

Commissioner's Record No. 25

MADISON COUNTY, NEBRASKA

BOARD OF EQUALIZATION

Madison, Nebraska

July 12, 2016

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

Advance notice of meeting was published in the Thursday, July 7, 2016 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 1:05 P.M. to 1:08 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.

Motion was made by Ohl and seconded by Prauner to approve the minutes of the June 1, 2016 and June 28, 2016 meetings. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

County Assessor Jeff Hackerott submitted the 3-year Plan of Assessment and reported that the plan must be filed with the County Board of Equalization annually. Motion was made by Ohl and seconded by Prauner to acknowledge receipt of the 3-year Plan of Assessment. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

County Assessor Jeff Hackerott submitted a listing of omitted and undervalued property. Motion was made by Ohl and seconded by Prauner to acknowledge receipt of the listing of omitted and undervalued property. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

County Assessor Jeff Hackerott submitted the following tax list corrections:

#3149: Fowlkes Realty, Dennis Fowlkes, P.O. Box 471, Newman Grove
Addition to the tax rolls in the amount of \$2.66 for acceleration of 2015 personal property taxes due to sale of the business

#3150 Joel and Amy Kuchar, 53935 836th Road, Meadow Grove
Addition to the tax rolls in the amount of \$2,073.72 for correction to 2015 personal property taxes after submission of 2016 depreciation worksheet

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

Chairman Schmidt opened a hearing at 1:05 P.M. to receive public testimony regarding the following motor vehicle exemption applications:

Christ is King Community Church, 715 West Madison Avenue, Norfolk	2005 Chevrolet Cobalt	
Community Concern of Norfolk, Inc. 307 West Prospect Avenue, Norfolk	2015 Dodge Sport Van	
Mid-Nebraska Lutheran Home Assn., 109 North 2nd Street, Newman Grove	2007 Dodge Caravan, 2006 Ford Bus, 2001 Chevrolet Pickup	
Missionary Benedictine Sister, 300 North 18th Street, Norfolk	2015 Chevrolet Impala	
Mosaic, 105 East Norfolk Avenue, Suite 200, Norfolk	2016 Dodge Promaster	
Norfolk Rescue Mission, Inc., 111 North 9th Street, Norfolk	2000 Chevrolet Pickup	
Northern Heights Baptist Church, 708 Georgia Avenue, Norfolk	1999 Ford Econoline Wagon	
Orphan Grain Train Inc., 601 West Phillip Avenue, Norfolk	2000 Dodge Sport Van, 2008 Chevrolet Impala, 1998 Ford Truck, 1996 Ford Cutaway Van, 1993 Ford Pickup, 1998 International Truck, 2014 Homemade Trailer, 2014 Homemade Chapel, 2009 Haulin Trailer, 1986 Ford Club Wagon, 1997 United Utility Trailer, 2007 S&W Trailer (3), 2002 Cargomate Trailer, 2003 Cargo Mate Trailer, 2008 Carry-On Cargo Trailer, 2005 H & H Trailer, 2001 Cargo Mate Utility Trailer, 2014 Cargo Mate Utility Trailer, 1993 Gdan Ketchen Enclosed Trailer, 2000 Sper Ketchen Enclosed Trailer, 1979 STE Tanker Trailer, 1989 Grea Trailer, 2006 S&W Car Trailer, 2006 Homemade Enclosed Trailer, 2011 Homemade Enclosed Trailer, 2006 S&W Enclosed Trailer, 2006 Haum Enclosed Trailer, 2007 S&W Trailer	

County Treasurer Donna Primrose reported that Missionary Benedictine Sisters purchased a 2015 Chevrolet Impala and Orphan Grain Train added several vehicles which weren't previously approved by the Board; however, other exemption applications were renewals from prior years.

Paul Warneke, Treasurer of Orphan Grain Train, appeared at the hearing. He reported that the organization has approximately 30 registrations for vehicles and trailers and that all of them renew during the same month. He explained that an International 2 ton truck was donated to the Orphan Grain Train and it is used for humanitarian aid to pick up used clothing or deliver mercy meals.

Chairman Schmidt closed the hearing at 1:08 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.

