000 and if it wasn't trying to help out a neighbor's son, it would have made more sense to push the house down. He explained that the current taxes are \$1,183, which is one-third of the income received from the house and this is the only income he receives from this property. County Assessor Jeff Hackerott reported that he inspected the property on June 15, 2015 and the assessment listing on the house is accurate. He stated that the house has three bedrooms, a bathroom, and an unfinished basement. Mr. Beckenhauer clarified that the house only has two bedrooms and the third room is an enclosed porch and there is no heating or cooling in this room without opening the door to the remainder of the house. Mr. Hackerott stated that there is a small field of alfalfa located east of the house and the vast majority of the property is trees and grass. He reported that the valuation is \$1,815 per acre. Chairman Prauner closed the hearing at 12:02 P.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since the valuation appears equitable with similar properties. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

The Board recessed at 12:13 P.M. for lunch and re-convened at 1:03 P.M.

Protest #2015-21 Kevin and Jodie Palmer, 2201 South Channel Road, Norfolk
PT SE1/4 SE1/4 36-24-1 10.7 AC

Chairman Prauner opened the hearing at 1:03 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the subject property is 10.7 acres that abuts the Off Road Ranch race car track and a vast majority of the ground is crop ground and is valued as farmland since it is zoned agricultural. He stated that the owner contends that the valuation should not increase due to the noise and traffic associated with Off Road Ranch. He reported that there have not been any sales or evidence that substantiates the owner's claim that the noise, increased traffic, and drunk drivers disrupts the peaceful country living. He explained that there is not a house located on this parcel, only a pole shed. Chairman Prauner closed the hearing at 1:08 P.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since the land is classified correctly and the valuation appears equitable with similar properties. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-22 Terry Svik, 804 Volkman Drive, Norfolk
Volkman's Replat Lot 8, Blk 1

Chairman Prauner opened the hearing at 2:07 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that he inspected the property with Mrs. Svik on June 16, 2015. He stated that the owner's concern is that the house does not have a finished basement and the assessment record does not reflect a finished basement, so the County record is accurate. He said that the house is very typical of the neighborhood, well maintained, and was built in 1978. He stated that the valuation change was a 7% increase on the building valuation which was applied to most residential properties within the City of Norfolk. Chairman Prauner closed the house at 2:10 P.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since the valuation appears to be equitable with similar properties. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest# 2015-23 Duane Timperley, 54941 845th Road, Norfolk
S1/2 SW1/4 3-24-2 80 AC

Chairman Prauner opened the hearing at 1:08 P.M. Duane Timperley appeared at the hearing and testified that this parcel is valued at \$7,400 an acre and multiplying that value by 80 acres is \$592,000 times 72% is an actual value of \$426,240. He stated that the valuation notice shows \$426,775. He reported that Leonard Olmer bought the Elmer Droscher estate ground three or four years ago for \$5,700 to \$5,900 per acre and the amounts are variable because there were four 40 acre parcels sold for separate amounts. He reported that this ground is 1½ miles from his property. He stated that in November 2014 Leonard Olmer bought ground from the Heckman estate for \$4,000 an acre and the ground is three miles from his property. He testified that Dennis Pieper bought ground from Heckman estate the same day for \$5,800 an acre and this ground is about 2½ miles from his property. Mr. Timperley reported that Doug Sunderman bought ground from Judy Domina in the same area in February or March 2015 for about \$5,300 an acre and that property is ¾ miles from his property and this property was bought because they made a land swap with the Mozers. He stated that Craig Gehn bought ground from Irene Wagner estate in Pierce County, which is one mile across the county line and ¾ miles from his property, for \$5,700 an acre. He testified that the Duane Palmer ground bought by Taake in 2009 brought \$3,500 an acre. He stated that his house was built in 1930 and has 756 square feet, most of the buildings are older, and there is 55 acres of crop ground, 6½ acres of alfalfa, 7 acres of pasture, and 11 acres of farmstead, grove, and buildings. He reported that Warren Blank made an analysis in January 2010 on this property in the amount of \$370,000. County Assessor Jeff Hackerott reported that the property is dry cropland, alfalfa, and grass. He said that the property is valued at \$4,891 an acre, which is \$6,889 an acre at 100% market value. Chairman Prauner closed the hearing at 1:15 P.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since individual sales are not deemed to be sufficient basis to make a valuation adjustment. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-24 Duane Timperley, Timperley Bros LLC, 54941 845th Road, Norfolk
PT E1/2 SE1/4 Less HWY 21-24-2 64.89 AC

