

Commissioner's Record No. 25

MADISON COUNTY, NEBRASKA

BOARD OF EQUALIZATION

Madison, Nebraska

July 10, 2018

The Board of Equalization of Madison County, Nebraska met at 1:00 P.M.

Advance notice of meeting was published in the Monday, July 2, 2018 edition of The Norfolk Daily News. A copy of said notice was mailed to each Board member. An affidavit of acknowledgment of receipt of notice of meeting as published was executed. Chairman Ron Schmidt called the meeting to order and notified the public of the location of the information regarding the Open Meeting Act posted in the meeting room.

Present: Commissioners Christian Ohl, Jim Prauner, and Ron Schmidt, County Assessor Jeff Hackerott, and County Clerk Nancy Scheer. County Treasurer Donna Primrose was present from 1:00 P.M. to 1:02 P.M.

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

Chairman Schmidt opened a public hearing at 1:00 P.M. to receive testimony regarding the following motor vehicle exemption applications:

Mid-Nebraska Lutheran Home, 109 North 2nd Street, Newman Grove 2007 Dodge Van, 2006 Ford Van, 2001 Chevrolet Pickup
Orphan Grain Train, Inc., 601 West Phillip Avenue, Norfolk 1998 International Truck, 2008 Chevrolet Impala, 2014
Chapel Homemade Trailer, 1996 Ford Van, 1993 Ford Pickup, 2007 S&W Trailer, 2009 Haulmark Enclosed Trailer, 2005 H&H Trailer,
2001 Cargomate Utility Trailer, 2014 Cargomate Utility Trailer, 1997 United Utility Trailer, 2007 S&W Trailer (3), 2002 Cargomate Utility
Trailer, 1993 GDAN Kitchen Enclosed Trailer, 2000 SPER Kitchen Enclosed Trailer, 2006 Homemade Kitchen Trailer, 1989 Great Trailer,
2006 S&W Car Trailer, 2007 INMI Trailer, 2011 Homemade Flatbed Trailer, 2006 Haulmark Gooseneck Trailer, 1979 STE Tanker Trailer,
1990 Excel Fifth Wheel Trailer

Wesley Center Inc., 500 West Phillip Avenue, Norfolk

1999 Dodge Sport Van

County Treasurer Donna Primrose reported that Orphan Grain Train is renewing all their vehicles during the month of July and the other two organizations have vehicle renewals.

No public comments were received during the hearing. Chairman Schmidt closed the hearing at 1:02 P.M.

Motion was made by Prauner and seconded by Ohl to approve the motor vehicle exemption applications as submitted. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Hearings were conducted on property valuation protests as follows:

Protest #2018-13: Glen and Jan Einspahr, 1108 North 36th Street, Norfolk
Tax Lots NE 1/4 SW 1/4 22-24-1 PT Tax Lot 2 (Tract 1-per Survey)

Chairman Schmidt opened a hearing at 1:04 P.M. Jan Einspahr reported that she and her husband purchased this apartment complex in 1993. She presented pictures of the property reflecting the condition of the building and different apartment units. She reported that the apartment complex has garages. She explained that the two apartments on the bottom level are smaller because the laundry room is located there. She stated that she is concerned that the valuation is based upon an updated apartment building; however, no updates have been made to the apartments except the replacement of one or two bathroom tub units. She reported that the kitchens have the original Formica countertops and laminated wood cupboards. She stated that they have to buy reduced size refrigerators which are more expensive because standard size refrigerators don't fit. Mrs. Einspahr stated that the living rooms and bedrooms are carpeted. She stated that if the apartments had been updated, then the valuation may be more accurate. She stated that all the apartments need updates and they are starting to do that. She stated that they rent the apartments for \$440 per month and they can't increase the rent due to the current condition of the apartments. She stated that they have good renters who stay. She reported that they have two empty apartment units and they will try to start renovating these units by putting wood laminate flooring in the apartments because carpets get messy. She stated that the sliding glass doors are giving them problems and need to be replaced. She stated that the apartment units have window air-conditioning, not central air. Mrs. Einspahr reported that the valuation increased \$28,000 in 2017 and another \$56,000 in 2018. She reported that four apartment units rent for \$440 per month, which includes a garage, and that two units not renting a garage rent for \$400 per month. In addition, she stated that a new roof and siding was put on the garages in approximately 2012 due to hail damage. She stated that the apartment complex has the original coin operated washer and dryer. County Assessor Jeff Hackerott reported that apartment units in the City of Norfolk were revalued for 2018. Chairman Schmidt closed the hearing at 1:17 P.M. Motion was made by Ohl and seconded by Prauner to table a decision on the property valuation protest. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-14: Douglas Koopman, LMJ Koopman Family Farms, LLC, 3015 Lake Park Lane, Hastings
E 1/2 NE 1/4 & SW 1/4 NE 1/4 & SE 1/4 NW 1/4 & NE 1/4 SW 1/4 & E 1/2 SE 1/4 & NW 1/4 SE 1/4 & E 16.5 Ft SW
1/4 SE 1/4 14-24-3 318.44 AC

