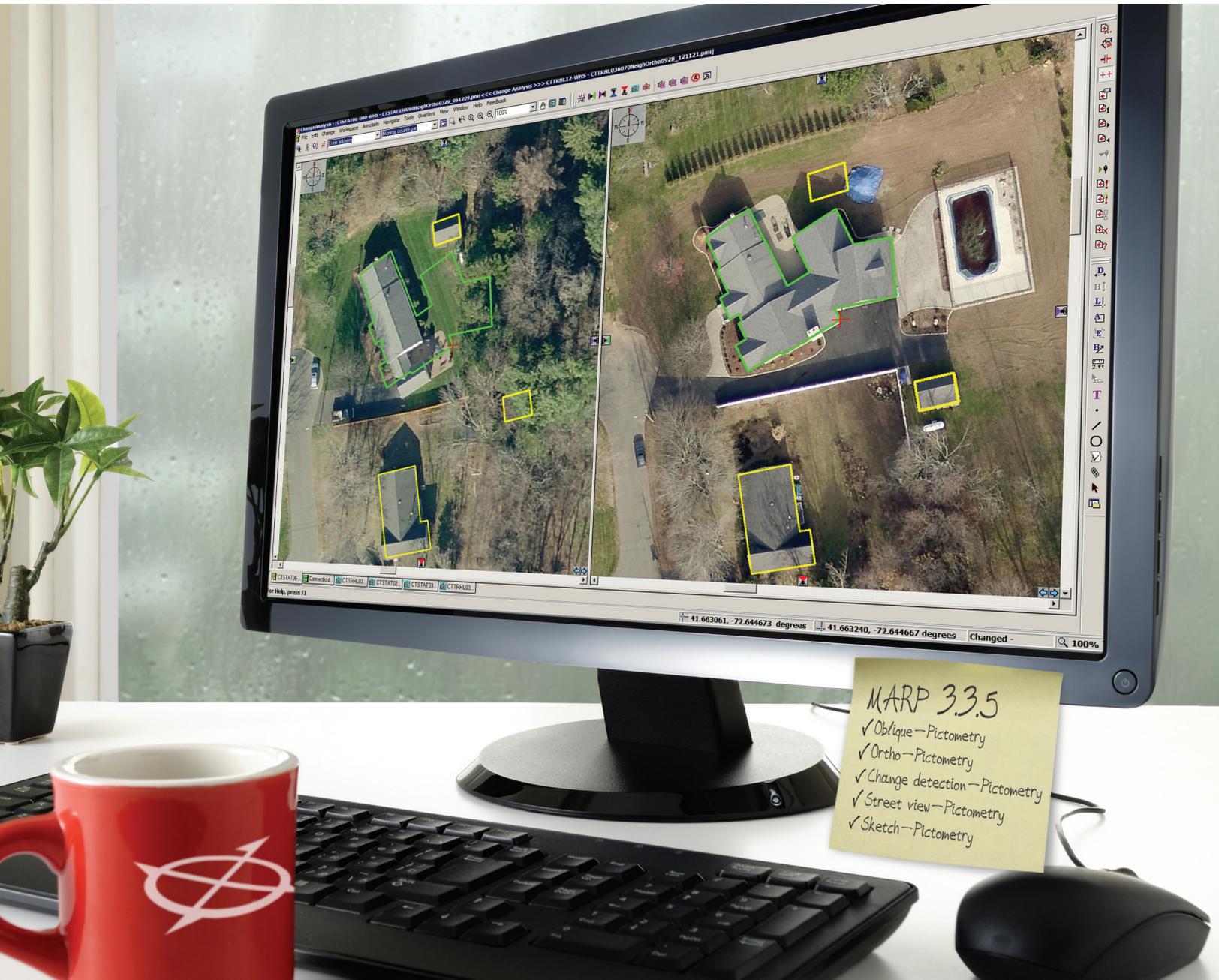


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FROM THE PRESIDENT

Kim Lauffer, RES

Dear IAAO Members,

Here it is July already! I hope you are taking time to enjoy all that summer has to offer—beautiful sunsets, snakes, fireflies, humidity, picnics, mosquitos, relaxing evenings on the deck, sweltering heat, and a family vacation! Just remember, it will be January before we know it.

June was a busy month for meetings and travel. I was privileged to attend four meetings, and President-Elect Martin Marshall attended two. I attended the Preparation and Trial of the Property Tax Seminar June 5–6 in Kansas City. The newly revised program was well attended, and I am happy that it is back in the lineup of IAAO offerings. I know the Legal Committee will continue to fine-tune the format, and I will be anxiously awaiting the 2016 version. The Legal Committee is chaired by Debbie Cartwright, with hard-working members Gaylord Wood, Wayne Tenenbaum, Tom Jaconetty, Edye McCarthy, and Michele Crepeau. IAAO staff members Mary Odom, Matt Merrigan, and Lisa Daniels were also at the meeting to ensure everything went smoothly.

The Annual Conference of the North Central Regional Association of Assessing Officers was held June 8–11 in Deadwood, South Dakota. This major event hosted approximately 300 attendees and offered high-quality educational sessions. The regional association meetings are an excellent way for people who are not able to attend the IAAO annual conference to gather in a centralized location and benefit from educational sessions. The education and networking opportunities are exceptional, and I believe it would be beneficial for other regions, besides Northeast and North Central, to consider forming regional associations.

The Summer Meeting of the Arkansas Assessors Association was held June 11–13 in Rogers, Arkansas. The members from Arkansas do a fantastic job of making it both educational and entertaining. My Arkansas friends provided great opportunities to experience Arkansas life. I enjoyed a low-country dinner—crawfish, corn, and potatoes in an apparent trash bag! While there I was privileged to tour Walmart corporate headquarters with Associate Member Lou Newman as host. Lou also gave me and my host Lee Ann Kizzar a tour of beautiful downtown Bentonville, home of Walton's 5&10, where it all began.

My travel schedule allowed me to attend the Annual Meeting of the Kansas County Appraisers Association in Lawrence, Kansas, home of my beloved Jayhawks!

The Executive Board will meet July 18–19 in Chicago. Agenda items include an update on the revamp of IAAO educational products, a report and project plans from the new Technology Committee, a report from the Member Recognition Committee, and site selection for the 2019 Annual Conference.

The Infrastructure Review Committee will be meeting in Chicago immediately prior to the board meeting. The Budget Committee will meet immediately after to work on the 2015 budget. The timing will allow the Infrastructure Review Committee to provide the board with an update on its progress. As you may recall from my message last month, this committee is charged with developing a project plan identifying the body of knowledge that is useful and necessary for anyone entering the assessment profession. A concern that arose during discussions with this committee and subsequently with the Technology Committee

(continued on p. 35)

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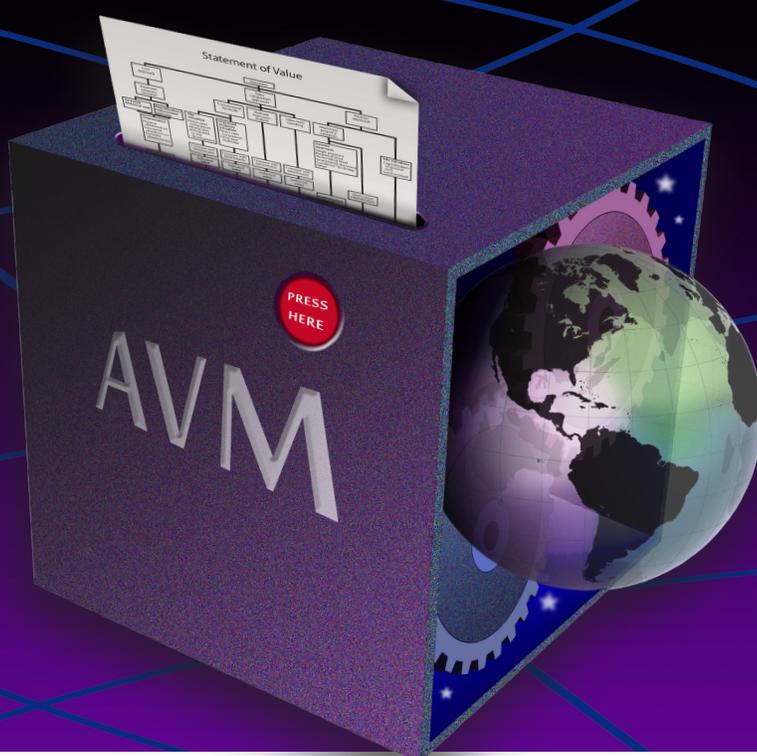
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Moving Automated Valuation Models Out of the Box: The Global Geography of AVMs

Paul E. Bidanset



The statements made or opinions expressed by authors in Fair & Equitable do not necessarily represent a policy position of the International Association of Assessing Officers.

The technical standards page of the IAAO website states, *IAAO assessment standards represent a consensus in the assessing profession. The objective of the IAAO standards is to provide a systematic means by which assessing officers can improve and standardize the operation of their offices. The IAAO standards are advisory in nature and the use of, or compliance with, these standards is purely voluntary.* (accessed June 23, 2014)

In April 2014, the IAAO Technical Standards Committee discussed whether the *Standard on Automated Valuation Models* should be opened for revision. The committee discussed the purpose of this standard with Research Committee member Gary Snyder, RES, past Research Committee member August Dettbarn, and me. Both the Research Committee and the Technical Standards Committee had indicated that the standard should be updated. It was initially created in 2003, and the use of automated valuation models (AVMs) and related technology has increased significantly since then.

The committee voted unanimously to open the standard for revision and accept comments from IAAO members and private-sector stakeholders. The staff liaison to the Research Committee, Mary Odom, conducted a literature search as part of evaluating the standard. The results of the search provide a valuable resource for updating the draft standard. A list of stakeholders who can contribute to the standard is also being developed.

The *Standard on Automated Valuation Models* is somewhat different from other IAAO standards in that,

...it is intended to provide guidance for both public sector CAMA and private sector AVMs. This standard provides recommendations and guidelines on the design, prepara-

tion, interpretation, and use of automated valuation models (AVMs) for the appraisal of property. (IAAO 2003)

There was consensus by meeting participants that in-depth information about AVMs needs to be explored and made available to members through a series of brief articles; this is the first of those articles.

Definition of an AVM

What is an AVM? How is it used? Where are AVMs being used in the world? This article is by no means a holistic coverage of the specific degree of AVM use in all countries, but rather a survey of international scope—ultimately serving to set the stage for the advancement of international standards.

The understood and accepted definition of an AVM varies across professional and geographic boundaries and seems to be contingent upon individual experience with and exposure to AVMs. While each respective definition may vary, the overarching premise is the same: an AVM is a mathematical model created in a computing environment that estimates the value of a property. For consistency, this article assumes the IAAO definition:

An automated valuation model (AVM) is a mathematically based computer software program that produces an estimate of market value based on market analysis of location, market conditions, and real estate characteristics from information that was previously and separately collected. The distinguishing feature of an AVM is that it is an estimate of market value produced through mathematical modeling. Credibility of an AVM is dependent on the data used and the skills of the modeler producing the AVM. (IAAO 2003)

AVMs are also commonly referred to as CAMA (computer-assisted mass appraisal) models. The most common AVMs in the appraisal industry are based on multiple regression analysis, although additional types do exist (e.g., machine-learning, fuzzy algorithms).

AVM advancement does not occur in a geographic vacuum. With such readily available data and ever-increasing ease of the global exchange of data and ideas, AVMs are spreading and advancing throughout the world.

With respect to AVM establishment, the United States arguably has the strongest reputation across the globe. For more than 20 years, AVMs in the United States have served a wide array of industries, being used for property tax assessment, fraud detection, loan origination, portfolio valuation, and more. Other nations' AVM development (e.g., Canada and Germany) have been significantly influenced by that of the United States (Downie and Robson 2007).

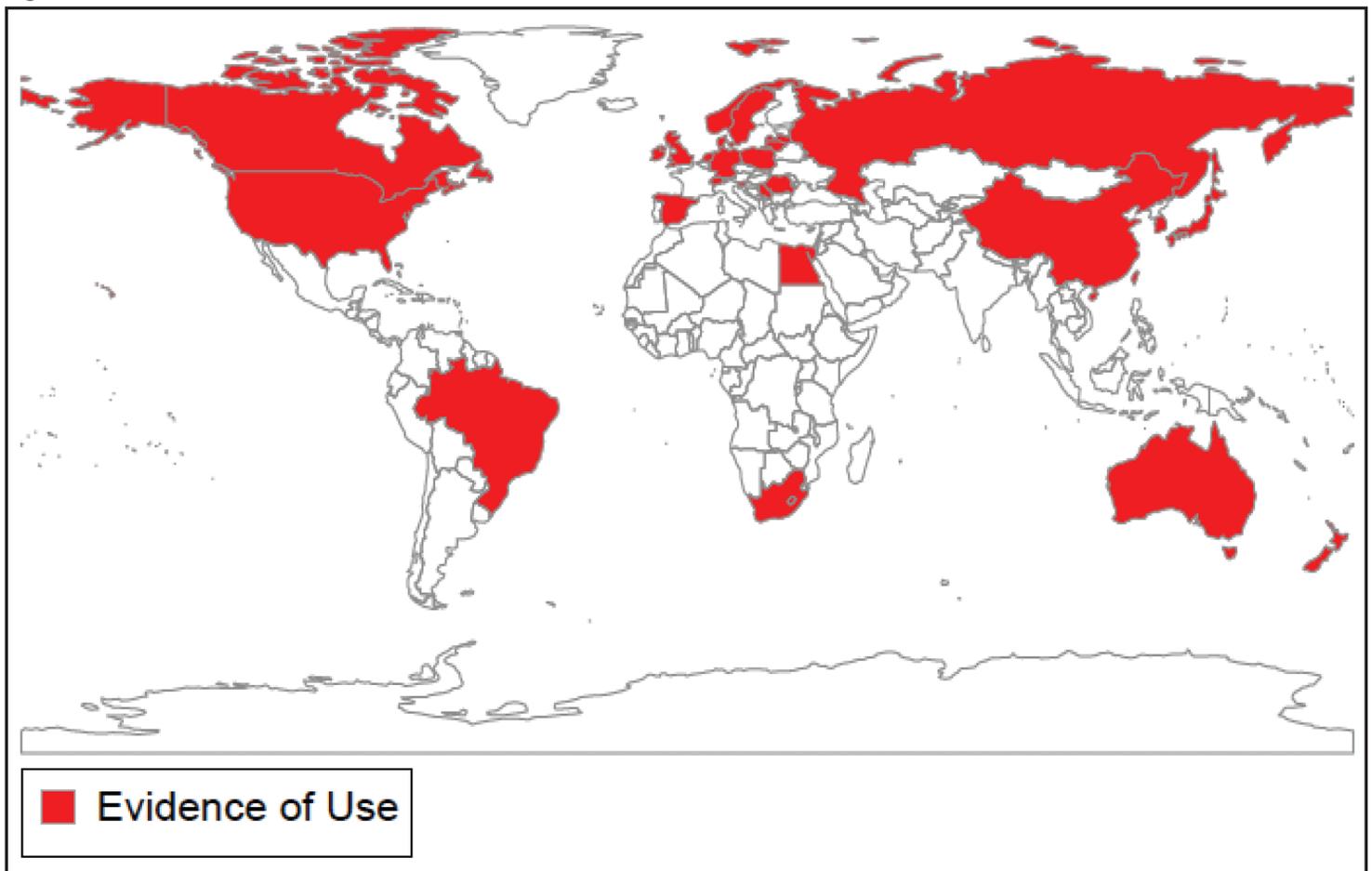
With such profound AVM establishment, expectedly a number of agencies and organizations have arisen to oversee regulations to promote overall AVM accuracy and standardization. Guiding AVM use in the assessment industry are IAAO and the Appraisal Institute. In the lending industry, federal agencies (e.g., the Federal Deposit Insurance Corporation) and membership organizations (e.g., Mortgage Bankers Association of America) also take part in the promotion of fair and accurate AVM use (Federal Deposit Insurance Corporation 2014; Downie and Robson 2007).

