

May 11, 2007

The scheduled meeting of the Cleveland County Equalization Board was called to order this 11th day of May, 2007, in the conference room of the Cleveland County Office by Chairman Waldo Blanton. Roll was called by Dorinda Harvey, County Clerk/Secretary and those present were:

Waldo Blanton, Chairman
Charles Thompson, Vice-Chairman
Pat Ross, Member
Dorinda Harvey, Secretary

Others present were: Denise Heavner, Billijo Ragland, David Tinsley, Tammy Howard, Ron Tinkle, John W. Macy Jr., Carolyn R. Macy, and Dennis Pierce.

After the reading of the minutes of the meeting of April 26, 2007, and there being no additions or corrections, Pat Ross moved that the minutes be approved. Charles Thompson seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.
Motion carried.

Waldo Blanton moved, seconded by Pat Ross, to strike from the agenda Danny Hales, 3513 Glisten Street, Norman, OK 73072 for Lot 18, Block 1, Cascade #2, as no one was present for the Hales.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.
Motion carried.

Chairman Blanton called for Ronald Tinkle, 11712 Pamalos Trail, Oklahoma City, OK 73173 for Lot 8, Block 4, Rio De Bella.

Mr. Ronald Tinkle presented paperwork to the Board, protesting the assessed fair cash value assigned to Mr. Tinkle's property by the County Assessor's Office, for this year. Mr. Tinkle starting going over the paperwork he presented to the Board. Mr. Tinkle stated he received the notice of fair cash value for Mr. Tinkle's property and he went through with the notice of informal procedure, with the out come of no change to Mr. Tinkle assessed value. Mr. Tinkle explained that is why he is coming before the Board this morning. Mr. Tinkle also stated he went to the County Assessor's Office website to obtain the definition of actual fair cash value. Mr. Tinkle contends that was the procedure that went on between Mr. Tinkle and Manchester Homes when negotiating the purchase price of Mr. Tinkle's home. Mr. Tinkle stated he had a property listed in the MLS system for over 2-months, approximately 67-days, and provided a flier in the paperwork presented to the Board. The flier in mention was the flier for the advertisement of sale for Mr. Tinkle's home, with a listing price of \$378,900.00, which is less then what the Assessor's Office assessed. Mr. Tinkle also provided to the Board a second sales flier for the home next door to Mr. Tinkle, that Manchester Homes built and was sold in 2006 for \$400,000.00. Mr. Tinkle explained he provided the Board with a

copy of the first page of the HUD-1 Settlement Statement which shows the contract sales price of Mr. Tinkle's home, late last year, for the price of \$360,000.00. Mr. Tinker also provided the Board with a copy of an appraisal report for his property, completed April 13, 2007, by a local Appraiser, Kordie & Associates, Inc. Mr. Tinkle pointed out there was quite a few pages to the appraisal report and on the page 2, the summary sheet, gives a summary which shows a value of \$365,000.00. Mr. Tinkle would like to bring to the Board's attention, he did have a property that was on the market for over 67-days and was listed on the MLS system available to the public. Mr. Tinkle stated that was accurate with the description on the County Assessor's website for the definition of fair cash value. Mr. Tinkle again stated the procedure that went on between Mr. Tinkle and Manchester Homes when negotiating the purchase price on the market available to the public. Mr. Tinkle stated he would argue that procedure is the most accurate method of determining the fair cash value. Mr. Tinkle also included another independent appraisal, which he received when trying to make improvements to the property and pointed out none of the improvements have been made yet. Mr. Tinkle obtained this independent appraisal while trying to secure financing for the improvements to the property. Mr. Tinkle stated as far as the values that were assigned by the Assessor's Office and independent appraisal, both came up with market values within 1% of what Mr. Tinkle had actually paid for the home, \$365,000.00 versus \$360,000.00. The Assessor's Office came up with a fair cash value of \$35,000.00 more, which is a little over 9% above the price Mr. Tinkle paid for the home. Mr. Tinkle does expect the home value to appreciate over the next several years, since it is a very nice area and a nice sub-division. Mr. Tinkle stated the area is brand new and many of the lots are undeveloped. Mr. Tinkle's lot was one the first lots on the south end of the neighborhood, the services are still in the works, as well as the landscaping and decorations for the addition are still in development. Mr. Tinkle asked the Board to consider the evidence he has presented to the Board and he appreciated the Board's time.

