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 XXIII, Issue IV ● April 2014

Director's Notes:

Someone once called April the cruelest month, and it can certainly be true in this time of exciting weather in Oklahoma. So far so good for April 2014, don't forget, we had the Woodward County tornado in 2012 and April 2011 was a tough weather event for Atoka County. Let's hope things are quiet for the rest of the month.

The Public Service Draft Capitalization Rate Study for 2014 has been posted on the website. This is our seventh year to host a Capitalization Conference, and we are pleased with the participation and interest we have had in the process. It was a well-attended conference with several companies as well as county assessors in attendance.

With the filing process now complete for county government, I noticed there is great interest in the office of county assessor. Fifty-three incumbent county assessors filed and will be elected without opposition.

I want to especially recognize the fourteen county assessors who decided not to file again for the office: Patty Hiner, Cimarron County, Carol Purdy, Kay County, Carey Pearsall, Nowata County, Linda Kelly, Ottawa County, Kim Cain, Carter County, Phillip McCoy, Grant County, Donna Giddens, Greer County, Lavinda Smith, Harmon County, Eloise McCully, Kingfisher County, Tim Trent, LeFlore County, Marilyn Swift, Pawnee County, Teresa Morris, Roger Mills County, Linda Coleman, Tillman County, and Monica Schmidt, Woods County and Past Association President. I enjoyed my association with this entire group over the years, and it was a privilege to work with all of them. They all did a hard, and sometimes thankless, job for many years.

The value of public service is sometimes not recognized these days, but these county assessors racked up a total of nearly 275 years of service to the taxpayers of Oklahoma. I was also especially sorry to see several CAMA superstars leave the field of battle. Their performance with limited sales and small staff was really remarkable and demonstrated what can be done with commitment and leadership.

The Public Service Section has appreciated the assistance from counties on checking properties which should be filed centrally. If you have some question as to whether a property should be filed locally or centrally, it is always a good idea to check with the Public Service Section. It is 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 any questions.

This will be our second year under SQ 766 exempting intangible personal property. We will again be checking with County Assessors' offices to keep us up-to-date on the issue at the local level. We appreciate your help in keeping local and central coordinated.

The Ad Valorem Division is working hard on the 2014 Audit. Our staff was in last week and is really busy with the audit and requests from counties. The audit has been the focus of much interest from county assessors.

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The district meetings in May are coming up. As I've said many times, it is always a lot of fun to travel around the state. This year will be no exception to the variety of different parts of Oklahoma that we'll see. Johnson County, Texas County, McClain County, and Adair County offer much variety, and I'm looking forward to the opportunity. I am especially looking forward to getting back to Texas County, which is hosting its first district meeting since 1995!

- May 6..... Oklahoma Association of Tax Representatives
- May 9 ..... Johnston County, S.E.
- May 23 ..... Texas County, N.W.
- May 30..... Adair County, N.E.
- June 6..... McClain County, S.W.

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 meeting, please make arrangements to attend a district meeting on another date.

The June State Board of Equalization meeting will be here before we know it. We appreciate and thank everyone in advance for all their hard work this year. Our recent record on completing the abstracts on time for the State Board meeting has been excellent the last couple of years. This has been a challenging year, and there is nothing like change to realize how complex the ad valorem system can be.

Jeff Spelman, CAE
Ad Valorem Division Director

The Oklahoma Geographic Information Council was formed by legislation in 1994. It is currently comprised of 19 member agencies including the Ad Valorem Division and a governor appointed representative of the county assessors. Troyce King, Pottawatomie County Assessor, is the current assessor representative.

This council generally meets the first Friday of each month at 10:30 a.m. Its meetings generally consist of a GIS presentation and business-related to GIS and mapping across the State.

The last few meetings have been held in the conference room of the Oklahoma Board of Regents. This site allows the GI Council to broadcast the meetings live on the web. To view the meeting through live streaming video, visit the following link: http://jwplayer.onenet.net/streams/OGI/ogiwebmobile.html.

The dates and times of the meetings are always announced on the GI Council's website: http://okmaps.onenet.net/meetings.htm, or you can email Shellie Willoughby directly and ask to be added to her email list. Her email address is: Shellie.Willoughby@Conservation.ok.gov

Contact me if you have any questions.

Ad Valorem Forum Mailing List:

If you have coworkers who would enjoy receiving this monthly publication, please send their email address to cheath@tax.ok.gov.