AVM advancement does not occur in a geographic vacuum. With such readily available data and the ever-increasing ease of the global exchange of data and ideas, AVMs are spreading and advancing throughout the world.

Figure 1 illustrates where the majority of AVM use is occurring based on the references cited throughout this article (with additional countries as listed in Almy and Ferguson [2010]). Although this figure does not include all countries using AVMs, it does provide a geographic visualization of the countries most involved with AVM applications.

As Eastern economies continue to grow, more and more countries (e.g., Korea, Japan, Singapore, and China) are turning to AVMs to solve their valuation needs (Downie and Rob-

Figure 1. World AVM Use*



*Created in the R open-source software environment using the 'worldmap' package developed by Andy South.

son 2007). Valuation models developed in the United States are not always directly applicable to foreign property; the same principles can be applied but models must be calibrated and catered specifically to the respective markets.

Denmark

In Denmark, modeling is one of the central government's valuation approaches. It has amassed a database of sales transactions complete with property characteristics dating back to the 1960s. The multiple regression-based system, which mirrors that of American CAMA systems, has been in place since 1981 and is used to value approximately 75 percent of all properties (Müller 2002). The Danish Financial Supervisory Authority (FSA), or "Finanstilsynet," audits the valuations by mortgage banks, and banks are permitted to use AVMs only for specific types of properties under FSA supervision (Petersen et al. 2014, 273).

While Denmark, Germany, Spain, Sweden, and the United Kingdom utilize AVMs for portfolio valuation purposes, Austria, Italy, and Greece do not (Downie and Robson 2007). Greece maintains no public database of property transactions, and this has sufficiently stunted growth of AVMs there (Barańska 2013). And while Iceland has no established official AVM use, private firms are currently developing them (Finnsson 2014). Poland has been utilizing modeling systems for mass appraisal since the early 1990s (Walacik et al. 2013)

Canada

In Canada, AVMs, which began in the late 1990s, are relatively well established—only slightly less so than those of the United States. They are used for online consumer purposes, lending, as well as property tax valuation. The Canadian government has created such a well-maintained database of property transactions that it has begun selling these data to private corporations and individuals, resulting in a healthy private supply of AVMs as well (Downie and Robson 2007).

Sweden

Like Canada and the United States, Sweden has established a strong reputation for widespread AVM systems. It has been using them for property tax assessments since the 1980s—valuing properties every three years—and the banking industry began using them for loan origination purposes beginning in the 1990s (Downie and Robson 2007). Sweden's Land Data Bank System encapsulates an exhaustive history of property transactions and respective characteristics. This, in addition to AVMs' ready-made availability, has fostered a strong environment for both public and private AVM creation (Youngman and Malme 1994; Downie and Robson 2007).

South Africa

General acceptability of AVMs varies greatly from country to country. Despite the fact that AVMs are being used to various

degrees, valuation professionals in South Africa are relatively leery of AVM use. In a recent study by Boshoff and De Kock (2013), a "well-balanced profile of the South African valuer profession" was interviewed regarding their knowledge of, experience with, and sentiments toward AVMs. Many of these valuers consider AVMs a threat to their profession. The authors characterize valuation professionals in South Africa as being relatively senior in age and expect that such negative sentiments will likely diminish as these valuers enter into retirement. This attrition will make way for increased AVM use in the public and private markets, and this increased use, in turn, will likely compensate for the decreased supply of professionals. Boshoff and De Kock (2013) do note, however, that both the South African Council for the Property Valuers Profession and the South African Institute of Property Valuers are opposed to AVMs, despite a lack of evidence documenting this sentiment.

Valuation models developed in the United States are not always directly applicable to foreign property; the same principles can be applied but models must be calibrated and catered specifically to the respective markets.

South Africa did not begin storing property transaction data until 1993 (Downie and Robson 2007), but increased information demand and requirements by the government that properties be valued at market value are causing a rise in AVM use in both the public and private sectors. In cities such as Johannesburg automated mass appraisal models are used to value residential properties for tax purposes (Cox 2014).

Australia

Australia has a steadfast optimism to advance and employ AVMs in both the lending and assessment industries. At the 12th Annual Pacific Rim Real Estate Society Conference in 2006, Dr. David Parker (General Manager, Australian Valuation Office; Adjunct Professor of Property, University of Queensland; Adjunct Professor, University of Western Sydney; Visiting Fellow, University of Ulster) presented a paper, "Automated Valuation Models: A Practitioner Perspective." Parker highlighted the increase in popularity and use of AVMs (driven mostly by their increased prevalence in the West) since their introduction into the country in the early 1970s (Fortelny and Reed 2005) and concluded that Australia could benefit greatly from embracing AVMs in the future (Parker 2013). At the same conference, Dr. Peter Rossini and Paul Kersha of the University of South Australia's Centre for Regulation and Market Analysis demonstrated the ability of AVMs to produce valuations of Australian properties in compliance with IAAO standards (Rossini and Kersha 2006).

Since this conference, a focus on embracing AVMs has occurred throughout Australia. With regard to property tax, Southern Australia and Western Australia have used AVMs for many years (unlike their more densely populated eastern counterparts), but an ever-increasing number of private firms are providing AVMs throughout the country for online real estate data, mortgage securities, and loan purposes (Rossini and Kershaw 2008).

Areas such as Whittlesea, Victoria—which in 2012 was one of the four fastest growing municipalities in Australia—have experienced success with AVM development. Whittlesea began using MRA-based models for residential valuation about 2000.

It is evident that AVMs are widespread and there exists a strong semblance of similarity in their use throughout the world. One specific area that must be addressed for international standards is that definitions do vary.

Under the direction of Dr. Richard Borst, Sr., Research Scientist of Texas-based Tyler Technologies, an MRA-adjusted-comparable-sales-based AVM was implemented in Whittlesea in 2010 using Spatialest (developed by geopii of Northern Ireland). When applied to a sample of residential sales in Whittlesea, this AVM achieved a COD of 5.17. Gino Mitrione, Manager of Property & Valuation Services at City of Whittlesea, expects to see widespread growth in the use of AVMs throughout Victoria and the entirety of Australia (Mitrione 2012).

United Kingdom

The 2007 valuation of Northern Ireland employed a CAMA modeling team (Barańska 2013). Multiplicative models with logarithmic functions were used (McCluskey 2012). In the United Kingdom, AVMs are an accepted form of valuation for mortgage loan purposes (Petersen et al. 2014, 486–487).

Methodological Advancement

A number of leading experts are bridging the gap internationally between academia and practitioners. Tom Kauko (Norwegian University of Science and Technology) and Maurizio d'Amato (Technical University Politecnico di Bari) published *Mass Appraisal Methods: An International Perspective for Property Valuers*, a book featuring research and case studies on cutting-edge methodologies by leading modelers and valuation specialists from a variety of international markets (Kauko and d'Amato 2009). A follow-up book, *Advances in Automated Valuation Models*, is set to be released by Springer Verlag in 2015.

The School of the Built Environment of the University of Ulster in Northern Ireland continues to have a significant presence in the development of AVM methodology. Industry

expert Dr. Richard Borst completed his doctorate at the University of Ulster and has gone on to develop and implement AVMs within governments all around the world, including Brunei and Australia (Borst 2014). Dr. William McCluskey, faculty member at the University of Ulster and editorial board member for the *Journal of Property Tax Assessment & Administration*, has published a wealth of research advancing AVM methodology in numerous international journals.

European AVM Alliance

European countries are continuing to advance the establishment of AVMs. The European AVM Alliance—led by private firms in the United Kingdom, the Netherlands, Switzerland, and Norway—exists to promote a “consistent approach to automated valuations enabling the mortgage lending, investor, rating and regulatory communities to operate in a more transparent and effective way” (European AVM Alliance 2014).

In a development related more to property tax than to the lending industry, the Royal Institute of Chartered Surveyors (RICS) has drafted official guidelines for AVM use specifically in the United Kingdom—citing IAAO standards throughout (Bradford and Crispin 2013). Additional international organizations that have cited the IAAO AVM standards are the Appraisal Institute of Canada and the Republic of Serbia Geodetic Authority.

AVMs are widespread, and there are strong similarities in their use throughout the world. One specific issue that must be addressed for international standards is the variability in definitions. In South Africa, AVMs are commonly thought of as strictly and completely automated, implying no human interaction whatsoever; therefore, any model that is calibrated, for example, would not technically be an AVM to a South African (Boshoff and Kock 2013). Jargon must be evaluated, and definitions should be specific and consistent (Downie and Robson 2007). Other cultural and geographically induced hurdles will likely arise, but further research on the topic will help mitigate and potentially prevent any difficulties encountered.

Conclusion

AVMs are used in multiple industries in countries across the globe. While they are currently more established in the West, the growing economies in the East are experiencing increased ease in the flow of technology and information. This ease of use, coupled with a large number of wary opponents reaching retirement age in countries such as South Africa, indicates that there is a great opportunity for and likely widespread expansion of AVMs. With such momentum, the potential for a globally synergetic AVM movement is evident. It is truly exciting and thus very appropriate timing that the *IAAO Standard on Automated Valuation Models* is being reopened. An evaluation of methodological advancements thus far should follow. The next steps are many, but

should not be daunting. The caliber and dedication of IAAO, its committees, and its members will again be evident—that we, as a community, are capable of rising to this task.

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General Discussion List—Senior Citizen

Property Tax Exemption

Q. Ronald E. Brown, Anchorage, Alaska

Greetings from Alaska! I've have a request that I'm hoping some of you may be able to help with.

The State of Alaska offers a \$150,000 Senior Citizen Property Tax Exemption for homeowners who are citizens of the state, own and reside in a home, and are 65 years of age or older. In the past the exemption was limited to only that portion of a home that was occupied by the qualifying senior citizen, unless the other resident/owner was their spouse. If the second resident of the home was the spouse of the qualifying senior citizen, the exemption was extended to the full \$150,000. If the second resident/owner of the home was not the spouse, the exemption amount was generally capped at half that amount, or \$75,000.

The Alaska Supreme Court has just ruled (*State vs. Schmidt*, April 25, 2014) that the exemption program, as implemented, violated the equal protection rights of same-sex couples. Also, note that same-sex couples can neither marry nor have their marriages recognized in Alaska.

Consequently, it may be required that local assessors obtain an affidavit from same-sex couples that would serve the same as the marriage license did with opposite-sex couples. There may also be a need for a notice of dissolution of such a relationship. In continuing this exemption program into the future, we may be designing such a form for use within the State of Alaska. We were curious whether other states, counties, or cities have such an application or affidavit and would be willing to share it with us.

A. Alan S. Dornfest, AAS, Boise, Idaho

My main question is whether the non-recognition of same-sex marriages in Alaska is statutory or constitutional. Idaho has an equivalent measure that is constitutional, so I presume the Idaho Supreme Court would not rule against it. That of course begs the question—or maybe cries out for one—of what would the U.S. Supreme Court do. To complicate matters further, the Idaho program is income-tested, with a starting point of federal adjusted gross income. My understanding is that the feds recognize same-sex marriages for income purposes, but Idaho does not.

A. Ronald E. Brown, Anchorage, Alaska

As to your question, and this is copied from the case:

“In 1998 Alaska voters amended the Alaska Constitution by adopting the Marriage Amendment, which became article I, section 25 of the Constitution. Its full text provides, ‘To be valid or recognized in this State, a marriage may exist only between one man and one woman.’ The Marriage Amendment effec-

tively precludes same-sex couples from marrying in Alaska or having their out-of-state marriages recognized in Alaska.”

At this point, I'm just collecting data. My opinion, for what little it may be worth, is that the whole case is just an exercise to draw the state statutes and the state constitution into a courtroom situation on a very current, very contentious issue. The Senior Property Tax Exemption was just an expedient means of achieving that fit the bill and here we are.

When this issue is addressed, my thinking is to remove any reference of marriage to the exemption whatsoever. If a senior citizen owns a home, lives in it, and is a citizen of the state, then just give them the \$150,000. If there is someone else residing there, then so be it. The senior is exempt up to their percentage of ownership or \$150,000, whichever comes first. And, of course, for a duplex, they would be restricted to only the value of the unit they live in. It would actually be a little easier to administer for us and we wouldn't have to keep these affidavits stored under lock and key down at City Hall.

But, the system being what it is, there will be a need to present options. So, as I said, right now I'm getting as much as I can.

A. Alan S. Dornfest, AAS, Boise, Idaho

Thanks. Please send out the citation for the case. Idaho has very similar language in its constitution. We are administering our circuit breaker, senior tax credit, in much the same way. In other words, if a husband and wife own property together, it is community property in Idaho. If only the husband was 65 and qualified, we would still give a full benefit. If there was a same-sex marriage, however, given the same (above) situation, we would pay benefits on half the value of the property since there would now be an ineligible non-recognized spouse (younger than 65). I am copying our deputy attorney general as well.

A. Ronald E. Brown, Anchorage, Alaska

The opinion from the Alaska Supreme Court was just released on April 25, 2014, so it has yet to be published. However, the opinion is available from the Alaska Court System at [see original post on AssessorNET for the link]. The specific case is noted as 6898 S-14521 *State vs. Schmidt*.

A. Alan S. Dornfest, AAS, Boise, Idaho

Thanks. I've sent the link to our legal staff. I'd also like to know whether it is appealed to federal court, especially since Idaho is in the same Federal 9th Circuit.

