

# COMMISSIONERS PROCEEDINGS 1

**BOARD OF COUNTY COMMISSIONERS  
BOARD OF EQUALIZATION OF MORGAN COUNTY, COLORADO  
Minutes of Special Meeting  
August 3, 2015**

The Board of Morgan County Commissioners sitting as the Morgan County Board of Equalization (the "Board of Equalization") met on Monday, August 3, 2015 at 8:30 a.m. with Chairman Brian McCracken, Commissioner Laura Teague, Commissioner James Zwetzig and County Attorney Ashley Pollock in attendance. Chairman Brian McCracken called the meeting to order, and asked Morgan County Deputy Assessor Jackie Headley to lead the meeting in the Pledge of Allegiance to the Flag.

## **GENERAL BUSINESS**

Chairman McCracken stated this matter comes before the Morgan County Board of County Commissioners sitting as the Morgan County Board of Equalization (the "Board of Equalization") regarding hearings for appeal of the Morgan County Assessor's valuation of property. Chairman McCracken indicated that the structure of the hearings today would follow the format allowing all property owners to have time to voice concerns related to property values. He asked to limit comments to no more than fifteen minutes. Chairman McCracken stated the Morgan County Board of County Commissioners sitting as the Morgan County Board of Equalization (the "Board of Equalization") would now hear matters regarding petitions for appeal of the decision of the Morgan County Assessor regarding the valuation of the property.

## **PROPERTY VALUATION**

Chairman McCracken called the next matter for hearing indicating the Board of Equalization to hear from property owners:

### **White, Kenneth D R007469**

Chairman McCracken stated that Mr. White had failed to receive the notice until the day of the hearing and the Board wanted to be sure he is given the opportunity to voice his concerns.

Kenneth White appeared before the Board indicating his address as 621 Colfax Street Fort Morgan CO. Mr. White stated that his assessed value has increased by 22 percent and he feels that is a little extreme. He explained he calculated his own comparables and could find nothing close to this amount. Chairman McCracken asked what comparables he used with Mr. White stating 709 Acoma Street, 709 Cheyenne, and 222 Apache as these were all recent sales. The average square footage on Acoma was 115, 147 on Cheyenne and 145 on Apache. The average price was \$136.00 per square foot according to the current market. Commissioner Teague asked if this is similar square footage to Mr. White's home with Mr. White stating that is not how he broke it down and that they could not match the square footage. He based his number on the state of economy, the age of the home and that fact he has not made any changes or improvements.

Assessor Deputy Jackie Headley stated the White's bought their home during the period of the 18 months leading up to June 30, 2014. She used this home as one of the comparable sales as they purchased theirs for considerably more than what the assessor has indicated its assessed value. Their sale was in March of 2013, so theirs was adjusted for time. During this time, there were 97 sales in this economic area. There was a trend in where there was an increase in housing costs. The best comparable she has is 708 Karen Street as it is similar as square footage, the structure and least amount of adjustments. It sold for \$153 a square foot. She had several comparables in the same neighborhood but only used five and they all came in at the same range. Commissioner Zwetzig asked what the final square footage price of Mr. White's house was with Ms. Headley stating the amount is \$134.70 per square foot, which is based from the price when they purchased the property. Commissioner Teague stated the average square footage cost is \$146.46. The other comparables Ms. Headley has are \$142.00, \$150.00, \$133.00 and \$153.00, which are all in that range. Commissioner Teague stated sales comparison appraisal reports indicate the square footage price sales value not assessed value, which Ms. Headley stated was correct.

Mr. White states he feels a 22 percent increase seems too extreme. Commissioner Teague asked about the comparables he used as being one and two bedrooms and his home has five bedrooms. Mr. White stated he used recent sales; and the comparable he used all had one more bedroom and one more bath than his home.

Commissioner Zwetzig asked what the average county increase is, with his Ms. Headley stating it depends on the area that you reside in with this particular one being one of the highest. The average increase is thirteen to eighteen percent, with Mr. White stating that his was at twenty two percent. Paul Vowell stated that the average is fifteen percent. Further discussion ensued explaining how the assessed value was calculated.

