

BOARD OF EQUALIZATION MEETING

Madison, Nebraska

July 7, 2015

The Board of Equalization of Madison County, Nebraska met at 9:00 A.M., in continuation of the June 24, 2015 meeting, to conduct hearings on property valuation protests.

Advance notice of meeting was published in the Tuesday, June 30, 2015 edition of The Norfolk Daily News and posted on the Madison County website. 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. Vice-Chairman Ron Schmidt called the meeting to order and notified the public of the location of the Open Meeting Act information posted in the meeting room.

Present: Commissioners Christian Ohl and Ron Schmidt, County Assessor Jeff Hackerott, and County Clerk Nancy Scheer. Commissioner Prauner joined the meeting at 9:46 A.M.

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

Hearings were conducted on property valuation protests as follows:

Protest #2015-30: Susana Haro, 302 East 11th Street, P.O. Box 1261, Madison
Mandamus Addition S 66 Ft W 122 Ft Blk 10

Vice-Chairman Schmidt opened a hearing at 9:10 A.M. Susana Haro was present and testified that nobody would give her \$98,000 for her house. She said that the house was bought 12 years ago for \$72,000 and that a new roof was put on the house. She said that it makes no sense why the valuation raised to \$96,000 and she said that she doesn't understand why there was such an increase. County Assessor Jeff Hackerott reported that he inspected the property with Mrs. Haro on July 2, 2015. He explained that the house was built in 1963 and had three bedrooms, two bathrooms, and original kitchen and mill work. He explained that some of the floor coverings were updated and that in 1997 a garage was added onto the house. He confirmed that the owners bought the house in 2002 and that the valuation was based upon an estimate since a County representative had not been inside the house for an inspection. Vice-Chairman Schmidt closed the hearing at 9:17 A.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation to set the 2015 property valuation at \$86,165 based upon a physical inspection of the property. Roll call vote: Ayes, Ohl and Schmidt. Absent, Prauner. Nays, none. Motion carried.

Protest #2015-31: James and Melinda Simonsen, 1704 East Berryhill Drive, Norfolk
Berry Hill 1st Addition Lot 5, Blk 5

Vice-Chairman Schmidt opened a hearing at 9:01 A.M. James Simonsen appeared at the hearing and testified that several houses in his neighborhood sold. He reported that a ranch style house located at 1708 West Berryhill Drive sold for \$178,000 and has three bedrooms and three bathrooms. He explained that his house is a split foyer with two bedrooms and two bathrooms. He also reported that another house located on Belmont Drive sold for \$120,000 and it has three bedrooms and two bathrooms. County Assessor Jeff Hackerott reported that he inspected the subject property on July 2, 2015 with Mr. Simonsen and that the house was built in 1984 and is typical for the neighborhood. He reviewed the assessment listing with the Board members. Vice-Chairman Schmidt closed the hearing at 9:05 A.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation to set the 2015 property valuation at \$128,988 based upon a physical inspection of the property. Roll call vote: Ayes, Ohl and Schmidt. Absent, Prauner. Nays, none. Motion carried.

Protest #2015-32: James and Melinda Simonsen, 1704 East Berryhill Drive, Norfolk
N1/2 SW1/4 27-23-1 69.43 Ac

Vice-Chairman Schmidt opened a hearing at 9:05 A.M. James Simonsen appeared at the hearing and testified that the land is in CRP and overgrown with trees. He reported that it will take a lot of work to convert the farm ground when removed from the CRP program in 2018. He stated that about 6 acres on the parcel are trees and about 10 acres are low and swampy. Commissioner Schmidt asked how long Mr. Simonsen owned the property and Mr. Simonsen responded that his parents purchased this property about ten years ago. Commissioner Schmidt clarified that while the Simonsen family owned the property it became overgrown with trees and weeds and Mr. Simonsen confirmed this information. County Assessor Jeff Hackerott reported that the 2015 proposed valuation is \$321,074. Vice-Chairman Schmidt closed the hearing at 9:08 A.M. Motion was made by Ohl and seconded by Schmidt to make no change to the 2015 property valuation since the land is classified correctly and based upon a physical inspection of the property by the County Assessor. Roll call vote: Ayes, Ohl and Schmidt. Absent, Prauner. Nays, none. Motion carried.

Protest #2015-33: Edwin D. Ferris, 1407 Hayes Avenue, Norfolk
Durlands First Addition Lot 10 & S1/2 Lot 11, Blk 3

Vice-Chairman Schmidt opened a hearing at 9:25 A.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that he inspected the property with the owner on July 2, 2015. He said that he contacted the City of Norfolk to determine if the house was condemned, but did not receive a response. He said that the property is not tagged, but it has been vacant for several years. He reported that the property was purchased for \$8,000 and is in rough condition. He explained that the plaster is down in several rooms of the house, there is mold in the house, the basement is damp and musty, and the house has a two car garage and an old single car garage. He explained that the house was converted to apartment units many years ago, one upstairs and one on the main floor. He stated that the owner plans to convert the house to a single family dwelling. Vice-Chairman Schmidt closed the hearing at 9:28 A.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation to set the 2015 property valuation at \$18,230 based upon a physical inspection of the property. Roll call vote: Ayes, Ohl and Schmidt. Absent, Prauner. Nays, none. Motion carried.

Protest #2015-34: Daniel D. Painter, 1201 Taylor Avenue, Norfolk
C S Hayes Addition Lot 1, Blk 8

Vice-Chairman Schmidt opened a hearing at 9:33 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 30, 2015 with the owner and that the house is typical of the neighborhood and is well maintained. He reviewed the assessment listing and stated that a garage was built onto the house in 2002. He stated that the owners purchased the house for \$44,500 in 1984. Vice-Chairman Schmidt closed the hearing at 9:33 A.M. Motion was made by Ohl and seconded by Schmidt to make no change to the 2015 property valuation based upon a physical inspection of the property by the County Assessor. Roll call vote: Ayes, Ohl and Schmidt. Absent, Prauner. Nays, none. Motion carried.

Protest #2015-35 Werner and Scarlet Blank, PO Box 548, Madison
Eastlawn Addition Lots 1, 2, 3 & 4, Blk 3

Vice-Chairman Schmidt opened a hearing at 9:36 A.M. Werner Blank and Warren Blank appeared at the hearing. Werner Blank testified that this parcel is a vacant lot and there are no sales to back up the change, so there shouldn't be any valuation increase. He reported that a vacant lot located at 907 South Main Street sold in the last several years for \$1,000 and a year or two later for \$2,000 and that lot has all the utilities, just like his lots. He said that the lot at 907 South Main Street is valued at \$3,400 and his proposed lot valuation is \$5,000. He said that the County Assessor has nothing to back up the proposed value and either the Assessor or Appraiser said they arbitrated that the lot would sell for the proposed value and, in his opinion, this is not grounds to raise the value. Werner Blank testified that a lot located at 305 West 2nd Street has all the utilities and is for sale by the owner for \$3,500 and yet the County Assessor is proposing to set the value of his lot at \$5,000. He said that there are no sales to justify raising the value and he also doesn't have anything to combat the increase because there aren't any comparable sales. Warren Blank said that the lot that is listed for sale is 82' by 130', which is the upper limit of value because it can be bought today for \$3,500. Commissioner Schmidt asked if the size of the lots are comparable and Werner Blank responded that the lots are similar in size. Commissioner Schmidt asked how long Mr. Blank owned the property and Werner Blank responded that he owned the lot for about 20 years. County Assessor Jeff Hackerott reported that the lots are located at the corner of 3rd and Stillwater Streets and the amenities, including paving, water, and sewer are there. Vice-Chairman Schmidt closed the hearing at 9:42 A.M. Motion was made by Ohl and seconded by Schmidt to make no change to the 2015 property valuation based upon a physical inspection of the property by the County Assessor. Roll call vote: Ayes, Ohl and Schmidt. Absent, Prauner. Nays, none. Motion carried.

