

CHATTOOGA COUNTY
BOARD OF TAX ASSESSORS

Chattooga County
Board of Tax Assessors
Meeting of August 1, 2018

Attending: William M. Barker – **Absent**
Hugh T. Bohanon Sr. – **Absent**
Richard L. Richter – Present
Doug L. Wilson – Present
Betty Brady - Present
Nancy Edgeman – Present
Kenny Ledford - Present

Meeting called to order at 9:02 am by **Mr. Richter as Acting Chairman due to the absence of Chairman, Mr. Barker and Vice Chairman, Mr. Bohanon.**

APPOINTMENTS: None

OLD BUSINESS:

I. BOA Minutes:

Meeting Minutes for July 25, 2018

BOA reviewed, approved, & signed

II. BOA/Employee:

a. Checks

BOA acknowledged receiving

b. Emails:

1. Weekly Work Summary

BOA acknowledged receiving

III. BOE Report: Nancy Edgeman to forward via email an updated report for Board's review.

Total TAVT 2018 Certified to the Board of Equalization – 2

Total 2018 Real & Personal Certified to Board of Equalization - 19

Cases Settled – 2

Hearings Scheduled –15

Pending cases –15

One pending 2015 Appeal to Superior Court for Map & Parcel 57-21

IV. Time Line: Nancy Edgeman to discuss updates with the Board.

Finishing up appeals.

NEW BUSINESS:

V. APPEAL:

2018 TAVT Appeals taken: 2

Total appeals reviewed Board: 2

Pending appeals: 0

Closed: 2

2018 Real & Personal Appeals taken: **74**

Total appeals reviewed Board: 63

Pending appeals: 11

Closed: 12

Weekly updates and daily status kept for the 2018 appeal log by Nancy Edgeman.

BOA acknowledged

VI: APPEALS

a. Map & Parcel: 17-9-B

Owner Name: Corbin, II Randall Lester & Jamie Lynne

Tax Year: 2018 appeal

Appraiser notes: Field visit to property located at 879 Mcwhorter Road was made on 7/23/18. Current value of home is \$83,585. Current TFMV is \$94,904.

Owner's Contention: Value high.

Owner's Value Assertion: \$70,000

Determination:

1. Field inspection revealed that the grade of home should be adjusted from 100 to 90 and physical condition should be set at 92%. The addition over open porch was also incorrectly sketched. Application of these changes and appropriate factors reduces the value of the home by \$24,099 from \$83,585 to \$59,486.
2. An equity comparison of 5 homes throughout the county indicated that after noted adjustments the subject's per sf. value of \$34.50 is in line with the comparables. The comparable's median value per sf. is \$35.48 and the average is \$35.84. The adjusted comparable's value after changes to match subject is \$36.08 per sf.
3. A land equity study of neighboring and similar properties indicates the subject's per acre value of \$4,620 is above the comparable's median per acre value of \$3,798 and above the average of \$3,690.
4. A land sales study of small acre tracts in the same market area indicates the subject's land value of \$4,620 is above the median sale price of \$3,306 and average sale price of \$3,403. A land sales study of small acre tracts in the surrounding area indicates the subject's land value of \$4,620 is above the comparable's median sale price of \$2,653 and average sale price of \$3,018. In consultation with Kenny Ledford it was agreed that subject's per acre value should be adjusted to approximately match the median sales price of small tracts in this market area; which is \$3,306 per acre.
5. Application of adjustments to the home for a value of \$59,486 and adjustments to the land for a value of \$8,100 gives a TFMV of \$67,586.

Recommendations: We recommend application of changes listed above for a TFMV of \$67,586.

Reviewer: Randy Espy

Reviewer: Wanda Brown

Motion to accept recommendation:

Motion: Mr. Wilson

Second: Mrs. Brady

Vote: All that were present voted in favor

b. Map & Parcel: 18-35

Owner Name: Thomas, L. M. Jr. c/o James Thomas

Tax Year: 2018

Appraiser notes: Field visit was made on 7/23/18. Current accessory value is \$43,033. Current TFMV is \$1,188,112.

Owner's Contention: Accessory buildings too high.

Owner's Value Assertion: \$1,154,140

Determination: Field inspection by 2 appraisers indicates grade and physical of buildings are accurately recorded. Equity studies done for each type of building listed indicate all accessory values are in line with buildings of the same grade and physical condition.

Recommendations: I recommend no changes to values for tax year 2018; the TFMV is to remain at \$1,188,112.

