



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

## Director’s Notes:

Volume XX, Issue II • February 2011

Amazing weather for February, right? I was complaining about the -2 and wind chill in my neighborhood, and then I heard about the records set in Nowata County. After the 2009 Christmas blizzard a year or so ago, I expected some interval until another big storm. It didn’t take too long.

The CODA mid-winter meeting was challenging. Cathy Hokit had a really tough week putting everything together, and we appreciate her efforts under difficult circumstances. I missed the meeting because I was at an IAAO Committee meeting, so Kenny Chuculate filled in. Despite the bad weather, the session seemed to have gone well, and everyone appreciated the county assessors who were able to make it through the snow for the session.

The 2011 Oklahoma Legislature has convened. They have several ad valorem bills already under consideration.

The State Board will meet next week on budgets (no ad valorem items on the agenda), and some of the Oklahoma state government budget process will become clearer.

Regardless of the budget situation that will be finalized in May, the Ad Valorem Division will do our best to provide as much necessary assistance as we can, but it is important we travel efficiently. Thanks for your patience with our field analysts as they strive to get all their jobs completed during the next year under reduced budgets.

### Public Service Capitalization Rate Study

We’re looking forward to the Public Service Capitalization Rate Conference March 24 and 25. This is our fourth year in a row to have a cap rate conference. We hope that the conference will be as beneficial as last year. We’ve posted new forms for public service out on the web.

### Capitol Geographic Information Council Day

GIS Day at the Capitol is scheduled for March 2. Call Troy Frazier or Wade Patterson, the GIS representative, if you have any questions.

### Value of Persistence

Just read “Colonel Roosevelt”, a new biography of Teddy Roosevelt during the years after his presidential term when he hunted game in Africa and sailed down the Nile. He was born with bad eyesight, breathing problems, and physical weakness as a child, but he went west as a boy, worked on a ranch, and made himself stronger. He had such a strong will that during one campaign when he ran as a third party candidate, he was shot in the chest by a crazed gunman. The bullet broke one of his ribs, but luckily hit a metal glasses

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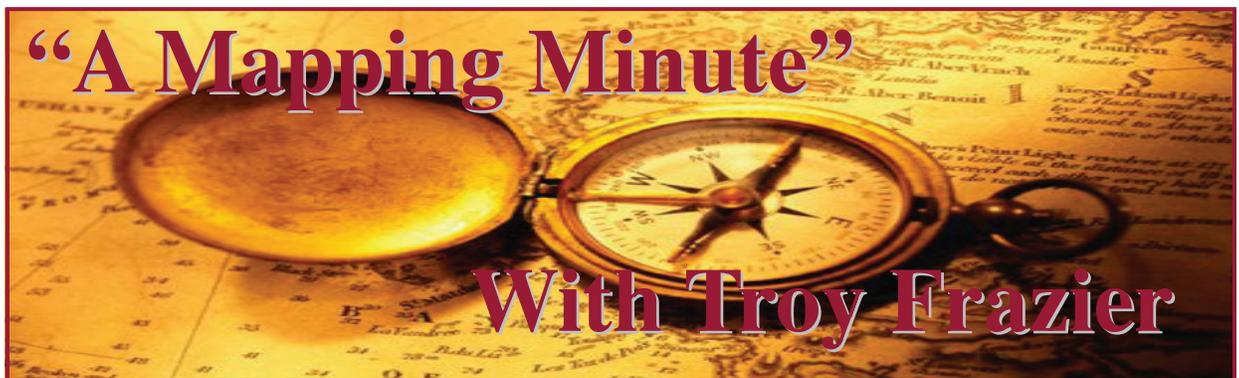
Continued from page 1 "Director's Letter"...

case and a copy of his speech that were in his overcoat pocket. Roosevelt shook himself off, looked the gunman in the eye and asked him why he shot him. When he saw the man was insane, he made his way to the podium and spoke for forty-five minutes until he almost collapsed and was taken to the hospital. I wouldn't recommend his method of personal health care decisions, but America has been lucky to have had leaders like him in our country's history. Roosevelt was the president who signed the proclamation making Oklahoma a state.

