



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:

Daylight Savings Time is my least favorite so-called holiday. Benjamin Franklin proposed it originally to save candles, but I’m not sure anyone has been able to get ready for it mentally in the first few days after the switch. So far we’ve been lucky as the spring weather hasn’t been too dramatic; it’s always fun to enjoy the red buds without worrying about tornadoes and wildfires.

We spent some time last week with our field analysts putting the final touches on the 2012 “test” audit. The process seems to have come together, and we believe the audit will be workable. As I have said earlier, the idea that the audit be tested this year before we go live will pay off in the long run.

We have had good cooperation from all of the software vendors in providing the information we will need for the audit, and the 4-C Committee has discussed the changes needed at its last meeting. We appreciate the assistance from CCAP.

Public service activity has picked up with calls and questions about renditions. We will have a Capitalization Rate Conference on March 29th and 30th. We are looking forward to hearing from interested parties.

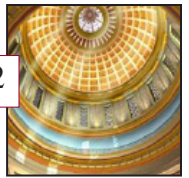
A draft of the study will be posted April 9th with a 10-day comment period. Comments received will be posted on the web site. Our final study will be posted April 30th.

One of the questions that County Assessors are dealing with is the shape of the housing market in Oklahoma. A publication called “The Oklahoma Economist” put out by the Kansas City Branch of the Federal Reserve reports that Oklahoma’s economic growth is doing better than the overall United States. The web link is www.kansascityfed.org/oklahomacity.

Home price growth has remained mostly stable in Oklahoma in the past five years even though housing activity was still hit hard in the state. Median housing values in Tulsa and Oklahoma City have gradually increased over the last few years, but state-wide single family home permits and single family new construction still haven’t reached the number of housing units in 2005.

With both OSU and OU out of the March Madness this year, I found one interesting item recently in the county assessor history project that is close to a case of March insanity. It occurred March 14, 1919 for Jim Beatty, Oklahoma County Assessor, whose wife discovered a man stealing Beatty’s car from his garage in the middle of the night. Beatty rushed outside and ordered the man to halt, but the thief just put the car in reverse and backed out of the garage. Beatty fired a shot gun at him, but it misfired. Beatty then pulled a “six shooter” and shot the man in the elbow. The criminal later sued Beatty for \$15,000 stating his capacity for earning a living had been reduced because of his injury to his arm. Apparently, thankfully for Beatty, the man did not win his court case.

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Everyone at the AdValorem Division appreciates the hard work and conscientious effort of all county assessors and deputies to assist us in preparing the test audit. We hope that everyone's work helps improve the Oklahoma ad valorem system and make it better than it was given to us for taxpayers everywhere.

Jeff Spelman, CAE
Director, Ad Valorem Division

P.S. "Nothing is more dangerous in the world than well-meaning ignorance and sincere and conscientious stupidity." Anwar Caddo, World famous Ad Valorem Philosopher Quote borrowed from Martin Luther King, Jr.

"4C" Meeting Held in March

The County Computer Coordination Committee met on March 6 in the Ad Valorem Division.

The CAMA staff has an updated set of programs and tables. Some of the staff will be performing cleanup in a few counties due to certain long-standing county procedures and changes occurring to the miscellaneous records with the new CAMA program update.

Updates on the future/current screen will be emailed to counties when received from Bill Wadsworth.

Jackson County experienced an error message on a computer which read "internal limit reached." This occurred since the new update was put into place. The field staff will get a screen print of the message the next time it occurs and Bill Wadsworth will be notified about it. So far, this is the only county that has experienced this message.

The committee was advised of a manufactured home depreciation issue when valuing mobile homes on personal property using the system's depreciation table. The problem is related to older manufactured homes where depreciation should have "bottomed out", but the values were going up on them instead. This could be a table issue from the update and it will be addressed.

The Report Writer ad valorem forms have been completed. If any corrections are needed, notify Scott Warren. The forms are based on the Assessors' Association Forms Committee revisions which were finalized this past fall. The forms are in an "OTC2011" folder.

Scott Warren is considering a security tool that might be incorporated into programs in the future. The program mentioned was "SECWIN." It encrypts passwords and contains other security features.

Since county computers are getting full, assessors should consider updating servers when possible. When the backup logs indicate 80% or more of the available space has been utilized, it is time to do something.

It was recommended that when ordering a new server, get either HP or Dell and avoid locally assembled computers. A new server will cost between \$3,500 to \$4,000 with the "snap shot" feature. Michael Challis might put together some server specifications for the counties benefit.