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"Let's Get Personal" Property

by Doug Brydon

Thank you for your responses to the 5-Year Exempt Manufacturing balancing. Here are the actual figures:

- Total Reimbursement.....$64,356,276
- Common Ed.....$43,211,319
- County $10,062,771
- Career Tech.....$8,100,684
- Other.....$2,314,715
- Community College.....$666,787

With the estimated amount in the Reimbursement Fund at $18.2M, the legislative appropriation will have to be at least $25,011,319 to cover common education. This should prepare assessors' offices for the conversations that may occur with the school superintendents.

This will be the largest appropriation of monies in the history of the 5-Year Exempt Manufacturing Program. The projected payout by property type still has Electric Wind Generation leading the way at 50% of the reimbursement amount with Traditional Manufacturing at 28%. The rest are Large Manufacturing at 15%, Data Computer Processing at 6% and Distribution at 1%.

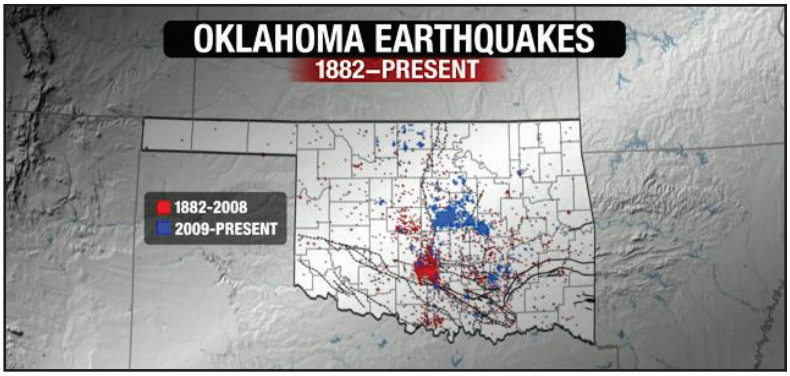
The Personal Property Schedule for the 2015 Schedule is under way. We have already received some requests for next year's schedule. All requests will be reviewed to deem whether they are needed in the schedule.

Senate Bill 1917 failed which addressed concerns with hog barn valuation. Senate Bill 1626 relating to wind farms failed. We are still tracking a few bills. The next date to keep on your calendar is April 24 which is the date all bills must be out of the opposite house.

"No one can make you feel inferior without your consent." - Eleanor Roosevelt

A Whole Lot of Shaking Going On

by Troy Frazier



For whatever reason, there have been a lot of shallow earthquakes in Oklahoma recently. There is a website (http://earthquaketrack.com) that keeps track of earthquakes worldwide. We all remember the 5.6 magnitude quake near Shawnee a couple of years ago causing newsworthy damage. Per this website (http://earthquaketrack.com/p/united-states/oklahoma/biggest), that was the largest earthquake to strike the Oklahoma area in 40+ years.

Using USGS sensors, this website indicated that the epicenter of a 2.9 quake was a mere 3 miles under my house just a day ago! A 4.1 magnitude earthquake's epicenter was less than 4 miles from my house!!

Now, before we get too excited… there was no damage. These Richter Scale magnitudes are a "base-10 logarithmic scale". This means that a magnitude 3 earthquake is 10 times more powerful than a magnitude 2 quake. So, my BIG 4.1 earthquake had approximately 3% of the power of the 5.6 magnitude Shawnee quake.

This is the link for local tracking http://earthquaketrack.com/p/united-states/oklahoma/recent.

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Charles N. Haskell

First Statehood Governor

November 16, 1907 - January 9, 1911

Born in Ohio on March 13, 1860, Charles Haskell's father died when Charles was three years of age. His mother worked for the local Methodist church as a bell ringer and custodian to support the six children. At age 10, Charles started working for a farmer named Miller, where he lived and worked for eight years as he grew into adulthood. Although Miller was a school teacher, Haskell had to work on the farm and could not attend school, so Miller's wife taught him at home. Haskell earned a teaching certificate and began teaching at age 18, doing so for 3 years.

Haskell passed the bar exam in 1880 and became a practicing attorney at age 20. Despite having no academic training in the field, he became one of the most successful lawyers in Ottawa, Ohio, and was a prominent member of the Democratic Party. Haskell started work as a general contractor in 1888. For the next 16 years, his business career gave him an understanding of American industrialism. During this time, he lived in New York City and in San Antonio, TX.

