

BOARD OF EQUALIZATION MEETING

Madison, Nebraska

July 9, 2012

The Board of Equalization of Madison County, Nebraska met at 9:00 A.M. to conduct hearings on property valuation protests.

Advance notice of meeting was published in the Friday, June 29, 2012 edition of The Norfolk Daily News. A copy of said notice was mailed to each Board member. An affidavit of acknowledgement of receipt of notice of meeting as published was executed. Chairman Jerry McCallum 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 Jerry McCallum, Martin Griffith, and Lee Klein, County Assessor Jeff Hackerott, and County Clerk Nancy Scheer.

Motion was made by Griffith and seconded by Klein to approve the agenda for the meeting. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

County Assessor Jeff Hackerott reported that the Board of Equalization approved an exemption application on February 21, 2012 for a house owned by Iglesia Filadelfia located at 1201 South Main Street in Madison. He explained that the City of Madison staff informed him that the house owned by Iglesia Filadelfia is no longer being used by Jesus Munoz, Pastor of the church. He submitted a copy of a utility bill dated June 25, 2012 sent by the City of Madison to Nicholas Vega for the subject property. In addition, he explained that it appears that although Iglesia Filadelfia owns the house, it is being rented.

After discussion, it was moved by Klein and seconded by Griffith to deny the tax exemption status for the house owned by Iglesia Filadelfia located at 1201 South Main Street in Madison. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Hearings were conducted on property valuation protests as follows:

Protest #2012-45: Market Gap Investments LLC, P.O. Box 236, Newman Grove
Subdivision Out Lot 5, Railroad Addition Lot 6 Except N 65 Ft, Blk 24

Chairman McCallum opened a hearing at 9:07 A.M. Earl Zeller attended the hearing and stated that he doesn't understand how the land valuation could increase over 200% in one year. County Assessor Jeff Hackerott responded that the County has not completed a land study in the City of Newman Grove since the mid-1990s. He explained that the valuation change is seen by the taxpayer as a year-to-year update; however, the County considers it a data update. He stated that the land valuation for the subject property has remained the same since 2006 until the 2012 assessment. Mr. Zeller stated that even in 15 years there hasn't been anything in the area of 200% inflation. He stated that the numbers don't add up, even if you go back 15 years. County Assessor Jeff Hackerott reported that the last sale was a 6,500 square foot lot that sold for \$2,500. He explained that the subject property is valued at \$.25 per square foot and is 18,962 square feet. Mr. Zeller stated that he understands how the County wants to make some changes from previous years; but, the percentages seem outrageous. Chairman McCallum closed the hearing at 9:13 A.M. Motion was made by Klein and seconded by Griffith to make no change to the 2012 property valuation. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-46 Earl and Diane Zeller, P.O. Box 236, Newman Grove
Railroad Addition S1/2 Lot 2 & All Lot 3, Blk 5

Chairman McCallum opened a hearing at 9:07 A.M. Earl Zeller appeared at the hearing and testified that even if the County goes back for 15 years, a 200% inflation in property valuation is not equitable with what has been going on with the economy because there hasn't been that much inflation. County Assessor Jeff Hackerott reported that the County is striving to meet market value. He stated that the valuation on this property went down almost 50% overall. He reported that the improvement value went from \$21,977 to \$8,479, the land valuation went from \$1,606 to \$3,780, and the total 2011 valuation was \$23,583 and the 2012 valuation is \$12,259. Earl Zeller stated that the overall valuation of the property went down; however, it seems arbitrary to increase the value of the land over 200%. He stated that the valuation change does not seem justified with the economy. Chairman McCallum closed the hearing at 9:16 A.M. Motion was made by Klein and seconded by Griffith to make no change to the 2012 property valuation. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-47 Nicholas and Sarah Bartlett, 2800 Wwest Prospect Avenue, Norfolk
Rolling Hills 2nd Addition Lot 43

Chairman McCallum opened a hearing at 9:44 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 could not make contact with the owner; however, he made an exterior review. He stated that the protestor did not submit a complete copy of the appraisal document so he doesn't have any of the interior drawings nor a description of room information. Chairman McCallum closed the hearing at 9:48 AM. Motion was made by Griffith and seconded by Klein to set the 2012 property valuation at \$131,000. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-48 Donald Miller, 202 Highland Drive, Battle Creek
NW1/4 Less Pt to State 6-22-2 148.98 AC

