Oklahoma Tax Commission
69th Annual Educational Conference
For Assessing Officers

August 6—9, 2013
Tulsa, Oklahoma
Southern Hills Marriott

After SB 954
What Next?

Ad Valorem Division
August 2013

Ad Valorem Division: Reality Check

Ad Valorem Division still has CAMA

Key retirements in Division

Division has new Audit Responsibilities

What's the best way for the Division to help?

Ad Valorem Division: Reality Check

Cannot use remote software

Staff/travel limitations

Training New Field Staff Members

"Target" CAMA assistance

Ad Valorem Division: Reality Check

No New CAMA Updates

Radiant Contract in Place for 2013-2014

No New Counties Added to State System

Bill and Jay Wadsworth Assistance

Contract with Marshall and Swift in Place

Ad Valorem Division: Reality Check

Ad Valorem Division will still be available and committed to assistance

Lost knowledge of system

New responsibilities

Training new staff (New staff training newer staff)

CAMA Reality Check: County Status

Counties that are “self-sufficient.”

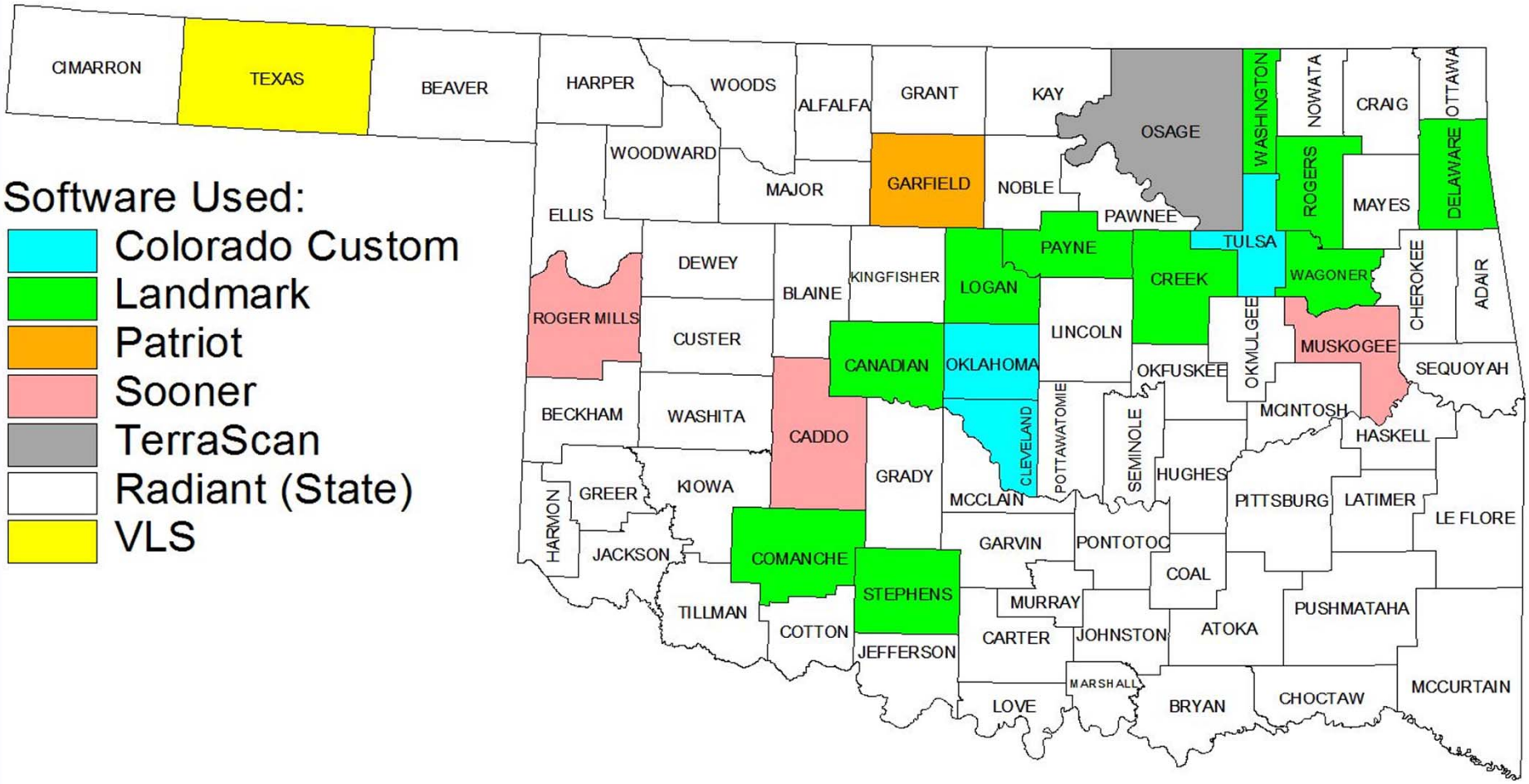
Counties making progress

Counties that need help

Counties that haven’t made as much progress

(Some new assessors in this situation)

Current CAMA Software - 2013



Map created by the Ad Valorem Division of OTC, July 22, 2013
Jeff Spelman, CAE, Director - Phone (405) 319-8200

Ad Valorem Division: Reality Check

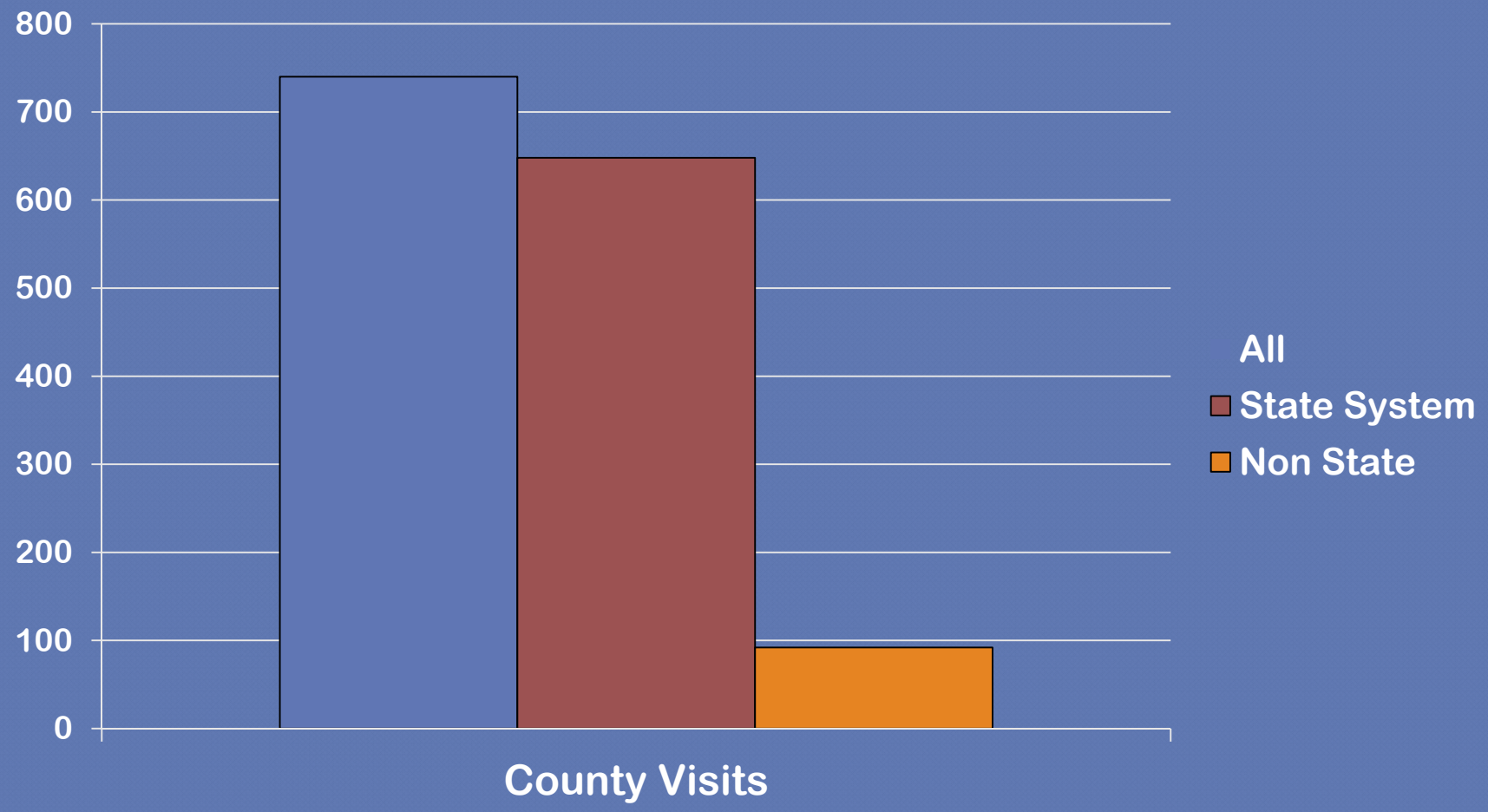
County Visits-740 visits

- Audit
- CAMA/Other Assistance
- Mapping Training-40 visits

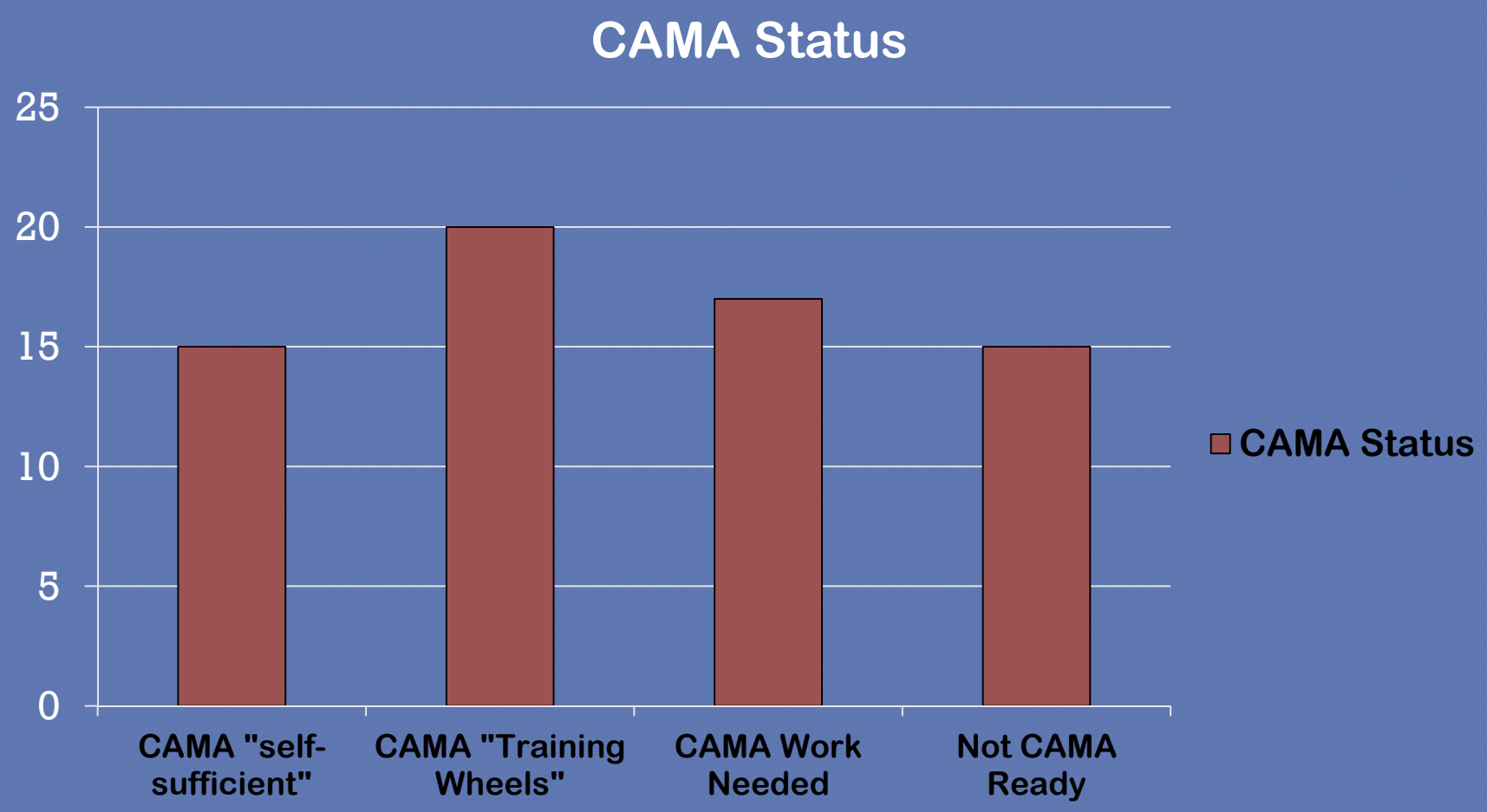
County Visits on State System-648 visits

- Audit
- CAMA/Other Assistance
- Mapping Training-38 visits

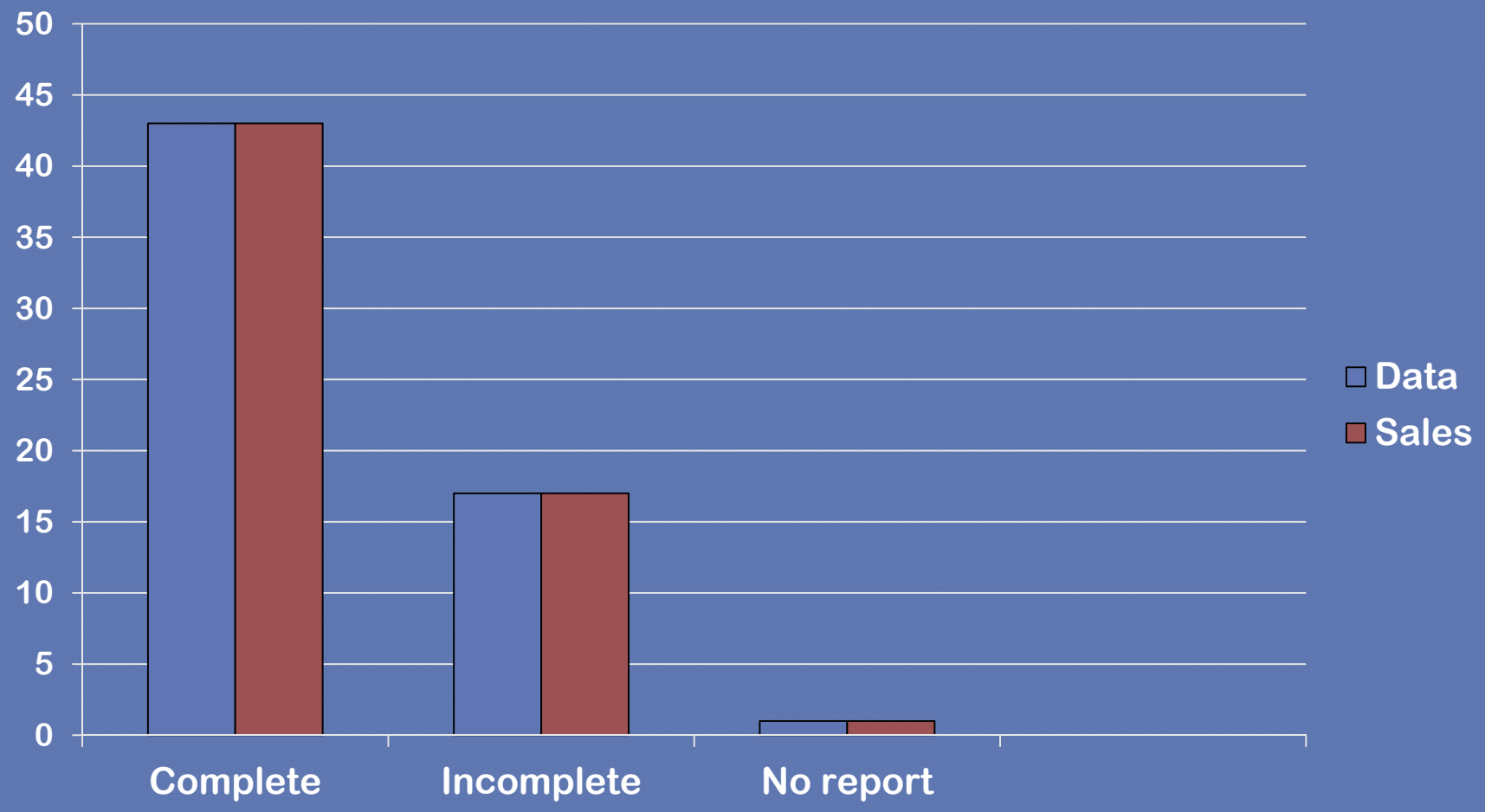
State-Non State System Visits



County Assessor: Reality Check



Data Collection/Sales File



CAMA Reality Check: County Status

County Assistance: Still Available

- CAMA Telephone Calls
- Radiant Assistance
- Training Materials (20 years)

CAMA Guidance Memorandum

Signed by County	• Field Analyst • Assessor
Progress Report	• Field Analyst • Assessor
Assistance Schedule	• Field Analyst • Assessor

CAMA Guidance Memorandum

Data and Sales

Data Collection/Entry	Sales File Cleanup

Land Valuation and County Adjustment Factor

Update Land Values	Set County Adjustment

Neighborhood Boundaries

Neighborhood Boundaries	Neighborhood Adjustments

CAMA Guidance Memorandum

Final Valuation Review

- Check Land Valuation
- Check County Adjustment

Valuation Review

- Data Edits
- Neighborhood Adjustments

Value Transfer from CAMA to AA

- Value Preparation
- Transfer for Notices

CAMA Guidance Memorandum

Example

- Data Collection - Complete
- Data Entry - Complete
- Sales File-Cleanup Status - Complete
- Current Land (Valuation) - Complete
- County Adjustment Factor - Incomplete
- Neighborhood Delineation - Complete
- Neighborhood Adjustment - Incomplete
- Final Value Review - Incomplete
- Value Transfer to AA - Incomplete

County Assistance- Oct to Dec

Where is the County on CAMA?

What items are needed for implementation?

Status of resources?

Work items needed to complete.

County Assistance Fall 2013

- Review County Status
- Plan Assistance Visits

- Discuss with County
- County Assessor input

- CAMA Guidance Memorandum
- Monitoring Progress/Assistance

Field Analyst's Priority

County On Schedule

↓

Progress Visits

↓

General Assistance

County *Not* On Schedule

↓

Limited Visits

↓

Check In

Division Resources Available

Assistance	• Field Analysts • CAMA Guidance Memorandum
Resources	• Field Analyst, Radiant, CLGT • Past Training Materials
Progress	• Opportunity to complete CAMA • Major progress for 2014

"Due Process and Protest Procedures"

August 7, 2013

"Due Process and Protest Procedures"

Kenny Chuculate, OTC

Wade Patterson, Garfield Co.

Gary Snyder, OSU/CLGT

Doug Warr, OSU/CLGT

"Due Process and Protest Procedures"

READER'S DIGEST VERSION

- Establish Taxable Value
- Roll values to Assessment Administration (AA) System
- Generate Change of Assessment Notices (Notices)
- Mail or Deliver Notices
- Receive Informal Protest Hearing requests (OTC Form 974)
- Schedule Informal Protest Hearings
- Conduct Informal Protest Hearings
- Mail or Deliver Informal Hearing Decisions (OTC Form 975)
- Receive Appeals to the Board of Equalization (OTC Form 976)
- Schedule Formal Protest Hearings w/BOE (certified mail)
- Conduct Formal Protest Hearings
- Mail or Deliver BOE Decisions (OTC Form 977)
- Appeal BOE Decision to District Court

"Due Process and Protest Procedures"

This PowerPoint presentation begins at a point where it is presumed:

- ✓ The assessor has established fair cash values for the current year,
- ✓ Set the taxable values for the year,
- ✓ Determined the proper amount of days needed to give the taxpayer due process,
- ✓ Is ready to begin the process of printing the change of assessment notices.

"Due Process and Protest Procedures"

Preparation for the process:

- ✓ Order paper, envelopes, stamps (postage), printer supplies, etc.
- ✓ Prepare your office staff properly. Memo
- ✓ Worked with County Clerk on exact dates.
- ✓ Notify other offices in the Courthouse.
- ✓ Notify the Post Office of the mailing.

L. WADE PATTERSON

GARFIELD COUNTY ASSESSOR
114 W. Broadway Rm. 106
Enid, OK 73701-4083
Phone (580) 237-0220 Fax 249-5989
Email: lwade@garfieldcountyemail.com

MEMORANDUM

Subject: **Mailing of "Change of Assessment Notices"**
Today's Date: **April 14, 2008**
To: **Courthouse Staff**
From: **L. Wade Patterson**

Well it's that time of the year again!

We will mail the "Change of Assessment Notices" today. This will generate a large volume of phone calls to our office. Inevitably, some people will dial other offices by mistake. If you receive a call please transfer the call to one of the following numbers:

Wade	**2435** (try me first)
Monty	2146
John	2138
Dennis	2141
Gary	2135
Carolyn	2437

You can also transfer the call to our main extension at 2480. Our outside number is 237-0220 and our after hours number is 548-2435. You can give the caller this number if they want to call back. If you can't transfer to one of the above numbers, please take a memo, and assure the person that we will call at the earliest opportunity.

I expect a great number of calls regarding how the City of Enid bond vote will affect taxes. We do not have an answer at this time because the City Council has not decided how long to spread the repayment out.

If you need to contact me after 4:30, please use 548-2435 or my cell phone 541-6011.

I appreciate your assistances and apologize for any "difficult" calls you may receive. Remember, you can always blame it on the Assessor!

Thanks, Wade

"Due Process and Protest Procedures"

Before you start the printing process, give everything a "once over" to make sure you have updated all fields that need updating.

For example, will the date printed on the notice be correct? Is your contact information on the notice correct? (Make sure phone numbers, fax numbers, hours of operation and emails are all correct)

Always perform a "sample printing" to make sure everything looks like you want.

The last thing you want to do is reprint notices because you didn't check all the details!

"Due Process and Protest Procedures"

Do you know where to find the laws in order to do research (oscn.net)?

http://www.oscn.net/applications/oscn/Index.asp?ftdb=STOKST68&level=1

Do you understand what the law requires regarding the mailing or delivery of the change of assessment notices?

http://www.oscn.net/applications/oscn/DeliverDocument.asp?CiteID=440452

Do you have your forms and contacts at the Oklahoma Tax Commission readily available (tax.ok.gov)?

http://www.tax.ok.gov/AssessorSite/AVAmenu.html

Enter User Name and Password / (click on) Assessor Forms / (click on) General Forms

Kenny Chuculate kchuculate@tax.ok.gov 405-319-8200

Jeff Spelman jspelman@tax.ok.gov 405-319-8200

"Due Process and Protest Procedures"

The Oklahoma State Statutes pertaining to change of assessment notices begin with:

Title 68, Section 2876;

"Increase in valuation – Notice – Complaints and hearings."

http://www.oscn.net/applications/oscn/DeliverDocument.asp?CiteID=440452

"Due Process and Protest Procedures"

Title 68, Section 2876, A:

If the county assessor shall increase the valuation of any property above that returned by the taxpayer (personal property), or in the case of real property increase the valuation over the assessment from the preceding year,

or

"Due Process and Protest Procedures"

Title 68, Section 2876, A: (continued)

...has added property not listed by the taxpayer, the county assessor *shall notify in writing* the person in whose name any such property is listed, giving the amount of such valuation as increased or valuation of property so added.

"Due Process and Protest Procedures"

Title 68, Section 2876, B:

The notice required by this section *shall*, for cases in which the valuation of real property has increased, *include the fair cash value* of the property as used in determining the assessment for the *preceding and current year,* the *taxable value* for the *preceding and current year,* if different than the fair cash value, and the *assessment percentage* for the *preceding and current year.*

OTC FORM 926

OTC 926 Revised 10-2012	State of Oklahoma COUNTY ASSESSOR INCREASE IN VALUATION NOTICE Date Mailed _____ by _____ County	Tax Year

Account #:

Owner:

Mailing Address:

Street Address:

LEGAL DESCRIPTION:

THIS IS NOT A TAX BILL

CATEGORIES	PREVIOUS YEAR	CURRENT YEAR
Fair Cash Value		
Taxable Value		
Assessment Percentage		
Gross Assessed Value		

Taxpayer has 20 working days from the date the valuation notice was mailed to file a written complaint with the county assessor using OTC Form 974, which can be obtained from the county assessor or from the OTC website: www.tax.ok.gov/advforms/974.pdf.

68 O.S., SECTION 2876. INCREASE IN VALUATION-NOTICE-COMPLAINTS AND HEARING.

A. If the county assessor shall increase the valuation of any property above that returned by the taxpayer, or in the case of real property increase the valuation over the assessment from the preceding year, or pursuant to the requirements of law if the assessor has added property not listed by the taxpayer, the county assessor shall notify in writing the person in whose name any such property is listed, giving the amount of such valuation as increased or valuation of property so added.

B. The notice required by this section shall, for cases in which the valuation of real property has increased, include the fair cash value of the property as used in determining the assessment for the preceding and current year, the taxable value for the preceding and current year, if different than the fair cash value, and the assessment percentage for the pre-ceding and current year.

C. The notice required by this section may be mailed or delivered to the last-known address of the person affected or to the person in charge of or in possession of the property and shall clearly be marked with the date upon which the notice was prepared. Any notice dated as required by this section shall be mailed or delivered within one (1) working day of such date. The notice shall describe the property with sufficient accuracy to notify the taxpayer as to the property included, together with the assessed value of the property. Duplicate copies of the notice, showing the date of issuance and mailing or delivery, shall be kept in the office of the county assessor. Such records shall be prima facie evidence as to the fact of notice having been given as required by this section.

D. The taxpayer shall have twenty (20) working days from the date the notice was mailed or in the event that notice was delivered from the date of delivery in which to file a written complaint with the county assessor specifying objections to action taken by the county assessor; provided, in the case of a scrivener's error or other admitted error on the part of the county assessor, the assessor may make corrections to a valuation at any time, notwithstanding the twenty-day period specified in this subsection. The complaint shall set out the pertinent facts in relation to the matter contained in the notice in ordinary and concise language and in such manner as to enable a person of common understanding to know what is intended. The complaint shall be made upon a form prescribed by the Oklahoma Tax Commission.

E. A taxpayer may file a complaint if the valuation of property has not increased or decreased from the previous year if the complaint is filed on or before the first Monday in May. Such complaint shall be made upon a form prescribed by the Oklahoma Tax Commission.

F. The county assessor shall schedule an informal hearing with the taxpayer to hear the protest as to the disputed valuation or addition of omitted property. The assessor shall take final action upon the matter disputed within five (5) working days of the date of the informal hearing and shall mail or deliver notice of final action to the taxpayer. The notice of final action shall clearly be marked with the date upon which the notice was prepared. Such notice shall be mailed or delivered within one (1) working day of such date. Within ten (10) working days of the date the notice is mailed or delivered, the taxpayer may file an appeal with the county board of equalization. For purposes of this section, "working days" shall mean Monday through Friday and shall exclude Saturday and Sunday and any legal holidays. The appeal shall be made upon a form prescribed by the Oklahoma Tax Commission. One copy of the form shall be mailed or delivered to the county assessor and one copy shall be mailed or delivered to the county board of equalization.

"Due Process and Protest Procedures"

Title 68, Section 2876, C:

The notice (OTC Form 926) required by this section may be mailed or delivered to the last-known address of the person affected or to the person in charge of or in possession of the property and *shall clearly be marked with the date upon which the notice was prepared.*

"Due Process and Protest Procedures"

Any notice dated as required by this section shall be mailed or delivered within one (1) working day of such date....Duplicate copies of the notice, showing the date of issuance and mailing or delivery, *shall* be kept in the office of the county assessor. Such record shall be prima facie* evidence as to the fact of notice having been given as required by this section.

