

BOARD OF EQUALIZATION SUBCOMMITTEE MEETING

September 28, 2021 1:30 PM

Department of Agriculture Board Room

2800 North Lincoln, OKC, OK

The meeting was called to order by Chairman, Auditor Cindy Byrd.

Roll Call was taken, and a quorum was established.

Members present:

Blayne Arthur

Mathangi Shankar

Gary Snyder

Wade Patterson

Auditor Cindy Byrd, Chairman

Agenda Item #1 – Approval of August 24, 2021 BOE subcommittee meeting

Mr. Snyder made a motion to approve. Mr. Patterson seconded the motion. Roll call was taken and 4 members present voted “aye” with one abstention by Blayne Arthur. Motion carried.

Agenda Item #2 – Submission of the revamped Performance Audit final draft for subcommittee approval.

Auditor Byrd reported at the August 24, 2021 meeting all parties involved (BOE subcommittee, Assessors Association officers and Ad Valorem Division of Oklahoma Tax Commission) need to look at the draft performance audit questions jointly to iron out any differences and bring back to this meeting the final performance audit.

Mr. Patterson reported all parties were present at the table and answered all the questions very logical. The updates - two years of sales may be used in a ratio study, that’s a change from the one year only, if there is not enough of a sample. The next question was about the discrepancy about two linear feet, due to angles you can lose two linear feet; or 5% added. Question number three, is the five residential properties for inspection will be outliers from the current years ratio study. Looking at a group of outliers, not just ones that are currently in compliance. Look at all outliers on the residential side to say why are they wrong, what are the issues? It is good to have ones that work but why did the ones not work? Could there be a trend that needs to be corrected? Question number six, visual inspection has to be done at a certain time. All data entry needs to be done by March 1, data collection people may be ahead of the data entry therefore there can be a lag. So March 1 is a logical date. Change notices need to be sent after that date to comply with the do process/protests. Question 17, Ag land. To use the Ag sales for the audit is between 40-160 acres. Question 21 is the permanent Ag tables. Are the Ag tables being used to value Ag land? This is an additional question to the 20 questions.

Mr. Patterson made a motion to submit the revamp information to the BOE subcommittee for approval.

Auditor Byrd had a question of whether there should be a number assigned to pass/fail the audit or should there be reportable findings and if you do not correct the findings, then you will be placed out of compliance. Has this been considered? Mr. Patterson said this is something that would need to be studied as this is an in-depth question. What is considered out of compliance/what do reportable findings mean? This is something that needs to be discussed and could be used in the future.

Ms. Arthur seconded motion of the revamp audit recommendations as presented by Mr. Patterson. Roll call was taken and all members present voted "aye". Motion carried

Agenda Item #3 – Implementation of revamped performance audit upon approval of subcommittee

Mr. Patterson reported the revamp performance audit should be conducted for a test in 2022 to determine the data needed for the questions. To determine the questions are good. In 2012 the audit was conducted as a test and felt it was very beneficial. Conducting the current performance audit and the revamped audit simultaneously does make more work for the tax commission, but believe they agreed to do so. I move to allow the revamp performance audit be conducted in 2022, as a test, and be conducted simultaneously with the current performance audit.

Ms. Arthur added that moving forward as a test, would this be a vote of the subcommittee at this time next year to make it permanent?

Mr. Patterson agreed this is a great recommendation to come back next year and see what did/didn't work in the revamped performance audit. At that time the BOE subcommittee would recommend implantation of the new performance audit.

Auditor Byrd commented on what if the two audits were parallel and the County Assessor was found in compliance with the test performance audit and out of compliance in the current performance audit. It was agreed that this could happen and would need to be evaluated as to how this happened and make changes accordingly.

Auditor Byrd wanted to clarify the performance audit results for next year will be based on the old audit. The revamped audit will be running parallel to see how it will play out.

Matt Wehmuller, Canadian County Assessor, made a comment that if a question has some issues, can the same committee discuss and make recommendations to correct? Absolutely this will be addressed by the same committee and hopefully more will be involved to get a solution.

Lisa Melchoir, President of the Assessor's Association will forward all the information from today's meeting and mention to everyone in attendance at the Assessor's Fall Conference to be held October 20-22, 2021 in Norman.

Mr. Joe Hapgood, Director of the Ad Valorem Division of the Tax Commission, had an implementation question. Troy Frazier added that one of the provisions of the new audit is that the Assessor's be graded on the forms for data collections.

Mr. Snyder added that the performance audit questions should remain the same number even with the random pool of 10 questions for historical information.

Auditor Byrd stated that her office has a random sampling program that could be used to determine the questions for the Assessor's performance audit.

Agenda Item #4 – New Business

No new business.

Agenda Item #5 – Adjournment

Seeing no other new business, a motion was made to adjourn by Mr. Patterson and a second by Mr. Snyder. All members voted "aye".

Ms. Byrd declared the meeting adjourned.