We appreciate the hard work and persistence of all county assessors and deputies out there working to improve the Oklahoma ad valorem system. The focus is sometimes on the negative aspects. They sometimes take criticism that hits hard, but remember the progress that has been made in the ad valorem system over the last several years.

Jeff Spelman, CAE  
Director, Ad Valorem Division

*P.S. "It is not the critic who counts.... The credit belongs to the man or woman who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly, who errs, and comes short again and again, because there is no effort without error and shortcoming." By Anwar Caddo, Ad Valorem Philosopher quote borrowed from Theodore Roosevelt.*



### Can Accurate Maps Lie?

The answer to that question depends on the original purpose used to create the map and what is trying to be determined by someone else at a later time.

**Example One.** While I was downloading the US Bureau of Land Management surveys, I noticed that there were a lot of recent surveys for the Arkansas River between Leflore and Sequoyah Counties. These surveys are dated 2003-ish and are in great detail. You can really tell how much the river has moved. Similarly, you can see the current river boundaries on the 2010 aerial photos you are receiving on the "2011 Mapping Support" DVDs. However, these current surveys and aerial photos of the river dividing LeFlore and Sequoyah Counties do not represent the current county boundaries. Title 19, Section 36 basically states that "for all county and state purposes the boundary line will remain as originally shown on the tax rolls" as of "the first day of January, 1963".

**Example Two.** I had a question this week of why the school codes in an assessor database did not match the current Department of Education mapping provided to you and made available to the public through the internet. When a school district annexes area from another school district, the area annexed is still subject to the career technology center millage rates that were previously levied. In a sense, those properties are still in that technology center district even if the new school has contracts with another technology center. Since the assessor database tracks millage rates, the assessor would still need to account for this difference between the newly annexed area and other areas of the new/current school district. As a matter of fact, the current Oklahoma Technology Center Districts map is different from the current Department of Education map.

Continued on page 3...





Continued from page 2 "A Mapping Minute"...

**Example Three.** I had a question last month about city limit boundaries and municipal taxation. You could think that if a property is inside the city limits, it should be taxable to that city. You could be wrong. Title 11, Section 21-109 originally stated in part: "No land which is used for agricultural purposes may be taken within the limits of a town and taxed at a greater rate than land which is adjacent to but outside the town limits." This statute was modified in 1997 to further state: "B. On any annexation after July 1, 1998, the revenue and taxation ordinances of any municipality and the licensing and regulatory authority of any municipality shall not apply or extend to any military installation located on federal property which has been annexed in part or in whole by a municipality." It was modified again in 2007 to exclude annexation strips no wider than 326 feet from municipal taxes. There is no mention of voter rights. So, a map showing current city limits should be correct for election purposes but not necessarily so for taxation purposes.

As you can see, our rules can make a map produced for one purpose not match a map produced for another purpose. If you have any questions, please let me know!

Remember: "Yes, maps can lie... but it is usually just because the user is asking the wrong question!"

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## Oklahoma Supreme Court Upholds District Court Ruling

**Assessor of Rogers Mills County v. Unit Drilling Company**

**2011 OK4**

**Case Number: 107699 Decided: 01-25-2011**

**Published in the Oklahoma Bar Journal January 29, 2011**

The assessor of Roger Mills County brought a declaratory judgment action to determine the constitutionality of 68 O.S., Supp. 2010, Section 2817(L). The statute mandates use of the Hadco International bulletin in the assessment of personal property used in exploration of oil, natural gas, and other minerals.

The text of Section 2817(L) provides that "All taxable personal property used in the exploration of oil, natural gas, or other minerals, including drilling equipment and rigs, shall be assessed annually at the value set forth in the first Hadco International monthly bulletin published for the tax year, using the appropriate depth rating assigned to the drawworks by its manufacturer and the actual condition of the rig."

