

The mission of the Ad Valorem Division of the Oklahoma Tax Commission is to promote an ad valorem property tax system which is fair and equitable to all taxpayers by implementing standard valuation methodology, tax law conformity, and assessment administration compliance.

Oklahoma Ad Valorem

FORUM

Director's Notes:

Ad Valorem Division Road Trip 2008

We've enjoyed the traditional road tour for the Ad Valorem Division. Our staff attended OATR in Oklahoma City, had another super district meeting in beautiful McCurtain County hosted by Stan Lyle, enjoyed Sandy Crum's outstanding hospitality at her first district meeting in Caddo County, followed by Phillip McCoy's first stint at hosting a terrific district meeting in Grant County. We concluded with a good NE District meeting in Payne County. I enjoyed seeing everyone, including several retired assessors who showed up to visit. We also visited several county assessors' offices on the way to the meetings, and it is always interesting to see the different offices and their assessors in their natural habitat.

Just a note to all you new assessors, it looks as if the older, wiser assessors have "honored" the rookies by talking them into district hosting duties this year. I notice that several districts have a method to their madness and pass hosting duties around in alphabetical order rather than selecting the rookies for this honor. We appreciate those counties hosting the meetings because it does entail some extra work and preparation time.

The district meetings are a lot of miles, but as I've said many times in the past, it is really a pleasure to get to travel around Oklahoma and see what is going on in each county we visit.

The legislative session is in its last few weeks. No one is sure entirely how everything will end up, but a few significant ad valorem bills are still under consideration. In the next few weeks, there will be some additional discussion as the legislative session concludes. We'll get everyone up-to-date on new legislation after the session is over.

We'll send out a bulletin reminder on the abstract submission dates later this month. Abstracts are due by statute on June 15, and as you know, the law is strict on the deadline which every county met last year. The State Board of Equalization has scheduled June 11, 2:00 p.m. for its regular meeting which is early, so we encourage everyone to get their abstracts in so we can get those approved timely. However, the statute is June 15, so if you need to work on it until that date, the county abstract would not be considered late. Check those dates for any change as we get closer.

Todd Matheson, County Assessors' Association President, and his officers met initially in Grant County and met with with the Ad Valorem Division and CLGT at the Payne County meeting. As you are aware, the annual conference planning is in progress. We are discussing various plans for the conference and have some good input from everyone involved in making the annual conference a good event.

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We enjoyed seeing everyone at the district meetings. Have a good month. We appreciate all you do for your taxpayers and all the hard work of county assessors and deputies everywhere. It’s a tough job, but ad valorem is an extremely important part of local government in Oklahoma. We’re all working to pass the system on better than it was given to us.

Sincerely,

Jeff Spelman, CAE
Director, Ad Valorem Division

P.S. We were contacted by Linda Kelley after the E4 tornado hit Ottawa County. It was a terrible storm, and their office is trying to recover. Our staff will be providing some support, and we appreciate everyone’s assistance.

P.S.S. “Think about this level of energy when you get tired. Scientists studying bird migration recently installed a GPS transmitter on a small shorebird that lives in New Zealand. They found the bird flies every year to Alaska for the summer to lay eggs, back to China to feed in the marshes there and then returns to New Zealand for the winter. That’s 10,800 miles over the ocean and the bird doesn’t eat, sleep or drink during the flight. It also can’t land in the water to rest. Makes me tired just thinking about it.” Anwar Caddo, Ad Valorem Philosopher.



I have downloaded the US Census Bureau’s enhanced county road layers for the counties that are done. Unfortunately, these roads DO NOT have updated addressing or current road names. I am currently working with OU to get accurately placed, currently named and addressed road layers for as many counties as I can.

About a year ago, the department that we worked with at OU for our city and school maps was absorbed into another department. It took them a few months, but they got everything on their website changed to reflect this change. If you want to check on current city boundary maps or school district maps, you can go to the Center for Spatial Analysis’ website www.csa.ou.edu and click on “DATA, PRODUCTS & TOOLS”. Then click on “MAPS”. Choose your city (or county for school districts) from the dropdown list to view the current boundaries.

Once again, if there are discrepancies between our OU maps and what you “know” to be right, have the city contact us to help us fix it. If it is a school district problem, have the affected school districts go through the State Board of Education to correct the problem. This is the only way to get you, us, the cities, the schools, and the local election board to sing off the same sheet of music.