Based on recent legislation, an "owner file" is created for the treasurers for tax re-sales. The treasurer should ask for the file, and it needs to be run as close as possible to the time the treasurer sends out the June resale letters. It definitely should be run after January 1 of each year, and not before. It is up to the assessor to run this file, and it can only be run once. A warning shows up to that effect when the owner file is being created.

A new version of Linux is being installed in various counties, but further installations may be delayed pending the acquisition of new servers by counties needing to upgrade.

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Assessors' District Meetings Set for 2012:

Mark
Your
Calendar

- 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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The committee heard a status report on data output modifications from AA for the State Board of Equalization's new "Equalization Performance Audit". Scott Warren, Johnny Caldwell, Gary Snyder, and Doug Warr met with Jeff Spelman, Joe Hapgood, and Troy Frazier on February 15 to discuss the data output file changes needed for the new audit.

Scott Warren indicated that he plans to complete the "ratio.st.dbf" output file modifications by May. He asked many of the same questions previously discussed in the February 15 meeting to clarify exactly what the OTC needs.

Troy Frazier advised that the OTC needs a test output file by April 1, so there is time for corrections and modifications if problems exist. He mentioned in working with all the other software vendors, in every case various problems had been spotted on the initial test. Additional testing time allows for revisions to be made prior to putting the new "ratio.st.dbf" output file into the counties for use by the field analysts for this year's "Test Equalization Performance Audit." Scott Warren agreed that he would work towards the April 1 test date. The "4-C" Committee will receive an update on this process at its April 17 meeting.

The date for the regular April "4-C" meeting is set for Tuesday, April 17, 10:00 a.m. in the OTC Conference Room.



IAAO Oklahoma Chapter Meeting

Chapter President Keith Hulsizer conducted a regular IAAO Oklahoma Chapter meeting at the Embassy Suites Hotel in Norman, Oklahoma on February 8, 2012.

Secretary-Treasurer Joe Hapgood presented the minutes from the last chapter meeting along with the treasurer's report. The chapter made a profit from the two educational forums held in November, 2011.

Gail Hedgcoth provided the Chapter audit report saying all books and records are in good order, meticulously documented, and indicate the financial records are in excellent condition.

Participants who attended the 917 and 932 IAAO forums last November received their attendance certificates.

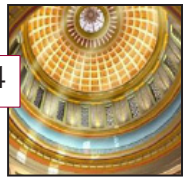
President Hulsizer reviewed materials concerning IAAO news and upcoming events such as educational courses, webinars, meetings and activities from the parent organization. A unique opportunity is available this year in that the International Conference will be held in Kansas City. Since it is easily accessible from Oklahoma, he encouraged all to consider attending the conference to be held September 9 – 12, 2012.

IAAO's primary mission and purpose is education. The chapter reviewed a two-page summary of potential IAAO one-day training sessions. It was suggested that there was a strong need for additional personal property training. The Chapter might consider Workshop 551 (Valuation for Machinery and Equipment) and 552 (Basic Personal Property Auditing). These could be run back-to-back. It was suggested to have a basic personal auditing class accompanied by the advanced auditing class, also. Other suggestions were Workshop 452 (Fundamentals of Assessment Ratio Studies), Workshops 551-553 (Personal Property) and Forum 906 (Valuation of Billboards).

A motion passed directing the Executive Committee to select two forums from the list and then review instructor availability so classes could be put into place.

In keeping with the Oklahoma Chapter's custom, a motion was passed to send the Chapter President to the IAAO International Conference in Kansas City.





Focus on Wagoner County

The area of Wagoner County was settled by the Creeks after their forced removal from their homeland in the 1820's. The western portion of the county was settled by the Cherokee.

In the late eighteenth century French traders and trappers worked the region and opened posts in the Three Forks area, where the Arkansas, the Verdigris, and the Grand Rivers join, and shipped huge quantities of furs down the Arkansas River.

The Osage Trace was a main thoroughfare across the area in the late eighteenth and early nineteenth centuries. The trace, which became known as the Texas Road some time after the 1820s,

was heavily traveled during the Civil War. Later the Shawnee Trail, one of the first cattle trails, followed the path through the region. Railroads soon pushed across the prairie.

In 1905 it was proposed that present Wagoner County would be included in the state of Sequoyah. The proposal would have divided the area into two counties, with the western portion named Coweta and the eastern called Tumechichee. Instead, in 1907 it was incorporated into one unit when Oklahoma became a state.

Naming the new county and selecting a new county seat became the first county-wide political controversy. The towns of Porter and Coweta competed with Wagoner for the honor. The county would take its name from the town that won.

