

# FORUM

## A LOOK AHEAD...

- May 6-9:  
Unit IV, Income Approach, Tulsa
- May 10:  
S.W. District Meeting  
(Cleveland Co.)
- May 17:  
S.E. District Meeting  
(McCurtain Co.)
- May 21:  
Computer Basics, Stillwater
- May 22-23:  
Excel Spreadsheets, Stillwater
- May 24:  
N.W. District Meeting  
(Cimarron Co.)
- May 27:  
Memorial Day
- May 31:  
N.E. District Meeting (Osage Co.)

## DIRECTOR'S NOTES...

# LEGISLATIVE ACTION, DISTRICT MEETINGS MAKE FOR BUSY TIME

We've been watching the completion of the Capitol dome the last few weeks. The project still has an enormous amount of work to be done, but the structure no longer looks like an upside down kitchen strainer. This is pretty amazing architectural work in progress. I wonder how a county assessor or deputy would measure that thing if it went on the rolls.

We had a very good meeting at the Southwest District meeting at Quartz Mountain. Pat Daniels tells me that the 180 folks may have been close to a record for spring SW CODA District meetings and they had a full complement of all the southwest Legislative leadership. Quartz Mountain is a really beautiful place. It was a great spot for the meeting and I enjoyed my detour over to Gotebo on the way back so I could add that to my list of famous Oklahoma places that I've visited.

The Oklahoma Legislature session is still extremely busy. We completed the last committee meetings of the session. The Senate Finance Committee and the House Revenue and Taxation Committee have completed consideration of several ad valorem tax bills, and the County Assessors' Association legislative committee has been active in tracking those bills and meeting with legislators. There are still several extremely important measures under consideration.

We're concerned about the various budget cuts ahead. Most of us have grown used to working within budget constraints, but this will continue to present a challenge, particularly over the next couple of years.

The District meetings are coming up shortly. The County Assessors' Association has planned some really interesting locations this year.

Mark your calendars.

- Southwest: May 10 (Cleveland County)
- Southeast: May 17 (McCurtain County)
- Northwest: May 24 (Cimarron County)
- Northeast: May 31 (Osage County)



Speaking of unusual property like the Capitol Dome, the NW District meeting will be held at the Cimarron County Heritage Museum. The museum is housed in the Julius Cox house which was designed by Bruce Goff, one of Oklahoma's premier architects. Goff designed the Boston Avenue Methodist Church in Tulsa and the Philtower in downtown Tulsa. Goff and the son of Mr. Cox were friends during WWII. As someone who grew up in Cimarron County, I'm really looking forward to getting back to Boise City to see all that's been done with the museum.

# PUBLIC SERVICE UPDATE

Public service capitalization rates have been determined and completed returns are being received. "Tis the season." Pardon the holiday reference since it's April, but this "season" finds the Public Service section hard at work.

As returns are submitted, they are processed and reviewed. In many cases, requests for additional information are made. These requests are made to supplement or complete the original filings.

Supplemental information can include regulatory reports (FERC, 10K, R-1, and SEC filings), audited financials, apportionment data or any other data deemed necessary.

These data improve the ability of our office to develop more accurate fair cash values for public service companies.

Counties that have any property, real or personal, which may be classified as public service property, but was filed locally, need to contact the Public Service section.

It is necessary to clarify these situations so that the property is valued only once and at its proper classification.

The earlier we receive these inquiries, the better we are able to address them in valuation, state allocation and taxing jurisdiction apportionment.



## MAPPING MINUTE

WITH TROY FRAZIER

I'm sorry that the "GIS Day at the Capitol" was changed at the last minute. The reason for the change really strikes at the heart of a major problem with mapping. The "GIS Day" was changed from March 12<sup>th</sup> to April 23<sup>rd</sup> because the Legislature was not going to be there.

We care about this because supporting mapping costs money. Lots of money! The Farm Services Administration (FSA) is paying to have the state re-flown this year. They are going to take a new set of **COLOR** aerial photos.

This set will replace the 1995 aerial photos that you just received on CD-ROM from us. The problem is that we do not know if FSA will pay for developing the aerials in a way that allows us to use them with computerized mapping. If not, it will cost around \$1,000,000 to do so.

The State GIS council wants to reproduce the "Digital Atlas of Oklahoma." USGS is willing to supply the Council some help—for a price. The GIS Council has no budget and its member agencies (such as the OTC) are facing budget cuts.