*Prima facie (Legal Information Institute): "sufficient to establish a fact or raise a presumption unless disproved or rebutted;"

"Due Process and Protest Procedures

Title 68, Section 2876, D:

The taxpayer shall have twenty *(20) working days* from the date the notice was *mailed* or in the event that notice was *delivered* from the date of *delivery* in which to file a *written complaint* … specifying objections …

…the assessor may make corrections to a valuation at any time, notwithstanding the twenty-day period specified in this subsection….

The complaint shall be made upon a form prescribed by the Oklahoma Tax Commission. (OTC Form 974)

"Due Process and Protest Procedures"

Title 68, Section 2876, E:

A taxpayer may file a complaint if the valuation of property *has not increased or decreased from the previous year* ***if the complaint is filed on or before the first Monday in May.***

Such complaint shall be made upon a form prescribed by the Oklahoma Tax Commission.

OTC Form 974

OTC 974 Revised 10-2012	State of Oklahoma COUNTY ASSESSOR INFORMAL PROTEST _____ County Return to County Assessor	Tax Year

Taxpayer has 20 working days from the date the valuation notice was mailed to file a written complaint with the county assessor.
The complaint shall set out pertinent facts in relation to the notice in ordinary and concise language. 68 O.S. Section 2876(D) (Printed on reverse side)

TAXPAYER MUST ANSWER COMPLETELY - PLEASE PRINT

Personal: ☐ Residential: ☐ Homestead Exemption: ☐

Agricultural: ☐ Commercial: ☐ Other: ☐ If Other, explain in "Reason for Informal Protest" below.

Account Number:

Owner's Name:

Agent/Attorney: Other (Specify):

Contact Phone Number: Other Phone:

Protested Property Address:

Mailing Address:

LEGAL DESCRIPTION:

School District

REASON FOR INFORMAL PROTEST:

_____

_____

If you believe that the market value of the property is different than that shown on the county assessor's records, please indicate what you believe the proper value is.

Value: _____ What evidence do you have to support this value? _____

Judgment: ☐ Sale: ☐ Comparable: ☐ Sales: ☐ Appraisal: ☐ Other: ☐

Explanation: _____

_____

_____

Note: All protest proceedings must be completed by May 31 or the adjournment date of the County Board of Equalization. Check with your county assessor for the exact date.

If you have purchased your property in the last two years, what was the original purchase date and purchase price?

Purchase Date: _____ Purchase Price: _____

Filed: Book _____ Page _____

Purchased from: _____

_____

Signature: _____ Date: _____

Note: Statutory provisions governing protest procedure are printed on the back of this form.

"Due Process and Protest Procedures"

Title 68, Section 2876, F:

The county assessor *shall* schedule an informal hearing with the taxpayer to hear the protest as to the disputed valuation *or addition of omitted property.**

The informal hearing *may* be held in person *or may be held telephonically, if requested by the taxpayer.*

* *See Attorney General Opinion 00-23*

"Due Process and Protest Procedures"

Points to Remember

You are appraising property and not people! Do not take any criticism of the appraisals as a personal attack against you as a person.

Also, don't be so set on a valuation that you lose your appraisal objectivity. There will be "difficult" times.

You represent the County and our profession, so be professional. You are the expert in ad valorem, take this opportunity to educate the taxpayer.

"Due Process and Protest Procedures"

Just because you have a phone or in-person conversation with a taxpayer, that does not automatically mean an informal hearing has taken place.

Make sure the taxpayer understands exactly what the conversation means in terms of their due process.

Phone Sheet

L. WADE PATTERSON
GARFIELD COUNTY ASSESSOR
114 W. BROADWAY RM. 106
ENID, OK 73701-4083
237-0220 FAX 249-5951

INITIAL PHONE CALL

Taxpayer Name: _____ Phone :_____

Account Number: _____

Legal Description: _____
_____
_____
_____

Assessor's Rep: _____ Time: _____ Date: _____

==========

RETURN PHONE CALL

Assessor's Rep: _____ Time: _____ Date: _____

Notes:
_____
_____
_____
_____
_____
_____

Results: Satisfied _____
Not Satisfied _____
Not Sure _____
B.O.E. _____

THIS FORM IS TO BE USED FOR PHONE INQUIRIES ONLY!

"Due Process and Protest Procedures"

You can agree on a value during a conversation, but it still does not mean an informal hearing has taken place.

You must inform the taxpayer that they can still file an informal appeal, but they will need to fill out the 974 Form. Assist them if they wish to fill out the 974 Form.

"Due Process and Protest Procedures"

Put the right people (appraisers/deputies) in place during the hearing process. Make sure you give them the authorization to set or adjust values. This will streamline the entire process.

It does no good to pass the taxpayer around the office. If the taxpayer has to explain their argument to several people they will become annoyed.

Protests have a tendency to get heated when this happens.

"Due Process and Protest Procedures"

At all cost, avoid the appearance of *"not telling the whole story".* The taxpayer will have a greater respect for you and your office when they feel you are honest.

Go above and beyond to help the taxpayer understand the valuation process and the appeals process. Most people realize that you have treated them like everyone else and have appraised their property fairly. *Remember, you are not just educating the taxpayer on this value but building trust for future years as well.*

"Due Process and Protest Procedures"

Title 68, Section 2876, F:

The assessor shall take final action upon the matter disputed *within five (5) working days of the date of the informal hearing* and shall mail or deliver notice of final action to the taxpayer.

The notice of final action shall clearly be marked with the date upon which the notice was prepared. *Such notice shall be mailed or delivered within one (1) working day of such date.*

OTC Form 975

OTC 975 Revised 10-2012	State of Oklahoma COUNTY ASSESSOR NOTICE OF INFORMAL DECISION _____ County	Tax Year

Personal: ☐ Residential: ☐ Homestead Exemption: ☐

Agricultural: ☐ Commercial: ☐ Other: ☐ If Other, give Explanation below.

Parcel Identification Number or Account Number:	
Owner's Name:	
Agent/Attorney:	Other (Specify):
Contact Phone Number:	Other Phone:
Protested Property Address:	
Mailing Address:	

LEGAL DESCRIPTION:	School District

The County Assessor held an informal protest hearing on _____ to hear the appeal of the valuation on the above described property. The decision reached as a result of reviewing the evidence presented is as follows:

Current Fair Cash Value	$
Assessor Action	☐ Retain Current Fair Cash Value ☐ Alter Fair Cash Value to $ _____

Explanation: _____

_____

_____

_____

_____

_____

Certified by the County Assessor on _____ .
Date

_____
County Assessor

See back of the form for statutory provision 68 O.S. § 2876, 2877 which provides for further appeal.

"Due Process and Protest Procedures"

Make a decision on the protested value as soon as possible. Remember, you only have 5 working days to respond. If you have an answer for the taxpayer at the conclusion of the hearing, give it to them in writing on the 975 Form.

This is the perfect time to explain the formal hearing process and assist them if they wish to go the County Board of Equalization (CBOE). Walk them over to the County Clerk's Office and assist them if they wish. This will help them as well as the Clerk.

OTC Form 976

OTC Form 977

OTC 976 Revised 10-2012	State of Oklahoma FORMAL APPEAL COUNTY BOARD OF EQUALIZATION _____ County	Tax Year

Mail or deliver one copy to the County Board of Equalization secretary (county clerk) and one copy to the county assessor. Appeals must be filed within ten (10) working days from the mailing or delivery date printed on the county assessor's informal hearing notice of decision.

TAXPAYER MUST ANSWER COMPLETELY - PLEASE PRINT

Personal: ☐ Residential: ☐ Homestead Exemption: ☐

Agricultural: ☐ Commercial: ☐ Other: ☐ If Other, explain in "For the following reason(s)" below.

Account Number:			
Your Name (Please Print):			
Owner's Name (If Different):			
Taxpayer/Agent:		Other (Specify):	
Taxpayer/Agent Address:			
City:		State:	Zip:
Daytime Phone:		Other Phone:	
Protested Property Address:			

LEGAL DESCRIPTION:	School District

The County Board of Equalization will notify the protestant of the hearing date, place and time.

The undersigned protestant appeals the action of the county assessor where the county assessor responded to the petitioner's protest of valuation as a result of the informal hearing as required by 68 O.S. Section 2876.

Informal hearing was held on (date): _____

As a result of the informal hearing decision, the assessor's stated value of $ _____ ,

☐ was OR ☐ was not (check one) adjusted.

The assessor's adjusted value is $ _____. (indicate N/A if no adjustment)

I am appealing the above stated value and believe the correct value to be $ _____

For the following reason(s):

_____

_____

_____

_____

Attach any supporting documentation, if needed.

Protestant's Signature: _____ Date: _____

Statutory provisions governing protest procedure are printed on the back of this form.

OTC 977 Revised 3-2009	COUNTY BOARD OF EQUALIZATION NOTICE OF FORMAL APPEAL DECISION _____ COUNTY, OKLAHOMA	Tax Year

Owner's Name	
Owner's Address	
Legal Description	
Property Address	
Parcel ID Number	
Account Number	

The County Board of Equalization met on_____ , to hear the formal appeal of the valuation on the above described property. The decision reached as a result of reviewing the evidence presented is as follows:

Previous Market Value	**$**
Current Market Value	**$**
Board Action	☐ **Sustain Current Fair Cash Value** ☐ **Alter Fair Cash Value to $_____**

Explanation _____

_____

_____

_____

_____

_____

_____

The County Board of Equalization will forward a copy of this decision and any attachments to the County Assessor.

Certified by the County Board of Equalization on _____.
Date

_____ Chairman

_____ Member

_____ Member

_____ Board Secretary (County Clerk)

See reverse side of the form for statutory provision 68 O.S. 2001, 2880.1 which provides for further appeal.

Intangible Personal Property

Jeff Spelman

State Question 766

Oklahoma Tax Commission

Ad Valorem Division

August 2013

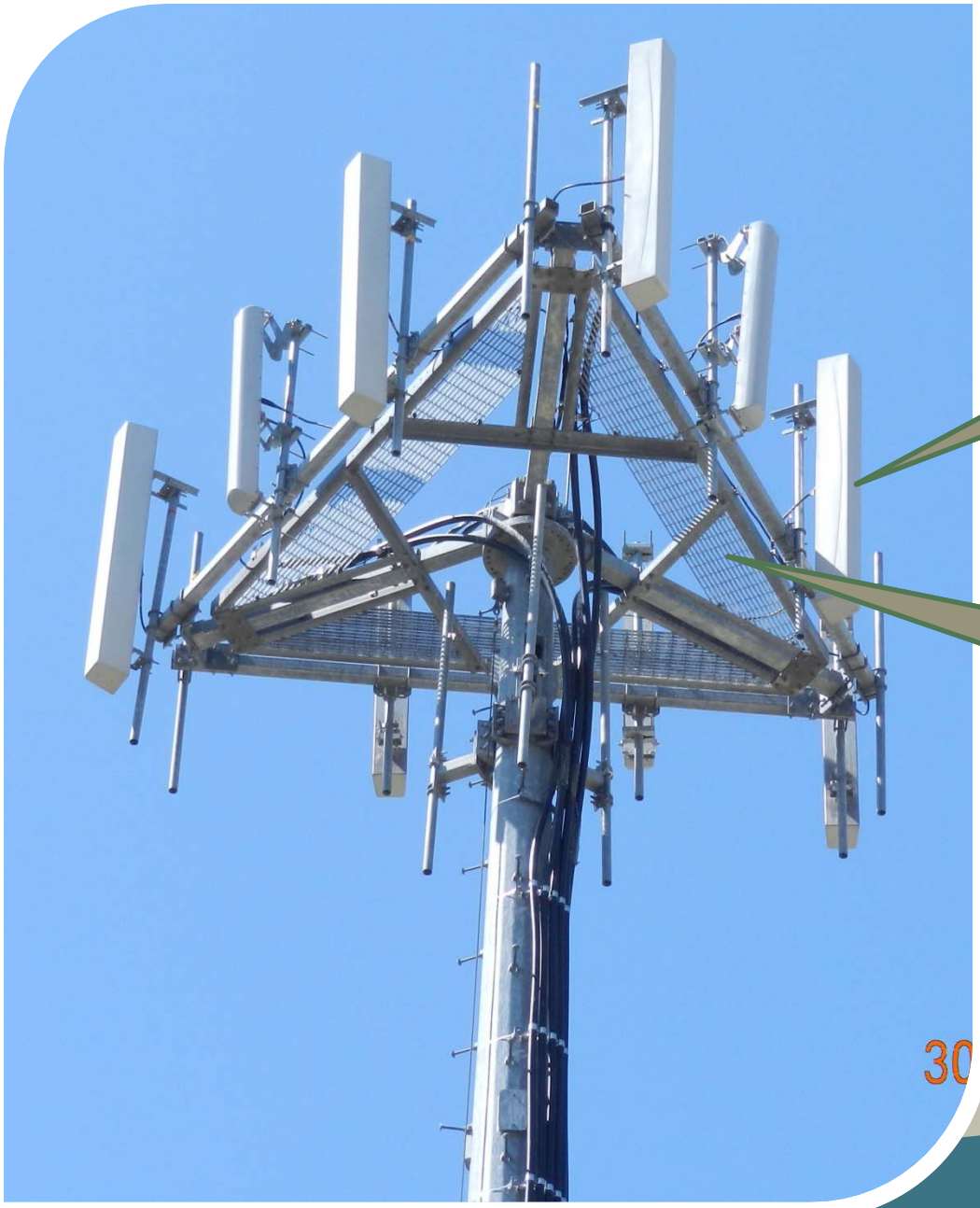
Example of Intangible Assets

- “Real Life” Example of Intangible Assets
- Visited a Cell Phone Site Recently
- Computer software
- Pricing structure of new equipment
- Change in investment costs

30.04.2013 11:21

Tower

Antennas and Platform



These are legacy 2 port Cross Pole Antennas

This Platform will eventually have the Radios placed here

30.04.2013 11:07

30.04.2013 11:09

Cabinet

Channel Cards “Carrier”

Channel Cards

Think “Inside” the Box

Cabinet

Radio and Processors

MRFM2 – Radio
Analog Signal Generation
Last step prior to the Antenna

Signal Processors

The “NEW” Box

State Question 766

- SQ 766 adopted November 7, 2012
- Adopted by Voters (Yes: 826, 100; No: 445,500)
- 6A. Intangible personal property exempt from ad valorem or other tax.
- Beginning January 1, 2013, intangible personal property shall not be subject to ad valorem tax or to any other tax in lieu of ad valorem tax within this State

Amends Section 6A of Article X, Oklahoma Constitution

- **Intangible Personal Property is property whose value is not derived from its physical attributes, but rather from what is represents or evidences.**

- **6A. Intangible personal property exempt from ad valorem or other tax.**

- **Beginning January 1, 2013, intangible personal property shall not be subject to ad valorem tax or to any other tax in lieu of ad valorem tax within this State**

New Constitutional Language

- **6A. Intangible personal property exempt from ad valorem or other tax.**

- **Beginning January 1, 2013, intangible personal property shall not be subject to ad valorem tax or to any other tax in lieu of ad valorem tax within this State.**

- **Supersedes Old Language**

SQ 766 Ballot Title

1.
- Patents, inventions, formulas, designs, and trade secrets;

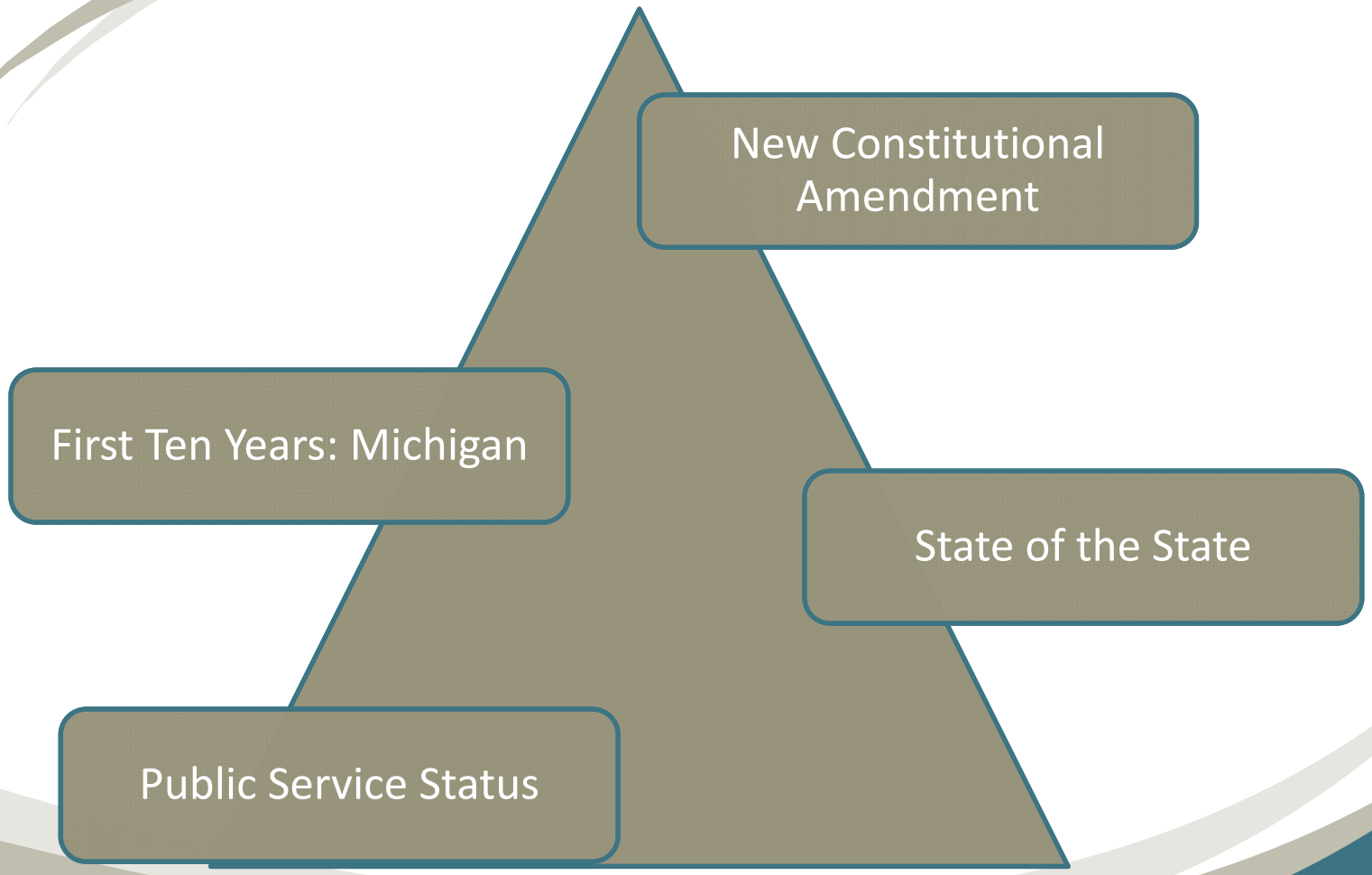
2.
- Licenses, franchises, and contracts;
- Land leases, mineral interests, and insurance policies;

3.
- Custom computer software, and
- Trademarks, trade names, and brand names.

Consistency County and State

- Important to be consistency on Intangibles Personal Property
- Federal Protection of Railroads and Airlines
- 4-R ACT and Airline Protection (TEFRA Act) "property tax assessments and rates be no higher than other commercial and industrial property, as determined by a ratio set out in what is now 49 U.S.C. § 11501(b)(1)-(3)."

Session on Intangible Assets



Oklahoma Annual Education Conference – August 2013

Intangible Property: Where is it?

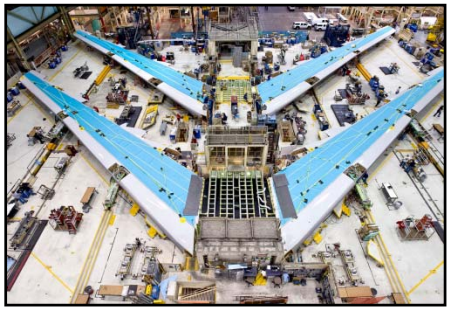
Lisa A. Hobart, ASA, PPS

IAAO – Course 500

- 4 Categories of Personal Property
  - Inventories
  - Fixed Assets
  - Leasehold Improvements
  - Intangibles

Inventories - Include

- Raw materials
- Work in process
- Finished goods
- Property held exclusively for resale



Fixed Assets - Include

- Items that have an economic life of more than one year
- Machinery & equipment
- Furniture
- Fixtures
- Computers
- Leased equipment

Leasehold Improvements - Include

- Items that are installed on or in real property
  - Trade fixtures
  - Cabinetry
  - Light fixtures
  - Shelving

Intangible Personal Property

Represents evidence of ownership

- Bonds
- Notes
- Trusts
- Patents
- Mortgages
- Copyrights
- Accounts receivable
- Insurance policies
- Money
- Stocks
- Mutual funds
- Goodwill
- Franchise fees

Highest & Best Use

IAAO's "Value in Use" Test

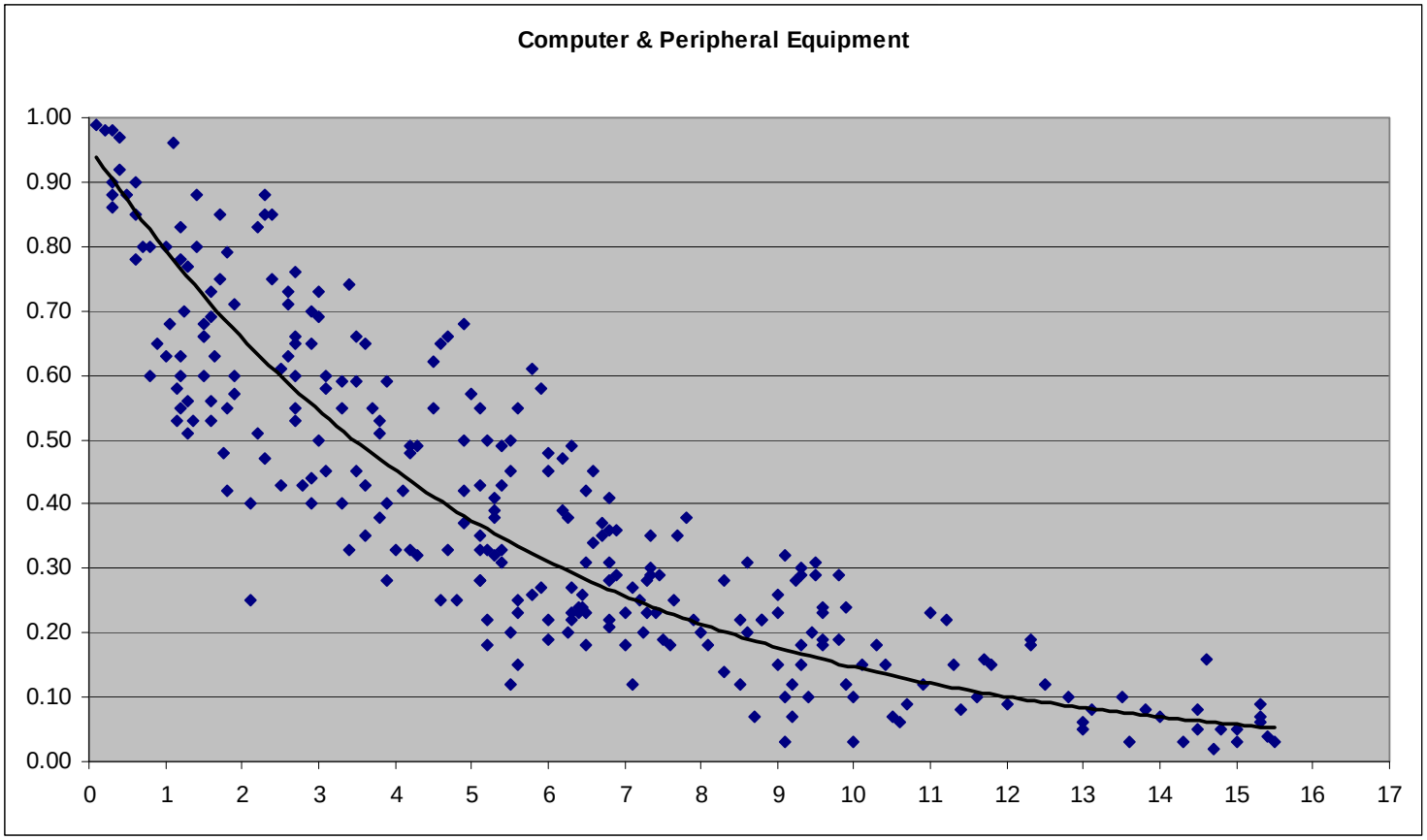
- Is the machine installed?
- Is the machine installed for the purpose of producing income or a product/service?
- Is the machine employed as part of the business enterprise used to produce income?
- Is the machine state-of-the-art, or is a percentage of the machine productive and measurable? Is it economically feasible to operate?

Software

- Generally 2 types of software
  - Operating Software
    - Typically incorporated into the hardware as a permanent component and its cost is a portion of the entire acquisition cost

  - Application Software
    - May be purchased separately and is an add-on to the computer

Sample Data


Computer & Peripheral Equipment
1.00
0.90
0.80
0.70
0.60
0.50
0.40
0.30
0.20
0.10
0.00
0
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

Depreciation

Loss in value over time measures all forms of depreciation.

- Physical
  - Wear and tear through use of the property – e.g. industrial machinery

- Functional
  - Inferior design or capacity compared to newer technology – e.g. computers

- External
  - Loss in value due to an external source – e.g. Michigan automotive property devalued due to globalization

Sample %Good Table

Age	Computers	Office - Electronic Video Testing	Non-Computer M&E
1	60%	84%	89%
2	44%	64%	76%
3	32%	55%	67%
4	24%	49%	60%
5	19%	44%	54%

Oklahoma Annual Education Conference – August 2013

Intangible Property:

Lisa A. Hobart, ASA, PPS

thank you!

Intangible Personal Property

State of the State

Types of Intangible Personal Property Requested at County

- 11% of the counties reported Intangible Personal Property Filings- Less than 10 Counties
  - Computer Software
  - Licenses
  - Installation and Design
  - Warranty

Computer Software

- Boxed or Canned
- Custom/Proprietary

License

- End User

Highest and Best Use

- Conceptual Design of Product
- Process of assembly
- Installation

Warranty/Contract

Discovery

- Further Information gathered caused denials and partial denials of requested intangible personal property
- Custom Software
- License – end user
- Highest and Best Use Components – Design
- Warranty – contract

Consistency

- Counties will receive more Requests in 2014
- Notify DA
- Contact Company for more information if needed
- Contact the surrounding Counties to see how they processed IPP
- Call OTC for guidance
- Maintain Consistency - 4R Act and TEFRA

Intangible Personal Property

Oklahoma Tax Commission
Ad Valorem Division
Public Service Section
August 2013

Exempt Intangible Personal Property at the Central Level

State Question 766

The Exemption of all Intangible Personal Property from Ad Valorem Property Taxation.