Protest #2015-36 Werner and Scarlet Blank, PO Box 548, Madison
Eastlawn Addition Lots 1 To 7, Blk 4

Vice-Chairman Schmidt opened a hearing at 9:42 A.M. Werner Blank and Warren Blank appeared at the hearing. Werner Blank testified that there are no sales to support the proposed valuation increase and to raise the value arbitrarily is not right. He reported that there isn't sewer, water, electric, or paving on this lot to raise the value from \$2,035 to \$5,881. He said that if the lot was paved, there would be paving on two sides, both the East and North, and the paving assessments would eat up any value if he would sell the lot. He said that there isn't water and sewer to the lot and the parcel is low so he doesn't know if sewer could be installed without putting in a lift station. He said that using the lot sale at 907 South Main Street and the lot for sale at 305 West 2nd Street, he can't see any justification to raise the value. Commissioner Schmidt asked if the street would need to be paved if someone would buy the lot for development and Werner Blank responded that he didn't know if the City code required that the street be paved; however, 99% of people would want the street paved, not gravel. County Assessor Jeff Hackerott reported that the lot sits South and West of Werner Blank's house and if Stillwater Street would be extended, it would go past this lot; however, the lot is now grass. In addition, he stated that the lot is one-half acre and there are no amenities of paving, water, or sewer to the site. Vice-Chairman Schmidt closed the hearing at 9:46 A.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation to set the 2015 property valuation at \$1,960 due to a lack of paving, water and sewer to the property. Roll call vote: Ayes, Ohl and Schmidt. Absent, Prauner. Nays, none. Motion carried.

Protest #2015-37 Werner and Scarlet Blank, PO Box 548, Madison
Eastlawn Addition Lots 1 To 7, Blk 5 & Pt Vac St .60 Ac

Vice-Chairman Schmidt opened a hearing at 9:46 A.M. Werner Blank and Warren Blank appeared at the hearing. Werner Blank testified that the lot sale at 907 South Main Street and the lot listed for sale at 305 West 2nd Street should compare with this lot. He said that this property has no paving, sewer, or water on it. He said that arbitrarily raising the value shouldn't be done. He said that the parcel had trees on it when he bought it, but he removed the trees and now it is pasture which is put up for hay. Commissioner Ohl asked how long the parcel has been divided into lots and Werner Blank responded that he didn't know, but the lots were already established when he bought it. County Assessor Jeff Hackerott reported that this property joins Werner Blank's house lot on the South side and it is six-tenths of an acre. He confirmed that there are no amenities on the lot, the lot is grass, and it would front Stillwater Street if the street was extended. Vice-Chairman Schmidt closed the hearing at 9:50 A.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation for a revised property valuation of \$2,178 for 2015 due to a lack of paving, sewer and water to the property. Roll call vote: Ayes, Ohl and Schmidt. Absent, Prauner. Nays, none. Motion carried.

Protest #2015-38 Werner and Scarlet Blank, PO Box 548, Madison
Eastlawn Addition Lots 8 To 14, Blk 3 & Pt Vac St .60 Ac

Vice-Chairman Schmidt opened a hearing at 9:50 A.M. Werner Blank and Warren Blank appeared at the hearing. Werner Blank submitted a document listing comparable properties used by the County to establish the valuation. He explained that the comparable properties do not justify an \$80,000 increase in valuation. He said that there are no comparable properties to justify raising the valuation of his property to \$236,167. Warren Blank said that the former Jerry Finkral and Gall houses are ranch style houses with finished basements just like Werner's house. Warren Blank testified that the highest price house in Madison is \$170,000 so there is no justification for the increase. He said that there is not a house in Madison that is worth over \$200,000.

He said that he has been in the real estate business for over 41 years, he is a licensed appraiser, and he hasn't seen one certified appraisal completed from 2012 to 2015 where you can take a year old sale and make an upwards adjustment for time. He reported that house values in Madison have not gone up, and if anything, the values have declined. He said that there simply aren't \$200,000 houses in Madison that have sold and it is difficult to sell a \$100,000 house. Vice-Chairman Schmidt asked how many square feet the house has and Werner Blank responded that there are 2,200 square foot on the main floor and the house was built 19 years ago. Warren Blank said that a house formerly owned by Greg Shupe and located at 207 East 12th Street sold for \$280,000 and it almost has the same square footage as Werner's house, and the house is all brick, has a finished basement, and everything is the same; however, included in the \$280,000 sale was approximately 6 to 7 acres of land, plus a \$100,000 machine shed which was insulated, has central air and a natural gas forced air furnace, finished kitchen, utility space, and office space. He said if you take off the acres and the machine shed, the value would be down to \$170,000. He said if replacement cost is used for the machine shed it would be about \$100,000, but if you consider the depreciated cost it may have contributed about \$70,000. He said that the machine shed was first class and the previous owner was a builder, so the house was custom built and you can't find a nicer house in Madison. He said he has never seen or sold a property in Madison at that high of a price because there aren't any. In addition, he said that he isn't aware of any comparable properties to substantiate the proposed value. County Assessor Jeff Hackerott reviewed the assessment listing during the hearing. He said that a comparable sale is the house formerly owned by Greg Shupe. He said that the question is how much is the contributing value of the machine shed and excess land. He reported that the excess land is not inside the City limits and is 5.5 acres that is not subdivided or platted. He said that when he talks to people in Madison, he hears complaints that houses in Madison are affected by location and for any house to exceed a certain value, the house needs to be on the outskirts of town or outside of the City limits on an acreage. He said that Mr. Blank's house is not on an acreage, but sits on a lot inside the City limits. He said that if you consider the land that Mr. Blank has around his house, it comes close to establishing itself as an acreage. He stated that he considered what the contributing value of the machine shed was on the Greg Shupe property as the difference. He explained that both the Shupe and Blank houses are very comparable in size and age and both are brick houses. He said that Mr. Blank's house is probably in a better location because the surrounding properties are better than by the Shupe house. Commissioner Ohl asked if the lots would have any impact on the overall valuation. Mr. Hackerott responded that the lots by Mr. Blank's house are all three saleable parcels that require no subdividing and they are lots of record that can be sold. He explained that the excess ground on the Shupe property can be sold as 5.5 acres of one lot and it is affected by the same external factors because there is no paving to the sites. He said the Shupe excess property may require a well and septic system since it sits outside the City limits. Werner Blank said that Mr. Hackerott stated that his extra lots could possibly make his house an acreage; however, this is not an issue because the lots are separate. He said that the Shupe property as a whole sold for \$280,000. He questioned Mr. Hackerott's comments about the location of the houses, but a lot people would not like his property because of the driveway since about half of the time in the winter he has to drive across one of the other vacant lots to get in and out of his property because his driveway is too steep and icy. He said that all his lawn is in the front of his house and most people want a back yard, but he only has about 30 feet of back yard. He reported that the Shupe property is nice and level. Vice-Chairman closed the hearing at 10:03 A.M. Motion was made by Ohl and seconded by Schmidt to table a decision on the property valuation. Roll call vote: Ayes, Ohl and Schmidt. Absent, Prauner. Nays, none. Motion carried.

Chairman Prauner conducted the remainder of the meeting.