Chairman McCallum opened a hearing at 9:27 AM. Donald Miller was present and protested the valuation of the property located south of Battle Creek. He explained that he visited with the County Assessor who thought that the valuation may be rated a little high for the location. He stated that he does not have irrigation on this property and, in his opinion, it isn't fair that just because his neighbors sold their land at fantastic prices that it should affect the valuation of his property. He stated that he only has one quarter of land without a pivot, and he does not anticipate putting a pivot on the property. County Assessor Jeff Hackerott explained that three years of sales are used to set the agricultural land valuation. He clarified that sales that occurred after June 30, 2011 are not included in the three year average. He reviewed the soil types on the parcel and stated that the land valuation is set at \$2,896 per acre. Mr. Miller stated that he was concerned about what will happen to the people who paid high prices for land. Chairman McCallum closed the hearing at 9:31 A.M. Motion was made by Klein and seconded by Griffith to make no change to the 2012 property valuation. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-49: Denis Kerkman, 84375 536th Avenue, Norfolk
SE1/4 NE1/4 less Road, 17-24-4 39.88 AC

Chairman McCallum opened at hearing at 9:36 A.M. Denis Kerkman appeared at the hearing and testified that two years ago 10 to 12 acres of his property flooded and turned into sand dunes. He explained that he only has 4½ acres of ground left in the front that is not very good. He stated that he used to have 6 acres of good farm ground in front of his house and on the south side of the river and now it is all gone. County Assessor Jeff Hackerott explained that the County had the entire Elkhorn River flown approximately two weeks after the flood and made the appropriate changes on all the affected parcels of property. Mr. Kerkman responded that he is still assessed for 39.88 acres. County Assessor Jeff Hackerott explained that Mr. Kerkman still owns the same amount of land regardless if some of it has been turned into river and sandbanks. Mr. Kerkman responded that some of the ground is absolutely worthless and he questioned how the County could continue to raise his valuation. County Assessor Jeff Hackerott responded that a majority of the valuation increase is due to an increase of the first acre of the home site by \$5,000. He reviewed an aerial photo of the subject property and stated that 23 acres on this parcel are classified as waste, with the remainder assessed as tree canopy and grass. Mr. Kerkman explained that he plans to sow grass on this property in this fall. County Assessor Jeff Hackerott stated that the property must be sowed back to grass prior to January 1st or the acres currently planted to beans will be assessed as dry cropland. Chairman McCallum reiterated that Mr. Kerkman must notify the Assessor's Office when the parcel is seeded back to grass. Mr. Kerkman questioned how the valuation of the property could change when there is absolutely no possibility that the parcel could ever be irrigated. County Assessor Jeff Hackerott explained that the change in the valuation is for one acre of property where the house is located which had a valuation increase of \$5,000. He explained that the County completed a survey approximately one year ago and determined that the valuation set for home site acres by the County was too low. Chairman McCallum closed the hearing at 9:42 AM. Motion was made by Klein and seconded by Griffith to make no change to the 2012 property valuation. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-50: Randy Gates, 901 North 3rd Street, Norfolk
Edgewater Park Addition Pt Park Lot .32 AC

Chairman McCallum opened a hearing at 9:52 A.M. No one appeared at the hearing to present verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that he did not make contact the owner; however, he completed an exterior inspection of the property. He stated that the protestor didn't submit a complete copy of the independent appraisal. Chairman McCallum closed the hearing at 9:56 A.M. Motion was made by Griffith and seconded by Klein to set the 2012 property valuation at \$67,000. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-51: Paula Mitchell Pflueger, 1811 Koenigstein Avenue, Norfolk
Leahys Subdivision Lots 11, 12 & W1/2 Lot 13 & Vac Alley & Pt. 19th St