The State office of the NRCS is digitizing the old county soil books at a cost of \$20,000 per county. They should have nineteen counties done, but they only have eight available on their national web site for downloading. Other states are being posted to this web site all the time—states that pitch in money.

I guess what I'm saying is please be patient with us. We are trying to support your mapping efforts in the best way we can. For more support, we must turn to the folks with the money.

**Remember:**

It's not **what** you can do, but rather **if** you can afford to do it.

# COMMERCIAL VALUATION/DATA COLLECTION TIPS

In last month's issue of the *Forum*, we reviewed commercial structural frame determinations for valuation. This month we will look at some other important considerations for proper calculation of replacement cost new on commercial buildings.

The State of Oklahoma commercial cost tables do not contain heat and air costs in the base price for any structure. They are separate additive costs per square foot. This makes it very important that heat and air fields are properly entered.

Miscellaneous materials and labor costs are included in the heat and air square foot cost figures.

Story height determinations for application of proper story height multipliers are the number of feet per story, not the number of stories. Many older buildings have a parapet or bulwark walled area above or between the actual roof level. Do not include this in the story height estimate. It is critical that the proper number of stories be entered on the data collection card. Remember also to properly record the type of structural frame or exterior wall on the data collection card. This is

an important component for proper cost valuation. For instance, a concrete tilt-up building should be priced as a class C structure.

The costs for all foundations are included in the base price for each State of Oklahoma Commercial building class, so do not add a separate foundation cost.

The foundation costs include all labor, materials and equipment, plus overhead and profit for the installing contractor. Industrial slabs will be found generally only in manufacturing buildings, and will be included in the base price.

The roof structure includes the complete roof—rafters, sheathing, deck, bracing, ties, etc. Select the correct roof type and roof material when completing the data collection card.

Remember to measure all exterior walls to arrive at total perimeter footage. The perimeter lineal footage needs to be rounded to the nearest allowable in the PMTR table. Most buildings being appraised will not have the exact area and perimeter reflected in the State of Oklahoma tables, so interpolation between numbers is necessary.

## THE VALUE OF IAAO MEMBERSHIP

The International Association of Assessing Officers (IAAO) exists to provide leadership in accurate property valuation, tax administration and tax policy throughout the world.

IAAO was founded in 1934 as a worldwide resource for the assessing profession. The IAAO is committed to enhancing careers and opportunities for its membership, while providing the public with a valuable service that exceeds rigorous requirements.

The IAAO is based in Chicago, Illinois and is a not-for-profit organization.

Regular membership is available to employees of government jurisdictions or private mass appraisal firms whose duties are directly related to property tax administration and assessment or those individuals with at least 50% of business in support of government jurisdictions.

First-Time Regular Member dues are \$125.

Keep up with change. IAAO offers help and insight into the ever-changing issues related to taxes and the world's property.

Low cost education programs help you meet the challenges of an increasingly complex career. IAAO courses and workshops provide important knowledge and IAAO publications are known for their depth and quality of information.

The rewards of investing in your career are immeasurable. Beyond the tangible benefits, feel the pride and satisfaction of knowing you are doing all you can to make the most of who you are and what you do.

Apply for your IAAO membership by calling (312) 819-6100.

# ALL ABOUT MAP ACCURACY

*(Excerpts from an article by Bruce Joffe of GIS Consultants appearing in the February, 2002 issue of GEOWorld magazine)*

If a picture is worth a thousand words, how many more words is a map worth? Ten times as many? A hundred times? A thousand times?

Consider the last map you glanced at, and suppose you were to write down every fact depicted on it. The list would include the names of everything shown on the map, plus the relative distances between everything, plus the spatial relationships between everything and everything else, plus information about things not shown on the map, plus all the relative relationships, etc.

Maps are such concise conveyors of information because they're scaled representations of reality. As such, their use and value depends on their accuracy, or more generally, their quality.

Although maps vary in accuracy and quality, few can be classified as inherently having "high" or "low" accuracy or "good" or "bad" quality without reference to the map's purpose.