After considering the summary judgment paperwork of the parties, the court entered a declaratory judgment that Section 2817(L) was unconstitutional because it violates the fair cash value assessment requirement of Article 10, Section 8(A)(1) of the Oklahoma Constitution. The rig owner who defended the constitutionality of the statute brings this appeal and urges reversal of this judgment.

Upon review, the Supreme Court agreed with the trial court. The Supreme Court held that the trial court correctly determined that 68 O.S., Supp. 2010 Section 2817(L) is unconstitutional in that it violates the fair cash value assessment requirements of Article 10, Section 8(A)(1) of the Oklahoma Constitution. Accordingly, the trial court's declaratory judgment is affirmed.

If you have any questions regarding this decision, contact your district attorney.

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## 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](mailto:cheath@tax.ok.gov).





## Housing Sale Prices Show Increase Statewide

The average cost of a home in Oklahoma has increased by 3% compared to Year End 2009. The average cost of a home sold was \$151,684 in Year-End 2010 compared to \$147,288 in 2009.

Statewide, 40,510 homes were sold in 2010. This is 9.8 % less than the 44,902 homes sold in 2009. The average Days-on-Market was 116, and the average Median Price was \$109,725.

The Oklahoma Association of REALTORS® reports residential sales activity from multiple listing services across Oklahoma using information provided from local boards and associations. More information is available on its website located at <http://oklahomarealtors.com/mlsstatistics/>.

LOCAL BOARD	YEAR END 2010 TOTAL			
	Homes Sold	Average Price	Average DOM	Average Median Price
Ada	427	\$114,709	158	\$91,321
Altus	346	\$96,985	98	\$95,017
Bartlesville	674	\$140,787	53	\$117,909
Cushing	143	\$90,144	169	\$72,558
Duncan	374	\$99,495	121	\$88,200
Edmond	2,889	\$233,149	84	\$193,134
Enid	699	\$125,888	106	\$106,054
Lawton	1,401	\$135,848	84	\$126,135
Mid-Del-Moore*	1,284	\$128,235	67	\$121,601
Muskogee	510	\$96,696	95	\$87,487
Norman**	1,812	\$160,240	98	\$143,125
North Central	354	\$104,314	150	\$94,813
NE Oklahoma	655	\$159,405	160	\$108,967
OKC Metro***	14,524	\$153,699	82	\$132,046
Shawnee	612	\$104,975	109	\$88,567
SE Oklahoma	664	\$119,364	138	\$101,104
Southern Okla.	476	\$118,450	154	\$99,852
Stillwater	669	\$140,053	119	\$136,828
Texoma	333	\$107,411	173	\$91,667
Greater Tulsa	11,138	\$152,563	105	\$129,900
Western Okla.	392	\$114,182	96	\$106,354
Woodward	134	\$103,990	143	\$81,308
<b>TOTAL</b>	<b>40,510</b>	<b>\$151,684</b>	<b>116</b>	<b>\$109,725</b>

\* 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.





# IAAO Membership Application for 2011

Volume XX, Issue II • February 2011

**Good things come in pairs, so IAAO offers you the chance to get up to two years (or more!) of membership for only \$200.\***

Join now and don't pay dues again until January 1, 2013! Take advantage of this incredible \$200 membership offer before it expires on March 31, 2011.

Double up on your initial membership term and participate in IAAO's many benefits, including:

- AssessorNET, IAAO's members-only online discussion forum
- Free subscriptions to IAAO's highly respected publications
- IAAO's world premier library and research services
- Educational opportunities and the ability to earn a professional designation
- Discounts on conferences, seminars, books and more

**TOTAL MEMBERSHIP DUES \$ 200**  
For information about an accredited membership designation, go to [www.iaao.org](http://www.iaao.org).