Chairman Schmidt opened a hearing at 1:19 P.M. Mary Ellen Swim, member of the LMJ Koopman Family Farms LLC, was present at the hearing and testified that some buildings on this property are now gone because they were obsolete and not worth improving. She said that some buildings are either gone or are in the process of being removed. She submitted a copy of a photo from Google Earth from August, 2017 which reflects that the barn is gone. She also reported that the granary is in the process of being torn down and that buildings were removed between 2016 and the current time. She explained that the house is currently not occupied; but, a Battle Creek couple keeps the property mowed. County Assessor Jeff Hackerott reported that he inspected the property on July 9, 2018 and took pictures of the buildings. He confirmed that the information presented by Mrs. Swim is accurate. Chairman Schmidt closed the hearing at 1:25 P.M. Motion was made by Prauner and seconded by Ohl to set 2018 property valuation at \$945,192. Call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-15: Devon Wegner, 701 P Street, Suite 105, Lincoln
Landmark Centre Lot 2

Chairman Schmidt opened a hearing at 1:27 P.M. Devon Wegner was present at the hearing and testified that he purchased the property in August, 2017. He explained that, at the time of purchase, the building was the former Chinese restaurant and occupied 4,200 square feet of the building. He reported that a physical therapist occupied about 2,400 square feet of space in the building and vacated the property in March, 2018; so, the building is 100% vacant at the current time. He asked for a revised valuation based upon the 2017 purchase price. He submitted copies of the settlement statement which reflected the purchase price. He explained that the transaction included 2 parcels, one for the building, and the other for the parking lot. He stated that the purchase price of the building was \$255,000 and the purchase price for the parking lot was \$20,000. Mr. Wegner submitted pictures of the property at the time he purchased it and pictures showing the current condition of the interior of the restaurant which is completely demolished to shell space. He reported that nothing has been done to the portion of the building used by the physical therapist for 15 years. County Assessor Jeff Hackerott reported that he looked at the property on July 5, 2018, but didn't go inside the building. He confirmed that demolition work is being completed on the inside of the building. Chairman Schmidt closed the hearing at 1:32 P.M. Motion was made by Ohl and seconded by Prauner to set the 2018 property valuation at \$266,566. Roll call vote: Ayes, Ohl and Prauner. Nays, Schmidt. Motion carried.

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Protest #2018-16: Devon Wegner, 701 P Street, Suite 105, Lincoln
Landmark Centre Replat Lot 2

Chairman Schmidt opened a hearing at 1:27 P.M. Devon Wegner was present at the hearing and testified that he purchased the property in August, 2017. He explained that the purchase transaction included two parcels, one for the building, and the other for the parking lot. He stated that the purchase price of the building was \$255,000 and the purchase price for the parking lot was \$20,000. He submitted copies of the settlement statement which reflected the purchase price. Chairman Schmidt closed the hearing at 1:32 P.M. Motion was made by Prauner and seconded by Ohl to set the 2018 property valuation at \$20,000. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-17: Khim Hang Lim, 1915 West Prospect Avenue, Norfolk
Stewarts Subdivision Lot 2

Chairman Schmidt opened a hearing at 1:43 P.M. Khim Lim appeared at the hearing and testified that the building is 30 to 40 years old and that he paid \$245,000 for the property about 8 years ago. He stated that he owns two businesses in Kearney and the valuation for these businesses stays the same or goes down; however, the valuation in Madison County has gone up the last two years about \$40,000. He reported that Kearney is larger than Norfolk and Kearney also built a new high school costing about \$70 million; but, the valuation in Kearney decreased and the valuation of property in Norfolk increased. He told the Commissioners to check the valuation for the Sports Bar building that he owns in Kearney because the valuation has gone down, not up. He said that the only change to the building was new siding which was put on due to hail damage. Commissioner Prauner explained how property valuations are established and stated that guidelines received from the Nebraska Department of Revenue must be followed. Chairman Schmidt closed the hearing at 1:48 P.M. Motion was made by Prauner and seconded by Ohl to make no change to the 2018 property valuation. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-18: Khim Hang Lim, 1915 West Prospect Avenue, Norfolk
Westridge Hills Third Addition Lot 6, Blk 2

