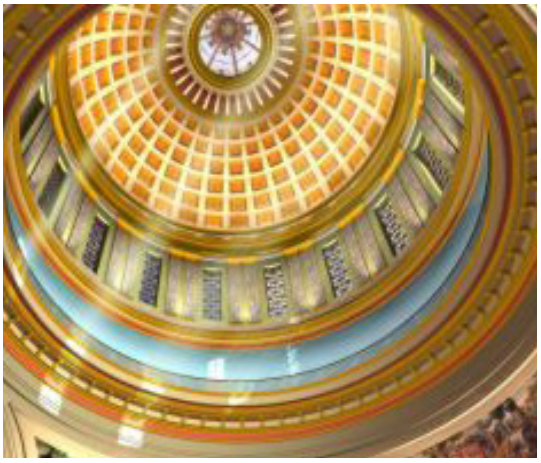

The mission of the Ad Valorem Division of the Oklahoma Tax Commission is to promote an ad valorem property tax system which is fair and equitable to all taxpayers by implementing standard valuation methodology, tax law conformity, and assessment administration compliance.

"IAAO Zangerle Award Winner: 1997 and 2010"

Oklahoma Ad Valorem

FORUM

Volume XXI, Issue IV ● April 2012

Director's Notes:

April can be a pretty tough month in Oklahoma. We talked with County Assessor Mistie Dunn yesterday, and she has been getting an initiation as a new assessor dealing with some serious storm damage. I was impressed, as always, at how many of the county assessors had checked in with her and offered advice and assistance. In looking back to last year's newsletter in April 2011, I noticed that Atoka County was dealing with the same situation. Fred Argo (who worked for us then, but now is a Pottawatomie Deputy) was reporting on some significant storm damage. As I said last year, I hope that the rest of spring will be "uneventful" as we get through the last of April and May weather.

We have posted our draft of the Public Service Capitalization Rate Study for 2012 on the web site. This is our fifth, year and we're pleased with the participation and interest we've had in the process. We had a well attended Capitalization Rate Conference with several companies as well as county assessors in attendance.

Public Service Section has appreciated the assistance from counties on checking properties which should be filed centrally. It is always a good idea to check with Public Service if you question whether a property should be filed locally or centrally. It's certainly easier to get the filing correct the first time rather than create potential problems for counties and schools if the filing is at the wrong level. Please check with Mike Isbell or the public service staff if you have questions.

We're working hard on the "Test Audit". We have met with several software vendors about the data we will need for the new audit. We'll be working getting the last of that data in shape, so we can complete this effort for the State Board of Equalization.

We're preparing for our district meetings in May and expect to have some discussion on the valuation issues that have occurred over the last few weeks. As I've often said, I really enjoy seeing the amazing variety of different type "country." The contrast between the Quartz Mountain area and the green country in LeFlore County is a great example. It has been something that I've always enjoyed in visiting different parts of the state.

- May 4 ..... Delaware County
- May 11..... Jackson County
- May 18..... Pottawatomie County
- May 25..... Major County
- May 25..... Also Legislative Adjournment

Remember this is a required meeting and under 19 O.S. Section 166 an absence without an excuse is subject to forfeiture of travel allowance for that month. If you cannot attend your district's meeting, then you can make arrangements to go to another district's session.

Continued on page 2...

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Continued from page 1 "Director's Letter"...

As we enter the home stretch toward the June State Board of Equalization meeting, thanks in advance to everyone in the counties for all their hard work this year. It has been a challenging year, and there is nothing like change to realize how complex the ad valorem system can be.

Jeff Spelman, CAE

P.S. "There's nothing like change that shows you what some people are really like. In a crisis, some people just try to protect their things; some people try to help others, and then there are the people who think a crisis gives them the right to come get your things." Quote by Anwar Caddo, ad valorem philosopher.

