

CHATTOOGA COUNTY
BOARD OF TAX ASSESSORS

Chattooga County
Board of Tax Assessors
Meeting of August 19, 2015

Attending: William M. Barker – Present
Hugh T. Bohanon Sr. – Present
Gwyn W. Crabtree – Absent
Richard L. Richter – Present
Doug L. Wilson – Present

Meeting called to order @ 9:04 a.m.

APPOINTMENTS: None

OLD BUSINESS:

I. BOA Minutes:

Meeting Minutes for August 12, 2015
BOA reviewed, approved, & signed

II. BOA/Employee:

a. checks
BOA acknowledged receiving

b. Emails:

1. Chattooga County / City of Trion – 2014 Sales Ratio Study
2. GA Department of Revenue MVD rate 2016, 2017, and 2018
3. GCP training updates
4. Budget Expenditures report period ending 7/31/2015

The BOA discussed salary and education being over budget.
BOA acknowledged receiving email

III. BOE Report: Roger to forward via email an updated report for Board's review. Please see attached Boeq report.

BOA acknowledged receiving email

a. Total 2013 Certified to the Board of Equalization – 63

Cases Settled – 63
Hearings Scheduled – 0
Pending cases – 0

b. Total 2014 Certified to the Board of Equalization – 53

Cases Settled – 53
Hearings Scheduled – 0
Pending cases – 0

c. Total 2015 Certified to the Board of Equalization – 28

Cases Settled – 15
Hearings Scheduled – 1
Pending cases – 12

d. Total TAVT 2013-2015 Certified to the Board of Equalization – 36

Cases Settled – 36

Hearings Scheduled – 0
Pending cases – 0

BOA acknowledged there are 0 hearing scheduled at this time.

IV. Time Line: Leonard Barrett, chief appraiser to discuss updates with the Board. Mr. Barrett explained there was an issue with the letter we received from the School Superintendant and he may have to issue a new letter and that we are waiting for the Tax Commissioner, Kathy Brown's system to get the consolidations and not sure if she will have to ask for another extension from the Department of Revenue.

NEW BUSINESS:

V. Appeals:

2014 Appeals taken: 171
 Total appeals reviewed Board: 171
 Pending appeals: 0
 Closed: 170
Includes Motor Vehicle Appeals
Appeal count through 8/18/2015

2015 Appeals taken: 95 (including 6 late appeals)
 Total appeals reviewed Board: 88
 Pending appeals: 7
 Closed: 65
 Includes Motor Vehicle Appeals
Appeal count through 8/18/2015

Weekly updates and daily status kept for the 2014 & 2015 appeal log by Nancy Edgeman.
 BOA acknowledged

VI. APPEALS:

a. Map/Parcel: S38-10
 Owner: Hurley, Sue & Fay
 Tax Year: 2015

Contention: Appealing value and uniformity

Determination:

1. The subject property is facing Highway 27; a .85 acre commercial tract and a 150 grade building with an area of 3,163 built in 2014.
2. The building is valued at \$95,260 or \$30.12 per sq. ft. and accessories valued at \$16,239 for a total improvement value of \$111,499.
3. The subject land has a unit price of \$917 valued at \$142,327 and approximately 138 front feet of display area for a price per front foot of \$1,017.
4. One property in the market study compares to the subject in location, use and construction type and sold for \$1,271,658 in 2014 compared to the subject's fair market value of \$253,826
 - The subject's price per sq. ft. at \$35 is lower than the comparable at \$68 per sq. ft. and the subject's land value per front ft. at \$1,017 is lower than the comparable's sales price per front ft. at \$11,869.
5. Upon reviewing tax records it was determined that the building is still recorded as incomplete due to

being visited in January, 2015 while under construction.

6. During a recent visit following up on the appeal process it was determined that a walk-in cooler was added where a deck/patio was recorded while under construction at the first of the year.

7. The recorded wall height while the building was under construction could not accurately be determined and was put in as 20 feet, now that the building is complete and using the laser measuring device for accuracy; the wall height measures 16 feet.

8. With the wall height correction, the value of the building decreases from \$95,260 to \$86,731 for tax year 2015; keeping in mind the building has an obsolescence code of incompleteness and the addition for the cooler which will be recorded for tax year 2016.

9. A comparison study was done using income data that was available from retail/commercial properties of any type that recently sold or leased in the city of Summerville from 2014 and 2015 tax year.

- The comparison study of retail/business properties that recently sold and/or leasing suggests an average gross rent multiplier of \$14.91.

- The study indicates an average lease price per sq. ft. of \$7.03 for income producing properties. The formula to calculate an estimated value for the subject is as follows:

- The comparables average lease price per sq. ft. of \$7.03 is multiplied by the area of the subject 3,163 sq. ft. for an estimated annual rent of \$22,235.89 then multiplied by average GRM of \$14.91 results in a total estimated value of \$331,537.12 indicating the subject being under valued.

10. The neighborhood study indicates:

- The subject building value falls at the low end of the range of neighboring commercial buildings of same type and commercial use with a median of \$127,070 and the subject at \$95,260.