Billijo Ragland confirmed Mr. Tinkle's statement about Rio De Bella being a brand new sub-addition in the far northwest part of Cleveland County and presented the Board with documentation. Ms. Ragland stated Manchester Homes did sale two homes in Rio De Bella and the price comparable sales sheet presented to the Board, shows the homes were the lowest sales price per square foot for their size. Ms. Ragland stated she believed Manchester is a new builder and is trying to enter the market and stated there was an explanation she printed out from the website for Manchester Homes. Ms. Ragland stated the explanation speaks to the fact that Manchester Homes is a new builder and the prices and features are the same as other builders, but it's just they can price their homes lower. Ms. Ragland contention about Mr. Tinkle's home is comparable to the other homes in the addition. Ms. Ragland then stated the different types of rooms in Mr. Tinkle's home.

Chairman Blanton asked for clarification of what Ms. Ragland meant when she stated all the other homes?

Ms. Ragland replied the other homes built in the Rio De Bella addition.

Chairman Blanton stated he thought there were only two other homes.

Ms. Ragland stated two other homes in the Rio De Bella addition were built by Manchester Homes. The other homes Ms. Ragland found on the comparable sales sheet are by other builders. Ms. Ragland stated that was all she had to present to the Board.

Mr. Tinkle asked the Board if he had the opportunity to respond?

Chairman Blanton replied yes, the Board is just studying what was presented.

Mr. Tinkle stated when Mr. Tinkle and his wife were looking to purchase the home; they did look at several Manchester Homes, they build all over the metropolis. Mr. Tinkle stated he did not know what constitutes a new builder around here; Mr. Tinkle is defiantly new to Oklahoma. Manchester Homes has been in business for several years, they have built homes in Edmond, Mustang, and down in Southwest Oklahoma City. Manchester Homes describes themselves as a high volume, low cost type of builders. Mr. Tinkle stated it is his contention that the comparable sales that have taken place in the Rio De Bella addition have been custom homes. Mr. Tinkle spoke with the appraiser Mr. Kordic, who put together the appraisal for charter one, Mr. Tinkle's lender, Mr. Kordic told Mr. Tinkle they try not to use custom homes as comparable sales to define market value. Mr. Tinkle stated Mr. Kordic had also explained to Mr. Tinkle custom homes are not a true reflection of the market, it is an agreement between one individual and a builder and what that individual desires to have in the home. Mr. Tinkle stated that there are some very nice homes in the Rio De Bella neighborhood that were not on the open market, but it makes it very difficult to compare to Mr. Tinkle's home and the appraiser Mr. Kordic had made an excellent comparable evaluation between homes sold by other builders in the Rio De Bella neighborhood as well as other some other Manchester Homes not far from Mr. Tinkle's home located on the edge of Mustang. Mr. Tinkle acknowledges his home is a large home with a lot of square footage, but states just the fact that on a floor plan labels a room as a theatre or game room, it is just space. These rooms do not come equipped, a game room does not come with a pool table, it did not come theatre all ready installed, it is just space. These labeled rooms could have easily been a seconded living room or hobby room.

Ms. Heavner stated the Assessor's Office certainly understands the information Mr. Tinkle brought and that Mr. Tinkle's home was built for a very nice price. The Assessors Office's concern is that later on down the road when Mr. Tinkle decides to sale his home that he would probably sell the home for the same price as the other homes on the market. That is the problem the Assessor's Office has with lowering the valuation. Ms. Heavner also said the other homes in the area not built by Manchester Homes, similar type homes for some reason sold for a lot more than the Manchester Homes.