Chairman McCallum opened a hearing at 10:00 A.M. Paula Mitchell Pflueger was present and testified that she purchased the property from her parents eight months ago and paid \$425,000. She explained that her parents had the property listed for over two years and did not have any offers, so when the listing ran out, her parents reduced the price by the amount that they would have paid in real estate commission and closing costs and offered the property to her for \$425,000. She stated that, in her opinion, the property would not sell for this amount if she tried to sell it today; however, she wanted the transaction to be good for her parents. She stated that her parents feel that they also made her a good offer. She reported that her house has three-bedrooms, three bathrooms, and a two-car garage and when she compared similar homes with the same amenities, the valuations weren't close to \$425,000. She reported that she had an appraisal at the time of closing for \$460,000 and she requested that the Board consider setting the valuation at 95% of the independent appraisal. County Assessor Jeff Hackerott reported that he completed an interior and exterior inspection of the property. He explained that the only major change was removal of the shake singles and replacement with asphalt shingles. Paula Mitchell Pflueger reported that the shingles were replaced last year after a hail storm. Chairman McCallum closed the hearing at 10:04 AM. Motion was made by Griffith and seconded by Klein to set the 2012 property valuation at \$460,000. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-52: John Kinter, 1619 North 37th Street, Norfolk
Cedar Heights Estates Lot 3 (18-24-1)

Chairman McCallum opened a hearing at 10:14 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 reviewed the property with Mrs. Kinter and completed an interior and exterior inspection. He stated that the entire property is blue and white in color, including cabinets, carpets, and fixtures, which possibly affected the selling price. Chairman McCallum closed the hearing at 10:17 A.M. Motion was made by Klein and seconded by Griffith to set the 2012 property valuation at \$394,901. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-53: Harold Jr. and Kathy Clausen, 83693 555th Avenue, Norfolk
Pt NE1/4 NE1/4 21-23-1 Parcel 3 1.02 AC
Hearing was re-scheduled to July 24, 2012.

Protest #2021-54: Clyde Beckman, 100 North 10th Street, Newman Grove
S B Cains Second Addition Lot 7, Blk 3

Chairman McCallum opened a hearing at 10:23 A.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that he could not make contact with the owner for an interior inspection of the property. He reviewed the assessment record and reported that the owner purchased the property on June 13, 2011 for \$37,500. Chairman McCallum closed the hearing at 10:25 A.M. Motion was made by Klein and seconded by Griffith to make no change to the 2012 property valuation. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-55: Dennis Fowlkes, P.O. Box 471, Newman Grove
Railroad Addition Lots A & B, Blk 3

Chairman McCallum opened a hearing at 10:27 A.M. Dennis Fowlkes appeared at the hearing and testified that he is protesting the valuation of a building that he uses for storage in Newman Grove. He stated that the valuation changed from \$15,000 to \$43,000. He stated that considering the condition of the property the valuation may be excessive. He reported that the building is over 100 years old and one of the walls is falling away on the east side. He reported that he tried to put in some brace poles to keep the wall from moving any further. He reported that on the inside, the wall is brick and the rafters come into the brick where they were notched out and they have moved away enough that the rafters are about to fall down. He explained that he put in a 6' x 6' wall to keep the building from falling down should the wall go all the way out. Mr. Fowlkes reported that the building has had at least two fires in it and in the attic there are blackened areas from burns. He stated that when he bought the building the roof had been leaking for a number of years. He explained that the roof is metal that had been nailed down and all the nails have popped up over time and water went down the nail holes. He stated that he pulled out thousands of nails and replaced them with screws, but the roof leaked for so long that there is nothing for the screws to grab in many areas. He summarized by stating that the building is not in very good condition and he showed several pictures to Board members showing the condition of the building. County Assessor Jeff Hackerott reported that he reviewed the property with the owner and completed an interior and exterior inspection. He confirmed that several braces have been installed on the east wall to try to keep the wall from tipping further out and a false wall has been installed on the inside to support the rafters. In addition, he confirmed that the building is used for storage and that there is a small office that is not being used. Dennis Fowlkes reported that he tries to keep the outside front appearance of the building in good condition and replaced the old swing out doors with overhead doors. Chairman McCallum closed the hearing at 10:31 AM. Motion was made by Klein and seconded by Griffith to set the 2012 property valuation at \$27,070. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-56: Roxanne Kline, 1009 West Nebraska Avenue, Norfolk
Koenigsteins Second Addition W 61 Ft N 30 Ft Lot 14 & W 61 Ft Lots 15 & 16, Blk 4