He married Lucie Pomeroy and had three children, but Lucie died in 1888. Haskell remarried in 1889 to Lillie Gallup, and they also had three children.

With the Land Run of 1889 and the passage of the Organic Act in 1890, Oklahoma Territory was gaining importance on the national scene. Haskell moved his family to Muskogee, the capital of the Creek Nation, in March 1901. When he arrived, Haskell found Muskogee a dry, sleepy village of some 4,500 people. At that time, a movement of building business blocks began, and he built the first five-story business block in Oklahoma Territory. He is said to have built and owned 14 brick buildings in the city.

Haskell organized and built most of the railroads running into Muskogee. Through his influence, Muskogee grew to be a center of business and industry with a population of more than 20,000 residents. Haskell often said he hoped Muskogee would become the "Queen City of the Southwest."

His success earned him clout in the politics of Indian Territory and the attention of the Creek Nation. During this time, the Native American nations in Indian Territory were talking of creating the State of Sequoyah and joining the Union. Haskell was the representative of the Creeks to the 1902 and 1905 conventions in the position of vice-president. Of the six delegates at the Muskogee convention, all were of Native American descent except two: Haskell and William H. Murray. Although U.S. President Theodore Roosevelt blocked the attempt to create Sequoyah, Haskell wrote a large portion of the proposed state's constitution. Privately, Haskell was glad to see the Sequoyah proposal defeated because he believed it would force the Indian leaders to join in statehood with Oklahoma Territory.

The U.S. Congress and President Roosevelt agreed Oklahoma and Indian Territories could only enter the Union as one state, the State of Oklahoma. After the federal passage of the Enabling Act in 1906, Haskell was elected as a delegate to the 1906 Oklahoma Constitutional Convention by the largest margin in the new state. While at the convention in Guthrie, Haskell met William H. Murray from the Muskogee convention and Robert L. Williams, and later each of these men became governors of Oklahoma. Haskell would gain a friendship with Murray that would last until the end of his life.

Many delegates to the Guthrie convention also served in the Sequoyah convention in Muskogee, and a number of the ideas proposed for the new constitution were based upon the rejected Sequoyah constitution. Haskell owned the New State Tribune, and through its editorial columns he promoted propositions he

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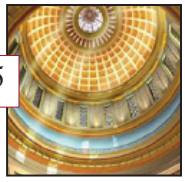

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wanted in the new constitution, most of which were put into the document. While Murray served as the convention's president, delegates recognized Haskell's power in the body. The newspaper, Guthrie Report, called Haskell "the power behind the throne."

With perfect attendance and voting record during the session, Haskell advocated provisions that affected both territories' labor problems and for organized labor representation. Haskell drafted a report drawing up county boundaries, led the crusade for state prohibition, introduced Jim Crow laws and successfully kept female suffrage out of the state constitution.

During a convention recess before the final adoption of the constitution, Haskell held a large banquet at the Brady Hotel in Tulsa attended by 500+ leading Democrats of the new state. During this banquet, the first campaigns for governor were formally presented. Haskell received the Democratic gubernatorial candidacy. Among the other potential candidates were Thomas Doyle of Perry and Lee Cruce of Ardmore. Haskell had the strong support of labor and agriculture leaders.

Unfortunately for Haskell, the primaries for governor were set for June 8, and Doyle and Cruce had already been campaigning. Haskell had little time but made 88 speeches in 45 days. Haskell's hard working nature led him to win the Democratic nomination. He immediately confronted a new opponent when the Republican caucus nominated the current territorial governor Frank Frantz as its candidate for governor.

Frantz was a former Rough Rider and friend of U.S. President Theodore Roosevelt, and with federal prestige and support backing him, he was a strong Republican candidate. Haskell challenged his opponent to joint public discussions throughout the state, and every problem concerned with the administration of the new state was debated during the campaign.

During the course of the campaign, two nationally prominent figures spoke at various locations: Republican presidential nominee William Howard Taft and Democratic presidential nominee William Jennings Bryan. Taft's disapproval of Oklahoma's proposed constitution and his advice that the people vote against it caused the voters to react in favor of the Democrats. Haskell won the gubernatorial race by more than 30,000 votes on September 17, 1907. On the same day, the voters ratified the Oklahoma Constitution.