Remember: Again, usually, the only thing holding us back is ourselves.

Receive the “Forum” by Email:

To receive the “Ad Valorem Forum” by email, please forward your email address to Cyndi Heath at cheath@tax.ok.gov.





Settlement Questions Appraisal Process

By Kenneth R. Harney (The Nation's Housing)
Published in Real Estate Magazine, May 17, 2008

A major brawl is breaking out over how homes are appraised, at what cost, and by whom. The outcome could directly affect the price you pay for your next piece of real estate and the amount of mortgage money you can obtain.

The fight centers on an unusual agreement reached in March among Fanny Mae, Freddie Mac, their federal regulator, and the New York Attorney General, Andrew M. Cuomo. The agreement took the form of an out-of-court settlement under which Cuomo terminated an investigation of the mortgage finance giant's appraisal practices in exchange for their adoption of a far-reaching "home valuation code of conduct" covering all loans they purchase or securitize.

How the code would work:

The code, which is scheduled to take effect January 1, would shake up the entire appraisal system:

- Mortgage brokers, who originate roughly 60% of all new loans, no longer would be allowed to select or pay appraisers. That could force some mortgage shoppers to pay for multiple appraisals rather than just one.
- In-house appraisers at banks and mortgage firms no longer would be permitted to do appraisals for loans to be funded by their organizations.
- Lenders would not be able to use appraisals generated by management companies (firms that contract with networks of appraisers nationwide) if they have a significant financial state in the management company.

Under the agreement, Fanny and Freddie would spend \$24 million over the next five years to create and staff a new "independent valuation protection institute" to monitor appraisal standards and provide a complaint hotline for appraisers and consumers.

Inflated appraisals, often involving either pressure by loan officers or fraudulent collusion by appraisers themselves, played a role in at least some of the mess in the housing market.

Major financial and banking trade groups are not happy and say it violates federal statutes and permits a single state (New York) to unlawfully exercise authority that resides exclusively with the federal government. They argue that thousands of highly skilled appraisers who are competent and ethical would lose their jobs.

Five national appraisal organizations agreed and said mortgage brokers should not be prohibited from hiring independent appraisers because the current system, if strengthened by greater use of review appraisals to double-check accuracy, works efficiently for consumers and the mortgage industry.

Consumers could be financially tied to the first lender they submit an application to because subsequent applications may require a new appraisal which would double or triple the cost and time involved. Other critics charge that the Fannie-Freddie plan opens the door to greater use of low-cost appraisal substitutes such as automated valuation models (computer driven estimates) in place of on-site valuations by professional appraisers.

In the end, after the smoke clears, there's a shot at an improved, consensus appraisal system, much tougher penalties for lenders who pressure appraisers, much tougher penalties for appraisers who give in, and more accurate appraisals for the consumers who pay for them.

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Barge Ride Rescheduled

The barge ride on the Port of Catoosa scheduled for the NE District Meeting last year was cancelled due to high water.

Melissa Anderson, Rogers County Assessor and 2007 NE District Chair, reports the ride has been rescheduled for either the last Thursday or Friday in June. She needs your input as to which date would be best for those who can attend.

Arrival time at the port is 11:00 a.m. and departure is at 11:30 a.m. The ride will include lunch and return to the dock around 1:30 p.m.

If you signed up for the ride last year, give Melissa a call and tell her which day you would prefer. If you are unable to attend, that information will be useful, too. Vacated spots will be offered to those who have not previously registered.

Call Melissa soon and let her know if you will attend, are vacating your spot, or if you want to be on a waiting list to participate. Her number is 918-341-3290.

May “4C” Committee Meeting

The County Computer Coordination Committee (4C) met on May 6 in the Ad Valorem Division.

The property record card program has been installed in several counties. Difficulties have been traced to Windows software. Work is being done to standardize the process so all are successful when pictures are coming off AA.

A program fix is available so that a building that is deleted does not also delete the remainder of the drawings. If the house needs to come off, a quick fix is to leave it on and override with “zero building”; then put in the note filed “house is gone”. Some counties do not draw the outbuildings but just put them in miscellaneous.