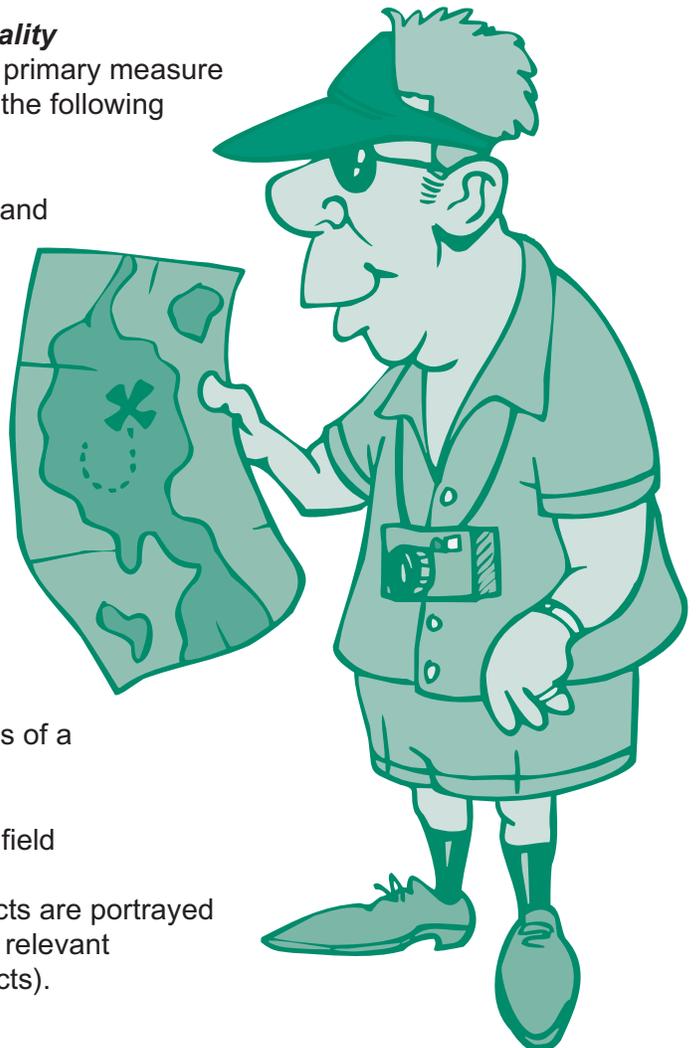
Different levels of accuracy and quality are appropriate for different purposes. If a map correctly informs your query, it's good enough. If the same map, or mapping database, can correctly inform a lot of queries, it's better.

Because maps model and represent reality, they omit some objects and simplify others. A map's quality depends on how thoroughly and accurately it portrays the objects of interest to the purposes for which it's designed.

## Map Quality

Although positional accuracy often is regarded as the primary measure of quality for maps and GIS databases, "quality" includes the following additional important criteria:

- Currency—how up to date the mapped information is and how frequently it's updated
- Representation—whether the mapped objects are connected, and if the symbology and annotation portray them understandably.
- Lineage—includes identification and quality assessment of the source documents as well as the methods by which the data were collected and multiple data sources were compiled into an integrated mapping database.
- Accuracy—Includes factors such as:
  1. Positional accuracy (how closely the mapped coordinates correspond to the "actual" coordinates of a mapped object).
  2. Referential accuracy (how closely the portrayed distances between mapped objects compare with field measurements).
  3. Identification accuracy (how reliably mapped objects are portrayed as the actual objects they represent, and how few relevant objects were omitted from the set of mapped objects).



# AMERICA'S COUNTIES: "THE INVISIBLE GOVERNMENTS"

*(Excerpts From an Article By Katherine Barrett, Richard Greene, and Michele Mariani Appearing In The February, 2002 Edition of Governing Magazine)*

America's counties are sometimes called "invisible governments," and that's not too far off the mark. The national media all but ignore them—and many citizens are not even aware of which functions their counties provide, as distinct from those of cities and states.

"My mother still thinks I work for the city of Cleveland," says Sandy Turk, who has been budget director in surrounding Cuyahoga County for more than a decade. Cuyahoga has more than 40 separate agencies and revenue of more than a billion dollars.

But while the media and most of the electorate continue to ignore counties—except to mock them for the occasional bad apple—the fact is that they are becoming more important players in American government with each passing year.

As the state and federal governments have pulled back on funding in areas such as health care, aid to the poor and criminal justice, it is counties—much more than states and cities—that are generally obligated to move in and fill the gap.

Counties are even more diverse than states or cities in terms of governmental structure, financial status and physical composition.

Broward County, in Florida, has virtually no unincorporated areas, while Sacramento County in California is about two-thirds unincorporated.

Texas counties, such as Dallas and Harris, are almost entirely controlled by the state, with no authority to create their own legislation. Wayne County and Oakland County in Michigan, by contrast, have a great deal of autonomy.

"The one uniform thing about county governments," Milwaukee's Tom Ament says, "is that they're not uniform."