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Hearings were conducted on property valuation protests as follows:

Protest #2016-19 Cynthia Robertson, 1319 Regency Circle South, Norfolk
Andrews Regency North Lot 4A

Chairman Schmidt opened a hearing at 1:21 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott confirmed that the shake shingles on the house were replaced with asphalt shingles and that the assessment record was corrected to reflect this change. Chairman Schmidt closed the hearing at 1:23 P.M. Motion was made by Prauner and seconded by Ohl to set the 2016 property valuation at \$220,419. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2016-33A Joanie Brugger, 1209 Koenigstein Avenue, Norfolk
Haases Suburban Lots W 51 Ft N 120 Ft Lot 3, Blk 6

Chairman Schmidt opened a hearing at 1:29 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 on June 30, 2016 and confirmed that the basement is unfinished. He recommended an adjusted valuation based on correcting the assessment record to reflect an unfinished basement. Chairman Schmidt closed the hearing at 1:31 P.M. Motion was made by Prauner and seconded by Ohl to set the 2016 property valuation at \$86,786. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2016-34A Gaylard and Judith Anderson, 1203 Greenlawn Drive, Norfolk
Verges Additional Suburban Lots S1/2 Lots 3 & 4, Blk 2

Chairman Schmidt opened a hearing at 1:13 P.M. Gaylard Anderson appeared at the hearing and testified that miscellaneous improvements are listed on the assessment record including a double fireplace valued at \$4,875, garage finish valued at \$2,465, porch valued at \$1,690, a patio, and concrete. He stated that the first three items of the fireplace, garage finish, and porch were on the house since it was built in 1965; so, these have been listed on the tax rolls and he doesn't understand why it should be listed as a miscellaneous improvement. He stated that he was objecting to these improvements and the substantial increase in the valuation. He reported that they already had an increase and then another substantial increase was put on top of that; so, he was asking for consideration in reducing or eliminating the miscellaneous improvements. He reported that County Assessor Jeff Hackerott came to the house on July 7, 2016 and completed an exterior and interior inspection and re-measured everything in the house. He questioned if residences are taxed at 100% of value and County Assessor Jeff Hackerott responded that statutorily all residences are taxed at 100%; but, the County's valuations range between 92% and 100% of actual value. Mr. Jeff Hackerott reviewed the assessment record and stated that the house is a ranch style and typical for the neighborhood. He stated that the house has three bedrooms, 1½ bathrooms on the main floor, and the basement is predominantly finished, with the utility room and mechanical room being unfinished. He reported that there is a screened in porch on the back of the house and the interior of the garage has been altered because of what was originally built as living space has been altered to an extra garage stall. He explained that the miscellaneous improvements listed on the assessment record are ancillary items that are priced separately during the appraisal process because costing systems look at these items outside of the value of the house since they are basically adding to the value of the house. Mr. Anderson asked if these items were added since the house was built in 1965 and Mr. Hackerott responded that most houses have miscellaneous improvements listed on the assessment record. Chairman Schmidt closed the hearing at 1:20 P.M. Motion was made by Ohl and seconded by Prauner to set the 2016 property valuation at \$173,146. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2016-35 A Otto and Debra Gerber, 916 3rd Street, St. Paul NE
Pt NW1/4 NE1/4 19-22-2 4 AC (Harlan C Schulz Estate's Lotsplit-2015)

Chairman Schmidt opened a hearing at 1:27 P.M. A letter signed by real estate broker and appraiser Warren Blank was read into the record. County Assessor Jeff Hackerott reported that he reviewed the property on July 11, 2016 and the house appears to be vacant. He explained that when he walked around the house to take pictures he could see ladders inside the house so he assumes that the owners may be in the process of working on the inside of the house. He stated that there is new concrete around the foundation of the house which looks like it was recently added. He stated that a number of the buildings on the parcel are gone and that some of the remaining buildings are not in the best shape; however, an open front machine shed appears to be in the good condition. He reported that the owners purchased this house in July, 2015 and it was a family sale. Chairman Schmidt closed the hearing at 1:29 P.M. Chairman Schmidt reopened the hearing at 1:32 P.M. when Otto and Debra Gerber came to the meeting. Mr. Gerber testified that they are working on making improvements to the house and that the house has damage on the eaves and the roof. He showed pictures of the house and pointed out the problems with the foundation. Mrs. Gerber testified that there was water running into the basement causing damage and mold and that a woodchuck was living in the basement. They showed pictures of the barn and stated that they didn't get into the barn because there is no electricity and it was too dark to get inside to take pictures. They also showed pictures of a tool shed, sheds that were used to put the tractor and combine into, grain bin, and an old granary. Mr. Gerber stated that many of the buildings look very rough and there is no roof on the back side of the bar because it was torn off by wind. Chairman Schmidt closed the hearing at 1:37 P.M. Motion was made by Ohl and seconded by Prauner to set the 2016 property valuation at \$36,395. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2016-36A Jeffrey Heng, 1205 Bel-Ridge Road, Norfolk
Bel-Air West Addition Lot 3, Blk 2