It seems that many counties have either finished their mapping or are stuck. The stuck counties generally have issues understanding irregularly shaped parcels and parcels dealing with fractional government lots. We will cover both items at Tulsa this year. To make it more "hands on" and software independent, we will use pen/pencil and paper and spend time making sure that everyone gets a grasp of how to do it.

We will also spend time manually mapping ag land use. This will allow the class to see how differences in perspectives lead to differences in results and why it is better to track land use while doing physical inspections in the visual inspection cycle.

Really, the only "new" thing in the wide world of assessor mapping is the new IAAO "Standard on Manual Cadastral Maps and Parcel Identifiers". We will cover this in the mapping track at this year's annual Assessors Educational Conference in Tulsa as well.

Remember: Change is usually easier for the spectators to observe than the actual participants to accomplish!

"4C" Meeting Held in April

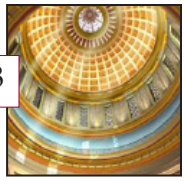
The County Computer Coordination Committee meeting was held April 17, 2012 in the Ad Valorem Division. Committee Chairman, Gerald Sherrill, called the meeting to order at 10:00 a.m.

Some mobile home questions had surfaced lately, and it was suggested that they be handled the same as for personal property for older trailers, depending on age. The tables appear to have class C+ houses too high compared to class B. Although too late in the year to adjust, the quality table might need altering from 1.18 to 1.14. After verifying that number for this change, an announcement will be forthcoming about it.

The future year process will be documented in order to clarify it for 100%. Documentation should be ready by June. It might be used for the revaluation area on the new audit. Nothing has changed on the 100% future year. Bill Wadsworth will be asked for his input on this.

Occasionally and "open file error" appears and won't allow the user to get into CAMA. It occurs mostly when 1 or 2 machines in the office are involved. Usually the G or H drive is in the loading process. When this happens, sometimes the work being done is lost. It happens several times a day in some counties. Once it opens and someone else goes to the same area of CAMA, it locks up. Pontotoc County had 2 people who were having trouble. It was suggested that both machines be totally shut down at lunch time, and that rectified the situation. Once a file is held open, it has to be completely shut down on the server.

Continued on page 3...



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Continued from page 2 "4 'C' April Meeting Notes"...

Some questions arose regarding running some reports and senior freezes. The senior freeze overstates the numbers in a TF district. To keep CAMA from affecting the base, put a "Y" in the field for "frozen parcel" and a "T or T1" for non-frozen parcel. Not many counties have that issue. Some counties may need guidance for a better understanding of that. A county may have no TIF districts, but they may be trying to use the "T1" where they should not.

Under consideration for the district meetings is a presentation regarding an AA feature which some may or may not be using and a version that is in Pontotoc County now. The program will quickly populate the visual inspection year on the AA screen. A range of parcel numbers can be entered for the program to populate on the screen. It can be refined to a certain parcel if the range did not catch them all.

When rolling ag values from the CAMA program to the AA program for the first time, there may be a small change. In some cases, it raises some values $1. When this occurred in Major County, Donise Rogers had to manually adjust these small increases back down to their previous values to prevent the need of printing and mailing increase notices. Scott Warren attributed this to how values are rounded. There was discussion on whether notices had to be printed for increases as small as a dollar. There is no statutory provision for a minimum amount of increase for the required increase notices.

It was noted that the more software programs there are to load, the slower the machines are when booting up. The newer machines run faster, but sometimes they appear to be loaded while there's still some programs in the background that are not completely in place yet. It just takes longer the more there is to load.

A warning was expressed again not to buy 64 bit Windows 7. Eventually everything is going to be 64 bit, so it is the software programs that need to catch up. Windows 8 is a redo for tablets. There is a newer version of Report Writer, version 8, which costs two or three hundred dollars per county to purchase, but it will work with the 32 bit computers. Report Writer will still work, but changes cannot be made on the 64 bit computer.