Mr. Thompson replied a big factor could be if they were custom homes, because the builder is going to charge, and the builder has a deal with the homeowner all the way through the house. It is worth a lot more to the individual than a spec house.

Ms. Heavner stated the Assessor's Office point is; they are looking into the future more like a re-sale.

Mr. Thompson replied he would rather bring it down to people instead of jacking it up to the highest, bringing it down because the market is becoming a little softer. That is why prices are coming down, and we might as well not do like in the 80's when they just left everything at the very top and not wanting to lower anything.

Mr. Heavner replied she just wanted to express her concern.

Mr. Thompson replied he was assuming Mr. Tinkle bought this house to live in and if he sales the home for twice what he paid, it is none of the County's business and then the County will know how to adjust the valuation.

Chairman Blanton state looking into the future might be a little difficult.

Ms. Heavner stated it is for the Assessor's Office also.

Mr. Thompson state the definition of fair cash value is how you arrive at it between buyer and seller. Mr. Thompson moved that the valuation be lower to \$360 (\$360,000.00).

Waldo Blanton seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.

Motion carried.

Chairman Blanton called for the follow up report from the Assessor's Office for James David and Morna Ann Brinlee, 1902 Bowling Green, Norman, OK 73071 for Lot 11 Less E10', Block 12, Hall Park 3rd.

Ms. Ragland reported to the Board, the Assessor's Office set up an appointment to go out and re-measure the Brinlee's home. The Assessor's Office did find a difference in the square footage due to the Brinlee's having atrium in the center of the home, which is not consider living area. The Assessor's Office changed the square footage to 1798 and the new valuation is \$139,101.00.

Charles Thompson moved to have the new valuation set at \$139,101.00

Pat Ross seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.

Motion carried.

Chairman Blanton called for the follow up report from the Assessor's Office for Anna J. Huckabee, 4506 N .W. 60th, Norman, OK 73072 for Sec. 8, Township 9 North, Range 3 West.

Ms. Ragland reported to the Board, this one was another that the Assessor's Office went out on an appointment with Ms. Huckabee and the square footage in questioned did not change, it was correct after checking the measurements. There was one difference; there were two barns that were not on property any longer. The Assessor's Office removed the value of those two barns and the value is now \$389,672.00.

Mr. Thompson asked, so we are at \$389 (\$389,672.00) instead of \$403,210.00?

Ms. Heavner replied that is correct, \$389,672.00.

Charles Thompson moved to change the valuation to \$389,672.00.

Pat Ross seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.

Motion carried.

Chairman Blanton called for the rescinding of Dennis and Nancy Pierce, 9201 Wheatland Dr., Oklahoma City, OK 73169 for Lot 5 Block 1, Wheatland Estates.

Chairman Blanton stated based on some discussions with the Pierces, looking at measurements and stuff, they are going to rescind and rehear the matter at this time.

Dorinda Harvey asked for a motion to rescind?

Waldo Blanton moved to rescind.

Charles Thompson seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.

Motion carried.

Chairman Blanton called for Dennis and Nancy Pierce, 9201 Wheatland Dr., Oklahoma City, OK 73169 for Lot 5 Block 1, Wheatland Estates.

Mr. Pierce addressed the Board by saying last time he was at the meeting he had asked for a copy to go back to the Architect and the copy the Assessor's Office gave him stated 3,738 (square feet), but the Architect's copy states 101 square feet less.

Mr. Thompson asked was the Assessor's Office going to go back to Mr. Pierce's home and get the actual measurements?

Mr. Pierce replied they did that and that is where he got his copy from.

Chairman Blanton asked if the copy changed from what they saw the last time the Assessor's Office was at Mr. Pierce's home?

Ms. Heavner replied no and they did not go back out this last time. The Assessor's Office gave Mr. Pierce their copy to take and check the square footage himself from the Assessor's Office copy. Mr. Pierce took the copy to his Architect and they determined it was less square footage with the same dimensions.

Chairman Blanton asked isn't this County using a pretty standard system that the State and everybody recognizing?