On November 16, 1907, five minutes after it was known that Oklahoma had officially become a state, Guthrie Leader editor Leslie G. Niblack administered the oath of office to Haskell. The ceremony took place privately in Haskell's hotel apartments in the presence of his immediate family, Robert Latham Owen who was a United States Senator-elect, and Thomas Owen of Muskogee, Haskell's former political manager. On the south steps of the Carnegie Library in Guthrie, Haskell gave his inaugural speech which quickly lifted him into national prominence.

Haskell's old friends William H. Murray and Robert L. Williams came into power with the state's founding. Murray was the state's first Speaker of the Oklahoma House of Representatives and Williams, appointed by Haskell, was the first Oklahoma Supreme Court chief justice. Haskell set the precedents for the use of executive power.

During the 1st Oklahoma Legislature, Haskell created a commission charged with sending a message to the U.S. Congress to amend the United States Constitution providing the election of U.S. senators by a direct vote of the people. Although it did not occur until after he left office, his efforts, and the works of the Progressive-era leaders, provided for the passage of the Seventeenth Amendment to the United States Constitution in 1912.

Though Guthrie was the official capital of the state, Haskell set up his administration from Oklahoma City. Oklahoma City quickly grew in industry and prominence, with a booming population of 64,000, shadowing the smaller city of Guthrie, which was located just miles from the growing city. Haskell personally led the move to change the capital from Guthrie to Oklahoma City. First, he moved the official home of the Great Seal of Oklahoma and Oklahoma Constitution. Slowly, all government functions moved to the Oklahoma City area. Haskell's dream came true on June 11, 1910, when Oklahoma City became the state's official capital.

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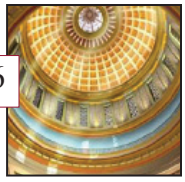

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In the state legislature's first session, under Haskell's leadership, Oklahoma adopted laws regulating banking in the state, reformed the old territorial prison system, and protected the public from exploitative railroads, public utilities, trusts and monopolies. Haskell also initiated a law insuring deposits in case of a bank failure, a landmark piece of legislation in the nation.

Haskell rigidly enforced prohibition through the Alcohol Control Act, and was instrumental in child labor laws, factory inspection codes, safety codes for mines, health and sanitary laws, and employer's liability for workers. Haskell's legislative schedule also included Jim Crow laws for Oklahoma. Other significant contributions while governor included establishing the Oklahoma Geological Survey, the Oklahoma School for the Blind, the Oklahoma College for Women and the Oklahoma State Department of Health. He helped to create the Oklahoma Court of Criminal Appeals in 1908. Haskell selected the first judges of the Oklahoma Court of Criminal Appeals.

Prior to statehood, Kansas imprisoned individuals convicted of crimes in Oklahoma Territory. Oklahoma Commissioner of Charities and Corrections Kate Barnard, Oklahoma's first female state official, reported to Governor Haskell on the horrible conditions. In 1908, Haskell pushed a bill through the state legislature that transferred 50 Oklahoma prisoners detained in Kansas to McAlester, Oklahoma. When the Oklahoma state militia marched the prisoners down to McAlester, they found no prison. Under military supervision, the prisoners built Oklahoma State Penitentiary, the state's first correctional facility (still in use today). The militia housed the prisoners in a tent city and was authorized by Haskell to use lethal force against any prisoner that tried to escape.

Throughout his term as governor, Haskell remained free from corruption. At the end of his term as governor in 1911, Haskell stepped down from the governorship, happy to see his 1907 Democratic primary challenger Lee Cruce inaugurated as the second governor of Oklahoma. In 1912, Haskell unsuccessfully challenged incumbent U.S. Senator Robert Latham Owen in a hard-fought Democratic primary for his U.S. Senate seat.

Not only a powerful figure in Oklahoma politics, Haskell's progressive roots and populist nature granted him national clout. He served in various capacities at political conventions and to those who were running for office through 1932.

Haskell entered the oil business after finishing his term as governor and stayed in that profession until the end of his life.

In 1933, Haskell suffered a major stroke, from which he would never recover. Three months later Haskell died from pneumonia. At age 73, Haskell died July 5 in the Oklahoma City Skirvin Hotel. He is buried in Muskogee, Oklahoma.

As Oklahoma's first governor, Haskell left a legacy marked by a practical and keen legal mind. Haskell was known for finding the middle ground and usually brought the belligerent partisan forces and rival interests into friendly agreement.