Chairman Schmidt opened a hearing at 1:34 P.M. Khim Lim was present at the hearing and stated that the valuation goes up every year and this year the valuation increased almost \$30,000. He reported that the neighbor's property located across the street from his house has 2,500 square feet and is valued at \$283,000. He explained that his house only has 1,995 square feet and he built his house himself for an approximate cost of \$300,000. He stated that he hasn't made any improvements since he moved into the house, and he can't understand why the valuation goes up every year. He reported that the basement is the same and he hasn't made any changes to it since he moved into it. Commissioner Prauner explained the property valuation process and stated that guidelines received from the Nebraska Department of Revenue must be followed. County Assessor Jeff Hackerott reported that the valuation on many homes in Norfolk increased by 9% for 2018. He explained that he reviewed the house with Mr. Lim on July 6, 2018. He stated that he walked through the house to verify the finish in the basement. He stated that the walls are drywall, suspended ceilings, bare concrete floors, lights, and the electrical work is finished. Mr. Lim stated that all the work in the basement was completed before he moved into the house. Chairman Schmidt closed the hearing at 1:43 P.M. Motion was made by Prauner and seconded by Ohl to set the 2018 property valuation at \$348,728. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-19: Karen A. Stewart, 1409 West Park Avenue, Norfolk
Svobodas Addition Lot 1B

Chairman Schmidt opened a hearing at 1:50 P.M. No one was present at the hearing to provide verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that the subject property is one unit in a triplex and that the owner purchased the property in 2010 at a cost of \$112,000. He stated that the unit is 1,295 square foot built on a slab. He explained that the unit shares a common wall with the property located at 1411 West Park Avenue which sold in October, 2016 for \$152,000. Chairman Schmidt closed the hearing at 1:53 P.M. Motion was made by Prauner and seconded by Ohl to make no change to the 2018 property valuation. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-20: Jerome and Patricia Schmidt, 4506 North 1st Street, Norfolk
Dedermans Addition S 31 Ft. & S 10 Ft. N 22 Ft. E 87.25 Ft. Lot 2 & N 8 Ft. Lot 3, Blk 1

Chairman Schmidt opened a hearing at 2:15 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that the property is a residential house which was converted into three rental apartments. He stated that he inspected the property on July 9, 2018 with Mr. Schmidt. He explained that the house is no longer a three unit apartment house; but, was converted to a single family house by taking out the three separate kitchens and making other renovations. He reported that the house is still vacant because the City of Norfolk will not issue an occupancy permit because there is still work to be completed inside the house. He explained that the inside has been remodeled with a new kitchen on the main floor and the house now has five bedrooms and three bathrooms. He stated that some siding work has been completed on the outside. He reported that Mr. Schmidt told him that the City of Norfolk wants him to do about \$13,000 worth of improvements before an occupancy permit will be issued. Chairman Schmidt closed the hearing at 2:22 P.M. Motion was made by Prauner and seconded by Ohl to set the 2018 property valuation at \$57,831. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-21: Duane Backes, 82257 542nd Avenue, Lindsay
E 1/2 NE 1/4 32-21-3 80 AC

Chairman Schmidt opened a hearing at 2:39 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 reviewed the property with Mr. Backes on July 9, 2018. He stated that wind damaged several buildings during a storm in December, 2017 by partially tearing roofs off several buildings. He said that the hog farrowing barn that hasn't been used for some time was damaged and possibly won't be repaired. Chairman Schmidt closed the hearing at 2:41 P.M. Motion was made by Prauner and seconded by Ohl to set the 2018 property valuation at \$484,384. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-22: Shane Weidner, 55540 827th Road, Madison
Northern Heights Addition Lot 19