Chairman McCallum opened a hearing at 10:41 A.M. Roxanne Kline was present and testified that Justin and Megan Eckert worked on her house and now have 14 counts of code violations against them because all the work that they did was not inspected and was not completed to the code standards. She showed the Board pictures of all the damage completed by the Eckerts. She stated that her mom gave her the house and then she sold it and moved to another house, then she had to return home so she bought the house and paid \$80,000. She also showed the Board copies of the 14 counts filed by the City of Norfolk for code violations. She stated that the house looked perfect; but, now there is mold in the basement and the carpet has been ruined. She explained that the Eckerts put a wall over windows and all the windows are hung wrong because there are spaces underneath them. Ms. Klein reported that retaining walls were taken out of the kitchen and now the ceiling is falling down and is currently three inches lower than it should be. She stated that she has a report from Lon Timperley who has inspected the kitchen and advised that \$27,500 of work needs to be completed at this time. She stated that the entire basement needs to be torn out because the City of Norfolk stated that it has not been completed to code. She stated that there is mold all over everything in the basement because of all the damage caused by the work completed by the Eckerts, even though she has a dehumidifier running. She reported that she cleans the mold and it comes right back. She explained that the house has a step basement and wooden walls were put up over the basement windows all around the house. She showed numerous pictures to the Board showing problems with the house, including a railing that is not up to code, and two 2" x 4" boards holding up the ceiling that is falling down. She reported that the basement bathroom needs to be completely torn out. Ms. Klein stated that Justin and Megan Eckert flip houses and she is suing them for the work they completed on her house. She stated that an attorney told her that she couldn't do any work to fix the basement until the lawsuit was settled because that would mean that she accepts the work completed by the Eckerts. She stated that she does not accept the work that has been completed and that she is suing them either for the entire amount of the house or to have the entire house fixed up to code. She stated that the Eckerts have flipped five other houses, so they have broken the law many times. She stated that she doesn't know if the City of Norfolk will go after the Eckert's for the work that they completed in other houses. Ms. Klein stated that she has hired Mr. Moyer as her attorney in May and he is working on the case at the current time. Chairman Klein recommended that Ms. Klein keep all the pictures, reports, and copies of the charges against the Eckert's. County Assessor Jeff Hackerott stated that he could inspect the house and take pictures. Chairman McCallum closed the hearing at 10:52 A.M. Motion was made by Klein and seconded by Griffith to table the property valuation protest. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-57 Dean Volk, 84184 545th Avenue, Battle Creek
Pt NW1/4 NW1/4 25-24-3 29.26 AC

Chairman McCallum opened a hearing at 10:55 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 reviewed the property with the owner and that a number of outbuildings have been removed. He reported that the house on this property had water in the basement and that the finish has been removed. Chairman McCallum closed the hearing at 10:59 A.M. Motion was made by Klein and seconded by Griffith to set the 2012 property valuation at \$320,038. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-58 Dean Volk, 84184 545th Avenue, Battle Creek
Pt S 759 Ft SW1/4 24-24-3 12.38 AC (Meredith J Volk Inc's Lotsplit-2011)

Chairman McCallum opened a hearing at 10:55 A.M. No one appeared at the hearing to offer verbal testimony. The Board reviewed the written protest form. County Assessor Jeff Hackerott reported that he inspected the property with the owner and that some of the outbuildings have been removed. He stated that the house has been vandalized, with copper wiring and plumbing removed, and windows broken out. He reported that the County Sheriff's department currently uses this house for training purposes and the house will be burned by the fire department in the future. Chairman McCallum closed the hearing at 10:59 A.M. Motion was made by Klein and seconded by Griffith to set the 2012 property valuation at \$67,488. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-59 Dean Volk, 84184 545th Avenue, Battle Creek
S1/2 SE1/4 SE1/4 23-24-3 20 AC