A. Alan S. Dornfest, AAS, Boise, Idaho

In the case of Idaho's circuit breaker program, there are income criteria and we count income of spouses only—not other household members. In theory then, one same-sex partner could have \$20,000 income (Idaho's limit is about \$28,000)

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and the other \$80,000. The household would be disqualified if considered married, but given that we cannot consider them married in Idaho, if the partner with \$20,000 were eligible due to age and ownership, then if both owned the property we would reduce the eligible value (the value on which the tax credit would be paid) to half the total homestead and pay full benefits (up to \$1,320) in credit against current property tax. There's even an issue about determining income since, as I understand, the IRS allows them to file as married joint while we require the income and filing to be broken down.

A. Ronald E. Brown, Anchorage, Alaska

In Alaska, there are no income qualifications. The applicant must be 65 or over, own the home, use it as their primary residence, and be an Alaskan resident. Of course, there are the usual complications for multifamily properties (duplexes, triplexes), partial ownership interests, and other less routine situations and properties.

A. Alan S. Dornfest, AAS, Boise, Idaho

In my opinion, policies like this are not made to satisfy technical concerns, only philosophical ones.

It's IAAO's 80th Anniversary and You Can Get Our Gifts

To celebrate our 80th Anniversary, IAAO is holding monthly drawings for great gifts. All you have to do to be entered is refer new members to IAAO. Current members will get one entry into each drawing for every new member referred.

Thank you to everyone who has referred new members to IAAO and congratulations to all who have won so far in 2014!

- Tina Stone, PPS, of Raleigh, NC (Keurig coffee maker)
- Cleta Hardy of Little Rock, AR (IAAO webinar registration)
- Jim Duckworth, CMS, of Magnolia, MS (portable DVD player)
- Manny Gallegos of Reseda, CA (\$80 Amazon gift card)
- Elisa Hand of Houston, TX (\$80 Target gift card)

Keep the referrals coming because there are more gifts to give away. Be sure to attend the IAAO 2014 Annual Conference as we'll hold one drawing in Sacramento and give a lucky member \$800 cash!

See page 52 in this issue of *Fair & Equitable* for more information on this IAAO 80th Anniversary promotion!

LEGAL TRENDS LITIGATION AND LEGISLATION AFFECTING PROPERTY TAXATION



Conservation Easements

How much value does land lose when it is donated for a conservation easement?

The 10th Circuit U.S. Court of Appeals addressed this question recently in an appeal of a U.S. Tax Court decision. While the dispute centered on the amount of the charitable deduction that the landowners could take on their federal income tax returns, the resolution hinged on a determination of the highest and best use of the property before the easements were granted and their value afterwards.

The easements were located on a 2,200-acre property in a rural area of Colorado. The property was owned by a partnership. Approximately two-thirds of the property was leased to a gravel-mining operation; the rest was used for agriculture. In 2004, three partners decided to each donate a parcel of land abutting the gravel pit to a conservation organization. The three parcels, covering approximately 55 acres each, were to be maintained in perpetuity by the organization "in

their natural state" preserving their "biological, ecological, and environmental characteristics." The grant specifically prohibited any mining activity on the properties.

Taxpayers' Deduction

Over the next three tax years, each partner deducted the value of its easement donation as a charitable contribution on its federal income tax return. Based on an appraisal of the land as future gravel-mining property, the individual deductions taken were \$570,000, \$867,500, and \$836,500.

The Internal Revenue Service (IRS) subsequently audited the returns and challenged the amount of the deductions. It did not challenge whether the donations were "qualified conservation contributions" under the Internal Revenue Code.

Because there were no sales of conservation easements for a comparable sales analysis, the parties agreed to conduct a valuation based on the before-and-after method. In this method, the charitable deduction allowed for donation of a

(continued on page 10)



conservation easement is calculated as the difference between the land's value in its highest and best use before the donation and its value after the conservation easement is in place.

The IRS contended that the “before” value should be based on the land's current use as irrigated and non-irrigated agricultural land. The taxpayers maintained that the before value should be based on the property's potential use as an extension of the gravel pit. While the taxpayers admitted that the land historically had been used as farmland, they contended that the permits necessary to mine gravel could have been obtained.

Court's Determination

The appeals court came to the same conclusion as the tax court—that the parcels should be valued as agricultural land. A highest and best use analysis is one of “objective probabilities,” the appeals court stated. Therefore, for a suggested higher and more profitable use than the current use to succeed requires both “closeness in time” and “reasonable probability.” The appeals court pointed to the taxpayers' own evidence in the tax court proceedings that indicated that there was still approximately 24 tons of gravel yet to be mined in the existing pit. In the year of the donations, the mine produced nearly 1 million tons of gravel, which satisfied demand within its current market area of approximately 100 to 150 miles. There was, at the time, no demand for the operation's gravel in the state's more distant population centers, such as Denver, and there was no convincing evidence presented that such demand might materialize anytime soon. While the mining of gravel may have been physically possible on the donated land, the appeals court concluded, there was no evidence there would be any demand for such a use in the “reasonably foreseeable future.”

Based on several recent comparable sales in the area of agricultural land with underlying gravel reserves and adding

in the value of the properties' water rights, the “before” values were determined to be \$73,774.00 for two properties and \$76,502.50 for the third. The “after” values, as agreed to by both parties, were \$24,000.00 for two properties and \$27,000.00 for the third. Therefore, the allowable charitable deductions were determined to be \$49,774.00 and \$49,502.50, respectively.

(*Esgar Corporation, Delmar L. Holmes and Patricia A. Holmes, George H. Tempel and Georgetta Tempel v. Commissioner of Internal Revenue*, U.S. Court of Appeals, 10th Circuit, No. 12-9009, March 7, 2014; *Esgar Corporation, et al. v. Commissioner of Internal Revenue*, U.S. Tax Court, T.C. Memo 2012-35, February 6, 2012)

Senior/Veterans Exemptions

A senior who places the ownership of his or her residence in a trust is no longer eligible for the property tax exemption granted to seniors under the state constitution, the Virginia attorney general has opined. The same would be true for the exemption granted to veterans who are 100 percent disabled. On the other hand, if the senior or veteran occupies a residence as a life tenant in a life estate, the exemption would still be available, the attorney general wrote.

When title to a residence is held in a trust, the attorney general explained, the ownership is with the trust and the trustee, not the granting party or the trust's beneficiary. The property would still not qualify even if the grantor/owner was named trustee of the trust he or she had created. The reason is that any future conveyance of the property would be carried out in the capacity of trustee rather than as an individual. By the same token, even if the grantor/owner is the beneficiary of the trust, he or she no longer has a legal or an equitable interest in the property itself once the trust has been established.

The situation is different for the senior or veteran who has created a life estate,

the attorney general wrote. A life estate is a form of co-ownership that permits the creating owner to live in the residence for his or her lifetime with ownership passing to the so-called remainder owner upon the occupant's death. Although the life tenant no longer holds the fee simple title, the attorney general wrote, as the Virginia Supreme Court has found, the life tenant still enjoys usufruct control or occupation of the property with all the responsibilities of ownership. Thus, the life tenant is considered the owner for property tax purposes. It was further noted that even if the remainder owner was an otherwise qualifying senior or disabled veteran, the property would not be eligible for an exemption if the life tenant was not a member of a qualifying group.

(Virginia Attorney General, Opinion No. 13-070, December 27, 2013)

Ownership Transfers

The Washington legislature has created a new instrument, the transfer on death deed, that enables a homeowner to convey property on his or her death without going through probate. The transfer is not considered a sale for property tax purposes and also qualifies for the inheritance exemption from real estate transfer taxes.

Unlike some other estate planning strategies, the transfer on death deed does not affect any of the transferor's ownership rights during his or her lifetime including the right to sell or encumber the property. Likewise, a beneficiary of a transfer on death deed receives no legal or equitable interest in the property until the transferor's death. For jointly owned property, the transfer on death deed does not take effect until the passing of the last surviving joint owner.

A transferor is able to revoke the deed at any time during his or her lifetime.

(Washington Uniform Real Estate Transfer on Death Act, Washington 63rd Legislature—2014 Regular Session, H1117, enacted March 27, 2014)

WORLD NEWS

Property taxes could prop up Finnish tax base: IMF
(published May 30, 2014)

by Ulrika Lomas, Tax-News.com, Brussels

News item reports that the International Monetary Fund is encouraging Finland to shift some of its direct taxes to property tax.

For more information, go to: http://www.tax-news.com/news/Property_Taxes_Could_Prop_Up_Finnish_Tax_Base_IMF___64833.html.

Widen property tax net in budget, says European Commission
(published June 3, 2014)

by Ann Cahill, *Irish Examiner*

Article reports on budget recommendations by the European Commission suggesting that Ireland should expand its property tax base to cover a wider number of property types besides residential and commercial. The additional property types would be farmland, development land, and derelict sites. The recommendations are made under an existing agreement that accompanied European Union loans to Ireland as it attempts to balance its budget by 2018.

For more information, go to: <http://www.irishexaminer.com/ireland/widen-property-tax-net-in-budget-says-european-commission-270792.html>.

Legislation to revoke tax exemption for abandoned Jerusalem buildings advances
(published June 8, 2014)

by Daniel K. Eisenbud

Article describes an effort to pass laws in Jerusalem that limit the time a property can remain empty before property taxes must be paid. The intent is to attract new residents and increased commerce and discourage holding onto empty properties without developing them.

For more information, go to: <http://www.jpost.com/National-News/Ministry-takes-first-step-to-revoke-property-tax-exemption-for-abandoned-Jlem-buildings-355689>.

CALIFORNIA

Bill closes commercial property tax loophole
(published May 29, 2014)

by SFGate

News item reports on the elimination of a Proposition 13 loophole that allowed commercial properties to manipulate ownership status to avoid an increase in property taxes upon sale of a property.

For more information, go to: <http://www.sfgate.com/news/article/Bill-closes-commercial-property-tax-loophole-5514539.php>.

PROPERTY TAX INCREASE

Voters to get N.O. property tax hike
(published June 1, 2014)

by Michelle Millhollon

Article describes an attempt to raise the property tax in New Orleans through a complicated series of approvals including a statewide ballot on a constitutional amendment in November, then a separate vote by the citizens of New Orleans.

For more information, go to: <http://theadvocate.com/home/9306997-125/new-orleans-property-tax-hike>.

PERSONAL PROPERTY TAX

Personal property tax ballot proposal won't face opposition, so why do supporters still fear failure?
(published May 30, 2014)

by Jonathan Oosting

Article describes Proposal 1, a ballot initiative to reduce and eventually eliminate personal property tax in Michigan. There is concern that the proposal will be difficult to pass even with no formal opposition, because of poor understanding of the issue and low voter turnout.

For more information, go to: http://www.mlive.com/lansing-news/index.ssf/2014/05/personal_property_tax_ballot_p.html.

LOCAL GOVERNMENT CONSOLIDATION

A citizens' guide to consolidating overlapping governments

(accessed June 3, 2014)

by New York State Governor's Page

Website provides resources for New York state citizens to petition for the consolidation or dissolution of their local governments to remove overlapping duplicative layers of government and achieve economies of scale. The site provides a downloadable booklet, *The citizen's guide to petitioning for local government consolidation or dissolution*.

For more information, go to: <http://governor.ny.gov/citizenconnects/reforminggovernment/guide-to-consolidating-overlapping-gov>.

UNDERWATER PROPERTIES

Taxes still paid on underwater properties
(published June 7, 2014)

by Terry Dickson

Amusing article discusses properties on St. Simon's Island, Georgia, that are assessed at \$200 with a property tax of only \$2 per year. The properties are literally underwater at high tide.

For more information, go to: <http://jacksonville.com/news/2014-06-07/story/terry-dickson-taxes-still-paid-underwater-properties>.

New Books—Request through LibraryLink. Members may borrow books for three weeks.			
Title	Author(s)	Publisher/Date	Description
<i>ANSI Standard Methods of Measurement</i>	BOMA International	BOMA International/ 2009-2012	Gross areas of a building (ANSI/BOMA Z65.3-2009); Industrial (ANSI Z65.2-2012); Mixed-use properties (ANSI/BOMA Z65.6-2012); Multi-unit residential buildings (ANSI/BOMA Z65.4-2010); Office buildings (ANSI/BOMA Z65.1-2010); Retail Buildings (ANSI/BOMA Z65.5-2010)

World Resources—Members may request these articles through LibraryLink.			
Title	Publisher/Date	Author(s)	Description
Governance and finance of metropolitan areas in federal systems	Oxford University Press/ 2013	Editors Enid Slack & Rupak Chattopadhyay	This volume examines the governing structure and finances of metropolitan areas in federal systems. Taking a comparative approach, each chapter examines two large metropolitan areas in 9 federal countries.
The history of rates in Hong Kong: a brief review of 170 years of rating in Hong Kong	Hong Kong Rating and Valuation Department/ 2013	Mimi Brown	Introduced in 1845, the rating system in Hong Kong has a history of nearly 170 years. This book traces the origin of rates, and the early and on-going development of the rating system.
The political economy of property tax reform	OECD/2014	Enid Slack & Richard M. Bird	Property taxes are generally considered by economists to be good taxes, and many countries are being advised to increase and improve their property taxes. In practice, however, property tax reforms have often proved to be difficult to carry out successfully. This paper discusses why property taxes are particularly challenging to reform and suggests several ways in which efforts to reform this tax may become more successful in the future.
Property rates in Hong Kong: assessment, collection and administration	Hong Kong Rating and Valuation Department/ 2013	Mimi Brown	The second edition of Property Rates in Hong Kong, similar to its first publication in 2006, is intended for individuals wishing to have a general understanding of rating valuation and the rating system in Hong Kong.
Property taxes 2013/2014	Bloomsbury Professional/2014	Robert W. Maas	The structuring of property transactions is one of the most difficult areas of tax planning, and this work explains UK law clearly with an emphasis on practical application. Key issues such as the distinction between dealing transactions and investment transactions are covered, as are all relevant taxes, including council tax and landfill tax.
Valuation and assessment of immovable property	OECD/ 2014	Richard Almy	This paper addresses the following questions about immovable property taxation in OECD and partner countries: What is valued? How is it valued? And who values? It draws on published information and data on property tax policy and administration in 172 countries. It focuses on value-based taxes and the features of mass valuation systems.

New Journal Articles—Members may request these articles through LibraryLink.			
Article Title	Journal Title/Date	Author	Description
Best practices: deducting intangible asset value for property tax purposes: how “necessary intangibles” are treated in two recent cases	<i>Insights: Business Valuation, Forensic Analysis, and Financial Opinion Insights/</i> Spring 2014	Richard G. Smith	Two recent judicial decisions provide professional guidance on when—and how—intangible asset value can be excluded from the taxpayer’s total unit value. This issue is particularly complicated when the subject intangible assets are the types of intangible assets that are “necessary” for the taxpayer to operate as a going concern business. Such right-to-do business intangible assets include various types of licenses, permits, and franchises.
Conservation easement confusion in the tax court and fifth circuit	<i>Real Estate Taxation/</i> 2nd Quarter, 41 (3)	David M. Wooldridge, Ronald A. Levitt, and Gregory P. Rhodes	The Tax Court not long ago issued a third opinion in the ongoing conservation easement litigation between Whitehouse Hotel Ltd. Partnership and the IRS. The Whitehouse trilogy of opinions provides unique insight into important valuation issues pertinent to conservation easements.
Considerations for the selection of a real estate expert	<i>Real Estate Issues/</i> 2013, 38 (3)	Nick Nicholas	The author discusses the primary considerations for the selection of a real estate expert from multiple points of view- clients, experts and attorneys.

