



**APPROVAL OF MINUTES:**

Board Member Kelly Buckner requested a correction to the minutes reflecting Board Member James Winer as absent.

**MOTION: Board Member Kelly Buckner moved to approve the minutes for the Board of Equalization meeting held on February 24, 2010. Board Member Al Plank seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Chairman Walter Leberski</b>
	<b>Member Wes Bowlen</b>
	<b>Member Al Plank</b>
	<b>Member Kelly Buckner</b>
<b>Voting Nay:</b>	<b>None</b>
<b>Abstaining:</b>	<b>Member James Winer</b>
<b>Absent:</b>	<b>None</b>

[8:32:06 AM](#)

**APPROVAL OF RE-OPENED ROLL CHANGE LOGS:**

The County Assessor, Katrinka Russell, reported they re-opened the logs on December 7, 2010 and the old value was \$24,371,093. The new value was \$43,706,445 with a net difference of \$19,335,352. She explained the mine and mills standard billings were added at the end of the year by the Department of Taxation. Deputy Clerk Tipton inquired if the roll-up included the Taxpayer’s withdrawals. Assessor Russell replied the withdrawals would be at the end of the agenda.

Assessor Russell gave an overview of the individual roll log changes. She noted the first billings the Nevada Department of Taxation sent to them were incorrect. She stated they revised those billings three different times. She explained some of the parcels were split and at the direction of the Department of Taxation they would eliminate old parcel numbers and create new parcel numbers.

[8:45:03 AM](#)

Board Member James Winer disclosed he had an ownership interest in The Point Subdivision.

Board Member Al Plank disclosed he was an employee of Barrick Gold of North America operations north of Carlin and would abstain from voting on the changes to the Barrick properties.

[8:46:40 AM](#)

**MOTION: Board Member Kelly Buckner moved that they approve the re-opened roll changes logs pertaining to The Point and pertaining to any properties associated with Barrick Mines. Board Member Wes Bowlen seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Chairman Walter Leberski</b>
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	Member	Wes Bowlen
	Member	Kelly Buckner
<b>Voting Nay:</b>		None
<b>Abstaining:</b>	Member	Al Plank
	Member	James Winer
<b>Absent:</b>		None

**MOTION:** Board Member Kelly Buckner moved that they approve the re-opened roll changes logs for all additional parcels presented by the Assessor.

**Board Members James Winer seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	Chairman	Walter Leberski
	Member	Wes Bowlen
	Member	Al Plank
	Member	Kelly Buckner
	Member	James Winer
<b>Voting Nay:</b>		None
<b>Abstaining:</b>		None
<b>Absent:</b>		None

[8:48:51 AM](#)

**REVIEW OF STATE GUIDELINES:**

Kristin McQueary reviewed the revisions to the State Guidelines. She informed them there was a request from the State to have the agent’s original signature on file for agents that come in and represent the taxpayer.

Chairman Leberski inquired if the regulations were finalized. Kristin McQueary stated that they were finalized but they were not yet codified. Kristin McQueary noted the regulations would affect the way the Assessor’s Office do their job. Katrinka Russell noted if they go to the State Board the District Attorney or a County Commissioner would accompany the Assessor. She noted Clark County was opposing that regulation.

Board Member Kelly Buckner inquired if they had not required an original signature from the agent or taxpayer previously. Kristin McQueary explained the new regulation required an original signature of an agent who comes in to represent a taxpayer which shows proof they have authority to represent the taxpayer. She noted there was an agency form in the State Guidelines. Board Member Kelly Buckner clarified that they required a taxpayer sign the original Petition for Review.

[8:58:29 AM](#)

**COMMENTS BY THE GENERAL PUBLIC:**

In accordance with the Open Meeting Law, Chairman Leberski asked for any

public comments that members of the audience might have.

Robert Wines stated he was in attendance because he represented two cases that had been withdrawn.

[8:59:30 AM](#)

**ACTION TO BE TAKEN ON THE FOLLOWING APPEALS:**

Chairman Walt Leberski explained the procedure for the hearing under the Nevada Revised Statutes and the Nevada Administrative Code.

[9:00:21 AM](#)

**JARBIDGE HOLDINGS INC**

**Case No(s):** 11-110

**Parcel No(s).** 003 742 016

**Hearing Date: February 23, 2011**

**SUBJECT MATTER:**

Subject property is located on Main Street and First West Street, being Lots 27 through 29 in Block 2, of the Unincorporated Town of Jackpot consisting of 0.175 acres of land with two improvements.

**DOCUMENTS SUBMITTED BY PETITIONER:** None

**PETITIONER'S REPRESENTATIVE:** None Present

**DOCUMENTS SUBMITTED BY ASSESSOR FOR THE RECORD:**

1. Letter to Board

**EXHIBITS SUBMITTED BY ASSESSOR'S OFFICE:**

- A. Petition Summary, Discovery, Assessor's Recommendation Evidence, Taxpayer's Petition, Maps, and Aerial Photo.

**APPRAISER, PREVIOUSLY SWORN IN:** Dennis DeArrieta

**SUMMARY:**

The petitioner appealed the improvement value and brought into question the two improvements (sheds built in 1902) on the parcel. Petitioner contends the two structures were removed in 1999.

**DISCOVERY:**

One structure was classed as a shed of low quality and the other was classed as a general purpose barn of low quality. The Assessor's Office has a current photograph on record showing both structures were still present in July of 2008. The aerial photograph of 2006 shows the structures were there. Dennis DeArrieta had received an e-mail with pictures this morning and the two structures were still present.

Dennis DeArrieta had spoken to a Jarbidge resident who stated there was some damage to the buildings. He stated the general purpose barn would be removed or knocked down for salvage which would reduce it to the value of \$500. The other shed appeared to be useful and the replacement cost value was \$4,186.

Board Member Kelly Buckner stated on Page 5, Exhibit A, two sheds were shown in the photograph and inquired if the shed on the left was caved in. Dennis DeArrieta stated that was correct.

Chairman Leberski noted the Petitioner was not present to present his case.