Chairman McCallum opened a hearing at 10:55 A.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that he inspected the property with the owner and that a piece of ground between the subject property and the creek was sold; therefore, they no longer have access to the creek to irrigate this parcel. Chairman McCallum closed the hearing at 10:59 A.M. Motion was made by Klein and seconded by Griffith to set the 2012 property valuation at \$42,109. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-60 J.W. Chatam and Associates, 7301 West 129th Street, Suite 150, Overland Park, KS 66213
Hy-Vee Addition Lot 1

Protest #2012-61 J.W. Chatam and Associates, 7301 West 129th Street, Suite 150, Overland Park, KS 66213
N E A D 4th Addition Lot 1, Blk 1

Chairman McCallum opened a hearing at 11:03 A.M. Gabe Noller, representative from J.W. Chatam and Associates, appeared at the hearing. He questioned if the valuations were calculated on a cost basis and County Assessor Jeff Hackerott responded affirmative. He reviewed a list of comparable properties that are currently leased by HyVee, which included information regarding the year built, leaseable area, lease rate per square foot, and term of the lease. He also reviewed a listing of comparable properties currently for lease. He explained that they are looking at valuing the properties on an income basis, instead of a cost basis which is used by the County. He stated that he would argue that the cost basis is not the most effective way to value these properties because they are getting older. Mr. Noller stated that the properties are approximately 13 years old and there is enough data available which would support what the properties would produce on an income basis. He stated that he is using income rent on both properties at \$6.00, 10% vacancy and collection loss, \$.70 per square foot for expenses, and a 9% cap rate on a triple net lease. He stated that using this income analysis they are estimating a valuation of approximately \$2.89 million and the County valuation is approximately \$4.14 million. He stated that to get the \$4.14 billion valuation set by the County they would need to use a \$9 per square-foot rent and there is no documentation that would support the property to be leased at \$9 per square foot. Mr. Noller reviewed the detail information from the comparable properties and comparable property sales that were attached to the written protest form. He testified that there should be more of a variance in the valuation between a property that was built in 2008 in Omaha that sold for \$84 a square foot compared to a property that was built in 1999 in Norfolk. He argued that the valuation should be looked at from an income standpoint. Mr. Noller pointed out that he attached to the protest form an article printed in the Lincoln Journal Star talking about big-box retail stores and the vacancy issues with filling up these spaces because a lot of companies are building their own stores instead of buying existing big-box buildings. He explained that HyVee and Walmart just walk away from their building after a certain number of years and build new to meet their current needs. He also argued that the County Board should look at the comparables that he presented with the property valuation protest form. County Assessor Jeff Hackerott reported that the 2011 valuations for these two properties are currently being appealed through the Tax Equalization and Review Commission. Chairman McCallum closed the hearing at 11:10 AM. Motion was made by Klein and seconded by Griffith to table the property valuation protests. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-62 Clifford Branson, P.O. Box 207, Newman Grove
Railroad Addition Lot 14, Blk 21

Chairman McCallum opened a hearing at 11:20 A.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that he did not make contact with anyone to complete a full inspection of this property so he couldn't make an interior inspection. He stated that the property was purchased in July 2009 for \$60,000 and the sale prior to that was in June 2009 for \$50,000. Chairman McCallum closed the hearing at 11:25 A.M. Motion was made by Klein and seconded by Griffith to make no change to the 2012 property valuation. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-63 Clifford Branson, P.O. Box 207, Newman Grove
Railroad Addition S 40 Ft Lot 15, Blk 21

Chairman McCallum opened a hearing at 11:20 A.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that he did not make contact with anyone to complete a full inspection of this property. He stated that this parcel has a detached garage on it. Chairman McCallum closed the hearing at 11:25 A.M. Motion was made by Klein and seconded by Griffith to make no change to the 2012 property valuation. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-64 Gene R. and Rose M. Wissenburg, 1101 County Line Road, Newman Grove
Tax Lots SW1/4 SW1/4 34-21-4 Pt E 484.06 Ft Tax Lot 11 .81 AC