Chairman Schmidt opened a hearing at 2:06 P.M. Shane Weidner appeared at the hearing and testified that he recently purchased a residential property which has a house on one lot, and an adjacent lot which shares the property line and landscaped. He reported that the total cost was \$110,000 and he closed on the sale on July 1, 2018. He asked for consideration on a valuation change due to the recent sale. He reported that the house was built in 1965 when tri-level houses were popular. County Assessor Jeff Hackerott reported that he reviewed the property on July 6, 2018 with Mr. Weidner. He explained that the interior of the house is dated and hasn't had any upgrades for a number of years with the exception of an addition which was put onto the back of the house and includes a workshop and hot tub room. He stated that there are three bedrooms and one bathroom located on the upper level above the garage. He reported that the biggest issue with this house are the various levels and number of steps. He stated that there are four different levels inside the house, plus another level for the workshop area. Chairman Schmidt closed the hearing at 2:12 P.M. Motion was made by Ohl and seconded by Prauner to set the 2018 property valuation at \$102,068. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

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Protest #2018-23: Shane Weidner, 55540 827th Road, Madison
Northern Heights Addition Lot 18
Chairman Schmidt opened a hearing at 2:06 P.M. 19

Chairman Schmidt opened a hearing at 2:06 P.M. Shane Weidner appeared at the hearing and testified that he recently purchased a residential property which has a house on one lot, and an adjacent lot which shares the property line and is landscaped. He reported that the total cost was \$110,000 and he closed on the sale on July 1, 2018. He asked for consideration of a valuation change based on the recent purchase price. Chairman Schmidt closed the hearing at 2:12 P.M. Motion was made by Ohl and seconded by Prauner to make no change to the 2018 property valuation. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-24: Kathleen Hall, 1642 Hackberry Drive, Norfolk
Berry Hill 9th Addition All Lot 14 & PT lot 15, Blk 9 (Tract A-Lot Boundary Change-2000)

Chairman Schmidt opened a hearing at 2:28 P.M. Kathleen Hall appeared at the hearing and testified that her insurance company, USAA, has been telling her for some time that her home's assessed valuation is higher than the estimated market value and that she should contact the Assessor's office to get her home reappraised. She reported that the USAA insurance company website on June 23, 2018 shows that the fair market value of her home is \$315,000 and the County's assessed valuation is \$355,041. She explained that USAA establishes a fair market on several factors, but recent home sales are one factor considered. She submitted a spreadsheet reflecting recent home sales. Mrs. Hall reported that her neighbor at 1644 Hackberry Drive purchased the house in September, 2017 for \$315,000. She reported that a house located on Troon Street sold in February, 2018 for \$306,000 and that house is 11 years newer than her house. She explained that she also looked at houses that are listed for sale and a comparable home located on Golf View Drive has been listed on the market for 102 days with a listing price of \$356,500 and it isn't selling. She also reported that a new home located on Sheridan Drive is listed for \$345,000. She explained that she has an older house that needs updates. She testified that the master bathroom only has one sink and new houses have two sinks, the built-in wall units in the family have a small space for a TV and now TVs are large, and they don't have granite countertops. Mrs. Hall reported that shingles on the south side of the house need to be replaced, the deck needs to be sealed, hail damage on the siding, the south facing windows need to be resealed, and the landscaping and trees need to be improved. County Assessor Jeff Hackerott reported that he reviewed the property with Mrs. Hall on July 9, 2019 and he reported on his interior inspection. He stated that the home is typical for the neighborhood and that no updates have been done for a number of years. He stated that the house has original cabinets and millwork. Chairman Schmidt closed the hearing at 2:35 P.M. Motion was made by Prauner and seconded by Ohl to set the 2018 property valuation at \$311,653. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-25: E. John Werner, 505 Preece Street, Battle Creek
N 1/2 SE 1/4 Less Pt to State 27-24-3 74.66 AC

Chairman Schmidt opened a hearing at 2:42 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 met with Mr. Werner in the office who reported that the parcel is in the CRP program. He said that Mr. Werner submitted documentation from the FSA office to verify the information; so, the assessment was changed from cropland to CRP. Chairman Schmidt closed the hearing at 2:44 P.M. Motion was made by Prauner and seconded by Ohl to set the 2018 property valuation at \$205,349. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-26: Jeffrey White, 214 North 7th Street, Suite 2, Norfolk
Original Town E 1/2 N 1/2 Lot 7 & N 1/2 Lot 8, Blk 6

