

COMMISSIONERS PROCEEDINGS

Madison, Nebraska

July 16, 2013

The Board of Commissioners of Madison County, Nebraska met in regular session at 9:30 A.M.

Advance notice of meeting was published in the Thursday, July 11, 2013 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 Lee Klein 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 Lee Klein, Jerry McCallum, and Christian Ohl, County Highway Superintendent Richard Johnson, Assistant County Highway Superintendent Dave Heggemeyer, County Clerk Nancy Scheer, Norfolk Daily News reporter Jerry Guenther, and US92 reporter Brian Masters. County Sheriff Vern Hjorth and Sheriff Deputy Jon Downey were present until 9:42 A.M.

Chairman Klein read the following consent agenda items into the record:

- 1) Approval of minutes of the July 2, 2013 meeting
- 2) Acknowledge receipt of the Official Bond of Brian Hinze as Treasurer/Secretary of Battle Creek Rural Fire Protection District
- 3) Authorization for County Board Chairman to execute the program income report for CDBG Grant #09-ED-008 for the period ending June 30, 2013
- 4) Authorization for County Board Chairman to execute the Subgrant Agreement between the Nebraska Department of Health and Human Services and the Clerk of the District Court for the Child Support Enforcement Title IV-D program
- 5) Authorization to advertise for bids for a new or used lowboy trailer and set the bid date for August 8, 2013
- 6) Authorization for a plan revision for Northeast Industrial Highway Phase 3 to provide for turning lanes with an estimated cost of \$350,000

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

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

Mike Mefford, owner of Mudder's Sports Bar, was present to request the approval of a special designated liquor license. He explained that a wedding reception is scheduled on August 31, 2013 in a building located in the back yard of a residence located at 3901 Eisenhower Avenue, Norfolk. He stated that portable pots will be provided, access to the area will be fenced, and identifications will be examined. He explained that his only concern is people leaving the premises with alcohol and he doesn't know how to prevent that from happening, but he will try to control the amount of liquor that people consume.

County Clerk Nancy Scheer reported that a report, signed by Deputy County Sheriff Chris Hjorth, summarized that an investigation was completed and there appears to be no reasons to deny the application. No one spoke in opposition to the special designated license.

County Highway Superintendent Richard Johnson advised that the County plans to overlay Eisenhower Avenue during the 2013 construction season. Mr. Mefford stated that he will advise the Walmsley family of the County's plan. Chairman Klein stated that the County is unsure if the contractor will have the overlay completed by the reception date.

After discussion, it was moved by McCallum and seconded by Ohl to recommend approval of the special designated license for Mike Mefford of Mudder's Sports Bar to the Nebraska Liquor Control Commission for a wedding reception scheduled on August 31, 2013 at 3901 Eisenhower Avenue, Norfolk. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

County Sheriff Vern Hjorth and Deputy Sheriff Jon Downey appeared before the Board to discuss the Sheriff's Office budget. Sheriff Hjorth reported that he originally met with the County Board last October to discuss the possibility of adding another deputy to the Sheriff's Office staff and he is back to address the issue again. He stated that a longtime deputy will be leaving for personal reasons and moving to take a position as a deputy sheriff in Otoe County. He explained that this resignation will create a vacancy in the Sheriff's Department, but he would also like to hire one additional staff member. He reported that the request for an additional staff member must be approved by the County Board. He said that he will complete the testing for the deputy positions in the latter part of August, the hiring would occur in September, and the employee would begin duties October. He stated that the Sheriff's Department currently has eight uniformed deputies that work security throughout the County during the evening and night hours and also one deputy who covers the day shift. Sheriff Hjorth explained that with eight deputies, it is difficult to have 24-hour coverage. He stated that many of the deputies working in the Sheriff's office have over 10 years of service and many earn three weeks of vacation and work overtime, so one full-time deputy actually fills in for vacation and comp time used. He stated that when seven deputies are actually working, the office does not have enough deputies. He explained that there are many issues going on in Madison County, and in his opinion, it is time to add another deputy sheriff. He explained that there are currently some situations where he does not feel comfortable with a deputy sheriff working alone at night, so if another deputy was added to the staff, it would help rectify some of the staffing issues so the County would be in a much better position to provide security for the citizens. Sheriff Hjorth reported that he has a patrol unit in storage that was purchased after he was contacted by the Chevrolet dealership in Lincoln when the 2012 models were closed out. He said there will be equipment costs in addition to the salary of the employee with an overall budget impact of about \$40,000 including health insurance and benefits. He explained that if the costs are only for six months of the fiscal year instead of the entire fiscal year, he could manage the additional expense between the months of October and January. He explained that the entire costs would be reflected in the next fiscal year but if the costs are distributed between two fiscal years it doesn't have as large of an impact on the total budget. He summarized by requesting permission from the County Board to proceed with his plan to add one additional deputy sheriff.

Commissioner McCallum questioned if an additional staff person would reduce overtime. Sheriff Hjorth responded that he hopes that adding a deputy would reduce overtime, but he can't guarantee that there would be a reduction because he can't anticipate what events will occur that require deputies to work. He stated that adding an additional deputy would have an impact on scheduling to cover for vacations throughout the year since this becomes an issue when employees work for the County a number of years. He stated that overtime is expensive, but the County has been fortunate because overtime is not been paid out in cash. Commissioner McCallum explained that employees using comp time takes away from production.

After discussion, a motion was made by McCallum and seconded by Ohl to authorize County Sheriff Vern Hjorth to hire one additional deputy for the County Sheriff's Department. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

County Highway Superintendent Richard Johnson reported that Chairman Klein requested him to research the issuance of bonds for funding costs associated with the Northeast Industrial Highway project since there is a possibility of bonds losing tax exempt status. He reported that the budget committee prepared a spreadsheet reflecting the estimated construction costs to complete both Phases 2 and 3 of the project and listed the sources of revenue to complete Northeast Industrial Highway without the issuance of bonds if the County Board chooses to use this option. He explained that the funding estimate reflects that the levy would be raised approximately one cent from the prior fiscal year. He stated that Board members were given copies of the County's current debt service schedule for the current bond issued November 13, 2012 and an estimated debt service schedule received from Ameritas for a new bond.

Chairman Klein explained that if the federal government takes away municipal bonds the interest rates will increase substantially. He reported that if the interest rate on a \$2 million bond increases from 1.8% to 2.2% amortized over a ten-year period would be an increase of \$42,000. He stated that if the County decides to issue a bond and doesn't need the funds for a year, then interest will be paid for that amount of time.

Commissioner McCallum stated that the total interest costs for a new bond are approximately \$250,000, and if the project costs can be paid through the normal budget process, then in his opinion, it is unnecessary to issue another bond. Chairman Klein stated that no one had researched the funding options for the completion of the Northeast Industrial Highway project to determine if bond funds would be required to finish paying for the project. County Highway Superintendent Richard Johnson responded that Chairman Klein did a good job of getting the County Board to discuss the issue. Chairman Klein stated that if the federal government is going to change the regulations, the County Board should consider its options immediately. Commissioner McCallum stated that if the project is constructed in the proper manner, the County would save money on inflation increases.

County Highway Superintendent Richard Johnson explained that the committee pointed out that the project could most likely be completed without the issuance of bonds; however, if the County wants to issue bonds then it would be wise for the Board to proceed with that process. He reported that the final fund balances for the end of the fiscal year have not been verified by the County Treasurer, so the report was based upon the best information available at the time. He explained that the County Board can take another look at the funding options during the budget process if the Board wants to make a final decision at that time.