Don’t Tax Grandma’s Cookie Recipe

With the Passing of SQ 766

Weren't Caught Flatfooted

Legislative Intent, What is & What isn't Exempt Intangible Personal Property

With the Passing of SQ 766

- December 6, 2012 Conference on Exempt Intangible Personal Property
- Financial Burden on some taxpayers to properly claim exemption potentially excessive
- Need to compliment existing Unit Valuation Methodology

Valuation Process

- Continue utilization of Unit or System Value
- Reporting companies still required to file audited financials, regulatory reports
- More audit features available at the system level
- Four indicators of value developed, appraisal judgment utilized in determining System Value

Valuation Process

- SQ 766, The Exemption of Intangible Personal Property Claims are all to be on a System Basis
- Taxpayer options to make submissions to be either itemized for deduction from the system value or,
- A "Variant of the Cost Approach" which values only taxable assets, and provides a "Conclusion of Value" on a system basis.

OTC Form 902-4-E	OKLAHOMA TAX COMMISSION AD VALOREM DIVISION EXEMPT INTANGIBLE PERSONAL PROPERTY ELECTION	TAX YEAR 2013
COMPANY NAME:		

In Oklahoma, all intangible personal property is exempt from ad valorem tax or any other tax in lieu thereof. Intangible personal property is property the value of which is not derived from its physical attributes, but from what it represents or evidences.

The taxpayer may choose from two options as to how the value of any intangible personal property is excluded from the appraised value of its property. If no election is made, the default methodology is Option One, exclusion of the value of any included intangible personal property from the unit valuation of that property.

All taxpayers, regardless of election, must still complete all required return information.

Requests for exclusion of the value of intangible personal property must be accompanied by timely submission of accurate, verifiable, and supportable information. The Division will work with the taxpayer to address any supplementary information necessary to complete the appraisal. All return and supplemental information must be as of the January 1 lien date for the tax year.

The resulting value will be allocated to Oklahoma by use of existing methodology and presented to the Oklahoma State Board of Equalization for certification as the Oklahoma Fair Cash Value of taxpayer's property.

☐ **Option One**

Option One is removal of the value of intangible personal property included in the system value by a unit valuation appraisal.

All claims for removal of intangible personal property must be itemized, and such property specifically identified and described by taxpayer in OTC Form 902-4-I. The form requests each item of intangible personal property be identified separately, stating original cost, net book, and taxpayer estimate of value. Adequate supporting documentation must be attached. Taxpayer estimates of value must be based upon recognized methodology and consistent with generally accepted appraisal principles and methodology.

The burden of proof of the existence and inclusion of intangible personal property in the unit valuation is upon the taxpayer. The taxpayer must establish the existence of each item of intangible personal property and its inclusion in the valuation. The value of all intangible personal property established by taxpayer as included in the unit valuation of taxpayer's property will be removed from that value.

☐ **Option Two**

Option Two is use of an appraisal methodology which values only taxable assets, and may be some variant of the cost approach.

Taxpayers choosing Option Two must submit information which adequately supports their conclusion as to the value of the taxable assets. Values submitted must be on a system basis. The burden of proof is upon the taxpayer.

Supporting information furnished must be detailed and verifiable, and any studies presented must be in a format acceptable pursuant to generally accepted appraisal principles and methodology.

Option One, the itemization of each intangible claim, Option Two, a variant of the cost approach.

OTC Form 902-4-I	OKLAHOMA TAX COMMISSION AD VALOREM DIVISION - PUBLIC SERVICE SECTION INTANGIBLE EXEMPTION WORKSHEET - SYSTEM	TAX YEAR 2013
COMPANY NAME:		

EXEMPT INTANGIBLE PERSONAL PROPERTY

EXEMPT INTANGIBLE PERSONAL PROPERTY DESCRIPTION	ORIGINAL COST	NET BOOK	TAXPAYER'S ESTIMATE OF FAIR MARKET VALUE*
TOTALS			

*All estimates of value should be reflective of the system, not Oklahoma. For consideration, each intangible claim must be separately identified and accompanied with supporting documentation of its value, existence and inclusion in the valuation.

Itemized Claim Form for Exempt Intangible Personal Property, requesting Original Cost, Net Book and Taxpayer's Estimate of Value

Valuation Process

- **Burden of Proof lies with Taxpayer to provide that the intangible personal property claimed exists and is being valued.**
- **Supporting documentation must be timely and attached.**
- **Taxpayer estimates of value must be based on recognized methodology and consistent with generally accepted appraisal principles.**

Intangible Personal Property

- Intangibles claimed - 97 companies
- Allowed in part or whole - 69 companies
- Recognized claims did not always result in a lower Oklahoma Fair Cash Value
- Claim efforts varied Taxpayer to Taxpayer

Review of Submitted Appraisals

- Summary description of the intangible personal property claim – workforce, custom software,..
- Scope of the Appraisal, work done in preparation of the appraisal – interviews conducted, Replacement Cost New Less Depreciation method, physical depreciation, economic & functional obsolescence

Review of Submitted Appraisals

- Purpose and objective of the analysis – To estimate the Fair Market Value of the subject intangible personal property claim
- Standard of Value - Fair Market Value, willing buyer/willing seller
- Premise of Value – in continued use, as part of a going concern business value, highest and best use.

Review of Submitted Appraisals

- Valuation Analysis – a summary of the analysis used to estimate fair market value of the intangible personal property claim. Consideration given to the three generally accepted indicators of value, income, market and cost approaches.
- Conclusion to value.

Market to Book Ratio

- Utilization of a Market to Book Ratio is an accepted methodology of removing intangible personal property from the unit.
- Makes the assumption that all property contributes in equal amounts to the unit value.
- The book value of the exempt intangible personal property is multiplied by the market to book ratio of the entire unit and that value is subtracted from the unit.

Market to Book Ratio

Where

Market Value = Equity Value

Market to Book Ratio measures the relative value of a company compared to its market value.

Market Value / Sum(Total Assets - All Debt)

Valuation Process

- A taxable system value is now established after the recognition/denial of the exempt claim
- Established allocation methodologies for each industry are applied to this “taxable” System value
- Oklahoma Taxable Fair Cash Value result

What We'll See in 2014

More Claims for Exempt Intangible Personal Property

- **More time to prepare studies**
- **Learning Curve**
- **Availability of Those who can Develop Studies, Wichita, OATR,…**

Oklahoma Tax Commission
69th Annual Educational Conference
For Assessing Officers

August 6—9, 2013
Tulsa, Oklahoma
Southern Hills Marriott

100% Veteran's Exemption

- Kenny Chuculate
  Deputy Director, Ad Valorem Division

House Joint Resolution 1044

- 2004 legislative Session
- State Question 715
- Passed November 2004
- Effective January 2006
- State Question 735
- Passed November 2008
- Effective January 1, 2009
- 2013 is the 8th Year of Base Exemption
- 2013 is the 5th Year of Personal Property

General Provision

- Exempts 100% FCV of Homestead and HOUSEHOLD Personal Property
- Must Make Application
- OTC Form 998 (Real)
- OTC Form 998-A (Personal)
- Certified Benefits Letter

Qualifications

- Head of Household
- Honorably Discharged
- 100% Disability Benefits
- Surviving Spouses
- VA Qualification Letter
- Different Letter for Spouses (2010)

Household Personal Property

- SQ-735 (2008)
- HHPP 100% Compensated Veterans
- Article 10 § 8D
- Household Personal Only
- Not Tied to Homestead
- Does Not Include Mfg. Homes
- File Same as Real Property Exemption
- Will Affect 5 Counties

Basic Rules:

- Rule #1:

  Must be Eligible For Homestead Exemption on the Current Residence
- Rule # 2:

  When in Doubt Refer to Rule Number One

Three Most Asked Questions:

- **#1:** If the Property Sells During the Year is it Still Exempt For the Remainder of the year?

  * Yes! January 1 is the Assessment Date

- **#2:** Can I apply my exemption on my new house?

  * Maybe! Only if the qualified applicant was eligible for Homestead Exemption for the Current year on the “New” house.

Three Most Asked Questions:

- #3: Can I Get a Refund for Back Years?

  *No, Okla. Const. Art. 10 Sec. 22A Prohibits Previous Year Applications and Refunds

Application

- OTC Form 998
- USDVA 100% Benefits Qualification Letter
- January 1 to March 15 (Recommended)
- Can Apply Anytime During the Current Year
- Must File in the Same Year as Requested Art. 10, Sec. 22A
- May Not File For Any Previous Year(s)

2013 Numbers

- 19,236 Total Exemptions
- FCV $1.87 Billion Dollars
- Total Assessed: $212 Million Dollars
- Average Tax: $1,102 Dollars
- Total Tax Exempt: $21.2 Million Dollars
- Increase Number 1,077 or 6%
- Increase Tax Dollars $2.2 Million Dollars
- All 77 Counties Affected

2013

- Oklahoma 2,594
- Comanche 2,069
- Tulsa 1,530
- Cleveland 1,258
- Muskogee 692

Protest Procedure

- Informal Protest
- Formal Protest to CBOE
- Protest to District Court
- Same Protest Procedure as Homestead Exemption
- After CBOE Adjourns, Same as TRC

Duration and Termination

- Owned and Occupied Homestead Property Only
- Qualified Household Personal Property
- If Transfer of Title Exemption Terminates
- Any Qualifying Conditions are not Maintained
- Home Purchase After January 1
- If Benefits are Reduced or Rescinded by USDVA

Surviving Spouse Qualification Letters

- Letters Effective June 1, 2010
- Issued by USDVA
- Better Reflect the Constitutional Qualifying Language
- Affects Surviving Spouses Only
- Should be In the System

What Has Changed?

- NOTHING !

Obtaining Certification

- Contact USDVA In Muskogee Oklahoma
- Verification of Eligibility:

www.va.gov

- Carl Boyes
- 918-781-7575 x 6780
- 918-781-7766

Questions

Thought For The Day:

"However Great the Strategy, You Should Occasionally Look at the Results."

- Winston Churchill

Oklahoma Tax Commission
69th Annual Educational Conference
For Assessing Officers

August 6—9, 2013
Tulsa, Oklahoma
Southern Hills Marriott

LEGISLATIVE UPDATE

- Kenny Chuculate
- Gail Hedgcoth
- Wade Patterson
- John Wright

HB-1265
Assessment Adjustment for Natural Disaster
Amending: 68 O.S. Sec. 2817

- Changes Value Adjustment Period
- Reassessment Accounting for any Damage
- Removes the CBOE from the Process
- Reassessment at any Time
- Present to Board of Tax Roll Corrections
- ***Effective: November 1, 2013***

HB-1265
County Board of Equalization
Amending: 68 O.S. Sec. 2863

- Changes the Word “Protests” to “Appeals
- ***Effective: November 1, 2013***

HB-1265
Board of Tax Roll Corrections
Amending: 68 O.S. Sec. 2871

- Changes the Word “Protests” to “Appeals”
- Deletes: “After January 1 and Before May 1.”
- Adds: Improvements Which Have Been Damaged by Wildfires
- TRC Can Act on Specified Items any Time After Tax Roll is Certified
- ***Effective: November 1, 2013***

HB-1265
Certificate of Clerical Error
Amending: 68 O.S. Sec. 2874

- Modifies the Date for Changing the Owner's Name
- Was January 1, Changed to October 1 of the Current Year
- ***Effective: November 1, 2013***

HB-1751
Manufactured Homes, Park Dealers
Amending: 47 O.S. Sec. 581, 583 and 584

- "Restricted Manufactured Home Dealer"
- Parks Must Now be Licensed Dealers *if Selling Homes*
- Licensed at that Location
- New and Used Homes
- "Anchored and Ready for Occupancy"
- Park Must Meet All dealer Requirements
- Homes Subject to Ad Valorem Tax
- ***Effective: November 1, 2013***

SB-166
Disposal Wells
Amending: 68 O.S. Sec. 1001(T)

- Exempts Wellbore and Non-Recoverable Down-Hole Material
- Includes Casing
- ***Effective: November 1, 2013***

SB-166
Disposal Wells
Amending: 68 O.S. Sec. 1001.1(3)

- Exempts All Materials and Equipment of Disposal Systems and Lines Used in Transporting Waste Materials Serving One or More Wells
- Shall Include Casing, Wellbore and Non-Recoverable Down-Hole Material Used in Commercial Disposal of Waste Materials
- ***Effective: November 1, 2013***

SB-166
Disposal Wells
Amending: 68 O.S. Sec. 2817(M)

- The Value of Tangible Personal Property Used in Commercial Disposal Shall not Include Contract Rights or Leases
- ***Effective: November 1, 2013***

SB-330
Tornado Income Tax Credit
Amending: 68 O.S. Sec. 2888

- Adds New Section A-4
- Affects Qualifying Homestead Property Before and After the 2013 Tornadoes
- Ownership of the Property May not Change
- Must be in a Federal Disaster Area
- Rebuilt on the Same Property
- Homestead Exemption Will be Retained

SB-330
Tornado Income Tax Credit, Continued
Amending: 68 O.S. Sec. 2888

- Must be Eligible to Claim Income Tax Credit (68 O.S. Sec. 2357.29)
- Credit is Difference Prior to Damage Against First Year Following Repair or Restoration
- May be Claimed for Five (5) Consecutive Years
- Credit Shall be 80% of the Previous Year's Credit
- May be Paid as a Refund in Some Cases
- ***Effective: Emergency***

SB-330
Homestead Exemption
Amending: 68 O.S. Sec. 2892

- Eligibility for Homestead Exemption
- 2013 Tornado Damaged Property
- Eligible for *Income Tax Credit*
- Purchased or Rebuilt Primary Residence
- Other Than the Location of the Damaged Property
- Homestead for 2014 May be Filed After March 15 but Before June 1 2014 and Will be Granted for the Same Year
- ***Effective: Emergency***

SB-954
Transferring CAMA Support to OSU/CLGT
Amending: 68 O.S. Sec. 2616

- Creates County Government Modernization Revolving Fund
- Appropriated or Made Available to State Auditor and Inspector
- Funding Through Reapportionment of Documentary Stamp Revenue
- Limits Funding to $8 Million

SB-954, Continued
Transferring CAMA Support to OSU/CLGT
Amending: 68 O.S. Sec. 2616

- Includes Additional Funding for:
  - Oklahoma Cooperative Extension
  - County Government Personnel Training
  - Oklahoma Agricultural Experimental Station
- CLGT to Provide Software, Training and Support
- All Duties and Responsibilities of OTC for CAMA Will be Transferred to CLGT
- ***Governor: Veto June 6, 2013***

SB-954
Allocation of Documentary Stamp Revenue
Amending: 68 O.S. Sec. 3201 and 3204

- No Increase in Documentary Stamp Fee
- 30% of All Stamp Revenue Deposited in County Government Modernization Revolving Fund
- Maximum Fiscal Year Fund Balance $8 Million

SB-954, Continued
Allocation of Documentary Stamp Revenue
Amending: 68 O.S. Sec. 3201 and 3204

- Allocation from the Fund:
  - 7.48% Cooperative Extension
  - 12.24% Agricultural Experimental Station
  - 35.38% CLGT, Training Support, Software and Professional Development
  - 44.90% CLGT, Acquire and Administer CAMA Software
  - Counties May Receive up to 10% Refund of Their Deposit
  - If Funds are Insufficient, Percentage Shall be Adjusted
- ***Governor: Veto June 6, 2013***

Limitations of Legislative Data Provided:

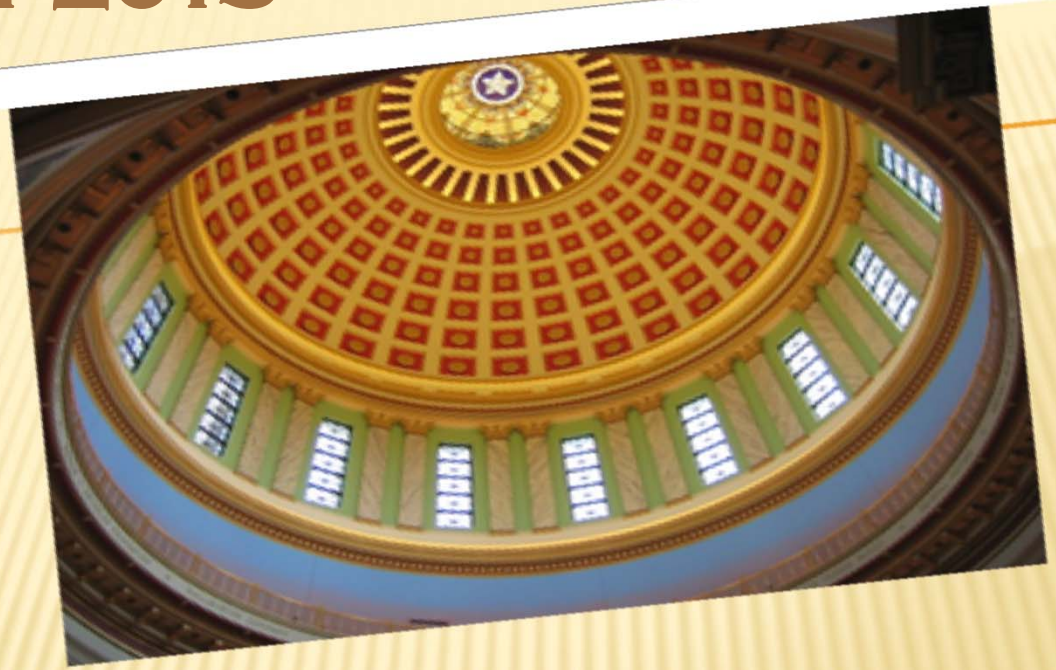
- The Ad Valorem Division, Oklahoma Tax Commission Has Made Available This Synopsis of 2013 Legislative Bills Which Affect Ad Valorem Taxation
- This Synopsis is for Presentation Purposes Only
- For Specific Legislative Action the User Should Refer to the Actual Signed Legislation

Thought for the Day:

- "I don't make jokes. I just watch the government and report the facts."

  - *Will Rogers*

OKLAHOMA TAX COMMISSION
AD VALOREM DIVISION
August 2013



New State Board Performance Audit Equalization Study

OUTLINE OF PRESENTATION

- Performance Audit Background
- Review of Performance Audit Questions
- Schedule for Ratio Study Edits This Fall (EQ Study and Performance Audit)
- What To Look For In Ratio Edits Mailout
- Frequently Ask Questions

DEVELOPMENT OF PERFORMANCE AUDIT

- State Board formed subcommittee at June 2011 meeting; Legislator discussion of audit
- State Auditor, Attorney General, and Superintendent of Public Instruction
- *Full SBOE Approved Performance Audit December 2012*
- *Live Audit 2013*

STATE BOARD SUBCOMMITTEE ISSUES

- Question# 7 (The CAMA Question) Counties missing this question were not called out of compliance.
- Question #7 Many counties (State System and Other) given full credit for this Question.
- Should this be an automatic non-compliance finding under Article X §21?

Content of Audit

- Prepared by State Board Committee
  - State Auditor
  - Superintendent of Public Instruction
  - Attorney General
- *Input*
- County Assessors Association
- Individual Counties
- Ad Valorem Division

NEW PERFORMANCE AND EQUALIZATION STUDY

- Old Annual Valuation and Equalization Study
- 70 Point Audit
- Question #7: 45 missed
- Equalization Study

- New Audit and Equalization Study
- 275 Point Audit
- 192 CAMA Points**
- Equalization Study

"TEST" AUDIT 2012

- Audit More Complicated
- Required more data collection

- 2012 Required "Test"
- Addition to Regular Audit

- "Learning Experience" for Ad Valorem Division
- Thanks to Counties for their help and patience

Results from 2012 "Test" Audit

- Test Audit shows several positive items and good scores on:
  - Mapping
  - Accreditation
  - Forms
  - Ag Use Value Methodology
  - Constitutional Valuation Limitations
  - Other Administrative Items

RESULTS FROM 2012 "TEST" AUDIT

- Subcommittee Reported Progress to the State Board of Equalization December 2012.
- State Board of Equalization accepted the report after discussion.
- No county names or results presented to the State Board of Equalization

All Alone Out in Left Field

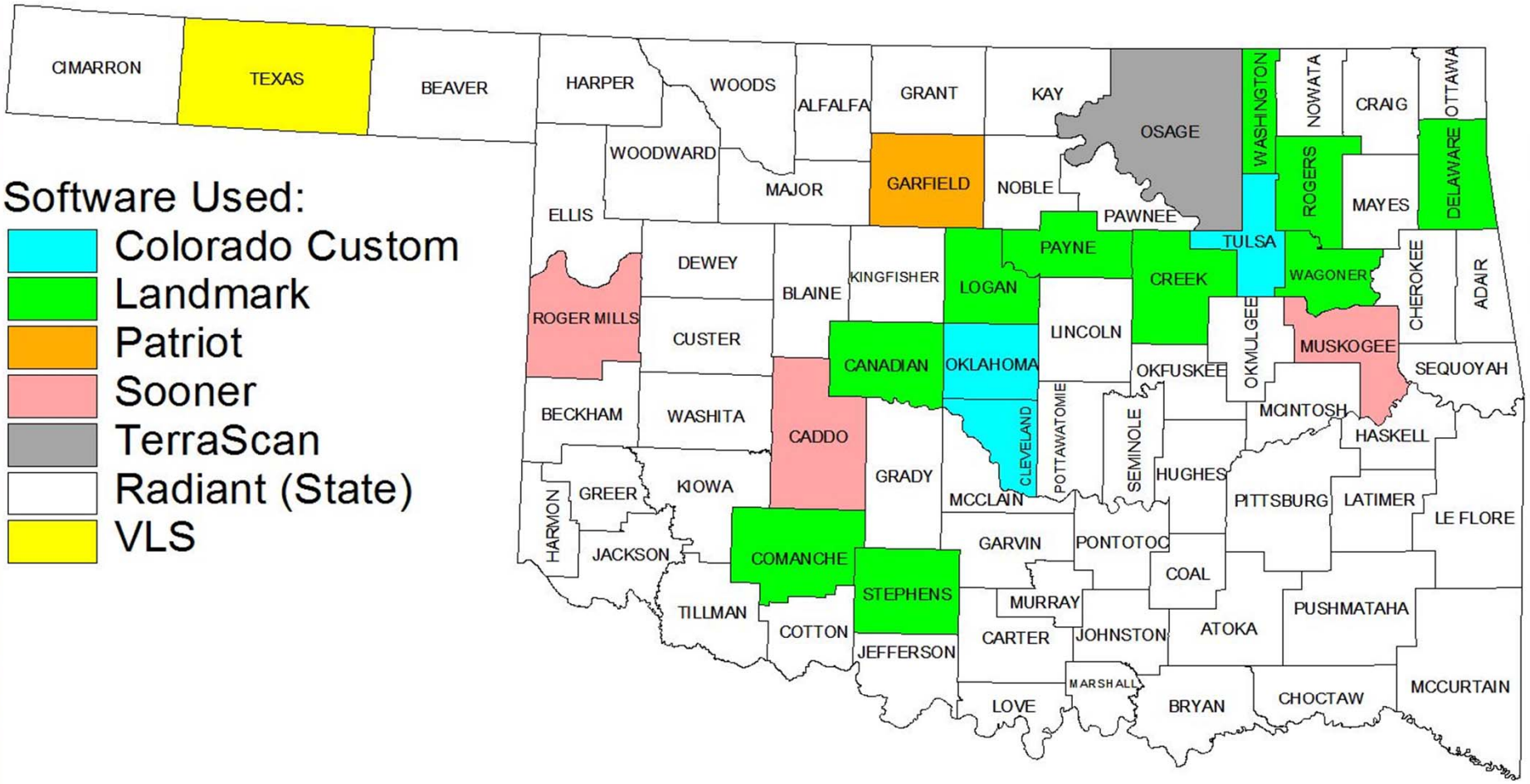
Fall Assistance Project

- Status Report

- Check List Items
- "Guidance Memorandum"

- Assistance Visits
- Check Progress

Current CAMA Software - 2013



Map created by the Ad Valorem Division of OTC, July 22, 2013
Jeff Spelman, CAE, Director - Phone (405) 319-8200

Fall Assistance Project

Guidance Memorandum	• Assessor • Field Analyst
Progress Check	• Field Analyst • Assessor
Assistance Schedule	• Field Analyst • Assessor

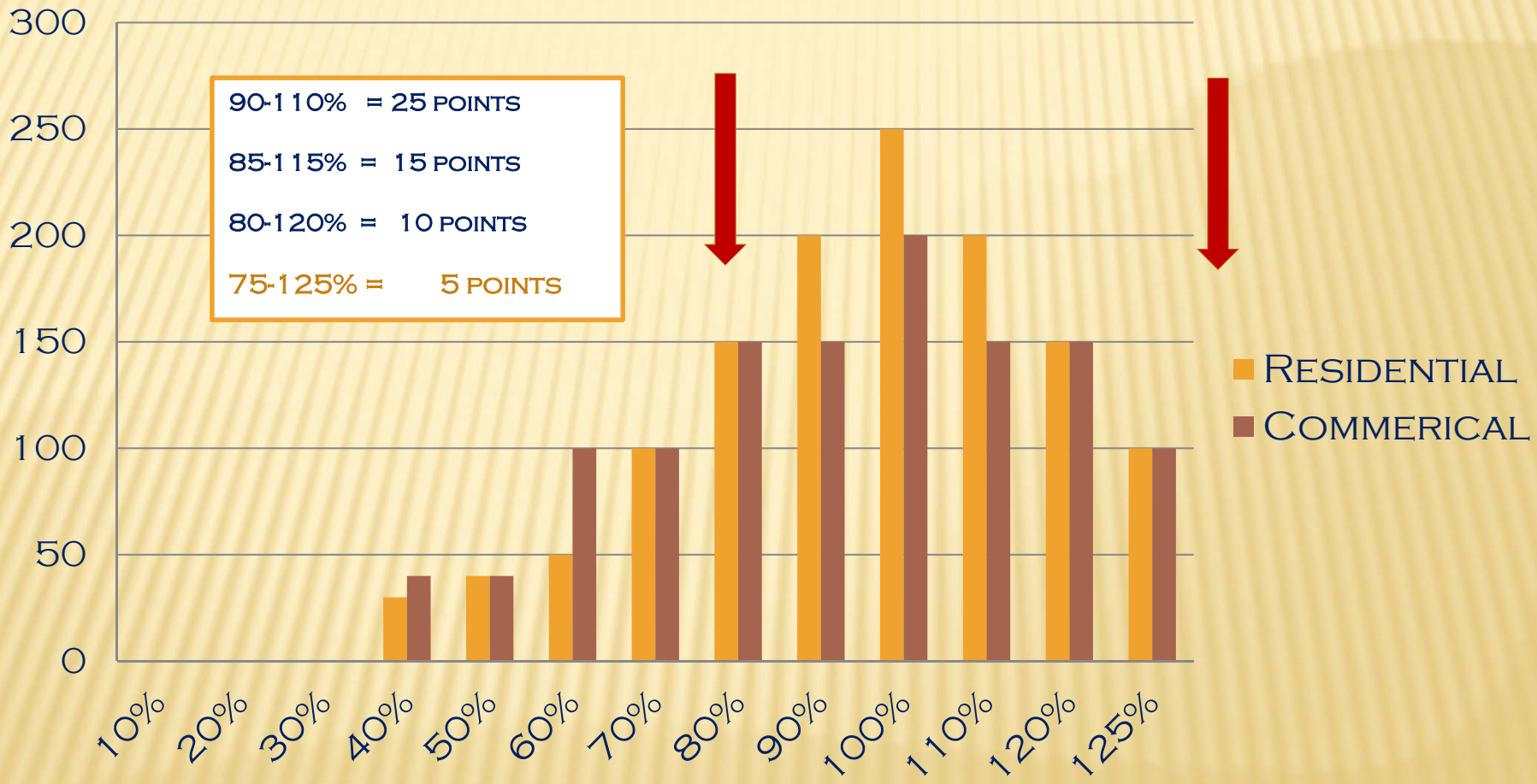
THINGS ARE TOUGH

....BUT IT COULD BE WORSE.

