

Board of County Commissioners

Agenda Item Report

Agenda item # ____

Meeting Date: February 6, 2018

Presenter: Sherry Daigle, County Clerk

Submitting Office:

Subject: Amended Order – Lockhart Cattle Co LLC

State BOE Docket 2016-0040

Statement / Purpose: Approval of amended order from Board of Equalization Hearings on July 20, 2016.

Background / Description (Pros & Cons): Board of Equalization Hearings were held on July 20, 2016, with an order in support of appellant being approved. Decision was appealed to the State Board of Equalization by the Teton County Assessor. The State Board of Equalization heard the appeal on February 21, 2017, rendering a decision on October 26, 2017 remanding the case back to the County because the decision made by the County Board of Equalization was deficient. The County Board of Equalization chose not to hold an additional hearing, choosing to discuss among themselves, in a public meeting, additional findings to add to the decision.

Attachments: Proposed Amended Order

Fiscal Impact: N/A

Staff Impact: N/A

Legal Review: Order provided by Hearing Officer, Mike Barton

Recommendation: N/A

Suggested Motion: I move to approve the proposed amended order as presented in the matters of the appeal of Lockhart Cattle Company LLC from a decision of the Teton County Assessor 2016 Property Valuation, State docket #2016-0041

BEFORE THE COUNTY BOARD OF EQUALIZATION

FOR THE COUNTY OF TETON

IN THE MATTER OF THE APPEAL OF)
Lockhart Cattle Company, LLC)
FROM A DECISION OF THE)
TETON COUNTY ASSESSOR)
2016 PROPERTY VALUATION)

AMENDED DECISION OF TETON COUNTY BOARD OF EQUALIZATION

THIS MATTER, having come before the Teton County Board of Equalization, on the 20th day of July 2016 on an appeal filed pursuant to Wyoming Statute §39-13-102(c)(iv). The Teton County Assessor, Andy Cavallaro, was represented by Keith Gingery, Deputy County and Prosecuting Attorney for Teton County. The appellant, Lockhart Cattle Company, LLC, appeared pro se by and through the Managing Partner, Kelly Lockhart. The Teton County Board of Equalization determined that the County Assessor had erred in that he had assessed a portion of the Lockhart Company's real property as residential when it could not be sold by the owner as a separate parcel from the entire parcel which was designated agricultural.

The decision of the County Board of Equalization was timely appealed to the State Board of Equalization. The matter was briefed by both sides and oral argument was held before the State Board of Equalization on February 21, 2017. The State Board of

Equalization issued a Decision and Order dated October 26, 2017 remanding the case back to the Teton County Board of Equalization because the County Board of Equalization's decision was "so deficient that we cannot review it in any meaningful way, This Board will remand the case to the County Board with instructions to include a new decision that: 1) accurately identifies the factual and legal disputes presented; 2) includes findings of fact and conclusions of law that resolve those disputes; and 3) either affirms the County Assessor's Notice of Assessment or identifies errors and informs of steps required to correct those errors and 4) the County Board may hold an additional hearing if it determines that would be useful." Page 7 Decision and Order of SBOE.

The County Board of Equalization chose not to hold an additional hearing with the parties but instead chose to review the record and exhibits. The Board met in a public meeting, with the Hearing Officer, on January 8, 2018 and made additional findings to support their earlier Decision to remand the matter back to the Assessor.

FINDINGS OF FACTS and CONCLUSIONS OF LAW

The Teton County Board of Equalization heard this appeal pursuant to Wyoming Statute §39-13-109 and the Uniform County Board of Equalization Practice and Procedure Rules. All of the Assessor's Exhibits (A through U) were accepted into evidence without objection. The Appellant's Exhibits (Exhibits 1 through 14) were accepted into evidence without objection.