Chairman Schmidt opened a hearing at 1:40 P.M. Jeffrey Heng appeared at the hearing and testified that the house was purchased four years ago for \$425,000 and at that time an appraisal listed the value at \$460,000. He said that the most recent assessment by the County reflects an increase of \$160,000 from the appraised amount, which is an increase of 35% in a four year period. He said that everyone would love to have that as a return on their real estate, but he doesn't think that this is the proper value of the house. Mr. Heng stated that when reviewing the assessment listing, he thought the total square footage is overstated because it lists the same square footage of the first floor and doubled it for the second floor, which is not accurate. He asked that the square footage be adjusted and explained that if the proper square footage is changed, then the value per square that has been applied may be closer to the actual value of the property.

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Mr. Hackerott explained that the Nebraska Department of Revenue determined that the County was in compliance on the valuations and that if the County is not in compliance the State will definitely make the County adjust the valuations. He stated that there was an article in the Omaha World Herald about valuations in the City of Omaha and adjustments that were required. Mr. Volk stated that if the valuation of his house is set at 100%, then everyone else's value should be at 100%. Commissioner Prauner stated that it is difficult to have every valuation at the same level and this is why the County sets the values between the range of 92% and 100%. Mr. Volk asked the County Board to set his valuation at 92% and he would be happy with that. He stated that the valuations on the Zillow website are an educated guess just like the County. He said that the County is doing a halfway decent job of trying to get a good, fair value and so is Zillow. Chairman Schmidt closed the hearing at 2:04 P.M. Motion was made by Prauner and seconded by Ohl to make no change to the 2016 property valuation. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2016-39 Adam Bloomquist, 1704 Skyline Drive, Norfolk
Bel-Air Fifth Addition Lot 9, Blk 1

Chairman Schmidt opened a hearing at 2:59 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that reviewed the assessment record with Mr. Bloomquist in the office. He explained that the owners purchased the house and borrowed the money from Mr. Bloomquist's parents; so, they didn't get an appraisal because they did not get a bank loan. He stated that Mr. Bloomquist was contemplating having an appraisal completed prior to the hearing; however, no appraisal document was submitted. He stated that the owners purchased the property in July 2015 for \$195,000. Chairman Schmidt closed the hearing at 3:01 P.M. Motion was made by Prauner and seconded by Ohl to make no change to the 2016 property valuation. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2016-40 Gerald Holmberg, 1608 West Benjamin Avenue, Norfolk
Glen Park Addition E 163 Ft S 135 Ft Blk 12 & W 33 Ft S 135 Ft N 15th St

Chairman Schmidt opened a hearing at 2:20 P.M. Gerald and Elaine Holmberg appeared at the hearing. Mr. Holmberg testified that the valuation of their property increased about 35% and he realizes that it's their burden to prove the value, but he realizes that there isn't anything he can prove, but he can state his case. He said that he felt that a 10% increase would be okay. He reported that their house is new and they haven't made any upgrades since moving in five years ago. He stated that if their house was listed at 100% valuation, the market value would be \$316,000 based on the County's valuation of \$294,000. He reported that he talked to realtors at Century 21 and they provided him with comparable homes in their area that sold. He reported that the first three homes on the list, including 1114 Longhorn Drive which sold for \$260,000, 1603 Longhorn Drive which sold for \$264,500, and 2909 Gingerberry Drive which sold for \$290,000, are approximately the same square footage as their home which is 1,800 square feet. Mr. Holmberg explained that the next two houses on the list, which are 1204 Bel Ridge Road and 1409 Charolais Drive are current competition and have not yet sold, but they are a little over 1,800 square feet. He reported that the two houses not sold are in very desirable locations and their house is a little less desirable because it is located on about the fourth busiest street in Norfolk. He stated that the two highways, and Norfolk and Pasewalk Avenues are tied for the busiest streets in Norfolk. He stated that according to the houses which he listed on his protest, and have sold in their area and are quite similar in size, their house is overvalued. County Assessor Jeff Hackerott reported that construction of the house was completed in 2011 and has 1,800 square feet on the main floor. He reported that the basement is predominantly finished and that the house has a three car garage. He said that the biggest difference between this house and the comparable properties submitted by the owner is the lot size. He stated that the lot size for the subject property is approximately one half an acre and because of the lot size, the house sets a significant distance away from the street. He explained that if the excess area for the lot is removed, the valuation would be below \$275,000, so the biggest difference is the land value. He also explained that this house is between 6 and 20 years newer than the other comparable properties. Mr. Holmberg reiterated that the comparable properties he presented are located in a more desirable area and that their house is located on a very busy street and they can't get onto the street in the morning, over the noon hour, or at about 3:30 P.M. when the middle school and the YMCA are busy, so this would be the negatives affecting his property valuation. He stated that a 35% increase seems excessive even over five years, which is a 7% increase each year. Chairman Schmidt closed the hearing at 2:28 P.M. Motion was made by Prauner and seconded by Ohl to make no change to the 2016 property valuation. Roll call vote Ayes: Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2016-41 Glen Osborn Jr., 55229 833rd Road, Madison
SW1/4 12-22-2 160 AC