Members who would like assistance with accessing these materials can contact Director of Library Services Mary Odom at 816/701-8117 or library@iaao.org.

New Journal Articles—Members may request these articles through LibraryLink. (continued)			
Article Title	Journal Title/Date	Author	Description
The effect of elevations and corner location on oceanfront condominium value	<i>Journal of Real Estate Research/</i> July-Sept 2103, 35(3)	Bruce L. Gordon, Daniel Winkler, J. Dong Barrett, and Leonard Zumpano	Although previous research indicates that condominium unit location within a development has an effect on its value, no research has examined oceanfront condominium units and the unique influences to which they are exposed. This study analyzes data from condominium sales along the Gulf Coast of Alabama using hedonic pricing models that account for the externalities associated with their location.
Estimating the effect of crime risk on property values and time on market: evidence from Megan's Law in Virginia	<i>Real Estate Economics/</i> Spring 2014, 42 (1)	Scott Wentland, Bennie Waller, and Raymond Brastow	The authors examine neighborhood externalities that arise from the perceived risk associated with the proximity of a registered sex offender's residence.
Evaluating coastal real estate value vs. risk in the wake of sea level rise	<i>Real Estate Issues/</i> 2013, 38 (3)	Valerie Seidel, Hunter Richards, and Owen Beitsch	When coastal properties become uninhabitable and roads impassable due to natural disaster, the entire community sees the loss of economic output. Impacts of Sea Level Rise (SLR) have now been modeled for most of the coastal United States. This article presents a brief review of the literature on the topic, and describes the findings of a detailed cost-benefit analysis conducted to address coastal resiliency options in Florida.
Expert witnesses: draft reports and counsel	<i>Canadian Property Valuation/</i> 2014, 58(2)	John Shevchuk	An appraiser retained to provide an opinion in a litigation context invariably prepares one or more drafts leading to a final report. A common practice has been to provide draft reports to instructing counsel for review and comment. However, a recent Ontario court decision raises the prospect of an outright ban on counsel's review of and comment upon draft reports.
How do foreclosures affect property values and property taxes?	<i>Land Lines/</i> January 2014, 26 (1)	James Alm, Robert D. Buschman, and David L. Sjoquist	Drawing on proprietary foreclosure data from RealtyTrac- which provides annual foreclosures by zip code for the period 2006 through 2011 – this report is the first to examine the impacts of foreclosures on local government property tax values and revenues.
The impact of historical designation on property values before and following Hurricane Ike: the case of Galveston Texas	<i>Journal of Real Estate Portfolio Management/</i> Sept-Dec 2012, 19 (3)	Wen-Yao Grace Wang, Kris J. Knox, and Gerald E. Hite	The desire to preserve architectural heritage ensures that the historic districts continue to contribute to Galveston's economy. After Hurricane Ike, it became more challenging for homeowners in historic districts on Galveston Island to renovate damaged properties.
Incorporating capital recovery into discounted cash flow models	<i>The Appraisal Journal/</i> Winter 2014, 82(1)	Sergey Gribovsky	This article analyzes discounted cash flow (DCF) and income capitalization methods and suggests enhancement of the traditional DCF technique to allow for explicit incorporation of various capital recovery patterns on par with those in income capitalization techniques such as the Inwood, Hoskold, and straight-line premises.
Issues related to the unit valuation principle	<i>Insights: Business Valuation, Forensic Analysis, and Financial Opinion Insights/</i> Spring 2014	Robert P. Schweihs and Robert F. Reilly	This discussion summarizes the generally accepted unit valuation approaches, methods, and procedures. And, this discussion describes and illustrates some of the application limitations associated with the use of the unit valuation principle.
Land rush! Winners and losers in the new century	<i>The Appraisal Journal/</i> Winter 2014, 82(1)	Barrett A. Slade	This article discusses the findings of transaction-based, constant-quality, land price indices in 28 US metropolitan markets. The indices were developed to examine price changes that occurred during 2000-2012 and were constructed using a large data set provided by CoStar Group, Inc. The indices capture the dramatic changes in land prices during this period and allow a comparison across metropolitan markets.
Land values in Chicago, 1913-2010: A city's spatial history revealed	<i>Land Lines/</i> April 2014, 26 (2)	Gabriel M. Ahlfeldt and Daniel P. McMillen	The authors' sampling of data from Olcott's Land Values Blue Book of Chicago provides a clear picture of the spatial evolution of Chicago from 1913 to 2010, demonstrating the strong role that history continues to play in the current structure of the city.

New Journal Articles—Members may request these articles through LibraryLink. (continued)			
Article Title	Journal Title/Date	Author	Description
Market approach methods for intangible asset property tax valuations	<i>Insights: Business Valuation, Forensic Analysis, and Financial Opinion Insights/ Spring 2014</i>	Aaron M. Rotkowski and Robert F. Reilly	Summarizes the generally accepted methods, procedures, and data sources related to the market approach valuation of intangible assets. Also presents an illustrative example of the market approach valuation of a corporate taxpayer's intangible asset for property tax purposes.
Moment of truth	<i>Valuation Insights & Perspectives/ 1st Quarter 2014, 19 (1)</i>	Peter Christensen	The author reviews several questions posed to appraiser expert witnesses in real cases involving valuation testimony and discusses what there is to learn from their answers.
The property tax valuation of customer intangible assets	<i>Insights: Business Valuation, Forensic Analysis, and Financial Opinion Insights/ Spring 2014</i>	Justin M. Nielsen and Robert F. Reilly	This discussion summarizes the generally accepted approaches and methods related to the valuation of a taxpayer's customer-related intangible assets. Also considers the components of the customer intangible asset, the common types of customer intangible assets, and the common types of customers.
Ranking up by moving out: the effect of the Texas Top 10% Plan on property values	<i>National Tax Journal/ March 2014, 67 (1)</i>	Kalena E. Cortes and Andrew I. Friedson	Texas engaged in a large-scale policy experiment when it instituted the Top 10% Plan. This policy guarantees automatic admission to their state university of choice for all high school seniors who graduate in the top decile of their high school class. The authors find evidence that households reacted strategically to this policy by moving to neighborhoods with lower-performing schools, increasing property values in those areas.
Regression modeling for vertical and horizontal property tax inequity	<i>Journal of Housing Research/ 2014, 23(1)</i>	John W. Birch and Mark A. Sunderman	Early property tax regression models were used to estimate vertical inequity across assessment districts. By their nature, these models contain measurement error bias. Addition of variables for neighborhood inequity provides critical information at the local level. It also overcomes possible OV bias in estimates for district vertical inequity.
A tale of two theories: an appraiser's insight on economic units and larger parcels	<i>Right of Way/ March/ April 2014, 61(2)</i>	Christina Holmes	On a single-owned land tract, properties along major roadways often have more than one distinct use. When eminent domain is involved, valuation of this property type presents some unique appraisal challenges, particularly when only a partial acquisition or taking is proposed.
Thought leadership: property tax valuation of taxpayer intangible assets	<i>Insights: Business Valuation, Forensic Analysis, and Financial Opinion Insights/ Spring 2014</i>	Robert F. Reilly	Valuation analysts are often called on to conduct valuation, intercompany transfer price, or economic damages analyses related to taxpayer intangible assets. This discussion focuses on the identification and valuation of commercial intangible assets for property tax compliance, appeal, or litigation purposes.
The valuation of churches during periods of prolonged high unemployment	<i>Real Estate Issues/ 2013, 38 (3)</i>	Bradley R. Carter	Religious service properties are a unique product in the real estate market, and the issues regarding their valuation are complicated by prolonged periods of significant unemployment. This article explores some of the valuation issues specific to this property type, with a particular emphasis on how prolonged unemployment impacts their value, and appropriate valuation techniques.
What's in store for the mall?	<i>Valuation Insights & Perspectives/ 1st Quarter 2014, 19 (1)</i>	Deborah R. Huso	News reports basically have declared the American shopping mall as good as dead. In reality, the market is still thriving and poised for gradual growth and redevelopment.
The window tax: a transparent case of excess burden	<i>Land Lines/ April 2014, 26 (2)</i>	Wallace E. Oates and Robert M. Schwab	The 17th-century British window tax, levied upon the number of windows in a residence, inspired extreme creative measures to avoid the tax. The authors describe the effects and calculate the costs of excess burden induced by this early antecedent of the modern property tax.

New Electronic Resources—Access the full text in LibraryLink.

Title	Publisher or Journal Title, Date	Author(s)	Description
2013 major U.S. hotel sales survey	<i>Hotel Business</i> / March 7, 2014	Daniel H. Lesser	Results and observations from the LWHA 2013 Major U.S. Hotel Sales Survey.
2013 United States hotel franchise fee guide	HVS Global Hospitality Services/ January 2013	Steve Rushmore, Jaimie I. Choi, Teresa Y. Lee, and Jeff S. Mayer	The purpose of this U.S. Hotel Franchise Fee Guide, prepared by HVS, is to provide a comparative review of various hotel franchise brands based on the applicable franchise fees.
Geospatial information and geographic information systems (GIS): an overview for Congress	Congressional Research Service/ May 18, 2011	Peter Folger	This report provides a primer on geospatial data and GIS and provides several examples of their use. In addition, this report describes the federal geospatial enterprise and how it is organized.
Greening the property tax	OECD/2014	Nicola Brandt	This paper reviews the literature and policy discussions about the role of the property tax for land use. There is some evidence suggesting that higher property taxes can limit urban sprawl, although effects are small given relatively given a limited price elasticity of land use. Various property tax design options are discussed that may help to better internalize land use related externalities.
Guideline to estimating the market rent of parking spaces	Appraisal Institute of Canada/ March 1, 2014	D. Allan Beatty	This Guideline is intended to outline best practices for estimating the market rent for parking spaces. Independent, reliable estimates of “market” parking rents are often associated with the calculation of taxable benefits; however, the following Guideline applies to any situation where such rents are to be estimated. This could involve consideration of stand-alone parking facilities or parking that is part of a larger operation, such as an office building, airport or campus style facility.
Impact of industrial wind turbines on residential property assessment in Ontario: 2012 assessment base year study	MPAC/ 2012	Brian Guerin, Jason Moore, Jamie Stata, & Scott Bradfield	The Municipal Property Assessment Corporation (MPAC) commissioned this study of the effects of industrial wind turbines (IWT) on the current value of property in proximity to the turbines.
Impact of wind energy on property taxes in Nebraska	Bluestem Energy Solutions & Baird Holm Attorneys at Law/ November 2013	Bluestem Energy Solutions & Baird Holm Attorneys at Law	In this white paper, the authors examine Nebraska’s current property tax problem and how wind energy development can help solve it.
Issues and challenges for federal geospatial information	Congressional Research Service/ May 18, 2011	Peter Folger	The report discusses managing, sharing, and coordinating geospatial information, and includes examples of legislation. The report also summarizes a diverse set of recommendations and proposals from different non-governmental organizations for how to improve the coordination and management of geospatial information at the federal and state levels.
National spatial data infrastructure strategic plan 2014-2016	Federal Geographic Data Committee/ December 2013	Federal Geographic Data Committee	The Federal Geographic Data Committee’s (FGDC) 2014–2016 Strategic Plan for the National Spatial Data Infrastructure (NSDI) sets priorities and describes the actions the FGDC community will take, in collaboration with partners, to develop and maintain the Nation’s critical geospatial infrastructure.
Square footage - method for calculating: ANSI Z765-2013	Home Innovation Research Labs/2013	Home Innovation Research Labs	This standard describes the procedures to be followed in measuring and calculating the square footage of detached and attached single-family houses.
Tax Foundation state-local tax burden estimates: an overview of methodology	Tax Foundation Working Paper/ Mar. 2014, no. 10	Elizabeth Malm & Gerald Prante	A state’s state-local tax burden, in general, is the total amount residents of that state pay in state and local taxes (even if some of those payments go to out-of-state jurisdictions). Our measure expresses this tax burden as a proportion of total state income. This means that two broad statistics are needed to make the calculation for each state: total state and local taxes paid by state residents (what we call the tax burden) and total state income.

NRAAO Celebrates Golden Anniversary in Atlantic City

David Wayne Reed

(photos by David Wayne Reed)

“The Landlord’s Game” was a realty and taxation board game developed in 1903 by Elizabeth (Lizzie) J. Magie Phillips in order to educate people on Georgism, an economic philosophy arguing that tax on land value be efficient, fair, and equitable. This is also a tenet of modern property tax assessment systems. This board game would eventually become Monopoly, which—fun fact ahead—uses street names from Atlantic City, New Jersey, such as Marvin Gardens, Baltic Avenue, Mediterranean Avenue, and so forth.

It is apt that Atlantic City, the origin of Monopoly, was the host city for the 50th anniversary conference of the Northeast Regional Association of Assessing Officers (NRAAO). When it comes to promoting efficient, fair, and equitable property taxation, NRAAO is well past GO!

The conference was held May 18–21. The theme for the conference was “Integrity, Impartiality, Professionalism, Education...Setting the Standard for Another 50 Years!”

According to James A. Mancini, NRAAO President, “This year’s theme revolves around what we as an organization stand for. We honor and pay tribute to those who have paved the way for us as we continuously strive to better ourselves individually, and as an organization, for the future of our profession.”

Mancini thanked the local host committee, chaired by former NRAAO President and former Association of Municipal Assessors of New Jersey President Tom Glock. “Tom and his committee worked tirelessly to bring us a wonderful symposium that offers something for every attendee.”

Attendees noted that the workshops were a resounding success. Sessions included “Super Storm Sandy,” “Valuation of Self-Storage,” and “Appraising after a Disaster or a Traumatic Event.” These topics were especially timely in the aftermath of recent Tropical Storm Andrea and Hurricane Sandy, which devastated large swaths of the Jersey Shore.

In addition to the educational sessions offered at the conference, attendees enjoyed dancing to the sounds of the superb all-assessor band Manifestly Excessive. There was also a golf outing, a social event on the World Famous Steel Pier, and a formal closing banquet at which IAAO President Kim Lauffer, RES, spoke to nearly 300 attendees. New officers were installed at the banquet, and a number of individuals were recognized during an awards ceremony. The 2013 NRAAO President Viviane Valentine was presented the Catherine E. Pardee Memorial Award, and Linda Cwiek won the Richard L. Prendergast Lifetime Achievement Award.