Protest #2015-39 First Nationwide Postal Holdings, 123 Grove Avenue, Suite 222, Cedarhurst, NY 11516
Lawndale Addition All Blk 10

Chairman Prauner opened a hearing at 12:39 P.M. No one appeared at the hearing to offer verbal testimony. The written letter attached to the protest was read during the hearing. County Assessor Jeff Hackerott reported that the subject building was leased for use as the former post office which was constructed in 1959 and has 33,164 square feet. He stated that the post office relocated in early 2015 and vacated the building. He reported that the property is listed for sale on LoopNet, which is a commercial real estate listing, for an undisclosed price. He said that he called the listing agent and was told that the property is listed for \$1.65 million. Chairman Prauner closed the hearing at 12:41 P.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 #2015-40 Pamela M. Acklie, 1107 West Michigan Avenue, Norfolk
Southern Addition Lot 3, Blk 1

Chairman Prauner opened a hearing at 10:22 A.M. Pamela Acklie appeared at the hearing and testified that she submitted approximately 70 pictures to County Assessor Jeff Hackerott and she entered the pictures as evidence. She reported that the house is 55 years old and has never been renovated, so a lot of work needs to be done. She stated that the kitchen has the original cupboards, they were site built, and the kitchen has a very poor layout with cupboards only on one wall. She testified that the kitchen drawers don't have runners, so they stick and the only change was replacement of the drawer and cupboard handles. Miss Acklie reported that the bathrooms are original and that there is a bathroom in the basement, but her brother was supposed to take care of it and he didn't do a good job. She stated that the house is 40' by 28' with a 12' attached garage. She said that 12th Street lines up with the garage and the street pushed on the garage so there is a bow in the back. She reported that her parents bought the house in 1970 and she and her brother inherited the house in 1985. She explained that the only major change was replacement of the furnace in 1984. She testified that there is a large crack in the basement wall which needs to be fixed at some point, which will be a major expense. She stated that too much renovation needs to be done to the house to justify the valuation increase. She said that if she was ready to sell the house and someone would offer her \$65,000, she would sell. In addition, she stated that the North and West sides of the house have hail damage. She stated that she has never been able to afford to make renovations and she does not have a strong nesting gene, so as long as the house keeps the rain and snow off, that is all she needs. County Assessor Jeff Hackerott reported that the pictures show the condition of the house. Chairman Prauner closed the hearing at 10:28 A.M. Motion was made by Ohl and seconded by Prauner to accept the County Assessor's recommendation to set the 2015 property valuation at \$70,579 based upon an exterior inspection and the pictures submitted by the owner. Roll call vote: Ayes, Ohl and Schmidt. Nays, Prauner. Motion carried.

Protest #2015-41 Gerard Weiland, 114 Suburban Drive, Norfolk
Homestead Addition Lot 50

Chairman Prauner opened a hearing at 12:40 P.M. No one appeared at the hearing to offer verbal testimony. The written protest was read during the hearing. County Assessor Jeff Hackerott reported that he inspected the property with Mr. Weiland on July 2, 2015. He reviewed the assessment listing with the Board and stated that the house is a rental unit. He stated that Mr. Weiland purchased the property on March 9, 2015 for \$31,000. Chairman Prauner closed the hearing at 12:42 P.M. Motion was made by Schmidt and seconded by Ohl to consider the recent purchase price and set the 2015 property valuation at \$31,000. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-42 Gerard Weiland, 114 Suburban Drive, Norfolk
Wards Suburban Lots W 318 Ft N1/2 Lot 5

Chairman Prauner opened the hearing at 12:43 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 owner purchased the property in March 2015 for \$52,000 out of foreclosure. He reviewed the assessment listing and stated that the property is currently rented. He explained that the house has been added onto over the years and the basement is actually at three different levels, 9 feet, 8 feet, and 7 feet, which is rather odd. Chairman Prauner closed the hearing at 12:45 P.M. Motion was made by Ohl and seconded by Schmidt to consider the recent purchase price and set the 2015 property valuation at \$52,000. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-43 Jerry H. Miller, 55320 833rd Road, Norfolk
N 1,345 Ft NW1/4 Excluding 550 Ft X 792 Ft Tract in NW Corner 4-22-1 71.36 Ac

Protest #2015-45 Jerry H. Miller, 55320 833rd Road, Norfolk
NW1/4 Less N 1,345 FT 4-22-1 71.36 Ac

Chairman Prauner opened a hearing at 10:36 A.M. Jerry Miller, Jim Becker, and Tom Becker appeared at the hearing. Jerry Miller testified that in 2014 the valuation increased substantially and this year he thought that the valuation would go down since the corn price is only half what it was in 2014 and the bean price is only two-thirds of what it was in 2014. He stated that a comparable sale is Radant land located in Section 24-22-1 which was 80 acres and sold for \$384,000 or \$4,800 per acre. He said that his farm is 70% Class 3 soils and the Radant land is 73% Class 3 soils, so these two farms are very similar. He submitted a copy of a land sale for a Thietje farm which is not as good of land and sold for \$4,250 per acre in November 2014. He said that the difference between these two farms is only \$550 per acre between a good sand farm and a poor sand farm. Chairman Prauner explained that the Radant land is not included in the sales study used to set 2015 valuations since the sale was in March 2015. Mr. Miller responded that the cover letter that was attached to the protest form says that it is the owner's responsibility to prove that the valuation is equitable with similar properties and that items to prove equalization are a certified appraisal, compare the valuation to similar properties, and submit proof of a recent sale generally within 18 months. He said that he called a certified appraiser who said that he wouldn't complete an appraisal because he was afraid of a lawsuit. He also stated that he submitted information on the Radant sale. He said that these farms are valued at \$6,900 and \$6,500 per acre. Mr. Miller said that the 2014 valuation is too high and the land would not sell for these amounts. Jim Becker said that he and his brother, Tom Becker, farm the land now and his Dad farmed the ground for Mr. Miller's Dad, so the Becker family has probably farmed the ground for about 50 years. He said that they know how productive the soils are with 70% of the farm in Class 3 and Class 4 fine sand, it's not very productive. He explained that if there is a wet year, the good ground will suffer, and in a dry year there is a lot of fine sand that doesn't produce well. He said that at the current valuations, some ground with better quality soils could be purchased. He said that there aren't a lot of comparable sales and not much ground is selling in this area, so it is difficult to find sales within the 18 month timeframe. He explained that Mr. Miller asked them to come along since they farm the ground. Commissioner Schmidt asked what the valuation of the land is that recently sold and Mr. Miller responded that he didn't know. County Assessor Jeff Hackerott reviewed the number of acres of each soil type from the assessment record and stated that the soil surveys were completed about 70 years ago. He said that these two parcels are farmed as one economic unit and are planted to beans. Mr. Miller testified that there are about 17 acres of trees on this property and the trees were planted because of the sandy soil which blows easily. Mr. Hackerott responded that shelterbelts are valued at \$500 per acre. Chairman Prauner closed the hearing at 10:55 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 equitable with similar properties. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-44 Jerry H. Miller, 55320 833rd Road, Norfolk
E1/2 NW1/4 & NE1/4 SW1/4 & Pt E1/2 NW1/4 NW1/4 & Pt NW1/4 SW1/4 & Pt SW1/4 NW1/4 8-22-1
Tract 2 159.26 Ac