Board Member, Jim Winer, noted the issue was the owner believed the shed was gone but the Assessor stated it was still there. He inquired if the owner had visited the property. Dennis DeArrieta stated the taxpayer lives in Boise, Idaho and he has not been there for a number of years. He had in-laws who had told him they had removed the shed. Dennis DeArrieta had sent the Petitioner copies of the photographs and the aerial photography. He stated the Petitioner purchased the second property where the sheds sit which was next to his other parcel he owned. Dennis DeArrieta was informed by the Petitioner that the deed stated there were no improvements attached to the land. He noted the Petitioner now believed the deed may be wrong.

9:04:55 AM

**ASSESSOR'S RECOMMENDATION:**

The Assessor recommends the damaged shed on the left side could be removed from a general purpose barn to salvage value and the shed on the right would remain at the same value,

**DISCUSSION:**

Assessor Russell reported at this time the structures were completely depreciated out.

Board Member Wes Bowlen questioned what the Petitioner was asking for. Dennis DeArrieta stated Petitioner assumed the buildings were removed and wanted the improvement value removed from the parcel.

**JARBIDGE HOLDINGS INC**

**Case No(s):** 11-110

**Parcel No(s).** 003 742 016

**DECISION:**

9:07:21: AM

**MOTION:** Board Member Wes Bowlen moved that they deny the petition based on the fact that the buildings were still there and that there was no justification for the Petition.

**Board Member Kelly Buckner seconded the motion for discussion.**

**DISCUSSION:**

Board Member Wes Bowlen noted the Assessor recommended a physical inspection of the parcel as weather permitted but he opposed that inspection as it would be a waste of money.

Board Member Kelly Buckner inquired what the value would be after removing the shed from the roll. Dennis DeArrieta explained the shed value would remain the same but the general purpose barn would be put at a \$500 assessed value. Board Member James Winer noted the assessed value would be reduced by \$1,263.00. Dennis DeArrieta stated \$14,480 would be the correct total value for assessment.

Chairman Leberski stated they have a motion on the floor to retain the value of the improvements after depreciation of \$2,809.00.

Board Member Wes Bowlen stated in the Petition the owner did not ask that the building value be reduced. The Petitioner stated the building was not there. Dennis DeArrieta stated upon discovery their office was obligated to make any increases or reductions that were necessary. Dennis DeArrieta stated from the pictures there was a determination there were problems with the buildings and it was the Assessor's discretion to make that adjustment at this time.

9:12:32 AM

**MOTION:** Board Member Wes Bowlen withdrew his motion.  
Board Member Kelly Buckner withdrew his second.

9:12:59 AM

**MOTION:** Board Member Kelly Buckner moved to approve the Assessor's recommendation after discovering the one building was no longer usable and strictly from a salvage value that they reduce the value of the improvements to \$1,547 which would therefore reduce the total value for assessment purposes to \$14,480.

**Board Member Al Plank seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Chairman</b>	<b>Walter Leberski</b>
	<b>Member</b>	<b>Wes Bowlen</b>
	<b>Member</b>	<b>Al Plank</b>
	<b>Member</b>	<b>Kelly Buckner</b>
	<b>Member</b>	<b>James Winer</b>

**Voting Nay:** None

**Abstaining:** None

**Absent:** None

9:13:56 AM

**RICK LONGHURST**

**Case No(s):** 11-112

**Parcel No(s).** 001 530 001

**Hearing Date: February 23, 2011**

Chairman Leberski disclosed he had a conflict and turned control of the meeting over to Vice Chairman, James Winer.

[9:14:40 AM](#)

Vice Chair, James Winer assumed control of the meeting.

**SUBJECT MATTER:**

Subject matter was the possessory interest of the “clubhouse” located at the Ruby View Golf Course. It was an unsecured ad valorem billing for improvements that were located at the Ruby View Golf Course.

**DOCUMENTS SUBMITTED BY ASSESSOR FOR THE RECORD:**

- 1. Letter to Board

**EXHIBITS SUBMITTED BY ASSESSOR’S OFFICE:**

- A. Legal Description, Discovery/Assessor’s Recommendations Evidence/Pertinent NRS Info, Photographs, Map, Letter to Assessor, letter to Rick Longhurst, Memo/Attachments to Curtis Calder, Tax Bill/Calculations, Letter from Michael W. Lattin, Copy of Golf Professional Agreement/Exhibit A/Inventory Memo, Assessor Letter to Longhurst, Letter from Curtis Calder, Amended and Restated Golf Professional Agreement, Elko Parks and Recreation Organization Flow chart, and Memorandum from K.A. McQueary, District Attorney’s Office.

**APPRAISER, PREVIOUSLY SWORN IN:      KATRINKA RUSSELL**

**SUMMARY:**

Petitioner requests a review of the ad valorem billing for the “Clubhouse”, one of several buildings located at the Ruby View Golf Course (municipal golf course) owned by the City of Elko. Petitioner contends there was not a possessory interest in this case because it was not something he could sell or lease out. Petitioner noted he was complying with the terms of the Contract with the City of Elko for the services he was expected to provide. Petitioner did not have a Lease Agreement with the City and at the conclusion of the Contract the concessions would refer back to the City. Petitioner did not feel that there is a possessory interest per se in this case due to a reversion in the terms of the agreement between the golf pro and the City of Elko.

Michael W. Lattin sent a letter dated April 2009 to the Assessor asserting that the Petitioner should be assessed for possessory interest due to an agreement between the City of Elko and Rick Longhurst. After review of the agreement, Mr. Longhurst was billed February 2010 for possessory interest in the clubhouse building.

Rick Longhurst sent a letter received in August 2010 with several supporting documents from the Elko City Manager and the City Attorney asserting that the Ruby View Golf Course was exempt.

In November 2010, a letter from the Elko City Manager was received with a copy of the Amended and Restated Golf Professional Agreement between the City of Elko and Rick Longhurst. The Assessor recommended Petitioner file an appeal.

