



Oklahoma Ad Valorem

FORUM

Director's Notes:

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Sometimes you learn something by reading. Other times you learn by pure experience. About ten or eleven years ago, I was in New Orleans and out jogging/walking early in the morning in the French Quarter (That's 6 a.m., not 3 a.m.). I came up on what I thought was a hill and I could see something that looked like a stove pipe moving behind the rise. I went up to the top of the "hill" and realized a quick lesson in geography.

What I thought was a hill was a levee. What I thought was a stove pipe was the smoke stack of a huge barge. It was clear that the Mississippi River was at least ten feet above me. If it hadn't been for that levee, I would have been swimming instead of jogging. That's when I first realized how low New Orleans was and the precarious existence the city has with the water of the river, gulf, and Lake Pontchartrain. Oklahomans are all really moved by the tragedy of Katrina. We've been through our own battles with the Murrah building bombing and tornadoes. I think everyone here understands and sympathizes with the people of New Orleans-Gulf Coast area and the Americans trying to help them.

We had a good session at the CODA meeting recently. We've continued to have a number of calls on the Veterans Exemption program. No matter how much we talk about it there are always new twists and wrinkles in the process of implementing a complicated exemption.

The State Auditor and Inspector (SA&I) Jeff McMahan's fish fry at the Governor's mansion was really nice. A beautiful Oklahoma early fall evening, a nice view of the guardian statute against the setting sun, and some great conversation and stories from all the county officers and deputies. The only thing I missed was being waited on by Ron Sosbee like I was the year before.

We've again had good evaluations and suggestions on the Annual Conference. We finally registered 454 which was down some, but understandable after all the delay on the hotel. Again, I don't think that we overdo it to remind everyone that the success of our efforts rests on the partnership of the County Assessors' Association, Center for Local Government Technology (CLGT), County Cooperative Extension, and State Auditor and Inspector (SA&I) and the Oklahoma Tax Commission Ad Valorem Division.

Our staff is looking forward to the County Assessors' Association Convention in late October and the Oklahoma Association of Tax Representative meetings.

Finally, we appreciate all the hard work of the county assessors and deputies this year. We all share a responsibility to make the ad valorem system better than it was when it was given to us. Efforts to constantly improve taxpayer service are extremely important and we appreciate the efforts of the members of the County Assessors' Association who've made that happen.

Jeff Spelman

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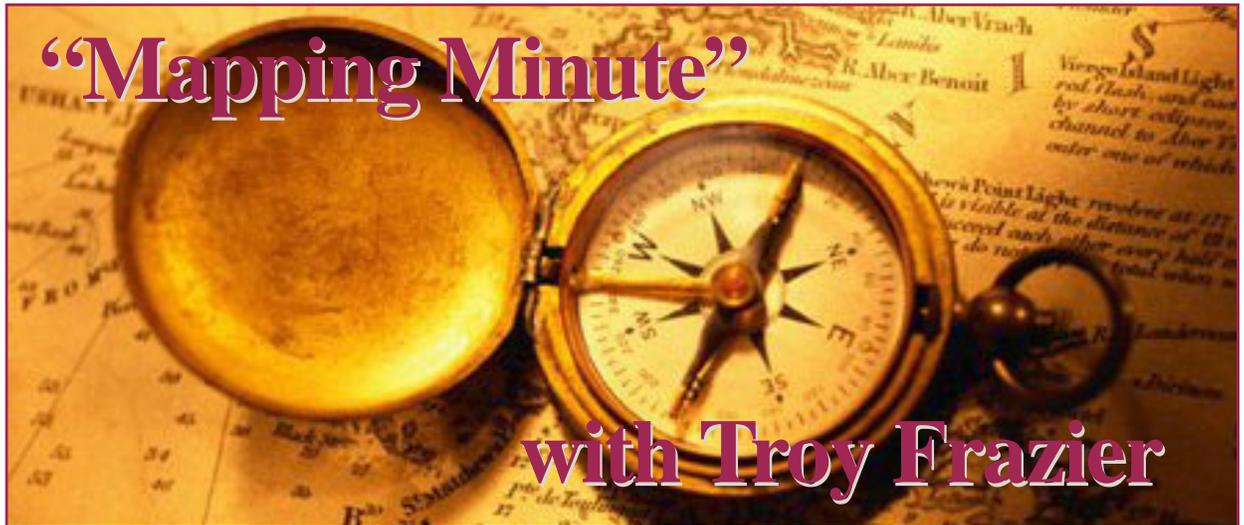
A Look Ahead...

- October 11-14, Unit III, Mass Appraisal, Roman Nose
- October 26-28, Assessor Fall Meeting



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P.S. The famous GM Executive Alfred Sloan had a rule. If every one of his executives agreed on a decision, he would require everyone to study it again because he was worried that they were missing something. “Nothing’s perfect and I need to know all the facts, not just agreement from the “yes” men.” Unlike GM, I don’t think we’ve ever that problem in the ad valorem system. We always have plenty of varied opinions, but that’s good in the long run.



You, Me, and the Cities—Part II: The Reminder

Back in March, we told you that the Oklahoma Tax Commission and the Oklahoma State Election Board were starting to use the municipal boundary mapping that we at the AdValorem Division are doing. We started this in 2000 when Title 11, Section 21-112 was amended to read:

*“When any territory is annexed to or detached from a municipality, whether by ordinance or court order, the mayor shall file and record a duly certified copy of the ordinance or court order, together with an accurate map or plat of the territory, in the office of the county clerk of the county in which the territory, or the greater portion of it, is located **and with the Ad Valorem Division of the Oklahoma Tax Commission.** The record in the office of the county clerk shall be conclusive evidence of such annexation or detachment.”*

Since then, the Tax Commission has had Geo Information Systems of OU create a sales tax database that matches zip-4 zip codes with the proper sales tax rates. This database is based on the municipal mapping that we have been doing. Last year, this database went live for use by vendors. This October, the State will join with other states to start taxing sales of products purchased over the phone and Internet using this database.