If paying by check, please make check payable to IAAO in U.S. Funds and mail to: IAAO, P.O. Box 504183, St. Louis, MO 63150-4183 (The returned check charge is \$25.00)

Questions? Call 800/616-IAAO



**INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS**

**ENDS MARCH 31, 2011**

Name \_\_\_\_\_ Title \_\_\_\_\_

Jurisdiction/Firm \_\_\_\_\_

Office Street Address \_\_\_\_\_

Office City \_\_\_\_\_ Office State/Province/Country \_\_\_\_\_ Office ZIP/Postal Code \_\_\_\_\_

Office Phone \_\_\_\_\_ Office Fax \_\_\_\_\_ Office E-mail \_\_\_\_\_

Home Street Address \_\_\_\_\_

Home City \_\_\_\_\_ Home State/Province/Country \_\_\_\_\_ Home ZIP/Postal Code \_\_\_\_\_

Home Phone \_\_\_\_\_ Home Fax \_\_\_\_\_ Home E-mail \_\_\_\_\_

Send mail to:  Office  Home  Check here if you do not do wish to receive membership e-mails.  
*E-mail is a vital link between IAAO and it's members. It is IAAO policy not to sell, rent, or distribute e-mail addresses.*

Person referring applicant (if anyone) \_\_\_\_\_  Check here if you are an elected official.

*I hereby apply for membership in the International Association of Assessing Officers and agree to comply with the requirements of the IAAO Code of Ethics and Standards of Professional Conduct. If accepted for membership, I will abide by the IAAO Constitution, pay the established dues, and comply with the Code and Standards.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Please indicate if you have been convicted of a felony or crime of office which may reflect on your ability to abide by the IAAO Code of Ethics and Standards of Professional Conduct.  Yes  No

Office use only:  
24200WEB

**IAAO MEMBERSHIPS (Select one)**

**Regular Membership**

is available to: all officers, officials, and employees of a governmental authority or jurisdiction who have any or all of their duties related to property valuation, property tax administration, or property tax policy; all persons engaged as individuals, or employees of an organization, who exclusively spend their time to provide professional services to governmental officers, officials, or offices of a governmental authority or jurisdiction in support of the property valuation, property tax administration, or property tax policy functions. Professional services do not include the providing of hardware, software, equipment or the sale of either goods or services to governmental agencies.

**Associate Membership**

is available to: all officers, officials or employees of governmental agencies who do not have any duties directly involved in property valuation, property tax administration, or property tax policy; all officers, administrators, employees and enrolled students of educational institutions; individuals involved in or interested in property valuation, property tax administration, or property tax policy; any member of any organization, group, or association, whether local, regional, national, or international, interested in property valuation, property tax administration or property tax policy.

**Councils and Sections Interest Areas (you may join more than one at no additional charge)**

- Public Utility Section
- Computer Assisted Appraisal Section
- State and Provincial Council
- Metropolitan Jurisdiction Council
- Mapping and GIS Section
- Personal Property Section
- Tax Collection Section

**Dues are payable in advance.**

Please complete this application and return with payment of dues: If paying by credit card, please provide the information requested below and fax to 816/701-8149.

VISA \_\_\_\_\_ Cardholder Name (Print) \_\_\_\_\_

MasterCard \_\_\_\_\_

AMEX \_\_\_\_\_ Card Number \_\_\_\_\_ Expiration Date \_\_\_\_\_

\*Not applicable for membership renewal. New members who join at this exclusive rate will renew as of January 1, 2013 at full price.

You can download a PDF version of the Application here:  
<http://www.iaao.org/uploads/MembershipApplication2for200WEB.pdf>





## ATAP Training Schedule

**03/10/2011**

### Board of Equalization Training

One-Day Class  
(Wednesday, 8:30 - 4:30)

**LOCATION:**

Hampton Inn Sand Springs  
7852 W. Parkway Blvd  
Tulsa, Oklahoma 74127  
Phone: (918) 245-8500

**WEBSITE:** Hampton Inn - Sand Springs

**03/15/2011 - 03/18/2011**

### Unit 3 (Mass Appraisal)

Four-Day Class  
(Tuesday, Wednesday, Thursday, 8:30 - 4:30)  
(Friday, 8:30 - Noon)