Chairman Schmidt opened a hearing at 2:46 P.M. Jeffrey White was present at the hearing and testified that he purchased the subject property in the City of Madison for \$22,000 and the property is valued at \$68,000. He explained that the property didn't sell because it is located in the flood plain and flood insurance costs between \$300 and \$400 per month; so, no one could get a loan for the property. He stated that he paid cash for the property. Mr. White reported that the house is built on a crawl space and the previous owner had to raise the furnace because the crawl space flooded. He testified that the house was completely gutted because the owner was a smoker and he will spend between \$10,000 and \$15,000 to remodel the house and keep it as a rental property. County Assessor Jeff Hackerott reported that he reviewed the property on July 6, 2018 and verified that the house is being renovated. He stated that the cabinets and floor coverings have been removed. He stated that the single car attached garage has been converted into living space. Chairman Schmidt closed the hearing at 2:50 P.M. Motion was made by Prauner and seconded by Ohl to set the 2018 property valuation at \$22,000. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-27: Sammy and Susan Jensen, 1901 West Benjamin Avenue, Norfolk
Bel Air Seventh Addition Lot 16, Blk 11

Chairman Schmidt opened a hearing at 2:55 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 reviewed the house with Mrs. Jensen on July 9, 2018. He stated that the house is a typical ranch style home which was built in 1977. He explained that two-thirds of the basement is finished with a family room, two non-conforming bedrooms, 3/4 bathroom, and an unfinished area. He stated that the main floor has three bedrooms, 1 3/4 bathroom, and a fireplace. He said that the assessment listing is correct and that the valuation increased 9% like many other residential properties in the City of Norfolk. He reported that a comparable house within close proximity of the subject property sold on July 17, 2017 for \$198,500. Chairman Schmidt closed the hearing at 2:58 P.M. Motion was made by Ohl and seconded by Prauner to make no change to the 2018 property valuation. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-28: Daniel Costello, P.O. Box 2238, Sioux Falls, South Dakota
Lakewood First Addition (A.P.U.D.) (4.15A) Lots 1-12 & Private Sts

Chairman Schmidt opened a hearing at 3:08 P.M. No one was present at the hearing to offer verbal testimony. The written protest form and letter were read. County Assessor Jeff Hackerott explained that he reviewed the income and expense statements for the property and apartment listing information taken from Madison County Exchange Facebook page. He stated that these apartments are Section 8 HUD housing units. Chairman Schmidt closed the hearing at 3:11 P.M. Motion was made by Ohl and seconded by Prauner to set the 2018 property valuation at \$2,720,770. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-29: Craig Risor, 408 Emerald Drive, Norfolk
Green Acres Subdivision Lot 20, Blk 2

Chairman Schmidt opened a hearing at 3:02 P.M. Craig Risor appeared at the hearing and submitted copies of home sales in the neighborhood. He stated that the house across the street at 404 Emerald Drive sold for \$128,750 in January, 2018. He testified that the house next door to his home sold in November, 2017 for \$55,000. He stated that a house located at 606 Emerald Drive is listed for sale at \$138/square foot, has a Jacuzzi, fireplace, and is a ranch style home. He explained that his house is a split level home with 900 square feet and he doesn't have a Jacuzzi or fireplace; yet, his house is valued significantly more than \$138/square foot. He said that the neighborhood is becoming a rental area and that overgrown lawns detract from the value. He said that many of his neighbors are older people and as they move out the houses are purchased for rental property. He explained that if his property was valued at \$138/square foot the total value would be in the range of \$124,000; so, his opinion is that his value is about \$25,000 over valued. County Assessor Jeff Hackerott requested that a decision be tabled so he could have an opportunity to schedule an appointment for an inspection of the property. Chairman Schmidt closed the hearing at 3:06 P.M. Motion was made by Prauner and seconded by Ohl to table a decision on the property valuation protest. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

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Protest #2018-30: Chad Rehan, 3207 South 12th Street, Norfolk
III – Ewin Properties Addition Lot 2 (3-23-1) – MH Lot 55 (1986 Friendship 16X68)

Chairman Schmidt opened a hearing at 3:14 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 reviewed the property with Mr. Rehan on July 9, 2018. He stated that the mobile home is located in a trailer park. He stated that the house has three bedrooms and 4½ bathrooms which was built in 1986 and has vaulted ceilings. The Board members reviewed pictures that Mr. Hackerott took during his inspection. Chairman Schmidt closed the hearing at 3:16 P.M. Motion was made by Prauner and seconded by Ohl to set the 2018 property valuation at \$7,190. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-31: Barbara Saults, 1005 Logan Street, Norfolk
Rees Subdivision S 48 Ft Lot 3 & N 36 Ft Lot 4, Blk 1