Commissioner Teague made a motion to accept the County assessment and deny the applicant's request for a decrease regarding property number R007469. Chairman McCracken seconded the motion.

Commissioner Zwetzig stated he did not feel the applicant justified the difference, as the comparables do not really match up and the numbers are not clear. Commissioner Teague stated that the properties Mr. White used are lower than what the Assessor used. Commissioner Zwetzig stated the three properties Mr. White used are recent sales and Ms. Headley has to use ones that are most comparable to the property.

Motion carried 3-0.

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## AGRICULTURE LAND VALUE APPEALS

Chairman McCracken stated the Board of Equalization would hear from property owners concerns with the agriculture land value before hearing concerns related to agricultural improvements and agricultural residences. He called the first matter on the agenda for hearing indicating the Board of Equalization to hear from property owners regarding Agriculture Land values. At this time, Commissioner Laura Teague recused herself from the proceedings due to a conflict of interest.

Chairman McCracken asked if there has been any follow up from the last meeting and Assessor Bob Wooldridge stated they have not met, but that Gary Teague does have information to submit at today's hearing regarding Bijou Irrigation and how it should be calculated. Mr. Wooldridge stated that Mr. Teague had provided this information on Friday, but at that time, they did not have time to meet. Mr. Wooldridge then asked Mr. Teague to approach the podium. Chairman McCracken stated that we need to stay in the order and Mr. Teague is second on the list.

Gary Teague made the recommendation to have a general discussion that would be a good use of time and then proceed to discuss each individual property. County Attorney Ashley Pollock stated this would be appropriate as long as everyone who has an outstanding petition be given the opportunity to speak. Mr. Teague asked the audience if anyone objects to this discussion with no one objecting at this time.

Discussion ensued that both Mr. Teague and Mr. Wooldridge met in the hallway after the last hearing and Mr. Wooldridge stated it was not necessary to meet on Thursday as long as Mr. Teague provided a copy of the lateral costs of lateral ditches. Mr. Teague did in fact supply Mr. Wooldridge with the lateral costs of the Bijou Ditch system in which he broke down all the data.

Mr. Wooldridge stated he has consulted with an Ag Advisor who has 35 years of experience in regards to landlord tenant relationships. He further stated that the landlord tenant relationships have not changed in the last 15 years. Mr. Wooldridge stated this advisor is located here locally in Morgan County and assisted him in 2007 with issues surrounding wells that were shut off, water being sold out of district and the loss of gas explaining these were huge impacts to the County at that time. Mr. Wooldridge further stated that he was grateful at that time the ditch companies were on board in taking over and he feels they have done a tremendous job. He further explained the Bijou laterals, as when it comes to a ditch agreement about who is responsible for paying for what, it seems to be all over the board. He stated that a person could go through the process by lateral, adding it up how many acres were covered by this lateral and be able to obtain an overall average. Mr. Wooldridge stated that he and Mr. Teague were not able to discuss this at length. Mr. Wooldridge further explained how Mr. Teague calculated the figures he submitted. Further discussion followed as to the various areas, explaining Area A having Fort Morgan Reservoir, Hillrose, Lower Platte and Beaver on the upper side with Area B and C, being Tremont, Deuel, Snyder and Weldon Ditch. He stated that information from the State is to gather the information and divide it by area total acres serviced further explaining that if he were to take Area A and "bust it up", the Hillrose, Snyder and Brush values would increase tremendously and in Morgan it would decrease. He explained the formula was designed for fair and equal treatment. He then stated he could provide examples of where to make the adjustments explaining that in the formula he utilizes he always weighs on the expense side because he realizes there may always be something missed. He stated the cost for water would be \$6.32 and feels that is too high. He further indicated the fertilizer costs basing it at 1.3 pounds on 171 averages and that is too much. He explained the average of the County is how it should be calculated. He further stated that production was modified.