Chairman Klein responded that if it is not necessary for the County to issue bonds, then he does not have any qualm with that. He stated that the County may need to work a little harder on obtaining the CDBG grant funding. Commissioner McCallum stated that the County needs to work a little harder on getting the project completed to stop the inflation factor.

County Highway Superintendent Richard Johnson stated that if the County Board is satisfied with the information presented by the budget committee and wants to wait until the budget process that is okay. He stated that the budget committee will probably recommend having \$1 million of bond proceeds in the Federal Aid Secondary Fund without levying for any principal and interest payments, mainly as a backup if a cash flow problem occurs.

Commissioner McCallum stated that the County has been managed very well and that there are reserves available in the Inheritance Tax Fund if needed. County Highway Superintendent Richard Johnson concurred that two options are available, one is issuance of bonds, and the other is reserves available in Inheritance Tax Fund.

Chairman Klein stated that he was glad to see the report prepared by the budget committee because it is difficult to make an informed decision without researching the options. He reiterated that if the County does not need to issue bonds, then he can see no reason to proceed with this option. Commissioner McCallum stated that there is no reason to require the taxpayers to pay interest for a \$2 million bond issue if it is not required. County Highway Superintendent Richard Johnson said that the budget committee reserves the right to look at the option of issuing bonds during the budget process. He reported that during the past week Gage County was expecting to lock in bonds with an interest rate between 2.2% to 2.3%.

Commissioner McCallum stated that if an interest payment doesn't need to be made every year that money is available for construction costs. Chairman Klein stated that if the levy is raised one cent that is the amount that the same levy would need to increase to pay principal and interest on the bonds. He stated that if the County Board thought that inflation was really going to hit and there were additional road projects that had to be completed quickly, then it may make sense to issue bonds for a portion of the project.

County Highway Superintendent Richard Johnson questioned how soon the tax exempt status would be removed and Chairman Klein responded that President Obama wants the exempt status removed, but he was not aware of a possible date. He reported that the League of Municipalities is opposed to having the exempt status removed because many cities issue bonds to complete various projects.

Chairman McCallum stated that it would be a real accomplishment for Northeast Industrial Highway to be completed without any bonds to pay off.

County Highway Superintendent Richard Johnson reported that the State of Nebraska has accepted the road alignment. He stated that all the geometrics have been drawn, including the width of the turning lanes, the curbs, and the extra turning lane. He stated that this will be sent to the State of Nebraska who will provide the County with information for future traffic control. In addition, he estimated that the final phase of the project will be completed at the end of next year's construction season.

No action was taken by the County Board.

The following written reports were reviewed:

- 1) County Clerk June fee report
- 2) County Treasurer fund balance report
- 3) Register of Deeds June fee report
- 4) 2nd Quarter building permit report
- 5) Clerk of the District Court June fee report
- 6) County Sheriff June fee report
- 7) 2nd Quarter report of CASA of Northeast Nebraska
- 8) Sale of surplus property report
- 9) Letter of thanks from Norfolk Veterans Home

The following claims were audited:

GENERAL FUND

Total Net Payroll		119,121.68
Mark Albin	Legal Services, County Court	1,461.35
American Family Life Assurance Company	Insurance Premiums	530.78
Ameritas Life Insurance Corporation	Employee Share Retirement	7,923.41
Ameritas Life Insurance Corporation	Employer Share Retirement	11,596.13
Ameritas Life Insurance Corporation	Insurance Premiums	357.76
Antelope County Clerk	Services, Juvenile Diversion	213.75
Appeara	Mat Service, Public Defender	51.40
Appeara	Mat Service, Courthouse	98.38
Aramark Correctional Services	Meals, County Jail	17,984.08
AS Central Services	Data Processing Costs, County Sheriff	262.29
AS Central Services	Data Processing Costs, Law Enforcement	44.00
AS Central Services	Data Processing Costs, County Jail	441.71
B & A's Welding Inc.	Repairs, County Jail	35.00
Charles Balsiger	Legal Services, District Court	2,316.07
BI Incorporated	Monitoring Services, Juvenile Diversion	1,844.00
Big Red Printing	Supplies, County Treasurer	188.45
Black Hills Energy	Gas Service, Courthouse	104.76
Black Hills Energy	Gas Service, County Jail	199.68
Blue Cross Blue Shield of Nebraska	Insurance Premiums	129,801.86
Bob Barker Company Inc.	Uniforms, County Jail	290.64
Liane Bode	Witness Fees, County Court	38.08
Brady & Amy's Inc.	Fuel, Courthouse	48.41
Brady & Amy's Inc.	Fuel, County Sheriff	1,851.93
Brady & Amy's Inc.	Fuel, Noxious Weed	246.51
Al Brandl	Repairs, County Jail	2,140.00
Brogan & Gray, P.C., L.L.O.	Legal Services, County Court	1,557.49
Brogan & Stafford, P.C.	Legal Services, County Court	2,010.44
Cableone	Internet Services, Public Defender	366.09
Cableone	Internet Services, County Sheriff	595.44
Cableone	Internet Services, Probation	169.96
Cableone	Internet Services, Courthouse	116.50
CDW Government	Equipment, Probation	90.24
Century Link	Telephone Service, County Jail	17.66
Century Link	Telephone Service, Probation	375.18
Choice Foods	Supplies, Public Defender	128.62
City of Madison	Utilities, Public Defender	184.63
City of Madison	Utilities, Courthouse	4,668.11
City of Madison	Utilities, County Jail	4,723.05
City of Norfolk	Utilities, Probation	44.74
Clerk of the Supreme Court	Fees, District Court	125.00
Colonial Life and Accident Insurance	Insurance Premiums	247.46
Complete Floor Maintenance	Services, Probation	231.00
Complete Pest Elimination, Inc.	Services, County Jail	125.00
Connecting Point	Repairs, Services, Supplies, County Sheriff	525.22
Connecting Point	Services, County Attorney	22.50
Connecting Point	Internet Service, Veterans' Service Office	38.95
Connecting Point	Internet Service, Software, Contract Service, Courthouse	2,591.50
Copple, Rockey, McKeever & Schlecht, P.C., L.L.O.	Legal Services, County Court	4,458.17
Credit Management Services, Inc.	Garnish of Wages	135.39
Cummins Central Power, L.L.C.	Equipment Maintenance, County Jail	2,332.58
Dick Day	Telephone Services, Data Processing	90.00
Dick Day	Repairs, Courthouse	93.75
Deluxe for Business	Supplies, County Attorney	216.95
Dodge County Court	Copies, Law Enforcement	2.25
Jennifer Drahota	Witness Fees, County Court	38.08
Eakes Office Plus	Supplies, County Court	32.12
Eakes Office Plus	Supplies, County Sheriff	141.48
ECMC	Garnish of Wages	142.34
Entertainment Unlimited	Equipment, County Jail	320.34
Ewalt Law Office	Legal Services, County Court	1,134.88