Chairman Prauner opened a hearing at 10:55 A.M. Jerry Miller, Jim Becker, and Tom Becker appeared at the hearing. Mr. Miller reported that this property is better than the other parcels and the soil map shows that 52% of the parcel is Class 2 ground and the rest of the property is Class 3 and 4 ground. He said that the land would not sell for the amount valued in 2014. He reported that there are a few alkali spots on the farm. Commissioner Schmidt asked what the valuation of the Ainsworth land was that sold for \$6,900 per acre and Mr. Miller responded that he didn't know, but he farmed across the fence from the Ainsworth land for over 30 years and that ground is better than his farm. He reported that corn is half priced from previous years. He asked if anyone remembered the 1980s when land went down by half overnight and that will happen again. He explained that if the County values his property too high, then he will pay taxes that he shouldn't have to pay. Chairman Prauner explained that if the valuation of land goes up, the mill levy should go down. Mr. Miller said that the taxes are \$3,000 more than in the prior year and he questioned where all the tax money goes. He reported that if he plants the Enola farm to half beans and half corn, he may get 38 bushels from the beans to sell for \$9.50 and 120 bushels of corn to sell for \$3.80, with the current valuation and \$1.50 mill levy, he would pay \$2 out of every \$3 for taxes which is starting to get confiscatory. Commissioner Schmidt responded that this is the statutory process. Chairman Prauner closed the hearing at 11:02 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 equitable with similar properties. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-46 Mike and Julie Wiebelhaus
Bel-Air Third Addition Lot 6, Blk 7

Chairman Prauner opened a hearing at 12:46 P.m. No one appeared at the hearing to offer verbal testimony. The letter attached to the protest was read. County Assessor Jeff Hackerott reported that the house was built in 1967 and has 1,456 square feet on the main floor with a two car garage. He said that the house is very typical for the neighborhood. He explained that the valuation change was a 7% increase that the majority of Norfolk City home owners received. He reported that the owners purchased the property on August 29, 2008 for \$162,000 and that the 2015 proposed valuation is 91.42% of the purchase price, so this is one of the reasons that property valuations for residential properties in the City of Norfolk need to be adjusted this year. He reported that he couldn't contact the owners to complete an interior inspection. Chairman Prauner closed the hearing at 12:50 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 #2015-47 Betty L. Lorenzen
North Addition E 18 Ft Lot 3 & All Lots 4 & 5, Blk 24

Chairman Prauner opened a hearing at 11:20 A.M. Gary Lorenzen appeared at the hearing and explained that he submitted a letter from Bill Blank Agency that shows the valuation of the land and house is \$2,500. He said that he also submitted a letter from Byron Brogan that says that the property is unlivable at the present time and demolition of the house was recommended. He reported that the letter reflects that the property has a negative fair market value, needs to be demolished, and that the property sits in a 100 year flood plain which also gives it another negative factor. He said that his protest is that the house has no value and that the land should have a value of \$2,500, instead of the total value of \$5,221. He explained that since the house can't be sold and everyone's recommendation is demolition, his opinion is that the house should be valued at zero. He stated that the reason that he is arguing about the land value is that the County has raised the value to \$2,946 from \$2,684. He said that the land is sitting in a flood plain, so he doesn't understand how the value of the land could go up. He said that if the land wasn't in the flood plain zone, the lot value may be worth that price, but he thinks that the value of the entire property should be \$2,500. County Assessor Jeff Hackerott reported that he inspected the property with Mr. Lorenzen on January 13, 2015 when information was received from Byron Brogan. He said that the house is vacant, but the water and heat was still on. He said that the house is not occupied, but is being maintained. He asked Mr. Lorenzen what his plans are for the property. Mr. Lorenzen responded that this situation has put the family in a hard spot and they have tried to sell the property numerous times, but Brogan said that they can't sell the property as a livable house. He explained that he probably won't demolish the house and he didn't want to do anything with the property until his Mom passed away since she is currently in an assisted living facility in Newman Grove. He stated that if he would sell the property or someone would fix it up, he would notify the County because if the value is dropped to the amount he is requesting, he would understand. He said that he appealed the value because he is fighting for his Mom because the value assigned by the County is reflecting on her assets, which in turn means that her Mom will not qualify for Medicaid because she can't have over \$2,500 for assets. He explained that he realizes that the value was decreased; however, his Mom is a very honest person and she was on homestead until she moved to a farm by Newman Grove. He reported that at that time, his Mom contacted the Assessor's office and then she paid taxes on a \$23,000 valued property for at least three years. He stated that all he was asking was that the Board do the right thing for his Mom by reducing the value of the property down to \$2,500 so the property can just sit for now. He explained that when his Mom passes away, the family will determine what they will do with the property. He stated that they know that the house needs upgrades on the electrical and the plumbing won't be up to code. He reported that the house was purchased in 1964 and the furnace hasn't been replaced. He said the normally no one would protest when the valuation is dropped, but he needs to protest based on his Mom's situation. He said that everyone is telling him that the house needs to be demolished, so a house that needs to be demolished has no value. He explained that a lot that sits in a flood plain doesn't have the same value as a lot that doesn't sit in a flood plain. He stated that the property is located in the oldest part of town. He requested the Board to reduce the property valuation down to \$2,500 because the house is worthless and if the County needs to have a value on a structure that still stands, then value the structure at \$500 and the lot at \$2,000. He stated that the only assets that his Mom has is this property. He asked how he could sell a piece of property that is located in a flood plain when he is told that the house needs to be torn down. He explained that if the County had not revalued the property for 2015, the opinion of value from Bill Blank Agency would have satisfied Nebraska Medicaid, but now her file has information that the County is revaluing the property for \$5,221. He said that this is the only reason that he is protesting the valuation of this property. Chairman Prauner closed the hearing at 11:28 A.M. Motion was made by Schmidt and seconded by Ohl to set the 2015 property valuation at \$2,500 with consideration given to the opinion of value from Bill Blank Agency and testimony submitted by Mr. Lorenzen. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-48 Raymond Kohl, P.O. Box, Meadow Grove
W1/2 NE1/4 & E1/2 NW1/4 & NE1/4 SW1/4 26-23-3 200 Ac

Chairman Prauner opened a hearing at 12:52 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 assessed at \$3,600 per acre. He said that there are 104 acres of dry cropland, 60 acres of grass, and also trees and river waste. He reported that he inspected the parcel with Mr. Kohl on June 30, 2015. He said that the assessment record lists the correct land use and the parcel is planted to corn, beans and alfalfa this year. Chairman Prauner closed the hearing at 12:54 P.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since no evidence was submitted by the owner substantiating that the valuation is inequitable with similar properties. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-49 Raymond Kohl, P.O. Box, Meadow Grove
PT S1/2 SE1/4 13-23-3 69.98 Ac

Chairman Prauner opened a hearing at 12:55 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that he drove through the parcel and the property is farmland with 31.7 acres of dry crop which is planted to corn this year, 38.28 acres in prairie hay, and shelterbelt. He said that some people have approached him about sub-dividing the parcel into home lots; however, Mr. Kohl does not want to sell the property. Chairman Prauner closed the hearing at 12:58 P.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since no evidence was submitted by the owner substantiating that the valuation is inequitable with similar properties. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-50 Ofelia Salinas, 104 South 13th Place Circle, Norfolk
George Reeves Jr. Addition Lot 1

Chairman Prauner opened a hearing at 1:28 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that he inspected the property with Mrs. Salinas on June 30, 2015. He stated that the house was built in 1950, has a slant roof, is all brick, has a single car attached garage, and is 1,496 square feet. He reviewed the assessment listing and stated that the house was big for the period of time that it was built. He stated that the valuation change was a 7% increase which was applied to the majority of residential properties in the City of Norfolk. Chairman Prauner closed the hearing at 1:31 P.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation to set the 2015 property valuation at \$106,536 based upon a physical inspection of the property. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-51 Luz M. Haro, 1002 South Lincoln, Madison
Park Addition Lot 2 & N 9 Ft Lot 3, Blk 3