NEW AUDIT IS MORE DIFFICULT, BUT……

- Partial Credit Questions:
- Ratio Study Points
- COD Partial Points
- PRD Partial Points

MARKET VALUE/SALES RATIO GENEROUS



COEFFICIENT OF DISPERSION GENEROUS

$$COD = \frac{100\ (\text{Average Absolute Deviation})}{\text{Median Market Sales Ratio}}$$

How much you missed each sale divided by the middle value.

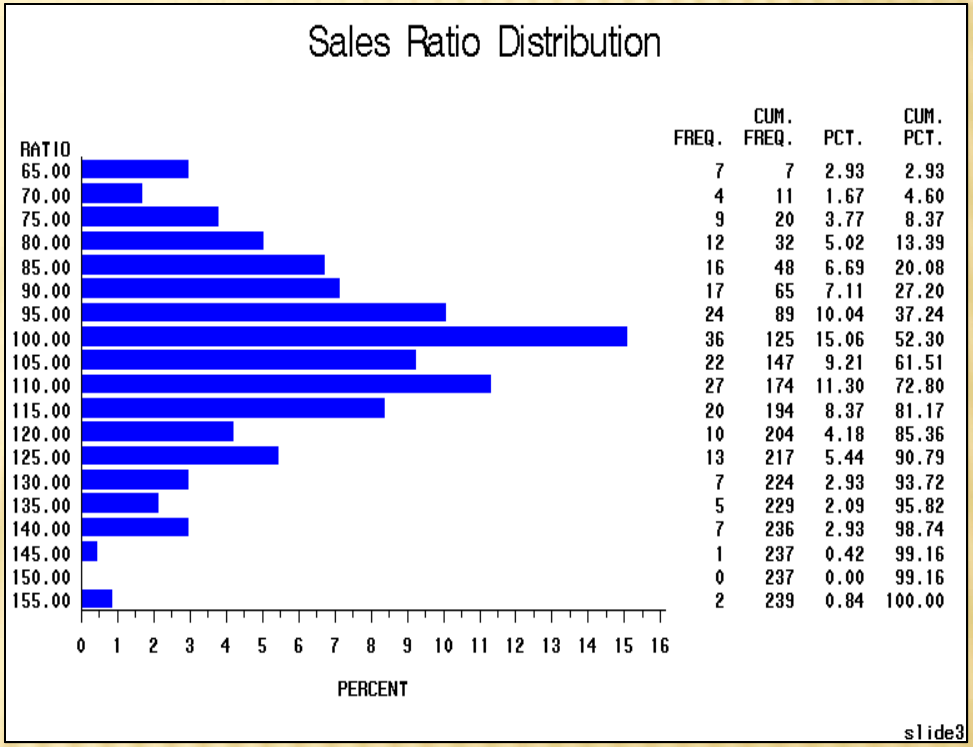
COEFFICIENT OF DISPERSION GENEROUS

- Residential
- 20% or less = 15 points
- 21-30%= 8 points
- 31-50% = 4 points

- Commercial
- 20% or less= 15 points
- 21-30% = 8 points
- 31-50% =4 points

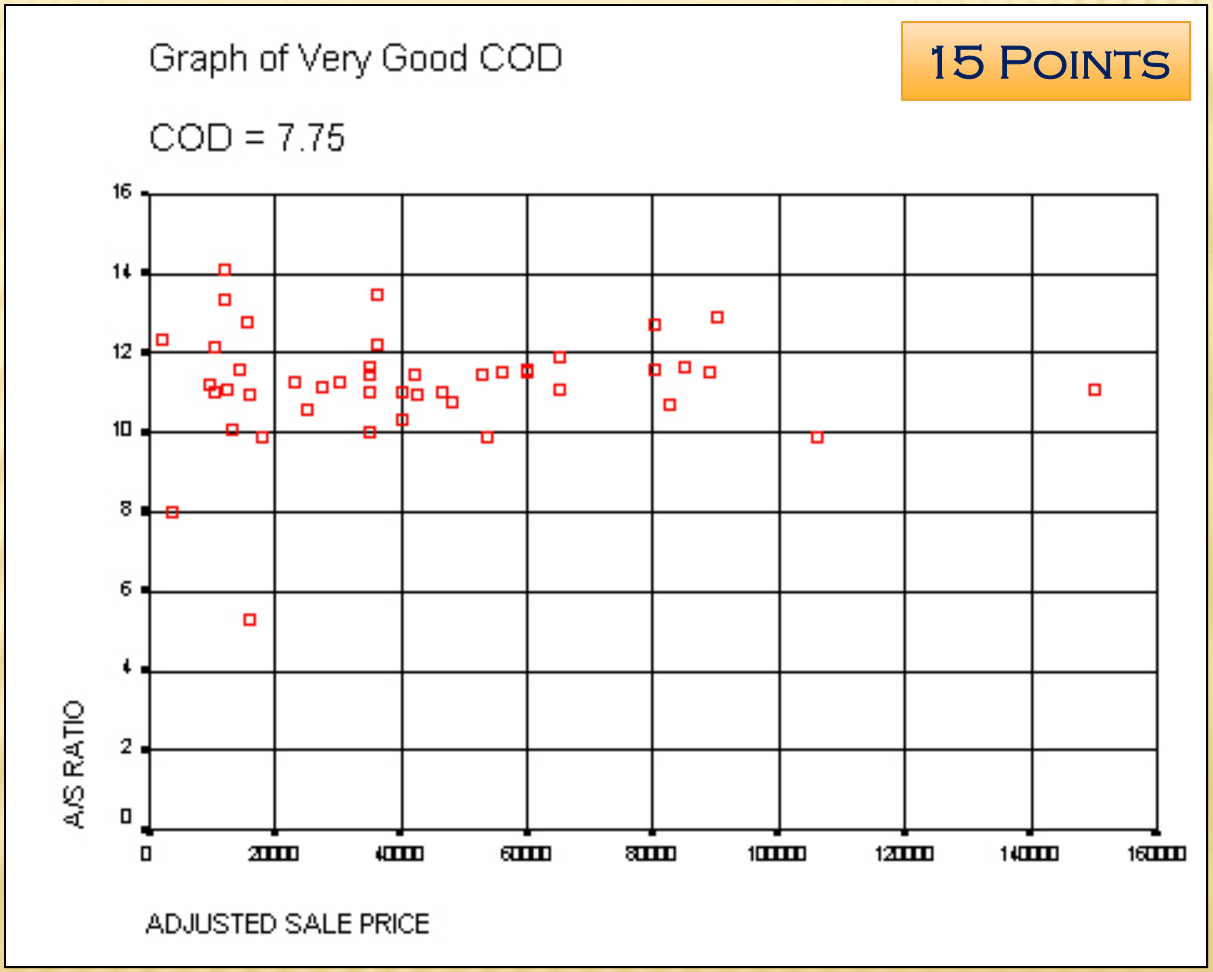
RATIO ANALYSIS

- Standard Statistics
- Document Findings
- Central Tendency
- Dispersion
- Other Relevant Statistics
- SPSS Packages

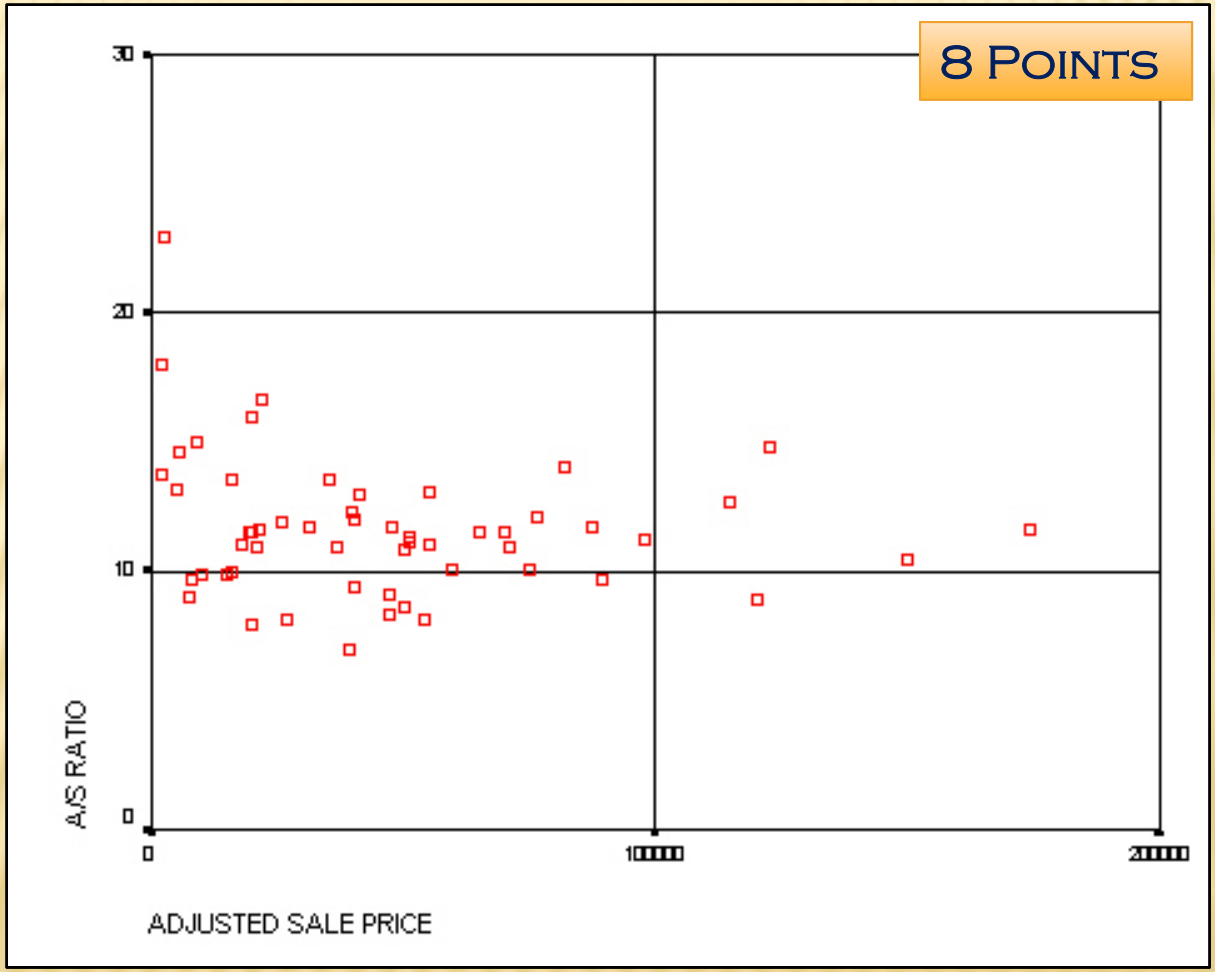


RATIO	FREQ.	CUM. FREQ.	PCT.	CUM. PCT.
65.00	7	7	2.93	2.93
70.00	4	11	1.67	4.60
75.00	9	20	3.77	8.37
80.00	12	32	5.02	13.39
85.00	16	48	6.69	20.08
90.00	17	65	7.11	27.20
95.00	24	89	10.04	37.24
100.00	36	125	15.06	52.30
105.00	22	147	9.21	61.51
110.00	27	174	11.30	72.80
115.00	20	194	8.37	81.17
120.00	10	204	4.18	85.36
125.00	13	217	5.44	90.79
130.00	7	224	2.93	93.72
135.00	5	229	2.09	95.82
140.00	7	236	2.93	98.74
145.00	1	237	0.42	99.16
150.00	0	237	0.00	99.16
155.00	2	239	0.84	100.00

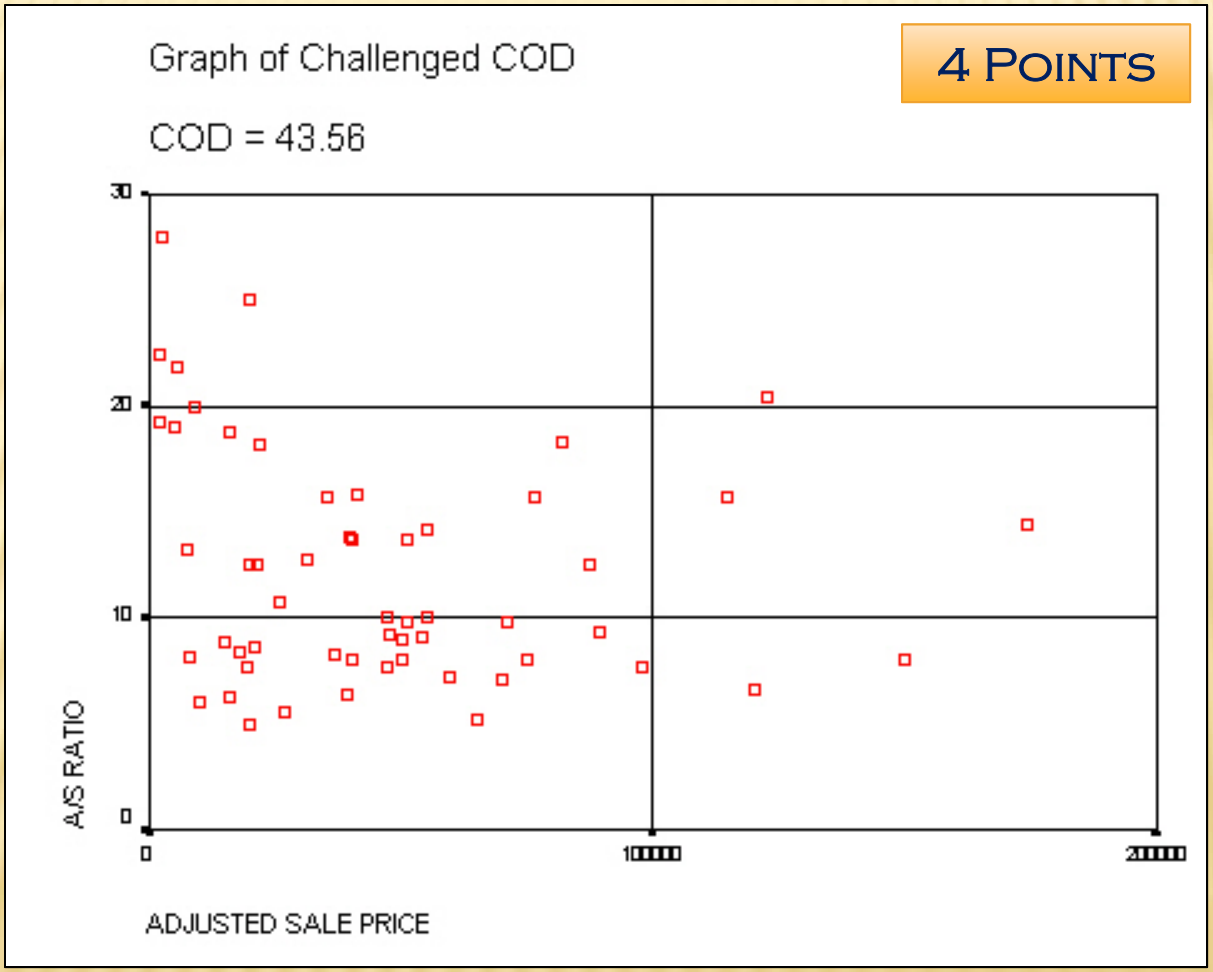
VERY GOOD COD:



GOOD COD:


8 Points
30
20
10
0
A/S RATIO
0
100000
200000
ADJUSTED SALE PRICE

HIGH COD:


Graph of Challenged COD
COD = 43.56
4 Points
30
20
10
0
A/S RATIO
0
100000
200000
ADJUSTED SALE PRICE

Price Related Differential (PRD)

$$PRD = \frac{\text{Average Sales Ratio}}{\text{Weighted Average Sales Ratio}}$$

High and Low Price Houses Assessed Equally?

PRICE RELATED DIFFERENTIAL (PRD)

- Question??
- Am I appraising expensive properties too low and cheaper properties too high?
- Higher properties hard to appraise? More amenities inside? Fewer sales? Appraisers not used to high quality?

PRICE RELATED DIFFERENTIAL (PRD)

Everyone's equal - .98 to 1.03 (10 points)

Rich Guys not happy -Less than .98
(7-5 points)

Cheaper Properties hit - Greater than 1.03
(7-5 points)

Usually Higher Price Homes Slightly Higher.

"LIVE" AUDIT 2013

"Test" Audit

State Auditor presented "test" to the State Board of Equalization

State Board Accepted Audit

State Board accepted the audit; no motion accepting the audit.

2013 Audit

Ad Valorem Division will submit audit to the Subcommittee

EQUALIZATION STUDY STATUTE:

- 68 O.S. 2001, § 2866. Oklahoma Tax Commission – Equalization ratio study
- A. ... Oklahoma Tax Commission shall conduct and publish an equalization ratio study for each county annually in accordance with the requirements of this section...

Process of Reporting

Ad Valorem Division conducts Audit

Submits to State Board of Equalization Subcommittee

Subcommittee Reports to State Board of Equalization

STATE BOARD OF EQUALIZATION COMPLIANCE FINDINGS DECEMBER 2013

Review of Performance Audit Questions

Performance Audit Scoring:

- **Total of 275 points possible**
- For compliance, county must obtain score of 192, or 70%

Performance Audit Questions:

- Q 1: Computer Assisted Mass Appraisal (CAMA)
  - CAMA market value appraisal to sale ratio components, 1a, 1b, 1e
  - Data collection, field inspection component 1b
  - Visual inspection plan status, 1d

Performance Audit Questions:

- If 0 pts. on 1a, 1b and 1e, total of 90 points deducted
- 275 – 90 points = 185, or below minimum passing score
- CAMA market value ratio study at time of sale is key component of Performance audit
- Full utilization of CAMA is single most important aspect

Performance Audit Questions:

- Ratio components of Q1 (1a, 1b, 1e) measure RS and CM median ratios, COD's, and RS PRD
- Remember scoring on CAMA ratio study as discussed earlier: (see next slide)

Performance Audit Questions:

- **Residential Median:**
  - **90% – 110% = 25 pts.**
  - **85% - 115% = 15 pts.**
  - **80% - 120% = 10 pts.**
  - **< 80% or > 120% = 0**
- **Commercial Median:**
  - **90% – 110% = 25 pts.**
  - **85% - 115% = 15 pts.**
  - **80% - 120% = 10 pts.**
  - **75% - 125% = 5 pts.**
  - **< 80% or > 120% = 0**

- (Ratios Calculated are Fair Cash Value at Time of Sale / Sales Price)

Performance Audit Questions:

- **Residential COD:**
  - **< or = 20% = 15 pts.**
  - **21% - 30% = 8 pts.**
  - **31% - 50% = 4 pts.**
  - **> 50% = 0 pts.**
- **Commercial COD:**
  - **< or = 20% = 15 pts.**
  - **21% - 30% = 8 pts.**
  - **31% - 50% = 4 pts.**
  - **> 50% = 0 pts.**

- (COD's Based on Fair Cash Value Ratios at Time of Sale / Sales Price)

Performance Audit Questions:

- **Residential PRD:**
  - **.98 – 1.03 = 10 pts.**
  - **.90 – 1.11 = 7 pts.**
  - **.80 – 1.21 = 5 pts.**
  - **< 80 or > 1.21 = 0 pts.**

- (PRD's Based on Fair Cash Value Ratios at Time of Sale / Sales Price)

Performance Audit Questions:

- Q1(c): Data collection / field inspection complete and accurate
- Sample of *improved* property record summaries pulled and analyzed as follows:
  - Five improved RS parcels
  - Five improved CM parcels
  - Five improved AG parcels

Performance Audit Questions:

- Q 1(c), continued:
- If 0 errors affecting value and 0 – 4 errors not affecting value, then = 25 pts.
- If 0 errors affecting value and 5 or more errors not affecting value then = 13 pts.
- If 1 – 3 errors affecting value and 0 - 8 errors not affecting value then = 13 pts.

Performance Audit Questions:

- Q 1(c), continued:
- If 1 -3 errors affecting value and 9 or more errors not affecting value then = 0 pts.
- If 4 or more errors affecting value and any number of errors not affecting value, then = 0 pts.

Performance Audit Questions:

- Q1(d): Data collection / field inspection complete and accurate

Performance Audit Questions:

- Q 1(d), continued:
- If county behind by 10% or more, or if significant lag in data entry of data-collected parcels, then no points

Performance Audit Questions:

- Q 2(a): Market values generated by CAMA transferred to AA:
- If values are being maintained and transferred, county receives 10 pts.
- To receive credit for Q 2(a), a minimum of 80% of countywide parcel count must be transferred to AA (used in assessment/tax roll production)

Performance Audit Questions:

- Q 2(a), continued:
- If county has not used CAMA to generate values, and no transfer has occurred from CAMA to AA, then county receives 0 pts.

Pct. chg.
Day
Chg.
1.64
1.98
145
140
1223.74

Performance Audit Questions:

- Q 2(b): AA and CAMA databases current and accurate.
- OTC will conduct general audit of CAMA and AA databases to determine whether they are current and accurate.
- Data edits and other systems analysis can be run to make this determination

Performance Audit Questions:

- Q 2(b), continued:
- For no deficiencies, or minimal problems, county receives 10 pts.
- For more significant documented deficiencies, county receives 0 pts.

Performance Audit Questions:

- Q 2(c): Maintain and update appraisal information; maintenance activity; new construction, demolitions, fire/storm damage.
- OTC will analyze a sample of parcels outside of recent VI areas to which improvements have been added or removed.

Performance Audit Questions:

- Q 2(c), continued:
- OTC will perform field verification of maintenance items.
- Discrepancies noted on each property summary printout.
- Substantial compliance with majority of accepted practices in this area = 10 pts.

0.0076

Performance Audit Questions:

- Q 2(c), continued:
- If significant deficiencies are found, county will receive 0 pts.

Performance Audit Questions:

- Q 2(d): Sales file maintenance.
- 10 deeds from 3 to 6 months old from Clerk's office pulled and copied for *data quality check*.
- 5 deeds filed about 1 month prior to audit visit pulled and copied for *data currency check*.

Performance Audit Questions:

- Q 2(d), continued:
- Following deed info. to be reviewed and compared to assessor records to look for discrepancies:
  - Book/Page
  - Documentary Stamps Amount
  - Sale Date
  - Instrument

Performance Audit Questions:

- Q 2(d), continued:
  - Qualification
  - Vacant/Improved
  - Grantor/Grantee
  - Sales Price

Performance Audit Questions:

- Q 2(d), continued:
- Audit will also include review of:
  - Sales questionnaire process and procedures
  - Sales screening and deed processing
  - Sales file accuracy and completeness
  - Sales coding and sales data entry
  - Overall integrity of sales file
  - Regular physical inspection of sales

Performance Audit Questions:

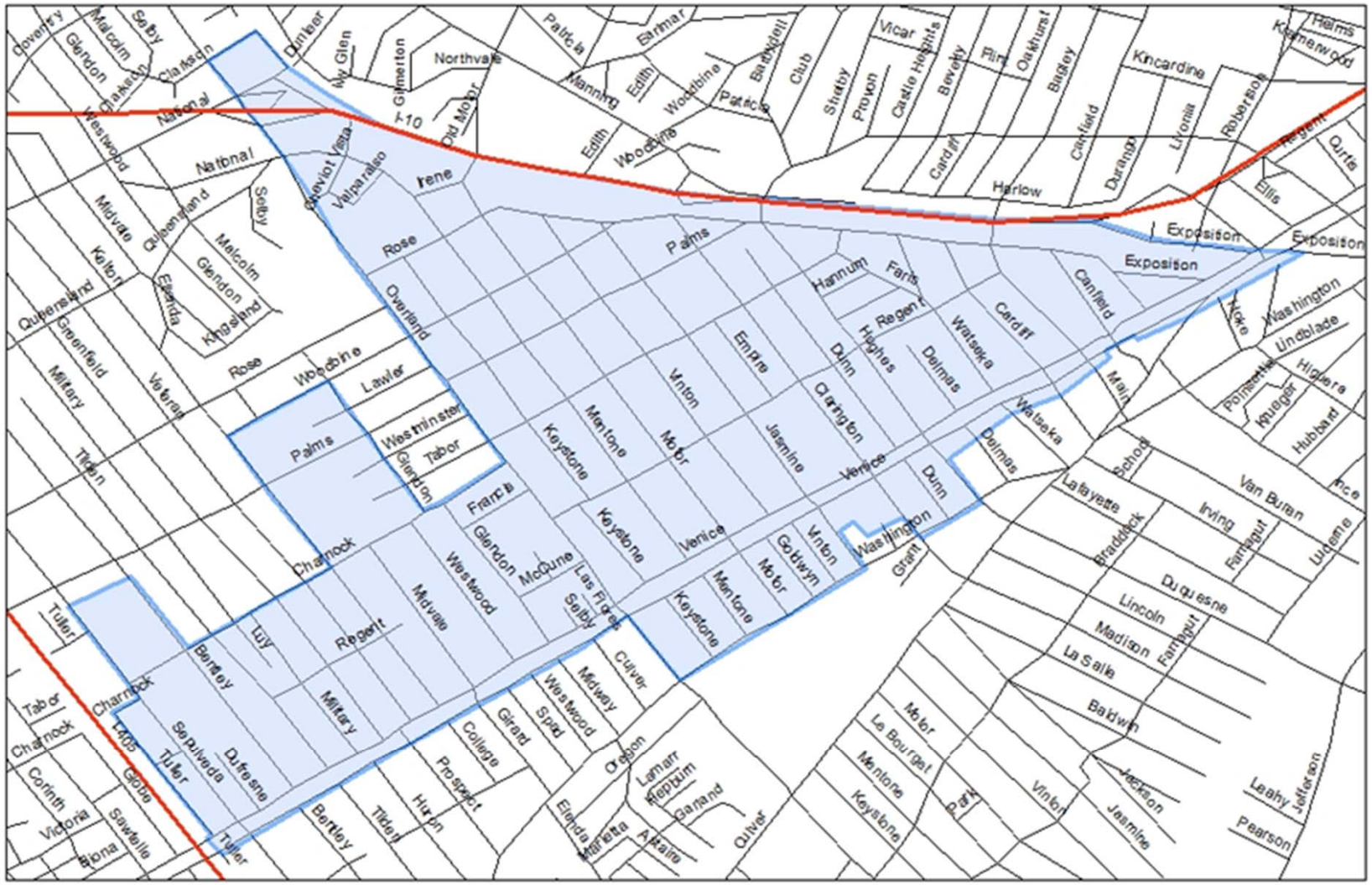
- Q 2(d), continued:
- If county substantially complies with *data quality* requirements, then receives 5 pts.
- If significant deficiencies are noted with *data quality* requirements , then county receives 0 pts.

Performance Audit Questions:

- Q 2(d), continued:
- If county substantially complies with *data currency* requirements, then receives 5 pts.
- If significant deficiencies are noted with *data currency* requirements , then county receives 0 pts.