Faith Regional Health Services	Expert Witness Fees, Law Enforcement	3,215.00
Field's Hardware	Equipment, Data Processing	26.99
Field's Hardware	Supplies, Courthouse	69.76
Field's Hardware	Supplies, County Sheriff	12.99
Field's Hardware	Supplies, County Jail	1,280.65
First Concord Benefits Group	Flexible Benefit Plan, Deductible Buy Down	5,020.32
Floor Maintenance	Supplies, County Jail	100.35
Daniel Fullner	Mileage, Mental Health	33.90
Gall's Inc.	Uniforms, County Jail	130.05
Gempler's	Supplies, Noxious Weed	26.95
Gillette Printing	Supplies, County Sheriff	216.00
Gordy's Towing & Repair	Repairs, County Sheriff	360.41
Graham Tire	Repairs, Noxious Weed	58.64
Great America Financial Services	Copier Maintenance, Public Defender	145.26
John Harney	Mileage, Juvenile Diversion	73.45
Headley Law Office, P.C., L.L.O.	Legal Services, County Court	2,632.50
Home for Funerals	County Burial, County Relief	1,200.00
Jerry's Sinclair	Repairs, County Sheriff	15.00
Nancy Jochum-Schram	Transcripts, Public Defender	263.25
Nancy Jochum-Schram	Court Reporting, Mental Health	164.13
John's Disposal	Garbage Service, Planning and Zoning	34.00
John's Disposal	Garbage Service, Probation	55.00
John's Disposal	Garbage Service, Veterans' Service Office	19.50
Keenan Law, P.C., L.L.O.	Legal Services, County Court	1,529.75
Louderback Drug	Prescriptions, County Jail	2,801.64
Lyon Workspace Products	Supplies, County Jail	17.01
Madison County Clerk	Tax Deposit	44,559.78
Madison County Clerk of District Court	Fees, District Court	1,311.00
Madison County Court	Court Costs, County Court	1,432.00
Madison County Sheriff	Fees, County Court	1,488.57
Madison County Sheriff	Fees, District Court	4,459.15
Madison County Sheriff	Service Fees, Mental Health	112.48
Madison County Treasurer	Insurance Reimbursement	150.00
Madison National Life	Insurance Premiums	121.39
Manatron, Inc.	Computer Support	18,883.00
Marathon Press	Supplies, District Judge	102.50
Kyle Melia	Supplies, Public Defender	42.79
Microfilm Imaging Systems Inc.	Equipment Rental, County Clerk	45.00
Microfilm Imaging Systems Inc.	Supplies, Register of Deeds	45.20
Microfilm Imaging Systems Inc.	Equipment Rental, Equipment, County Court	218.00
Microfilm Imaging Systems Inc.	Equipment Rental, Law Enforcement	70.00
Microfilm Imaging Systems Inc.	Equipment Rental, County Surveyor	45.00
Midwest Health Partners	Medical Services, County Jail	321.00
Midwest Plumbing & Heating Inc.	Repairs, Courthouse	1,773.98
Midwest Plumbing & Heating Inc.	Repairs, County Jail	89.25
Midwest Plumbing & Heating Inc.	Equipment, Courthouse	62,100.00
Mimick Motor Company	Repairs, County Sheriff	102.48
MIPS Inc.	Computer Support, County Clerk	581.02
MIPS Inc.	Computer Support, County Treasurer	1,110.53
Morland, Easland & Lohrberg, P.C.	Legal Services, District Court	1,727.25
Morland, Easland & Lohrberg, P.C.	Legal Services, County County	2,182.30
Nationwide Retirement Solutions	Deferred Compensation	1,005.00
Nebraska Child Support Payment Center	Garnish of Wages	276.92
Nebraska Crime Commission	Publications, County Sheriff	30.00
Nebraska Crime Commission	Publication, County Jail	7.50
Nebraska Lab Linc	Medical Services, County Jail	68.13
Nebraska Public Power District	Utilities, Probation	558.40
Nebraska.gov	Copies, Law Enforcement	4.00
Norfolk Auto Center	Repairs, County Sheriff	32.64
Norfolk Daily News	Publication Costs, County Court	376.82
Norfolk Daily News	Publication Costs, Courthouse	213.95
Norfolk Transmission & Muffler	Repairs, County Sheriff	779.34
Northeast Nebraska Juvenile Services Inc.	Board of Juveniles, Juvenile Detention	4,906.25
Norm Nykodym	Lawn Services, Public Defender	116.00
Mike O'Brien	Mileage, Juvenile Diversion	56.50
Olmsted County Sheriff	Service Fees, District Court	85.00
Redwood Toxicology Lab	Testing, Juvenile Diversion	80.50
Region IV, Inc.	Services	9,147.75
Renner Auto Body	Repairs, County Sheriff	137.50
Marjorie Schaffer	Fees, Mileage, District Court	112.22
Nancy Scheer	Postage, Election Commissioner	155.73
Schroeder Land Surveying	Services, County Surveyor	1,394.00
Short Stop	Fuel, County Sheriff	318.48
Stratton, DeLay, Doele, Carlson & Buettner, P.C., L.L.O.	Legal Services, County Court	809.10
Michelle Sullivan	Mileage, Juvenile Diversion	80.23
Donald Svitak	Registration, Noxious Weed	10.00
Trane	Service Agreement, Courthouse	455.00

United States Postal Service	Box Rent, District Judge	140.00
US Bank Corporate Payment System	Fuel, Juvenile Diversion	94.72
US Bank Corporate Payment System	Fuel, Lodging, Meals, Supplies, Software, County Sheriff	869.25
Verizon Wireless	Telephone Services, Planning and Zoning	69.38
Verizon Wireless	Telephone Services, Noxious Weed	62.84
Verizon Wireless	Telephone Services, Juvenile Diversion	221.97
Raylee Vosburg	Witness Fees, County Court	38.08
Kara Weander-Gaster	Witness Fees, County Court	38.08
Jerald Weis	Witness Fees, County Court	38.08
Western Office Technologies	Supplies, County Clerk	1.35
Western Office Technologies	Supplies, Repairs, Copier Maintenance, County Assessor	137.79
Western Office Technologies	Supplies, Copier Maintenance, County Court	518.73
Western Office Technologies	Supplies, Public Defender	107.51
Western Office Technologies	Supplies, County Sheriff	621.70
Western Office Technologies	Copier Maintenance, County Attorney	154.04
Western Office Technologies	Supplies, County Jail	1,325.00
Western Roofing Co.	Repairs, Courthouse	4,389.46
Wex Bank	Fuel, County Sheriff	1,104.36
Wolters Kluwer Law & Business	Publication, Public Defender	147.42
Zippy Lube	Repairs, County Sheriff	71.46
Zodiac Properties	Rent, Probation	8,060.67