Chairman Prauner opened a hearing at 11:32 A.M. Luz Haro appeared at the hearing and testified that the valuation change is a lot of money for her since she is a single mom with two children. She said that it is hard for her to pay everything and her house didn't cost as much as it is valued. She questioned who would buy her house for the amount that it is valued by the County. She said that if anyone would give her the amount that the house is valued at by the County she would sell now. Chairman Prauner asked her how much she paid for the house and Mrs. Haro said that she paid no more than \$40,000 in 2000. She reported that the house doesn't have expensive windows or a new driveway. County Assessor Jeff Hackerott reported that he inspected the property with Mrs. Haro on June 30, 2015. He said that the ranch style house was built in 1976 and has 964 square feet on the main floor and a single car garage. He reported that the house has three bedrooms and one bathroom on the main floor and two nonconforming bedrooms and ¾ bathroom in the basement. He stated that the house is very typical for the neighborhood and that the house was purchased in 2000 for \$37,000. Mrs. Haro stated that there are not many good jobs in the community and the value is too much. She reiterated that nobody would give her the amount of money that her house is valued at. Chairman Prauner closed the hearing at 11:36 A.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation to set the 2015 property valuation at \$74,122 based upon a physical inspection. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-52 Travis Fisher, 2711 Harold Circle, Norfolk
Parkhill Second Addition Lot 30

Chairman Prauner opened a hearing at 11:37 A.M. Travis Fisher appeared at the hearing and testified that he bought a lot that is located behind his house. He explained that it was really inconvenient for someone to buy this lot and build a house there. He reported that ever since they lived in their current house, which is three years, the lot has been on the market for \$15,000 and then \$12,500 at different times. He said that there was no interest in anyone buying the lot and he was not able to afford buying the lot for these prices. Mr. Fisher reported that two lots located West of his house were also on the market for these same prices and that there were no offers on the lots above \$10,000. He explained that he found out that the lot located behind his house was foreclosed and was purchased at a price of \$3,300 by someone from Omaha. He said that when the buyers found out what they bought, they wanted to get rid of it, so he purchased the lot for \$3,300 in November 2014. He reported that the other two lots located West of his house recently sold for \$10,000 each. County Assessor Jeff Hackerott reported that he inspected the lot with Mr. Fisher on April 9, 2015. He stated that the lot is adjacent to Mr. Fisher's house on the East side and is an odd shaped lot with very narrow frontage on a cul-de-sac and it would be difficult to build a house on this lot. Chairman Prauner closed the hearing at 11:42 A.M. Motion was made by Schmidt and seconded by Ohl to give consideration to the recent purchase price and set the 2015 property valuation at \$3,300. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-53 Dan and Nancy Moore, 307 North Victory Road, Norfolk
Moore's Queen City Addition Pt Lot 4 (Tract B-Lot Boundary Change-2014)

Chairman Prauner opened a hearing at 11:43 A.M. Dan and Nancy Moore appeared at the hearing. Dan Moore testified that they own four properties at this location and the subject lot is triangular shaped and the space isn't as usable as the spaces on the other lots. He questioned how the County can establish a valuation on a square footage basis. He said that they decided to build the same style structure that is located on the other three lots. He said the other three lots are valued between \$13,000 and \$15,000, which in his opinion is at the top of the scale; however, the subject lot is valued at \$27,000. He testified that he spoke to a realtor who advised that if he put this lot on the market he would list it for \$17,000. Mr. Moore said that another duplex built by Westside School one year ago has a lot value of \$6,800. He also reported that another lot located north of Mel's is valued at \$6,000 and the building is only two or three years old. He reported that he purchased the lot four years ago for \$7,900 and that the value of the lot was about the same amount that he paid for all four lots. Chairman Prauner asked if the subject lot is larger than the other lots and Mr. Moore responded that the lot is larger; however, it is a pie shaped lot so they struggled with how to put a structure on the property. He reported that 901 Georgia Avenue is valued at more than the other lots, but the setbacks are worse and it has some gas pipes on it, so this makes no sense. He stated that, in his opinion, all the lots are equal in value because of the size of the buildings on them. He reported that there are identical duplexes on all four of the lots. He said that the value of the duplexes is high, but he is only protesting the value of the subject lot. Mr. Moore stated that the duplex located by Westside School is valued at \$94,000 and his duplexes are valued at \$130,000 and they are almost identical. Chairman Prauner asked if any other similar properties sold in the area and Mr. Moore responded that lots in the area sold at higher prices, but he was unsure of the sale prices. He said that a four-plex sold during the past several years; however, the owner overpaid and said that the property wouldn't cash flow, so he questioned if this should affect the value of his property. Chairman Prauner explained that the sale prices of properties within the last three years are used to set values. County Assessor Jeff Hackerott reported that the lot value is based on square footage and there may be an excess land issue because of the shape of the lot. He explained that the other three duplexes that are owned by the Moores only have about 20 feet of back yard and the front yard is the minimum setback required by City code. He reported that the subject lot is pushed back about 50 feet and has about 40 feet of back yard because of the shape of the lot and has much more space than required for the duplex. Chairman Prauner closed the hearing at 11:51 A.M. Motion was made by Ohl and seconded by Schmidt to set the 2015 land valuation at \$22,046 and the total property valuation at \$155,830 with consideration given to the shape of the lot. Roll call vote: Ayes, Ohl and Prauner. Nays, none. Motion carried.

Protest #2015-54 Pete Becker, 3506 Portia Place, Norfolk
Lakeview 3rd Addition Lot 3 3.91 Ac (Drainage & Flowage)

Chairman Prauner opened a hearing at 1:34 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the subject property is a drainage area and it can't be built on because it is too low. He explained that the City of Norfolk has given the owner some restrictions by asking him to hay the parcel once a year. He stated that the City of Norfolk really can't make the owner follow the restrictions; however, the City told the owner that if the parcel was mowed more than once each year, they would require silt fences to be installed. He said that the owner tries to comply with the City's request. Chairman Prauner closed the hearing at 1:37 P.M. Motion was made by Schmidt and seconded by Ohl to accept the county Assessor's recommendation to set the 2015 property valuation at \$3,910 due to the restrictions from the City of Norfolk on the property. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-55 Diane L. Wallin, 5919 Wolff Lane, Lincoln, Nebraska 68521
Pasewalks Fourth Addition Pt Lot 10, Blk 9

Chairman Prauner opened a hearing at 1:38 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that he tried to contact the owner to schedule an inspection and her response was that she didn't know when she would be back to Norfolk. He said that Ms. Wallin stated that the County raised the valuation without seeing the property, so the County should also lower the value without seeing the property. He reported that Mrs. Wallin told him that the house had been vandalized and all the information was available at the County Attorney's Office and police department so he should obtain the reports. He explained that he called the police department and spoke to the record clerk who advised that the only information that could be provided was what came in on the call and that the narrative report of the findings could not be released. Mr. Hackerott reported that he inspected the exterior of the house on July 2, 2015, but could not get inside the house; however, the house appears to be occupied. He reviewed the assessment listing information and explained that if there was vandalism damage to the outside of the house it has all been corrected. He stated that the valuation change was a 7% increase which was applied to the majority of residential property owners in the City of Norfolk. Chairman Prauner closed the hearing at 1:43 P.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since the Assessor was unable to complete an interior review; therefore, the valuation is based upon an exterior inspection and the assessment information on file in the Assessor's Office. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-56 William and Janet Christian, P.O. Box 864, Norfolk
Lawndale Addition Lot 9, Blk 7