The State Election Board has been computerizing their election database for the past several years. They have been producing their database off of the city, school district and precinct mapping that Geo Information Systems has been producing for various state agencies. This year, the Election Board is requiring the county election board offices to use this database for all elections.

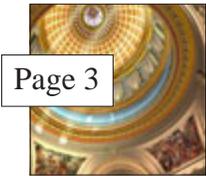
Each year, we give you a copy of our mapping to match whichever mapping software that you are using. We also have live maps available at OU’s website . If there are any mistakes, all the cities have to do is tell me what to change. If they (or you) have any questions, have them call me at (405) 521-3178. Thanks!

Remember: *If a tree falls in a forest and no one is there, does it make any noise? If our mapping is wrong but no one tells us, do the mistakes really matter?*

Receive The “Forum” By Email:

To receive the “AdValorem Forum” by email, please forward your email address to Cyndi Heath at cheath@oktax.state.ok.us.





Oklahoma Home Prices Continue To Rise

According to the Office of Federal Housing Enterprise Oversight (OFHEO), Oklahoma home prices have continued to show moderate growth over the past year. From the second quarter 2004 to the second quarter of 2005, house prices grew 5.39% for Oklahoma.

Oklahoma City prices increased 6.52%, while Tulsa produced a 3.44% growth rate. There were four states with smaller house price growth rates than Oklahoma. These include Texas (4.68%), Indiana (4.7%), Ohio (4.81%), and Michigan (4.93%).

Nationally, home prices increased 13.43 percent over the past year. This represents the largest four-quarter increase since the second quarter of 1979.

Nevada continues to have the highest appreciation of all states. Home prices increased 28.1 percent over the past year there. Twenty-five states (including the District of Columbia) reflected double-digit annual price growth and eight states had price increases exceeding 20 percent.

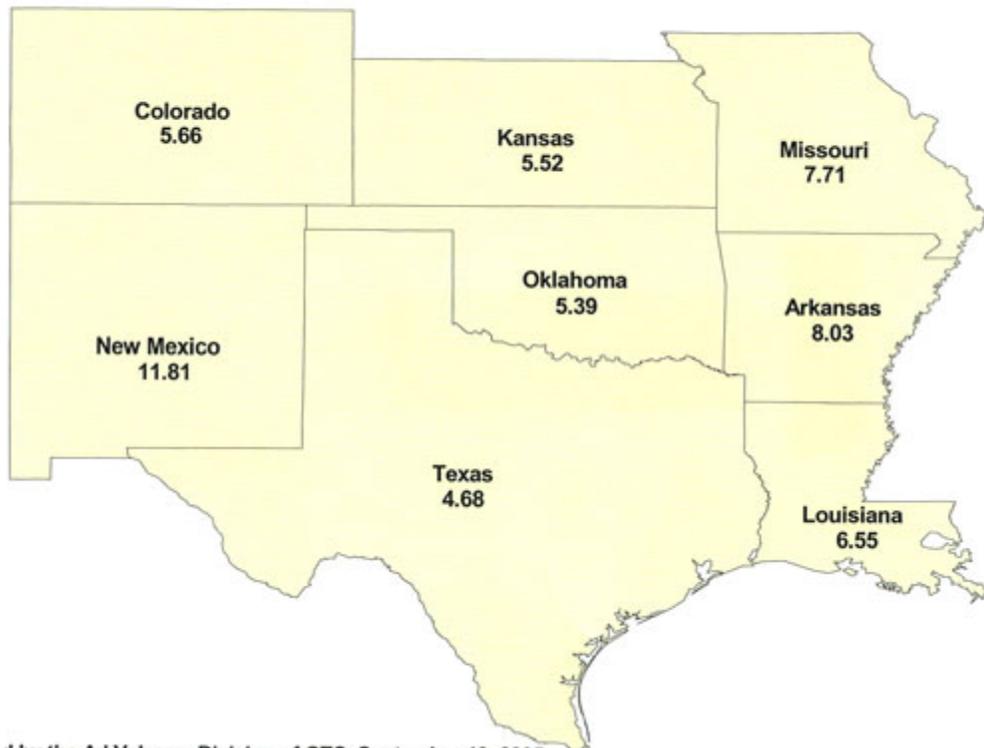
“The continued price increases are a result of many factors including low mortgage interest rates and the apparent impact of speculative investing,” said OFHEO Chief Economist Patrick Lawler. “The robust appreciation rates are striking both in terms of their magnitude and in their geographic scope. However, they are likely unsustainable given the underlying inflation rate, income growth and other factors,” Lawler said.

OFHEO’s House Price Index is published on a quarterly basis and tracks average house price changes in repeat sales or refinancings of the same single-family properties.

OFHEO’s index is based on analysis of data obtained from Fannie Mae and Freddie Mac from more than 30.1 million repeat transactions over the past 30 years. OFHEO analyzes the combined mortgage records of Fannie Mae and Freddie Mac, which form the nation’s largest database of conventional, conforming mortgage transactions. The current conforming loan limit is \$359,650.

The entire OFHEO HPI report is available in PDF format .

One Year Changes in House Prices Second Quarter 2004 to Second Quarter 2005



Map created by the Ad Valorem Division of OTC, September 19, 2005
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