ROAD/BRIDGE FUND

Total Net Payroll		28,268.75
American Family Life Assurance Company	Insurance Premiums	276.26
Ameritas Life Insurance Corporation	Employee Share Retirement	1,691.61
Ameritas Life Insurance Corporation	Employer Share Retirement	2,537.22
Ameritas Life Insurance Corporation	Insurance Premiums	118.48
Antelope County Clerk	Bridge Repairs	8,979.32
Appeara	Shop Towels	230.44
B's Enterprises Inc.	Signs, Culverts	3,330.00
Battle Creek Farmers Coop	Fuel, Shop Supplies	546.83
Bauer Built Tire	Repairs	1,301.77
Beck's Equipment	Parts	238.14
Black Hills Energy	Gas Service	42.43
Blue Cross Blue Shield of Nebraska	Insurance Premiums	31,850.83
Brady & Amy's Inc.	Fuel	746.54
California Contractors Supplies Inc.	Supplies	498.00
Central Sand & Gravel Company	Gravel	11,022.71
City of Madison	Utilities	609.01
City of Newman Grove	Utilities	35.00
Colonial Life and Accident Insurance	Insurance Premiums	121.80
Connecting Point	Internet Services	15.00
Constellation Newenergy Gas Division	Gas Service	12.84
Corvette Restorations	Repairs	1,649.00
D & M Machinery	Parts	11.70
DW Kohlhof Truck Repair	Repairs	650.24
Dinkel Implement Company	Parts, Equipment Rental	497.32
Farm & Ranch Building Supply	Supplies	257.42
Field's Hardware	Shop Supplies	15.71
Filter Care of Nebraska	Services	30.65
First Concord Benefits Group	Flexible Benefit Plan, Deductible Buy Down	876.67
Hradec Diesel	Parts	31.44
Island Supply Welding Company	Shop Supplies	66.66
Kimball Midwest	Parts	81.13
M & M Farm Supply	Parts	20.00
Madison County Clerk	Tax Deposit	9,922.78
Madison County Treasurer	Insurance Reimbursement	19.78
Madison National Life	Insurance Premiums	42.50
Matheson Tri-Gas Inc.	Shop Supplies	206.45
Matteo Sand & Gravel Company Inc.	Gravel	5,621.89
Meisinger Oil Company	Fuel	15,552.34
Menards	Shop Supplies	67.35
Myers Tire Supply	Repairs	131.32
Nebraska Child Support Payment Center	Garnish of Wages	93.24
NMC Exchange L.L.C.	Repairs	326.81
Norfolk Auto Supply Inc.	Parts	63.32
Norfolk Implement Inc.	Parts	70.91
Pollock Redi Mix	Concrete	514.50
Red Bud Hardware, Inc.	Shop Supplies	82.92
Reigle Implement Company, Inc.	Parts	245.00
Telebeep Wireless	Internet Services	119.85
The Pit Stop	Fuel	1,569.42
Western Office Technologies	Supplies	23.33
White Star Oil Co.	Fuel	173.36

WJAG	Utilities	250.00
Zoubek Oil Company	Fuel	5,648.38

VISITORS PROMOTION FUND

Norfolk Area Visitors Bureau	Supplies, Advertising	6,104.70
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VISITORS IMPROVEMENT FUND

Norfolk Area Visitors Bureau	Supplies, Advertising, Internet Service	125.17
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911 EMERGENCY FUND

Eastern Nebraska Telephone	Telephone Service	127.86
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LAW ENFORCEMENT OPERATING FUND

Madison County Sheriff Inmate Fund	Subscription	281.80
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DRUG COURT FUND

Adam Jorgensen	Supplies	7.71
Jana Kuhlman	Supplies	30.00
Putters	Supplies	23.00

Motion was made by Ohl and seconded by McCallum to approve the claims as audited and authorize the County Clerk to issue checks for payment of said claims. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

The Board adjourned at 9:50 A.M. to Tuesday, July 23, 2013 at 9:00 A.M. for a special meeting to interview applicants to complete the unexpired term of office for the Madison County Public Defender.

County Clerk Nancy Scheer

Lee Klein, Chairman
County Board of Commissioners

BOARD OF EQUALIZATION MEETING

Madison, Nebraska

July 16, 2013

The Board of Equalization of Madison County, Nebraska met at 10:48 A.M., in continuation of the June 25, 2013 meeting, to conduct hearings on property valuation protests.

Advance notice of meeting was published in the Thursday, July 11, 2013 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 Lee Klein, Jerry McCallum, and Christian Ohl, County Assessor Jeff Hackerott, and County Clerk Nancy Scheer. County Treasurer Donna Primrose was present from 11:02 A.M. until 11:05 A.M.

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

Motion was made by Ohl and seconded by Klein to approve the minutes of the July 2, 2013 and July 9, 2013 meetings. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

County Assessor Jeff Hackerott submitted the following tax list correction:

#2874: Dinkel Implement Company, P.O. Box 1404, Norfolk
Addition to the tax rolls in the amount of \$12,994.10 for correction to the 2012 personal property taxes after submission of the 2012 depreciation worksheet showing items that were not taxed in 2012

After discussion, it was moved by Ohl and seconded by Klein to approve the tax list correction as submitted. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Chairman McCallum opened a public hearing at 11:03 A.M. to receive testimony regarding the following motor vehicle exemption applications:

Bright Horizons, 305 North 4th Street, Norfolk

2001 Ford Van

Community Concern of Norfolk, P.O. Box 302, Norfolk

2010 Dodge Sport Van

Faith Regional Health Service, 2700 Norfolk Ave., PO Box 869, Norfolk
Dump Trailer, 1997 Chevrolet Truck, 2007 Chevrolet Truck, 1997 Dodge Van, 2012 Chevrolet Malibu (3), 2008 Chevrolet Malibu (4), 2003 Dodge Stratus, 2005 Chevrolet Van, 2000 Dodge Stratus, 1998 Chevrolet Pickup, 2001 Chevrolet Pickup, 1996 Ford Pickup, 2004 Chevrolet Pickup, 2006 Circle D Flatbed, 1998 Dodge Caravan, 2007 Chevrolet Uplander (3), 2005 Chevrolet Venture Van, 2006 Chevrolet Uplander, 2001 Dodge Neon, 2003 Chevrolet Venture Van, 2010 Dodge Grand Caravan (3), 2012 Chevrolet Town & Country (2), 1997 Dodge Grand Caravan, 2001 Pontiac Montana Van, 2013 Utility Trailer

Mid-Nebraska Lutheran Home, 109 North 2nd Street, Newman Grove
Chevrolet Silverado, 2006 Ford Cutaway Van

2012 Homemade Trailer, 2013 Dool
2007 Dodge Grand Caravan, 2001

Norfolk Rescue Mission, Inc., 111 North 9th Street, Norfolk

2000 Chevrolet Silverado Pick

Sacred Heart Parish/Norfolk Catholic School, 204 South 5th Street, Norfolk

2005 Chevrolet Express Van

County Treasurer Donna Primrose reported that all organizations were previously approved for exemption. No public comments were received.

Chairman McCallum closed the hearing at 11:05 A.M.

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

Hearings were conducted on property valuation protests as follows:

Protest #2013-55: Denise Baer, 501 South California Street, Tilden
Ringers Out Lots Lot 1 Except E 15 Ft