**DISCOVERY:**

Upon review of the contract, it was determined that the possessory interest did exist. Petitioner was billed in February 2010 for the current plus two prior years on the unsecured roll and has just been billed for this fiscal year.

The Assessor attempted to get an opinion from the Department of Taxation. The Department of Taxation had referred their request to the Attorney General's Office. The Assessor had not received any response.

Assessor Russell noted that there was a legal opinion from Kristin McQueary in Exhibit A, Tab 3, of Page 17.

**ASSESSOR'S RECOMMENDATION:**

The Assessor recommended that the County Board of Equalization set precedence in this matter because the law (NRS 361.157 (1) (a) (b) and (2) is not specific enough for this situation.

[9:21:27 AM](#)

**PETITIONER'S REPRESENTATIVE SWORN IN: RICK LONGHURST**

**DOCUMENTS SUBMITTED BY PETITIONER:**

- I. Letter dated February 23

Petitioner, Rich Longhurst, stated in Elko County there were five golf courses. The Spring Creek golf course was exempt from this taxation because it was privately owned. He noted the County currently had Agreements with two golf courses, in West Wendover and the other in the City of Wells. He had contacted Brent Fleishman of Jackpot. He stated the Board's decision would set precedence because none of the other golf courses had been sent billings. Petitioner reported the City of Wells golf pro had retired and the Manager of the West Wendover golf course had also retired.

Petitioner, Rick Longhurst, read his letter (Exhibit I) into the record:

*"Elko County Board of Equalization*

*February 23, 2011*

*Rick Longhurst Statement*

*Firstly, I would like to thank the Equalization Board and County Assessor Russell for the opportunity to speak with you today. This has been a long process in reaching this point in which I have solicited private counsel and the advice of the City of Elko, I*

*have been contracted with the City of Elko since January, 1983. When I received notice from the County that I owed property tax on the building owned by the City of Elko, I was very surprised. This issue had never come up before and I was totally unaware of the NRS regarding this taxation. Mr. Mike Lattin, whom I have never met, read my contract and brought it to the attention of the Assessor's Office.*

*I have worked very hard and for many years to reach this level in my profession, and any margin notes that Mr. Lattin made regarding me in the contract that he provided to the City, County Assessor and which you have in your packet, have no merit or importance in any decision in this tax matter.*

*That being said, after reading through all of the correspondence between all the parties involved and within the past few days reading the District Attorney's opinion on the tax issue, I would be willing to negotiate a compromise of the terms of the tax issue to the benefit of all.*

*I would like to have you look at, in the DA's opinion, that my contract with the City of Elko, even though includes multiple years, that the yearly period I am contracted to run the golf course is clearly stated as March 1<sup>st</sup> thru October 31<sup>st</sup> of each season. This is stated at the top of the page 2 in the DA's opinion dated February 16, 2011.*

*I would like to put this whole situation behind me and get on with my job of promoting and running the golf course. I would be more than willing to try and reach a compromise with this board in paying the property tax from this time forward for the eight months stated in my contract. It certainly would save the taxpayers money if this could be worked out with you, the County Board of Equalization and not having to take it to the State Board. It is my understanding that other cases within the State has been negotiated in this way to come to a timely and fair conclusion. This decision would also allow the City of Elko to adjust future contracts with golf course managers and concessionaires about the property tax liability."*

*Petitioner added that this was his final season, he was retiring.*

*"In conclusion, I appreciate your time and judgment and I'm sure you will arrive at an appropriate decision. I would also like to point out that during this process, Katrinka Russell, Elko County Assessor, has been invaluable and understanding in this matter and has always been more than willing to explain any law or situation that I have had questions about. Thank You"*

## **DISCUSSION:**

Assessor Russell reviewed a similar instance several years ago wherein improvements were missed and that case went before the State Board. She noted the County Board could negotiate a compromise. The Assessor stated on Exhibit A, Tab 1, at Page 5 there was a description of all the property taxes involved in this case. The Assessor had not billed for the 2011-2012 year. The tax bill for the 2010-2011 year was billed last month in the amount of \$2,696.79. The Assessor reviewed the taxes for the 2009-2010 tax year of \$2,776.73; the 2008-2009 tax year of

\$2,569.06 and the 2007-2008 tax year of \$2,484.58.

The Assessor requested the Board to review NRS 361.157 1a, 1b and 2, a copy of which was in their packet. Assessor Russell read NRS 361.157 2h into the record. The Assessor questioned whether the Petitioner would be considered a public employee under the terms of the contract. Board Member James Winer noted if Petitioner was classified as an employee there would be tax implications. Assessor Russell stated the law was vague and the other counties were not billing for possessory interest of a clubhouse. Kristin McQueary stated if they were public employees there were PERS implications for the City.

Board Member Kelly Buckner inquired if Petitioner considered himself an employee.

Petitioner, Rick Longhurst, replied for the first 13 years of his contract he was an employee and was under the State PERs program. Petitioner had applied to the State for PERs benefits thinking his independent contractor status would mean he was not an employee of the City. However, PERs felt an independent contractor was an employee because his contract stated his name. Petitioner reported in 2002 he and his wife formed an LLC and they had the wording changed within the contract to the LLC.

Petitioner believed he would be liable for this after discussing the case with the District Attorney's Office. He understood there would be certain implications for the people following him and for the other three golf courses in the county. Petitioner was willing to negotiate a payment schedule with the County.

Board Member Al Plank inquired if the amount presented by the Assessor's Office was prorated for the months of operation. Assessor Russell replied they were not. Board Member Al Plank understood it would be within their ability to forgo any back taxes and pro-rate. He inquired of the Petitioner if anyone at the City directed his activities which would establish an employer/employee relationship.

Petitioner stated his contact with the City was with the Director of the City's Parks but he communicated more with the City Manager.

Board Member Wes Bowlen requested clarification they were taxing for the building because of his utilization of the inside. Assessor Russell replied he was taxed for the building. Board Member Wes Bowlen stated they had never been taxed before in the City of Wells and this would make a difference in the contract arrangement with their future golf pro. Board Member James Winer stated Curtis Calder of Elko was curious also because they were looking for the new golf pro position.