**LOCATION:**

Hyatt Place Tulsa South  
7037 S. Zurich Ave. (71st and Yale)  
Tulsa, Oklahoma 74136  
Phone: (918) 491-4010

**WEBSITE:** Hyatt Place Tulsa South

**03/24/2011**

### Basic Excel for Assessors

One-Day Class  
(Thursday 9:00 - 4:00)

**LOCATION:**

Center for Local Government Technology  
5202 North Richmond Hills Road  
Stillwater, Oklahoma 74078  
Phone: (405) 744-6049  
Fax: (405) 744-7268

**04/05/2011 - 04/08/2011**

### Unit 4 (Income Approach)

Four-Day Class  
(Tuesday, 1:00 - 4:30)  
(Wednesday & Thursday 8:30 - 4:30)  
(Friday, 8:30 - Noon)

**LOCATION:**

Pittsburg Co. Courthouse 3rd Floor Training Rm 315  
115 E. Carl Albert Parkway  
McAlester, Oklahoma 74501

**WEBSITE:** Hampton Inn - McAlester

**04/19/2011 - 04/21/2011**

### Advanced Income Approach

Three-Day Class  
(Tuesday, 1:00 - 4:00)  
(Wednesday 9:00 - 4:00)  
(Thurs, 9:00 - Noon)

**LOCATION:**

Hilton Garden Inn Norman  
700 Copperfield Drive  
Norman, Oklahoma 73072  
Phone: (405) 579-0100

**WEBSITE:** Hilton Garden Inn - Norman

**05/10/2011 - 05/12/2011**

### Unit 5 (Business Personal Property)

Three-Day Class  
(Tuesday, Wednesday, 8:30 - 4:30)  
(Thurs, 8:30 - Noon)

**LOCATION:**

Hyatt Place Tulsa South  
7037 S. Zurich Ave. (71st and Yale)  
Tulsa, Oklahoma 74136  
Phone: (918) 491-4010

**WEBSITE:** Hyatt Place Tulsa South

**05/17/2011 - 05/19/2011**

### Data Collection (Residential)

Three-Day Class  
(Tuesday, Wednesday 8:30 - 4:30)  
(Thurs, 8:30 - Noon)

**LOCATION:**

Center for Local Government Technology  
5202 North Richmond Hills Road  
Stillwater, Oklahoma 74078  
Phone: (405) 744-6049  
Fax: (405) 744-7268

For complete training schedule see the ATAP website  
at <http://clgt.okstate.edu/Secondary%20Page%20Layout/atapschedule.htm>



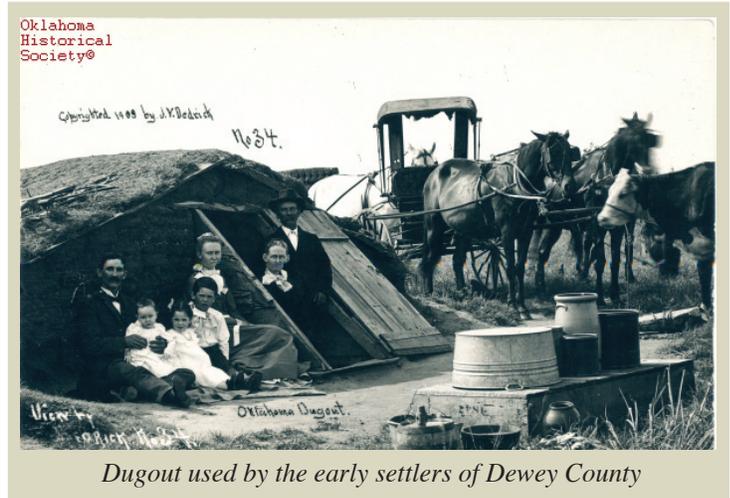


## Focus on Dewey County

Located in west-central Oklahoma, Dewey County lies mostly in the Gypsum Hills physiographic region, and the western one-fourth of the county is situated in the High Plains region.