More than states or cities, counties deal on a day-to-day basis with all the other levels of government. Their funding streams are overwhelmingly provided by the federal and state governments, which rely on them to perform a multiplicity of tasks.

Yet they are continually squeezed by the governments above and below them. "We're at the end of the food chain in terms of the budget," explains Mark Norris, director of finance in Sacramento County.

"The state takes care of itself first. There are 400 cities in California that have a stronger political position than we do. The counties are the whipping child of the state, and we get what's left over."

"We're the first place to go to make cuts. When the state budget was tight in recent years, they took 9 percent from cities and 50 percent from the counties."

The bottom line in city-county-state relations, virtually everywhere in the country, is that counties often have only fragile control over the services they deliver, even where they are held responsible for part of the outcome.

Mecklenburg County, for example, has the responsibility of building and maintaining Courthouses. Yet the state of North Carolina is responsible for the personnel—prosecutors, public defenders, court clerks—in those courthouses.

And police from Charlotte make the arrests. So, if Charlotte police become more aggressive and step up their arrest rate, Mecklenburg bears the burden. Similarly, if the state doesn't provide enough money for courthouse staff, jails become crowded with people awaiting trial. Who pays? Mecklenburg.

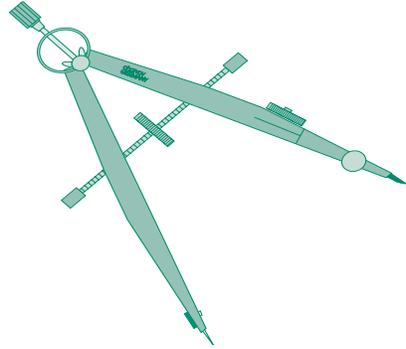
Restraints on counties have forced them to become particularly innovative when it comes to financial management, capital management, human resources, managing for results and information technology.

It's clear that there's a great deal of valuable work being done in county governments from coast to coast; and that there's an immense amount of pride evidenced by the men and women who are doing that work.

In short, Sandy Turk's mother should know that her daughter works for Cuyahoga County, and has for the last 23 years. And she should be proud of that.

## MAP ACCURACY... (CONTINUED FROM PAGE 4)

4. Attribute accuracy (how reliably the attributes associated with a mapped object represent the actual object). Assessing the quality level of a given mapping database requires different standards and methods for each type of quality factor.



**Map Currency** assessment requires that the date of data collection be annotated in the descriptive attributes of each mapped object. The date of data compilation isn't equivalent, because a map or GIS database may be compiled years after an original observation. Nor is a single date for the creation or modification of the entire map an adequate indication of the currency of each constituent mapped object.

**Map Representation** assessment requires measuring the degree of understanding felt by a statistical sample of the map-using population.

**Map Lineage** assessment requires a standardized classification system of map compilation techniques, such as the one proposed by Rudy Stricklan (See "Cadastral Reference Databases: Categorizing and Certifying the Conversion Should Be Standardized," *PoB Magazine*, January 2000), which includes the following categories: direct observation, constructed from legal source documents, constructed from derived maps, trace digitized, measurements and adjustment factors recorded to enable "auto-refineable" update, measurements recorded as text and stored as attribution, measurements shown as text only, and no measurements shown.

**Map Accuracy** assessment requires measuring the statistical variance of a set of sample mapped points from a set of independent reference measurements for those points.

This applies to measurements of location for positional and referential accuracy as well as observations for identification and attribute accuracy.

### **Accuracy Statements**

When one considers city, county, or statewide GIS-based map data, one can expect there to be domains where the locational accuracy is better than the NSSDA 95% level as well as areas where the accuracy is worse.

## LEGISLATIVE ACTION... (CONTINUED FROM PAGE 1)

We've also got District meetings in Cleveland County at the Moore-Norman Technology Center, historic Osage County, and back to beautiful McCurtain County where Tom Porton's staff always does such a good job. So it should be a good set of meetings and we'll have an informative program as always.

We appreciate the hard work and conscientious effort of all county assessors and deputies out there working to improve the Oklahoma ad valorem system and make it better than it was given to us for taxpayers everywhere. Tom Cusack says, "Keep in mind, we should be the guardian of fairness" and that's reaching all across the state from Gotebo to Oklahoma City to Idabel to Boise City to Miami.

Sincerely,  
Jeff Spelman, CAE

P.S. One of the best things I heard lately was a comment from Dee Ketchum, a member of the Delaware Nation who is serving on the Special Task Force on Taxation. He said that when you plan for the future, you should plan not for tomorrow or next week, but what's good for seven generations. That's good advice.