Reviewer: Randy Espy

Reviewer: Wanda Brown

Motion to accept recommendation:

Motion: Mr. Wilson

Second: Mrs. Brady

Vote: All that were present voted in favor

c. Map & Parcel: 17-9-T12

Owner Name: Corbin II, Randall Lester and Jamie Lynne

Tax Year: 2018

Owner's Contention: Buildings valued too high

Value Assertion: \$270,000 (not on appeal form)

Determination:

1. The subject property's location is 967 McWhorter Rd, Menlo on 61.74 acres with 59.74 in an agricultural covenant that began in 2013.

2. According to records in 2016 prior to the 2016 sale, the total fair market value was \$569,039 with an improvement value of \$24,896 land value of \$137,336 and an accessory value at \$406,807.

3. During the sale review, there were accessories added with updates to records for 2017, however; the new owner received the sales price of \$270,000 in accordance with GA code law for the first year after a sale.

4. The sales price came off for 2018 and the accessories and updates applied to 2018 bringing the total fair market value to \$667,233 mainly due to the updates on accessories increasing from \$406,807 prior to sale to current \$491,183 as follows:

--Additions: Farm Shop, \$14,658, Hay Barn/Pole Shed \$20,258, several different Implement Sheds totaling \$6,257, litter bin \$25,707, the egg room dimensions corrected increased value from \$41,803 to \$50,164 (\$8,361) then later a grain bin added value of \$9,136 = \$84,377 total accessory value increase added to the original before sale value of \$406,807 = \$491,184 current 2018 value.

5. Due to the conversion for Chattooga County, a comparison study for the unequipped poultry houses was conducted including price per sq. ft. values from several counties in Georgia along with research and a study from the University of Georgia for estimated values.

--This study indicates that layer poultry houses like the subject have an average of \$5.11 per sq. ft and a median of \$4.54.

--Poultry house layers in the study with identified year built around 2006 like the subject are \$4.45 per sq. ft.

--Based on research and the comparison studies, the subject poultry houses would be more in line with a decrease from \$5.62 per sq. ft. to the median of \$4.54 per sq. ft. for an approximate value of \$78,681 each.

--In addition the price per sq. ft. on the egg room of the subject is \$13.57 and we received one comparison in the study valued at \$11.5 per sq. ft. Using \$11.5 per sq. ft. would adjust the subject egg rooms to approximately \$21,143 each.

6. Per appeal field visit the follow adjustments were made:

--The grade and physical on the 14x18 and 14x20 implements sheds were changed to 60/60 like the other implement sheds.

--The hay barn/pole shed that's connected to the farm shop was corrected to 6800 sq. ft. and the grade adjusted to 90.

--The farm shop grade was adjusted to 90.

--Grain bins were corrected to reflect \$0 value

--The 10x13 UTB's corrected to equipment buildings with a grade and physical of 100.

7. The house on the property was reviewed and changed to an 80 grade and due to the conversion with Wingap calculation brings the value to \$26,972 and the land is in covenant with values set by the State.

Recommendation: Suggesting the Board of Assessor's approve setting the poultry house values at approximately \$78,681 each, making adjustments to the implements sheds, egg rooms and house and due to conversion adjusting to the Wingap calculations for a total fair market value of \$588,767 for 2018 tax year.

Reviewers: Wanda Brown and Randy Espy

Motion to accept recommendation:

Motion: Mrs. Brady

Second: Mr. Wilson

Vote: All that were present voted in favor

d. Map & Parcel: 50-57-2, acct #461

Owner Name: Mohawk Industries, Image Division – Personal Property

Tax Year: 2018

Owner's Contention: Plant is currently experiencing a declining level of production and is not operating at full capacity.

Value Assertion: 13,000,000

Determination:

1. The subject is personal property for the Mohawk Summerville plant located off Hwy 100 and John Bankston Drive, Summerville.

2. Research of the United States Securities and Exchange Commission gives a list of financial data and market information for Mohawk properties worldwide which is available with Mohawk's 2017 annual report.

--In the report under Note 1. Summary of Significant Accounting Policies, paragraph (d), page 33 is accounting method used as follows:

--The Company accounts for all inventories on the first-in, first-out ("FIFO") method. Inventories are stated at the lower cost or net realizable value. Cost has been determined using the FIFO method.

--According to the Department of Revenue and our standard guidelines, the same method (FIFO) is used for assessment of inventory in accordance with Civil Action No. B-629-7.