Ms. Heavner replied yes, it is called Apex, a nationally used system. Ms. Heavner's concern is they can't start taking everyone's own system to checking the Assessor's measurements and come up different a little different, especially with this size of house. Ms. Heavner stated she hoped they would stay with those measurements. The other thing is the Assessor's Office still has not been able to determine the second floor and would like to go to Mr. Pierce's home to measure the second floor perhaps with a Board Member, to look with the Assessor's to make sure everything is okay. Ms. Heavner stated Mr. Pierce is concerned about that.

Mr. Pierce replied his concern is why his valuation is so high, when the house down the street is less than his home but is bigger than his home.

Ms. Heavner replied she did not know how they could do anything about value, until the Assessor's Office can actually figure out what living area space there is.

Chairman Blanton stated he thinks they are at the stage now of having to look at the measurements the County has got with the system that is used through out the systems and looking at the upstairs to determine the value of it. Chairman Blanton then asked Mr. Pierce what he would like to do, either meet with the Assessor's Office or refuse?

Mr. Pierce replied he is not a lawyer and did not know what his legal rights are and all that.

Chairman Blanton stated he is not a lawyer either, but the Board will make a decision based on whether Mr. Pierce wanted the Assessor's Office to go back to Mr. Pierce's house to measure to come up with a figure or Mr. Pierce could state he does not want the Assessor's Office to go back to his house.

Mr. Pierce replied he did not care.

Chairman Blanton then asked if the Assessor's Office and Mr. Pierce if they wanted to pick a time to send a rep out there? Chairman Blanton stated he did not particularly think the Board needed to be out there, but if someone thinks they should then one of them could go.

Ms. Heavner replied that was up to the Board, but if Mr. Pierce would just tell her a time someone will be there.

Mr. Pierce stated he would have to see what he had going, because he his father-in-law had a stroke. Mr. Pierce explained he is playing nursemaid right now, then asked if he could get with the Assessor's Office the first part of next week?

Ms. Heavner replied yes; but we need to do this pretty quickly, because they are running out of time.

Mr. Pierce replied he understood that; that is why he said his father-in-law had a stroke and his wife is working.

Ms. Heavner stated she wishes the Assessor's Office could have measured all those other times they were there, but they will be happy to come back by there.

Mr. Pierce stated the Assessor's Office had been in the house it's not a problem.

Ms. Heavner replied they had not been in the house.

Mr. Pierce stated they had. Mr. Pierce commented George and Linda had gone out when they assessed it the first time when they said they were going to bill it for \$512. They had gone out and went in the house and he got it lowered to \$219.

Ms. Heavner replied that was because the house was not complete that was another issue.

Ms. Heavner stated they did not go to the second floor.

Mr. Pierce stated like he told them, he got robbed he did not even have a key to his house he had to stay in his house.

Ms. Heavner replied they understand that he has concerns about them being in the house.

Mr. Pierce went on to say he could not even lock the doors to his house and that people building it had stuff in the house.

Mr. Thompson commented he did not know about the Apex System, but he always used a tape measurer. Two people could take a 100' tape and a 100' is a 100'. Then when you add the State's measurement, you go out there, measure it and that is it. Mr. Thompson told Mr. Pierce if you do not let them in to measure it then he says tax him for everything at full load and if they measure it find that the upstairs is not finished or whatever then it is adjusted to that.

Mr. Pierce stated the upstairs is storage.

Mr. Thompson said okay, but the Assessor's Office has never been up there, right?

Ms. Heavner commented there are different types of storage and different rates, depending on if it's finished out, carpeted and all those things. The Assessor's Office just needs to see that.

Mr. Thompson stated if the Assessor's Office can see it, they will assess it at that, if they can't they will assess it like it's all finished, like the Assessor's Office does everybody else.

Mr. Thompson asked Ms. Heavner if that was right, is that true?

Ms. Heavner replied that was correct.

Mr. Thompson stated that is why the Board is here to try to make everything as equal as they can.