Chairman McCallum opened a hearing at 10:50 A.M. Denise Baer appeared at the hearing and testified that she purchased the property in 2008 after it had been on the market for nearly 15 months. She explained that the original listing was \$24,000 and she paid \$13,000. She submitted a copy of an independent appraisal that was completed at the time of purchase. She explained that she made approximately \$18,000 of improvements including windows, insulated outside doors, and heating and cooling. She reported that all the improvements were made at the time she purchased the property and there have been no additional improvements made during the last five years. She showed pictures of the interior of the house which reflected the original kitchen from 1946 with metal cupboards and the kitchen counter area which was about 24" x 24". She reported that her original protest form included comparable properties within the neighborhood. Ms. Baer testified that her house has stucco siding which needs continual repair. As she reviewed the pictures of her house with the Board, she explained that concrete work needs to be done near the back door, the utility/laundry room has original metal doors, the cellar door is rusting through and is an exterior and only entrance to the basement, and the basement height from the floor to the bottom of the rafters is 66 inches. She reported that the assessment record lists that part of the house has a basement and part has a crawlspace; however, there is no crawlspace. She also showed pictures of the exterior of the house which reflected cracks, crevices, and repair that must be done to the stucco siding as well as the fascia area of wood. She reported that the ceiling in the kitchen and the living room were cracking and apparently falling down so tiles were glued to the ceiling to repair the damage. She stated that counter space is the drain part of the sink with fluorescent lighting that is directly wired, so it is like a shop light and the backsplash is contact paper. She also reported that the walls are original plaster over lath. In summary, she requested that the valuation be set at \$30,965, which is an appropriate valuation request in relationship to the amount of improvements made to the property after she purchased it and that her request is fair and reasonable. County Assessor Jeff Hackerott requested clarification on the front entryway of the house and Ms. Baer responded that an open front porch area was converted to an enclosed space, but it is not heated or cooled. Chairman McCallum closed the hearing at 11:00 A.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation and set the property valuation at \$34,996 based upon a physical inspection and testimony presented during the hearing. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-56: Bob Heppner, 322 3rd Street, Meadow Grove
Lewis Addition Out Lot 1 N 66 Ft S 264 Ft E 1/2 Lot 1 1/4 AC

Chairman McCallum opened a hearing at 11:08 AM. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that he completed an exterior inspection of the property on July 11, 2013. He reported that the assessment record lists the property as a two bedroom, one bathroom ranch style house with an unfinished basement, single car garage, and a shed in the back. He stated that the house is a typical 1960s home with vertical wood siding and brick wainscoting on the front. He explained that it appears that the County's assessment record is accurate. Chairman McCallum closed the hearing at 11:11 A.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation for no change to the property valuation. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-57: Carolyn Brown, 2110 South Victory Road, Norfolk
Chaffin's Addition Lot 1 5.88 AC (35-24-1)

Chairman McCallum opened a hearing at 11:19 A.M. Carolyn Brown appeared at the hearing and testified that the house was not finished on January 1, 2013 and is still not finished. She stated that she included copies of bills for work completed after January 1st and that she usually receives bills about one week to ten days after the work is completed. She stated that a plumbing bill was received in February and an electrical bill was received in March. County Assessor Jeff Hackerott questioned if Ms. Brown was living in the house and what work needs to be completed. Ms. Brown responded that she lives at the house most of the time of and that painting and floor coverings need to be finished. She reported that she removed the carpet from the living room. She testified that she made the garage into a bedroom and laundry room/bathroom combination and the sheet rock is put up in this area. She explained that when her house burned two years ago she subsequently bought a house located down the road and had it moved to the subject location in February 2012. County Assessor Jeff Hackerott stated that he would schedule an appointment to meet with Ms. Brown toward the end of the year to complete an examination of the house for the 2014 assessment. Chairman McCallum closed the hearing at 11:24 A.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation to set the valuation at \$78,680. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-58: Eleanor Hahn, 83576 552nd Avenue, Norfolk
SE1/4 25-23-2 160 AC

Chairman McCallum opened a hearing at 11:27 A.M. Lori Bohn, daughter of Eleanor Hahn appeared at the hearing and Leon Hahn, son of Eleanor Hahn, testified by speaker phone. Lori Bohn reported that they obtained the valuations of five or six properties located within 3 miles of the subject property. She testified that the property is dry land consisting of 136 acres which are cropland and enrolled in a 10 year CRP program. She reported that her mother receives \$108 per acre revenue, which is an annual payment of \$14,960. She explained that many of the properties that they looked at were also dryland farms and many had grassland. She noted that a lot of the dryland comparable properties were valued at \$1,350 per acre and the subject property is valued at \$3,175/acre. Chairman McCallum responded that they probably were comparing grassland to agricultural land. Lori Bohn responded that all comparable parcels were grassland. County Assessor Jeff Hackerott clarified that CPR acres are still valued as agricultural land, not grassland. Leon Hahn testified that land owned by Bob Coover is planted to crops and it appears to be valued as grassland. He stated that either the subject property is overvalued, or the Bob Coover property is undervalued. Lori Bohn reiterated that Bob's Coover property is farmed and is comparable to the subject property, but is valued at \$1,359/acre. After checking the County assessment record, County Assessor Jeff Hackerott reported that Bob Coover has two parcels and the assessment records have the land classified as grassland. He stated that if these parcels have been converted to row crop, it was not reported to the County. Leon Hahn verified that Bob Coover's property is planted to corn and has been planted to row crop for the last two years. He stated that the subject property should be valued the same as Bob Coover's property. Lori Bohn stated that their argument is that since the subject property is in CRP program, there is a not much leeway between the income and the taxes. She reported that they contacted Warren Blank who advised that having the land in the CRP program would hurt the value if the property was sold. Leon Hahn explained that if they decided to sell the land, the selling price would be less than if the property was farmed because those CRP program would need to be bought out. Lori Bohn stated that if the property was enrolled into the CRP program now, the current price is \$220/acre compared to the \$108/acre when the land was put into the program. Leon Hahn reported that one parcel has been in the CRP program for five years and the other parcel has been in the program for two years. Chairman McCallum reiterated that the classification of the property is not changed from crop land to grassland for valuation purposes when the property is put into the CRP program. County Assessor Jeff Hackerott reported that the County was not notified when Bob Coover's property was taken out of grassland and put into crop production. Leon Hahn questioned if the valuation could be reduced because of the programs that the property is currently placed in. County Assessor Jeff Hackerott explained that part of the problem is that FSA no longer shares data with anyone, especially the Assessor's Office, regarding acres that are put into any government programs. He reviewed the number of acres of each soil classification on the subject property and reported that the assessed value is \$3,046/acre, which would make the market value \$4,061/acre. He explained that he inspected the property and buildings and verified that the assessment record appears to be accurate. Chairman McCallum closed the hearing at 11:40 A.M. Motion was made by Klein and seconded by Ohl to accept the County assessor's recommendation and set the property valuation at \$568,793. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-59: Donald and Shirley Sock, 55476 836th Road, Norfolk
E1/2 W1/2 NE1/4 & NW1/4 SE1/4 28-23-1 80 AC

Chairman McCallum opened a hearing at 11:46 A.M. Donald Sock appeared at the hearing and testified that he has owned the property for 47 years. He stated that he is protesting the valuation increase of over \$450/acre in one year. He explained that there are approximately 50 acres of farmland and he has not had it in crop production since 1988. He stated that he is using his land to take care of the wildlife and that he has this property in two government programs. He explained that one program expires in 2014 and the other program expires in 2019. He reported that he receives approximately \$3,800 per year as income from the two programs. County Assessor Jeff Hackerott reported that he reviewed the property with Mr. Sock on July 15, 2013 and that the property is a long narrow 80 acre parcel all in various grasses, primarily brome grass. He explained that there is a shelterbelt and a low swampy area with a pond. He explained that all the buildings on the property are listed correctly on the assessment record. Mr. Sock submitted copies of the two government contracts. He reported that there are 15 acres on the property that are native grass and have never been broken. County assessor Jeff Hackerott reported that the County does not receive any updates from the FSA office on land placed into government programs. He reviewed the number of acres of the various soil classifications listed on the assessment record and stated that County records have 41.61 acres listed in the CRP program. Chairman McCallum closed the hearing at 11:55 AM. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation for no change to the property valuation based upon a physical inspection of the parcel. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-60: C. Dean and Shirley Thompson, 409 Highlander Run, Lagrange, Georgia 30240
SE1/4 20-21-1 160 AC