3. Further research on a variety of search engines gives information for the Summerville plant from 2015 to present day. Although this information does not particularly describe the operating capacity of the Summerville facility, it does indicate full operation as follows:

--Mohawk is leasing the Summerville site's roof space to Constellation, which will own and operate solar panels.

--In addition to the world's largest integrated plastic bottle recycling facility at Summerville, Mohawk is pursuing its goal of reducing overall energy....

--In addition, the Mohawk website for carpet distribution indicates current and active job postings for the Summerville plant as recent as July 24, 2018.

4. The Board of Assessor's approved the returned values according to State schedules which was sent in by Mohawk prior to assessment notices being mailed.

--The taxpayer's returned value was \$15,279,461.

--The total returned value according to schedules is \$21,827,804 and was Board approved.

--The total exempt of that is \$13,806,129 leaving \$8,021,675 that is taxable and less than their appeal assertion of \$13,000,000.

--Of the \$8,021,675 only \$871,813 is inventory (spare parts) which is taxable by Georgia law and the remaining value is machines and equipment reduced from \$19,766,400 to \$7,149,862 in accordance with the depreciation codes set by the State.

5. There was an attempt to contact the subject's representative to discuss setting up an appointment to physically visit Mohawk's Summerville location and we've had no response at this time.

Recommendation: Suggesting the Board of Assessor's maintain Mohawk's Summerville facility's returned value in accordance with schedules set by the State at a total fair market value of \$21,827,804 for tax year 2018.

Reviewer: Wanda Brown

Motion to accept recommendation:

Motion: Mr. Wilson

Second: Mrs. Brady

Vote: All that were present voted in favor

e. Map & Parcel: 50-57-2, acct #461

Owner Name: Mohawk Industries, Image Division – Personal Property

Tax Year: 2018

Owner's Contention: Plant is currently experiencing a declining level of production and is not operating at full capacity.

Value Assertion: 35,000,000

Determination:

1. The subject is personal property for the Mohawk Lyerly plant located off Hwy 114, Lyerly.
2. Research of the United States Securities and Exchange Commission gives a list of financial data and market information for Mohawk properties worldwide which is available with Mohawk's 2017 annual report.

--In the report under Note 1. Summary of Significant Accounting Policies, paragraph (d), page 33 is accounting method used as follows:

--The Company accounts for all inventories on the first-in, first-out ("FIFO") method. Inventories are stated at the lower cost or net realizable value. Cost has been determined using the FIFO method.

--According to the Department of Revenue and our standard guidelines, the same method (FIFO) is used for assessment of inventory in accordance with Civil Action No. B-629-7.

3. Further research on Georgia Department of Community Affairs gives information for the Lyerly plant and although this information does not particularly describe the operating capacity of the Lyerly facility, it does indicate strong operation.

--In 2011, the City of Summerville and the Town of Lyerly were awarded \$500,000 in EIP grant funds to assist with public water line system improvements to serve Mohawk Industries, Inc.'s existing Lyerly facility location.

--In order for Mohawk's Beck Dye House to remain in operation in Lyerly, the Company needed access to 1,000,000 gallons per day. The improvements enabled the Company to retain full-time permanent jobs and as a result of the water systems improvements, the Company was able to maintain its Beck Dye House operations and invested an additional \$1,000,000 in new equipment for the Beck Dye House.

--As indicated on the return, there is a value increase for equipment in group two, schedule A in 2011 that supports the DCA report.

4. The Board of Assessor's approved the returned values according to State schedules which was sent in by Mohawk prior to assessment notices being mailed.

--The taxpayer's returned value was \$40,000,000.

--The total returned value according to schedules is \$49,584,683 and was Board approved.

--The total exempt of that is \$30,580,703 leaving \$19,003,939 that is taxable and less than their appeal assertion of \$40,000,000.

--There's \$30,301 in spare parts and supplies inventory which is taxable by Georgia law and the remaining value is machines and equipment and construction in progress (CIP); reduced from \$50,237,046 to \$18,973,638 in accordance with the depreciation codes and market factor set by the State.

5. There was an attempt to contact the subject's representative to discuss setting up an appointment to physically visit Mohawk's Lyerly location and we've had no response at this time.

Recommendation: Suggesting the Board of Assessor's maintain Mohawk's Lyerly facility's returned value in accordance with schedules set by the State at a total fair market value of \$49,584,683 for tax year 2018.