- The subject's building price per sq. ft. at \$30 is at the low end of range with the median of comparables at \$40 per sq. ft

- The subject land value at \$142,327 falls at the low end of comparables with the median at \$166,750 and falling at the low end of the accessory values with the median at \$31,666 and the subject at \$16,239 and at \$167,444 per acre is slightly above the median price per acre of \$166,750

- The subject's price per front ft is \$1,017 falling above range of comparables with the median at \$819 and the highest at \$916 per front ft., however; the unit price for each is the same with a different depth factor indicating the subject is in line with comparables.

Recommendation:

1. Correct the wall height which decreases the building value to \$86,731, leave the land at \$142,327 and accessories at \$16,239 as notified and update the additions and revise construction to 100% complete for tax year 2016.

2. This results in a decrease in value from \$253,826 to a total fair market value of \$245,297 for tax year 2015.

Reviewer: Wanda A. Brown

Motion to accept Recommendation:

Motion: Mr. Wilson

Second: Mr. Bohanon

Vote: All voted in favor

b. Map/Parcel: S31-38-C
 Owner: AutoZone
 Tax Year: 2015

Contention: Appealing value and uniformity

Determination:

1. The subject property is located at 11021 Commerce St. a .78 acre commercial tract, 115 grade building with an area of 6,200 built in 1994.
2. The building is valued at \$103,785 or \$16.74 per sq. ft. and with accessories having an area of 19,086 sq. ft. valued at \$42,442 for a total improvement value of \$146,227.
3. The subject's assessed land value is \$129,694 with a unit price of \$1,027 and approximately 157 front feet of display area for a price per front foot value of \$826.
4. According to the study and including bank sales the median building value of 2014 sales is \$9 per sq. ft. and the median assessed value per sq. ft. is \$14.
5. In the study excluding bank sales, the estimated median sales per sq. ft. is \$13 and the assessed value per sq. ft. is \$17 indicating the subject falls in line at the higher end of similar properties.
6. Including bank sales, the median land value is \$5,810 per front. ft. with the lowest being \$965 per front ft. indicating the subject assessed at \$826 falling below sales comparisons.
7. After research of tax records for the subject and the property most like the subject as far as building structure, location and commercial use; the following was determined:
 - Both buildings are 115 grade with the same unit value and in close proximity to each other.
 - The breakdown of AutoZone indicates a 14 ft. wall height with 6,200 sq. ft and a price per sq. ft. of \$16.74 excluding accessories and the comparison property with a wall height of 12 feet and 7,000 sq. ft. and a price per sq. ft. of \$13.52 excluding accessories.
 - Appraisers visited both properties and updated property records for the subject and the comparison property including corrections on business type on one, construction types, then removing an open porch accessory and adding a canopy to the subject property.
 - The revisions do not decrease the value of the subject, however; it does bring uniformity to the subject and the same type commercial properties.
8. A comparison study was done using income data that was available from retail/commercial properties of any/all types that recently sold or leased in the city of Summerville from 2014 and 2015 tax year.
 - The comparison study of retail/business properties that recently sold and/or leasing suggests an average gross rent multiplier of \$14.91.
 - The study indicates an average lease price per sq. ft. of \$7.03 for income producing properties.
 - The formula to calculate an estimated value for the subject is as follows:
 - The comparables average lease price per sq. ft. of \$7.03 is multiplied by the area of the subject 6,200 sq. ft. for an estimated annual rent of \$43,586 then multiplied by average GRM of \$14.91 resulting in an estimated value of \$649,867 for the subject.

9. The neighborhood land study indicates the subject falling within range at the higher end of price per acre and the subject at \$907 per front ft. is above range of comparisons with the highest at \$838 per front ft and the median at \$797 per front ft.

10. The subject has a lower unit price than comparisons and records indicate the depth factor and land factor would increase the land value.

11. The land factor of the comparison property most like the subject was adjusted after the unit price calculation indicating obsolescence on that particular lot.

12. In this case there is a 25% difference in the subject and the comparison and research of tax records gives no indication to why this difference exists other than the attempt to adjust to get the sales price at the time and should have been removed the following year.

13. The study indicates the subject does have the same land codes as other comparisons, therefore; this indicates the subject code is in line and the property with the obsolescence code should be adjusted.

Recommendation: Suggesting the revisions be made for 2016 so that property values do not increase for 2015 resulting in the subject total fair market value remaining at \$275,921 and update with all commercial properties in tax year 2016.

Reviewer: Wanda A Brown

Motion to accept Recommendation:

Motion: Mr. Richter

Second: Mr. Wilson

Vote: All voted in favor

c. Map & Parcel: 57 21

Owner Name: Violet Klatt

Tax Year: 2015

Owners Contention: "A portion of the land is being used for farming along US Highway 27. The portion of the property west of the railroad is nearly inaccessible due to overgrowth of vegetation and has very little value. Wants land split out into 3 separate tracts".