Chairman Blanton stated to stick with the system that the Assessor's Office used for the measurements and they assess the property at full living space, subject to meeting with Mr. Pierce within the next ten days and the Board will agree that whatever the Assessor's Office measures as living space or storage space will be okay, is that a fair statement?

Ms. Heavner replied in the Assessor's Office original information, she means what little information they could get without actually measuring that was the original notice amount of \$464,471.00. Ms. Heavner repeated they would be happy to go out and verify everything and make sure it is all correct.

Chairman Blanton asked if they were looking at the storage area as being finished at this time at that figure?

Ms. Heavner replied yes and the estimated footage that they originally tried to figure out viewing the home, not from the inside just from the outside, looking at the dormers, all the things and windows to try and figure out what might be living area. Ms. Heavner repeated they want to have it right they do not want to have it wrong, so if they could just go back out to Mr. Pierce's home that would be fair to everyone.

Mr. Pierce asked would it be fair then to lower it to \$93, like some of the others in here then? Chairman Blanton replied no, we are not going to get into that we are already passed that.

Waldo Blanton moved that the measurement deal by the County remains as established and that the upstairs be assessed as finished living space based on the figures given before, unless the Assessor's Office and Mr. Pierce meet within the next ten days and agree that it is not finished and adjust according to that.

Charles Thompson seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.

Motion carried.

Chairman Blanton called John W. Jr. & Carolyn R. Macy, 6227 81st Avenue, N.E., Norman, OK 73026 for Lots 9 & 10 Block 1, Oakcrest.

Mr. Macy addressed the Board by saying this was their first time here and they are new at this. Mr. Macy presented the Board with pictures of the house. Mr. Macy stated they had purchased this property in 1971 and moved a trailer house out in 1972. Since then, Mr. Macy has attempted to build a house and most of the work was done by him, what Mr. Macy could not do he hired someone to do. Mr. Macy figured up what he had in the house and in the out buildings, they have invested \$55,000.00 actual dollars in property. He realizes over time things do appreciate in value, but at the time they moved out there they did not realize they would be living on dirt and gravel road for 30-years and it does not look like that is going to change. They have tried to form an Association several times and they cannot seem to be able to get that done. The school bus will not go down their road. The kids have to walk down to the end of the road to catch the bus at Indian Hills. Mr. Macy stated he did not know if this had any bearing, but they also do not have the phone service for high speed Internet, they don't get cable television, and they do not have sewer or water services. The Macy's still have a well and septic tank. Mr. Macy did not know if anything could be deducted for those things or not. Mr. Macy told the Board they appreciate the consideration of looking at the pictures of the Macy's home and stated his wife would explain want the pictures are better then he could.

Ms. Macy stated the pictures that the Board sees, are first of all of the unfinished portions of the house.

Mr. Thompson asked if that was now and were the pictures current?

Ms. Macy replied they are current she took them yesterday.

Ms. Heavner asked if they had copies of the pictures?

Mr. Macy replied no, they were just taken yesterday; so no they had not given them to the Assessor's Office.

Ms. Macy explained she went out and took them, then put them together, so the Board could see what they were talking about.

Chairman Blanton made the statement the bottom of the form did have anything about what was assessed, what they would like and what the formal appeal did or anything; he did not know where they were going.

Mr. Thompson then asked if Mr. Macy requested a figure that it would be lowered to?

Mr. Macy replied yes, they requested \$75,000.00.

Ms. Heavner stated the Assessor's Office has the property assessed at \$99,884.00, taxable at \$83,128.00.

Chairman Blanton asked if they had attended an Informal Hearing?

Ms. Heavner replied yes.

Chairman Blanton repeated again the form he had did not have any of that information.

Ms. Ragland replied oh, okay it does not have it on there.

Mr. Thompson asked about the amount of footage?

Chairman Blanton stated this form right here does not.

Mr. Macy replied the footage the Assessor's Office has is correct and that is not a question.

Ms. Heavner showed the Board the information on the Informal Hearing.

Chairman Blanton stated to Ms. Macy the Board understood the pictures and they would like to let the Assessor's Office address their side of it.

