

Monday, April 9, 2018
11:30 a.m.

Newkirk, Oklahoma

The Kay County Equalization Board met in Special session at 11:30 o'clock a.m. on Monday, April 9, 2018, in the Commissioners Court of the Kay County Courthouse in Newkirk, Oklahoma. Notice of the meeting was posted on the 5th day of April, 2018, at the Courthouse front door, Commissioners Court, and basement handicapped entrance of the Kay County Courthouse in Newkirk, Oklahoma.

Chairman J. C. Estes called the meeting to order. Those present were as follows: John G. Krider, Vice-Chairman; Joe R. Cary, Member; Susan Keen, Kay County Assessor and Deputies Janell Leaming, Perry Ford and Nic Stuart; John Savage with Savage, Savage, & Brown; Claude Williams, Taxpayers for Transparency; Tammy Reese, Secretary/Kay County Clerk. (See sign-in sheet).

Motion was made by Krider and seconded by Cary approving special session meeting minutes of April 2, 2018. Motion carried: Cary, aye; Estes, aye; Krider, aye.

Formal appeal on hearings with Savage, Savage and Brown and the County Assessor's office:

Mr. John Savage started the hearing off by stating Atwood's in Ponca City is an Oklahoma based company and competes with Walmart, Lowe's and Tractor Supply. He said land was bought in 2014 for \$381,000 and the building was built for approximately \$2 million (\$53.92 per ft.). Mr. Savage said he wanted the valuations to be based on market value and stated there was no way Atwood's would sell for \$4 million; he said he wanted to be on the same level as the other retail companies he mentioned earlier. Mr. Savage noted he was requesting an amended valuation of \$3,118,480, since turning in his formal appeal value request of \$3,238,189.

Mr. Perry Ford from the Assessor's office began by saying his office uses the Cost Approach for warehouse discount stores. He used comparisons with Enid, Stillwater and Cushing and told these stores were a lot older buildings. Ford explained when the 2017 valuations were made the Assessor's office did not include all of the miscellaneous values, such as the concrete paving and greenhouse, so when setting the 2018 valuations these situations were taken into consideration.

Mr. Savage stated the numbers presented by the Assessor's office on the Enid location was before depreciation; he also noted the Stillwater and Cushing stores were built for under \$40 per foot. Savage expressed that the Enid facility had different departments, such as an office and warehouse with unfinished ceilings and that explains why the valuations for the Enid facility is higher and not comparable to the Ponca City facility.

Again, Ford stressed these were older buildings (built in the 80's). He stated the valuations were done by a Cost Approach and Atwood's was classified as a retail store. Lowe's and Tractor Supply were classified as a discount store. Ford said it was appraised with a 16% economic obsolete depreciation.

Mr. Savage stated the store was being classified wrong and it should be classified as a discount store and the valuations should be considered a discount store not a retail store.

Ford said he didn't use the Income Value Pro-Forma because of lack of information. He did state he used comparison from the other Atwood Stores and used Cost Approach from Marshal Swift to arrive at current cash value of \$4,093,003 is fair.

Ford provided to the Board a Cost Approach report based on a warehouse and big box. These values are comparable to the current value.

No action was taken by the board on this hearing. Chairman Estes said the board would take time for further review and after a discussion is made each party will be notified by the County Clerk of the board's decision.

Motion was made by Cary and seconded by Krider to adjourn (12:24 p.m.). Motion carried: Cary, aye; Estes, aye; Krider, aye.

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Approved this day of , .

J. C. ESTES, CHAIRMAN

JOHN G. KRIDER, VICE-CHAIRMAN

JOE R. CARY, MEMBER

ATTEST:

TAMMY REESE, COUNTY CLERK
COUNTY OF KAY, STATE OF OKLAHOMA
SECRETARY, COUNTY EQUALIZATION BOARD
(SEAL)