Mr. Wooldridge explained when he conferred with the Ag Advisor; she looked at the landlord tenant relationship when dealing with a ten year average from 2011, 2012 and 2013. During those years, both landlord and tenants made a lot of money, but in 2012, their income was even greater. Mr. Wooldridge thought it was too low to increase it by 30 percent as an average, explaining that the Ag advisor does not understand the process calculating a ten-year average and that he does not expect him to. Mr. Wooldridge stated he relies on him to provide data as to changes every couple of years. He did expect a greater increase when he completed the appraisal, and explained the production side was wrong at 171 bushels, as it should have been 178 bushels. He further stated that water is the main issue, and that is not just a sprinkler, you also have flood-irrigated farms. He explained it is necessary to make many changes and other counties will have to answer to the State on the fees that they are currently using in the formula. Mr. Wooldridge continuously stated that the farmers are lucky to have him because he is being equal and fair. Mr. Wooldridge stated he calculated water at \$6.00 higher and stated that Mr. Teague has expressed that we are the top producing county in the state for agriculture, but we are also the top spenders in water. Mr. Wooldridge stated to Mr. Teague that they really needed to work on the numbers sooner than a few days prior to the hearing with Mr. Teague in agreement.

Mr. Teague stated he wants it to be fair and the tax guide of what does and what does not work. He does not agree with making formulas work better or worse for farmers. He stated as a taxpayer he has attempted to contact Mr. Wooldridge many times and not just a few days prior to this hearing. He further stated that herbicides are not typically a onetime application as the farmers do apply them more often. This application is not figured in; it is only the herbicide itself. The weeds are getting tougher and that is why the formula needs to include this information, as this will affect the farmer's costs. Mr. Wooldridge stated that he could obtain specifics and that they would need to be separate. Mr. Teague asked Mr. Wooldridge if he put the numbers in place with Mr. Wooldridge stating he did. Mr. Teague stated that he believes the Assessor should correct the figures and if there is something in the formula that is either too high or too low, it should be changed, as it must be exact.

At this time Mr. Peter V. Anderson, approached the podium, indicating his address as 20738 County Road N, Fort Morgan. He explained the seven laterals and the ten-year numbers and looked to see how many acres this data included. Mr. Larry Krening also approached the podium, indicating his address as 14925 County Road 18, Fort Morgan and stated he was in agreement with Mr. Teague as to the numbers he submitted as being accurate. He

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stated that he agreed that the Bijou is the lateral being used and taking the total of income by the total of use is appropriate. Mr. Anderson stated that the laterals are separate and not part of the Bijou, the laterals are necessary if you farm.

Mr. Wooldridge then stated that is why he fudged the numbers stating that at some point you will have to weigh all the areas. Mr. Teague stated that he did the same with the numbers and used the weighted average. Mr. Teague further stated he does not believe that Mr. Wooldridge would be able to put whatever numbers he wants into the formula and hoped this statement would not cause retaliation. He stated he felt an ag committee would be beneficial but this committee would need to include both landlords and tenants.

At this time, Chairman McCracken recessed for five minutes and stated the Board will reconvene at 10:30 a.m...

Chairman McCracken reconvened the meeting at 10:42 a.m., and asked if Mr. Wooldridge and Mr. Teague had come to any resolution. Mr. Wooldridge stated they have a number but he is not sure how accurate it is and he will not be able to give the Board a value to adjust it to at this time. For Area A, B, C and D this is for both flood and irrigated he cannot put it in area F because there would be a negative figure on products and it would be a 7.3 percent reduction.

Tim Bellinder 1333 9<sup>th</sup> Avenue Fort Morgan, owner of Riverside Farms approached the podium stating he is here representing himself and Allen Windsheimer who could not make it. He stated he wanted the Board to know that he attended the meeting, but needed to leave early.

Chairman McCracken clarified that areas A, B, C, and D flood and sprinkler there is a proposal of a 7.3 percent decrease.

Commissioner Zwetzig asked Mr. Wooldridge as to what he calculated as being just the Bijou lateral factor and what he had added to determine that. Mr. Wooldridge stated Mr. Teague says that the ditch companies laterals are not figured in, the only lateral that is figured in is Fort Morgan. With Fort Morgan, being the only one calculated in and it had hardly no impact, so now it is adding Bijou share and Upper Platte and Beaver share they are quite drastically different as to what they cost per acre. Therefore, to make it fair we went by the district acres that they have reported. This will be a rough figure; Mr. Wooldridge realizes he will have to change many things the next time he reappraises.