Chairman McCallum opened a hearing at 11:27 A.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that this property is in the southeast corner of the City of Newman Grove south of the Newman Grove Coop fertilizer tank storage facility. He stated that a 62' x 20' pole shed is located on the property and the property is not zoned commercial. He explained that the parcel has 35,284 square feet and is a long triangular shaped lot. He reported that he inspected the property, but made no contact with the owner. Chairman McCallum closed the hearing at 11:30 A.M. Motion was made by Griffith and seconded by Klein to make no change to the 2012 property valuation. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-65 Daniel J. And Sheila M. Polt, 85323 544th Avenue, Pierce
Lake View Terrace Lot 18 and Pt NE1/4 NE1/4 (Tract 100 Ft. X 140.75 Ft) (10-23-1)

Chairman McCallum opened a hearing at 9:21 A.M. Daniel and Sheila Polt were present. Sheila Polt testified that the property was listed on the market for 16 months and they could not get any offers near the valuation of the property. She reported that they have reduced the listing to \$129,900 and this is the fourth reduction in the listing price. She stated that people who look at the house feel that the property is overvalued. She reported that the realtor advised them to protest the property valuation. In addition, she stated that she could not find any similar valuations for comparable properties. County Assessor Jeff Hackerott reported that he inspected the property with the owners and completed an interior and exterior review. Daniel Polt reported that the offers that they have received are extremely lower than the valuation set by the County. He stated that no improvements were made to the house while they were living in it. Chairman McCallum closed the hearing at 9:25 A.M. Motion was made by Klein and seconded by Griffith to set the 2012 property valuation at \$118,117. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-66 Eugene R. Patzel, 400 North 8th Street, P.O. Box 442, Newman Grove
Tax Lots SE1/4 NE1/4 33-21-4 Tax Lots 6 & 7 Less Hwy

Chairman McCallum opened a hearing at 11:41 A.M. Arnold Patzel, son of Eugene Patzel, and Arlene Borgheinck, Power-of-Attorney for Eugene Patzel, appeared at the hearing. Arnold Patzel stated that the valuation change was a drastic increase. He reported that the property is all level ground, but is in a floodplain. He stated that the property valuation increased from \$286 to \$6,566 and it borders the creek and has eroded. County Assessor Jeff Hackerott explained that the reason for the large increase in valuation was because five lots were combined into one lot. He stated that the size of this property changed from 1,500 square feet to 21,588 square feet. Chairman McCallum closed the hearing at 11:51 A.M. motion was made by Klein and seconded by Griffith to set the 2012 property valuation at \$3,283. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-67 Eugene R. Patzel, 400 North 8th Street, P.O. Box 442, Newman Grove
Tax Lots SE1/4 NE1/4 33-21-4 Tax Lot 5 .34 AC

Chairman McCallum opened a hearing at 11:41 A.M. Arnold Patzel, son of Eugene Patzel, and Arlene Borgheinck, Power-of-Attorney for Eugene Patzel, appeared at the hearing. Arnold Patzel stated that the valuation change was a drastic increase. He reported that the property is all level ground, but is in a floodplain. County Assessor Jeff Hackerott confirmed that the property is in the flood plain. Chairman McCallum closed the hearing at 11:51 A.M. Motion was made by Klein and seconded by Griffith to set the 2012 property valuation at \$2,750. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-68 Eugene R. Patzel, 400 North 8th Street, P.O. Box 442, Newman Grove
Thompsons Addition Lots 1 thru 6, Blk 5

Chairman McCallum opened a hearing at 11:41 A.M. Arnold Patzel, son of Eugene Patzel, and Arlene Borgheinck, Power-of-Attorney for Eugene Patzel, appeared at the hearing. Arnold Patzel stated that the valuation change was a drastic increase. He reported that the property is all level ground, but is in a floodplain. He stated that there have been no improvements made for several years due to his father's age and inability to keep up the property. He testified that the buildings and the house all need roof repairs, siding, and paint. He stated that the doors and windows need attention and that electrical upgrades are also needed, as well as rain gutters, tree removal, and tree trimming. County Assessor Jeff Hackerott confirmed that the property is in the flood plain. Chairman McCallum closed the hearing at 11:51 A.M. Motion was made by Klein and seconded by Griffith to set the 2012 property valuation at \$6,519. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-69 Gerald K. Lyon, 82735 535th Avenue, Newman Grove
Pt E1/2 SE1/4 SE1/4 6-21-4 5.63 AC (Lyon Brothers Lot Split-2011)