Determination: This property is located on either side of Wal-Mart on Highway 27. In our system we show this property as C5, which is commercial large tract with 172 acres that fronts Hwy 27, Back Penn Road and Selman Drive. According to a survey done by Morrison & Associates June 26, 2014 indicates there are three separate tracts of land that make up this parcel. Tract 1 has 33.39 acres Tract 2 has 26.74 acres and Tract 3 has 159.52 acres for a total of 219.65 acres. There is a difference of 47.65 acres in our records and what the survey indicates. After consulting with Kenny on the acreage difference we found the following:

- 1- Front footage is incorrect in our records, we have 2752 front feet survey indicates only 2381 front feet (371 feet different)
- 2- The back acreage (Tract 3) is classed incorrectly per unit price.

The comps used are adjoining properties; Murphy Oil front foot value \$1,412.00, Cato's front foot value \$1,652.00 and Wendy's front foot value \$1,607.00 average value per front foot of \$1,557.00. The Klatt property currently has a value per front foot of \$1,518.00. Property owner asked for a Total Fair Market Value of \$602,000.00 on this property. A portion of this land is currently being leased out and farmed by Loughridge Farms. A representative for the Klatt's called about filing an appeal. At that time I told and explained to them the Conservation Covenant and that it would give them a tax break. The representative agreed this would be a good thing to do with this property and ask that I send them info on it. I mailed

them an appeal form along with info and a form for the covenant. They mailed the appeal back to me with a \$12.00 check for the covenant but the covenant application was not mailed back. I made several attempts to contact the representative by mail, e-mail and phone. I did speak to a Mr. Winchester and explained what was going on and he said he would take care of this. I never heard from anyone. With BOA approval I mailed the check back with an explanation stating we never received the covenant application. Our records have been changed in future year to reflect the changes in acreage and unit price and also split the property into three tracts. By doing this it will bring the Total Fair Market Value of the 3 tracts to \$3,349,238.00 which is a decrease of \$92,068.00. There would need to be a refund for 2012, 2013 and 2014 and a corrected tax bill for 2015.

Recommendation: I am recommending correcting the info in our system and do a refund for 2012, 2013 and 2014 and correct the 2015 tax bill. I am not recommending the value be lowered any more as the owner had the opportunity to put the land under the covenant.

Reviewers Signature: Cindy Finster

Motion to accept Recommendation:

Motion: Mr. Wilson

Second: Mr. Richter

Vote: 2 voted yes, 1 voted no

d. Owner Richard Lee Miller

Vehicle: 2013 GMC Yukon XL 1500

Tax Year: 2015

Owner's Contention: State has valued vehicle for more than NADA says its worth.

Determination:

1. The mileage on the vehicle was 63,500 at the date of purchase.
2. The purchase price according to the bill of sale is \$31,625.00
3. The Vehicle is a 2013 GMC Yukon XL K1500 SLT in excellent condition. (See pictures in file)
4. The state value is \$34,650.00.
5. The NADA shows clean retail as \$31,200
6. Kelley Blue Book shows fair purchase price as \$32,790, Suggested Retail price as \$33,690, and High market Range is \$36,113 based on good and better condition.

Recommendations: I recommend using the state value per O.C.G.A 48-5C- 1(a)(1)(A) and leaving the Ad Valorem tax as is.

Reviewer: Nancy Edgeman

Motion to accept Recommendation:

Motion: Mr. Wilson

Second: Mr. Bohanon

Vote: All voted in favor

VII: MISC ITEMS:

a. Appeal Waiver & Release – TS Summerville LLC – Map & Parcel S38-21 – Tax Year 2015.

Needs Chairman, Mr. Barker's signature

Mr. Barker signed

b. Envelope from Commissioner Winters for Doug Wilson.

Mr. Wilson acknowledged receiving envelope

c. Acknowledgement of Hotel reservations for Mr. Wilson, Mr. Richter, & Mr. Barker

Mr. Wilson, Mr. Richter, & Mr. Barker acknowledged

d. Per recommendation from Department of Revenue, I am requesting approval to include the Errors and Release Policy as part of the Board of Assessors policy. NE

Item on hold pending revision and approval of policy

e. Requesting approval to transfer the 2015 Digest information to the Tax Commissioner, Kathy Brown. NE

Motion to approve and transfer the 2015 Digest information to Tax Commissioner, Kathy Brown:

Motion: Mr. Wilson

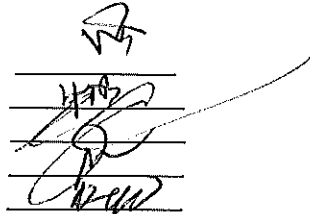
Second: Mr. Bohanon

Vote: All voted in favor

The Board of Assessors approved the 2016 budget in the amount of \$359,160.00 and with approval from the Board Mr. Wilson hand delivered the 2016 budget proposal to Commissioner Winters office.

Meeting Adjourned at 10:14 a.m.

William M. Barker, Chairman
Hugh T. Bohanon Sr.
Gwyn W. Crabtree
Richard L. Richter
Doug L. Wilson



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