

Monday, April 23, 2018
1:30 p.m.

Newkirk, Oklahoma

The Kay County Equalization Board met in Special session at 1:30 o'clock p.m. on Monday, April 23, 2018, in the Commissioners Court of the Kay County Courthouse in Newkirk, Oklahoma. Notice of the meeting was posted on the 18th 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, Nic Stuart and Valerie Reyes; Roy Dietrich and Adrienne Fritz, Newkirk; 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 9, 2018. Motion carried: Cary, aye; Estes, aye; Krider, aye.

Formal appeal on hearings with Roy Dietrich, Taxpayer and the County Assessor's office:

Mr. Roy Dietrich began his presentation by questioning the board regarding their position and he said this was an informal protest. Chairman J. C. Estes explained to Mr. Dietrich that he had filed an Informal Protest and then filed a Formal Appeal to meet with the Board of Equalization. The first articles Mr. Dietrich presented to the board were a Deprivation of Rights under Color of Law and Conspiracy against Rights which Ms. Fritz (an attendee with Mr. Dietrich) told documents were from the United States Department of Justice. Estes asked Mr. Dietrich what basis he was presenting these articles. Mr. Dietrich said these papers state where your authority ends and informs you decisions you make could back fire against you. He went on to say he understands he should pay taxes but his taxes were increased 400% by the Assessor. Mr. Dietrich said when visiting with their office he was told the taxes were figured by what he paid for the home according to market value. He told where the resources came from making it possible for him to purchase the home and told of his hardships. Mr. Dietrich said the county should not be an extortion racket. Ms. Fritz presented tax information for tax year 2017 showing the taxes due on the property he purchased was \$423.00. She said Dietrich purchased the property February 2017 and when he received the tax statement notification (2018) the tax amount was \$1,581.00; she said there is no justification for this increase. Estes told Dietrich he had five more minutes if he had additional comments. Dietrich said he felt this was adequate information and told about his law enforcement connections he had in Oklahoma City. He stressed again to the board that if they break the law and overstep their bounds there would be ramifications. Then he began describing his property and the improvements and used a couple of other properties with more improvements as a comparison, but said taxes are not comparable. Ms. Fritz mentioned features that should also be taken into consideration are the close proximity to trains passing by; Newkirk livestock auction has pastures across the street that come with unpleasant smells and noise. She said this is not a selling point. Ms. Fritz told about a section of town not far from Dietrich's home that has rundown homes; she said all these mentioned things would bring the valuation of the home down.

Nic Stuart spoke on behalf of the Assessor's office. Mr. Stuart said first of all we do mass appraisal not individual appraisal. We put it on for what he paid for it (\$150,000) like we do for everyone in the county, this is our standard procedure. He asked the board to refer to their folder, and stated he had two comparisons of houses built in the same time frame and same square footage. He noted the acreage is slightly different with Dietrich having a little more than the others. Stuart said Mr. Dietrich house is on for \$47.82 per square foot, one home is \$59.60 and the other is \$57.38 noting Mr. Dietrich's house is lower than the comparable around him. He said we do price per square foot, like an insurance company would evaluate a house per say, minus depreciation. Stuart said concerning the past taxes we always put on for the sale price of the house and it goes up 3% a year according to law. The reason there was such a disparity between 2017 and 2018 taxes is because the past owner had a freeze on the property which freezes the property value and that freeze was put on in 2002 so there was no value increase for 15 years. However, the market was going up but the past owner's stayed the same because of the freeze. That explains the big jump between tax years. Stuart reiterated that this is their standard procedure for every property owner in the county. Estes said when the property sold and changed owners taxes can be paid according to market value. Stuart said what people pay for their home is what we use to set the market value and we feel we are completely in line. It stated this is in line with their taxes and insurance as well. Cary said the value that was there the year before has nothing to do with real value. Stuart answered the value had been frozen for 15 years. Cary questioned the determination on the value is always considered by the selling price of the property. Stuart answered that the selling price of the property is the back bone of the whole system. Estes asked if the comparable on the other mentioned properties have sold.

Monday, April 23, 2018
1:30 p.m.

Newkirk, Oklahoma

Stuart said two other places have sold one in 2017 and the other in 2015; he had pictures and information regarding these comparable in the materials he presented to the board. Cary mentioned the feed lots and railroad have been there a long time and was there before the property was purchased by Dietrich. Stuart noted the past owner purchased the property in 1995 and the freeze was put on in 2002. It was noted the past owner paid \$66,000 and Dietrich purchased for \$150,000.