Commissioner Zwetzig asked the County Attorney Ashley Pollock what happens if there is an increase with her stating them value evaluation goes up. Further discussion ensued about how the formula is calculated.

Mr. Wooldridge stated if you make a decision in reality it should be only to those account numbers and that is it, but he feels that if there is really an error it should be applied to everyone not just the appeals.

County Attorney Ashley Pollock stated if the Board decides to grant the 7.3 percent reduction for these specific categories of property evaluations that directs the Assessor to go back and reassess based upon the Board's decision, but the Board's decision is not granting every issue that has been appealed by all of the petitioners. Therefore the outstanding issues lets presume the Board denies that grants three different avenues then for the petitioners to appeal to the court, appeal to the Board or go through arbitration and so the people who have participated in this process even if they are not here now would then have the continued ability to dispute the Board's decision. The individuals that failed to participate are not entitled to any sort of dispute.

Mr. Teague stated that after speaking with the State, he asked from the Board of County Commissioner's standpoint, in regards to the farmland evaluations, is it there job as Commissioners to review the formula and ensure it has been calculated correctly. He further stated the Board could make the recommendation to revise a number in the formula and it then be applied across the board. He stated when it comes to the farmland base, if it is being presented at that, and if there should be something wrong with that formula, it will need to be adjusted across the board as well.

At this time, Commissioner Zwetzig read aloud the Statute, as "The County Board of Equalization shall review the valuations for assessment of all taxable property appearing in the assessment roll of the County, directing the Assessor to supply any omissions, which may come to its attention. It shall correct any errors made by the Assessor, and, whenever in its judgment, justice and right so require, it shall raise, lower, or adjust any valuation for assessment appearing in the assessment roll to the end that all valuations for assessment of property are just and equalized within the County. He further stated that is the law and it given it has been brought to the Board's attention there is the omission of a lateral consideration, it is necessary to ensure it is correct and that all parties agree. Mr. Wooldridge stated he does agree and that it is a rough estimate, but if the Board wants to make an adjustment, he recommended using this figure across the board. Commissioner Zwetzig asked if Mr. Wooldridge was going to try to adjust or refine it any way with Mr. Wooldridge stating he can take values down without notification and that is not a problem. The appeals heard today will need a "here is what your value was and this is what it is going to be". Mr. Wooldridge stated a letter would be sent to each of them. On some of the improvements, Mr. Wooldridge stated his office has already taken care of those. He further stated it is important for the farmer to come into the office to be able to review each of them and explained that most of the appeals were submitted to his office without any discussion. Mr. Wooldridge further stated his office is in the process of reviewing the properties and most of the values are decreasing. The improvement portions of the appeals are being processed, however, they will not all be taken care for another two months because most of them are large farms and he stated there will not be any further changes made until this process is completed.

County Attorney Ashley Pollock stated that there needs to be clarification made from the petitioners regarding what specific questions are before the Board, as she understands that one question in particular is the reduction of 7.3 percent for flood and sprinkler farms and various arguments raised today and those issues, which were discussed at

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the previous hearing. Therefore, a clarification from all the petitioners that are present is necessary to ensure that they be allowed the opportunity to voice their concerns regarding what outstanding issues they want the Board to decide on before stating any kind of motion.

At this time, Tracy Amen, Morgan County Administrative Services Manager, stated she must provide notices of determination to each petitioner that filed an appeal by August 5, 2015 and asked how she would complete this process if the Assessor's office were still working on the value of improvements.

Mr. Teague stated there should be one motion stating he feels that all the issues were the same for the Ag people that were present as far as the farmland value. The lateral is the one big issue and the buildings and improvements are a separate issue. Further discussion between Mr. Teague and Mr. Wooldridge ensued as to how the Assessor's office is currently working on the issues.