Chairman Prauner opened a hearing at 1:00 P.M. William and Janet Christian appeared at the hearing. William Christian testified that they closed on this house in October 2014 for a purchase price of \$28,000. He reported that the house is unoccupied at this time, so the property is not worth any more than what they paid for it. Chairman Prauner asked what the owners' plans are for the property and Mr. Christian responded that when they make the necessary improvements on the house they plan to rent it. County Assessor Jeff Hackerott reported that he inspected the property on June 30, 2015 with Mr. Christian. He reviewed the assessment listing with the Board and stated that the owner is in the process of renovation and putting in new windows. He said that everything else, including plumbing and cabinets, is original and the house was built in 1932. He reported that a detached garage is located on the west side of the house. Chairman Prauner closed the hearing at 1:04 P.M. Motion was made by Schmidt and seconded by Ohl to give consideration to the recent purchase price and set the 2015 property valuation at \$28,000. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-57 Harry E. Reeker, 83761 542nd Avenue, Meadow Grove
N1/2 NE1/4 & SE1/4 NE1/4 & E1/2 SE1/4 17-23-3 200 Ac

Chairman Prauner opened a hearing at 1:09 P.M. Harry and Annie Reeker were present. Annie Reeker stated that they feel that the valuation and subsequent taxes are way too high. She said that the valuation is supposed to be done on an equal basis; however, when she checked with the neighbors there was quite a difference. She reported that the Brunings are located across the road from them and have dryland with a valuation of \$784,488. She stated that Daryl Herchenbach land is irrigated and valued at \$901,156 and Susan Herchenbach land is irrigated and valued at \$821,557. Mrs. Reeker reported that Korth is located North and then East of their property and has two or three wells, steel buildings, partially irrigated, and his valuation and taxes are less than their property. She stated that Murphy located South of their property is partially irrigated, and has a house and well on the property and the valuation is also less than their property. She explained that in three cases, the neighbors have a lot more than they do, and it doesn't seem fair that they have higher valuations than these neighbors. She explained that they requested a valuation of \$750,000 by adding all the other neighbors' valuations together and divided by the total number to arrive at a comparable value. She reported that they have a home on the property, two steel buildings, but they don't have any wells and their property is all dryland. County Assessor Jeff Hackerott reported that the subject property is 200 acres, with 155 acres of dry crop, 27 acres of grass, shelterbelt, farm site, and waste acres. He stated that the property is L-shaped and has a diverse mix of soils which he reported from the assessment record. Mr. Reeker questioned who determined the classes of the ground and Mr. Hackerott responded that the soil classifications are based off the ASCS soil surveys which were probably completed in the 1930s. Mr. Reeker stated that some of the land has changed considerably by farming methods. Mr. Hackerott explained that the soils survey information is beyond his control because the County does not have the ability to survey the soils. He said that all counties use digitized soil surveys to set the soil classifications. He reported that the assessed valuation is \$5,238 per acre. Harry Reeker reported that the house was built in 1973, the first grain bin was put up in 1972, and all the buildings were built in the 1970s; so, they feel that they are overvalued because the buildings are getting old. Mrs. Reeker stated that compared to their neighbors, they are certainly overvalued. She explained that they aren't protesting the building valuation, only the land value which they feel is overpriced. She stated that if the County took the time to go out and look at the other neighbors, the Board would see that there is considerable difference. Chairman Prauner closed the hearing at 1:20 P.M. Motion was made by Schmidt and seconded by Ohl to make no change to the 2015 property valuation since no evidence was submitted by the owner substantiating that the valuation is neither arbitrary nor capricious. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-58 Daniel Woodbury, 811 East Decatur Street, West Point
PT E1/2 SE1/4 (1488.3 FT X 1171.5 FT) 24-22-1 40.03 Ac

Chairman Prauner opened a hearing at 1:46 P.M. No one appeared that the hearing to offer verbal testimony. The letter attached to the protest form was read during the hearing. County Assessor Jeff Hackerott reported that this property is located northeast of Madison near the Madison-Stanton County line. He stated that the parcel is dry crop land and is planted to corn this year. He explained that this parcel and another 40 acre parcel are farmed as one economic unit. He reported that the land sold subject to an existing lease; however, he doesn't have any information about how the lease may have affected the sale price. He explained that the sale is five months after the study period used to set valuation for 2015. Chairman Prauner closed the hearing at 1:51 P.M. Motion was made by Schmidt and seconded by Ohl to set the 2015 property valuation at \$190,347 based upon evidence submitted by the protestor. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-59 Daniel Woodbury, 811 East Decatur Street, West Point, Nebraska
SE1/4 NE1/4 24-22-1 40 AC

Chairman Prauner opened a hearing at 1:46 P.M. No one appeared that the hearing to offer verbal testimony. The letter attached to the protest form was read during the hearing. County Assessor Jeff Hackerott reported that this property is located northeast of Madison near the Madison-Stanton County line. He stated that the parcel is dry crop land and is planted to corn this year. He explained that this parcel and another 40 acre parcel are farmed as one economic unit. He reported that the land sold subject to an existing lease; however, he doesn't have any information about how the lease may have affected the sale price. He explained that the sale is five months after the study period used to set valuation for 2015. Chairman Prauner closed the hearing at 1:51 P.M. Motion was made by Schmidt and seconded by Ohl to set the 2015 property valuation at \$195,654 based upon evidence submitted by the protestor. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-60 Jonathan Baker, 802 South 7th Street, Norfolk
Durlands Suburban Lots SE1/4 Lot 4 Except W 6 Ft

Chairman Prauner opened a hearing at 3:48 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 sold on June 30, 2014 for \$82,000. He stated that he tried to make an appointment to complete an interior inspection on the property and his staff was told that the owners were not available to meet prior to this meeting. He stated that he completed an exterior inspection of the property and the owners provided a copy of an appraisal. He reviewed the assessment listing. He reported that the house doesn't appear to have any updates on the outside and it appears to have original windows. He reported that the appraisal says that there were no updates to the interior during the prior 15 years and the home is in average condition throughout with no required repairs and the appraisal reflected a valuation of \$87,000. Chairman Prauner closed the hearing at 3:51. Motion was made by Ohl and seconded by Schmidt to consider the appraisal and recent purchase price and set the 2015 property valuation at \$84,000. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest# 2015-61 Luanne Sullivan, P.O. Box 414, Valley, Nebraska
Block Addition Lot 14

Chairman Prauner opened a hearing at 3:52 PM. No one appeared at the hearing to offer verbal testimony. The written protest form and attached letter were read during the hearing. County Assessor Jeff Hackerott reported that he inspected the property with the owner on June 30, 2015. He stated that the house is typical for the neighborhood and is a raised ranch style home with a single car garage built under the West side of the house. He explained that the house was built in 1977 and has the original vertical wood siding. He reported that the interior has not been updated and is probably all original. He stated that a portion of the basement is finished with a ¾ bathroom and the main floor has three bedrooms. He explained that the valuation change was due to re-evaluation of the entire City of Madison. He reported that a house located at 1005 Roosevelt Circle is the exact style of home and sold in September 2012 for \$75,000. Chairman Prauner closed the hearing at 3:56 P.M. Motion was made by Schmidt and seconded by Ohl to accept the County Assessor's recommendation to set the 2015 property valuation at \$73,288 based upon a physical inspection of the property. Roll call vote Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-62 Ryan and Lacoyn Anderson, 2403 Timber Meadow Lane, Norfolk
Timber Meadows Subdivision Lot 12 (6-23-1)