Chairman Prauner opened a hearing at 1:18 P.M. Duane Timperley appeared at the hearing and testified that the Assessor has the property valued at \$7,785 per acre and multiplying that value by 64.89 acres is \$505,487 times 72% is an actual value of \$363,721. He stated that the valuation notice shows \$363,703. He reported that E. John Werner bought ground from the Jim Hoffman estate for \$3,400 an acre one year ago and the land is just across the road to the east of this property. He stated that Brian Taake bought ground from Jim Klein for \$3,400 an acre and Don Walker for \$2,000 an acre. He testified that Mr. Taake bought Ervin Tucker ground five years ago for \$3,500 an acres and Schmidt ground three years ago for \$3,400 an acre. In addition, he stated that Mr. Taake bought Duane Palmer ground in 2009 for \$3,500 an acres and all this ground is two to three miles from the subject farm. Mr. Timperley stated that his farm is dryland, sand, and alkali and bordered by three roads. He reported that there are 62 acres of farm ground according to the FSA records. He stated that there isn't any ground in this area that is bringing \$7,790 an acre. County Assessor Jeff Hackerott reviewed the number of acres of each soil type as listed on the assessment record. He explained that he is using three years of data to set the 2015 valuations and that the last half of 2014 sales are not included in the calculations to set the 2015 values. Chairman Prauner closed the hearing at 1:25 P.M. Motion was made by Ohl and seconded by Prauner to make no change to the 2015 property valuation since individual sales are not deemed to be sufficient basis to make a valuation adjustment. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-25 Martin Deets, 113 Green Garden Drive, P.O. Box 390, Madison
Northern Heights Addition Lot 14

Chairman Prauner opened a hearing at 1:28 P.M. Martin and Tim Deets appeared at the hearing. Martin Deets pled his case for a fair and equal 2015 assessment of property at 113 Green Garden Drive. He said that the original notice dated March 5, 2015 was a revised assessed figure of \$216,410 and then a notice was received on May 29, 2015 of a revised assessed figure of \$188,195. He stated that compared to any and all properties in North Heights the value is still high and out of line. He said that to compare this value to any recent sales and existing homes occupied by owners, the assessment is not fair and equal. Tim Deets read the remainder of the statement asking that the members as a fair and equal Board of Equalization honor the request to lower the assessment to a feasible and acceptance figure of \$150,220 total for house and land. He said that the 2014 assessment was \$136,177 and he has put a lot of thought into this. He said that he would call the Board's attention to a few comparisons and included them in a file handed to the Board as evidence. He said that when a real estate person was asked if the property could sell for \$188,195, the answer is no way, not in Madison, Nebraska. Tim Deets said that his Dad compared his property with one directly across the street, 113 Green Garden Drive with 112 Green Garden Drive. He explained that his Dad's house at 113 Green Garden Drive is 30 years old and all on the original house is 30 years old, with the roof being wood shake shingles, badly weather worn, and needing replacement. He reported that the windows were not of the highest quality when new, will need replacing in the future, with three or four already replaced. He said that the retaining wall is rotted and should be replaced, siding is plastic vinyl with limited life, there is minimal amount of brick on frontage with brick arches on the porch. He reported that the inside of the house is very plain, nice, but very plain, with two bedrooms, no walk-in closets, and that the home was built for \$96,000 to \$97,000 land and all when new. He requested the Board to consider all this when accepting his Dad's suggested reassessed value. Tim Deets stated that 112 Green Garden Drive is a larger home, with three bedrooms, large fireplace, three stall garage, one may be used for storage, three over-head garage doors, and permanent tile roof usually considered a 100 year roof. He testified that the home has permanent cement clad outside walls, many windows have already been replaced, also has four brick arches in front and is considered a very well built solid home with very lasting qualities. He said that the land is much larger, with two lots that are much deeper, which is possibly 2½ times the size of his Dad's residence and the 2015 valuation is \$162,735. Tim Deets said that other comparisons are the Frisch house which recently sold for \$100,000 after being on the market for a longer amount of time and is assessed at \$99,098. He reported that Lance Lafleur has a good home valued at \$119,740 and the Freudenburg home is very fine valued at \$135,096. He said the Ken Reigle house is all brick valued at \$138,805. He reported that a two story, newly remodeled house with a larger lot is valued at \$141,356 and the Warnemunde home is valued at \$143,537. Martin Deets explained that one document he submitted lists the homes and values that he included in his statement and the other document is a list of sales that have occurred in the City of Madison. He reported that the Zessin house located on 6th and Main Street is all brick, three bedroom house actually sold for \$95,000. He said that he merely wants fair and equal assessment and he knows that there has to be taxes and death, and he is aware that he can't do anything about death, but he thought the Board could do something about taxes. He said that the assessment of \$188,195 compared to other homes in Northern Heights is still out of proportion. He said that an \$80,000 jump from 2014 to 2015 was shocking and totally unreal. He asked for a revised value to \$150,220 total including land and house. Commissioner Schmidt asked what the square footage of his house was compared to the other homes. Martin Deets responded that square footage is one thing to consider, but square footage is not necessarily the only criteria to consider. He explained that both he and his wife wanted an open spacious house, so to get more space you need more perimeter, but the perimeter doesn't become a determining factor of the value of the house. He said that he is 91 years old and he will need to sell soon in the next number of years and the amount of taxes is a stigma on the new buyer so he requested the Board to also consider that fact. He asked for a fair and equal treatment and he would accept \$150,000 since that is about 10% higher than 2014. County Assessor Jeff Hackerott reported that he inspected the house on June 17, 2015 with Mr. Deets and did a full walk through of the house and the outside perimeter. He said that the house is large and has 2,593 square feet on the main floor and that there is sun room on the back of the house located on a crawl space that was added in 1995. He said that there is a finished family room in the basement, but no bathroom in the basement. He reported that there is a 2' by 14' storm shelter in the front part of the garage and that the house was built in 1985. He reported that the house is built on a single lot that has 10,725 square feet compared to the lot size at 112 Green Garden Drive which is 20,402 square feet. He reported that the land value at 112 Green Garden Drive is \$19,290 compared to \$10,698 for the Deets' lot. He said that the Deets' house is all original. Martin Deets said that the roof is all wood, badly worn, 30 years old, and needs replacing. He said that the heat is a boiler type hot water furnace and that his heating specialist told him two years ago that there are no more parts available and that the unit needs to be replaced for an approximate between \$7,000 and \$8,000. Commissioner Prauner asked if the home was all designed as handicap accessibly and Tim Deets responded that the bathroom has been updated to handicap accessible with installation of handrails. Tim Deets said that his Dad's house is assessed at \$75 square foot and other comparable properties are valued at \$56 square foot and \$67 square foot. He asked if the \$75 square foot rate is the set rate and County Assessor Jeff Hackerott responded that the square footage rate will be different based upon the amenities of the house. Chairman Prauner closed the hearing at 1:46 P.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation for a revised valuation based upon a physical inspection and set the 2015 property valuation at \$174,876. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-26 Liang Teng, 2618 Crestview Road, Norfolk
Raaschs Crestview Heights Second Addition Lot 12