Board Member Wes Bowlen inquired why they would tax the concessionaire when the City owned the building because it would hold true for any concessionaire within the City. Assessor Russell gave the example of hangars sitting on City property that were owned by individual taxpayers which were not for public use and the taxpayers pay taxes on that possessory interest. The Assessor noted they have

buildings on railroad property that were individually owned by the taxpayer.

Kristin McQueary read a portion of NRS 361.157 into the record:

*“1. When any real estate or portion of real estate which for any reason is exempt from taxation is leased, loaned or otherwise made available to and used by a natural person, association, partnership or corporation in connection with a business conducted for profit or as a residence, or both, the leasehold interest, possessory interest, beneficial interest or beneficial use of the lessee or user of the property is subject to taxation.”*

Board Member Wes Bowlen noted in the case of the airport the individual owned the building but in this case the City owned the building and he was only renting the inside of the building. Board Member Wes Bowlen believed the Petitioner should be taxed on the personal property inside the building.

Assessor Russell stated Mike Lattin pointed out the Petitioner was competing with the private sector and should pay their fair share. However, the private sector had the right to sell their business, the building and their inventory.

Board Member Wes Bowlen stated this tax would have to apply to the rodeo grounds when there were concessionaires. Kristin McQueary noted the tax only applied to the for-profit businesses and most clubs were non-profit organizations.

Petitioner Rick Longhurst stated he understood those questions and if he had known in advance that those taxes were there and part of his contract he would have made adjustments in the things he did during the year to pay those taxes. Petitioner suggested they go from this point forward as setting precedence.

Petitioner had not spoken to the City of Wells on this matter. Board Member Wes Bowlen requested authorization to take this information to Jolene Supp. Petitioner did not object.

Petitioner was agreeable to negotiate upon the next eight months. He would contact Brent Fleishman in Jackpot to let him know he was liable for these taxes. He believed the taxes issue should be built in the contract and the City should be liable for that.

Board Member Kelly Buckner voiced concern with the whole concept because there was no consistency which has been applied to publicly owned golf courses in Elko County and questioned how else in the State this was being handled.

Kristin McQueary did not know how the other publicly owned golf courses were addressed but there was an NRS section specific on the taxing of the golf courses. She stated on this specific issue she could not find anything explicit other than the NRS 361.157 statute.

Board Member Kelly Buckner disagreed with taxing based on a consistency standpoint. He had an issue with assessing these taxes and collecting these taxes if Elko County was the only County to do it within the State.

Board Member Al Plank agreed with Board Member Kelly Buckner and inquired what type of implication this would have to the fairgrounds. He noted by imposing this

tax it would be pushed down to the City and inquired if they were generating a City tax through this process. Board Member Al Plank voiced concern for the overall tax structure for the County if they assess this tax which may affect the smaller city governments.

Board Member James Winer stated it would be a logistical concern if a for-profit organization leased the concession stand at the Fairgrounds, they would be taxed.

Board Member Wes Bowlen noted this was a State law and would apply statewide. He expressed concern of the Wells roping club bringing in a private concessionaire who would have to pay this tax.

Board Member James Winer voiced concern there were other municipally owned buildings. Assessor Russell stated when the Elk Club was open they leased to for-profit so the same situation would apply to the Long Fellows Hall which was leased to a pre-school program.

Board Member Jim Winer noted that if any for-profit organization leased a room in a City building they would have to be billed for that day. He voiced concern with enforcement of this tax because their decision would set precedence.

Board Member Jim Winer requested legal advice from Kristin McQueary upon Robert Goicoechea's statement that it was a park and parks were exempt. He inquired if they post a sign stating it was a park would it be exempt. Kristin McQueary noted Mr. Goicoechea cited NRS 268.702 which was for the purpose of City Bond Law was for the issuance for bonds for golf and parks. Kristin McQueary noted in Chapter 278 and Chapter 361 of the NRS specifically addressed golf courses. She believed the issue needed to go to the State Board of Equalization for clarification. Kristin McQueary stated she was bound by law to tell them to follow the statute. She stated they can determine the portion of the property that was used by a for-profit and a percentage of time it was used during a fiscal year by a taxpayer. Kristin McQueary stated it had never been done in Elko County before and should be clarified for the various golf courses within the County. She noted if a for-profit organization rented a small city building for one day the taxes would be deminimis and cost more for sending the tax statement. Kristin McQueary stated there was nothing in Nevada Law regarding concessions and suggested they seek guidance from the State.

Board Member James Winer noted parks were excluded under NRS 361.157 and inquired if they signed the golf course it would be tax exempt. Kristin McQueary noted that could be applied to a private park that wanted the tax exemption.

Board Member Al Plank inquired if Petitioner's full time monthly equivalent rating would be less than eight months if they looked only at the hours of service. Petitioner Rick Longhurst stated it was a dawn to dark operation but they do not start as early. He stated they were open every day. Petitioner stated the EPA restrictions required them to water at 6:00 p.m. and no one can be on the golf course for one hour. Petitioner stated everyone that worked in the pro shop was paid by the golf pro and it was a 7:00 am to 8:00 p.m. day. Board Member Al Plank noted the usage of

the course would not be as frequent in October as in June. Petitioner stated June, July, August and September were their busiest months of the eight month period.

Board Member James Winer acknowledged that legal counsel was obligated to interpret and inform the Board there was a statute. He inquired if she was bound to tell them they have a legal obligation to enforce this statute. Kristin McQueary stated she would provide them legal advice but cannot force them to take it. She reminded them they took an oath to uphold the laws of the State.

Board Member James Winer inquired if this Board could acknowledge the statute yet waive the back taxes, fees and current taxes and leave it to the State Board of Equalization for clarity. Kristin McQueary stated they would have to uphold the Assessor's recommendation for the taxpayer to appeal it to the State Board. She noted if the taxpayer did not appeal it, it would not go to the State Board.