Reviewer: Wanda Brown

Motion to accept recommendation:

Motion: Mr. Wilson

Second: Mrs. Brady

Vote: All that were present voted in favor

f. Property: P04--9

Tax Payer: PATEL, PRAVIN

Year: 2018

Contention: Appealing FMV of two accessory structures

- a 24x47 UTB 2018 tax appraisal = \$6,633
- a 23x37 Lean-To 2018 tax appraisal = \$1,336

2018 Tax appraisal on property as a whole = \$262,802

Determination:

1. The parcel in question is the location of the Sequoyah Motel in Pennville.
2. The Appellant's asserted value for these accessory structures is \$2,500.
3. For 2017 the five accessory structures on this parcel totaled \$8,777 (FMV). For 2018 the tax appraisal on these same five structures increased to \$11,894.

2017		2018	
3x8 Lean-To	26	3x8 Lean-To	38
23x37 Lean-To	849	23x37 Lean-To	1,336
Asphalt Paving	3,392	Asphalt Paving	3,511
8x8 UTB	273	8x8 UTB	376
24x47 UTB	4,237	24x47 UTB	6,633
8,777		11,894	

4. Reason for value change: adjustment in schedule values when changing from GSI to WinGAP.
5. At 1,128 [/] (24x47) the utility building is appraised at \$5.88 per SQFT. At 851 [/] the lean-to is appraised at \$ \$1.57 per SQFT.
6. EQUITY
 - a. 1,128 [/] UTB.
 - In comparison with all known code 84 UTBs in excess of 899 [/] (23), the SUBJECT ranks as the 11th highest per SQFT value.
 - The mean per SQFT value of this sample is \$6.57; the median is \$6.08
 - In comparison with all known code 84 UTBs in excess of 899 [/] graded below 95 (the SUBJECT is graded at 60) the SUBJECT ranks as the 11th highest per SQFT value (out of 17).
 - The mean per SQFT value of this sample is \$5.39; the median is \$5.17
 - b. 851 [/] Lean-To
 - In comparison with 18 code 42 Lean-Tos, 800 to 1,000 [/], physical condition factor from 50% to 100% (the SUBJECT is at 80%), the SUBJECT ranks as the 11th highest per SQFT value.
 - The mean per SQFT value of this sample is \$1.83; the median is \$1.73.

7. MARKET

Chattooga has no ready market for lean-tos. Likewise, the ready market for utility buildings seems to support smaller but higher grades. Therefore a market analysis was not done for these structures.

Recommendation:

1. Leave the 2018 appraisal of these structures unchanged.
2. Forward this appeal to the county Board of Equalization

Reviewer: Roger F Jones

Motion to accept recommendation:

Motion: Mr. Wilson

Second: Mrs. Brady

Vote: All that were present voted in favor

g. Property: 50C--36 a residential property
Tax Payer: HARDIMAN, ALFRED JR
Year: 2018

Contention: Asserting a value of \$100,000 due to physical deterioration and defects of the house (see appeal form for details)

2018 tax appraisal \$289,620

Determination:

1. History
 - a. 2017 value per 2015 BoEQ decision setting value at \$160,000.
 - b. Appellant's purchased property in 2010 for \$104,500. Per O.C.G.A §48-5-2(3) this value was applied as the property's fair market value for tax year 2011.
 - c. For tax year 2012 tax appraisal was set at \$210,108. Upon appeal value was adjusted to \$182,369 by the County Board of Equalization.
 - d. Per Remarks in the GSI data base, the appellant has filed appeals for years 2012, 2013, 2014, and 2015. In 2015, the BoEQ adjusted the value of this property to \$160,000.
2. Per Appellant: "Plumbing system is deteriorated – only 1 toilet usable. Ceiling in basement has water damage. Air Conditioning system broken; only works on ½ of house. Neighboring parcel has been clear-cut; fence damaged from logging."
3. Field visit
 - a. Randy Espy visited this property 04/06/2017. Reports: "Added patio-Adjusted physical condition for roof repair and some interior repair (repair of some ceiling damage and repair of large great room).
 - b. Physical condition factor per observed physical condition is 0.83.
4. Sales Study
 - a. A trended sales study (2010 to 2017) returned 15 sales.
 - 105 to 115 grade
 - Year built 1970 to 1980
 - Heated living area from 2,000 SQFT to 5,000 SQFT.
 - b. Findings
 - Unit sales price (sales price divided by HLA of house) ranged from \$24.48 to \$109.44. The SUBJECT'S unit value (total parcel FMV divided by HLA is \$69.04.
 - The Mean & Median Unit selling prices of these samples were \$53.67 \$53.65 respectively.
 - The SUBJECT is valued within the range of sales price / SQFT HLA, but in the top third of that range.
5. Equity Study
 - a. Those same 15 properties were used in a comparison of unit values (total property FMV divided by HLA).
 - b. Findings
 - The SUBJECT'S unit value is \$69.04; the mean and median values returned in this study were \$68.70 and \$67.79 respectively.