Updating the status of the modifications needed for the OTC ratio study database, there had been discussion at a previous 4C meeting regarding concerns the modifications could be problematic. Therefore, it had been requested that these modifications begin as soon as possible to avoid delays. Not much has been done on this so far, but it should be moving forward.

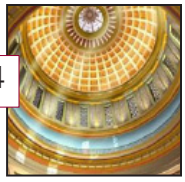
In view of the new compliance audit, forms must be standardized, at least for each software type. Some forms are missing statutorily mandated requirements. Todd Holiday with Landmark had agreed to do what is needed for his software package. The forms do not need to say anything about estimated taxes because it is not mandated, although it is okay for it to be on the form. This needs to be accomplished by year 2013. Section 2876 B states the requirements for the form.

Assessors expressed concern that too much information on the form confuses the property owner. Originally valuation notices only showed fair cash value because at that time the other terminology "assessed value" was not used. Later came the wording "uncapped fair cash value" and "capped market value". Three values on a notice confuse the property owner, but the statutes say to do it that way. Gerald Sherrill suggested the assessors' legislative committee review the forms statute.

The next 4C meeting will be held May 8, 2012, at 10:00 a.m. in the Ad Valorem Division.

Assessors' District Meetings Set for 2012:

May 4:	N.E. District:	Delaware County (Leon Hurt)
May 11:	S.W. District:	Jackson County (Gerald Sherrill)
May 18:	S.E. District:	Pottawatomie County (Troyce King)
May 25:	N.W. District:	Major County (Donise Rogers)



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International Association of Assessing Officers
OKLAHOMA CHAPTER

IAAO Library Adds Subject Guide on LIHTC Properties

A new subject guide on Low Income Housing Tax Credit Properties (LIHTC) was added to the library's growing collection of online subject guides. This new subject guide provides a list of resources on the assessment issues involved with the valuation of these properties. All of the resources are either free on the Internet or available for download/request from the LibraryLink catalog (requires member login). The books can be borrowed by members for a 3-week loan period.

A book published by the IAAO Legal Committee in 2003 has been very helpful to many assessors. It is the Valuation of Subsidized Housing which covers policy perspectives, legal approaches to valuation, and appraisal & assessment challenges. It can be borrowed from the library or purchased in the IAAO online marketplace.

There are forty resources that were carefully selected for this subject guide from our library collection, and the list is growing as more research is published in this area. The LIHTC subject guide can be accessed from the library web site (select Subject Guides on Property Tax Topics) or at the following URL: http://www.iaao.org/sitePages.cfm?Page=494. If members would like assistance with obtaining resources on this or any assessment subject, you may contact the Director of Library Services, Mary Odom at library@iaao.org or 816-701-8117.

"IAAO Library: Answering impossible questions since 1965."

New Webpage Feature

A new feature has been added to the Ad Valorem Division webpage. It's captioned "Ad Valorem: State Assessment - Public Service Section." The following information can be located there:

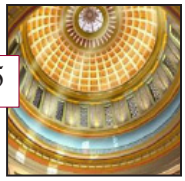
- 2011 Public Service Directory
- Public Service Valuation Guidelines
- Public Service Valuation Forms
- Links to assist in completing Public Service Valuation forms:
- Situs of cellular and other telecommunication sites in the state of Oklahoma
- Department of Education - Annexations and Consolidations – (website being rebuilt at this time)
- Municipal Boundary Changes

This page was created so information relative to public service issues can be more easily located.

To access, go to www.tax.ok.gov and click on the "Ad Valorem" button. The new page for public service information can be found in the list on the page titled "Ad Valorem Information".

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.



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Oklahoma Housing Market - Year End 2011

The Oklahoma Association of REALTORS® reports residential sales activity from multiple listing services across Oklahoma using information provided from local boards and associations.