Performance Audit Questions:

- Q 3, Analysis of Cadastral Mapping:
- Question has been broken into 5 components, with each component scored at 5 pts.
- County mapper generally will produce requested information/printouts
- If mapper or assessor has difficulty in producing printouts during audit visit, contact Troy Frazier of OTC


Coventry
Malcolm
Selby
Glendon
Clarkson
Clarkson
Westwood
National
Dunlaer
Mt Glen
Gilmerton
Northvale
Old Motor
I-10
Patricia
Elmmar
Manning
Edith
Woodbine
Edith
Woodbine
Patricia
Bartwright
Club
Shirley
Provon
Vicar
Castle Heights
Bewerly
Flint
Oakhurst
Bagley
Kincardine
Kimmerwood
Helms
Robertson
Lixomit
Durango
Cinfield
Cardiff
Harlow
Regent
Ellis
Quirle
National
Queensland
Midvale
Kalorr
Selby
Malcolm
Glendon
Kingsland
Elenda
Queensland
Greenfield
Military
Veterans
Tilden
Glenviot Vista
Valparaiso
Irene
Rose
Rose
Overland
Woodbine
Lawler
Palms
Westminster
Tabor
Glendon
Palms
Exposition
Exposition
Exposition
Hannum
Faris
Regent
Hughes
Delmas
Watseka
Cardiff
Canfield
Nicke
Washington
Lindblade
Higiera
Polmerita
Krueger
Hubbard
Main
Watseka
Delmas
Dunn
Clarington
Jasmine
Empire
Vinton
Motor
Mentone
Keystone
Franklin
Glendon
McGuire
Las Flores
Selby
Venice
Venice
Keystone
Keystone
Mentone
Motor
Gotlwyn
Vinton
Washington
Grant
Schoch
Lafayette
Van Buren
Irving
Farragut
Luderne
Braddock
Duquesne
Lincoln
Madison
La Salle
Baldwin
Farragut
Jackson
Jasmine
Leahy
Jefferson
Pearson
Vinton
Park
Motor
Le Bourgat
Mentone
Keystone
Culver
Midway
Westwood
Spad
Girard
College
Prospect
Huron
Tilden
Bartley
Orchon
Lamarr
Hepburn
Garland
Culver
Elenda
Marietta
Altaire
Chamnock
Luy
Regent
Midvale
Westwood
McGuire
Selby
Bartley
Military
Tuller
Tabor
Chamnock
Corinth
Victoria
Iona
Globe
Sawtelle
Tuller
Sepulveda
Duquesne
Tuller
Tuller

Performance Audit Questions:

- Q 3(a), Ownership Mapped?
- OTC will audit to determine if mapped parcel count is within 95% of total parcel count (There may be secondary parcels that would not be mapped)

Performance Audit Questions:

- Q 3(b), Ownership up to date?
- OTC will audit by requesting printout of map(s) showing five (5) new parcel splits.
- OTC will make determination as to whether splits are being systematically performed for deeds filed

Performance Audit Questions:

- Q 3(c), Can county produce parcel map with current school district boundaries?
- OTC will audit by requesting printed copy of a sample of five (5) section maps containing school district boundary lines
- Complete set of samples should match boundary lines on OU web site: www.csa.ou.edu

Performance Audit Questions:

- Q 3(d), Can county produce parcel map with current city boundaries?
- OTC will audit by requesting printed copy of random city containing *entire*, complete boundaries for the whole city
- Sample city map should match boundary map provided by: www.csa.ou.edu

Arena Field
Recreation Ground

Performance Audit Questions:

- Q 3(e), Can county produce parcel map with OTC approved soils and current land use?
- OTC will utilize required replacement samples pulled for Equalization Study
- Will request printed copy of parcel maps with soils and current land use mapped for each sample

Performance Audit Questions:

- Q 3(e), continued, Can county produce parcel map with OTC approved soils and current land use?
- Soils should match soil mapping provided by "Oklahoma Counties Map Viewer," or old Soil Conservation Service Soil Book
- Land use will be confirmed by actual site visits

Performance Audit Questions:

- Q 4, Have eligible required personnel met accreditation requirements?
- OTC will review an employee list provided by county and compare it to CLGT accreditation list with data below:
  - Current job function / description, length of time in current position, original hire date

Performance Audit Questions:

- Q 4, continued, Accreditation:
- For 15 pts., *ALL* personnel involved in valuation process must be advanced accredited
- New staff members are allowed to be working on accreditation in accordance with statutory time frames

disciplined.
ed·ū·çā′tion, n. [L.
educate.]
the process

Performance Audit Questions:

- Q 4, continued, Accreditation:
- Also, employees starting *new* function in valuation process may be working on accreditation within statutory guidelines
- County receives score of 0 pts. if *any* employee involved in valuation process does not comply with all accreditation requirements of 68 O.S. § 2816

Performance Audit Questions:

- Q 5, County using appropriate Ag. Use Value methodology:
- OTC will analyze county data to determine compliance
- Will look at soils information, productivity indices, dollars per point, various CAMA tables related to AG
- 10 pts. for compliance, 0 pts. noncompliance

Performance Audit Questions:

- Q 6, Personal property classifications, annual valuation and assessment procedures:
- OTC will analyze sample of 10 business and 5 agricultural personal property accounts

Performance Audit Questions:

- Q 6, Personal property classifications, annual valuation and assessment procedures, continued:
- Audit items:
  - Correct rendition form with current asset listing?
  - Original cost listed on older assets, or cost new for new assets?
  - Use of approved depreciation schedule for sample?

Performance Audit Questions:

- Q 6, continued:
- Audit items:
  - Current market value for audit sample asset using items mentioned on previous slide
- If substantial compliance on 9 or 10 samples, then 10 pts.
- If substantial compliance on 7 or 8 samples, then 5 pts.
- If substantial compliance on 6 or less samples, then 0 pts.

Performance Audit Questions:

- Q 7, Maintenance of capped values and proper application of Constitutional senior valuation limitation
- OTC will analyze sample of 10 RS and 5 CM which are subject to Cap
  - Will review to see that value did not increase > 5%

Performance Audit Questions:

- Q 7, Maintenance of capped values and proper application of Constitutional senior valuation limitation, continued
- OTC will analyze 5 “freeze” applications
  - Audit to see that value did not increase, unless improvements added
  - 10 pts. for compliance on *all* samples
  - 0 pts. for noncompliance

Performance Audit Questions:

- Q 8, Uncapped property valued at actual fair cash value (sold property)
- OTC will analyze prior year EQ study ratio statistics for CM, RS, and AG classes
  - If median audited assessment percentages and COD's are within SBOE guidelines, then 10 pts.
  - If any COD's exceed statutory limit of 20, then 5 pts.
  - If any median ratio falls outside SBOE parameters, then 0 pts.

Performance Audit Questions:

- Q 9, County exclusively using current OTC approved forms
- OTC will audit all county forms to determine compliance
- *All* forms must comply for credit on this question
  - 10 pts. awarded for compliance
  - 0 pts. for noncompliance

Fall Schedule for
Ratio Edits
(EQ Study & Performance Audit)

9
10
11
12
19
20

Key Dates This Fall:

- **September 9:** First mailing of sales samples for EQ Study and Performance Audit ratio studies
- **October 7:** Edits (corrections & proposed deletions) due from assessors for EQ Study and Performance Audit

Key Dates This Fall:

- **October 21:** Final mailing of sales samples for EQ Study and Performance Audit
- **November 4:** Deadline for informal protests from assessors on samples to be utilized for EQ Study and Performance Audit ratio studies

Key Dates This Fall:

- **November 11:** Final findings for EQ Study and Performance Audit ratio studies prepared for submission
- **November 26:** Deadline for submission of final findings to OTC
- **December 2:** (or date determined by SBOE) Submission of final findings to SBOE with compliance recommendations.

What to Look for in Ratio Edits Mailout

Performance Audit & Equalization Study

Edit

You have seen this page before.

It was slightly “tweaked” last year.

The top part is still the old “**Equalization Study**”

The bottom part was changed last year

…from showing previous year assessed values (like the “Equalization Study”)

…to showing previous year actual (“uncapped”) fair cash values for the “**Performance Audit**”

6/21/2013

AD VALOREM RATIO STUDY

County Statistical Summary for County: SAMPLE
Property Class: RES

Number of Samples	34

Current Year Assessment Value Measurements:

Mean	14.681
Median	11.5
Average Deviation	4.515
Coefficient of Dispersion	39.258
Mkt-Use Related Differential	131.976
Standard Deviation	14.841
Coefficient of Variation	101.09

Previous Year 'Uncapped' Fair Cash Value Measurements:

Mean	192.473
Median	96.285
Average Deviation	119.765
Coefficient of Dispersion	124.386
Mkt-Use Related Differential	201.883
Standard Deviation	264.457
Coefficient of Variation	137.4

Current Year Assessment Value Measurements:

Mean	14.681
Median	11.5
Average Deviation	4.515
Coefficient of Dispersion	39.258
Mkt-Use Related Differential	131.976
Standard Deviation	14.841
Coefficient of Variation	101.09

The current assessment numbers (after the sale) show us if you are uncapping and changing taxable fair cash and assessed values to fair cash.

In this sample, the "**Median**" is **11.5%**. Since the county is assessing at 11.5%, the median is very good.

The "**Coefficient of Dispersion**" (COD) is **39.258**%. IAAO (and OTC & SBOE) standards require a COD of 20% or less. COD results have not been used for compliance measures; however, they are reported to the State Legislature as a deficiency in our annual reports.

Previous Year 'Uncapped' Fair Cash Value Measurements:

Mean	192.473
Median	96.285
Average Deviation	119.765
Coefficient of Dispersion	124.386
Mkt-Use Related Differential	201.883
Standard Deviation	264.457
Coefficient of Variation	137.4

Previous year “uncapped” fair cash numbers (set before the sale) show us how well you are utilizing county wide and neighborhood sales and applying this analysis toward unsold properties.

In this sample, the “**Median**” is **96.285%**. That is within 10% of actual fair cash value for this county. This meets IAAO (and OTC & SBOE) standards and gives you full credit for that portion of the new “Performance Audit”.

The “**Coefficient of Dispersion**” (COD) is **264.457%**. IAAO (and OTC & SBOE) standards require a COD of 20% or less. A COD this high indicates a very poor relationship between each individual sale and its previously established fair cash value. A COD this high gives you no credit for that portion of the new “Performance Audit.”

You have seen these pages before.

They were slightly “tweaked” last year.

These are the samples we use to measure the “Equalization Study” and “Performance Audit”.

The printing is very, very small, but it is very, very important that ***you make sure*** the information for each sample is correct.

2013 Samples/ID Order

COUNTY SAMPLE **CO# 00** **Property Class: 1** **Analyst:** OTC employee

OTC Id:	17	1	0001	Deed Type:	WD	Lot		BLK		Stamps	$123.00	Sale	$82,000	Curr MKT/Use Value	82,000		
ASR.Id	0000-00-000-000-0-000-00					Addn			City			Prev MKT Land	1,719	Curr Asd Land	198		
Book:	374	Page:	374	VI YR		Acres		Sec	00	Twp	001	Rng	002	Prev MKT Impr	22,907	Curr Asd Impr	2,714
Date of Conv	03/09/2012	LEGAL	LT 2 JOACHIM ADD 7'10' NORTH SIDE											Prev MKT Total	24,626	Curr Asd Total	2,912
Grantor:	JOACHIM, LAND CO LLC					Grantee:	RASH, CLAUDE E, ETUX							Prev MKT Ratio	30.03%	Curr Asd Ratio	3.55%

OTC Id:	17	1	0002	Deed Type:	WD	Lot	012	BLK	028	Stamps	$30.00	Sale	$20,000	Curr MKT/Use Value	20,000		
ASR.Id	0000-00-000-000-0-000-00					Addn	0013			City		Prev MKT Land	2,150	Curr Asd Land	1,150		
Book:	374	Page:	320	VI YR		Acres		Sec		Twp		Rng		Prev MKT Impr	4,833	Curr Asd Impr	1,150
Date of Conv	03/08/2012	LEGAL	BLK 28 LT 12-13 W H											Prev MKT Total	6,983	Curr Asd Total	2,300
Grantor:	HARRIS, RICHARD LEE					Grantee:	GOODWIN, TONY , ETUX							Prev MKT Ratio	34.92%	Curr Asd Ratio	11.50%

OTC Id:	17	1	0003	Deed Type:	WD	Lot	007	BLK	072	Stamps	$32.25	Sale	$21,500	Curr MKT/Use Value	21,700		
ASR.Id	0000-00-000-000-0-000-00					Addn	0400			City		Prev MKT Land	850	Curr Asd Land	98		
Book:	375	Page:	91	VI YR		Acres		Sec		Twp		Rng		Prev MKT Impr	10,763	Curr Asd Impr	2,398
Date of Conv	04/17/2012	LEGAL	LT 7 BLK 72 RC (PREPAID $121.00 4-19-2012 936											Prev MKT Total	11,613	Curr Asd Total	2,496
Grantor:	FORRESTER, GLENDON, ETUX					Grantee:	WILLIAMS, VICTOR, ETUX							Prev MKT Ratio	53.52%	Curr Asd Ratio	11.50%

OTC Id:	17	1	0004	Deed Type:	WD	Lot	009	BLK	042	Stamps	$156.00	Sale	$104,000	Curr MKT/Use Value	104,000		
ASR.Id	0000-00-000-000-0-000-00					Addn	0028			City		Prev MKT Land	3,000	Curr Asd Land	345		
Book:	377	Page:	735	VI YR		Acres		Sec		Twp		Rng		Prev MKT Impr	65,065	Curr Asd Impr	11,615
Date of Conv	10/03/2012	LEGAL	LT 9-11 BLK 42 ROSS ADD											Prev MKT Total	68,065	Curr Asd Total	11,960
Grantor:	SLOAN, KENTON, ETUX					Grantee:	WOLCOTT, LARRY S, ETUX							Prev MKT Ratio	65.45%	Curr Asd Ratio	11.50%

OTC Id:	17	1	0005	Deed Type:	WD	Lot	009	BLK	034	Stamps	$147.00	Sale	$98,000	Curr MKT/Use Value	98,000		
ASR.Id	0000-00-000-000-0-000-00					Addn	0013			City		Prev MKT Land	3,225	Curr Asd Land	371		
Book:	377	Page:	295	VI YR		Acres		Sec		Twp		Rng		Prev MKT Impr	61,921	Curr Asd Impr	7,398
Date of Conv	08/01/2012	LEGAL	LT 9-11 BLK 34 W HTS											Prev MKT Total	65,146	Curr Asd Total	7,769
Grantor:	HADDON, MARK E JR, ETUX					Grantee:	PADGETT, JOSEPH A							Prev MKT Ratio	66.48%	Curr Asd Ratio	7.93%

OTC Id:	17	1	0006	Deed Type:	WD	Lot	031	BLK	034	Stamps	$82.50	Sale	$55,000	Curr MKT/Use Value	55,000		
ASR.Id	0000-00-000-000-0-000-00					Addn	0013			City		Prev MKT Land	2,150	Curr Asd Land	247		
Book:	376	Page:	642	VI YR		Acres		Sec		Twp		Rng		Prev MKT Impr	35,048	Curr Asd Impr	6,078
Date of Conv	08/02/2012	LEGAL	LT 31-32 BLK 34 W HTS											Prev MKT Total	37,198	Curr Asd Total	6,325
Grantor:	TAYLOR, JEREMY RF, ETUX					Grantee:	CRUZ, MANUEL & KIMBERLY							Prev MKT Ratio	67.63%	Curr Asd Ratio	11.50%

OTC Id:	17	1	0007	Deed Type:	WD	Lot	001	BLK	075	Stamps	$75.00	Sale	$50,000	Curr MKT/Use Value	50,000		
ASR.Id	0000-00-000-000-0-000-00					Addn	0010			City		Prev MKT Land	1,067	Curr Asd Land	123		
Book:	376	Page:	419	VI YR		Acres		Sec		Twp		Rng		Prev MKT Impr	33,795	Curr Asd Impr	4,051
Date of Conv	07/17/2012	LEGAL	SOUTH 55.9 FT OF LOTS LK 75 W ADDITION-RESIDEN											Prev MKT Total	34,862	Curr Asd Total	4,174
Grantor:	WALTERS BANK & TRUST CO					Grantee:	HORNBECK, IRLEY ROSS, ET							Prev MKT Ratio	69.72%	Curr Asd Ratio	8.35%

OTC Id:	17	1	0008	Deed Type:	WD	Lot	025	BLK	002	Stamps	$97.50	Sale	$65,000	Curr MKT/Use Value	65,000		
ASR.Id	0000-00-000-000-0-000-00					Addn	0011			City		Prev MKT Land	3,120	Curr Asd Land	359		
Book:	376	Page:	79	VI YR		Acres		Sec		Twp		Rng		Prev MKT Impr	46,312	Curr Asd Impr	7,116
Date of Conv	06/15/2012	LEGAL	LT 24 AND W 15' OF LT 25 EAST SIDE											Prev MKT Total	49,432	Curr Asd Total	7,475
Grantor:	WALTERS BANK & TRUST					Grantee:	NORMAN, WILLIAM J, ETUX							Prev MKT Ratio	76.05%	Curr Asd Ratio	11.50%

2013 Samples/ID Order

COUNTY SAMPLE CO# 00 Property Class: 1 Analyst: OTC employee Page 1 of 6

OTC Id: 17 1 0001 Deed Type: WD Lot BLK Stamps $123.00 Sale $82,000 Curr MKT/Use Value 82,000

ASR.Id 0000-00-000-000-0-000-00 Addn City

Book: 374 Page: 374 VI YR Acres Sec 00 Twp 001 Rng 002

Date of Conv 03/09/2012 LEGAL LT 2 JOACHIM ADD 7'10' NORTH SIDE

Grantor: JOACHIM, LAND CO LLC Grantee: RASH, CLAUDE E, ETUX

Prev MKT Land	1,719	Curr Asd Land	198
Prev MKT Impr	22,907	Curr Asd Impr	2,714
Prev MKT Total	24,626	Curr Asd Total	2,912
Prev MKT Ratio	30.03%	Curr Asd Ratio	3.55%

OTC Id: 17 1 0002 Deed Type: WD Lot 012 BLK 028 Stamps $30.00 Sale $20,000 Curr MKT/Use Value 20,000

ASR.Id 0000-00-000-000-0-000-00 Addn 0013 City

Book: 374 Page: 320 VI YR Acres Sec Twp Rng

Date of Conv 03/08/2012 LEGAL BLK 28 LT 12-13 W H

Grantor: HARRIS, RICHARD LEE Grantee: GOODWIN, TONY , ETUX

Prev MKT Land	2,150	Curr Asd Land	1,150
Prev MKT Impr	4,833	Curr Asd Impr	1,150
Prev MKT Total	6,983	Curr Asd Total	2,300
Prev MKT Ratio	34.92%	Curr Asd Ratio	11.50%

Looking at the first sample:

The property sold for $82,000 with no sales adjustment. It had a previous “uncapped” fair cash value (“**Prev MKT Total**”) of $24,626. This is 30.03% (“**Prev MKT Ratio**”) of what it sold for. The current total assessed value (“**Curr Asd Total**”) is $2,912. This gives us an assessment rate (“**Curr Asd Ratio**”) of 3.55%. The county is assessing at 11.5%!

Possible issues:

As a “**Property Class**” of 1, this sample is coded as residential. Was it residential before it sold? The land value of $1,719 might be an ag grade out value. The “**Grantor**” was “JOACHIM, LAND CO LLC”. If the land was previously valued as ag, the sale sample needs to be deleted from the audit! (This might even explain why the assessed values are still so low.)

2013 Samples/ID Order

COUNTY SAMPLE CO# 00 Property Class: 1 Analyst: OTC employee Page 1 of 6

OTC Id: 17 1 0001 Deed Type: WD Lot BLK Stamps $123.00 Sale $82,000 Curr MKT/Use Value 82,000

ASR.Id 0000-00-000-000-0-000-00 Addn City Prev MKT Land 1,719 Curr Asd Land 198

Book: 374 Page: 374 VI YR Acres Sec 00 Twp 001 Rng 002 Prev MKT Impr 22,907 Curr Asd Impr 2,714

Date of Conv 03/09/2012 LEGAL LT 2 JOACHIM ADD 7'10' NORTH SIDE Prev MKT Total 24,626 Curr Asd Total 2,912

Grantor: JOACHIM, LAND CO LLC Grantee: RASH, CLAUDE E, ETUX Prev MKT Ratio 30.03% Curr Asd Ratio 3.55%

OTC Id: 17 1 0002 Deed Type: WD Lot 012 BLK 028 Stamps $30.00 Sale $20,000 Curr MKT/Use Value 20,000

ASR.Id 0000-00-000-000-0-000-00 Addn 0013 City Prev MKT Land 2,150 Curr Asd Land 1,150

Book: 374 Page: 320 VI YR Acres Sec Twp Rng Prev MKT Impr 4,833 Curr Asd Impr 1,150

Date of Conv 03/08/2012 LEGAL BLK 28 LT 12-13 W H Prev MKT Total 6,983 Curr Asd Total 2,300

Grantor: HARRIS, RICHARD LEE Grantee: GOODWIN, TONY , ETUX Prev MKT Ratio 34.92% Curr Asd Ratio 11.50%

Looking at the second sample:

The property sold for $20,000 with no sales adjustment. It had a previous “uncapped” fair cash value (“**Prev MKT Total**”) of $6,983. This is 34.92% (“**Prev MKT Ratio**”) of what it sold for. The current total assessed value (“**Curr Asd Total**”) is $2,300. This gives us an assessment rate (“**Curr Asd Ratio**”) of 11.5% which matches the county’s assessment rate.

Possible issues:

Since the property was taken to sales price (“**Curr Asd Total**” is $2,300 and the “**Curr Asd Ratio**” is 11.50%), it is reasonable to believe that this sale was valid and the property was under valued by 65.08% (“**Prev MKT Ratio**” of 34.92%). However, was this property under a “Senior Freeze” or a “Veteran’s 100% Exemption” which might have held the fair cash value at an earlier set value. If so, this sales sample needs to be deleted from the audit!

Otherwise "Qualified" Sales That ***Should*** be Removed From the Performance Audit:

Agricultural Land – parcels that included land valued by soil type and land use per O.S. Title 68, Section 2817, Paragraph C.

Changes in Improvements – parcels that either had structures physically built/modified/removed between January 1 of the year of the sale and the sale date.

Developer Lots – vacant land parcels valued at an artificially low value per O.S. Title 68, Section 2817, Paragraph F.

New/Split/Combined/Joined Parcels – parcels that did not exist as their own accounts before the sale or were changed in size (and possibly improvements) by the sale

Previously Exempt Properties – if no previous fair cash value was established and/or yearly maintained

Frequently Asked Questions

Frequently Asked Questions:

- Q: Why is the CAMA value at time of sale used for the ratio study in the Performance Audit?
- A: Only way to know a true and actual value level for a class of property (all properties in a class, not just the sold properties)
  - Almost every oversight agency and county in the country uses market value ratio studies like this to either audit value levels or to review value levels and make adjustments for the next valuation year

Frequently Asked Questions:

- Q: What do I need to do to be O.K. on the Performance Audit?
- A: You need to be developing and transferring values with accurate data and meet statistical requirements to pass ratio components of audit
  - If not, then 90 points deducted on 1a, 1b and 1e of audit
  - 275 – 90 points = 185, or non-compliance

Frequently Asked Questions:

- Q: What do I need to do to be O.K. on the Performance Audit? ***(Continued)***
- A: **ALSO…**
  - Maintain accurate data
  - Follow appropriate valuation and assessment administration procedures
  - Overall need to have *effective valuation process in place*

Frequently Asked Questions:

- Q: What are the “keys” to passing the Performance Audit?
- A:
  - Use of CAMA values for production of assessment/tax rolls (think 90 pts.)
  - Accurate and up to date VI program / data
  - Quality and accuracy of entire comprehensive valuation program
  - Solid administrative oversight of entire process

Frequently Asked Questions:

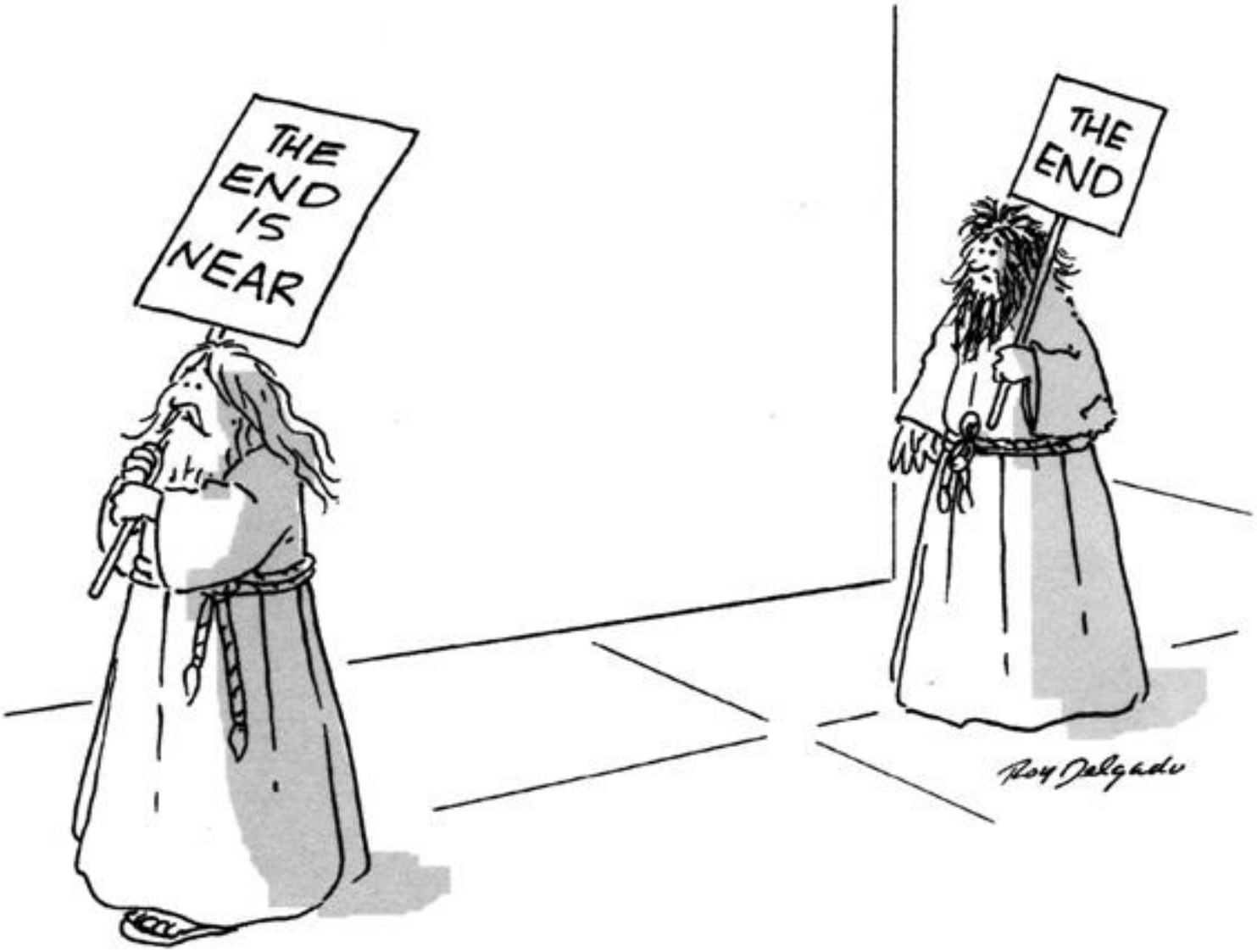
- What will happen if I do not pass the Performance Audit?
- May result in noncompliance finding by SBOE
- SBOE makes compliance determination

Frequently Asked Questions:

- Q: Can I review the samples used in my Performance Audit ratio study?
- A: If you have questions or concerns, these can be reviewed and discussed with OTC field staff
- See timeline for sample edits

Frequently Asked Questions:

- Q: Why did the SBOE create the new Performance Audit?
- A: SBOE made decision to revise audit to more accurately measure compliance with CAMA valuation procedures and administrative practices
  - 20 years now since CAMA installed in counties (Summer, 1993)


THE END IS NEAR
THE END
Roy Delgado

Oklahoma Tax Commission
69th Annual Educational Conference
For Assessing Officers

August 6—9, 2013
Tulsa, Oklahoma
Southern Hills Marriott

MANUFACTURED HOMES

- Kenny Chuculate, Ad Valorem Division
- Vicki McCartney, Motor Vehicle Division
- Dennis Roller, Motor Vehicle Division
- Dan Arnold, Motor Vehicle Division
- Mark Bostwick, Motor Vehicle Division

Home Sweet Mobile Home Park:

Space Available…

“Country Living”

“Truly Unique!”