Chairman Schmidt opened a hearing at 3:28 P.M. Barbara Saults and Richard King appeared at the hearing. Mr. King reported that they looked at the valuations for all the properties in the neighborhood on the Madison County website. He stated that the property valuation for their house is the highest in the neighborhood and they have made no improvements on the house. He reported that the valuation on their home increased approximately \$15,000 this year and the valuation for all other houses in the neighborhood increased about \$10,000; so, he questioned why the valuation of their house increased this much without any major improvements on the home. He presented a document which listed the addresses and valuations for the houses on both sides of the block. He reported that the wood-burning stove in the basement is nonfunctional and that the vinyl siding was put on the house seven years ago after a bad hailstorm and two new windows were put in last year. County Assessor Jeff Hackerott reported that he reviewed the property with the owners on July 6, 2018. He stated that the house is a ranch style home built in 1969 with 1,120 square feet on the main floor. He explained that a detached garage on the property can be accessed from the alley. He stated that half of the basement is finished, but there is no bathroom. He said that the home has vinyl siding and windows and there is a small utility shed on the property. He explained that the valuation increase was 12% on the buildings and 15% on the land. Chairman Schmidt closed the hearing at 3:33 P.M. Motion was made by Ohl and seconded by Prauner to set the 2018 property valuation at \$132,196. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-32: Amy Zobrist, P.O. Box 39, Tilden
Custer Addition Lot 2

Chairman Schmit opened a hearing at 3:37 P.M. Amy Zobrist appeared at the hearing and submitted documents listing rents and occupancy for the apartment units for the past four years. She testified that revenue increased in 2016 and 2017; however, both occupancy and average rents are now declining. She explained that there is much deferred maintenance that they won't be able to do with a 37% increase in the property valuation. She questioned why the initial proposed valuation was significantly lower than the final valuation received in the mail. County Assessor Jeff Hackerott explained that the initial valuation was completed by an individual who is no longer employed by the County. Ms. Zobrist explained that the valuation increased 9% last year and they accepted that; however, to take another 37% increase is difficult especially when someone was killed at a property right across the street. She stated that there is methamphetamine in the other close apartment complexes and they are dealing with the police department to get drug users off of their property. She said that it is difficult to manage when the other landlords don't care. In addition, she stated that it is difficult when there are many other rental properties in the City of Norfolk and the owners don't need to comply with any fair housing issues because they only own one or two rental properties. She stated that they know that there needs to be valuation increases; but, they need the County's help on this complex. She stated that they need to continue improving their properties to compete. Ms. Zobrist reported that the complex was built in 1985 and is one of the older complexes in the City of Norfolk. She stated that they are very passionate about their properties and they have a background company who screens their tenants which is very costly. County Assessor Jeff Hackerott asked for the rental rates in the complex. Ms. Zobrist responded that one bedroom units rent between \$525 and \$550 per month, two-bedroom standard apartments rent between \$600 and \$625 per month, and two-bedroom extra-large units rent for \$675 per month. She stated that they have 31 garages that rent between \$35 and \$50 per month, with an average of \$42 per month. She reported that the current occupancy rate is 94.4% and that they work really hard to take care of their renters. She asked for the Board's consideration on lowering the valuation so that they don't have to drastically increase the rental rates. Chairman Schmidt closed the hearing at 3:44 P.M. Motion was made by Prauner and seconded by Schmidt to table a decision on the property valuation protest. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-33: Amy Zobrist, P.O. Box 39, Tilden
S L D's Replat Lot 1

Chairman Schmit opened a hearing at 3:44 P.M. Amy Zobrist appeared at the hearing and testified that this apartment complex is located on Riverfront Road in Norfolk. She stated that they anticipated an increase in the valuation, especially since the apartments have a view to the new pathway when that occurs. She submitted documents listing rents and occupancy for the apartment complex for the past four years and stated that the rental rates are the same as the apartment complex located on Syracuse Avenue. She reported that 2017 was the best year, but the occupancy rate is lower. She stated that this apartment complex has three 3-bedroom apartment units that rent for \$700 per month, 8 one-bedroom apartment units, 5 two-bedroom extra-large units, and 16 standard two-bedroom units. She reported that they give away free Wi-Fi at the apartment complex. In addition, she reported that there are 14 garages and that the average monthly rent is \$46. Chairman Schmidt closed the hearing at 3:47 P.M. Motion was made by Prauner and seconded by Schmidt to table a decision on the property valuation protest. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-34: Ron Wachter, 309 Nucor Road, Norfolk
Pt NE 1/4 & E 1/2 NE 1/4 NW 1/4 4-24-1 146.69 AC