The average cost of a home in Oklahoma has decreased by 0.8 percent compared to Year End 2010. In 2011 the average cost of a home sold was $150,433 compared to $151,684 in 2010. Statewide, 42,076 homes were sold in 2011. This is a 3.9 percent increase over the number of homes sold in 2010. The average days on market was 121 compared to 116 last year and the median price was $107,343 compared to $109,725 last year.

Local Board	Year End 2011 Total			
	Homes Sold	Average Price	Average DOM	Average Median Price
Ada	394	$ 107,563	167	$ 90,833
Altus	313	$ 101,348	77	$ 91,415
Bartlesville	716	$ 134,427	61	$ 106,666
Cushing	123	$ 77,586	178	$ 77,097
Duncan	423	$ 110,321	126	$ 93,096
Edmond	3,156	$ 243,126	88	$ 198,645
Enid	681	$ 117,061	117	$ 96,631
Lawton	1,301	$ 131,178	87	$ 122,217
Midwest City, Del City, Moore *	1,233	$ 125,961	79	$ 120,677
Muskogee	508	$ 93,402	94	$ 77,891
Norman **	1,955	$ 159,756	103	$ 138,975
North Central	353	$ 87,590	136	$ 73,646
NE Oklahoma	713	$ 158,815	169	$ 105,149
OKC Metro ***	15,618	$ 158,484	90	$ 132,632
Shawnee	656	$ 104,811	115	$ 89,581
SE Oklahoma	585	$ 115,483	132	$ 94,700
Southern Oklahoma	441	$ 112,620	161	$ 86,353
Stillwater	610	$ 142,450	132	$ 124,656
Texoma	392	$ 123,559	158	$ 97,772
Greater Tulsa	11,285	$ 137,439	125	$ 128,102
Western Oklahoma	436	$ 127,836	100	$ 116,090
Woodward	184	$ 124,507	176	$ 98,725
TOTAL	**42,076**	**$ 150,433**	**121**	**$ 107,343**

The data is not intended to reflect all real estate sales activity across the state. The Oklahoma Association of REALTORS® is not responsible for the accuracy of the data contained in this report.

*Data for Midwest City-Del City-Moore Association of REALTORS® is included in Oklahoma City Metropolitan Association of REALTORS®. **Data for Norman Board of REALTORS® includes Purcell Board of REALTORS®. ***Data for Oklahoma City Metropolitan Association of REALTORS® includes Edmond Board of REALTORS®, El Reno Board of REALTORS® and Midwest City-Del City-Moore Association of REALTORS®. Some duplication of numbers may exist.

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Focus on Pushmataha County

Pushmataha County's origins lie in the Choctaw Nation during its time as a sovereign nation in the Indian Territory, prior to Oklahoma statehood. The county was part of the Choctaw Nation with their national capitol located at Tuskahoma.

Pushmataha County Courthouse, located in Antlers, OK.

Named for the Pushmataha District of the Choctaw Nation and Choctaw Chief Pushmataha, the county lies mostly in the physiographic region of the Ouachita Mountains with a thin band across the southern part of the county lying within the Coastal Plains region.

The site of present county seat, Antlers, was originally inhabited by three Choctaw families who located near a natural spring that was first named Kuniotubbee, for one of the Choctaw. Colonel Victor M. Locke, Sr., a Confederate veteran from Tennessee and father of Choctaw chief Victor M. Locke, Jr., established the first mercantile business in 1886.

According to Colonel Locke, a hunter was encamped at the spring at present-day Antlers early one autumn and killed a magnificent buck. He nailed its antlers on a tree close to the spring as a challenge to other hunters who followed suit. Railroad officials later designated their new station stop as "Antlers" in recognition of this prominent local landmark.

With the railroad came civilization and concrete ties to the outside world. The telegraph came hand-in-hand with the railroad, providing instantaneous news of events outside the Choctaw Nation.

For decades, the St. Louis & San Francisco Railroad accomplished a great engineering feat in the county. Huge amounts of earth were moved and shaped to form elevated roadbed, and numerous wooden trestles were constructed over creeks and rivers. This brought commerce and industry which encouraged more settlers. Logging companies and sawmills began growing around the railroad stops.

