



*Pend Oreille County*

**BOARD OF EQUALIZATION**

Post Office Box 5018 • Newport, WA 99156-5018 • (509)447-2712

Office Hours: Mon. - Fri., 8:00 a.m. to 4:30 p.m.

**BOARD ORDER**

**PROPERTY OWNER:** SCHEEL, JIM



**PARCEL/ACCOUNT NUMBER:** 6699-433718010001

**PROPERTY LOCATION:** 41 Hanks Butte Rd. Ione, WA 99139

**PETITION NUMBER:** BOE 2023-04

**ASSESSMENT YEAR:** 2023

**TAXES PAYABLE IN:** 2024

The Board of Equalization for Pend Oreille County Washington was duly convened on August 23, 2023, and hereby orders the property listed above be placed on the Assessment Roll for Pend Oreille County Washington as follows:

**ASSESSED VALUE:**

**BOE VALUE:**

Land	\$ 162,400
Structures/Improvements	\$ 0
<b>ASSESSED VALUE</b>	<b>\$ 162,400</b>

Land	\$162,400
Structures/Improvements	\$ 0
<b>BOE VALUE</b>	<b>\$162,400</b>

Date of Hearing: August 23, 2023

Recorded via SoniClear. Hearing Began at: 1:51 p.m. and Ended at: 2:35 p.m.

Hearing Location: Board of Commissioners Meeting Room  
625 W. 4<sup>th</sup> Street  
Newport, WA 99156

Attendees:

Board of Equalization Members:

Carl Jackson, Chair

Margie Fedderly

Clerk: Alicia Pereyda

Appellant: Darin Scheel (Son of Jim Scheel)

Chief Deputy Assessor: Nathan Longly

**FACTS AND FINDINGS**

Appellant estimated value at:

Land	\$ 111,200
Structures/Improvements	\$ _____
<b>REQUESTED VALUE</b>	<b>\$ 111,200</b>

**BOARD ORDER continued**

D. Scheel: I guess the question of the Assessor’s office is what standard equation is used to determine the valuation of a property and is that equation used across the board not only on our property but all properties?

N. Longly: So, every appraisal is subjective because, the definition of appraisal is an opinion about the standard in which the Assessor’s office values any property is utilizing sales of properties of like kind in location, features, and any improvements to the property. Both parcels owned by Jim Scheel were valued with consideration of their location taking into account; good access, location, and having comparable sales both providing comparable sales that do not have good access and other comparable sales that do have good access.

D. Scheel: My next question is: Do you know if there a state mandate that minimizes the percentage year over year that can be taxed based on assessed value?

N. Longly: There is no statute restricting what one’s value can change from one year to the next.

D. Scheel: For example, in these two properties that we are talking about we had a year over year increase on one of the properties of 192% on our assessed value and the other one was 129% assessed value.

N. Longly: Even though your assessed value went up by 300% there is a statute in place, and it’s been upheld by Washington State residents’ multiple times stating that taxing districts can only request a 1% increase per year however the amount that equates into your tax bill is directly tied to your value. There is no statute stating what your value can change to or is limited to from one year to the next and therefore, if your property doubles in value it is likely that your tax bill will not. With that said, because of the dramatic amount that properties across the county have gone up in the last couple years levy rates have been dropping and so it is not an apples-to-apples equation. The actual taxable amount will be less than double in that instance.

D. Scheel: When assessing our property, I used like-kind properties. As all those properties are open farmed field plan, they are not development, there’s no houses on them, it’s an open field and all of the people around there cut hay which is what we do on our fields, as well; hay and pasture cows. So, in comparing that with the properties that were used for the valuation listing the vast majority of those properties were located and I used none of them over on the Clear Creek Drive.

N. Longly: So, there’s a large dollar discrepancy in the value of land or the sale price of land based on its location in North Pend Oreille County. If you’re not familiar with North Pend Oreille County in the last two to three years, we did have an influx of people moving to the county. This is driving the increase of the average sale price of the property value per acre. Property values are going to fall back in line, so I believe that although some properties have been listed at almost \$6,600 an acre, this should decrease back to the \$3,500 to \$4,000 an acre now that the influx of people has started to slow.

N. Longly: Additionally, the manner in which the Assessor’s office has to address any property is to view the property in its highest and best use, meaning what the property should sell for in its highest value and how that property would be utilized as such. We look at the property in its existing form and then take into account any additional features such as streams, the location, and account for any other details like the highest and best use. Generally, the idea is that for any parcel is to place a home on it and value. In this case a huge factor that must be considered is the number one rule of real estate: “location, location, location.” The location of the subject parcel is directly off of a paved county-maintained road. The issue that comes into play with some of the comparable sales presented by the petitioner is that they are located off either gravel county-maintained roads or gravel privately maintained roads. Also, we do not utilize existing listings as evidence of value. I would like to make note of the

current per acre value amounts in the appellant's additional evidence is listed at approximately \$6,245 per acre the next twenty-acre piece is \$5,725 per acre. Furthermore, the sales on Leclerc Road that the Assessor's office has referenced are the most like in kind because of the location, to my knowledge those parcels do not have any type of waterfront access, they don't have any streams running through them, they're located on the east side of Leclerc Road, and listed in the Assessor's exhibit three, are little clear properties falling right in line with the valuations of the petitioners parcel. Furthermore, in utilizing sales as evidence of value one needs to take into consideration in which utilizing statistical data to adjust those sale values to the assessment date as of the assessment year. In this case, the assessment date is January 1<sup>st</sup>, 2023. In any case where there is a sale one needs to consider existing market conditions and adjust those sale values according to that assessment date the Assessor's office has on the subject property which is considered 100% of true and fair value.

D. Scheel: I know somewhere in the property there is a creek that runs through. If it is considered a designated creek, it's about 18 inches wide and three inches deep. We get our water from a spring well box which basically just sits in ground. With this spring box we do not need a well on the property.

D. Scheel: I have one other question for you. You said you view property in the highest and best use of value, so if I drive through a new portion, I come across a vacant lot it will be appraised at the value if it had a brand-new commercial structure on it not as an available lot?

N. Longly: Because that would be the highest and best use of that property, the highest and best use must be considered with any parcel in how it should be utilized not in its current use, therefore if one is utilizing a piece of property for agricultural purposes, however based on current market, the highest and best use would dictate that the most money would occur in a fair market transaction by building a home on that parcel.

### DECISION

The Board, after carefully reviewing the information provided by the appellant and the information provided by the Assessor concludes that the appellant **has not** made an argument sufficiently clear, cogent and convincing to overcome the assessor's presumption of correctness.

Market value of the subject property is sustained at \$162,400 as of January 1, 2024.

**This order is submitted into the record of the Pend Oreille County Board of Equalization.**

Mailed on: September \_\_\_\_\_, 2023.

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Carl Jackson, Chair  
Pend Oreille County Board of Equalization

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Alicia Pereyda, Clerk

**NOTICE:** This Order can be appealed to the State Board of Tax Appeals by filing a notice of appeal with them at P.O. Box 40915, Olympia, WA 98504-0915, within 30 days of the date of mailing this Order. The Notice of Appeal form is available from either your County Assessor or the State Board of Tax Appeals <http://bta.state.wa.us>.

For tax assistance, visit <http://dor.wa.gov> or call (800) 657-7706. To inquire about the availability of this document in an alternate format or the visually impaired, please call (360) 486-2342. Teletype (TTY) users may call (800) 451-7985.

cc: Assessor, Petitioner, BOE file