Mr. Dietrich stated Stuart is trying to justify why he is charging that amount of taxes; he said he would be on hardship at this amount. Mr. Dietrich went back to the federal law stating the assessor's office cannot do this and yet they are still doing it. He continued to say he cannot pay this amount in taxes. Dietrich then referred to the economy, government spending and said this cannot continue without collapsing. Estes asked Mr. Dietrich when he looked at the property if he took these things into consideration before purchasing. Mr. Dietrich said he saw what the taxes had been and thought it was doable. Cary stated that was unfortunate and somewhat misleading. He said if a freeze had not been on the property the valuations would have been increasing over the years. Cary said the selling price determines the value of property and asked Mr. Dietrich if he felt he got a fair value when he purchased. Mr. Dietrich stated he could afford the house but did not realize this organization would increase the taxes to the point where he could not stay in his home. He pointed out the law he presented the board with was there for a purpose and felt the board was ignoring and told them they would regret the day they break federal law. Ms. Fritz questioned the 2002-2017 freeze on the property and stated no improvements have been made to the property. Mr. Estes said let's ask the assessor's office to explain what constitutes and how you qualify for a freeze.

Mr. Stuart explained how you qualify is income driven, financial statements and if you are under a certain amount you can qualify. Mr. Cary asked how the past owner was able to freeze. Stuart stated by statute is how it is determined and noted the freeze was also offered to Mr. Dietrich. He said anyone over 65 years of age can apply. Stuart said the problem Mr. Dietrich had with it is because it would freeze at the current value. Stuart explained when the past owner sold that freeze amount came off and is put on at the sale price the new owner purchased it for (according to statutes); he said this is how we operate for every person in the county. Estes said when you re-evaluate it is done on the basis of state requirement and is done every four years along with an analysis. Stuart said in the folder that was presented there is an appraisal done by Marshal Swift on the basis of computer system and it has the appraisal for their house. Cary noted the values are not set by the owner's income or financial ability.

Mr. Dietrich asked if any of the board members remembered what law he started off with and stated he is talking about justice.

Nic Stuart said he had followed and obeyed the laws. Assessor Susan Keen said the office obeys the state statutes, constitution and the laws of Oklahoma on how to evaluate properties. She noted the laws have been in place for a long time. Mr. Dietrich said the federal laws override the local codes.

John Krider asked if when he bought the house was it appraised at \$150,000. The Assessor is appraising the house for what you paid for it but yet you think it is too much.

Ms. Fritz asked if they qualified for the freeze would the taxes be dropped back to \$423. Ms. Leaming, Deputy Assessor told it was not owned by the Mr. Dietrich as of January 1, 2017 and briefly explained the process.

The conversation continued between all parties.

No action was taken on hearing. Mr. Estes said the board would have further discussion as is their normal procedure, review all documents and look at the property. Mr. Estes said after a discussion is made each party will be notified by the County Clerk.

Atwood's Distributing LP: Mr. Estes started the discussion about the Atwood's store and Mr. Krider questioned the difference between a discount store and a retail store. He noted the Assessor had it listed as a retail store when Lowe's and Tractor Supply very similar stores are considered to be a discount store. Mr. Cary said initially it was listed as a discount store then the Assessor made an adjustment and re-evaluated and listed it as a retail store.

Estes said he questioned the fact that the Assessor didn't take into consideration the concrete and sprinkler system when first appraising the property and said he felt that was somewhat misleading. He said the Assessor failed to include those items and when they did include the concrete and sprinkler system they raised the valuations. Cary said he questioned whether or not that is considered added value to a property; he said, hypothetically speaking, to some a swimming pool in your backyard would be considered value and to others it would not.

Monday, April 23, 2018
1:30 p.m.

Newkirk, Oklahoma

Estes said the store has been up and running for a couple of years and was surprised to see an increase. Krider said the taxes didn't really go up that much, approximately \$388 and didn't see where that would be out-of-line. Estes said he would think the Assessor would depreciate the property.

No action was taken by the board on the Atwood's Distributing LP property.

Motion was made by Krider and seconded by Cary to adjourn (2:30 p.m.). Motion carried: Cary, aye; Estes, aye; Krider, aye.

Approved this 14th day of May, 2018.

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)