Upon their removal from the East in the early 1830s, the lands allocated to Choctaw, Creek and Seminole extended into present Dewey County. As specified in the Reconstruction Treaties of 1866, the Choctaw and Chickasaw ceded their western domain to the United States. Known as the Leased District, part of the area became the Cheyenne and Arapaho reservation and was opened for non-Indian settlers by the land run of April 19, 1892.

Early settlers in the county used dugouts as an affordable and practical housing alternative due to the lack of lumber and the cost of it. They provided refuge from tornadoes, a warm hearth in winter, and a cool retreat in summer. Although plagued with issues such as ventilation, lighting, insects, flooding or seepage, the dugout was an expedient but temporary solution for housing. Conventional structures were built when access to milled lumber became more available. Few dugouts were built in Oklahoma after 1900.



*Dugout used by the early settlers of Dewey County*

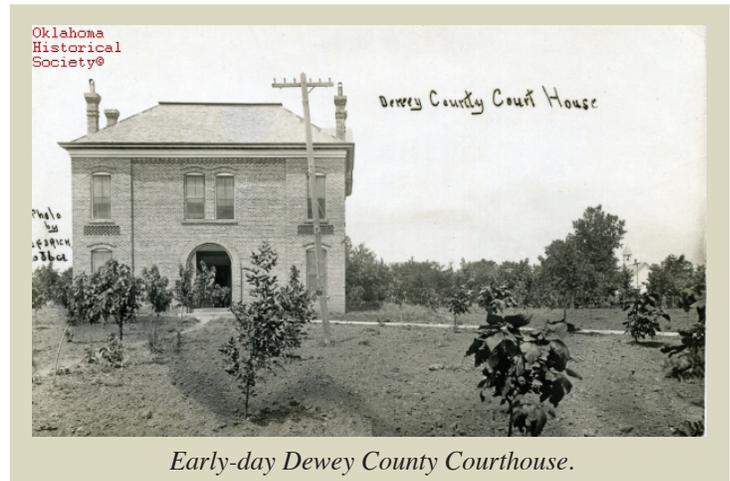
Designated as D County by Congress, it was renamed Dewey County in the general election held in November 1898. The name honored Admiral George Dewey (1837-1917), who captured Manila (1898) during the Spanish-American War and was given the rank of Admiral of the Navy.

In 1902 the Kansas City, Mexico and Orient Railway built a line that passed through Oakwood. In 1911-12 the Wichita Falls, Texas and Northwestern Railway (later part of the M-K-T Railway) connected Leedey, Camargo, and Vici with outside markets. Modern motorists are served by state highways. At the turn of the twenty-first century air parks were located at Leedey, Vici, and Seiling.

At 1907 statehood, Dewey County had 13,329 residents. Its population declined after it peaked at 14,132 in 1910. Numbers have dropped since World War II. At the turn of the twenty-first century the county had 4,743 residents.

The county seat of Dewey County is Taloga which lies almost in the center of the county and is situated in the horseshoe bend of the main (South) Canadian River. It is said that the Taloga is an Indian word meaning "beautiful valley," although others say it is a Creek word meaning "rocking water." Taloga is the smallest county seat in Oklahoma. In 1906 the community incorporated, and after statehood it had 430 residents.

Prior to the land run in 1892, federal surveyors laid out the townsite on



*Early-day Dewey County Courthouse.*





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320 acres. The plat included a post office, courthouse square, and a business district. Lots were set aside for churches and residences.

Dewey County's economy has been based primarily on agriculture and livestock. The principal crops have included corn, cotton, wheat, broomcorn, Kaffir corn, and oats. In the eastern part of the county, truck farmers grew tomatoes, watermelons, apples, blackberries, and other small fruits.

During the first days of settlement, practically every member of the original Dalton gang, then at its peak, filed on lots using fictitious names. Judge Jerome S. Workman, probate judge of "D" County, worked inside his tent office taking the filings on town lots. Workman, an astute man, was well aware of the Dalton gang and their probable intention to rob him of the filing money. Workman managed to outsmart and elude the Dalton gang's pursuit. After several close encounters, he arrived safely in Stillwater with nearly \$10,000 to put in the bank.