Wagoner's name honored Henry "Bigfoot" Wagoner, M-K-T railroad dispatcher from Parsons, Kansas. The Katy Railroad decided a switch was needed to load cattle and lumber from the area between Gibson Station and Flat Rock Creek. When the switch was completed, the Katy roadmaster telegraphed company officials that "Wagoner's Switch is ready." The spot on the prairie had its name.

By 1892, Wagoner's population had grown to 400. It boasted five general mercantile stores, two drug stores, a cotton gin, grist mill, two blacksmith shops, a livery stable, a newspaper, a church and four hotels.

In 1894, the local newspaper, the Record, predicted "that Wagoner is going to be the metropolis of the territory." The next year, a group of Wagoner citizens met to discuss the possibility of establishing a city government. Just nine years after the prairie town got its first settlers, Wagoner became the first town in Indian Territory to incorporate. The city's population that year was reported at 1,500 and the newspaper boasted that the town had "over 50 good businesses of different kinds."



*Wagoner County Courthouse (built in 1946)
located in Wagoner, Oklahoma.*



St. James Episcopal Church, in Wagoner, is Oklahoma's oldest Episcopal church still in use. It was constructed in 1894 and listed on the National Register of Historic Places May 11, 1982.





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In the late 1890s, the town was enclosed by wire fences on all four sides to keep cattle from the huge herds on area ranches out of town. There were four or five gates leading out of town, but many residents carried wire cutters and did not bother to hunt a gate.

Wagoner was described in an 1899 Twin Territories magazine as "having more and finer buildings than any other town in the Indian Territory. The residences of Wagoner are the handsomest in the Indian Territory while the society is refined and cultivated." Wagoner boosters already were claiming the crown of "Queen City of the Prairies" for Wagoner.

The young city had a population of 3,372, the fourth largest in Indian Territory. Wagoner was developing its first tourism business - germicidal baths. The mineral waters were said to have "almost a magical character" and were reported to cure even the most stubborn diseases. Bath houses capable of serving 500 people a day and several hotels offered patrons an opportunity to soak in the miraculous waters. The editor of the Wagoner Weekly Sayings claimed he was reluctant to list the curative powers of the water fearing he would be accused of exaggeration, but he did suggest that it cured acne, lupus, skin diseases, sore eyes and constipation, while positively removing dandruff and corns.

Having outgrown the "crossroads" classification, the city was in need of a government. Incorporation of Indian Territory towns became possible under the statutes of the state of Arkansas, as adopted by an act of Congress approved May 2, 1890. In fall 1895, an incorporation committee was formed and circulated a petition. On January 4, 1896, the U.S. District Court approved the application, making Wagoner the first incorporated town in Indian Territory.

Among the earliest educational institutions in the present county was the Tullahassee Mission, opened in 1850 for Creek students. At three stories in height, the main building was one of the tallest in Indian Territory. In 1881 the school was given to the Creek freedmen.



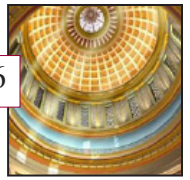
The James Parkinson house, 207 N.E. Second St, Wagoner, was built in 1893. Parkinson came to Wagoner in 1892 to join his family in the general merchandise and lumber business at Main and Cherokee.



The John W. Gibson house, 402 S. McQuarrie Ave., was built in 1896, and was listed on the National Register of Historic Places in 1982. Gibson became president of the First National Bank in 1898. At one time, he owned more than 10,000 head of cattle.



The Wagoner Armory was built in 1938 and listed on the National Register of Historic Places in 1994.



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During the Civil War the present county was the scene of one fight, known as the Hay Camp Action, or the Battle of Flat Rock. In September 1864, Confederate troops led by Brig. Gen. Stand Watie and Brig. Gen. Richard Gano attacked Union troops who were cutting hay, capturing eighty-five and killing more. The Southern soldiers then burned the hay along with the harvesting equipment. Confederates also housed troops on the Koweta and Tullahassee school campuses and camped at Choska and Concharty.

In 1913, the MK&T Railroad division moved back to Muskogee, leaving its large complex vacant and creating a sizable gap in local business. The oil boom to the west took a toll, and the Great Depression dealt a final blow to Wagoner's struggling economy. The population dropped to 3,436 in 1920 and 2,994 in 1930. During this time President Franklin Roosevelt's "New Deal" projects aided the community by setting up a Civilian Conservation Corps camp in the south part of town. Works Progress Administration crews built a new elementary school, a courthouse, a National Guard armory and a community building; all are still in use.