Chairman Schmidt opened a hearing at 3:54 P.M. The written protest form was read. Ron and Rod Wachter appeared at the hearing. Ron Wachter testified that they are protesting the valuation because they purchased the property at a public auction for less than the amount valued. He stated that a public auction is a fair way to determine the valuation of the property. County Assessor Jeff Hackerott reported that the subject property is dry farmland and he drove by the parcel on July 5, 2018. He reported that the parcel has corn, beans, and alfalfa. He stated that the property was purchased on January 22, 2018 for a purchase price of \$643,500. He explained that three years of sale prices are used to establish a valuation and that the purchase price for the subject property is outside the study period which ended on September 30, 2017. He stated that the sale price for this property will be factored in for establishing values for the following year. He stated that the property is valued at 87% of actual value. He explained that the current valuation needs to remain so that the lower sale prices will reflect that the agricultural land values need to be adjusted for the following year. Chairman Schmidt explained that the Commissioners must equalize the values of similar properties and be fair to everyone. Chairman Schmidt closed the hearing at 4:03 P.M. Motion was made by Prauner and seconded by Schmidt to make no change to the 2018 property valuation. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

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Protest #2018-35: Pamela Acklie, 1107 West Michigan Avenue, Norfolk
Southern Addition Lot 3, Blk 1

Chairman Schmidt opened a hearing at 4:05 P.M. Pamela Acklie appeared at the hearing and submitted pictures showing the condition of her house which were accepted into the record. She explained that there is damage to the house siding and it needs to be replaced; however, she can't afford to replace it. She stated that the foundation has cracks and there is a large crack on the south side that runs from one window to the other. She reported that the house is 58 years old and that she hasn't had a working hot-water heater for three years because it started leaking and she shut off the water and power to it. She said that every time she gets enough money to replace it something else comes up. She said that replacement of the water heater has moved to second on the repair list because she needs to replace the bathroom floor because a leaking toilet caused water damage. She explained that her house is basically a fixer-upper. County Assessor Jeff Hackerott stated that the requested valuation was not completed on the property valuation protest form. Ms. Acklie responded that in 2015 when she protested the property valuation the value was adjusted to about \$70,000 and the house would probably be worth a little more now because of inflation, so she would be satisfied with a valuation of \$75,000. Chairman Schmidt closed the hearing at 4:10 PM. Motion was made by Prauner and seconded by Ohl to set the 2018 property valuation to \$59,604. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-36: Douglas Ketter, 3104 Golf View Drive, Norfolk
Western Town Lot Companys First Addition Lot 14, Blk 8

Chairman Schmidt opened a hearing at 4:18 P.M. Douglas Ketter appeared at the hearing and testified that this house is a rental property. He explained that one challenge is that the house is a two-story house converted into six one-bedroom units and no other properties like it sold in the City of Norfolk. He reported that he located three multi-family properties which each have two units that sold between \$80,000 and \$99,000, but the high sale was a house built in the 1950s. He explained that this house was built in the 1900s and he has been making improvements to the house. He reported that the house has slate siding that he has considered replacing. He reported that the valuation increased 59% in one year and that he couldn't sell the property for \$125,000. He testified that he has replaced half of the windows and the roof was replaced 4 to 5 years ago. Commissioner Prauner asked for rental rates and Mr. Ketter responded that the two apartments in the basement rent for \$350/month, one upstairs apartment rents for \$400/month, the other apartment upstairs rents for \$350/month, and the two apartments on the main rent for \$400/month. Mr. Ketter explained that the apartment rents vary based upon size. He reported that during the last three years the apartments in the basement have been totally gutted with replacement of carpet and drywall because the copper pipes had pin hole leaks. Mr. Hackerott stated that the gross rents submitted by the owner for three years are about 50% of the anticipated rents. Mr. Ketter explained that during the past three years one apartment in the basement rented for \$200/month and he gradually increased the rate. He also said that he couldn't keep the units rented due to bed bugs in the complex. Mr. Hackerott asked what expenses are paid by the owner and Mr. Ketter replied that the tenant pays for electricity and he pays for water, sewer, and trash removal. He reported that the apartments have window air conditioning units. Chairman Schmidt closed the hearing at 4:27 P.M. Motion was made by Prauner and seconded by Ohl to table a decision on the property valuation protest. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2018-37: Mark Gronau, 311 South 13th Place, Norfolk
Donaldsons Addition Lot 9 & S 23 Ft Lot 10