Some counties have an issue with names disappearing when an appraisal date change is made. This is being investigated to determine the cause.

Another issue is a certain county can take a sale from AA to CAMA if done one at a time, but if several are sent, then part come over and part do not. The problem should be corrected when SA&I updates that county.

Scott Warren reported the process of importing values from CAMA has changed regarding the 5% cap. Now the value from CAMA is moved over 100% directly to the AA column. Then, the 5% increase is calculated and any excess of 5% is subtracted. It is subtracted from the bottom up, and the fields are aligned with CAMA. The logic is easier and straightforward. If the property value goes down, it is uncapped. Updates for this will be made available.

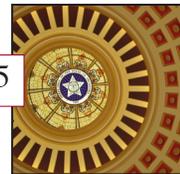
Mobile homes with surrendered titles are no longer mobile homes, and some owners are unhappy. Discussion centered on whether a code could be in place to designate a mobile home without a title. Part of the issue is that mortgage companies package loans and sell to other companies, but the package buyers do not want mobile homes included in the deal. There is a statute in place which allows for the reinstatement of a mobile home title. It could be beneficial to identify mobile homes without titles. One way to handle this may be to change the style and add it into the improvements. This will be investigated further with the software company.

Scott Warren stated that any changes in the law will not be reflected in the abstract this year.

Protested amounts are to be put on the Excise Board report. An RX code designates it as a protest and should show the actual dollar amount protested.

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There will be explanatory language on the backside of the abstract to clarify what goes in each category. This is instructional, and nothing new has been added to the abstract.

Troy Frazier and Scott Warren discussed some data extraction issues resulting from AA's Ratio Study database utility. It seems with one county in particular, the resulting database to be used in the OTC's ratio study was corrupted with incomplete records and a data structure unreadable with current Microsoft database drivers. No immediate fixes were discussed, but there was talk of continuing to address the issue.

The next meeting date will be June 3, 2008 at 10:00 a.m. in the Ad Valorem Division.

Scheduled Meeting State Board of Equalization

The date and time has been set for the State Board of Equalization to convene for its statutory June meetings.

Date: June 11, 2008

Time: 2:00 p.m.

Location: Governor's Conference Room
State Capitol Building



INTERNATIONAL ASSOCIATION
OF ASSESSING OFFICERS

The mission of IAAO is to promote innovation and excellence in property appraisal, property tax policy and administration through professional development, education, research, and technical assistance.



INTERNATIONAL ASSOCIATION
OF ASSESSING OFFICERS

Assessors' Training

IAAO (International Association of Assessing Officers)

- IAAO Course 201, Appraisal of Land
July 14-18, 2008 in Tulsa
Instructor: Marion Johnson

ATAP (Assessor Training and Accreditation Program)

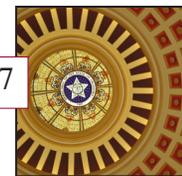
- Unit 6 (Cadastral Mapping)
June 3-6, 2008 in Tulsa
- Unit 7 (Ag Land Valuation)
June 25-26, 2008 in Hulbert

You may enroll online at <http://clgt.okstate.edu> or fax your registration at (405) 744-7268. If you have any questions, contact ATAP by telephone at (405) 744-6049, or by email:

Doug Warr: doug.warr@okstate.edu

Gary Snyder: gary.snyder@okstate.edu





2008 District Meetings Photos



Stan Liles (McCurtain County) gave a welcome to those who attended the SE District Meeting.



Cohen Liles, assessor Stan Liles' son, participated in the color guard at the NE District Meeting.

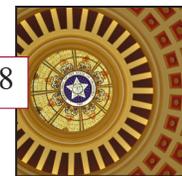


Wade Patterson and Monica Schmidt confer at the SW District Meeting in Anadarko.



Association President, Todd Mathes, addressed the SW District Meeting.





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2008 District Meetings Photos

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Gary Snyder spoke to the audience at the NW District Meeting in Medford.



Wade Patterson, Gail Hedgcoth and Randy Wintz head a discussion at the NE District Meeting.



Former Payne County Assessor, Cherie Hall visits with current Payne County Assessor and NE District Chair, Jacquie Rose.



Luke Weese, Paula Gibson, and Doug Brydon (OTC) are ready for the NE District Meeting to begin.