Ms. Ragland started out by saying the property value out in that addition of Oakcrest was reevaluated in actually 2006, so it had already been rated in values this year. The market value the Assessor's Office has \$99,884.00 the taxable value is down to \$83,128.00. The Assessor's Office did make an adjustment last year when the Macys called telling some of the problems they were having with the house and put a negative 10% adjustment on the property at that time. The enclosed porch area that the Macys are showing not finished is on a lower rate. Normally they put on an enclosed porch of \$25.00 to \$35.00 per foot and the Macy's is on as \$15.64. The Assessor's Office did make an adjustment due to the problems on the property. Ms. Ragland stated the square footage is 1,768 on 5-acres with a value of \$99,884.00.

Chairman Blanton asked if the Macy's taxes where capped at the \$83 (\$83,128.00)?

Chairman Blanton commented the fact a builder or an individual builds something and does not count their labor to save money, is not factored in by the Assessor's Office. The Assessor's Office is looking at what the property would be worth and that is what the Board needs to judge. Chairman Blanton stated he respects the labor put into building a home, but that does not take off the taxes as much as one would hope. Chairman Blanton stated they were only \$8,000.00 more than what was said compared to what the limitation is and the Assessor's Office cannot raise it more than 5% per year from the 83.19.....

Mr. Macy replied his concern was the taxes would continue to rise, since they are both retired and on a fix income.

Ms. Heavner asked if Mr. Macy was over 65?

Mr. Macy replied no.

Ms. Macy also replied no, but close to it.

Mr. Macy stated he had a stroke and is disabled.

Ms. Heavner asked Mr. Macy if he understood at 65 years old you can freeze your assessment?

Mr. Macy replied only if your income is below \$50,000.00.

Ms. Heavner stated that was right and this year it is \$53,000.00 at 65 years old.

Ms. Macy stated they were a couple of years away from being 65 years old.

Ms. Heavner stated by that time it could possible be raised to \$55,000.00.

Mr. Macy confirmed again they were not 65 years old yet.

Chairman Blanton then asked if there was any other discussion needed.

Charles Thompson moved to lower the valuation to \$80,000.00.

Pat Ross seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.

Motion carried.

Waldo Blanton moved, seconded by Pat Ross, to approve the Homestead Exemption Applications as presented.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.

Motion carried.

Chairman Blanton called to review and approve or disapprove Applications for Five Year Ad Valorem Tax Exemption.

Chairman Blanton asked for a short review of the applications.

Ms. Heavner replied there was one disapproved application for Cameron International. Ms. Heavner stated Cameron International did not qualify for the exemption. Ms. Heavner stated the Assessor's Office approved the application for Cameron International, but it is ultimately up to the Oklahoma Tax Commission as to whether the applications go through and are fully approved at a later date. The Assessor's Office is only approving whether the applicant has the information they are required to have to qualify for the exempt. There are two applications for Astellas fka Yamanouchi fka Shaklee. The following applicants applied for and turned in one application for C & C Trailers, Inc., two applications for Circor Energy Products fka K & F Machine, two applications for Sysco, and one application for York. Ms. Heavner explained sometimes the applicants have multi years, because they have expanded again, so they may be on year one on one portion of the building and year five on another portion of the building. That is why some of the applicants have two.

Chairman Blanton asked so this is kind of an informal pass through deal to the State?

Ms. Heavner replied the thing is they basically take the information and check it out. The approval eventually comes from the State. The Assessor's Office can approve an extension, as far as the Assessor's Office is concerned when it gets down to the details sometimes the Oklahoma Tax Commission will disallow the application and that is totally their right to do that. All the Assessor's Office does is accept the application and send it in.

Charles Thompson moved, seconded by Waldo Blanton, to approve the Five Year Ad Valorem Tax Exemption Applications.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.

Motion carried.

There being no further business to come before the Board, Waldo Blanton moved that the meeting be adjourned. Pat Ross seconded the motion.

The vote was: Waldo Blanton, yes; Charles Thompson, yes; Pat Ross, yes.

Motion carried.