Chairman McCallum opened a hearing at 12:01 PM. No one was present at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that he reviewed the property on July 11, 2013 and the house looks like it is occupied. He stated that he left a message on the owner's telephone to obtain rental rates; however, no one returned his call. He explained that there are several grain bins on the farm, an open front shed, and a detached garage. He explained that the assessment record reflects that a walk-through of the house was completed in 2009 with the tenant. Chairman McCallum closed the hearing at 12:03 P.M. Motion was made by Klein and seconded by Ohl to accept the County assessor's recommendation for no change to the property valuation based upon a physical inspection. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-61: J. Paul and Eleanor McIntosh, Box 1366, Norfolk
Burrows and Egberts Addition Lot 1

Chairman McCallum opened at hearing at 1:18 P.M. J. Paul McIntosh appeared at the hearing and testified that he is protesting the valuation of the building located at 401 Norfolk Avenue in Norfolk, which was part of the former Delay 1st National Bank. He explained that the problem is not the building itself because it hasn't changed and is a pretty good building; however, the building apparently has economic obsolescence. He stated that the bank originally had two buildings. He explained that he owns 25 feet, the IOOF owns 25 feet, and the bank made an arrangement to lease half of the building from IOOF and took out the divider between the two buildings. He stated that the current situation is what looks like one building that actually has two owners. Mr. McIntosh reported that the building has not been rented since 2010 and he can't get it rented. He testified that he tried everything and even tried to give the building to the City of Norfolk if the City would make it into a youth center. He explained that on several occasions he offered to buy the half owned by IOOF for \$60,000 or sell his half for \$60,000. He stated that he doesn't know what to do with the building. He explained that there is nothing wrong with the building, but one problem is that there is no parking. County Assessor Jeff Hackerott reported that he reviewed the building with Mr. McIntosh on July 12, 2013. He stated that some time during 1966 and 1970 renovation work was done on the building, which included the entire first floor being ripped out, steel stringers installed, and a poured concrete floor installed on the main floor with supports in the basement. He explained that there is a vault on each floor, with a bomb shelter type vault in the basement, the original bank vault on the first floor, and the second and third floors have record storage vaults. He reported that the main floor is still set up in the format of a call center used by the last tenant with an open floor plan. He verified that the wall between the two original buildings has been removed so the inside is one open floor plan. In addition, he reported that the second floors of the building are really dated with old shag carpet and no painting has been completed for many years. He explained that a problem with downtown properties is that there is no demand for retail or office space but there is a certain amount of demand for renovation of second and third floors as residential apartments. Chairman McCallum closed the hearing at 1:26 PM. Motion was made by Klein and seconded by Ohl to establish a valuation based upon the testimony presented at the protest hearing by applying additional economic obsolescence and set the property valuation at \$81,143. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-62: Nu-King, L.L.C., 5225 East Cook Road, Grand Blanc, Mississippi 48439
Pt E1/2 SE1/4 E OF U P Right-of-Way 8-23-1 41.6 AC

Chairman McCallum opened a hearing at 1:01 P.M. No one was present at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that he reviewed the appraisal submitted by the protester. He stated that construction on the warehouse addition project did not start until after January 1, 2013 and the valuation reflects valuation for the addition. Chairman McCallum closed the hearing at 1:05 P.M. Motion was made by Klein and seconded by Ohl to establish a valuation based upon testimony presented by the County Assessor and set the property valuation at \$2,330,000. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-63: Wolken Investments, L.L.C., 85090 548th Avenue, Pierce
Pasewalks Addition S 50 Ft W 112 Ft Lot 10, Blk 4

Chairman McCallum 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 the subject property is a single family dwelling that was converted to apartments. He stated that the subject property was purchased, along with another property, on September 26, 2012 at a cost of \$78,500. He reported that the protester submitted a residential evaluation which lists the property valuation at \$36,000. Chairman McCallum closed the hearing at 1:31 P.M. Motion was made by Ohl and seconded by Klein to consider the recent purchase price of the property and the residential evaluation submitted by the protester and set the property valuation at \$37,000. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-64: Donna Herrick, 4200 West Norfolk Avenue, Norfolk
Divot's Addition Lot 1 4.15 AC (19-24-1)

Protest #2013-65: Donna Herrick, 4200 West Norfolk Avenue, Norfolk
SE1/4 SW1/4 Less Hwy 19-24-1 36.46 AC

Chairman McCallum opened a hearing at 1:32 PM. Donna Herrick was present and testified that prior to the building of Divots in 2001 she attempted to do a feasibility study to determine the viability of a business venture of a conference center in the community the size of Norfolk, which at the time had a population of 22,000, and the surrounding community which served a demographic of approximately 80,000. She stated that she was unable to find a property that matched the demographic to complete a feasibility study but she investigated the Gering Scottsbluff Community Center, which was built by a gentleman in the construction business, and that model was the closest to what she was proposing. She explained that the reason she built the conference center was because she had friends with children who were getting married, and at that time, the places to hold wedding receptions did not meet the needs of the community. She stated that she also had seed money that needed to be invested in some type of a business to avoid personal holding tax. She explained that after evaluating the needs within the community and what type of business she thought would be rewarding, she selected a conference center. She stated that her studies indicated at that time that a conference center was not profitable; however, she went forward with her plan.

Ms. Herrick reported that King's Ballroom burned down in 1986 and the Ramada Inn became very run down and closed its doors in approximately 2009. She stated that the New World Inn and Conference Center in Columbus has been having financial difficulty and it was her understanding that it went through bankruptcy, was owned by the city, and may be under new ownership now, and was becoming incredibly rundown and not maintained. She explained that she understands how these circumstances come about because if she did not have rent from her personal farm real estate, she would not be able to make her payments. Ms. Herrick stated that with 100% of her farm real estate income helping to support the conference center, she has been able to cover most bills. She reported that she had to cash out some retirement funds to help meet bills when farm rent was not enough. She stated that 100% of Divots was paid for upon building, so none of this involved any cost of the building. She explained that 50% of that DeVent Center was paid for upon being built, with the remaining 50% put on a 10 year construction note of which 5.5 years have been paid off. She stated that if one uses an income capitalization approach for the valuation of the conference center, it would be worth zero dollars. She explained that in 11 years of operation income has not come close to meeting expenses. She submitted documents listing the income versus expenses for the years of 2010, 2011, and 2012 with the loss of dollars noted. She explained that on a cash basis with no depreciation, 2010 losses were \$116,775, 2011 losses were \$249,038, 2012 losses were \$128,195, and the loss to date for 2013 through June 30th is \$35,059. She explained that her efforts are to continually try to bring new events to the community which would not only generate income for the conference center, but overflow to the rest of the business community. She reported that servicing social events, as well as association meetings, do bring income to the surrounding businesses. She explained that she is requesting a waiver of real estate taxes to Divots and the DeVent Center, both of these under the same business of Herrick Farms Inc. dba Divots for the following reason: The business is geared toward bringing economic development to the community and is being subsidized substantially by private monies and when and if she is able to run the business in the black, she would at that time be happy to pay taxes. She stated that the reason she is requesting a waiver at this time is because of the loss in the business and the economic development the business brings to the community. She explained that she did somewhat of a study prior to constructing the conference center and she knew going into the business that it wasn't going to be profitable and now she knows how true it is. County Assessor Jeff Hackerott stated that the closest similar conference center is located in Kearney. He stated that it is a different set up because the Kearney conference center is centrally located in the State of Nebraska. Donna Herrick responded that she does not have interstate, an airport, the demographics, or the size of the community like Kearney. She stated that people come into the property all the time asking why she built this center in Norfolk and she responds that this is where she lives. She explained that she brought forth the information regarding New World Inn and the Ramada Inn because she can feel their pain and understand how their businesses have declined or closed. She explained that if she did not have supplemental income there is no way that she could continue to operate the conference center. She stated that the business needs to be kept busy six days a week to make it flow. Chairman McCallum closed the hearing at 1:40 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation for no change to the property valuations. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-66: William Barr, 703 South Madison Street, P.O. Box 454, Tilden
McCombs Suburban Lots N 30 Ft Lot 1 & S 50 Ft Lot 2, Blk 3