Charming Cape Cod…

"Top 10" Manufactured Home Counties:

- Oklahoma 8,730
- Cleveland 7,207
- Creek 6,705
- Delaware 6,607
- Tulsa 5,983
- Stephens 5,385
- Cherokee 5,209
- Wagner 4,830
- Rogers 4,406
- McIntosh 4,228

Manufactured Home Statistics

- 68,543 on Personal or 41.2%
- 97,769 on Real or 58.8%
- 166,312 Total
- 346 Increase from 2012 or .21%
- Total FCV for 2013 $3.15 Billion
- Estimated tax for 2013, $32.9 Million

Manufactured Home Online System

- Search Mfg. Home Records
- All Mfg Home data accessible
- Must have password
- Contact:
  - Sonny Newton
  - Motor Vehicle Division
  - (405) 521-3538

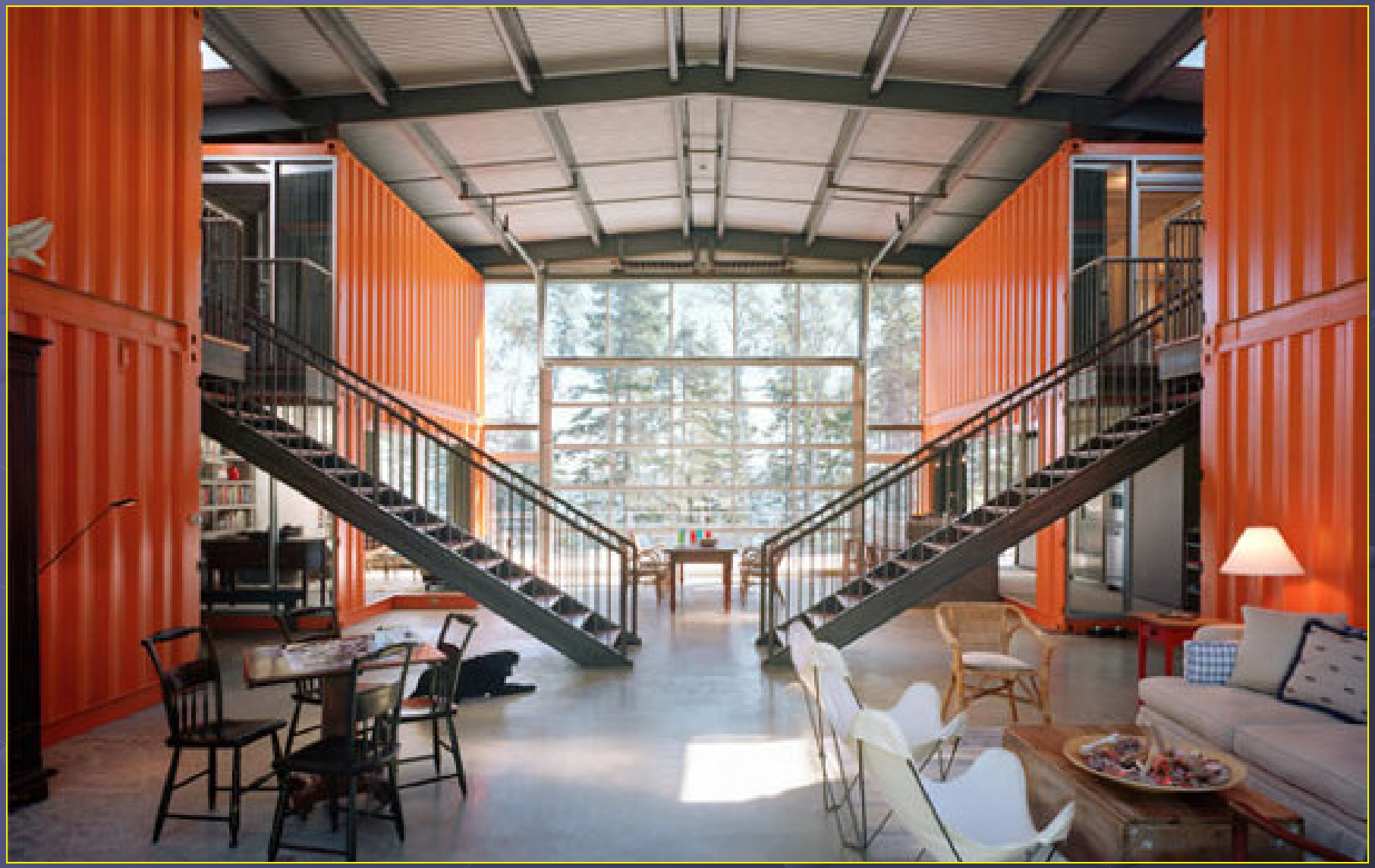
Reinstatement of Cancelled Titles

- Application for reinstatement from OTC/MLA
- OTC Form 701-45 required attachments include
  - Affidavit of Ownership
  - No security interests or liens
  - Title opinion less than 30 days old

Reinstatement of Cancelled Titles (Continued)

- Submit to OTC Motor Vehicle Division
- If approved, title is issued
- Registration fee collected for balance of the year
- Form 936 <u>is not</u> required
- Excise Tax <u>is not</u> collected
- No requirement to notify the assessor

“Most Creative Use of Containers”



HB-1751
Manufactured Home Park Dealers

- Defines: Restricted Manufactured Home Park Dealers
- New or Used Homes
- Zoned Residential
- Located in Licensed Residential Park
- “Ready for Occupancy”
- Can be “Rent to Own” Homes
- Anchored and Connected to Utilities
- May Assign Title on MSO
- 936 Required for Title Change
- Taxable Ad Valorem

HB-1751
Retail Site Dealers

- “Street Dealers”
- Zoned Commercial
- New and Used Homes for Sale
- Used Homes in Dealers Name by January 1
- New Homes on MSO
- Not Ready for Occupancy
- Not Anchored or Connected
- Not Taxable Ad Valorem

HB-1751
Retail Site Dealers, Continued

- May Also Be a Park Dealer
- Retail Sales Lots Zoned Commercial
- Park Dealers Zoned Residential
- Different Rules for Both
- Homes in Parks Always Subject to Ad Valorem

Duplicate Titles

- Replacement titles to record owner ONLY
- Titles, lost, stolen or mutilated
- OTC Motor Vehicle Form 707-7
- Not for a subsequent buyer
- OTC form 936 is <u>not</u> required

Title Cancellation with Oklahoma Title, MSO, or Out of State Title

- Applicant contacts OTC Motor Vehicle Division or Tag Agent for instructions
- Application Form 756
- Applicant takes form 756 and Title/MSO to Tag Agent
- Tag agent completes: "Notice to County Assessor of Cancellation"
- Form FL756 and a copy of application Form 756 to assessor

Tribal Titles

- No charge for back taxes on properly titled homes
- Must provide proof of tribal membership
- Membership could include:
- Branded Title
- Tribal I.D. Card

Tribal Titles, Continued

- BIA Card
- Tribal membership card
- Treated the same as out of state titles
- If proper certification is not provided delinquent taxes and penalties are assessed back to the date of the tribal title issuance.

Motor Vehicle Tax Stamps

- Required to be affixed by the dealer
- Includes: MH, Cars, Trucks, ATV's, Motorcycles, etc.
- Evidence of payment in lieu of ad valorem tax
- Covers inventories of new and used vehicles

Motor Vehicle Tax Stamps (Continued)

- Tax stamps are not required for used MH, commercial trailers or salvage vehicles
- Inventories subject to tax stamps are not taxable ad valorem

Repossessions

- Repo. affidavit required
- 30 days to pay from issue of S/W permit
- No title work with out current 936
- Repossessor may not “Jump” title
- Repo. title is charged a $46 fee
- If back tax is due MV can flag the VIN

Commercial Use Manufactured Homes

- Effective January 1, 2013
- Similar to Repo procedure
- Procedure in QRG
- Statutory ref: 68 O.S. §2813(E)(2); 47 O.S. § 14-103D(C)(3)
- For transporting only

Commercial Use Manufactured Homes

- Requires a special "Waiver" OTC Form 932
- All taxes must be paid within 30 days of moving
- Application in previous year
- Good between January 2nd and 6th only
- Only 10 "waivers" per company each year

Oilfield Housing Units

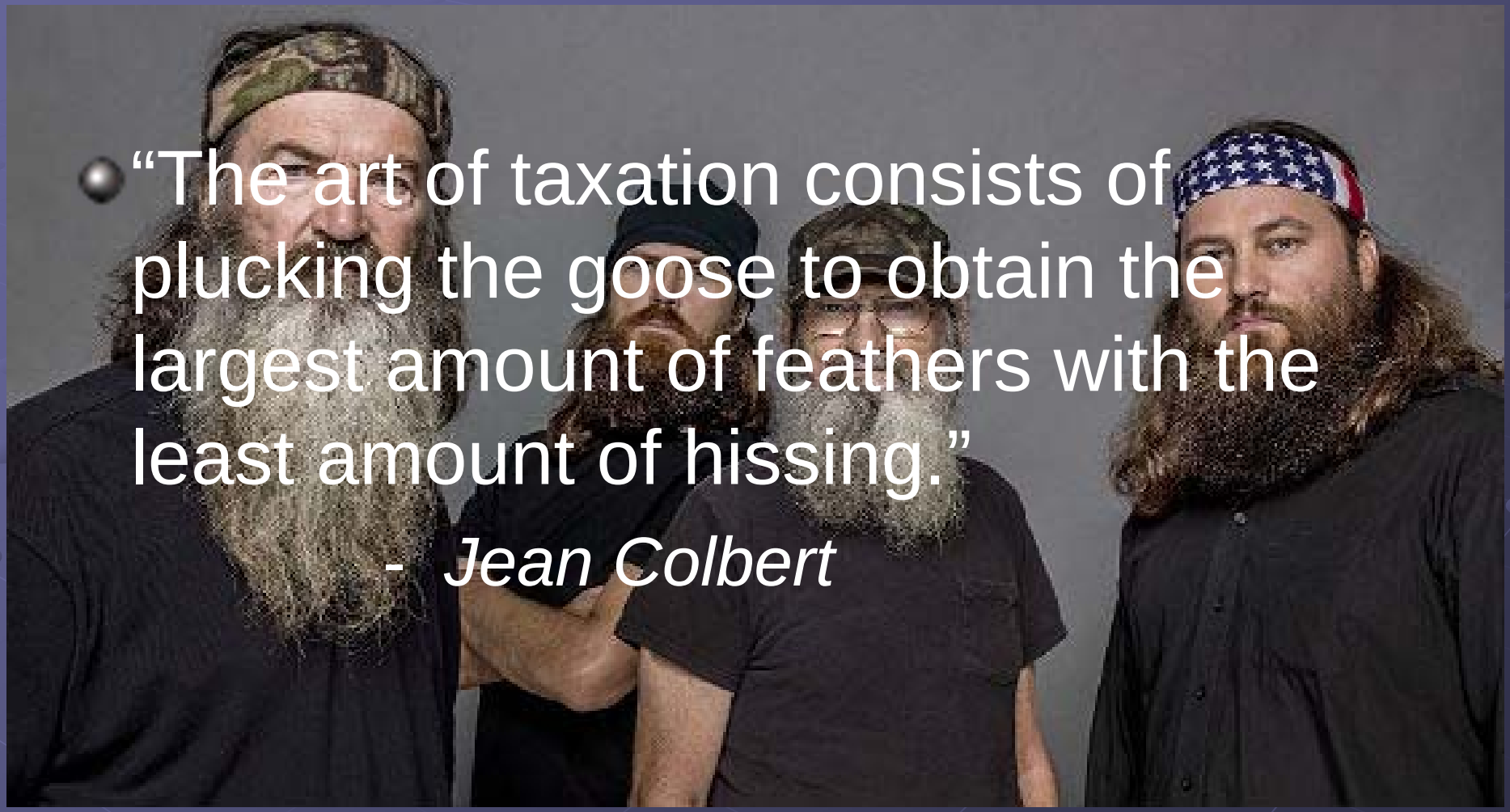
- Less than 1,700 Square Feet
- Not Mobile Offices
- Not Manufactures Homes
- Not Built to HUD or RV Standards
- Transported on Trailers
- Oklahoma Does Not Tag or Title
- Taxable as Personal Property

“Cottage in the Country”

“An Open, Airy Look…”

QUESTIONS ?

Thought For The Day:



- "The art of taxation consists of plucking the goose to obtain the largest amount of feathers with the least amount of hissing."

  - *Jean Colbert*

Public Service Update

Oklahoma Tax Commission
Ad Valorem Division
Public Service Section
August 2013

Public Service Update

- 2013 Capitalization Rates for Central Valuation
- The Valuation Process
- SQ 766, The exemption of Intangible Personal Property

Public Service Update

- Change in the composition of values
- Distribution Process
- Communication with Counties
- Issues of Concern

Capitalization Rates

Capitalization Rates

- Selection and data entry of Industry Comparables – Value Line Investment Survey
- Study & Review economic trends and changes by Industry
- Study & Review Industry submissions and studies from multiple States

Capitalization Rates

- Capitalization Rate Conference
- Around third week in March
- Traditionally have good turnout and participation from Industry and Counties.

Capitalization Rates

- Draft is posted 10 days after conference, beginning comment period.
- Review those comments on merit and applicability
- Final study is posted April 30th, beginning our valuation process.

Oklahoma Tax Commission

Ad Valorem Division

Jeff Spelman, CAE, Director

Capitalization Rate Study

January, 2013

Mike Isbell, Administrator

Public Service Section

P. O. Box 269060—Oklahoma City, OK

73126-9060—405.319.8200

Capitalization Rates

- We expect to continue this process for the foreseeable future, updating as needed
- Open and transparent process
- Continue to get good participation and feedback from both Industry and Counties
- Keep an open date, March 2014

The Valuation Process

Valuation Process

- Continue utilization of Unit or System Value
- Reporting companies still required to file audited financials, regulatory reports
- More audit features available at the system level
- Four indicators of value developed, appraisal judgment utilized in determining System Value

Valuation Process

- SQ 766, The Exemption of Intangible Personal Property Claims are all to be on a System Basis
- Taxpayer options to make submissions to be either itemized for deduction from the system value or,
- A “Variant of the Cost Approach” which values only taxable assets, and provides a “Conclusion of Value” on a system basis.

Valuation Process

- **Burden of Proof lies with Taxpayer to provide that the intangible personal property claimed exists and is being valued.**
- **Supporting documentation must be timely and attached.**
- **Taxpayer estimates of value must be based on recognized methodology and consistent with generally accepted appraisal principles.**

Valuation Process

- A taxable system value is now established after the recognition/denial of the exempt claim
- Established allocation methodologies for each industry are applied to this “taxable” System value
- Oklahoma Taxable Fair Cash Value result

2013 Public Service Valuation

254
Taxpayers

- Airlines
- Railroads
- Electric Utilities
- Pipeline (Gas, Oil, Fluid, Distribution)
- Telecommunications
- Video Service Providers
- Water Companies

Water Companies smallest category

Intangible Personal Property

- Intangibles claimed - 97 companies
- Allowed in part or whole - 69 companies
- Recognized claims did not always result in a lower Oklahoma Fair Cash Value
- Claim efforts varied Taxpayer to Taxpayer

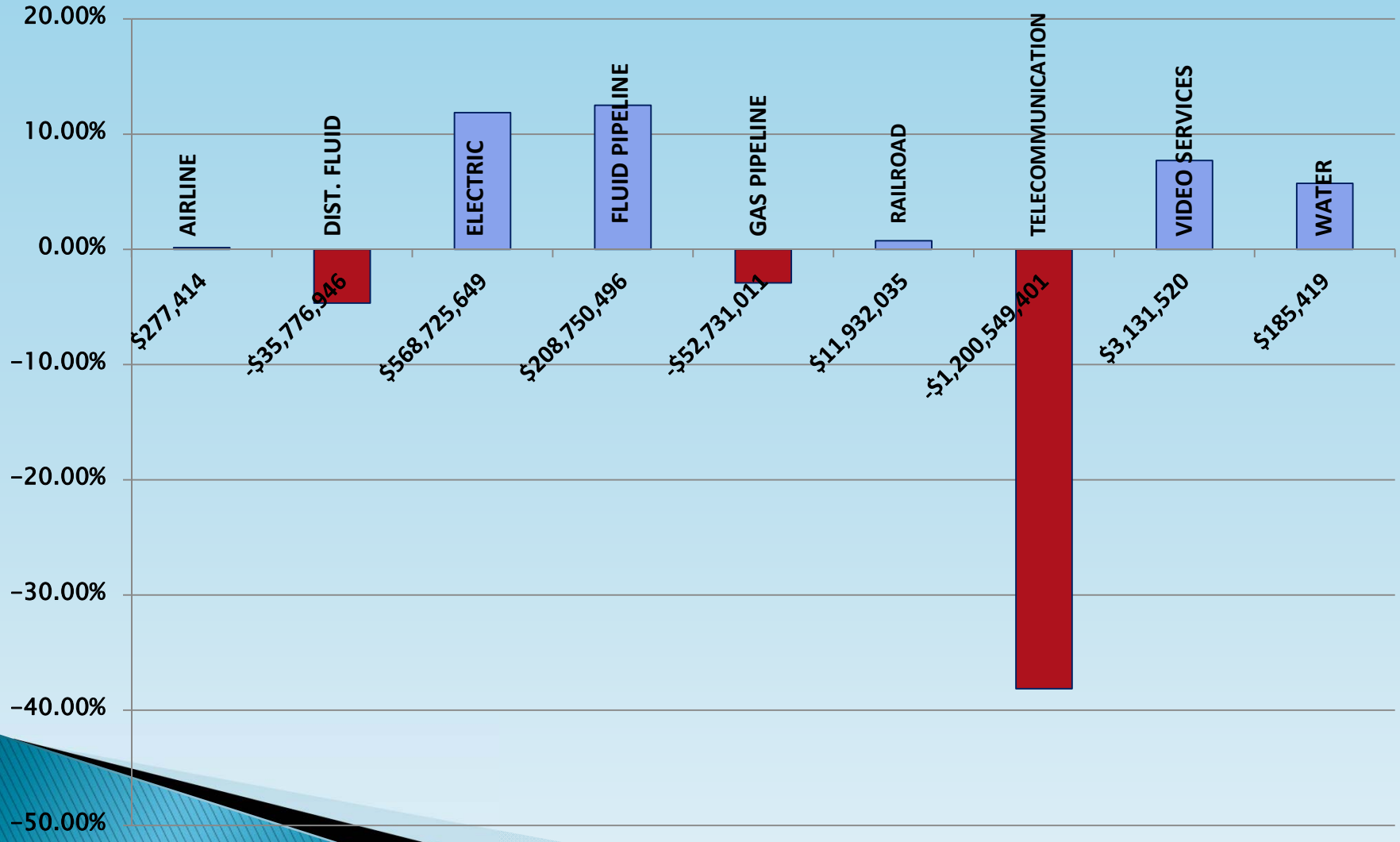
Fair Cash Values 2012-2013

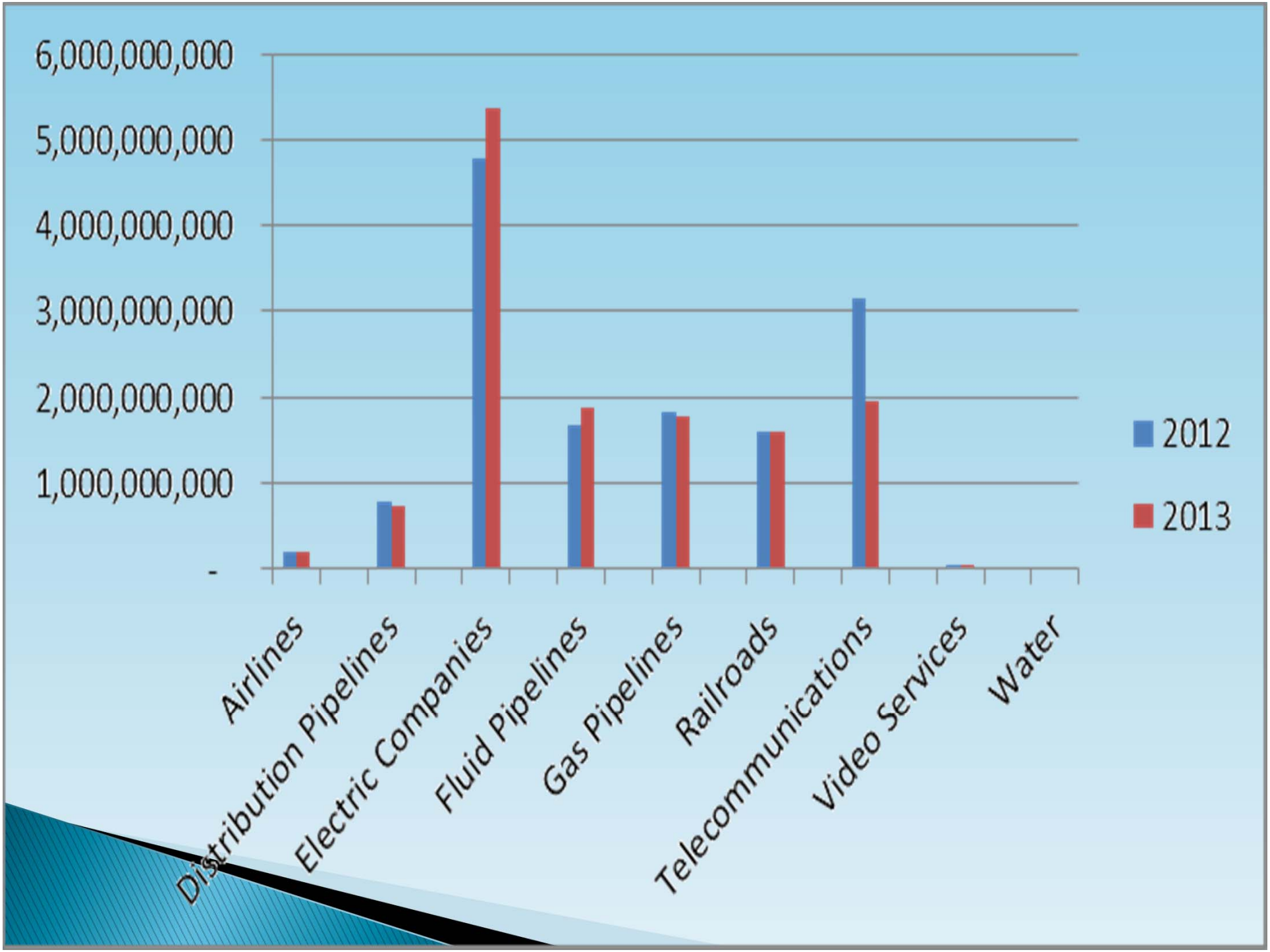
- **FCV 2012- $14,031,543,491**
- **FCV 2013- $13,504,943,335**
- **Fair Cash Value Reduction- $526,660,316**

2013 Public Service Valuations

- Average annual increase (2001) 1.9%
- Net Decrease in Oklahoma FCV – 3.75%
- Revenue Impact Estimate - $11,818,445**
- **Estimate on last years tax rate.

CHANGE IN COMPOSITION OF VALUE

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Airlines
Distribution Pipelines
Electric Companies
Fluid Pipelines
Gas Pipelines
Railroads
Telecommunications
Video Services
Water
2012
2013

2013 Public Service Assessment

Airlines	11.84%
Railroads	11.84%
Electric Utilities	22.85%
Pipeline (All)	22.85%
Telecommunications	22.85%
Water	22.85%
Video	12% (SB 314 in 2009)

Video Services Provider

- Video Service assessed 12%

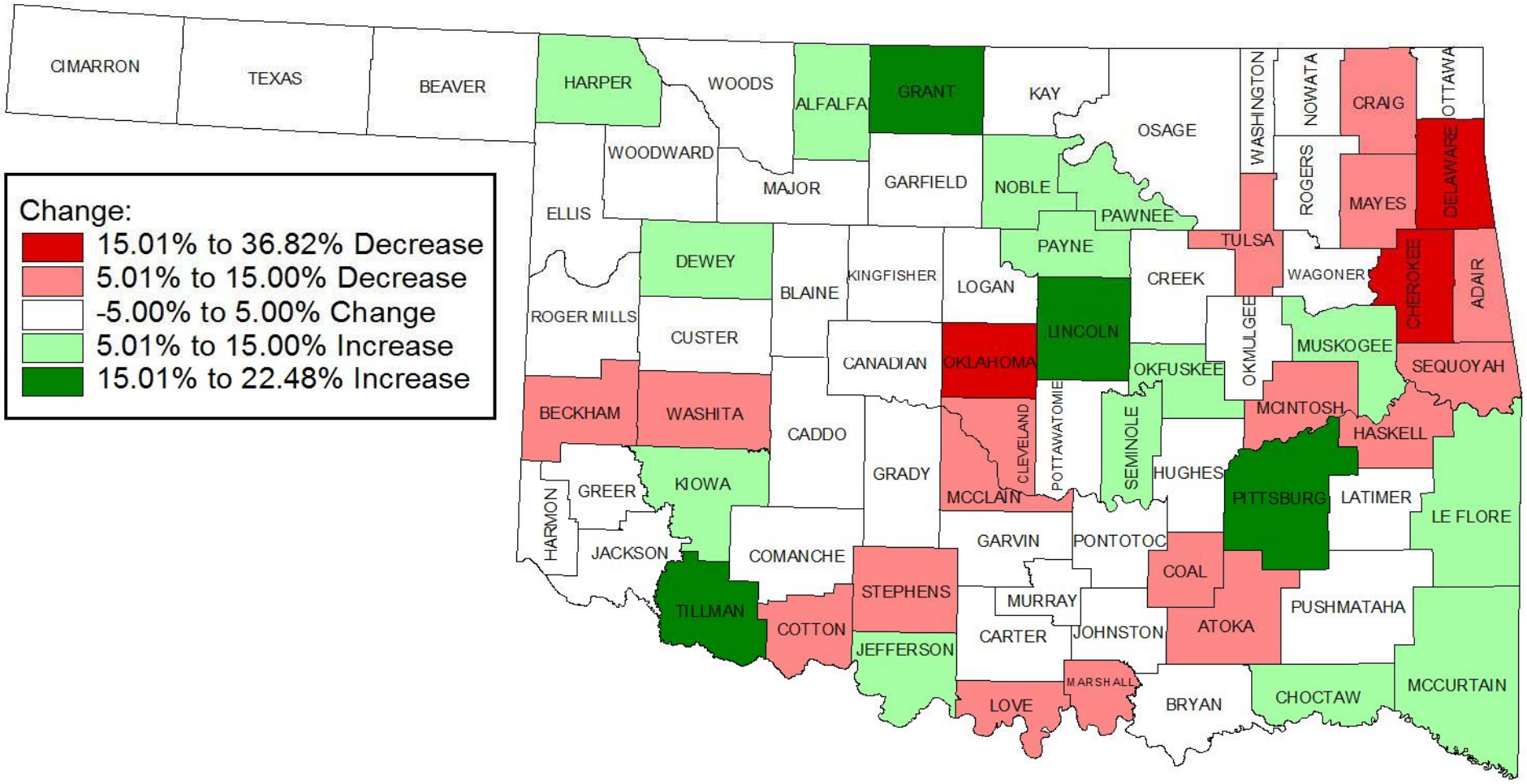
- Growth of 62% in four years.