Board Member Wes Bowlen inquired if they had the authority to reduce the tax bill. Kristin McQueary stated this Board has to equalize taxes to be fair to everybody that was similarly situated. Board Member Wes Bowlen stated if they charge the golf course then anyone renting a municipal building would have to pay some type of fee which may cost more to collect than taxed. Katrinka Russell stated NAC did establish a minimal amount of tax to bill.

Assessor Russell stated Petitioner suggested a compromise of taxing from this date forward.

## **RICK LONGHURST**

**Case No(s):** 11-112

**Parcel No(s):** 001 530 001

## **DECISION:**

[10:03:38 AM](#)

**MOTION:** Board Member Al Plank stated in that NRS 361.157 seems to clearly state that it was a taxable situation that they were discussing I move that we agree to assess Mr. Longhurst possessory interest on a go forward basis only but prorate it for a six month period being a compromise between the four months where he gets full use out of the City's asset and the eight months that he was contractually bound to stay open.

**Board Member Kelly Buckner seconded the motion.**

Board Member Al Plank stated his rationale was that the law clearly states there was a tax due in this situation but from a consistency stand point it has not been assessed in the past. He stated they do not want it to be too onerous so the back tax was not equitable in this case and by going with the reduced season it would lessen the impact of the tax on the other golf courses within the State. He noted NRS 361.157 does refer to golf courses on a separate matter. He stated with regard to

overall equitability he hoped that this precedence would be applied equitably to golf courses and not pick up rodeo grounds, etc.

Board Member Kelly Buckner requested clarification that they were talking about billing at the 2011-2012 tax year or the remainder of the 2010 to 2011 year. Assessor Russell noted they were currently in the 2010-2011 year.

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Member</b>	<b>Wes Bowlen</b>
	<b>Member</b>	<b>Al Plank</b>
	<b>Member</b>	<b>Kelly Buckner</b>
	<b>Member</b>	<b>James Winer</b>
<b>Voting Nay:</b>		<b>None</b>
<b>Abstaining:</b>	<b>Chairman</b>	<b>Walter Leberski</b>
<b>Absent:</b>		<b>None</b>

Vice Chairman James Winer informed the taxpayer he was allowed to appeal their decision to the State Board of Equalization. He stated he would get a form to appeal from Denis DeArrieta.

Petitioner Rick Longhurst felt this was fair assessment and appreciated their efforts. He would not appeal to the State.

Vice Chairman James Winer requested the Assessor to alert the other cities of their decision so that it may be taken into consideration when they were negotiating their contracts.

Board Member Wes Bowlen requested authorization to submit Assessor's Exhibit A to Jolene Supp, Wells City Manager for them to adjust their contract. He was informed it was a public document.

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[10:09:53 AM](#)

Chairman Leberski assumed control of the meeting and called a recess.

[10:20:10 AM](#)

Chairman Leberski reconvened the meeting and began the review of the Petitions that had been withdrawn.

**SAN JACINTO**

**Case No(s):** 11-105

**Parcel No(s).** 009 005 092 & 009 005 093

**SUBJECT PROPERTY:**

A low income housing unit located in Jackpot, Nevada. The complex is located at 870 Lady Luck Drive. It was built in 2001 and made up of four buildings with 20 units. There are twelve 3-bedroom units and eight 2-bedroom units.

**APPRAISER, PREVIOUSLY SWORN IN: DENNIS DE ARRIETTA**

**SUMMARY:**

Dennis DeArrieta stated Parcel Number was 009 005 020. Petitioner filed a request for review based on income of the property. He stated the property does receive tax credits and technically was exempt from taxation. He stated they have negotiated with them based on their income and this year their income produced a value of \$340,000 for the property.

**ASSESSOR'S RECOMMENDATION:**

The Assessor's Office recommends that the value be reduced from \$1,188,203 to \$348,089.

**PETITIONER'S REPRESENTATIVE SWORN IN: ROBERT WINES**

**DISCUSSION:**

Kristin McQueary inquired if there was an agent authorization for Mr. Wines. Robert Wines replied negatively.

Robert Wines inquired which was the correct parcel number 009 005 092 & 009 005 093 or 009 005 020. Dennis DeArrieta replied 009 005 092 & 009 005 093 were the correct parcel numbers.

**SAN JACINTO**

**Case No(s):** 11-105

**Parcel No(s):** 009 005 092 & 009 005 093

**DECISION:**

10:24:15 AM:

**MOTION: Board Member James Winer moved to accept the Assessor's recommendation of \$348,089.**

**Board Member Al Plank seconded the motion.**

**DISCUSSION:**

Board Member James Winer noted that Robert Wines had spoken for the taxpayer but did not have an Agent Form signed. He inquired if that would nullify the vote. Kristin McQueary stated it was best practice to have the Agent Form signed but it would not nullify the vote because they had withdrawn their Petition before Robert Wines appeared before the Board.

Robert Wines stated he had previously had an Agent Authorization on record and was only present to confirm it had been withdrawn.

10:25:38 AM

The motion carried the following vote:

**Voting Aye:** Chairman **Walter Leberski**  
Member **Wes Bowlen**  
Member **Al Plank**  
Member **Kelly Buckner**  
Member **James Winer**  
**Voting Nay:** **None**  
**Abstaining:** **None**  
**Absent:** **None**

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[10:26:17 AM](#)

**MP ELKO LLC.**

**Case No(s):** 11-106

**Parcel No(s).** 001 660 0AD, 001 660 036, 001 660 037, 001 660 045  
001 660 048, 001 660 049, 001 660 050, AND  
001 660 094

**SUBJECT MATTER:**

The property described as follows: Eight parcels located in the Elko Junction Shopping Center located on Mountain City Highway in Elko, Nevada. The parcels are Raley's with attached buildings, Mattie's with attached buildings, Cinema Theater, Coffee Mug, Sears, Redstone and two vacant parcels.

**APPRAISER, PREVIOUSLY SWORN IN: DENNIS DEARRIETA**

**SUMMARY:**

Petitioner filed the request for review based on the market sale of the property. The parcels overall sold for \$8,450,000. The Assessor's Office believed it was an arms-length transaction but could not find anything to support it otherwise.