Chairman McCallum opened a hearing at 11:55 A.M. Gerald Lyon appeared at the hearing and testified that the 5.63 acres is solid trees, brome, never has been pastured, and can't be farmed. He reported that Ralph Kohl's farm, which was sold under Barb Kohl's name, sold for \$3,850 per acre. He questioned how this property could carry a valuation of \$3,500 per acre when it is solid trees. He also explained that when Orand Unkel's farm was on public auction, they auctioned for over 20 minutes and couldn't get a bid of \$2,100 on it; so, he questioned how his property, which is solid trees, could be valued at \$3,500 per acre. Chairman McCallum responded Mr. Lyon's property is residential property, not agricultural property. Gerald Lyon stated that raising the valuation of a one acre homesite from \$10,000 to \$15,000 must have been completed by the same group who put in the bullet proof glass in the Courthouse rotunda. He stated that if bullet proof glass is required in the Courthouse, then somebody should be providing 24-hour police protection for everybody that leaves this Courthouse that has bullet proof glass in their office. He stated that if it was that dangerous in the Courthouse, every employee working in the Courthouse should have 24-hour police protection. County Assessor Jeff Hackerott reported that the change in the land valuation is primarily an increase of \$5,000 for the first acre of the homesite. He explained that a survey was completed in August 2011 of rural homesites and it was determined that the valuation of \$10,000 for the first acre was too low. He explained that the intention of increasing the first acre of the homesite is to account for the cost of installing a well and septic tank, which is the primary valuation which is tied into the homesite. He reported that the cost for a typical septic tank installation and well is between \$12,000 and \$18,000 and these amenities add to the homesite valuation. He reported that the remainder of the subject property is valued as grass and shelter belts. Gerald Lyon questioned what it would cost to remove the trees, because in his opinion, it would cost more than a well and septic tank installation. He stated that the valuation that he wrote on his protest form is fair and proper. He reiterated that nothing on this parcel is farmable. Chairman McCallum closed the hearing at 12:02 P.M. Motion was made by Klein and seconded by Griffith to make no change to the 2012 property. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

The Board recessed for lunch at 12:04 P.M. and re-convened at 1:00 P.M.

Protest #2012-77 Carin Branson, 6738 Tazewell Park, Knoxville, TN 37918
Pt SW1/4 & Pt S1/2 SE1/4 24-24-2 134.72 AC

Chairman McCallum opened a hearing at 1:46 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that there are two houses located on this parcel and he reviewed the property; however, he did not get inside either house. He reported that one house is located along the highway has had some work completed on it, including new siding, new roof, and some new windows. He reported that the house located on the north side of the parcel is a lower quality home. In addition, he stated that there are a number of outbuildings on the property, but none have an extravagant valuation. He explained that the land was valued as irrigated in 2011; however, a correction was made to the assessment record so the 2012 valuation is based on dry cropland. He stated that the concern of the protester is that the valuation increased even though the irrigation was removed from the assessment record. Chairman McCallum closed the hearing at 1:52 P.M. Motion was made by Klein and seconded by Griffith to make no change to the 2012 property valuation. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

Protest #2012-78 Lyle James Meyer, 84161 549th Avenue, Norfolk
Pt S1/2 S1/2 NE1/4 28-24-2 .85 AC

Chairman McCallum opened a hearing at 1:53 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form and comparable properties were reviewed. County Assessor Jeff Hackerott reported that he reviewed the property with Mr. Meyer, but only completed an exterior inspection. He explained that he has reviewed numerous pictures of the interior. Chairman McCallum closed the hearing at 1:55 P.M. Motion was made by Klein and seconded by Griffith to set the 2012 property valuation at \$86,841. Roll call vote: Ayes, McCallum, Griffith, and Klein. Nays, none. Motion carried.

The Board of Equalization recessed at 1:59 P.M. to Tuesday, July 17, 2012 at 1:00 P.M.

County Clerk

Chairman