“I was almost crying. I didn’t know what to say!” said Cwiek. “I’ve been fortunate to be President of the organization and I have helped to put together its educational programs. I have also attended 25 NRAAO conferences. Belonging to NRAAO has been a wonderful experience both professionally and personally. I have made great friends, enjoyed the wonderful resources, and I am honored to be a part of this organization.”

The 2015 NRAAO Annual Conference will be held in New Hampshire. For more information, visit www.nraao.org or follow NRAAO on twitter @nraao2015.



IAAO Representatives and IAAO President Kim Lauffer attending the Regional Rep Meeting in Atlantic City.



IAAO President Kim Lauffer, addresses attendees at the NRAAO Conference.

Assessing Value in Bidding on Tax Sale Properties

Charles Kofron, Ph.D.

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This article describes the perspectives of real estate investors in the bidding and sale of tax default properties in St. Clair County, Illinois. Cadastral maps showing parcels with taxes due and back taxes are prepared for visual assessments. These assessments are used by investors to formulate a bid. The amount of a bid is based on a number of factors including parcel size, the presence of serviceable structures, the likelihood of tax repayment, and the location and condition of properties in proximity to a particular property of interest. The cadastral map is used as a base for considering a number of variables that enter into the decision to bid, with what dollar amount to cover the tax liability, and at what interest rate. Although companies use their own particular methods, this article describes the process and the general considerations that go into tax sales, which begin with the cadastral map and spatial and visual assessments.

Introduction

The bidding process and sale of tax liens on properties whose owners have defaulted on tax payments have been found lately with a greater frequency in the general news, investment options, and real estate literature. In general news, the bidding process for tax liens has come under increased scrutiny with claims and evidence of fraud, favoritism, and taxpayer financial harm (Patrick 2013a, 2013b, 2013c; Gauen 2013; Walker 2013).

With the volatility of the stock market and the lower interest yields on Treasury bonds, investors have turned to other types of investments, which may carry more risk but have the potential of higher returns. Since the housing equity market crash of 2008 and the dramatic increase in the number of lending institution foreclosures, the interest in tax sales for investment purposes has increased exponentially. An estimated \$7 billion to \$10 billion in property taxes go delinquent each year, and cash-strapped local governments are receptive to investors for help in distributing operating funds to local taxing entities (Christie 2012).

Pop-up advertisements on popular websites for tax lien auctions, foreclosure property listings, and online training for making a profit with these kinds of investments are not uncommon. The advertisements convey the notions of a quick return on money invested that is considerably higher and less volatile than more typical investment options. Payne (2009) writes,

Tax lien purchases are popular with real estate investors because the investor will either get back their money when the tax lien is paid off to them by the original property

owner or they will make out greatly if the owner doesn't pay and then the investor gets the title and property at well below market value.

However, many of the same articles advise the investor to “do his/her homework” and bid on properties that are familiar or are in the investor’s “backyard” to succeed with these investments (Cyweb Holdings, Inc., 2011).

But what does it mean “to do your homework before attending an auction”? There are guidelines such as “...improved land has less risk than unimproved land”; “Commercial property has more risk than residential property...” (Rogue Investor 2012); and “individual investors typically earn 4 to 7 percent a year, 99 percent of sold liens are redeemed by property owners, and the lower the percent (tax bill to the property’s value) the more secure your investment” (Brennan 2012).

Some investors use government data sources and technologies, which also may reduce the uncertainty of making a tax lien investment decision and lower the incidental cost of sale in error judgments to county governments. Geographic information system (GIS) technology is used to create maps and visual displays that provide a basis for formulating loan-to-value ratios (*loans* meaning taxes paid by investors and *value* referring to land costs or improvements) of properties with outstanding tax balances.

The Bidding Process

The levying of tax liens in Illinois is the last step of a two-year property tax cycle that begins with property discovery and assessment and ends with the application of tax rates and the collection of taxes (Illinois Department of Revenue 2010). During the first year, the value of property is determined. During the second year, tax bills are calculated based on property value; bills are mailed; and taxes are collected by mail or at the collector’s office. If taxes are not paid, the revenue collector applies to the circuit court for a judgment ordering the sale of tax liens on these properties.

In Illinois, sales of tax liens are conducted with a reverse auction on the interest rate that the tax-delinquent owner will pay to the successful tax buyer to fully redeem the property. The tax buyer puts up the money for taxes due, which the owner is obligated to pay back to the tax buyer with interest to remove the tax lien from the property. The bidding starts at 18 percent for every 6 months that the tax is not paid by the owner and moves lower.

The interested tax buyer is typically armed with an overall assessment of the property and the amount of taxes to be paid. This assessment may involve a number of variables or be based entirely on the tax buyer's knowledge of the surrounding neighborhood. More often than not, the tax buyer is bidding on the probability that all taxes and fees on the property will be paid or redeemed by the owner.

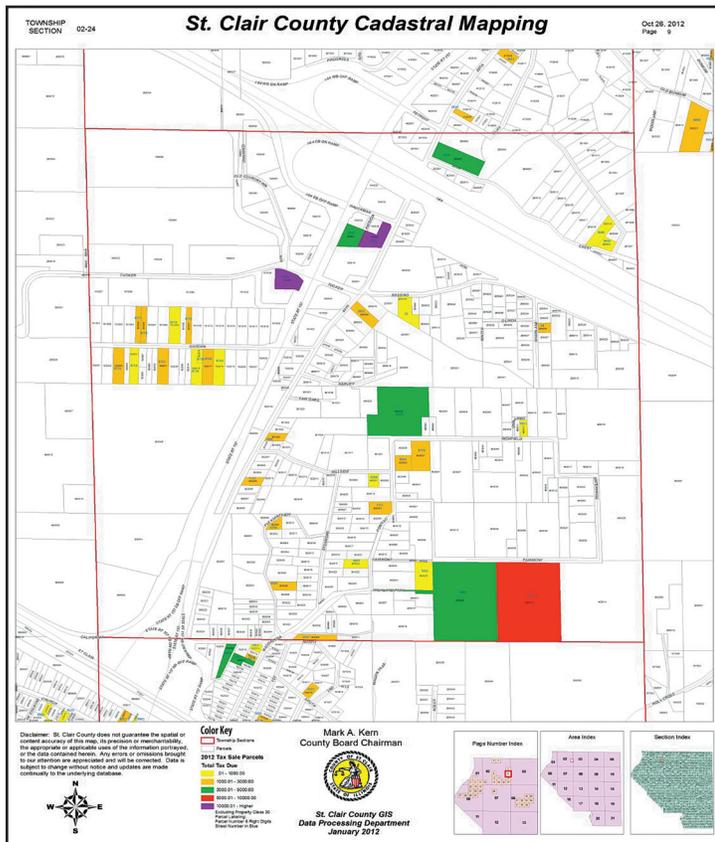
So what does the informed tax buyer look for in bidding down interest rates in tax sales? With the goal of making money from the interest applied to outstanding tax amounts, a number of factors can be mined from many local government GIS. These factors include owner occupancy for residential properties, existence of improvements, lower taxes owed, and favorable tax-to-value ratios, all of which can be mapped by a county GIS that is connected to a county tax system.

Using GIS to Map Tax Sale Properties

The basic layout of the St. Clair County, Illinois tax buyers' map is shown in figure 1.

The map is organized by township and section. The page number, township (area), and section index number are provided at the top of the map. The red box in the main map window shows the boundaries of the section. The color-filled

Figure 1. Tax default map for St. Clair County, Illinois



parcels are those appearing in the tax buyer's list. Three indexes are provided in the lower right-hand corner. The first index is the page number of the page-driven map in the set of maps requested by the tax buyer. The second shows the boundary of the section in the township. The third identifies the section with all other sections.

Map intelligence is contained in the legend. Each tax buyer has his or her own way of symbolizing parcels based on the calculations of loan-to-value ratios and other factors that determine the desirability of a parcel.

Some companies use their maps to visually inspect properties prior to the tax sale. There is a two- to four-week window for acquiring and reviewing tax buyer lists before the auction. As shown in figure 2, parcels are labeled with the block and parcel identification numbers (PINs), and the street number is provided in another color. Along with street centerlines and names, the street number allows the tax buyer to find a particular parcel and assess its value.

Tax Auction Property Ratings

Some tax buyers view the methodology for determining the desirability of properties in a tax lien auction as a trade secret. However, with information available to the public, it is possible to compare winning interest rate bids with property locations to obtain a cursory idea of where tax buyers find riskier and better investments. Based on only tax sales at auction, a general idea of ratings for properties by location can be obtained from a simple cross-tabulation of properties by the auctioned interest rate. In this context, a higher interest rate indicates a greater risk and poorer investment potential, which translates into a lower rating. Conversely, the lower the interest rate, the lower the risk, which qualifies for a higher

Figure 2. Tax default map showing PINs and addresses



rating. The results of cross-tabulating applied interest rates by tax year are provided in table 1.

Table 1. Interest rate–tax year cross-tabulation

Count		Tax Year					Total
		2007	2008	2009	2010	2011	
intper	.00	11	46	34	253	24	368
	.01	3	119	18	547	128	815
	.02	2	592	216	148	387	1345
	.03	20	504	975	107	459	2065
	.04	99	224	128	33	81	565
	.05	13	62	105	22	38	240
	.06	2	46	110	12	25	195
	.07	2	14	57	10	23	106
	.08	5	76	35	7	22	145
	.09	6	21	40	9	55	131
	.10	2	137	22	7	22	190
	.11	2	4	13	7	19	45
	.12	7	25	61	11	73	177
	.13	2	3	1	1	14	21
	.14	2	10	6	6	18	42
	.15	3	8	9	3	15	38
	.16	21	11	29	7	22	90
	.17	121	40	281	89	126	657
.18	6452	4762	4165	3680	4466	23525	
Total		6775	6704	6305	4959	6017	30760

The table clearly suggests breakpoints for better and riskier investments. The frequency of winning interest rate bids is greater at the 17–18 percent level and at the 5 percent level or lower. There were fewer winning interest rate bids between 6 and 16 percent. Accordingly, the data indicate three categories of investments, which can be used to simplify the location analysis of these properties. For lack of better terms, these categories are referred to as good (5 percent interest rate or less), fair (6–16 percent), and poor (17–18 percent) investments.

Spatial Assessments of Tax Sales

The evaluation of properties based on bid interest rate percentages begs the question, are good, fair, and poor properties randomly distributed in the county? Based on centroids of parcels that were successfully auctioned, patterns apparently exist in the locations of poorer investment risks in the urban core communities and in the older neighborhoods of municipalities. However, the better risks seem to be distributed throughout the county and frequently are found in areas that include poorer risks. The distribution of fair-risk properties appears to be well dispersed throughout the county. These types of properties are represented with red (poor), orange (fair), and yellow (good) point locations in figure 3.

Separating the good, fair, and poor property centroids and using these to develop kernel density grids can help in detecting patterns. Properties with a good rating or interest rates auctioned below 5 percent are shown in figure 4.

The high-risk properties are located predominantly in the western portion of the county; see figure 5. However, there are also high-risk properties in downtown Belleville, Swansea, and the smaller municipalities outside the urban core. Thus it does not appear that one location pattern totally explains how these types of properties are evaluated and bid.

This is also true for properties auctioned at rates between 5 and 17 percent. Concentrations of fair-risk properties are found in Alorton, Centreville, and Washington Park in the urban core and in the less urbanized areas and smaller municipalities of Mascoutah, New Athens, and Fayetteville; see figure 6.

Figure 3. Point locations with ratings (red = poor, orange = fair, yellow = good)

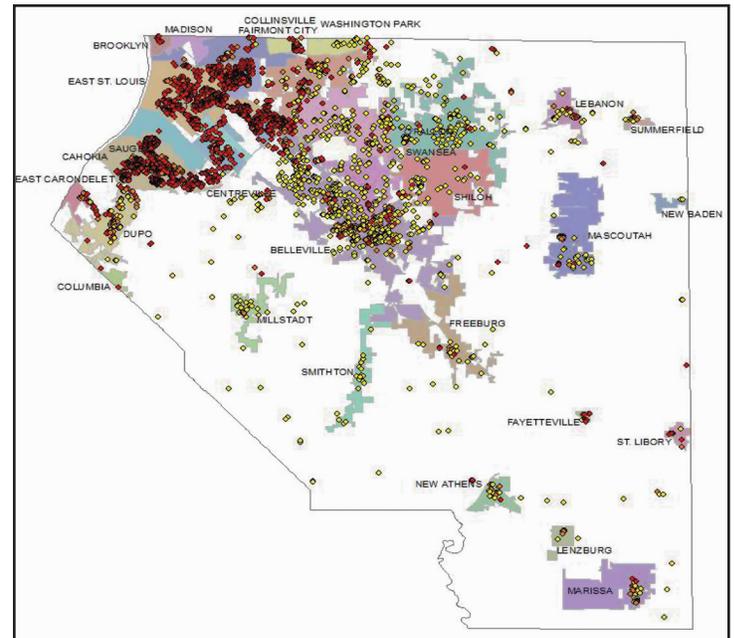
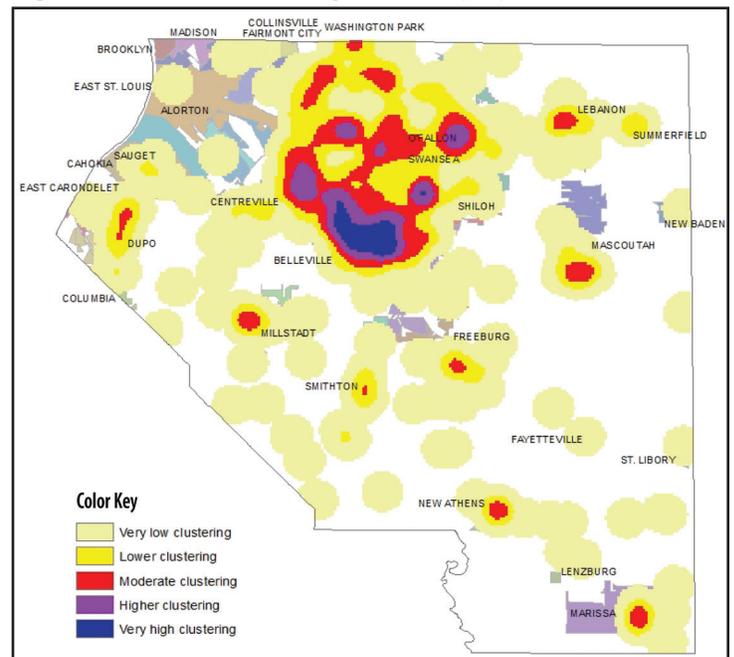


Figure 4. Kernel densities of good-rated properties



When all these property locations are considered together, it does not appear that one particular location pattern prevails or, in other terms, that spatial location explains auctioned interest rates. There are clustered patterns observed in all three categories, however, and some of these areas overlap.