- FCV $26.9 Million (2010)
- FCV $38.1 Million (2011)
- FCV $40.6 Million (2012)
- FCV $43.7 Million (2013)

Distribution of Valuation

- Update 7,860 Valuation Records
- Add Apportionment Data for 14,450 taxing districts (Schools, Counties, Career-Tech, EMS, and others)
- Develop County Impact Worksheets & respond to County Questions

Estimated Public Service Valuation Change Percentage from 2012-2013



Map created by the Ad Valorem Division of OTC, July 23, 2013
Jeff Spelman, CAE, Director - Phone (405) 319-8200

Apportionment Issues

- Call/write/FAX/E-Mail concerns
- Help as “Eyes and Ears”
- Allow time for us to contact company

Public Service Updates

- Emails on information
- Public Service Impact Sheet
- Call about questions or concerns

2013

PUBLIC SERVICE COMPANIES

OKLAHOMA TAX COMMISSION
2501 LINCOLN BLVD.
OKLAHOMA CITY, OK. 73194

JEFF SPELMAN, CAE, DIRECTOR
AD VALOREM DIVISION

PUBLICATION No. 13-02-PSD-01

- **Public Service Directory available on the Oklahoma Tax Commission/Ad Valorem Division Website**
- **Check new companies, deletions, name changes**

Trends & Concerns

- Continued outsourcing of Taxpayer filing requirements.
- Response or Claims for exempt Intangible Personal Property will Increase.
- Centrally valued companies who are also reporting at the county level.

The End
11.05.2012

2013 in Tornado Alley: Prepare for the Unexpected

Matt Wehmuller

Canadian County Assessor

Assessor's Office

“Wind Energy Unplugged”

“Open Air Concept – Re-defined”

Assessor’s Office

Outline

- Storm facts
- Have a plan
- Do's and Dont's
- FEMA Damage Levels
- GIS
- Looking ahead
- Questions

Assessor's Office

Storm Facts

May 31st, 2013

- EF-5 tornado - 2.6 miles wide (widest on record)
- 22 fatalities, 115 injured
  - 8 in Canadian County
- Residential
  - About 200 homes affected
  - 9-10 million in damage
- Commercial
  - 15 businesses affected
  - 40-50 million in damage

May 24th, 2011

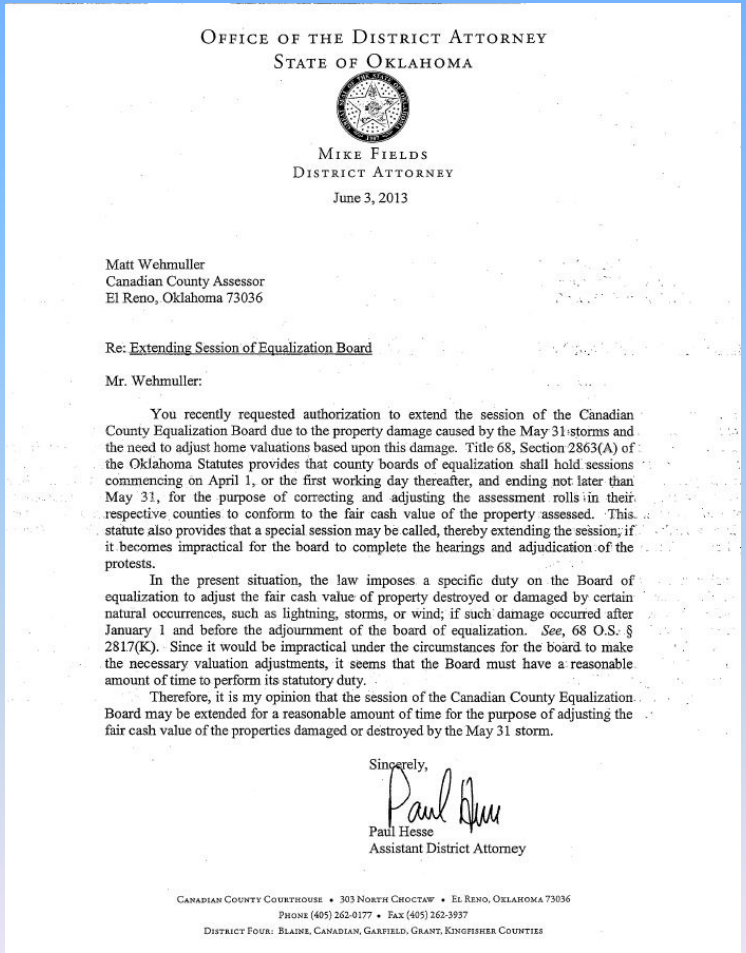
- EF-5 tornado
- 75-mile track
  - SW corner of county to NE
- 10 fatalities, 238 injured
  - 7 in Canadian County
- Residential and Commercial
  - 232 parcels affected
  - 21.5 million in damage

Assessor's Office

Assessor's Office

Have a plan

- Know the law or know where to find it - 2817 K
- Letter from DA
- Coordinate w/ Emergency Management & FEMA
- Media inquiries
- Update your website
- Plan out affected areas
  - i.e. who goes where



OFFICE OF THE DISTRICT ATTORNEY
STATE OF OKLAHOMA

MIKE FIELDS
DISTRICT ATTORNEY

June 3, 2013

Matt Wehmuller
Canadian County Assessor
El Reno, Oklahoma 73036

Re: Extending Session of Equalization Board

Mr. Wehmuller:

You recently requested authorization to extend the session of the Canadian County Equalization Board due to the property damage caused by the May 31 storms and the need to adjust home valuations based upon this damage. Title 68, Section 2863(A) of the Oklahoma Statutes provides that county boards of equalization shall hold sessions commencing on April 1, or the first working day thereafter, and ending not later than May 31, for the purpose of correcting and adjusting the assessment rolls in their respective counties to conform to the fair cash value of the property assessed. This statute also provides that a special session may be called, thereby extending the session, if it becomes impractical for the board to complete the hearings and adjudication of the protests.

In the present situation, the law imposes a specific duty on the Board of equalization to adjust the fair cash value of property destroyed or damaged by certain natural occurrences, such as lightning, storms, or wind; if such damage occurred after January 1 and before the adjournment of the board of equalization. *See*, 68 O.S. § 2817(K). Since it would be impractical under the circumstances for the board to make the necessary valuation adjustments, it seems that the Board must have a reasonable amount of time to perform its statutory duty.

Therefore, it is my opinion that the session of the Canadian County Equalization Board may be extended for a reasonable amount of time for the purpose of adjusting the fair cash value of the properties damaged or destroyed by the May 31 storm.

Sincerely,

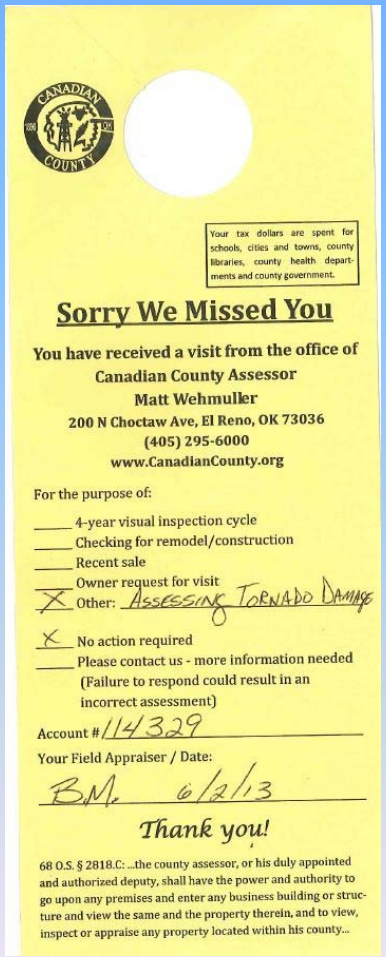
Paul Hesse
Assistant District Attorney

CANADIAN COUNTY COURTHOUSE • 303 NORTH CHOCTAW • EL RENO, OKLAHOMA 73036
PHONE (405) 262-0177 • FAX (405) 262-3937
DISTRICT FOUR: BLAINE, CANADIAN, GARFIELD, GRANT, KINGFISHER COUNTIES

Assessor's Office

Have a plan - continued

- PPE Equipment
- Door knockers
- Pick your battles
- Track miles and OT
- Make time to listen
- Keep old sketches readily available
- BE CONSISTENT!



Your tax dollars are spent for schools, cities and towns, county libraries, county health departments and county government.

Sorry We Missed You

You have received a visit from the office of
Canadian County Assessor
Matt Wehmuller
200 N Choctaw Ave, El Reno, OK 73036
(405) 295-6000
www.CanadianCounty.org

For the purpose of:

____ 4-year visual inspection cycle
____ Checking for remodel/construction
____ Recent sale
____ Owner request for visit
X Other: Assessing Tornado Damage

X No action required
____ Please contact us - more information needed (Failure to respond could result in an incorrect assessment)

Account # 114329

Your Field Appraiser / Date:
BM 6/2/13

Thank you!

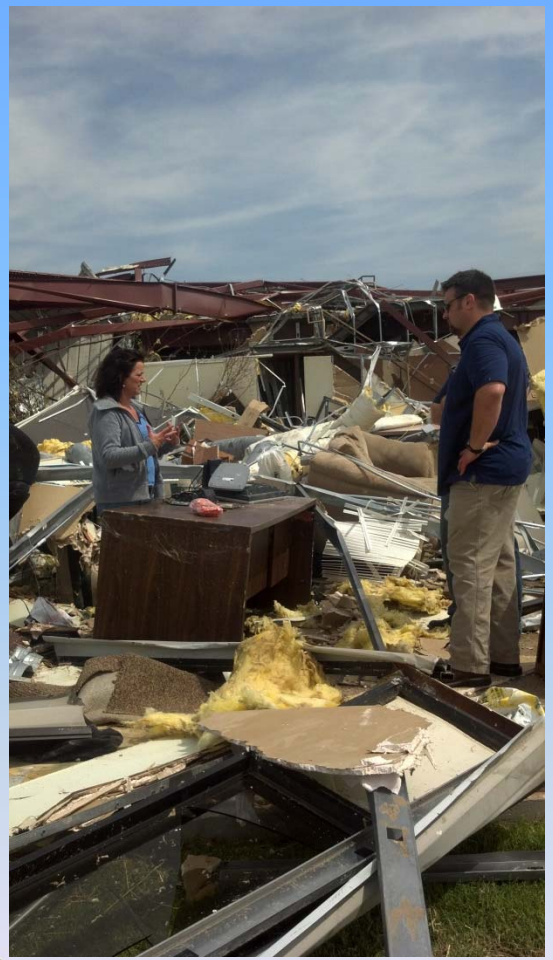
68 O.S. § 2818.C: ...the county assessor, or his duly appointed and authorized deputy, shall have the power and authority to go upon any premises and enter any business building or structure and view the same and the property therein, and to view, inspect or appraise any property located within his county...

Assessor's Office

Do's and Dont's

- Do
  - Offer to and accept help from other counties
  - Be proactive & visible
  - Have a uniform
  - Wear identification
  - Bring hydration
  - De-brief each morning
  - Storm codes for CAMA
- Don't
  - Remove Homestead Exemption
  - Re-invent the wheel
  - Make preliminary data available to public
  - Forget about BPP
  - Think it can't happen in your county

FEMA Damage Level



- Four cagetories:
  - Affected
  - Minor
  - Major
  - Destroyed

Assessor's Office

Affected

- Dwelling with some damage to structure and contents but which are habitable without repairs.
- 25% adjustment to improvement(s).

25% adjustment examples:

Assessor's Office

Minor

- Most common type of damage. Minor damage exists when the home is damaged and uninhabitable, but may be made habitable in a short period of time. Items that determine minor damage:
  - Can be repaired within 30 days.
  - Has less than 50% damage to structure.
- 50% adjustment to improvement(s).

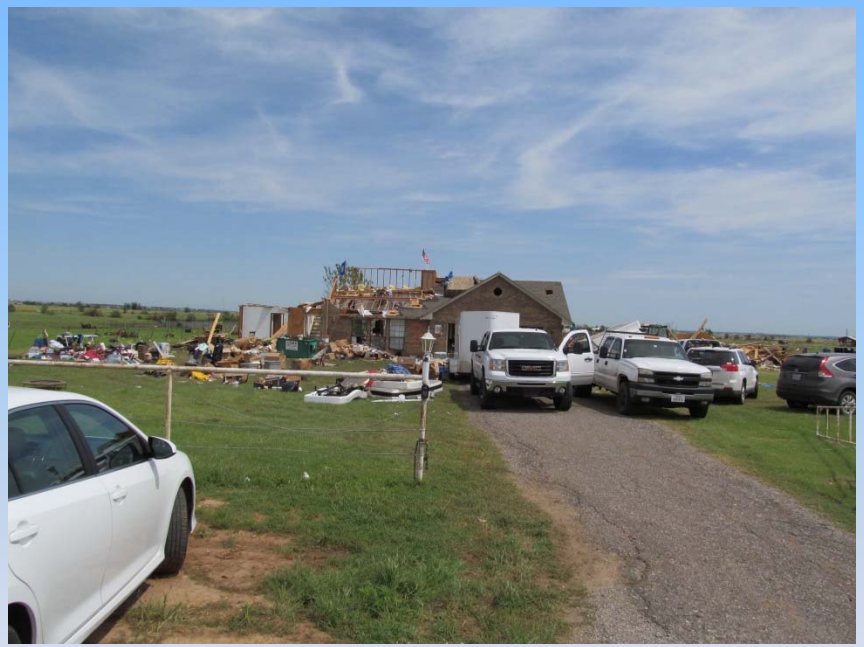
50% adjustment examples:

Assessor's Office

Major

- Home has sustained structural or significant damages, is uninhabitable and requires extensive repairs. Any of the following may constitute major damage:
  - Substantial failures to structural elements of the residence (i.e. walls, floors, foundation, etc.).
  - More than 50% damage to structure.
  - Will take more than 30 days to repair.
- 75% adjustment to improvement(s).

75% adjustment examples:



Assessor's Office

Destroyed

- Structure is a total loss or damaged to such an extent that repairs are not economically feasible. Any of the following may constitute a destroyed status:
  - Not economically feasible to repair.
  - Permanently uninhabitable.
  - Complete failure of major structural components (i.e. collapse of basement walls/foundation, walls, or roof).
- 100% adjustment to improvement(s).

100% adjustment examples:

Assessor's Office

Commercial Property*

*may include **centrally assessed** and **exempt properties**

Canadian County Assessor

OKC West Livestock Market

Before

After

Assessor's Office

Oklahoma Trapshooters Association

Before

After

Assessor's Office

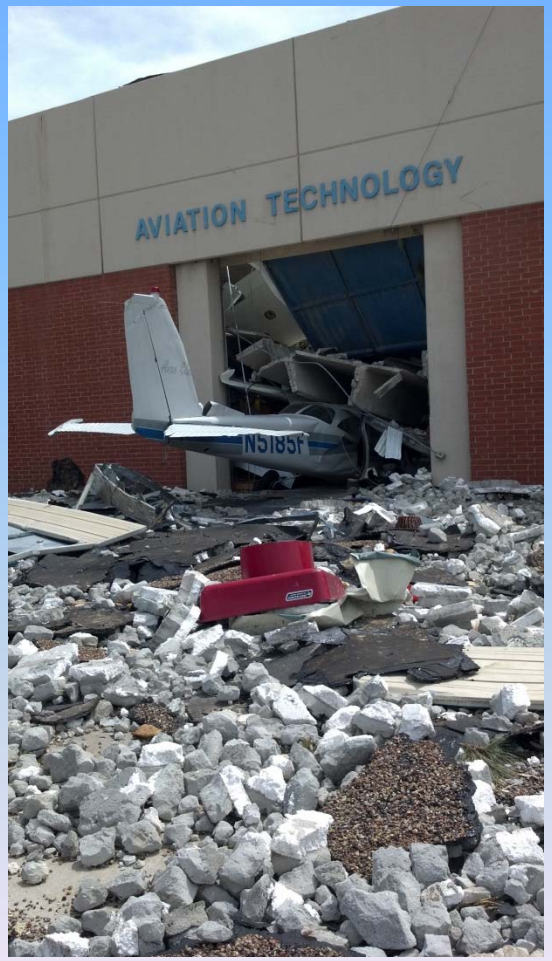
Centurion Pipeline L.P.

Assessor's Office

2 million damage estimate

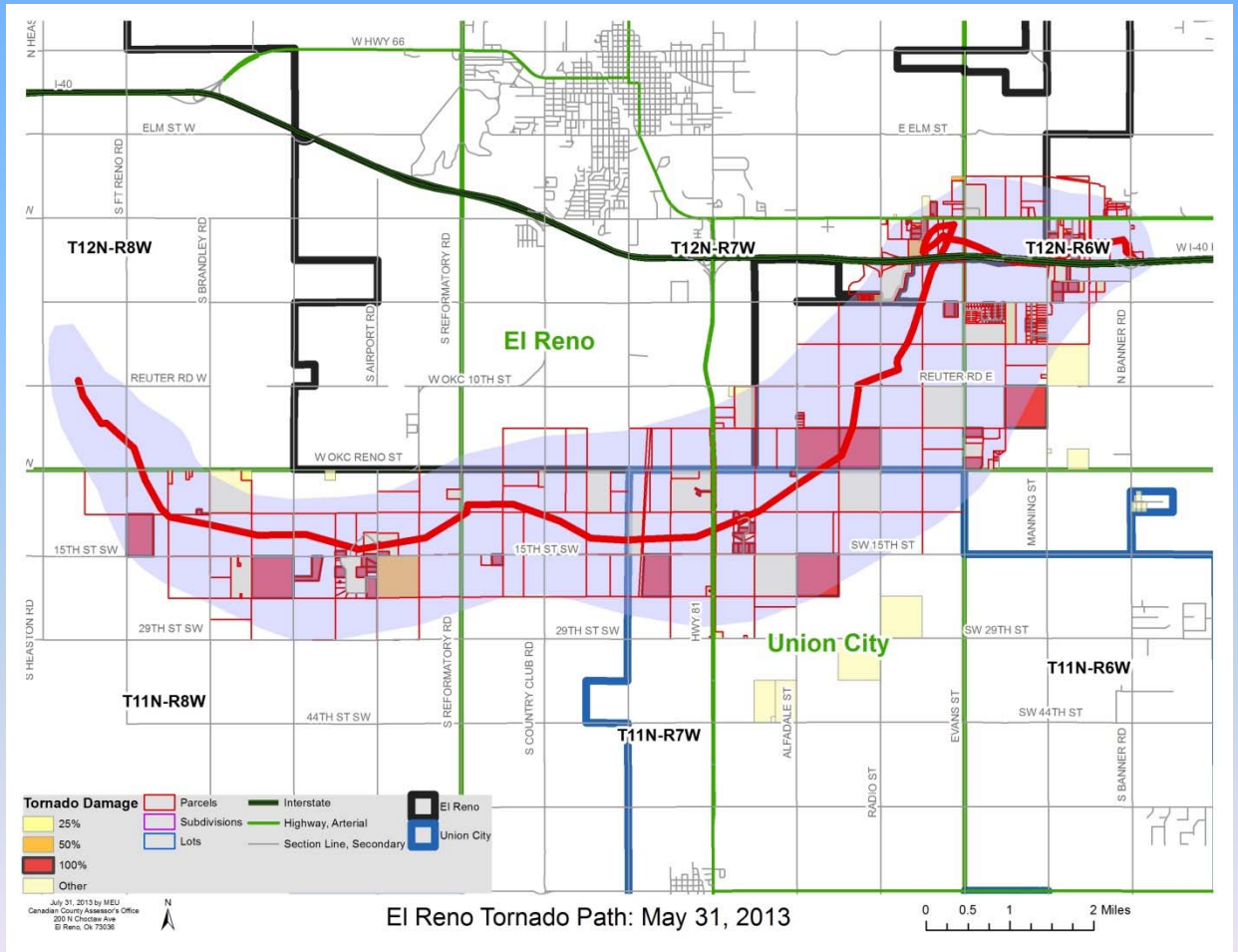
Assessor's Office

Canadian Valley Technology Center



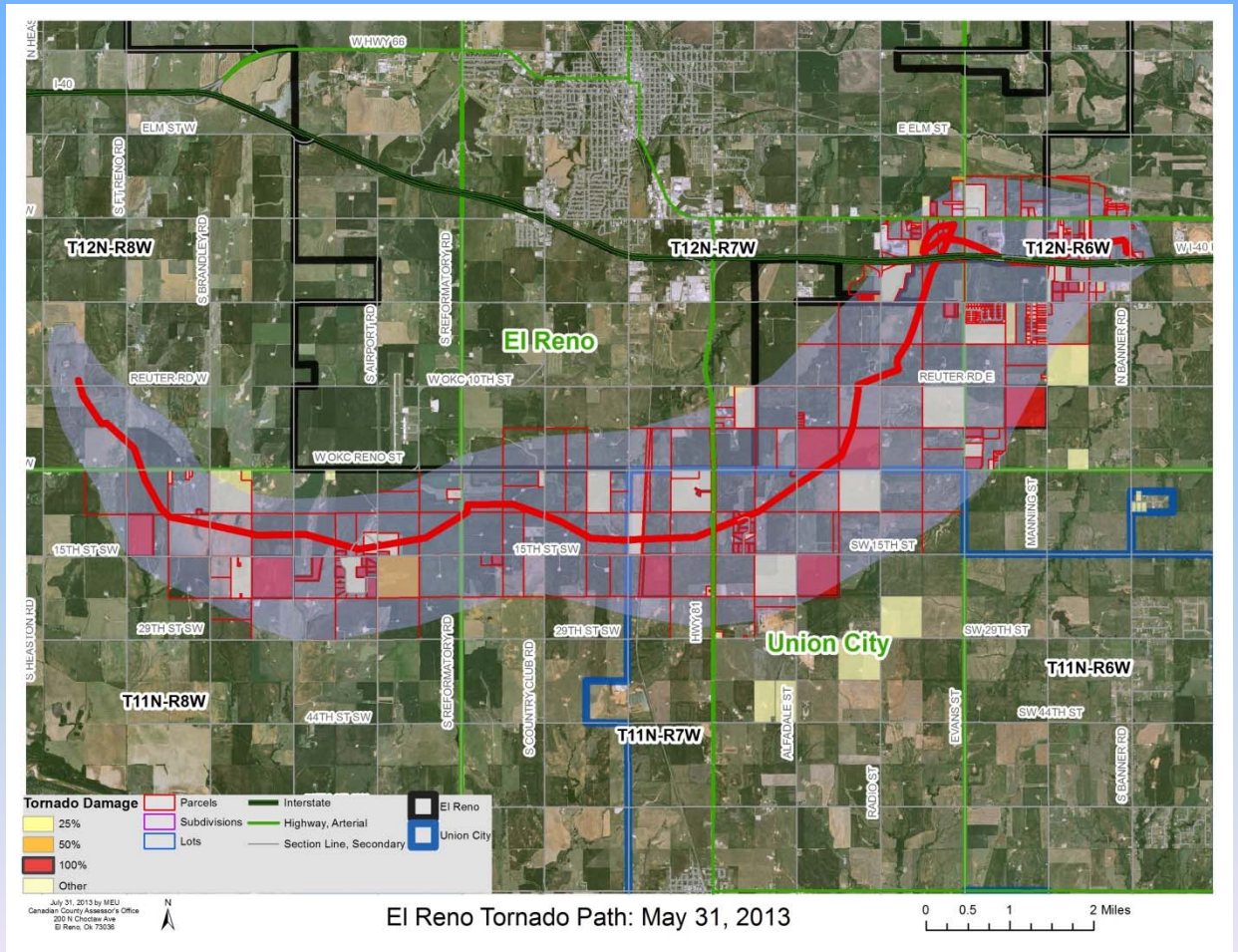
Assessor's Office

GIS



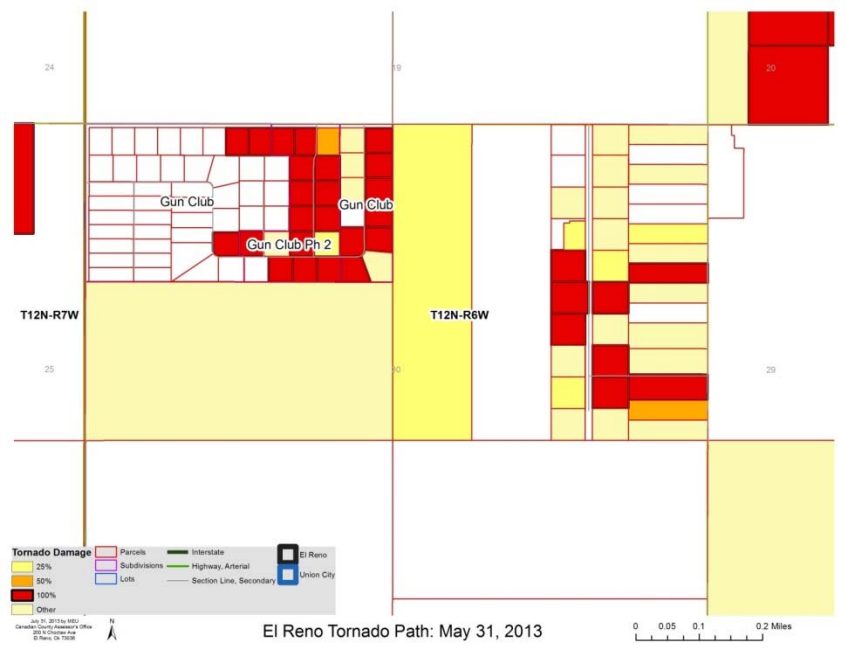
Assessor's Office

GIS



Assessor's Office

GIS



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112	Polygon	0	090023189	100	0% Remaining
113	Polygon	0	090023188	100	0% Remaining
114	Polygon	0	090023186	100	0% Remaining
115	Polygon	0	090023187	1	Barn & Shed
116	Polygon	0	090023183	100	0% Remaining
117	Polygon	0	090023180	25	75% Remaining
118	Polygon	0	090089354	100	0% Remaining
119	Polygon	0	090121363	100	0% Remaining
120	Polygon	0	090103697	1	
121	Polygon	0	090011577	100	0% Remaining
122	Polygon	0	090011576	100	0% Remaining
123	Polygon	0	090011562	100	0% Remaining
124	Polygon	0	090011563	1	Shop
125	Polygon	0	090011587	100	0% Remaining
126	Polygon	0	090011561	100	0% Remaining
127	Polygon	0	090011560	100	0% Remaining
128	Polygon	0	090011559	100	0% Remaining
129	Polygon	0	090011577	100	0% Remaining
130	Polygon	0	090011514	100	0% Remaining
131	Polygon	0	090011513	1	Barn & Sheds
132	Polygon	0	090011518	25	75% Remaining
133	Polygon	0	090011521	1	Barn
134	Polygon	0	090091952	1	Barn
135	Polygon	0	090091149	100	0% Remaining
136	Polygon	0	090011522	25	75% Remaining
137	Polygon	0	090120830	100	0% Remaining
138	Polygon	0	090011553	100	0% Remaining
139	Polygon	0	090011602	50	50% Remaining
140	Polygon	0	090096934	100	0% Remaining

Assessor's Office

Looking ahead

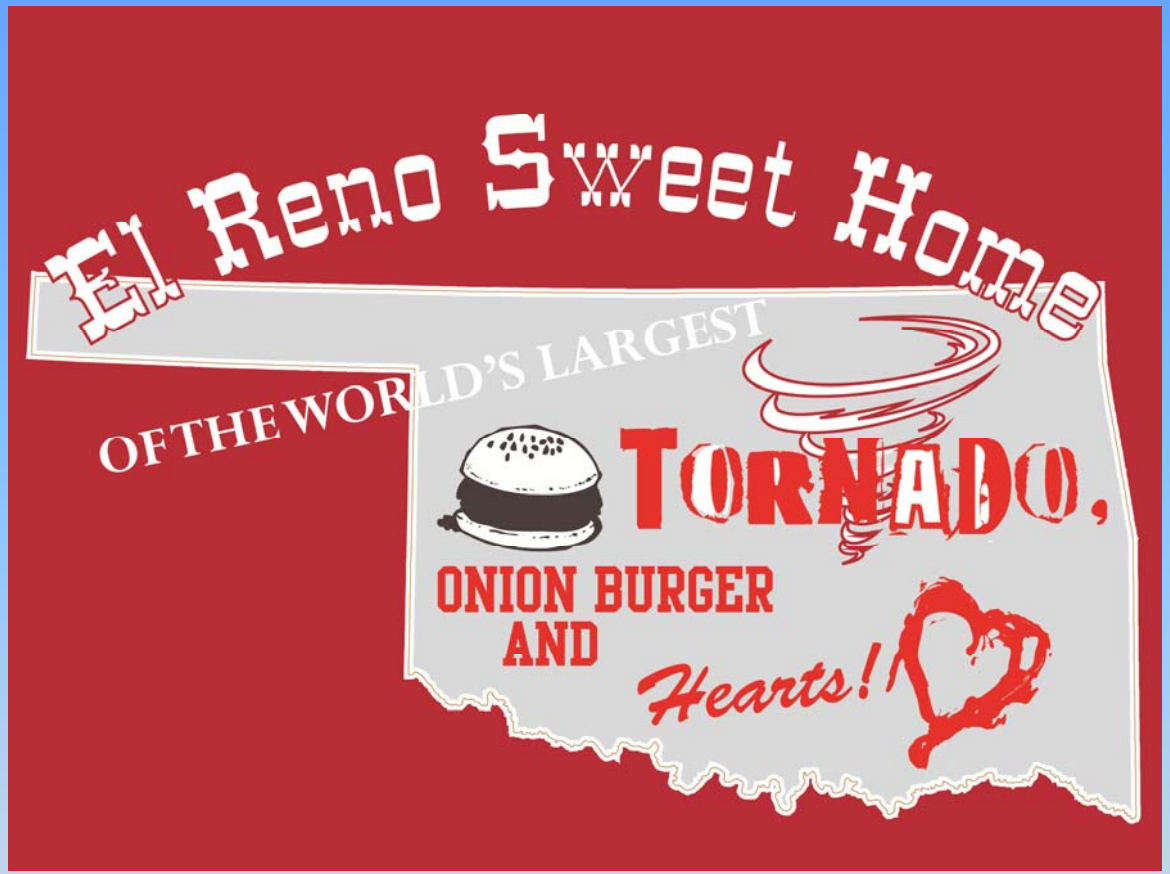
- HB 1265 effective November 1st, 2013
- GIS enhancements
- Field devices
- GPS storm damage locations
- Pictometry, IDAM2

Remember

- Recheck storm-damaged properties prior to January 1st each year
  - If 100% destroyed, properties will come on at full market value
  - If not destroyed, cap will remain (not including new improvements)
- Communication is key
- Not possible without great staff!