Choctaw Council House, is now home to the Choctaw Nation Museum.

A United States Post Office was established at Antlers' Indian Territory on August 26, 1887.

The territory comprising Pushmataha County, as it was inherited from the Choctaw Nation, was almost completely unimproved. Because the Choctaw government owned land in "severalty", or common, and individuals did not—and because most Choctaws were a sedentary people who did not engage in industry or commerce—no bridges had been built, no road had been improved, and no public works of any kind existed.

Early business leaders immediately sought to fund public improvements by asking voters to pass bonds. Early attempts were made to pass bridge bonds to build bridges across the Kiamichi River and Jack Fork Creek. These uniformly failed, slowing the county's development. Choctaw County, Oklahoma, by contrast, passed bonds almost immediately causing bridges to be built throughout the county. This proved excellent for business and commerce, and after this point Hugo grew significantly faster than Antlers.

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Continued from page 6 "Focus on Pushmataha County"...

Despite these setbacks, Pushmataha County grew in a healthy manner. People settled and founded communities throughout the county. Each community built its own school and raised money with which to hire a teacher or teachers. Churches were also established.

Antlers Frisco Depot located in Antlers, OK.

A group of leaders from all five civilized tribes – Choctaw, Cherokee, Chickasaw, Creek, and Seminole – met at Muskogee in an attempt to seize the initiative and fashion the Indian Territory into a state. Their meeting became known as the Sequoyah Constitutional Convention which proposed to establish the State of Sequoyah. The United States Congress failed to admit the suggested State of Sequoyah into the Union, preferring instead to await a possible federation of the Indian Territory and the Territory of Oklahoma.

In 1907 the Oklahoma Constitutional Convention met in Guthrie, Oklahoma Territory, to create the new State of Oklahoma. During these deliberations it became clear that the work of the Sequoyah Constitutional Convention had been groundbreaking. The Guthrie meeting adopted almost exactly the same boundaries for Pushmataha County, Oklahoma as were proposed earlier for the State of Sequoyah, again identifying Antlers as county seat.

After 1907 statehood, Pushmataha County's 8,295 residents were served by five cotton gins, twelve gristmills, two newspapers, and three banks. The county had 450,000 acres of timber and 225,000 acres of farmland. Cotton, corn, potatoes, and sweet potatoes were the principal crops. In the early 1930s industry centered around cotton and lumber.

Scenic view of the Kiamichi Mountains.

Pushmataha County was considered an agricultural paradise. Local residents believed the soil to be fertile and the weather enviable and moderate, such that almost any fruit or vegetable could be grown. Most residents at the time were farmers and lived off their land.

Cotton was king, for the county's first few decades. It was grown throughout the Kiamichi River Valley. Growers hauled it into Antlers, Clayton, Albion, and other places to be weighed, and shipped away to distant markets on the Frisco Railroad.

Dreams of oil wealth stimulated by the 1890 discovery of a twenty-five-foot vein of asphalt near Jumbo have continued to the gas and wildcat explorations of the 1960s. The Jumbo mine produced daily six to eight tons of asphalt in 1905. However, the mine closed soon after an explosion killed fourteen men in 1910, and oil and gas industry never developed.

The county is one of few in Oklahoma in which the petroleum industry does not, and has never had, a major presence drilling for oil. During recent years extraction companies have drilled successfully for natural gas, and this is increasingly common.

In the early days, the county commissioners purchased a two-story, wood-frame building in Antlers to serve as the county courthouse in 1910. The present courthouse was built in 1934 and rehabilitated in 1964.

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Continued from page 7 "Focus on Pushmataha County"...