To further investigate this notional observation, a spatial autocorrelation procedure was used to test the null hypothesis of randomness of properties auctioned with interest rates. The Moran's I test statistic was selected; this tests the null

Figure 5. Kernel densities of poor-rated properties

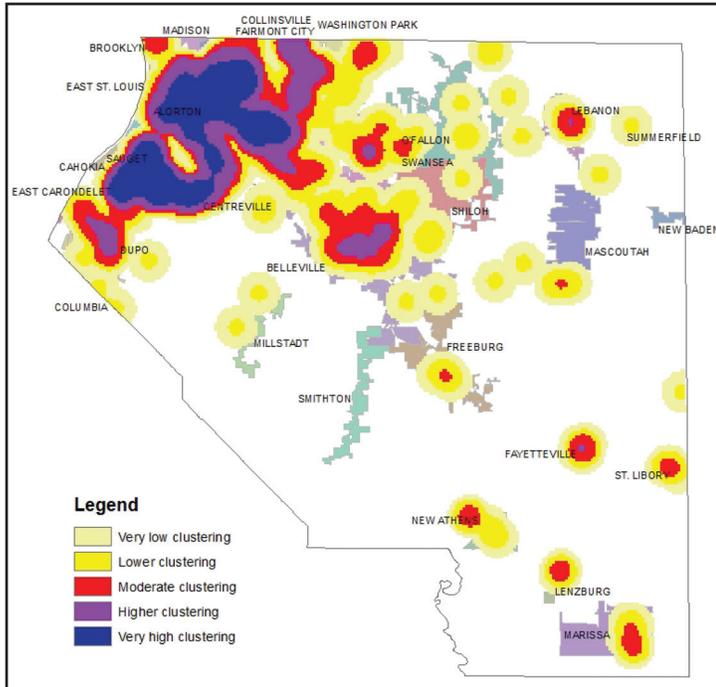
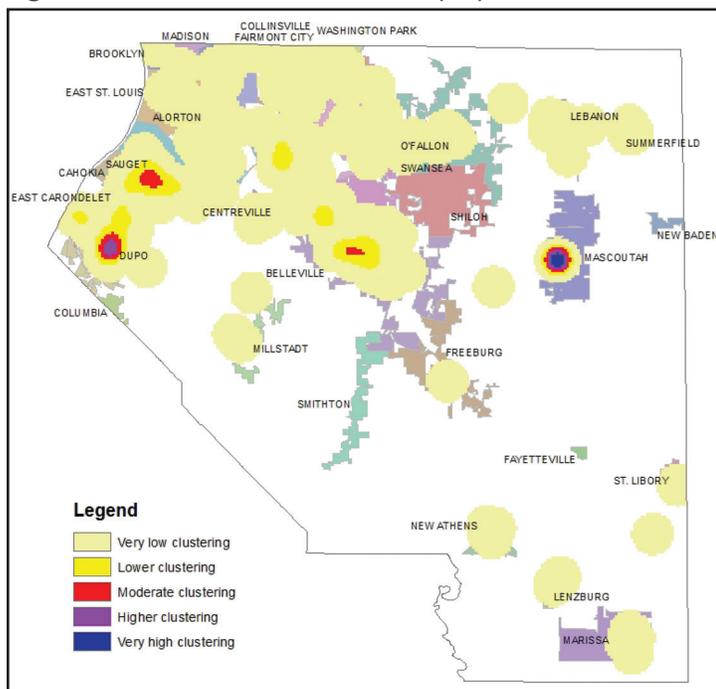


Figure 6. Kernel densities for fair-rated properties



hypothesis that property locations and winning interest rate bids are randomly distributed. The alternative hypothesis is that there is at least one pattern or a clustering suggested by the location of parcels and interest rate bids.

The test was applied to the centroids of properties with interest rate bids. The null hypothesis of randomness was rejected at a level of significance greater than .01. The results of the test are shown in table 2. Given the z-score of 201.17, there is a less than 1 percent likelihood that this clustered pattern could be the result of random chance.

Table 2. Global Moran's I summary

Moran's index	0.510473
Expected index	-0.000272
Variance	0.000006
z-score	201.174623
p-value	0.000000

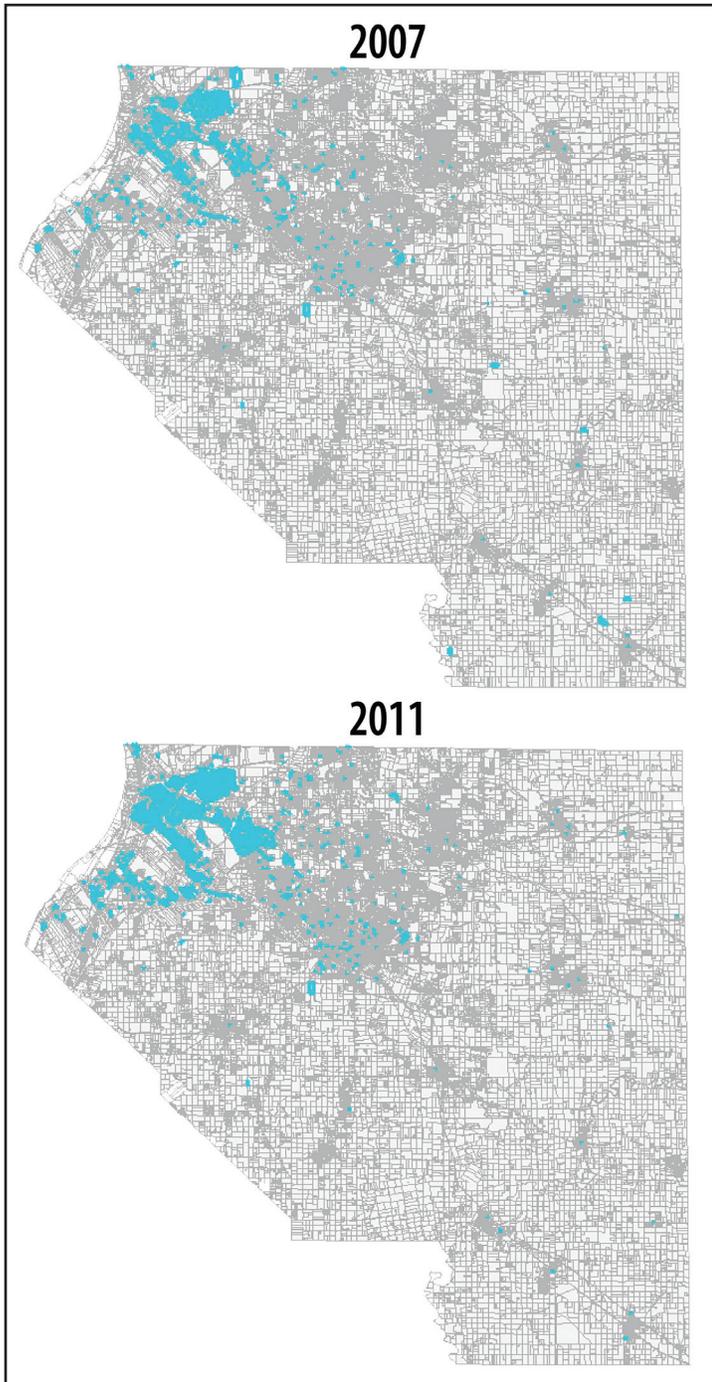
The positive z-score indicates that the spatial distribution of values in the data set is more spatially clustered than would be expected if the underlying spatial relationship were random. Selecting good, fair, and poor ratings of properties based on the distribution of interest rates produced similar statistical results for each rating category.

Conclusion

The statistical significance of nonrandomness in the selection of properties rated as good, fair, and poor risks can be explained by a number of factors. One factor is the known selection or targeting of townships and neighborhoods that more experienced tax buyers use when assessing properties. Another is the relatively larger number of poor-rated properties, which has been accompanied by the increasing number of properties that do not solicit bids and, subsequently, are turned over to the county trustee for auction. Not only has the spatial concentration of trustee properties increased and expanded in the urban core, but the number of trustee properties in the balance of the county has also increased. Figure 7 shows county trustee properties in 2007 and 2011.

The statistical finding of nonrandomness is not a predictive finding but a more probabilistic one. As observed earlier, good-, fair-, and poor-rated properties based on interest rate bids were found in the same blocks or neighborhoods. Pattern detection with kernel density grids provided some clarity with respect to location, which may apply to other tax sales and properties. In addition to location and winning interest rate bids, there are a number of other variables that may be useful in filtering properties with higher probabilities of redemption for tax investment. Some of these variables, mentioned by tax buyers, are tax amount, land use and property classes, assessed land and building values, back taxes, and owners with a history of defaulting on tax payments.

Figure 7. County trustee parcels in 2007 and 2011



In St. Clair County, tax buyers have found maps and other GIS products useful in filtering large amounts of data in a very short time that are made available in tax-delinquent property lists. This is a win-win situation for the county and tax investors. Better-informed tax buyers will realize their investments on properties with lower interest rates on tax balances paid by the owner, which, in turn, may increase the probability of owner redemption at reduced interest rates. The county realizes cost savings by having fewer sale-in-error petitions filed and, ultimately, fewer properties falling into the category of tax-exempt due to county trustee action by default.

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IAAO Annual Conference—PLAN AHEAD

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Jack Lengyel

Strategic Planning for Personal and Professional Success, the "We Are Marshall" Story

Coach Jack Lengyel is best known for being the head football coach who took on the daunting task of rebuilding the Marshall Thundering Herd football team after the tragic plane crash of November 14, 1970; a crash which killed all 75 people on board. The movie, "We Are Marshall", debuted in December of 2006, and stars Matthew McConaughey as Jack Lengyel. After coaching at Marshall until 1974, Coach Lengyel went on to become the Athletic Director at universities such as Louisville, Missouri, and Fresno State; before becoming the Director of Athletics for the United States Naval Academy. Coach Lengyel was with the Naval Academy for 14 years, before "retiring." Retirement did not last long, however, and Jack Lengyel went on to become the Interim Athletic Director for several universities (Temple, Eastern Kentucky, and the University of Colorado). He is always willing to help a team in their time of need. In 1995, Coach Lengyel won the prestigious John L. Toner Award, which is awarded by the College Football Hall of Fame and the National Football Foundation to honor the achievements of outstanding Athletic Directors. Jack Lengyel is a nationally sought-after motivational speaker.



TUESDAY PLENARY

Charles Terrell, CMI, Senior Director Property Tax, Wal-Mart Stores, Inc. Global Perspective from Wal-Mart

This session will provide a comprehensive examination of the expansion of Wal-Mart retail stores into international markets. The audience can expect a look at Wal-Mart's expansion from a domestic U.S.A.-centric company into a multinational presence in 27 countries. Country-specific store formats will be covered including the customer base served and differing product lines which impacts the building requirements. Charles Terrell is the Senior Director of Property Taxes for Wal-Mart Stores, Inc and is based in Bentonville, Arkansas. He has 28 years experience in property tax management, encompassing both corporate and governmental perspectives. Charles and staff currently have responsibilities for manage-



ment of Wal-Mart domestic U.S. assets, compliance, tax planning, litigation, legislation and the financial accounting attributable to property tax. Prior to joining Wal-Mart, Mr. Terrell served as the Chief Appraiser for Sebastian County, Arkansas for fifteen years.

WEDNESDAY PLENARY

Larry Stone, Santa Clara County (CA) Assessor; Jon Coupal, J.D., Howard Jarvis Taxpayers Association; Terri A. Sexton, Ph.D., California State University, Sacramento; Joan Youngman, J.D., Lincoln Institute of Land Policy

Proposition 13: Legacy and Impact of Property Tax Reform

In 1978 California voters overwhelmingly passed Proposition 13, the landmark property tax reform ballot initiative that dramatically shifted California from a market-based property valuation system to an acquisition-based valuation system, altering the historic relationship between local and state government. Led by Larry Stone, this discussion panel will present a lively and informative debate about Proposition 13—how it is administered, its strengths and weaknesses, current proposals for reform, and its impact on California and the nation.

San Jose Magazine named Stone one of Silicon Valley's 100 most powerful leaders. Longtime San Jose Mercury News columnist Scott Herhold said Stone is one of the top 25 most powerful leaders in San Jose, and the third most powerful elected official.

EDUCATION SESSIONS

Seven in-depth education tracks are offered starting Monday, August 25. Tracks include: Commercial Real Property, Residential Focus, Management and Human Resource Trends and Opportunities, Tax Policy and Administration, Technology Trends and Tools, Special Issues, Global Issues. Full track descriptions and the education program are found later in this brochure or at www.iaao.org.

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Sponsored by the AMC, the auction is an opportunity to support IAAO by donating items, bidding on items or both! Proceeds benefit IAAO education programs and other initiatives for IAAO members. Donations forms will be available at www.iaao.org.



AIR TRANSPORTATION

The Sacramento International Airport (SMF) is serviced by most major airlines. For more information go to <http://www.sacramento.aero>. IAAO frequently negotiates discounts for conference attendee air travel so be sure to check the IAAO conference website: <http://conference.iaao.org> for up to date discounts that may be available before booking your flight.

CANCELLATIONS AND REFUNDS

Refunds will be honored, less a \$50 processing fee, only if received in writing by August 1, 2014. No refunds will be made after August 1, 2014.

BADGES AND CONFERENCE MATERIAL PICKUP

Conference materials may be picked up starting at 1:00 pm on Saturday, August 23, at the registration desk located at the Sacramento Convention Center. Look for signs pointing the way. Registration Hours:

Saturday, August 23	1:00 pm–5:00 pm
Sunday, August 24	10:00 am–7:30 pm
Monday, August 25	7:00 am–4:30 pm
Tuesday, August 26	7:30 am–3:00 pm
Wednesday, August 27	7:30 am–Noon

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Room rates are based on availability so make your reservations early. Be sure to reference the IAAO conference when making your reservations. Direct links to the hotel reservation sites can be found on the IAAO conference website: <http://conference.iaao.org/>.

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For information about the Napa Valley Wine tour go to conference.iaao.org and look in the Planning menu.

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Business casual is appropriate dress for the conference except for the Wednesday evening Closing Banquet. Evening wear or formal wear have traditionally been worn for this event. Business attire is also acceptable.