Chairman Prauner opened the hearing at 2:25 P. M. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerot reported that the house was built in 1973 and has a raised entry. He reported that the house has 1,500 square feet on the main floor and a partial basement. He explained that he inspected the property with Mr. Teng on June 18, 2015. He reported that the owners purchased the property on January 6, 2014 at a cost of \$148,000 and that the 2015 valuation is 91.29% of the purchase price. Chairman Prauner closed the hearing at 2:27 P.M. Motion was made by Ohl and seconded by Schmidt to make no change to the 2015 property valuation with consideration given to the recent purchase price of the property. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-27 Candice Batenhorst, 2603 Timber Meadows Lane, Norfolk
Pasewalks Fifth Addition Lot 1, Blk 9

Chairman Prauner opened a hearing at 2:31 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that the property is a rental house and was purchased in November, 2013 for \$26,250 and that some minor improvements were made after it was purchased. He explained that the house was used as a plumber's office prior to the recent purchase. He stated that the house is currently being rented for \$500 per month and the tenants are also paying all the utility costs. He said that the house was built in 1946 on a crawl space and does not have central air conditioning. Chairman Prauner closed the hearing at 2:34 P.M. Motion was made by Schmidt and seconded by Ohl to set the 2015 property valuation at \$38,251. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-28 Candice Batenhorst, 2603 Timber Meadows Lane, Norfolk
C S Hayes Addition Lot 11, Blk 2

Chairman Prauner opened a hearing at 2:38 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the house was purchased in November 2014 for \$33,100. He stated that the owners spent five months making improvements to the house including all new paint, new floor coverings, gutting the utility room, and completely insulating it and putting on new drywall. In addition, he stated that five new windows have been installed and that many of the improvements that were made after January 1, 2015 should not be considered for the 2015 property valuation. He reported that the housing is rented for \$575 a month. Chairman Prauner closed the hearing at 2:41 P.M. Motion was made by Schmidt and seconded by Ohl to set the 2015 property valuation at \$33,100 with consideration given to the recent purchase price of the property. Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-29 Candice Batenhorst, 2603 Timber Meadows Lane, Norfolk
Koenigsteins Fourth Addition N1/2 Lot 5 & S 23 FT Lot 6, Blk 1

Chairman Prauner opened a hearing at 2:42 PM. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott confirmed that the house was purchased on July 22, 2014 for \$36,500 from a foreclosure. He reported that he inspected the house with Mrs. Batenhorst on June 16, 2015. He stated that the house has been a rental property for many years, but was neglected. He reported that the house has a main floor apartment and a second floor apartment unit. In addition, he stated that the owner was offered \$48,000 for the property, but during the inspection process by the City of Norfolk, the inspector flagged several items, so the \$48,00 offer dropped to \$39,000 and the owners' declined to resell the house at that price. Chairman Prauner closed the hearing at 2:47 P.M. Motion was made by Schmidt and seconded by Ohl to accept the County Assessor's recommendation for a revised valuation based upon a physical inspection and set the 2015 property valuation at \$39,000. Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

The Board of Equalization recessed at 2:52 P.M. to Tuesday, July 7, 2015.

County Clerk Nancy Scheer

Board of Equalization Chairman Jim Prauner