**ASSESSOR'S RECOMMENDATION:**

The Assessor recommends the value be reduced to \$8,450,000. The cost approach figure was \$11,539,103 for all the land and improvements. Each parcel will receive a percentage reduction so that they come in at the \$8,450,000 total which was negotiated with the taxpayer.

**PETITIONER REPRESENTED BY: ROBERT WINES**

**DISCUSSION:**

Board Member Kelly Buckner inquired if that percentage would be based upon square footage of the individual buildings. Dennis DeArrieta stated they would look at square footage but other considerations would have to be included.

Robert Wines stated Petitioner agreed with this assessment as stated by the County Assessor's Office.

**MP ELKO LLC.**

**Case No(s):** 11-106

**Parcel No(s).** 001 660 0AD, 001 660 036, 001 660 037, 001 660 045  
001 660 048, 001 660 049, 001 660 050, AND  
001 660 094

**DECISION:**

[10:29:09 AM](#)

**MOTION:** Board Member Kelly Buckner moved to accept the new Assessor's assessment of \$8,450,000 for Case No. 11-106, Parcel Nos. 001 660 0AD, 001 660 036, 001 660 037, 001 660 045, 001 660 048, 001 660 049, 001 660 050, and 001 660 094.

**Board Member Wes Bowlen seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Chairman</b>	<b>Walter Leberski</b>
	<b>Member</b>	<b>Wes Bowlen</b>
	<b>Member</b>	<b>Al Plank</b>
	<b>Member</b>	<b>Kelly Buckner</b>
	<b>Member</b>	<b>James Winer</b>

**Voting Nay:** None

**Abstaining:** None

**Absent:** None

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[10:30:56 AM](#)

**THE BOSMA GROUP**

**Case No(s):** 11-107

**Parcel No(s).** 001 341 006 & 001 342 012

**SUBJECT MATTER:**

Subject property is the Stockmen's Hotel Casino Property located at 356 Commercial Street, in the City of Elko at Lots 1-12 in Block H, and Lots 16-24 in Block H, consisting of 1.382 acres and a vacant parcel located along Silver Street in the City of Elko as Lots 13 through 19 of Block J and Lots 20 through 24 of Block J consisting of .70 acres.

**APPRAISER, PREVIOUSLY SWORN IN: DENNIS DEARRIETA**

**SUMMARY:**

Petitioner had filed a withdrawal an hour ago.

**PETITIONER'S REPRESENTATIVE:     None Present**

**ASSESSOR'S RECOMMENDATION:**

The Assessor's recommendation was an overall taxable value (land, building and personal property) of \$5,710,327.

**DISCUSSION:**

Board Member Kelly Buckner inquired what value was assigned to the vacant property on Silver and Fourth Streets. Janet Iribarne stated the vacant parcel was valued at \$240,000 taxable and they agreed to adjust the Casino property.

Board Member James Winer inquired the total square feet of the vacant parcel. Appraiser Iribarne replied 30,000 square feet calculated at \$8.00 per square foot.

Board Member Kelly Buckner inquired if the change of value was based upon income with the casino itself. Janet Iribarne stated their income was in the negative. They looked at the income totals and noticed they had 70% expense on the casino so the casino portion was given the economic obsolescent of 70% to determine the value.

Board Member James Winer noted the income from the food and beverage was par with the industry. Assessor Russell stated Petitioner acquired this property at auction in January of 2010 so they did not have income information to provide to the Assessor's Office to do a complete analysis. She stated Janet Iribarne approached it through the income they did have information on, and analyzed the Nevada Gaming Control Board reports on file. Assessor Russell stated the gaming was down so they looked at the value of the hotel and the occupancy rate.

Janet Iribarne stated 34,000 square feet was reduced 70% and once calculated into the total reduced the property value. She noted the Bosma Group was willing to work with the Assessor's Office next year on the cost approach. She stated the vacant lot was valued at \$240,000. Board Member Kelly Buckner noted the hotel would be valued at \$5,480,327. Janet Iribarne stated the personal property included was valued at \$400,000.

**The Bosma Group**

**Case No(s):**     11-107

**Parcel No(s).**    001 341 006 & 001 342 012

[10:40:21 AM](#)

**MOTION:** Board Member Kelly Buckner moved to accept the Assessor's recommendation on the parcel 001 341 006 the value being \$5,480,327 and for parcel 001 342 012 with a value of \$240,000.

**Board Member Al Plank seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Member</b>	<b>Walter Leberski</b>
	<b>Member</b>	<b>Wes Bowlen</b>
	<b>Member</b>	<b>Al Plank</b>
	<b>Member</b>	<b>Kelly Buckner</b>
	<b>Member</b>	<b>James Winer</b>
<b>Voting Nay:</b>	<b>None</b>	
<b>Abstaining:</b>	<b>None</b>	
<b>Absent:</b>	<b>None</b>	

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10:44:40 AM

**GENERATION 2000 LLC**

**Case No(s):** 11-101  
**Parcel No(s):** 010 740 122

**SUBJECT MATTER:**

Subject property is the Wendover Nugget located at 101 W Wendover Boulevard, in West Wendover, Nevada, in Section 15, Township 33 North, Range 70 East MDB&M, consisting of 10.108 acres.

**APPRAISER, PREVIOUSLY SWORN IN: DENNIS DEARRIETA**

**SUMMARY:**

Petitioner requested that the property be valued based on the income approach as it has for the past three years.

In previous years, the Assessor has valued this property based on actual figures supplied by the Nevada Gaming Commissioner and the property owners themselves. This year the Assessor was able to obtain some market data from similar type properties in Wendover and Jackpot and found that typical expenses for these properties were between 74% and 87 percent. The Nugget had an expense percentage of 92%. The Assessor's Office took the actual income and subtracted out 87% to derive at a net income.

**ASSESSOR'S RECOMMENDATION:**

It is the recommendation of the Assessor that the value for parcel 010-740-122, Wendover Nugget owned by Generation 2000 be reduced to \$17,593,148 for tax year 2011-2012 based on the income approach value.