Chairman Schmidt opened a hearing at 2:34 P.M. Glen Osborn appeared at the hearing and testified that his opinion is that the valuation is too high. He explained that he has almost 93.2 acres of CRP and the payment is \$7,105, which is about \$74/acre; so, he doesn't get enough money from the CRP acres to pay the land taxes. He reported that there are 24 acres of crop ground and the remaining acres are pasture and waste ground. He explained that the valuation was lowered this year; however, his opinion is that the valuation should be reduced another \$110,000. He reported that there are four more years left on the CRP contract. County Assessor Jeff Hackerott reported that the assessment record reflects 90.43 acres of CRP land. He explained that if he adjusts the number of CRP acres, the valuation will increase by \$3,647. He reported that the assessed valuation is set at \$3,189 per acre. Chairman Schmidt closed the hearing at 2:41 P.M. Motion was made by Prauner and seconded by Ohl to make no change to the 2016 property valuation. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2016-42 Angela Osborn, 1205 Grant Avenue, Norfolk
Northside Second Addition Replat Lot 17

Chairman Schmidt opened a hearing at 2:45 P.M. Angela Osborn and her father, Glen Osborn, were present. Ms. Osborn stated that the valuation increased a lot since the prior year for a house which has two bedrooms and one bathroom. Mr. Osborn reported that the valuation in 2015 was \$61,871 and the County increased the valuation to \$90,978 which is a very large increase in one year. He stated that his daughter paid \$46,000 for the house. County Assessor Jeff Hackerott reported that the subject property is located in an area which was reappraised for 2016. He reported that he met with Ms. Osborn on July 11, 2016 to inspect the property. He stated that the house was built in 1962 and has two bedrooms, one bathroom, kitchen, dining area, and living room on the main floor. He stated that the house has a single car attached garage, with a partially finished basement that has a nonconforming bedroom, family room, and unfinished utility area.

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He stated that at some point the garage had an addition onto the back of it. Ms. Osborn explained that whoever built the room onto the back of the garage used it as a shop. Mr. Hackerott reported that comparable houses along Grant Avenue are similar sized houses with single car garages and all were built at about the same time and have sold. He stated that the house located at 1203 Grant Avenue is valued at \$107,652 and it sold for \$109,000. Chairman Schmidt closed the hearing at 2:50 P.M. Motion was made by Prauner and seconded by Ohl to set the 2016 property valuation at \$86,834. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

Protest #2016-43 Nu-King LLC, 5225 East Cook Road, Grand Blanc MI
PT E1/2 SE1/4 E of U P Right-Of-Way 8-23-1 41.6 AC

Chairman Schmidt opened a hearing at 3:12 P.M. No one appeared at the hearing to offer verbal testimony. The letter submitted with the protest form was read. County Assessor Jeff Hackerott reported that he spoke several times on the phone with Mr. Johnson who represents Nu-King LLC and he reviewed the appraisal submitted. He explained that the subject property is located south of Norfolk along the railroad and the business has their own siting coming into the building. He reported that the company deals with coiled steel from Nucor. He stated that the County had an appraisal completed on this property and the amount was \$4,011,814 and the protester is requesting the value be reduced to \$3,275,000 based upon an appraisal they had completed for financing purposes in August, 2014. Chairman Schmidt closed the hearing at 3:17 P.M. Motion was made by Prauner and seconded by Ohl to make no change to the 2016 property valuation. Roll call vote: Ayes, Ohl, Prauner, and Schmidt. Nays, none. Motion carried.

The Board of Equalization recessed at 3:20 P.M. to Wednesday, July 13, 2016.

County Clerk Nancy Scheer

Ron Schmidt, Chairman
County Board of Equalization