Wars had a significant impact on Wagoner. Centrally located between Camp Gruber to the south and the Oklahoma Ordinance Works to the north, the town benefited from an influx of workers during the war years, turning the economic tide. Wagoner showed steady growth with each census. A number of small industries flourished during those years. Garform, pioneer in molded fiberglass boats, was one of the first. Others included manufacturers of rolled metal tubing, fractional horsepower motors, sport shirts, buckets for cherry pickers, parts for cooling towers, telecom towers, and shelters. UNARCO, a shopping cart maker, was Wagoner's largest industry at the beginning of the twenty-first century.

Agriculture has always spurred the county's economy. In 1907 farmers primarily planted corn and cotton. In the 1930s soybean production began to spread. By 1967 Wagoner County's soybean yield ranked second in the state. Wheat surpassed other crops, while cotton and corn became lower priorities. In 2002 the county ranked first in soybean production as well as sod harvested which was a growing industry. Peach orchards near Porter have been a successful enterprise. These peaches and those grown in Stratford produced in south-central Oklahoma form the bulk of Oklahoma's peach industry.

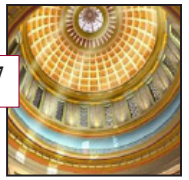


The Rio Grande Ranch Headquarters is a historic one-story residence located near Okay, Oklahoma. The site was listed on the National Register of Historic Places in 1992. The ranch was built in the Prairie School architectural style out of sandstone which was mined at a local quarry.



Fort Gibson Lake And Dam on the Grand (Neosho) River in Wagoner and Cherokee Counties. Construction began in 1941, and opened in 1946.





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With the 1950 filling of Fort Gibson Lake came Western Hills State Lodge, marinas, fishing, lake cabins, and an influx of sports enthusiasts and retirees. Wagoner became a recreational and retirement community as well as a “bedroom” community for workers in Tulsa and Muskogee.

Ranching also thrives in Wagoner County. Oil and gas have been extracted in the county since 1914, but by 1980 production had decreased.

Some of the county’s most notable residents have been:

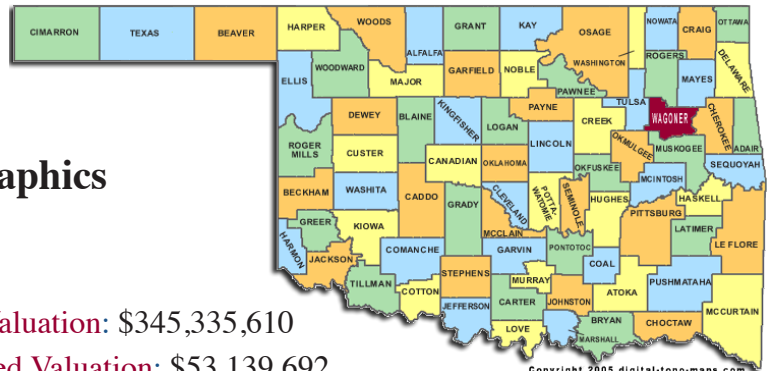
- Coweta’s George Milburn published many short stories and books about life in small-town Oklahoma
- Cleveland Indians’ pitcher Willis Hudlin
- Major league baseball player Frank Linzy
- Professional football player and Univ. of Oklahoma player Rick Bryan
- Bob Cobb, a bass player who is a member of the western Swing Hall of fame, made famous by Bob Wills and his Texas Playboys
- Bob Bogle, a founding member of instrumental rock band The Ventures with hit songs Apache, Pipeline, and the Hawaii 5-0 theme.
- Shelby Grand, actress with TV credits Bonanza, Batman and Marcus Welby, M.D.; movies The Pleasure Seekers, Fantastic Voyage, and Our Man Flint
- Thomas Sleeper, world renown music conductor and composer of operas, concerts, and symphonies



Statue of an early 20th century family and their pet rooster, located in Centennial Park on Main Street in downtown Broken Arrow.

The following are a few of the sites in Wagoner County listed on The National Register of Historic Places:

- Cobb Building, Wagoner
- First National Bank of Wagoner
- First Presbyterian Church of Coweta
- John W. Gibson House, Wagoner
- Red Bird City Hall, Red Bird
- Rio Grande Ranch Headquarters, Okay
- Wagoner Armory, Wagoner



Wagoner County Demographics

Population: 64,054

Area: 559 square miles

2011 Real Property Net Assessed Valuation: \$345,335,610

2011 Personal Property Net Assessed Valuation: \$53,139,692