**PETITIONER'S REPRESENTATIVE: None were present.**

**DISCUSSION:**

Board Member Kelly Buckner asked why every other casino in Elko County was not on the agenda today given these types of numbers for Stockmen's and the

Nugget. Dennis DeArrieta stated there had been more inquiries and they had Cactus Pete's petition of their parcels. He stated the Nugget's main claim for their income being so low was because the gaming was down. Petitioner contends they cannot keep up with the Peppermill properties because Peppermill had the majority of the casinos and offers player's cards which was accepted at their multiple properties.

Board Member Kelly Buckner inquired what the impact would be upon actual tax collection given the reduction from \$42 million dollars to \$17 million dollars. He noted they had previous discussions about how accurate the income information was they received from the casinos. Dennis DeArrieta stated they take the actual income that they submit but they request the Nevada Gaming Board report for verification. He noted they have information accumulated over several years on this property.

Board Member Al Plank noted he mentioned they utilized market expenses and inquired what type of expenses those were. Dennis DeArrieta stated they allow of their expenses and then amortization, depreciation and property taxes were included within the cap. He stated they utilized the market expenses from the Red Lion properties in Elko, the Stockmen's expenses and the State showed typical expenses for the Elko area. Dennis DeArrieta stated they also utilized Cactus Pete's expenses which were in a similar property. He explained normally the expenses were 75% or 80% of their income and they average those expenses from several properties to develop an overall market for everybody.

### **GENERATION 2000 LLC**

**Case No(s):** 11-101  
**Parcel No(s).** 010 740 122

### **DECISION:**

[10:49:14 AM](#)

**MOTION:** Board Member James Winer moved to accept the Assessor's recommendation of \$17,593,148 under Case No. 11-101, Parcel Number 010 740 122.

**Board Member Wes Bowlen seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Chairman</b>	<b>Walter Leberski</b>
	<b>Member</b>	<b>Wes Bowlen</b>
	<b>Member</b>	<b>Al Plank</b>
	<b>Member</b>	<b>Kelly Buckner</b>
	<b>Member</b>	<b>James Winer</b>

**Voting Nay:** None

**Abstaining:** None

**Absent:** None

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[10:50:57 AM](#)

**G 2010 LLC.**

**Case No(s):** 11-102

**Parcel No(s):** 010 740 0AB

**SUBJECT MATTER:**

Subject property is the Red Garter Hotel and Casino located at 1225 West Wendover Boulevard, West Wendover, Nevada in Section 16, Township 33 North, Range 70 East, MDB&M, consisting of 5.787 acres.

**APPRAISER, PREVIOUSLY SWORN IN: DENNIS DEARRIETA**

**SUMMARY:**

The parcel consists of 5.780 acres of land a variety of improvements including but not limited to, gaming facilities, hotel, office, and parking areas. The petitioner is requesting the property's value be derived based on income.

Upon receiving the petition and accompanying income statements, a value was determined based on income. The property was purchased for \$823,125 out of bankruptcy in March 2010. This sales price is not considered to be an arm's length transaction and is, therefore, not considered as an indicator of value. To determine value, income data from the 2010 year was used. Income from 2009, under previous ownership was not included because a significant loss was reported. Using a capitalization rate of 20%, a property value based on income would be \$2,944,284. Upon further review, it was found this included an expense ratio of 88.09%. When using data from comparable properties, an expense ratio of 80% was found to be more typical for these property types. Allowing an expense ratio of 80% for this parcel, an income based property value of \$4,942,343 was determined.

**ASSESSOR'S RECOMMENDATION:**

The Assessor recommended allowing an expense ratio of 80% using a capitalization rate of 20%, and assigning the property the overall value of \$4,942,343.

**PETITIONER WAS NOT PRESENT.**

**G 2010 LLC.**

**Case No(s):** 11-102

**Parcel No(s):** 010 740 0AB

**DECISION:**

[10:52:00 AM](#)

**MOTION: Board Member Kelly Buckner moved to accept Assessor's**

**Recommendation for Case No 11-102, Parcel No. 010 740 0AB in the amount of \$4,942,343.**

**Board Member Wes Bowlen seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Chairman</b>	<b>Walter Leberski</b>
	<b>Member</b>	<b>Wes Bowlen</b>
	<b>Member</b>	<b>Al Plank</b>
	<b>Member</b>	<b>Kelly Buckner</b>
	<b>Member</b>	<b>James Winer</b>

**Voting Nay: None**

**Abstaining: None**

**Absent: None**

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[10:53:16 AM](#)

**EDWIN ENTERPRISES LLC.**

**Case No(s):** 11-103 & 11-104

**Parcel No(s).** 001 564 039

**SUBJECT MATTER:**

Subject property is located at 2850 Ruby Vista Drive, Elko, Nevada commonly known as Highland Manor consisting of 10.47 acres.

**APPRAISER, PREVIOUSLY SWORN IN: DENNIS DEARRIETA**

**SUMMARY:**

Dennis DeArrieta stated one Petition requested a review on the re-opened roll, however, there was no value changed or re-opened roll on this particular parcel so that appeal was dropped. The Petitioner also appealed the quality of the structure. Dennis DeArrieta stated it was at quality 3 and Petitioner felt that should be quality 2.5. He stated last year they did reduce a portion of the building to a 2.5 quality. The remaining portion of the building was left at a 3 quality. He stated this year the change was not saved and reverted back to a full quality of a 3 quality status so the adjustment was made to revise a portion back to a 2.5 quality.

**ASSESSOR'S RECOMMENDATION:**

The Assessor recommends the value \$6,655,720.00.

**PETITIONER WAS NOT PRESENT.**

**DISCUSSION:**

Board Member James Winer noted there was a different APN number on his display than what was upon their packet and inquired what the correct APN number was. Dennis DeArrieta stated because the parcel was split the old parcel was 039, the new parcels are 040 and 041. The 041 parcel would have the new assisted living area that was currently under construction.