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Roland S. Ehm, Clinton County, IA

Gregory H. Daniels, CAE, Lynchburg, VA

Derek J. Green, Gloucester County, VA

Richie McKeithen, Philadelphia, PA

Alan S. Dornfest, AAS, Idaho State Tax Commission

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Assessing High Tech Equipment... and the Software Inside

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TECHNOLOGY TRENDS AND TOOLS

Advancing Desktop Assessment: Current Approaches and Potential Improvements

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State of the Art Mass Appraisal Systems

Michael Sklarz, PhD, Collateral Analytics

Norm Miller, PhD, University of San Diego

GLOBAL ISSUES

Shenzhen, China: Mass Appraisal of Commercial Properties

Zhang Ran, Center For Assessment and Development of Real Estate, Shenzhen

1:30 pm–3:00 pm

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Richard Marchitelli, MAI, CRE, FRICS, Cushman & Wakefield

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Albert "Bill" W. Marchand, Norfolk, VA

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Rachel Bryant, Thomson Reuters

TAX POLICY AND ADMINISTRATION

Reducing Reliance on the Personal Property Tax: Pros and Cons Pt. 1

Ron Rakow, City of Boston, MA

Robert W. Wassmer, PhD, California State University,

William F. Fox, PhD, University of Tennessee

Joseph Henschman, Tax Foundation

Daphne A. Kenyon, PhD, Lincoln Institute of Land Policy

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Tax Assessment & Collection Software Selection

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Jeff Tompkins, Accent Business Services

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Fee (Not So) Simple

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Jack Pasternacki, CAE, ASA, Smith, Gendler, Shiell, Sheff, Ford & Maher

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Property Tax: The South African Experience

Joey Krishnan, Department of Co-Operative Governance and Traditional Affairs (KZN-COGTA), South Africa

Gregory Mark Cowden, Department of Co-operative Governance and Traditional Affairs (KZN-COGTA), South Africa

Michael Van Der Meulen, Department of Co-operative Governance and Traditional Affairs (KZN-COGTA), South Africa

Roshinee Naidoo, Department of Co-operative Governance and Traditional Affairs (KZN-COGTA), South Africa

Philani (Michael) Moya, Department of Co-operative Governance and Traditional Affairs (KZN-COGTA), South Africa

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Bob Henriquez, Hillsborough County, FL

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Reducing Reliance on the Personal Property Tax: Pros and Cons Pt. 2

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William F. Fox, PhD, University of Tennessee

Joseph Henchman, Tax Foundation

Daphne A. Kenyon, PhD, Lincoln Institute of Land Policy

TECHNOLOGY TRENDS AND TOOLS

Statistical Methods for Linking GIS to CAMA

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Dale Hough, Los Angeles County, CA

SPECIAL ISSUES

Impact of Wind Turbines on Residential Properties

Jamie Stata, Municipal Property Assessment Corporation

Jason Moore, MBA, Municipal Property Assessment Corporation

GLOBAL ISSUES

The Valuation System in Latvia: Past, Present, and Future

Sarmite Barvika, MBA, Riga Technical University

Tuesday, August 26

8:30 am–9:30 am

Plenary

Global Perspective from Wal-Mart

Charles Terrell, CMI, Wal-Mart Stores, Inc.

10:00 am–11:30 am

COMMERCIAL REAL PROPERTY

What's Normal About Income and Expense Data?

Brad A. Eldridge, MAI, Douglas County, KS

August Dettbarn, RMA, Douglas County, KS

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MANAGEMENT AND HUMAN RESOURCE TRENDS AND OPPORTUNITIES

Resources and Processes for Using Professional Standards

Al Mobley, CAE, AAS, MAI, Florida Department of Revenue

TAX POLICY AND ADMINISTRATION

Regulating For Success

Bryant Parker, J.D., L.L.M., S.J.D., Manhattan, KS

Austin Parker, J.D., L.L.M., S.J.D., Parker, Parker & Parker

TECHNOLOGY TRENDS AND TOOLS

Faster than a Speeding Bullet...

Christopher Devadason, Municipal Property Assessment Corporation

Brian G. Guerin, Municipal Property Assessment Corporation

SPECIAL ISSUES

Site Inspection Process For Industrial Properties

Dennis Deegear, MPA, Duff & Phelps, LLC

Nicholas A. Elmore, RES, AAS, MAE, Jackson County, MS

Robert T. Lehn, M.Ch.E., P.E., R.P.A., Pickett & Company, Inc.

GLOBAL ISSUES

New Levels of Data Accuracy

Bill MacGougan, AACI, MBA, BC Assessment

Marshall Behrns, RI, BC Assessment

1:00 pm–2:30 pm

COMMERCIAL REAL PROPERTY

Income and Expense Data Leading To Annual Assessments

Timothy A. Sheares, New York City, NY

Thomas Frey, RES, AAS, New York City, NY

RESIDENTIAL FOCUS

Outside Auditors in Municipal Reassessment

Ruel J. Williamson, Mind Pearl LLC

Paul Sanderson, FRICS, International Property Tax Institute

David C. Wilkes, Esq, CRE, FRICS, Huff Wilkes LLP

MANAGEMENT AND HUMAN RESOURCE TRENDS AND OPPORTUNITIES

Setting the Stage: Is ADDIE(A) the Answer?

Theresa Herbert, CAE, SR/WA AACI, P.App, AMAA, Edmonton, AB

TAX POLICY AND ADMINISTRATION

Business Enterprise Value: IAAO's Role

Gary Snyder, RES, MS, Oklahoma State University

Shawn T. Ordway, MS, City of St. Louis, MO

Patrick Alesandrini, CAE, Hillsborough County, FL

Ruel J. Williamson, BSB Finance, MBA, Mind Pearl LLC

Mark T. Kenney, MAI, SPRA, MRICS, MBA, American Valuation Group, Inc.

Kenneth C. Uhrich, Wyoming Dept. of Revenue

TECHNOLOGY TRENDS AND TOOLS

CLOUD Technologies

Jesus Sandoval, El Paso Central Appraisal District, TX

SPECIAL ISSUES

The Dollars and Sense of Land Development

Judith A. Corbett, Local Government Commission

Joseph Minicozzi, AICP, Urban 3, LLC

GLOBAL ISSUES

Republic of Turkey: Developing a Mass Appraisal Program

Richard R. Almy, Almy, Gloudehans, Jacobs, & Denne

Ümit Yildiz, Land Registry and Cadastre, Turkey

Tuğba Güneş, Land Registry and Cadastre, Turkey

3:00 pm–4:30 pm

COMMERCIAL REAL PROPERTY

Avoid the Hazards: Challenges of Golf Course & Club Valuation

Douglas F. Main, SGA, ASA, CRE, CCIM, MAI, Deloitte

Marty Benson, MAI, SGA, Benson Realty Advisors

Ron Carriere, MAI, SGA, Golf Course Appraisal

RESIDENTIAL FOCUS

Meet George Jetson

August Dettbarn, RMA, Douglas County, KS

MANAGEMENT AND HUMAN RESOURCE TRENDS AND OPPORTUNITIES

Cooperation between Assessor and Taxpayer

Ruud M. Kathmann, Netherlands Council for Real Estate Assessment

TAX POLICY AND ADMINISTRATION

In-House Counsel and the Appraiser Team

Leisa Weintraub, Tulsa County, OK

TECHNOLOGY TRENDS AND TOOLS

Online Appeals: Efficiency, Education, and Customer Service

Dennis Pulsipher, King County, WA

Lloyd F. Hara, King County, WA

SPECIAL ISSUES

What Does It Mean?

Larry J. Clark, CAE, CDEI, IAAO

GLOBAL ISSUES

Australian Land & Property Tax: Facts, Perceptions & Reform

Vincent Mangioni, PhD, School of the Built Environment,

University of Technology, Sydney, Australia

Wednesday, August 27

8:00 am–9:30 am

Plenary

Proposition 13: Legacy and Impact of Property Tax Reform

Lawrence E. Stone, MBA, Santa Clara County, CA

Jon Coupal, J.D., Howard Jarvis Taxpayers Association

Terri A. Sexton, Ph.D., California State University, Sacramento

Joan Youngman, Esq., Lincoln Institute of Land Policy

10:00 am–11:30 am

COMMERCIAL REAL PROPERTY

Cap Rates and Valuation Metrics from REITS

Gary S. DeWeese, MAI, MBA, Real Estate Strategic Solutions

RESIDENTIAL FOCUS

Valuation of Challenging Buildings Pt. 1

Ed Martinez, Marshall & Swift

James A. Glickman, MAI, Sacramento County, CA

James R. Siebers, Marshall & Swift

MANAGEMENT AND HUMAN RESOURCE TRENDS AND OPPORTUNITIES

Writing a Demonstration Mass Appraisal Report

Randy J. Ripperger, CAE, Polk County, IA

TAX POLICY AND ADMINISTRATION

The Valuation of Paper Mills In Ontario

Kenneth West, Walker West LLP

Malcolm Stadig, CAE, ASA, MIMA, Municipal Property Assessment Corporation

TECHNOLOGY TRENDS AND TOOLS

Sharing Services to Benefit Assessors and Taxpayers

Webster J. Guillory, Orange County, CA

SPECIAL ISSUES

Best Practice: An Incomplete Journey

Greg Stevens, FAPI, CPV, MRICS, City of Melbourne, Australia

GLOBAL ISSUES

International Trends in Property Tax

Paul Sanderson, JP, LLB (Hons), FRICS, FIRR, International Property Tax Institute

Fred Nicely, Esq., Council on State Taxation (COST)

1:30 pm–3:00 pm

COMMERCIAL REAL PROPERTY

Rent Data Analysis: Data Cleaning

Vasily Kim, AMAA, Edmonton, AB

RESIDENTIAL FOCUS

Valuation of Challenging Buildings Pt. 2

Ed Martinez, Marshall & Swift

James A. Glickman, MAI, Sacramento County, CA

James R. Siebers, Marshall & Swift

MANAGEMENT AND HUMAN RESOURCE TRENDS AND OPPORTUNITIES

Unraveling the Mystery of Strategic Workforce Planning

Kim Ashizawa, Property Valuation Services Corp. of Nova Scotia

TAX POLICY AND ADMINISTRATION

Taxation of Minerals and Mineral Interests

Calvin A. Kent, PhD, AAS, Marshall University

TECHNOLOGY TRENDS AND TOOLS

Budgeting Blues & Staffing Woes

Alex Hepp, Pictometry International Corp

Tony W. Lindauer, Jefferson County PVA, KY

SPECIAL ISSUES

Commercial Valuation: Saskatchewan's Unique Legislation

Robert Schultze, CAE, LAAS, MAAS, AACI, City of Regina, SK

Gerald Krismer, LAAS, MAAS, City of Regina, SK

GLOBAL ISSUES

The ASEAN Region: Property Tax Practices

Sopon Pornchokchai, PhD, D.FIABCI, MRICS, CRS, Thai Appraisal Foundation



Old Sacramento (photo by Tom Myers)

The Hub and Learning Lab

IAAO will present a variety of interesting programs at its annual conference in the “Hub,” in the Exhibit Hall. *Note: Hub programs are not eligible for continuing education credit.*

Monday, August 25

10:30–11:30 am

Managing Stress with Mind/Body Medicine

Dr. Diane Dailey will present information about how to stay healthy in the face of stress without using medications. The link between mind and body will be explored and “warning signs of health” discovered.

Presenter: Dr. Diane Dailey, The Permanente Medical Group

1:30–2:30 pm

Bal-A-Vis-X

Bal-A-Vis-X (Balance, Auditory, Vision eXercises) is a system of exercises, from simple to complex, deeply rooted in rhythm. BAVX improves full-body coordination, increases focused attention, and promotes brain organization and mind-body integration. Mind-body integration enables one to see, hear, attend, process, produce—in sum, to function—at one’s best physically, emotionally, socially, or academically. BAVX is FUN, motivating, challenging brainwork.

Presenter: Francis Norsworthy, Director of IN2GR8ED, Rhythmic Brain-Body Kinetics

3:30–4:30 pm

Finding Your Inner Happy

Research from the field of positive psychology provides strong evidence that happy people enjoy benefits in their lives that unhappy people do not. Research shows that happy people live longer, are healthier, and have more successful relationships than those who are unhappy. Happiness is a precursor to success, not a result. Happy people do not have less challenges in their lives. Some of the happiest people in the world live with phenomenal challenges and adversity. What’s holding you back from claiming your inner happy and reaching your happiness goal? Join an interactive discussion about persevering in times of adversity, moving through difficult times with grace, and choosing happiness.

Presenters: Crystal Kekai Rowland and Panel members from Stop Stigma Sacramento Speakers Bureau

4:45–5:15 pm

Are You Savvy About Your Membership Benefits?

Are you inundated with special offers—electronically, by mail, on television, or in the daily news? IAAO Membership Department staff have a collective memory of all the benefits and deals that IAAO members receive. Spend some time with HQ staff and learn about the benefits of membership—you may be surprised.

Presenter: Robin Parrish, IAAO Director of Membership

Tuesday, August 26,

7:30–8:15 am

Yoga

In the 1980s, yoga became popular as a system of physical exercise in the Western world. Since 2001, the popularity of yoga in the United States has risen dramatically. The number of people who practice a form of yoga has grown from 4 million in 2001 to 20 million in 2011. Devotees of Yoga cite benefits that include stimulation of the mind, increased circulation, reduction of stress and injuries, and increased energy and stamina. The demonstration session does not include the heat or humidity typically associated with “hot yoga.”

Presenter: Bobby Carpenter, Hot Yoga At Sunrise

10:00–11:30 am

Life Reimagined

Life Reimagined is a new way of thinking about dreaming, exploring, and deciding what’s next in your life. Backed by decades of research, Life Reimagined introduces a powerful step-by-step approach to help you discover possibilities, prepare for change, and make your ideas real—whether you’re focused on work, health, relationships, or pursuing your passion. Life Reimagined was developed by AARP, in partnership with the world’s leading experts, researchers, and coaches in personal development and innovations in life transitions.

Who Is Life Reimagined for?

Life Reimagined is for anyone who wants to pursue a passion or take a new direction and who seeks inspiration, information, and guidance.

Presenter: Mark Chapman, Life Reimagined Guide, AARP

11:45 am–12:30 pm

Obtaining an IAAO Professional Designation

Join IAAO Professional Designation Committee members and IAAO staff to discuss what it takes to obtain a Professional Designation. Have your questions answered by the experts!

*John Ulibarri, AAS, RES, Weber County (Utah) Assessor
Wanda Musick Witthar, IAAO Designation Program Manager*

1:00 pm–2:00 pm

Self-Defense

The instructor will present safety issues and concerns of assessors while on job assignments. This will be an interactive discussion and review of situations assessors have dealt with regarding their safety and how to protect/defend themselves. The training course will consist of lecture, and response to questions from students with their personal experiences.

Deputy Sheriff Michael Meeks Sacramento Sheriff’s Department Protective Service Detail—Dignitary Protection.



Conference Mobile App and Website

Your link to all things conference!



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CEAA recipients, prospective jurisdictions, and current candidates, are cordially invited to:

The Informational Luncheon for the Certificate of Excellence in Assessment Administration Program

*At our 80th Annual Conference
Tuesday, August 26th, 2014
11:30 to 1:00, Room 310*

Lunch will be provided for those who RSVP.