The 1930s saw a lasting change across the county: the federal Works Progress Administration (WPA) established in response to the Great Depression, built handsome, study schools and school gymnasiums in numerous communities across the county. The new buildings were always built of native "red rock" gathered in nearby fields. They aged very well, and several are still in use, notably in Moyers, Rattan and Antlers.

Most of Pushmataha County is mountainous, with the exception of a relatively flat agricultural belt along the county's southern border. The Kiamichi River valley forms a crescent through the county from northeast to southwest, and most of the human habitation has occurred inside this crescent.

The Kiamichi Mountains, a sub-range of the Ouachita Mountains, occupy most of the land in the county. This mountain chain has never been formally defined, nor have its neighboring mountain chains, such as the Winding Stair Mountains to the county's north or the Bok Tuklo Mountains to its east. Many of its summits are not in the classical, conical shape but rather are long furrows. The mountains are difficult for roads to penetrate, and large areas of the county are virtually empty of population.

At the turn of the twenty-first century Pushmataha County's economy was based on tourism, timber, ranching, and agriculture. Sardis Lake, Clayton Lake State Park, and the Kiamichi Mountains provided sporting and recreational opportunities. Pushmataha County is a paradise for those who hunt and fish and who love the outdoors. It is the heart of deer country and a mecca for hunting and fishing.

Nature lovers will find plenty of unspoiled trails, mountains, creeks, rivers and lakes. Look for the Potato Hills, Oklahoma's oldest geological feature, just northeast of Sardis Lake. The county is a popular area for fall foliage and spring dogwood tours.

During World War I, a Choctaw soldier in the U.S. Army and county resident, Tobias W. Frazier was a member of the famous Choctaw Code Talkers, while the other code talkers were from McCurtain County. The fourteen soldiers pioneered the use of American Indian languages as military code during war, bringing World War I to a quicker close.

Sometime before 1862 a Negro slave, Wallace Willis, composed the spiritual "Swing Low, Sweet Chariot". He did so while working at Spencer Academy, a Choctaw Nation boarding school located at Spencerville, Indian Territory.

In recent years there has been an effort to declare Antlers a "Main Street USA" site. Due to a series of fires beginning in the 1970s, Antlers lost a number of its stores, changing the character of its downtown. The buildings which remain are sturdy brick buildings with antique facades. Merchants have been removing the 1960s-era awnings and other structures returning the buildings to their original appearance.

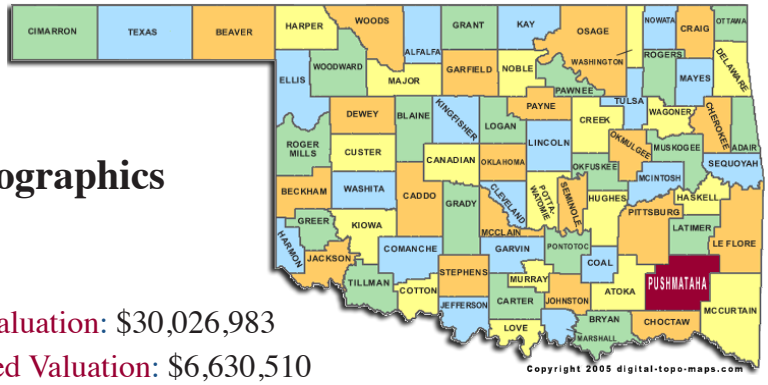
Listed on the National Register of Historic Places.

• The Choctaw Council House built in 1884 in Tuskahoma was the capitol building of the Choctaw Nation. Now it is home to the Choctaw Nation Museum and houses vintage clothing, tribal documents, Choctaw pottery and art gallery.

• The Antlers Frisco Depot has been added to the National Register of Historic Places, in recognition of its contribution to the architecture and history of the town.

• Fewell School in Nashoba

• Snow School in Snow



Pushmataha County Demographics

Population: 11,710

Area: 1,417 square miles

2011 Real Property Net Assessed Valuation: $30,026,983

2011 Personal Property Net Assessed Valuation: $6,630,510