Chairman Schmidt opened a hearing at 4:28 P.M. Mark Gronau appeared at the hearing and testified that, in his opinion, the valuation is too high. He stated that he has owned the property for 14 years and he is concerned with the valuation of the land compared to other areas. County Assessor Jeff Hackerott reported that he reviewed the property with Mr. Gronau on July 5, 2018. He explained that the house is a work in progress and a portion of the main floor has been gutted and the owner is in the process of insulating, but there is no drywall installed yet on about half of the first floor. He stated that the house has an addition which was added onto the back in 1988 and is used as a family room, but is not being renovated. He reported that the kitchen is mostly done and usable. He stated that the basement under the newer portion of the house is finished; but, the basement under the original portion of the house is not finished. He stated that about half of the north wall in the original basement was re-blocked in 2012 because of foundation issues. He explained that the original garage was 20'x 24' and an additional garage measuring 24' x 36' was added to the back and can be accessed from the alley. He explained that the valuation needs to be adjusted based upon an estimate because the office was not aware that the house is half finished on the main floor. Chairman Schmidt asked for an explanation on the land valuation and Mr. Hackerott replied that the land valuations in this neighborhood were updated in 2017 and other areas of the City of Norfolk have not been updated yet. Mr. Gronau stated that he shouldn't be penalized for living on the west side of 13th Street. He stated that he took the land valuations for properties located on the east side of 13th Street and he doesn't think that his land should be valued higher than other owners. He said that like properties should have similar values. He said that his land value is \$2.40/square foot and other land values are almost half. Mr. Hackerott explained that land values for properties from Norfolk Avenue south and 13th Street west have been adjusted. Mr. Gronau asked why the land values for the entire City of Norfolk couldn't be adjusted at one time. He said that when looking at the valuation information on the County's website he noticed a wide variety ranging from \$.30 per square foot to \$3.00 per square foot. Chairman Schmidt closed the hearing at 4:45 P.M. Motion was made by Prauner and seconded by Schmidt to set the 2018 property valuation at \$100,067. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

County Assessor Jeff Hackerott submitted the following tax list corrections:

- #3400: Merkel Manufacturing, Inc., 1901 South 37th Street, Norfolk
Addition to the tax rolls in the amount of \$489.60 for correction to the 2017 personal property taxes after reviewing the 2017 depreciation worksheet
- #3401: Subway West, P.O. Box 92, Norfolk
Deduction from the tax rolls in the amount of \$1,004.90 for correction to the 2017 personal property taxes which were originally paid by tax list correction #3301 on September 26, 2017 and the value was not deleted from the computer which generated a second tax statement
- #3402: Conover Properties LLC, 2501 Timber Meadows Lane, Norfolk
Addition to the tax rolls in the amount of \$252.04 for correction to the 2017 personal property taxes after reviewing the 2017 depreciation worksheet
- #3403: John and Amber Amick, 54853 840th Road, Battle Creek
Addition to the tax rolls in the amount of \$1,241.60 for correction to the 2015 personal property taxes after submission of the 2015 personal property return
- #3404: John and Amber Amick, 54853 840th Road, Battle Creek
Addition to the tax rolls in the amount of \$1,195.12 for correction to the 2016 personal property taxes after submission of the 2016 personal property return
- #3405: John and Amber Amick, 54853 840th Road, Battle Creek
Addition to the tax rolls in the amount of \$524.36 for correction to the 2017 personal property taxes after submission of the 2017 personal property return
- #3406: Lead & Stone, Danielle Kubes, 311 West Norfolk Avenue, Suite 200, Norfolk
Addition to the tax rolls in the amount of \$61.00 for acceleration of the 2017 personal property taxes due to closing of the business on February 1, 2018

Commissioner's Record No. 25

MADISON COUNTY, NEBRASKA

Motion was made by Prauner and seconded by Ohl to approve the foregoing tax list corrections. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

The Board of Equalization recessed at 5:09 P.M. to Thursday, July 12, 2018 at 9:00 A.M.

Nancy Scheer
Madison County Clerk

Ron Schmidt, Chairman
County Board of Equalization