County Attorney Ashley Pollock stated the issues being addressed by appeal need to be separate from the topics that we have discussed. She further stated her understanding is that the improvement issue are appeals that are complete separate from the appeals that were initially considered commencing during the hearing a week and half ago. She stated the issues that are in dispute are the issues that the Board needs to make a determination of whether to grant or to deny, associated with the petitions the individual appeals need to be addressed separately so that there is no overlap. There cannot be a vote on the general topic without any identification of which appeal is associated with that decision, as per Ms. Pollack.

Mr. Wooldridge suggested that if his office should complete the process regarding the properties and they are fixed, they can initiate that with notification that the value went from this to this. There are some that will not be changed and he would deny any improvements because it is in the process and they can still file with the Board of Adjustments and Appeal. The Assessor's office is still going to be working on them.

Mr. Teague stated the reason the appeals were filed this way is that you cannot appeal one or the other, as you must file a general appeal. He indicated he has a hundred numbers on his list and there are no issues except for the farmland value. His recommendation to the Board is to make a motion revising the formula, his issue goes away, and he will be impacted one way or another.

Ms. Pollock asked for clarification if there are no outstanding issues with valuation with pesticides and fertilizers. Mr. Teague stated that if today we are able to make this adjustment, this will work for the County and works for all individuals. Ms. Pollack stated the Board then must make the determination if there are any outstanding petitions that have any issues not covered by any order that might deal with the 7.3 percent reduction.

Chairman McCracken stated most of the petitioners are gone and asked how to handle that with Ms. Pollock stating the notice can go out if any decision is made where a portion of the dispute has been granted and the notice can go out specifying what the Board has approved and then state all other matters have been denied. She indicated this allows those individuals who did not stay to have the ability to appeal. Mr. Teague stated the only individual that is not here who actually filed one of the appeals is Larry Krening.

At this time, Chairman McCracken called each individual still present to the podium.

## **BG Land Company LLC**

**R009547, R009549, R008562, R011286, R011332, R019961, R009087, R011622, R009548, R009289, R017405, R016051, R017352, R011621, R011627, R009083, R012064, R011670**

## **Teague Enterprises LLC**

**R009533, R016354, R015291, R016260, R008598, R008602, R019905, R010679, R015859, R015635, R015786, R015645, R019944, R018224, R017704, R017399, R017424, R008594, R009556, R009084, R009263, R009496, R009176, R009048, R009270, R009271, R019903, R010675, R018401, R008573, R010664, R009555, R009594, R008452, R009156, R010663, R010664**

## **Teague, Gary & Laura**

**R018890**

## **Teague Ranch Company LLC**

**R010986, R008642**

## **Triple T Investments LLC**

**R019367**

Gary Teague stated waived his right at this time.

Chairman McCracken called the next matter for hearing indicating the Board of Equalization to hear from property owners:

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**Anderson, Peter V and Karen V**  
**R011195**

Peter Anderson indicated his address as 20738 County Road N, Fort Morgan, stating if he understands correctly, the evaluations would be decreased by 7.3 percent. Chairman McCracken stated yes, only on the lateral water and the pesticide is involved if it is approved. Mr. Anderson indicated he had no other issues.

Chairman McCracken called the next matter for hearing indicating the Board of Equalization to hear from property owners:

**Beauprez, Ralph & Donna J & Ralph L Jr**  
**R013119, R015775, R013555, R013529**

**Beauprez, Ralph L Jr & Tammy M**  
**R013434, R013435**

Ralph Beauprez, Jr., indicated his address as 6423 County Road U Wiggins and stated he accepts the 7.3 percent decrease for everyone in the lateral costs, but he understands that in 2017 they these numbers will be reviewed. Mr. Beauprez stated he has been working on the improvements with Karina in the Assessor's office and has no further issues at this time.

Chairman McCracken called the next matter for hearing indicating the Board of Equalization to hear from property owners:

**Kosman, Michael Trust & Kosman, Kerri Trust**  
**R015853, R009195, R009369, R019455, R008543, R008546, R008576, R009163, R009164 and R009165**

Alex Lungerich, representing Kerri Kosman, stating her address is 16024 County Road 15, Fort Morgan, indicated he agrees with the others that are present and as far as the improvements he is already been in contact with the Assessor's office and is working on those issues.