Chairman McCallum opened a hearing at 1:48 P.M. William Barr was present and reported that the valuation increased 40% in three years and that is not the way the economy is going. He said that the only location that he knows has valuations increasing is in the City of Norfolk and that there are 8 to 10 properties for sale in the City of Tilden. He stated that he doesn't think that the economy supports a 40% increase particularly due to the damage that has been done to the property since it was last assessed. He stated that the house is located in a trashy neighborhood. He showed the Board a picture of the house and surrounding landscaping and explained that the tiered landscaping was torn out and that trees located in front of the house for over 30 years died. He reported that he had water damage in the basement and he had to remove some walls and a shower which were not replaced. County Assessor Jeff Hackerott reported that he reviewed the property with Mr. Barr on July 11, 2013. He explained that the home is a ranch style house that was built in 1976 and has a full basement. He reported that there is a detached garage located in the back and a covered patio on the back of the house. He stated that the house has vertical metal siding, a brick wainscoting across the front of the house, and the main floor has three bedrooms, kitchen, separate dining room, living room, great room with vaulted ceiling and a fireplace, a full bath, and a three-quarter bath. In addition, he reported that the basement has two non-conforming bedrooms and a bathroom with fixtures removed due to the water damage and the drywall is in the process of being replaced. He reported that there is an un-finished shop area, a mechanical room, and several unfinished rooms. He stated that no one got inside the home when the reappraisals were being completed, so the current valuation is based upon an estimate. Chairman McCallum closed the hearing at 1:55 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation to reduce the property valuation to \$104,978 based upon a physical inspection. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-67: Neal and Diann Acklie, 5508 West South Airport Road, Norfolk
NW1/4 13-23-2 160 AC

Chairman McCallum opened a hearing at 2:00 P.M. Neal and Diann Acklie appeared at the hearing. Neil Acklie testified that since the Natural Resources District put restrictions on irrigation in the precinct where his land is located, that the valuation of his property should not increase as much as other agricultural land. County Assessor Jeff Hackerott stated that it is too soon to determine if the irrigation restrictions will affect land sales. He explained that he may need to create some market areas to actually study sales to determine if there is a difference on sale prices in the future. He stated that if there are several dry years in a row with little rain, there may be a difference in the sale prices between the land that has water restrictions compared to land which has no restrictions. He explained that it will be difficult to determine if there is a difference in the sale prices unless they can pinpoint it through sales. He stated that sale prices are the only true indicator of what affect the water restrictions will have on the valuation. He reported that water restrictions have been in place in the Republican River basin for several years. Neal Acklie stated that when water restrictions were implemented in the Republican River basin, it was implemented in a large area, not just in one precinct in the county. Commissioner Klein explained that the entire watershed was restricted in the Upper, Lower, and Central Republican Natural Resources District. Chairman McCallum stated that he doesn't think that the dry land sales have been affected by the water restrictions even though the potential buyers know that a irrigation well can't be drilled. Chairman McCallum closed the hearing at 2:04 P.M. Motion was made by Klein and seconded by Ohl to make no change to the property valuation because the land is classified correctly and the valuation appears equitable with similar properties. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-68: Property Valuation Services, 14400 Metcalf Avenue, Overland Park, Kansas 66223
Heritage of Bel Air Second Addition Lot 1 (Partial Exemption - 9004)

Chairman McCallum opened a hearing at 2:11 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that the subject property is Heritage of BelAir Nursing Home located in Norfolk. He stated that the summary reports prepared by the protester were based upon a cost workup. He stated that the protester also submitted information regarding one sale of a skilled nursing facility located in Lincoln, which has the same owner as the BelAir Nursing Home. Chairman McCallum closed the hearing at 2:14 P.M. Motion was made by Ohl and seconded by Klein to accept the County Assessor's recommendation to make no change to the property valuation. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-69: J. W. Chatam and Associates, 7301 West 129th Street, Suite 150, Overland Park, Kansas 66213
N E A D 4th Addition Lot 1, Blk 1

Chairman McCallum opened a hearing at 2:22 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott explained that the subject property is Hy-Vee West grocery store. He reported that he reviewed the documents submitted by the protester which included market leases from Omaha, Council Bluffs, North Platte, Hastings, and Des Moines. He explained that an analysis, based upon the market leases, was completed. In addition, he stated that an analysis of several sales was also submitted and the sales were in Omaha, Bettendorf Iowa, Cedar Rapids Iowa, and Kansas City. Chairman McCallum closed the hearing at 2:25 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation to make no change to the property valuation. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-70: J. W. Chatam and Associates, 7301 West 129th Street, Suite 150, Overland Park, Kansas 66213
Hy-Vee Addition Lot 1

Chairman McCallum opened a hearing at 2:22 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott explained that the subject property is Hy-Vee East grocery store. He reported that he reviewed the documents submitted by the protester which included market leases from Omaha, Council Bluffs, North Platte, Hastings, and Des Moines. He explained that an analysis, based upon the market leases, was completed. In addition, he stated that an analysis of several sales was also submitted and the sales were in Omaha, Bettendorf Iowa, Cedar Rapids Iowa, and Kansas City. Chairman McCallum closed the hearing at 2:25 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation to make no change to the property valuation. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-71: Daren Buettner, 200 Bridge Road, Norfolk
Westridge Hills First Addition Lot 11 (Pt Tract Two – Solheimpflueger Lot Boundary Change)

Chairman McCallum opened a hearing at 2:16 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that he spoke with Mr. Buettner on the telephone and Mr. Buettner submitted an independent appraisal. He reported that he inspected the property and noted that several changes need to be made to the County's assessment record based upon the appraisal and his physical inspection. Chairman McCallum closed the hearing at 2:19 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation and set the property valuation at \$362,621 based upon a physical inspection and review of the independent appraisal submitted by the protester. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-72: Target Corporation, Property Tax Dept. T-0856, P.O. Box 9456, Minneapolis, Minnesota 55440
Sunset Plaza Subdivision First Platting Lot 4

Chairman McCallum opened a hearing at 2:28 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the protester emailed documents which reflected how the requested valuation was calculated. He explained that the documents included a cost approach and income approach. He stated that the analysis did not include a break down on expenses and the vacancy rates were obtained from a Lincoln realty group. Chairman McCallum closed the hearing at 2:31 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation to make no change to the property valuation. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-73: Caseys Retail Company, P.O. Box 3001, Ankeny, Iowa 50021-3001
Tax Lots SE1/4 SE1/4 28-24-1 Pt Tax Lot 2 Less Pt to State