Restaurant located in OKC West Livestock Market

Assessor's Office



Why it's great to live in OKLAHOMA!

Assessor's Office

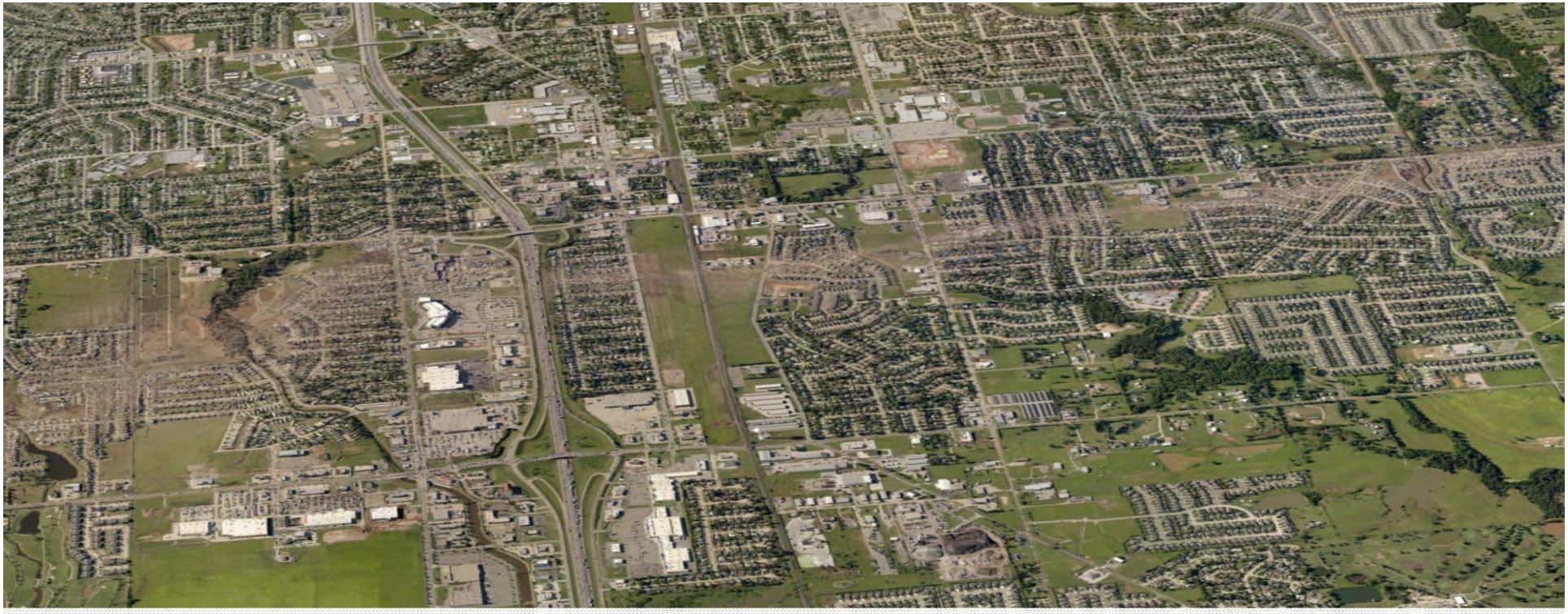
Questions?

Matt Wehmuller
Canadian County Assessor
200 N Choctaw Ave
El Reno, OK 73036
(405) 295-6113
wehmullerm@canadiancounty.org
www.CanadianCounty.org

Assessor's Office

Cleveland County Tornado Impact Presentation

August 9, 2013



Monday, May 20, 2013 at 2:56 p.m.
Cleveland County
EF5 tornado touches down just west of Newcastle, OK with winds estimated at 210 mph; killing 24 people

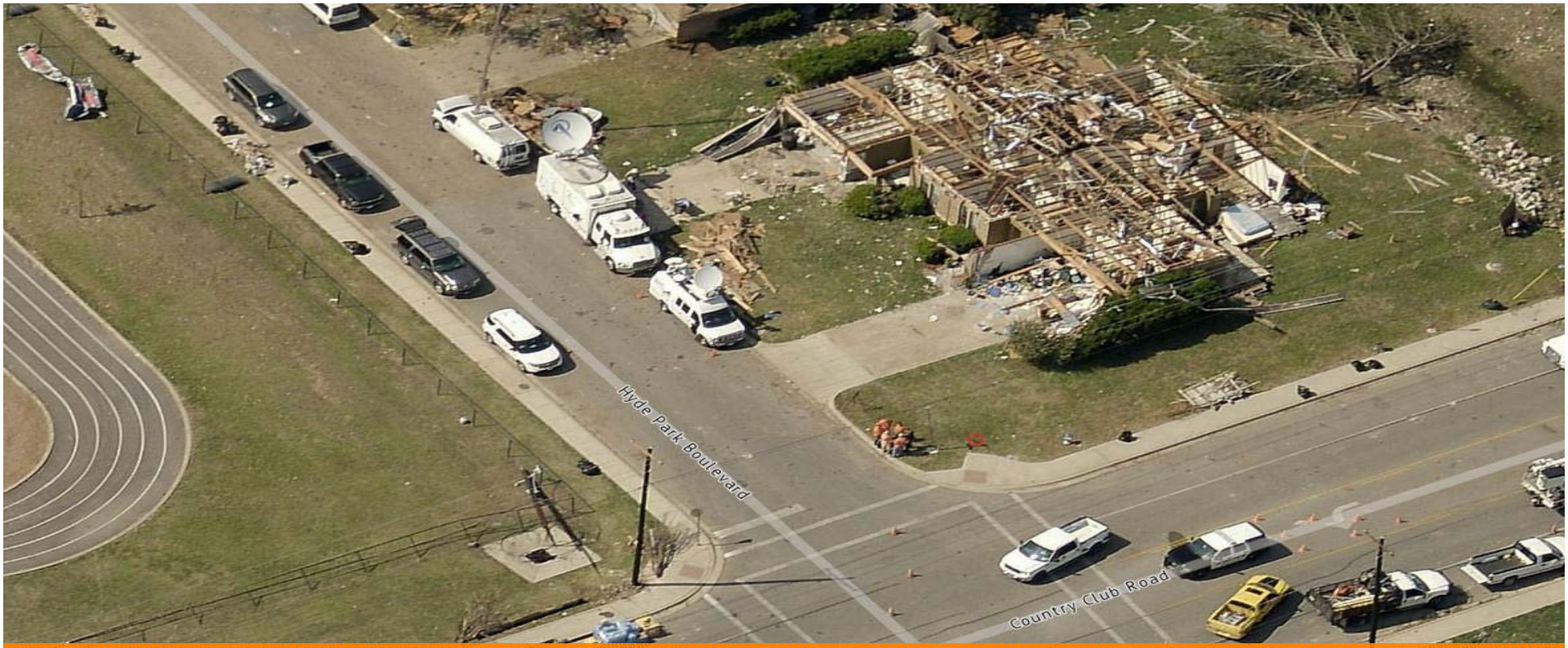
DAMAGE ASSESSMENT PROCESS

Estimated Tornado path through Cleveland County is 13 miles.

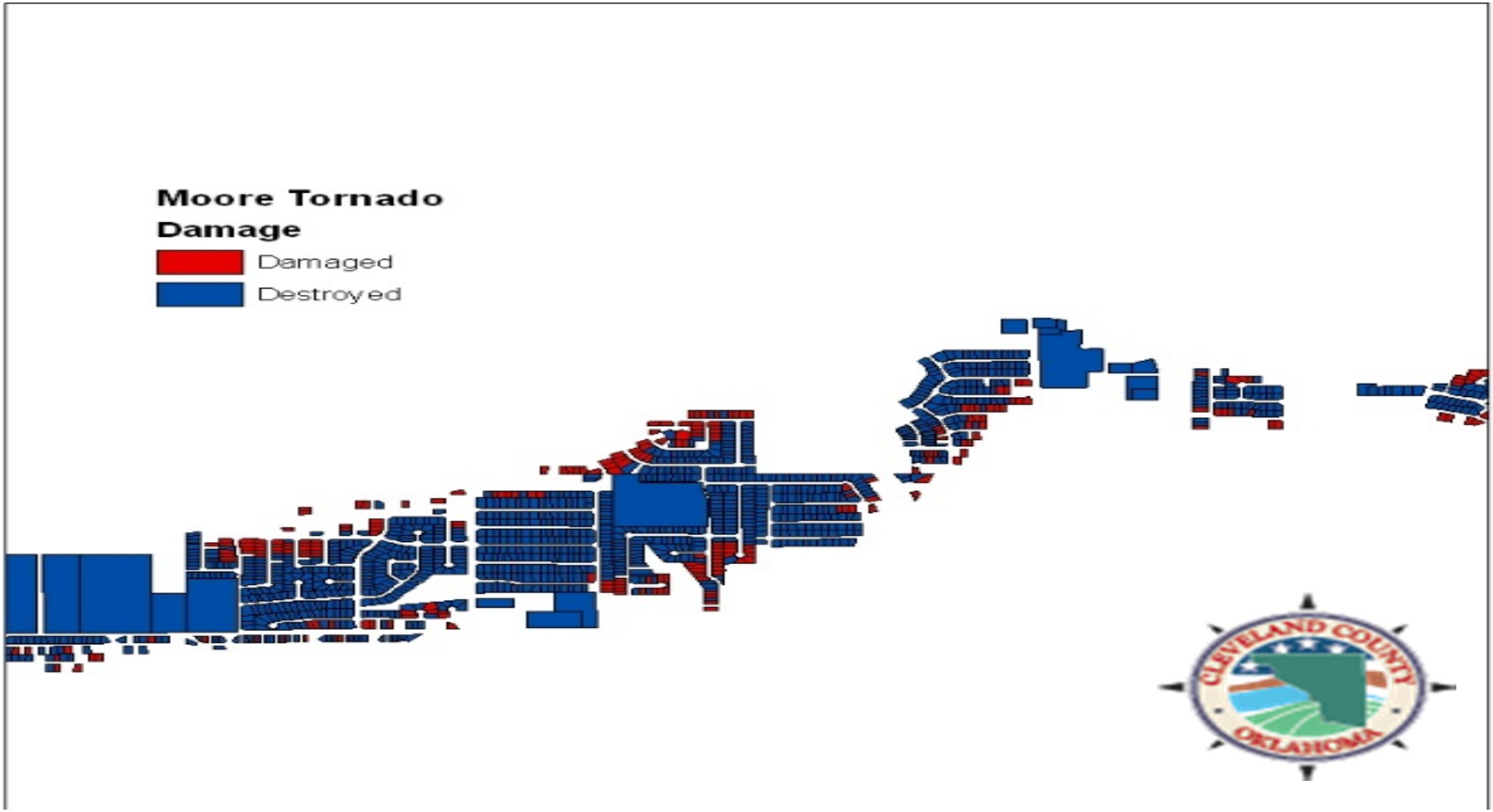
Table

ParcelPoly selection

GEONUMBER *	ACREAGE	ACCOUNTN
MC2 10 2W 18007	2.27	R0003797
MC2 10 2W 18027	4.45	R0149244
MC2 10 3W 23012	1	R0004356
MC2 7ELTR 1 1001	0	R0163021
MC2 BAWE1 1 1A001	0.09	R0005074
MC2 BAWE1 1 2A001	0.09	R0005076
MC2 BAWE1 1 2B001	0.09	R0005077
MC2 BAWE1 1 3A001	0.08	R0005078
MC2 BAWE1 1 3B001	0.1	R0005079
MC2 BAWE1 1 4A001	0.14	R0005080
MC2 BAWE1 4 1A001	0.08	R0005269
MC2 BAWE1 4 1B001	0.09	R0005270
MC2 BAWE1 4 2A001	0.09	R0005271
MC2 BAWE1 4 2B001	0.09	R0005272
MC2 BAWE1 4 3A001	0.09	R0005273
MC2 BAWE1 4 4A001	0.09	R0005275
MC2 BAWE1 4 4B001	0.09	R0005276
MC2 BAWE1 4 5A001	0.09	R0005277
MC2 BAWE1 4 5B001	0.09	R0005278
MC2 BAWE1 4 6A001	0.09	R0005279
MC2 BAWE1 5 1B001	0.09	R0005282
MC2 BAWE2 11 1B001	0.1	R0005403
MC2 BAWE2 11 2B001	0.1	R0005405
MC2 BAWE2 11 3A001	0.1	R0005406
MC2 BAWE2 11 3B001	0.1	R0005407
MC2 BAWE2 11 4B001	0.11	R0005409
MC2 BAWE2 11 5A001	0.11	R0005410
MC2 BAWE2 11 6A002	0.11	R0005412
MC2 BAWE2 11 6B002	0.11	R0005413
MC2 BAWE2 11 7A001	0.11	R0005414
MC2 BAWE2 11 7B001	0.11	R0005415
MC2 BAWE3 12 1A001	0.15	R0005416
MC2 BAWE3 16 1A001	0.11	R0005442
MC2 BAWE3 17 1A001	0.11	R0005462
MC2 BAWE3 17 1B001	0.13	R0005463
MC2 BAWE4 18 1A001	0.1	R0005464
MC2 BAWE4 18 2A001	0.11	R0005466



Total Area Captured by Pictometry: 123 sq. miles


Moore Tornado
Damage
Damaged
Destroyed
CLEVELAND COUNTY
OKLAHOMA

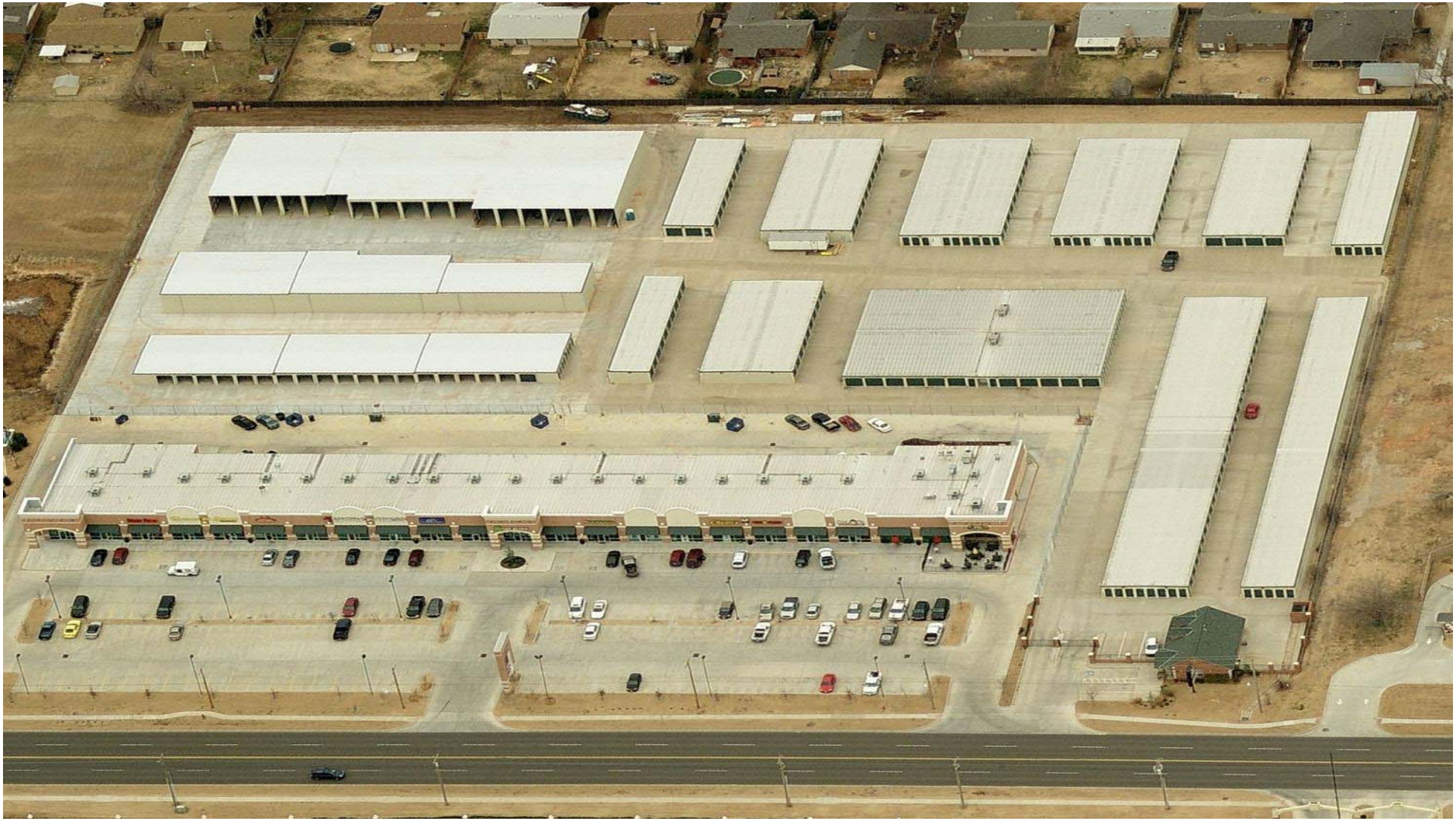
GEONUMBER *	ACREAGE	ACCOUNTN	Damage
MC2 10 2W 18027	4.45	R0149244	Destroyed
MC2 10 3W 23012	1	R0004356	Destroyed
MC2 7ELTR 1 1001	0	R0163021	Destroyed
MC2 BAWE1 1 1A001	0.09	R0005074	Destroyed
MC2 BAWE1 1 2A001	0.09	R0005076	Destroyed
MC2 BAWE1 1 2B001	0.09	R0005077	Destroyed
MC2 BAWE1 1 3A001	0.08	R0005078	Destroyed
MC2 BAWE1 1 3B001	0.1	R0005079	Destroyed
MC2 BAWE1 1 4A001	0.14	R0005080	Destroyed
MC2 BAWE1 4 1A001	0.08	R0005269	Destroyed
MC2 BAWE1 4 1B001	0.09	R0005270	Destroyed
MC2 BAWE1 4 2A001	0.09	R0005271	Destroyed
MC2 BAWE1 4 2B001	0.09	R0005272	Damaged
MC2 BAWE1 4 3A001	0.09	R0005273	Damaged
MC2 BAWE1 4 4A001	0.09	R0005275	Destroyed
MC2 BAWE1 4 4B001	0.09	R0005276	Destroyed
MC2 BAWE1 4 5A001	0.09	R0005277	Destroyed
MC2 BAWE1 4 5B001	0.09	R0005278	Destroyed
MC2 BAWE1 4 6A001	0.09	R0005279	Destroyed
MC2 BAWE1 5 1B001	0.09	R0005282	Damaged
MC2 BAWE2 11 1B001	0.1	R0005403	Destroyed
MC2 BAWE2 11 2B001	0.1	R0005405	Destroyed
MC2 BAWE2 11 3A001	0.1	R0005406	Damaged
MC2 BAWE2 11 3B001	0.1	R0005407	Destroyed
MC2 BAWE2 11 4B001	0.11	R0005409	Destroyed
MC2 BAWE2 11 5A001	0.11	R0005410	Destroyed
MC2 BAWE2 11 6A002	0.11	R0005412	Destroyed
MC2 BAWE2 11 6B002	0.11	R0005413	Damaged
MC2 BAWE2 11 7A001	0.11	R0005414	Destroyed
MC2 BAWE2 11 7B001	0.11	R0005415	Destroyed
MC2 BAWE3 12 1A001	0.15	R0005416	Destroyed
MC2 BAWE3 16 1A001	0.11	R0005442	Destroyed
MC2 BAWE3 17 1A001	0.11	R0005462	Destroyed
MC2 BAWE3 17 1B001	0.13	R0005463	Destroyed
MC2 BAWE4 18 1A001	0.1	R0005464	Destroyed
MC2 BAWE4 18 2A001	0.11	R0005466	Damaged
MC2 BAWE4 18 2B001	0.14	R0005467	Destroyed
MC2 BAWE4 18 3B001	0.15	R0005469	Destroyed
MC2 BAWE5 22 6B001	0.14	R0005545	
MC2 BAWE5 22 7A002	0.18	R0005546	

- 327 Damaged Structures
- 1581 Destroyed Structures

VISUALIZING THE TORNADO

PLAZA TOWERS ELEMEMTARY SCHOOL

Moore Medical Center



BEFORE
AFTER

BEFORE

AFTER

BEFORE

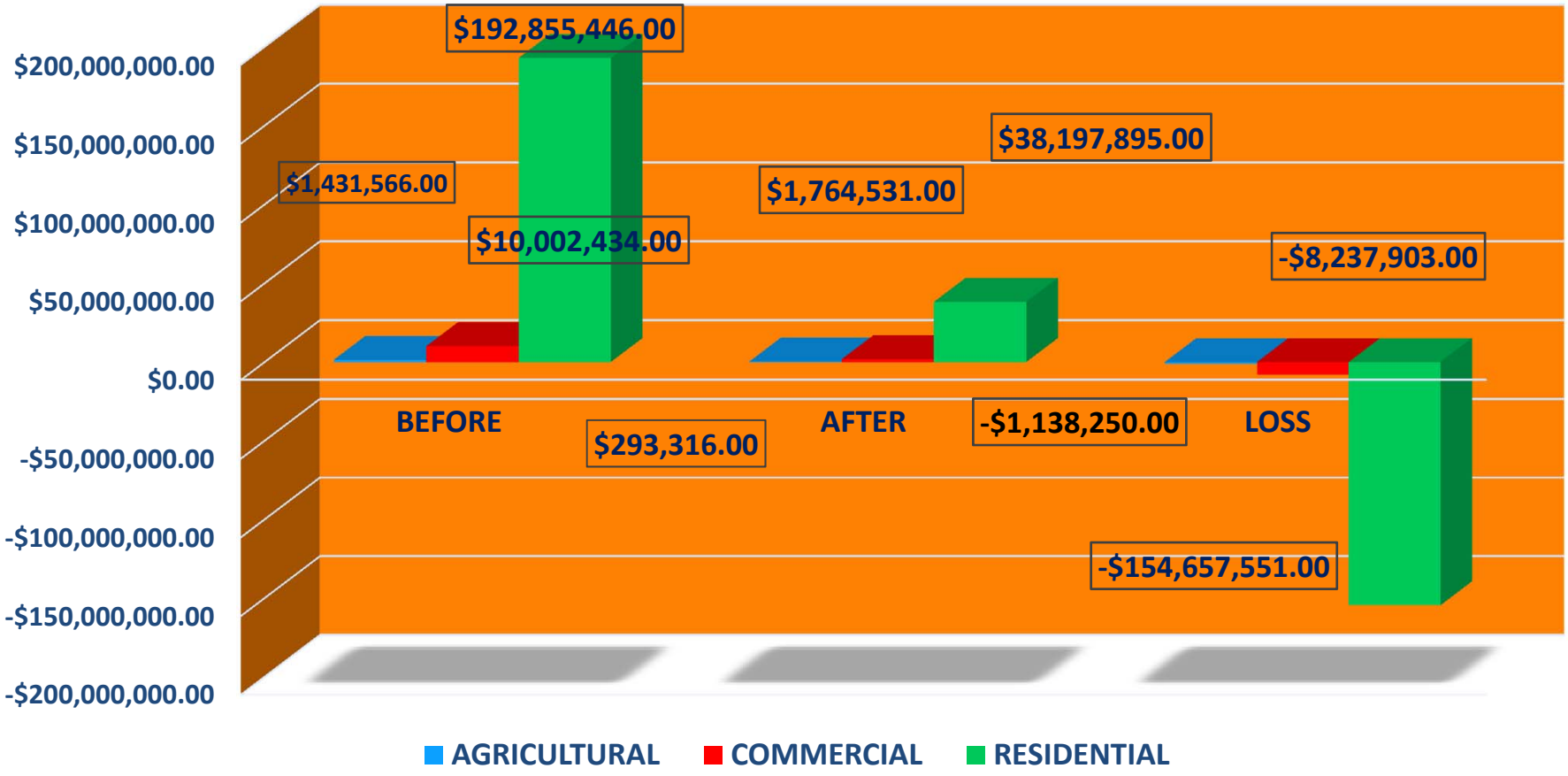
AFTER

BEFORE

AFTER

THE BOTTOM LINE

MARKET VALUES AFFECTED BY TORNADOS



Affect by population, income, business….

Compare Moore Tornadoes Impacts

NEW BEGININGS

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