Chairman McCracken called the next matter for hearing indicating the Board of Equalization to hear from property owners:

**Hoogland Legacy LLC**  
**Hoogland, Bernard A**  
**R008639, R009006, R010324, R010659, R010655, R010658, R010660, R018131**

**Hoogland, Bernard & Cheryl Living Trust**  
**R010654, R018403, R019012, R010647, R009060**

Phillip Hoogland representing Cheryl Hoogland indicated his address as 335 Weld County Road 34 Longmont, CO and stated he is good with the 7.3 percent decrease.

Chairman McCracken stated he believes that is all that is all that were not in attendance at this time.

**Badger Creek Farm Inc**  
**R016105, R010296, R008474, R010295**

**Badgerland LLC**  
**R020033, R019803, R008530, R018564, R016725, R016724, R015863, R015761,**  
**R010166,**

**Quail Ridge Dairy LLC**  
**R010661**

**Ginther, Bart R & Mary B**  
**R004450, R004605, R004452, R004440, R004442**

**Krening, Larry Jay and Judith Lynn**  
**R008564, R018738, R015866, R008580, R019106, R016544, R008991, R009007 and R018056**

**Yearous, Sandra L**  
**R008601, R008556**

**AGRICULTURAL IMPROVEMENTS AND RESIDENTIAL**

The improvements are in the process of review by the County Assessor's office.

**BG Land Company LLC**  
**R011286, R017405, R011627, R009083, R012064, R011670**

**BG Land Company LLC**  
**Jensen Farms Inc.**  
**M014873**

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**Teague Enterprises LLC**

**R009496, R009176, R009048, R009270, R009271, R019903, R010675, R108401, R008573, R010664, R009555, R009594, R008452, R009156, R010663, R010664**

**Teague Ranch Company LLC**

**R010986, R008642**

**Triple T Investments LLC**

**R019367, R008581**

**Badger Creek Farm Inc**

**R016105, R010295**

**Badgerland LLC**

**R018564, R016724, R015761**

**Quail Ridge Dairy LLC**

**R010661**

**Beauprez, Ralph & Donna J & Ralph L Jr**

**R013119, R013555, R013529**

**Beauprez, Ralph L Jr & Tammy M**

**R013434,**

**Ginther, Bart R & Mary B**

**R004450, R004452**

**Hoogland Legacy LLC**

**Hoogland, Bernard A**

**R010324, R010655**

**Hoogland, Bernard & Cheryl Living Trust**

**R009060**

**Kosman, Michael Trust & Kosman, Kerri Trust**

**R015853, R009369, R019455, R009164**

**Krening, Larry Jay and Judith Lynn**

**R008564, R015866, R008580, R016544, R008991, R009007 and R018056**

**Yearous, Sandra L**

**R008601, R008556**

Commissioner Zwetzig made a motion to direct the County Assessor in effect to reduce the flood and sprinkler irrigated lands in areas A, B, C and D by 7.3 percent with the reasoning of the stated facts. Chairman McCracken seconded.

Commissioner Zwetzig stated that the landowners presented a case that showed there was an omission of fact from the lateral and that this is his opinion along with the County Assessor is in agreement with that.

The motion carried 2-0.

Commissioner Zwetzig made a motion to have all other appeals are denied. Chairman McCracken seconded. Motion carried 2-0

There being no further business the meeting was adjourned at 11:12 a.m.

Respectfully Submitted,  
Ranee Aleman  
Deputy Clerk to the Board

(Minutes ratified August 25, 2015)

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**THE BOARD OF COUNTY COMMISSIONERS  
MORGAN COUNTY, COLORADO**



\_\_\_\_\_  
Brian McCracken, Chairman

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Laura Teague, Commissioner

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James Zwetzig, Commissioner

(SEAL)

**ATTEST:**

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Susan L. Bailey, Clerk to the Board