Board Member Kelly Buckner clarified they were dealing with parcel number 040.

**EDWIN ENTERPRISES LLC.**

**Case No(s):** 11-103 & 11-104

**Parcel No(s).** 001 564 039 corrected to 001 564 040 and 001 564 041

**DECISION:**

[10:56:20 AM](#)

**MOTION:** Board Member Kelly Buckner moved to accept the Assessor’s Recommendation on Case 11-103 and 11-104 Parcel Number 001 564 040 in the recommended assessed value of \$6,655,720.

**Board Member Plank seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Chairman</b>	<b>Walter Leberski</b>
	<b>Member</b>	<b>Wes Bowlen</b>
	<b>Member</b>	<b>Al Plank</b>
	<b>Member</b>	<b>Kelly Buckner</b>
	<b>Member</b>	<b>James Winer</b>

**Voting Nay:** None

**Abstaining:** None

**Absent:** None

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[10:58:38 AM](#)

**CACTUS PETE’S INC**

**Case No(s):** 11-108 & 11-109

**Parcel No(s).** 009 005 026 & 009 005 024

**SUBJECT MATTER:**

Subject property under Parcel No. 009 005 026 is the Cactus Pete’s Hotel & Casino located in Section 1, Township 47 North, Range 65 East M.D.B. & M., of the Town of Jackpot consisting of 10 acres. Parcel No. 009 005 024 is the Horseshu Hotel & Casino located in Section 1 Township 47 North Range 64 East M.D.B & M., of

the Town of Jackpot consisting of 16.580 acres.

**PETITIONER WAS NOT PRESENT.**

**APPRAISER, PREVIOUSLY SWORN IN: DENNIS DEARRIETA**

**SUMMARY:**

Petitioner requested a review on both parcels based on the income approach. He reported after reviewing the income for both parcels the income valuation was higher than the current assessed valuation.

**ASSESSOR'S RECOMMENDATION:**

The Assessor recommended both properties remain at their current cost approach value.

**DISCUSSION:**

Board Member Kelly Buckner inquired why they did not utilize the income approach rather than a cost approach value. Dennis DeArrieta explained under NRS the Assessor must value all property based upon replacement cost minus depreciation. He stated the income and cost approaches determine the value. He stated historically if the cost approach was lower than the income approach they remain with the cost approach.

**CACTUS PETE'S INC**

**Case No(s):** 11-108 & 11-109

**Parcel No(s):** 009 005 026 & 009 005 024

**DECISION:**

[11:01:47 AM](#)

**MOTION:** Board Member Kelly Buckner moved to accept the Assessor's recommendation for Case Nos. 11-108 and Case No. 11-109 being parcel numbers 009 005 026 and 009 005 024 for a valuation of \$5,335,380 and on 026 a valuation of \$32,652,603.

**Board Member Winer seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Chairman</b>	<b>Walter Leberski</b>
	<b>Member</b>	<b>Wes Bowlen</b>
	<b>Member</b>	<b>Al Plank</b>
	<b>Member</b>	<b>Kelly Buckner</b>
	<b>Member</b>	<b>James Winer</b>

**Voting Nay:                   None**  
**Abstaining:                 None**  
**Absent:                       None**

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[11:03:16 AM](#)

**HARNISCHFERGER CORPORATION**

**P&H Mining**

**Case No(s):           11-111**

**Parcel No(s).       006 09N 004**

**SUBJECT MATTER:**

Subject property known as Parcel 4 of Parcel Map #452,341, P & H MinePro on Bar L Road, Elko, Nevada consisting of 7.768 acres.

**PETITIONER WAS NOT PRESENT.**

**APPRAISER, PREVIOUSLY SWORN IN:       DENNIS DEARRIETA**

**SUMMARY:**

Petitioner filed a request for review based on the assumption that the property was exceeding the market value.

**DISCOVERY:**

Assessor reviewed the cost approach and found that there was a bridge crane which was removed and placed as a personal property item and the beam value was separated as a real property improvement. There was no reduction after the personal property placement during the previous year.

**ASSESSOR'S RECOMMENDATION:**

The Assessor recommends the value remains the same.

**DISCUSSION:**

Board Member James Winer inquired if the reclassification of the crane from real to personal changed the property value. Dennis DeArrieta stated the crane was changed to the personal property roll during the previous year. There was no change to the real property value this year.

Board Member Kelly Buckner inquired if that was the only piece of personal property. Dennis DeArrieta replied there were several other items on the personal property but the crane was the only property removed from real to personal property.

**HARNISCHFERGER CORPORATION**

**P&H Mining**

**Case No(s):** 11-111

**Parcel No(s):** 006 09N 004

**DECISION:**

[11:06:14 AM](#)

**MOTION:** Board Member James Winer moved to accept the Assessor’s Recommendation on Case No. 11-111, being parcel number 006 09N 004 in the value of \$3,105,743.

**Board Member Al Plank seconded the motion.**

The motion carried the following vote:

<b>Voting Aye:</b>	<b>Chairman</b>	<b>Walter Leberski</b>
	<b>Member</b>	<b>Wes Bowlen</b>
	<b>Member</b>	<b>Al Plank</b>
	<b>Member</b>	<b>Kelly Buckner</b>
	<b>Member</b>	<b>James Winer</b>

**Voting Nay:** None

**Abstaining:** None

**Absent:** None

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**COMMENTS BY THE GENERAL PUBLIC:**

The Board held a discussion on scheduling next year’s meeting date. The Board tentatively set the 2012 meeting date as Thursday, February 23, 2012.

Katrinka Russell inquired if the Board members would prefer paper copies or electronic copies of the information next year. Wes Bowlen requested paper copies. The other Board Members stated they had e-mail and Katrinka Russell would contact them next year for that information.

[11:13:04 AM](#)

**ADJOURNMENT:**

There being no further business to come before the Board, Chairman Leberski adjourned the meeting at 11:13 A.M.

APPROVED,

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WALTER LEBERSKI, Chairman

ATTEST:

MARILYN TIPTON, Deputy County Clerk