1. Lockhart Cattle Company owns property (39.1 acres) in Teton County. The description of the property is Tract 7 of the Reconfigured Hereford Ranch, Teton County, Wyoming. The property is located at 2000 S. Hwy. 89, Jackson, Wyoming. The value for 2016 was determined by the County Assessor to be:

a.	Residential Improvements	\$112,095.00
b.	Residential Land	\$750,123.00
c.	AG Irrigated Crop Land	\$49,746.00
d.	Total for 2016	\$911,964.00

2. In 2015 the values had been the following:

a.	Residential Improvements	\$75,676.00
b.	Residential Land	\$125,000.00
c.	AG Irrigated Crop Land	\$47,941.00
d.	Total for 2015	\$248,617.00

3. For the 2016 tax year, the County Assessor made the decision to change from a site valuation to an abstraction valuation for this particular LEA 0137. This change resulted in higher values for this parcel.

4. Pursuant to Wyoming Statute §39-13-109(b)(I), the presumption is in favor of the valuation asserted by the County Assessor, however, a property owner may present any credible evidence, including expert opinion testimony, to rebut the presumption.

5. The Appellant argued that his property should be given a lower assessment value because: (a) he disagreed with the uniformity of the abstraction method and, (b) the non-agricultural lands had been designated incorrectly.
6. The Appellant argued that Chapter 10, Section 3c had been misapplied and that his outbuilding, barns and other structures, are an integral part of the production of his hay crop and cattle and should not have been valued separately as a residential parcel. There is one home located on the property. It is presently not being used as a residence but rather as a “break room” for the cowhands on the ranch.
7. The Teton County Board of Equalization did find there were discrepancies in how the County Assessor had determined the non-agricultural lands on the parcel. Specifically, the board determines in general, that the real property, owned by the appellant, was agricultural in nature. The method utilized by the Assessor had identified a portion of the larger parcel as residential. Teton County Land Development Regulations would prohibit the portion, identified as a residential parcel, from being sold as a separate residential parcel from the larger agricultural portion. The assessment by the Assessor, when he used the abstraction method, was inaccurate because it assessed the residential portion as though it could be sold separately as a residential parcel and not as part of the larger agricultural parcel. The Board determined that this method of valuation resulted in a value that was too high and therefor unfair to the owner.

8. On January 8, 2018, after the discussing the remand order of the State Board of Equalization, the County Board of Equalization passed the following motion on a vote of 4-1 (Commissioner Macker Opposed). Commissioner Epstein was elected as a county commissioner in 2016 after the original hearing in 2016, but chose to participate in the vote in 2018 after reviewing the written record.

I move to remand Docket 2016-41 in the matter of the appeal of the Teton County Assessor based on the findings that the valuation should not be allowed to stand because residential land cannot be sold or split from the rest of the agricultural parcel in accordance to the Teton County Land Development Regulations and that the abstraction methodology that the Assessor used to evaluate this parcel does not meet essential fairness based on the Wyoming Constitution Article 15 Section 11(D).

THE TETON COUNTY BOARD OF EQUALIZATION HEREBY ORDERS AS FOLLOWS:

- A. The above entitled case is remanded back to the Teton County Assessor in order that the Assessor may issue a new Notice of Assessment for the year 2016.
- B. The County Assessor should issue the new 2016 assessment taking into consideration the direction given regarding non-agricultural lands designation and specifically, that the parcel containing the residential buildings must be evaluated considering it may not legally be sold as a separate residential site.
- C. The Appellant may appeal the new Notice of Assessment within thirty (30) days of receipt of the new Notice of Assessment for 2016.

Dated this ____ day of _____, 2018

TETON COUNTY BOARD OF EQUALIZATION

Mark Newcomb, Chairman

Attest:

Sherry Daigle, Teton County Clerk

CERTIFICATE OF SERVICE

I hereby certify that on the ____ day of _____, 2018, I served the foregoing AMENDED DECISION AND ORDER by forwarding a true and correct copy thereof via email and in the United States Mail, postage prepaid, and properly addressed to the following:

Lockhart Cattle Co., LLC

Kelly Lockhart, Manager

P.O. Box 3157

Jackson, WY 83001

kelly.lockhart@wellsfargoadvisors.com

Keith Gingery

Deputy Teton County Attorney

P.O. Box 4068

Jackson, WY 83001

keith@tetoncountyattorney.com

Sherry L. Daigle, Teton County Clerk

cc: Melissa Shinkle, Teton County Assessor
File