

The Honorable Board of County Commissioners met in their said office at 4 p.m., October 7, 1964 in a special called meeting.

MEMBERS OF THE BOARD PRESENT:

L. P. Ward, Chairman

W. B. Buffkin

Luther C. Rich (absent)

Robert E. Sessions

Lacy R. Thompson

Mazzalee T. Sanderford, Clerk

The following business was transacted:

E. J. Stafford of Southern Appraisal Company appeared before the Board to discuss their proposed method of evaluating Riegel Paper Corporation's machinery. After a full discussion, it was ordered that Southern Appraisal Company be authorized to evaluate the machinery of Riegel Paper Corporation according to the details outlined in a letter dated September 1, 1964 from E. J. Stafford, Director of Personal Property Department, Southern Appraisal Company to J. R. Compton, Division Comptroller of Riegel Paper Corporation, copy of which is as follows:

Riegel Paper Company  
ATTENTION: Mr. J. R. Compton,  
Division Comptroller  
Acme, North Carolina

Dear Mr. Compton:

With further regard to the revaluation appraisal work now being conducted by our Company on real and personal property in Columbus County, we would like to make some suggestions that may facilitate this, and we believe it will meet with the approval of the County Officials.

Our usual method in establishing a fair sound value on machinery and equipment, is to secure from the company concerned, a complete listing of all such equipment, showing detail description of each item, date of purchase and its original cost. We adjust such costs, by application of a trend factor, recognized by industry and appraisers, in order, to reflect present day replacement values. Upon arriving at this replacement value, we then apply the percentage of depreciation from the year it was purchased to bring the value down to the 1964 value. The rate of depreciation applied is largely based on the rate you have set from your experience with the different categories of machinery and the life you have set for each machine or types of machines. However, our rate of depreciation will not exceed 80% on machinery still being used, unless some factor of obsolescence is involved.

In using this method of approach of securing a sound value of machinery for your Company it is evident that a tremendous amount of detail work is involved. It would include thousands of individual items listed, and our report to the County would, of necessity, be of such mass detail that it would take a very experienced person to be able to evaluate and keep up-to-date condition over the ensuing years. The burden of keeping this would be on the personnel of the County and since the end result is to be a total sound or fair value to use for tax purposes, we feel that a simplified method could be used to arrive at this figure.

Therefore, to avoid this mass of detail, we respectfully request that you furnish us a total cost of machinery by years and by categories of depreciation rate. We could then apply our trend on a blanket basis to each years cost rather than for each individual item, and depreciate this cost to a present day value. This would result in a very simple report to the County, that could easily be maintained from year to year by adding new purchases and deleting cost, by years, where machinery is acquired or discarded.

A copy of this letter is being forwarded to the County Commissioners through Mr. Weir, and unless revised by said Board, would you please begin preparation of this report and advise us when we may expect its completion.

Very truly yours,

SOUTHERN APPRAISAL COMPANY

E. J. STAFFORD, Director  
Personal Property Department

EJS/ds

cc: Columbus County Board of Commissioners  
ATTN: Mr. W. A. Weir, Tax Collector  
Columbus County Courthouse  
Whiteville, North Carolina

It was further ordered that a letter be forwarded to J. R. Compton, Riegel Paper Corporation, informing him that the Board of Commissioners concurred with the method as outlined in the foregoing letter.

Upon motion the meeting adjourned until 10 a.m., November 2, 1964.

APPROVED:

Wynne J. Sandford  
Clerk

L. P. Ward  
Chairman