District Meetings:

- SE District - May 9
- NW District - May 23
- NE District - May 30
- SW District - June 6

Training Opportunities: (All located at Tulsa Hampton Inn)

- May 6-8: Unit V Personal Property Appraisal
- June 2-5: Unit VI Cadastral Mapping
- June 18-19: Unit VII Ag Land Valuation

August 5 - 8:

- OTC Annual Assessors Educational Conference
  Tulsa Marriott Southern Hills

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IAAO Course 300—Fundamentals of Mass Appraisal

June 23—27, 2014 Wyndham Garden Hotel ● Oklahoma City

Sponsored By:

INTERNATIONAL ASSOCIATION
of ASSESSING OFFICERS
Oklahoma Chapter

Course 300 - Fundamentals of Mass Appraisal

This course provides an introduction to mass appraisal. Topics covered include single-property appraisal versus mass appraisal, components of a mass appraisal system, data requirements and analysis, introduction to statistics, use of assessment ratio studies in mass appraisal, modeling of the three approaches to value, and selection of a mass appraisal system.

Instructor: Marion Johnson, CAE

Contact Information: Billijo Ragland, Cleveland County Assessors Office

Email: bjragland@okco14.org

Phone: (405) 366-0230, Extension 2138

REGISTRATION AND PAYMENT IS REQUIRED BY JUNE 2, 2014

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INTERNATIONAL ASSOCIATION
of ASSESSING OFFICERS
Oklahoma Chapter

IAAO Course 300 Fundamentals of Mass Appraisal

This course provides an introduction to mass appraisal. Topics covered include single-property appraisal versus mass appraisal, components of a mass appraisal system, data requirements and analysis, introduction to statistics, use of assessment ratio studies in mass appraisal, modeling of the three approaches to value, and selection of a mass appraisal system. ***(AQB Approved: 33.50 CE with exam / 30 CE)***

Instructor:
Marion Johnson, CAE

Location and Hotel Rooms:
Wyndham Garden Hotel
2101 S. Meridian Ave.
Oklahoma City, OK 73108
Phone: (405) 685-4000
Fax: (405) 681-1674

Rates: $87.00 + tax per night for single or double occupancy *(ask for room block reserved for IAAO).* If tax exempt, a copy of the tax exempt letter must be provided. If using a Purchase Order, you will need to set up a "Direct Bill" with the hotel. In addition, a personal credit card will need to be on file for any incidentals.

Cost:
Course 300 Registration Fee is a total of $300, including student reference manual. Optional IAAO textbook titled "*Fundamentals of Mass Appraisal*" may be purchased for $55 for national members, $70 for non-members

Registration:
To enroll, complete an individual registration form ***for each person attending***, and mail payment with form(s) to :

Cleveland County Assessor's Office
Attention: Billijo Ragland— Course 300
201 S. Jones, Suite 120
Norman, OK 73069
Telephone: (405) 366-0230, Extension 2138 Fax: (405) 366-0234
Email: bjragland@okco14.org

Payment and Registration Must Be Received By No Later Than June 2, 2014

Materials:
A student reference manual will be provided. A battery operated calculator and pencil is required.

Schedule:
Class will run from 8:00 a.m. to approximately 5:00 p.m. Monday through Friday.
(***Times are subject to change at the instructor's discretion).***

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REGISTRATION FORM

IAAO COURSE 300

Fundamentals of Mass Appraisal

June 23-27, 2014

Oklahoma City, Oklahoma

INTERNATIONAL ASSOCIATION of ASSESSING OFFICERS
Oklahoma Chapter

Please Print:

IAAO National Member: (Check) Yes ☐ No ☐

Name: _____

Title: _____

Jurisdiction/Employer: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: (___) _____

Email Address: _____

Fax: (___) _____

$300.00	**Registration Fee (Including Student Reference Manual)**
	Textbook ($55 for National Members, $70 for non-members)
	Total Due to: Oklahoma IAAO Chapter

Make Checks Payable to Oklahoma IAAO Chapter, and Mail to:
Cleveland County Assessor's Office
Attention: Billijo Ragland— Course 300
201 S. Jones, Suite 120
Norman, OK 73069
Telephone: (405) 366-0230, Extension 2138 Fax: (405) 366-0234
Email: bjragland@okco14.org