Chairman Prauner opened a hearing at 2:13 P.M. Ryan Anderson was present and testified that he didn't receive the notice of 2014 valuation change, but they received information about a change of value from the mortgage company. He said that he compared his property to a neighbor living across the street on Lot 11 which is valued at \$335,715 and the value of his property is \$144,000 higher at \$479,082. He stated that the quality and condition of their house is listed as 55 very good/40 good and the other neighbor's houses were listed as 40 good/40 good. He said that they own five acres and they have a spring fed pond which is about five acres in size behind their property with a ten foot easement around that pond for use by the entire neighborhood. Chairman Prauner asked if the square footage of the two houses was about the same and Mr. Anderson responded that many of the houses listed in their letter have about the same square footage and most of the houses in the subdivision have three car garages. County Assessor Jeff Hackerott reported that on June 11, 2013, the Assessor's Office received notice from the post office about an address change for the Anderson family, so he can't explain why the owners didn't receive the 2014 notice of valuation change. He stated that he would like to complete an interior inspection of the property and obtain a copy of the appraisal completed for the finance company. Chairman Prauner closed the hearing at 2:22 P.M. Motion was made by Schmidt and seconded by Ohl to table the property valuation protest until inspection by the County Assessor. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-63 Jeffrey White, 214 North 7th Street, Suite 2, Norfolk
Pt NE1/4 SW1/4 Less Tract in NW Corner 22-24-1 0.657 Ac (Abandoned Railroad Property)

Chairman Prauner opened a hearing at 2:24 P.M. Jeffrey White appeared at the hearing and testified that this property was a recent purchase and was listed through MLS, so it was open to the market, properly exposed, and it was an arms' length sales transaction. He said that the property is over assessed based upon the recent purchase on March 20, 2015 for \$37,000. He stated that this property is vacant ground that he mows. Chairman Prauner closed the hearing at 2:29 P.M. Motion was made by Schmidt and seconded by Ohl to set the 2015 property valuation at \$37,000, with consideration given to the recent purchase price. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-64 Jeffrey White, 214 North 7th Street, Suite 2, Norfolk
Dorsey Place Lot 13, Blk 1

Chairman Prauner opened a hearing at 2:24 P.M. Jeffrey White appeared at the hearing and testified that this property was a recent purchase and was listed through MLS, so it was open to the market, properly exposed, and it was an arms' length sales transaction. He said that the property is over assessed based upon the recent purchase on October 14, 2014 for \$40,000. He stated that this property is a rental house that is currently occupied. County Assessor Jeff Hackerott reported that he inspected the house with Mr. White on July 2, 2015. He confirmed that the property is currently occupied. He reviewed the assessment listing and stated that the house was built in 1915. He stated that there is a large two car detached garage in the back yard which was built in 1999. He explained that the valuation change was a 7% increase that was applied to most residential properties within the City of Norfolk. Chairman Prauner closed the hearing at 2:29 P.M. Motion was made by Ohl and seconded by Schmidt to set the 2015 property valuation at \$40,000, with consideration given to the recent purchase price. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-65 Frederick Thomas Bartell, 608 North 11th Street, Norfolk
J H Hesperes Subdivision Lot 1

Chairman Prauner opened a hearing at 2:28 P.M. Frederick Bartell appeared at the hearing and explained that he largely filed the protest out of curiosity because he wanted to see how the process worked. He reported that he purchased the house in 2013. He questioned if the 2014 levy amount for the Norfolk Schools is under the levy cap. Chairman Prauner responded that the County has a 45 cent levy limit and other entities have different limits. County Clerk Nancy Scheer explained that government entities have different levy limits; however, there are statutory provisions that allow entities to budget for certain items outside of the levy limits, such as bond redemption. She stated that she didn't know what exclusions are allowed for other jurisdictions and recommended that Mr. Bartell contact the Norfolk Public School. Mr. Bartell responded that his understanding is that there is a certain cap levy for the school, city, and county and that can include General and Bond funds, but these various allocations need to be under a specific levy cap. Chairman Prauner explained that there are certain items that can be budgeted outside of the levy cap. Mr. Bartell stated that the Norfolk school district has a general cap levy of \$1.05 for every \$100 of valuation; however, when the tax statement shows a \$1.105062 tax rate, he questioned if that includes some additional school district levy information that is not subject to the \$1.05 cap. Chairman Prauner confirmed that Mr. Bartell's statement is correct. Mr. Bartell reported that Parcel ID No. 590109006 is located directly across the street at 605 North 11th Street, which had an assessed value of \$86,711 in 2010 and in 2015 the value is \$95,330, which is an increase of \$8,619, so over that time period this is a 9.939% increase. He testified that his property is similarly situation, located in the same neighborhood, both houses have similar square footage, and his property, which is Parcel ID No. 590059823, was valued in 2010 at \$98,280 and in 2015 the valuation is \$111,219, which is an increase of \$12,939, or a 13.165% increase. He said that there seems to be a lack of correlation or lack of reason for his valuation increasing 13.165% and the property across the street receiving a 9.9% increase. County Assessor Jeff Hackerott reported that he inspected the subject property with Mr. Bartell on July 6, 2015. He reviewed the assessment record and reported that there hasn't been a lot done to the house since it was purchased. He said the bathrooms on the main floor have a unique setup by entering the full bathroom off the hallway and going through a pocket door on the back wall of the main bathroom to enter into the half bathroom off the master bedroom. He said it is odd to have a pocket door from one bathroom to the next and then only have a half bathroom off the master bedroom. Mr. Bartell explained that basically there is one bathroom, with two toilets, two sinks, and one shower, which isn't very functional. Commissioner Schmidt asked what the purchase price of the property was in 2013 and Mr. Bartell responded that he couldn't remember the exact sale price. He stated that he was a first time home buyer so that purchase price doesn't necessarily indicate market value. He reported that 610 North 11th Street is appraised at \$80,000, 606 North 11th Street is appraised at \$96,000, and 605 North 11th Street is appraised at \$95,000, so his house is by far valued more than other properties in the neighborhood. Chairman Prauner stated that Mr. Bartell's purchase price affects the valuations of other properties. County Assessor Jeff Hackerott reported that the valuation change was a 7% increase on the improvement value which was applied to most residential properties in the City of Norfolk. Chairman Prauner closed the hearing at 2:37 P.M. Motion was made by Ohl and seconded by Schmidt to make no change to the 2015 property valuation since the value is reflective of the recent purchase price. Roll call vote: Ayes, Ohl, Prauner and Schmidt. Nays, none. Motion carried.

Protest #2015-66 Clifford Woeppel, 211 Sycamore Avenue, Norfolk
Edgewater Park Addition W 10 Ft Lot 5 & All Lots 6, 7 & 8, Blk 3

Chairman Prauner opened a hearing at 3:58 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 home is a Champion brand modular house with 1,440 square feet on the main floor. He reported that a 1,300 square foot attached garage, that is 26' by 60' in size, was added onto the house. He stated that there is also a two-car detached garage in the back of the house, plus an old 12' x 22' building. He stated that he inspected the property with Mr. Woeppel on July 2, 2015. He said that the subject property is three lots, but they aren't very wide and the West part is all garden. Chairman Prauner closed the hearing at 4:02 P.M. Motion was made by Ohl and seconded by Schmidt to accept the County Assessor's recommendation and set the 2015 property valuation at \$184,203. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2015-67 The Arc of Norfolk, P.O. Box 32, Norfolk
SW1/4 & W1/2 SE1/4 6-24-3 234.28 AC

Chairman Prauner opened a hearing at 2:41 P.M. David Copple, attorney representing The Arc of Norfolk, Ami Stubben-Goetsch, Executive Director of The Arc of Norfolk, Rod Johnson, representing the company that manages the property, and Ruth Markhofer, one of the directors for The Arc of Norfolk, were in attendance. Mr. Copple testified that The Arc of Norfolk is a 501(c)(3) entity. He stated that Exhibit 1 attached to the protest form is an income and expense statement for calendar year 2014 which reflects that the income generated from this property is approximately \$35,556 and the taxes for 2014 were \$9,853.48, which is based on a valuation of \$880,781. He explained that Exhibit 2 attached to the protest is the USDA Notice of Contract Approval and Conservation Reserve Program documents, which was provided so that the County is aware that this farmland is not leased in a traditional commercial arrangement where they either crop share or cash rent, so there are limited revenues that are generated from the property. Mr. Copple explained that Exhibit 3 is a copy of the farm lease that is in place relative to 2015 for 24.2 acres of cropland that is leased to an independent third person and the exhibit shows what the total rent is. He stated that Exhibit 4 is provided so that there is verification that The Arc of Norfolk is a 501(c)(3) entity.