Chairman McCallum opened a hearing at 1:09 P.M. Monte Bowman, representative for Casey's Retail Company, stated that he works for AIVRAS, which completes commercial property valuation protests for companies. He testified that Casey's has been using a company from Kentucky to complete their personal property tax returns and beginning in 2014 another company will be completing these tax forms. He explained that when he reviewed the personal property and real property taxes for Casey's, he discovered that underground fuel tanks that were installed in 1998 were on the real property schedule and need to be removed because they are personal property. He stated that there is an issue in some counties as to whether or not the canopy of the service station is personal property or real property; but, Casey's has determined that the canopies will be on the personal property tax schedules beginning in 2014. He explained that there are three underground fuel tanks, a 10,000 gallon, 8,000 gallon, and 6,000 gallon that should not have been on the real property record. He stated that the intention of Casey's is to have the underground fuel tanks removed from the improvement value. Chairman McCallum questioned if the underground fuel tanks are still in the ground and Mr. Bowman responded that they are still in place. County Assessor Jeff Hackerott reported that the County records reflect underground fuel tanks, canopy, a building, and parking lot all listed on the real estate assessment card. He reported that pumps are not listed on the assessment record and he is not aware if the pumps are listed on a personal property schedule because they may have been depreciated out. Monte Bowman stated that the underground fuel tank would have depreciated out; however, the value listed for the canopy would be moved over to the personal property tax schedule for 2014. He explained that the underground storage tanks would also move over to the personal property tax schedule, but they would have a value of zero. Chairman McCallum closed the hearing at 1:15 P.M. Motion was made by Klein and seconded by Ohl to establish a valuation based upon testimony presented during the hearing and set the property valuation at \$613,598. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-74: Jim Fuchs, 56924 847th Road, Hoskins
E 10 AC E1/2 NW1/4 NW1/4 Less Pt to State 25-24-2 9.13 AC
N1/2 N1/2 SE1/4 NW1/4 25-24-2 10 AC

Chairman McCallum opened a hearing at 2:50 P.M. Jim Fuchs appeared at the hearing and testified that his dad owned ground located by WJAG radio tower. He explained that he reviewed property information on the County Assessor's website for parcels neighboring the subject property. He reported that parcels in this area were set out in 10-acre plots for horse hay and the parcel is grass. He explained that you can't tell where the grass starts and stops between the various parcels. He reported that there may be a mix up on the County's records because approximately 20 years ago the parcels were row cropped, but it has been meadow hay for a number of years. Mr. Fuchs explained that his dad had the property in alfalfa for a couple years, but it wasn't planted right, so it was just left to return to native grass. He stated that he looked at parcels around both sides of the subject property and found that the valuations were much lower. He pointed out that Joel Heckman has grass valued at \$1,385/acre, Jim Hupp has grass valued at \$1,425/acre compared to the parcel located adjacent to the highway which is valued at \$3,450/acre and the middle parcel which is valued at \$2,000/acre. He stated that Sandy Brahmer has property in this area that is valued at \$1,425/acre. County Assessor Jeff Hackerott stated that he looked at these parcels and access off Highway 275 is minimal. Jim Fuchs stated that he thought his dad had an easement to the property, but he found out that it was only a gentleman's agreement. He stated that the realtor is currently trying to obtain a legal easement since he purchased both properties. He explained that the corners of the two properties touch each other, so technically he could drive across his own property to get to the middle parcel. County Assessor Jeff Hackerott confirmed that the middle piece of property is land locked except for a trail across a neighboring property. He stated that the parcels are all in brome grass, not alfalfa; however, the County assessment record has the classification listed as dry crop since no one notified the Assessor's office that the property was changed from row crop to alfalfa and then to grass. Chairman McCallum closed the hearing at 2:57 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation to change the land classification and set the valuation for property Identification number 59015117 to \$13,010 and set the valuation for property Identification number 59015223 to \$13,946. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-75: George McElroy & Associates, P.O. Box 565048, Dallas, Texas 75356-5048
PT S1/2 SW1/4 Less Pt to State 3-23-1 42.54 AC ID Tract

Chairman McCallum opened a hearing at 2:41 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 subject property is Covidien, formerly known as Sherwood Medical Industries. He reported that an addition was put on the building, but it was not completed on January 1, 2013. He stated that information provided by the protester indicates that \$362,928 was spent on the addition. Chairman McCallum closed the hearing at 2:44 P.M. Motion was made by Klein and seconded by Ohl to set the property valuation at \$4,600,000 based upon the construction completed by January 1, 2013. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-76: K & E Health Management Inc., 3715 Southwest 29th Street, Topeka, Kansas 66614
Carhart Second Addition Replat I Lot 1, Blk 1 2.26 AC

Chairman McCallum opened a hearing at 2:45 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the subject property is Homestead Assisted Living located in Norfolk. He stated that the protester submitted a summary cost report which reflects a requested property valuation of \$1,900,000. Chairman McCallum closed the hearing at 2:47 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation for no change to the property valuation. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-77: Jim Schwalls and Associates, Inc., P.O. Box 3075, McKinney, Texas 75070
Burrows Second Addition Lots 1 & 2, Blk 1

Chairman McCallum opened a hearing at 2:33 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the subject property is a parking lot located at 116 South 4th Street which is south of the U.S. Bank in Norfolk. He explained that the protester submitted a summary report of cost approach, income analysis, and income and expense reports for the property. Chairman McCallum closed the hearing at 2:38 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation for no change to the property valuation. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-78: Jim Schwalls and Associates, Inc., P.O. Box 3075, McKinney, Texas 75070
Matthewsons Addition Lots 7 & 8, Blk 3

Chairman McCallum opened a hearing at 2:33 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the subject property is U.S. Bank located on the corner of 4th and Norfolk Avenue in Norfolk. He explained that the protester submitted a summary report of cost approach, income analysis, and income and expense reports for the property. He stated that the structure is the largest building in downtown Norfolk. He reported that the structure is a two-story building with a full basement and has 27,416 square feet which is valued at \$80.66/square foot. He stated that, based upon the income and expense statement submitted by the protester, a large portion of the building is vacant. He explained that there is possibly some obsolescence since the bank doesn't use the amount of space that the building offers. He stated that the building was constructed in 1984 and is one of the more modern buildings located in downtown Norfolk. Chairman McCallum closed the hearing at 2:38 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation for no change to the property valuation. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2013-79: Jim Schwalls and Associates, Inc., P.O. Box 3075, McKinney, Texas 75070
Matthewsons Addition N 46 Ft Lots 9, 10 & 11, Blk 3

Chairman McCallum opened a hearing at 2:33 P.M. No one appeared at the hearing to offer verbal testimony. County Assessor Jeff Hackerott reported that the subject property is a parking lot located at 116 South 4th Street which is south of the U.S. Bank in Norfolk. He explained that the protester submitted a summary report of cost approach, income analysis, and income and expense reports for the property. Chairman McCallum closed the hearing at 2:38 P.M. Motion was made by Klein and seconded by Ohl to accept the County Assessor's recommendation for no change to the property valuation. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

The Board of Equalization adjourned at 3:15 P.M.

County Clerk Nancy Scheer

Jerry McCallum, Chairman
County Board of Equalization