The first public water well, dug in the intersection of Main and Broadway streets, was used as a watering place for decades. Early businesses included a livery stable, dentist, a doctor, photographer, and a mercantile store. In the 1910s the town supported three churches, two banks and two weekly newspapers, the Taloga Advocate and the Taloga Times, which later combined and became the Taloga Times-Advocate.

The first "D" County office space was rented in a 2-story brick structure. In 1909 a wood-frame building at Main & Broadway offered space for county offices until a modern courthouse was completed in 1926. Time has taken a toll on that structure, and it has been replaced by a new courthouse completed in 2010.

A concrete jail constructed south of the courthouse and was used from 1922 until 1981. It now houses the Dewey County Jailhouse Museum.

Educational institutions were important to early-day citizens. A normal school was opened in 1901 for students desiring further education past the eighth grade. In 1923 a new public school building was erected, only to burn in 1930 and to be rebuilt in another part of town. This second school burned in 1981 and was replaced by a modern facility on the same grounds.

Although Taloga never had railroad access, the town remained the county seat. By the 1920s Taloga flourished with an electricity plant and streetlights. It also boasted a flour mill, ice plant, a large community building, and a hotel Street. Lloyd's Hospital, a private facility, opened in 1929 and served as the county's only hospital. Despite the Great Depression's onset, the 1930 population stood at 436 and increased to 533 before World War II.





Continued from page 8 "Focus on Dewey County"...

The county's natural resources have included bentonite, oil and gas, gypsum, clay, and sand. Bentonite is used in oil refining and the manufacture of cosmetics.

Petroleum exploration began in Dewey County in the 1920s, and since the 1950s oil and gas production has added to the community's wealth. Farming and ranching remained important throughout the twentieth century, and various small-town agribusinesses and a bank continued to serve area farmers.

Seiling's first half-mile oval was built at the northeast edge of town early in the 1900s where races became bigger and better. A grandstand was built and people from coast to coast were talking about 'Little Louisville.' Races were held twice a year, in May and September. Later, dog racing was introduced. The Seiling Race Meet Association was incorporated in 1935.

Little Louisville had several "firsts" in Oklahoma racing circles. The first stationary starting chute, followed by the McMillan Electric Starting Gate and later, the mechanically closed starting gate. Special races for two and three-year-olds with a beautiful blanket and purse to the winner was adapted by other tracks after Seiling introduced it.

Little Louisville became an example for other towns in Oklahoma. At one time there were 33 race meets in Oklahoma resulting in a drop of attendance in every town. Having lost money the past two years, Seiling decided to call it quits in 1952.



*Mammoth tusk exposed during excavation at the Hanjy Mammoth Site in Dewey County, Oklahoma.*

A significant archeological find is the Hanjy Mammoth Site. In 1983 two sets of mammoth bones were uncovered.

Prohibitionist leader Carry Nation (1846-1911) lived for a time in Dewey County. After her first husband died from alcoholism, she married David Nation, and they settled near Seiling following the 1892 Cheyenne-Arapaho land opening. During this time Carry formed the first of several organizations to fight the vices of liquor and tobacco.

In 1905, Carry moved to Guthrie, the capitol of Oklahoma Territory, where she hoped to influence the debate on constitutional prohibition, as the territory prepared for statehood. On November 16, 1907, Oklahoma became the first state to enter the Union as a dry state.

Other notable natives of Dewey County:

- Darla Hood, child movie star in the Little Rascals was born in Leedey, OK.
- Amos Chapman, an Indian Scout, lived in Dewey County around Seiling.
- Gary England, meteorologist for KWTW Channel 9 in Oklahoma City was born and raised in Seiling.



## Dewey County Demographics

**Population:** 4,404

**Area:** 1,007 square miles

**2010 Real Property Net Assessed Valuation:** \$21,542,996

**2010 Personal Property Net Assessed Valuation:** \$27,611,276