He explained that Exhibit 5 is provided to give the County the chronology relative to the name change of The Arc of Norfolk. He reported that Exhibit 6 was prepared by Rod Johnson, a certified licensed appraiser for United Farm and Ranch Management. He stated that Mr. Johnson tried to find comparable properties that were relative to the type of property that is the subject matter of this protest. He explained that this property would generally be described as sandy, dryland soil which is not irrigated. He stated that the County Board is well aware of the moratorium with respect to wells, so the probability of the land becoming irrigated in 2015 or any time in the near future is not good. Mr. Copple explained that there are limited number of comps that are available with respect to this particular type of property and Mr. Johnson handled one transaction and the other two comps are in Pierce County. He said that they know that Pierce County has different mill levies, but they wanted to provide the comps so that the Board could see that these are good comparisons relative to valuations for dryland sandy soil in this general vicinity. He stated that Exhibit 7 is the County's notice of valuation and he noted that in 2014 the valuation was \$880,781 and the proposal is to increase this valuation to \$1,007,771. Mr. Copple stated that their request to set the valuation at \$500,000 is based on the comps, the soil types, the use, and the amount of limited income that can be generated from this particular property. Rod Johnson explained that he is attending the hearing as the land manager and to provide comparison sales. He said that there are probably other sales; however, these three comps are the most representative. Commissioner Schmidt asked if Mr. Johnson knew what the assessed valuation of the comps is for 2015. Mr. Johnson said that he doesn't have this information; however, he can't see a correlation between sale price and assessed valuation. Chairman Prauner asked if there is a long term lease on the property and Ami Stubben-Goetsch responded that the lease is from year to year. Mr. Johnson reported that the assessed value for the comparable property was \$591,691 and the property sold for \$600,000. Commissioner Schmidt asked if the property was in CRP and Mr. Copple responded that the vast majority of the property is in CRP and is locked up for another four years. Commissioner Schmidt inquired what the income was on the property and Mr. Copple responded that Exhibit 1 reflects that the CRP Government payment is \$100 per acre for a total of \$23,506, and then the Government Conservation cost share payment is \$8,649. Mr. Johnson explained that the Government Conservation cost share was a one-time payment, so what is received is between \$18,000 and \$19,000 and the taxes were about \$11,000, making the net income about \$6,000. Mr. Copple stated that the property was originally donated or transferred with the idea that income that would be generated from the property would help subsidize the operational budgets, but when only \$19,000 to \$20,000 is generated and the taxes were \$9,800 last year with a proposal for higher taxes this year, the goal, purpose, and intent of the charitable gift really is defeated. He stated that the County doesn't generally look at income, but when about \$20,000 is generated on a \$1 million piece of property, that is not a good rate of return on an investment. He stated that this is why they are asking the Board to give serious consideration to adjusting the valuation downward. County Assessor Jeff Hackerott reported that this property is a mixed use farm with CRP, grass, trees, and shelterbelt. He reviewed the assessment listing and the number of acres of each soil type on the parcel and stated that the tillable acres are located on the West side. He stated that the property is likely in the CRP program due to the soil types and the CRP contract is from 2009 to 2019. Rod Johnson explained that a mid-term management practice of re-seeding was required with an expense of \$16,000 and income of \$8,000 back from the Government. Ami Stubben-Goetsch reported that The Arc didn't take anything out as income this year, but actually used \$1,400 of The Arc funds. Commissioner Schmidt inquired if The Arc made the management decision to put the property in the CRP program and Mr. Johnson responded that he made this decision, which seemed like a prudent decision at the time because he was having trouble finding someone to farm the land because the previous tenant dried out. Ami Stubben-Goetsch explained that The Arc inherited the farm from someone who wrote it in their will in 1966 after The Arc helped their son. She stated that the family wrote it in their will that they wanted The Arc to use the farm for educational purpose to help other children. County Assessor Jeff Hackerott questioned why there are expenses for having the property in the CRP in 2014 when the property was put into the program in 2009. Rod Johnson responded that there was a mid-year management plan that was required by the USDA during the fifth year of any contract. He explained that he manages a lot of CRP contracts and this one was the most costly since most contracts simply require shredding; however, this contract required complete re-seeding. Mr. Hackerott asked if there is cost share on the re-seeding and Mr. Johnson responded that USDA pays for half of the costs and the owner pays the other half. Mr. Johnson explained that the actual CRP gross income is \$100 per acre plus the cropland tenants pay \$140 or \$150 an acre. Mr. Hackerott reported that this property didn't qualify for permissive exemption because it didn't meet the requirements of being owned and used exclusively for a charitable function. He explained that he is not allowed to base a valuation on income with regard to agricultural land. He said that, in this case, not using the income is unfortunate because he can't consider the income on the leased crop ground or the CRP acres. He said that land manager Rod Johnson will consider the income generation capabilities of the farm and management practices. Commissioner Schmidt asked Mr. Hackerott to confirm that the County Board should not consider the income when establishing the valuation. Mr. Hackerott responded that income is not part of the analysis when establishing valuations on agricultural properties. He stated that there has been some discussion among study groups to switch back to income generating capabilities on agricultural land; however, the problem that Assessors have is obtaining good income and expense data because the County does not have access to FSA records. He reported that The Arc provided the CRP payment and lease information on the crop ground that is cash rented; but, aside from the property owner providing this information, the County does not have any way of determining these numbers. He assumed that if the Legislature moves to income generation capabilities that a county-wide average would be established for dry crop, irrigated crop, and grassland. Rod Johnson stated that the Assessor has a difficult job and he does similar work. He reported that he appraised the Kanter property for the estate at \$3,300 per acre and it sold for \$3,000 per acre. Mr. Hackerott said that The Arc took title to the subject property in January 2014, but he questioned the length of time before a title was issued. Ami Stubben-Goetsch responded that the property was received in 2009, but for some reason the bank changed names and it took until January 2014 to transfer the deed to The Arc. Rod Johnson stated that the bank was neglectful in getting the title transferred. Mr. Hackerott questioned what value was placed on the property when the land was transferred or for estate valuation purposes. David Copple responded that he didn't handle the land transfer, but with a little research he could probably obtain this information. Mr. Hackerott stated that he doesn't know if that will affect the Board's decision on the 2015 property valuation. He stated that he doesn't get to see this information and when the deed was recorded, the value was blank because the land was gifted. Rod Johnson stated that the transfer statement shows zero because the land was a gift and was exempt. Mr. Hackerott explained that typically when an estate divests the property, somebody on the IRS side wants to know what the dollar amount of the transfer is for estate or probate purposes. David Copple stated that he recognizes that the County doesn't look at the income generated; but, it is good background information for a thorough analysis. He stated that the County can use Exhibit 6 which gives the Board information about comps of similar type soils and the Board can see where these values are at, which gives a really good idea of the value for the subject property. Chairman Prauner closed the hearing at 3:07 P.M. Motion was made by Schmidt and seconded by Ohl to consider the recent sales in the area and set the 2015 property valuation at \$716,896. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

The Board of Equalization recessed at 4:15 P.M. to Tuesday, July 14, 2015 at 1:00 P.M.

County Clerk Nancy Scheer

Jim Prauner, Chairman
County Board of Equalization