- The SUBJECT appears to be appraised equitably with similar properties.
6. The size of the SUBJECT house may be part of the issue. At almost 4,200 SQFT (not counting the basement area) averages approximately 1,700 SQFT larger than the other homes used in these studies. At \$69.04 per SQFT that additional 1,700 adds approximately \$117,000 to the total property value.

Currently the WinGAP residential building schedules make size adjustments up to 3,000 SQFT; beyond that size no further adjustments are made.

Recommendation:

1. The fence is not included in the tax appraisal, so the no adjustment should be made for this.
2. A 6% functional obsolescent factor is recommended to adjust for the AC and plumbing issues the Appellant describes. This adjustment will result in a unit value of \$65.21. This will be below the mean and median unit values in the equity study, but still in the top third of the sales study.
3. Recommended tax appraisal for 2018 is \$273,553

Reviewer: Roger F Jones

Motion to accept recommendation:

Motion: Mrs. Brady

Second: Mr. Wilson

Vote: All that were present voted in favor

h. Map & Parcel: Patrick Groover

Owner Name: 24-45

Tax Year: 2018

Owner's Contention: Brought in his income before April 1st, 2018 to go with his January 19, 2018 over 70 exemption application. Contesting denial of exemption only.

Owners Asserted value: \$89,994

Determination:

1. Mr. Groover has an S4 on his account which is an age 65 exemption.
2. The 2018 age 70 and older exemption file contained an application dated 1/19/2018, property record card, a copy of his license to verify his age, and a sticky note that read "will bring in income when taxes are complete".
3. Mr. Groover brought in income documentation when appeal form was taken on 7/17/2018.
4. According to Mr. Groover's tax return he is not eligible for the age 70 exemption. (See taxes in file).

Recommendations: I recommend denial of exemption due to incomplete application for 2018.

Reviewer: Nancy Edgeman

Motion to accept recommendation:

Motion: Mr. Wilson

Second: Mrs. Brady

Vote: All that were present voted in favor

i. Map & Parcel: Subligna Baptist Church Inc

Owner Name: 83A-31

Tax Year: 2018

Owner's Contention: Someone donated some property that joins the church. Church paid taxes last year because they acquired the property in the middle of the year. He's saying it should be non profit and wants tax exempt due to a church.

Owners Asserted value: \$0

Determination:

- 1. Property joins Subligna Baptist Church Inc. with a TFMV of \$23,057.
- 2. Property is grown up with two dilapidated buildings with a value of \$15,416.
- 3. The buildings should be sound valued to Zero leaving a TFMV of \$7,641 with estimated tax at \$88.75.
- 4. Per O.C.G.A. 48-5-41(2.1)(B) **(2.1) (A)(B)** All places of religious worship.

(B) All property owned by and operated exclusively as a church, an association or convention of churches, a convention mission agency, or as an integrated auxiliary of a church or convention or association of churches, when such entity is qualified as an exempt religious organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and such property is used in a manner consistent with such exemption under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended;

- (3)** All property owned by religious groups and used only for single-family residences when no income is derived from the property;
- (4)** All institutions of purely public charity;

Recommendations: I recommend sound valuing the buildings to zero and leave land value at \$7,641. I recommend denial of exempt status request per consult with Department of Revenue and O.C.G.A. 48-5-41**(2.1) (A)(B)**. Property is adjacent to Church and is not used for religious purposes.

Reviewer: Nancy Edgeman

Motion to accept recommendation:

Motion: Mrs. Brady

Second: Mr. Wilson

Vote: All that were present voted in favor


VII: INVOICES


- a. Office Depot** – Acc #24824970 Date 7/30/2018 Amount \$128.89
 - b. LexisNexis** – inv #03748170 Due date 8/17/2018 Amount \$ 15.36
 - c. Lexis Nexis** – inv #03748189 Due Date 8/17/2018 Amount \$15.36
- BOA Reviewed, approved & signed items a-c**


The BOA discussed the 2019 Budget and field work.


Meeting Adjourned at 10:30am


- William M. Barker, Chairman
- Hugh T. Bohanon Sr.
- Richard L. Richter
- Doug L. Wilson
- Betty Brady











Chattooga County
 Board of Tax Assessors
 Meeting of August 1, 2018