*Hosted by:
International Association of Assessing Officers
CEAA Special Committee*

*RSVP to Mary Odom at 816-701-8117 or odom@iaao.org
by August 4, 2014.*

Instructor Training Workshop (ITW) • August 22–24, 2014 Sacramento Convention Center • Sacramento, CA

Put your experience and education to good use. Take the next career step—become an IAAO instructor. Register today!

Program Overview

The Instructor Training Workshop (ITW) is an intensive 3-day interactive workshop. The ITW is not intended to teach individuals how to instruct, but rather to evaluate participants' ability to teach IAAO material in a classroom setting.

The ITW is an arduous undertaking, strenuously evaluated by a panel of IAAO senior instructors. There is no established "pass rate" for this workshop. The pass rate has ranged from 43- to 77-percent over the last three years.

During this 3-day workshop, students learn about IAAO education delivery, adult education, effective communication, and IAAO curriculum. Each student is expected to understand the general subject matter and specific course material, spend at least 10 hours in advance preparation, prepare short practice presentations, and prepare one final ten-minute presentation. Students demonstrate (and are evaluated on) their teaching style, classroom presence, familiarity and comprehension of the course material, organization of subject matter, clarity, and accuracy of their classroom presentation.

Who Should Attend?

- IAAO members who wish to become IAAO instructors
- IAAO members interested in assessor education

Prerequisites

The ITW is open to anyone who is an IAAO member in good standing. All requirements for prospective and current instructors are outlined in the Instructor's Handbook available on the IAAO website at IAAO.org. **Participants must download and read the handbook prior to attending the ITW and also bring it to the ITW.**

Recertification Credit

IAAO professional designees will receive 22.5 hours of recertification credit for attending the full three-day program.

Registration fees

- Full Program (\$750)
- Current IAAO instructor (\$500)



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- Magnify your company presence, enhancing visibility and maximizing your exposure
- Target your audience and reach decision makers
- Position your company as an industry leader

Exhibitors Contact: Matt Merrigan, Meetings Director, merrigan@iaao.org or 816-701-8115

Sponsors Contact: Leann Ritter, Special Projects Manager, ritter@iaao.org or 816-701-8161



INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS
 80TH ANNUAL INTERNATIONAL CONFERENCE ON ASSESSMENT ADMINISTRATION
 AUGUST 24-27, 2014
 SACRAMENTO, CALIFORNIA ♦ SACRAMENTO CONVENTION CENTER

REGISTER Now!

The Gold Standard for 80 Years



Visit the conference website at conference.iaao.org for all the information you need, including:

- online registration form
- hotel and travel discount information
- education course descriptions
- and much more!

Don't wait, the early bird deadline ends **July 7!**



INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS
 80TH ANNUAL INTERNATIONAL CONFERENCE
 ON ASSESSMENT ADMINISTRATION
 AUGUST 24-27, 2014 ♦ SACRAMENTO, CALIFORNIA
 SACRAMENTO CONVENTION CENTER

Take Your CAMA to the Next Level

- Optimize property tax revenues
- Reduce costs
- Ensure uniformity and equity
- Produce more accurate assessments
- Implement a cyclical reassessment & re-inventory program
- Ensure compliance with reassessment & re-inventory standards



Assessment Analyst is a customizable solution that allows you to visualize and modify a variety of data simultaneously while automating many aspects of your workflow.

Please visit us at IAAO, Booth #307

Sacramento in August

Janet Lewis and Gerry Swanson



The Sacramento Memorial Auditorium is the location of the Monday Attendee Appreciation Party.

What should you pack for a trip to Sacramento in August? Think lightweight and comfortable—it's summer in Sacramento. Softball leagues are playing. Barbecues are heating up. Ice cream trucks are rolling. Rafters are floating down the American River.

Sacramento Climate

Sacramento has a Mediterranean climate. Summers are dry and hot. August days generally bring high temperatures in the mid-90s and lows in the mid-50s. Typical mid-afternoon humidity levels in late August are about 30 percent.

What can you expect in Sacramento's outdoor environment throughout the day? Check out Justin Majeczky's Sacramento Timelapse at <http://vimeo.com/90509954>. You'll even catch a glimpse of the conference venue and Hyatt hotel.

With strong mellow light and cool airflows, Sacramento summer mornings are the best part of the day. Get up early if you can and take a walk outside. Numerous cafes and coffee shops are nearby offering wake-up beverages and snacks for early risers and commuters. Beautiful Capitol Park, "California's Back Yard," is only a block away from the venue.

While August afternoons in the city can be toasty, summer evenings are generally quite pleasant, even a little cool; especially if the Delta Breeze kicks in. However, a breezy summer evening in Sacramento requires only a sweater or lightweight jacket. Extended periods in air-conditioned buildings may also make a light wrap desirable.

Sacramentans are generally fairly casual. A new pair of jeans can pass for formal attire in some circles. Shorts, skorts, T-shirts, sundresses—all work well in Sacramento and are appropriate for the "street fair" Welcome Party on Sunday evening. However, the fashion within the conference venue is business casual. There are also nice restaurants near the conference site where slacks and a sport shirt or blouse are appropriate.

Golf Classic

The IAAO 2014 Golf Classic presented by the Local Host Committee will be held on Sunday morning. The site is the WildHawk Golf Club, about 30 minutes southeast of the conference venue via group chartered bus or private automobile. WildHawk is a very playable yet challenging par 72 golf course; this course received four out of five stars from GolfNow.com™. Beverages and food will be available at the course.

If you are not bringing your golf equipment and plan to rent your clubs, please let the LHC golf organizers know so that they can coordinate club rentals. Even if you are renting, you may want to pack your golf shoes, golf balls, and tees so you don't have to buy everything you'll need at the tournament.

For golfing attire, bring your favorite lucky *low par* golf outfit. For novices or first-time golfers, hemmed shorts are fine; collars are preferred; T-shirts are tolerated. A hat, sunblock, and sunglasses will help with the sunny California skies in August. WildHawk has a well-stocked pro shop to address any wardrobe concerns. A Wildhawk polo shirt is a great souvenir for any level of player.



Gerry Swanson explores the hazards at WildHawk Golf Club while Janet Lewis provides encouragement.

Special Events

The Attendee Appreciation Party, a new event, is scheduled for Monday evening at the beautifully restored circa-1927 Sacramento Memorial Auditorium. Enjoy 1920s ambience and a modern twist with live music provided by Hip Service, a band with four outstanding lead vocalists, a screaming four-piece horn section, a rock-solid funky rhythm section, and four electrifying dancers. This group plays dance hits from the 1960s to the present. The atmosphere will be speakeasy, but the music will be contemporary. Bring your dancing shoes! This should be a fun evening for all.

If you plan to attend the gala banquet on Wednesday evening, consider bringing along evening or formal wear, or if you are travelling light, bring accessories designed to give your business attire extra dash and sparkle for the party.

What To Bring

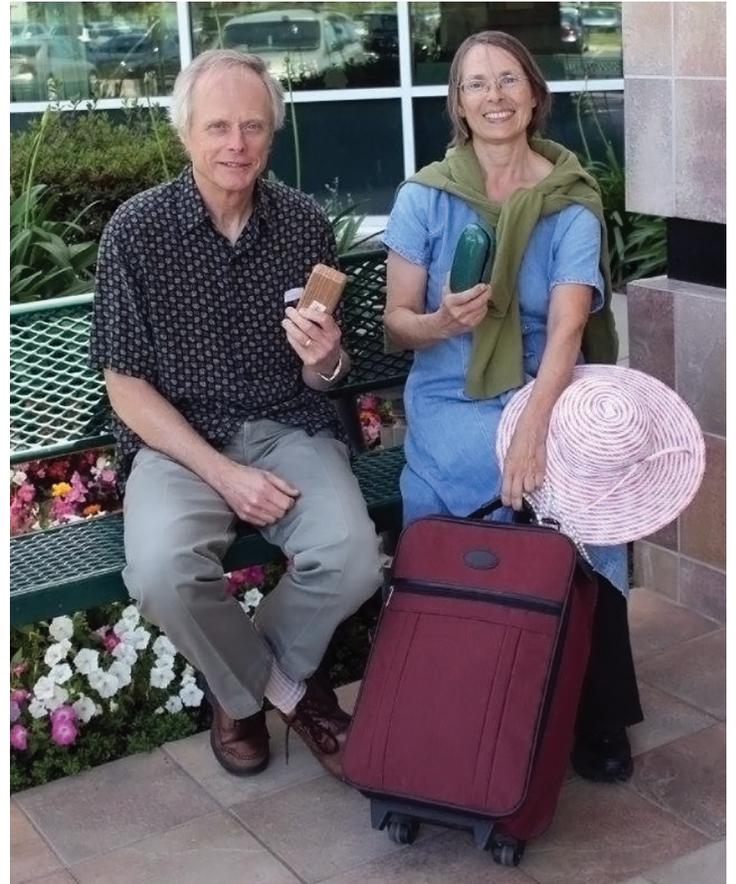
So pack light summer clothing for your stay in Sacramento. Cotton or another breathable material should generally be the fabric of choice. Microfiber polo shirts (Quick Dry, Dri-Fit) also serve well. In the conference venue you'll probably want light layers and collars. And don't forget your feet. You'll be doing some walking, so bring comfortable shoes. Sandals can be worn just about anywhere.

Bring a swimming suit if your hotel has a pool. A little time in the water feels really good in August. It would also be wise to bring a baseball cap, sun hat, or head covering of some variety. Don't forget your sunglasses!

Still have extra room in your suitcase? Bring any gently used eyeglasses or sunglasses, prescription or nonprescription, to donate to the Eye Make A Difference® program through VSP Vision Care®. Your donation will be greatly appreciated.

If you are one of the lucky and adventurous people taking the Taste of Napa Valley post-conference tour on Thursday (the morning after the Closing Banquet), any comfortable outfit and shoes will work. Summer weather in St. Helena is typically similar to that in Sacramento.

If you forget any sundries or personal items, not to worry. Both RiteAid at 831 K Street and CVS at 1701 K Street are near the conference venue and hotels to supply what the concierge might not have at hand. Carry a water bottle, stay hydrated, and plan to enjoy yourself in Sacramento this August. We look forward to welcoming you!



Gerry and Janet are packed and ready for the annual conference and the Eye Make A Difference® program.



80 Years of Excellence

This year IAAO is celebrating its 80th Anniversary. Each month we'll be taking a look back at the history of IAAO and bringing you some of the moments that led us to where we are today. See how the journey continues this month.



1996

1997

1998

1999

2000

The IAAO website is launched.

In Kansas City, IAAO's Technical Assistance Subcommittee launches its first presentation of a new two and one-half day workshop entitled *Preparation and Trial of the Property Tax Appeal* for more than 80 participants. *Prep and Trial* returned to Kansas City on June 5 & 6, 2014, presented by the IAAO Legal Committee.

In Los Angeles, Lyle and Erik Menendez are sentenced to life in prison without the possibility of parole for the murder of their parents.



IAAO develops the Member Accreditation Program. The program recognizes those members who improve their knowledge and skills through continued education and ongoing service.

The Technical Assistance Subcommittee publishes the *Glossary for Property Appraisal and Assessment*. Cost of a softcover for members is \$19.95. In 2014, an e-book version of the *Glossary* was published and is now available for free on the IAAO website.

In Roslin, Scotland, scientists announce that an adult sheep named Dolly had been successfully cloned.



IAAO holds its first interactive Teleconference Seminar: *Our Image as Public Officers-Designing Ongoing Working Relationships with the Public*. Members participate by telephone or internet for \$139 per connection. Slides were mailed to participants prior to the seminar, and could also be viewed online.

IAAO announces the availability of the new "One-Day Forum" educational programs as a supplement to the existing IAAO course and workshop curriculum. Available seminar topics include: *Valuation of Agricultural Properties*, *Valuation of Cellular Towers*, and *Testifying as an Expert Witness*.

The first internet course, *Site Analysis and Evaluation* is launched. Participants are charged \$129.00, and receive a password to access the course 24 hours a day. Successful completion of the course earns them 10 continuing education credit hours. Potential participants are cautioned, however, that not all organizations accept internet education credits.

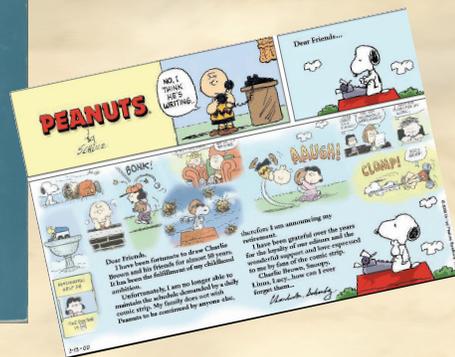
Mass Appraisal of Real Property is first published. It is a revision and update of the mass appraisal chapters from *Property Appraisal and Assessment Administration*.

Two Littleton, Colorado teenagers, Eric Harris and Dylan Klebold, open fire on their teachers and classmates, killing 12 students and 1 teacher, and then themselves in the Columbine High School massacre.



The final original Peanuts comic strip is published, following the death of its creator, Charles M. Schulz.

This is the final date during which there is no human presence in space; on October 31, Soyuz TM-31 launches, carrying the first resident crew to the International Space Station. The ISS has been continuously crewed since.



Parade of Presidents

Barry M. Murphy, CAE, 1996
 Carol N. Kuehn, 1997
 Bruce A. Belon, CAE, 1998
 Jewette Farley, CAE, 1999
 Robert M. Boley, AAS, 2000

Edward A. Crapo, AAS, 2001
 Deborah Z. King, CAE, 2002
 Paul A. Welcome, CAE, 2003
 Frederick M. Chmura, AAS, 2004

The International Association of Assessing Officers
 has a *dream* for June 2005.



The International Association of Assessing Officers is moving to Kansas City, Missouri. IAAO is seeking the end of a favorable lease in Chicago. After much consideration, the IAAO Executive Board has decided that the most prudent action for the organization is to purchase its own building in the Kansas City, Missouri area. The move is planned sometime before June 2005 when our lease expires.

Our dream is to have space for

- a computer lab
- classrooms for training
- meeting rooms
- a board room

We need you to help IAAO realize this dream. The Executive Board is asking local and state chapters—as well as individuals—to make a contribution toward our goal of acquiring a home that will meet our needs for the future. Please make a commitment to help IAAO's dream come true.

For further information on the Capital Building Fund of IAAO, contact webmaster@iaao.org.

Contribution Levels

Diamond	\$5,000 or more
Emerald	\$2,500-\$4,999
Ruby	\$1,000-\$2,499
Gold	\$500-\$999
Silver	\$100-\$499
Bronze	\$99 or less



2001

A capital campaign begins for the new IAAO Headquarters, with significant contributions pledged from a number of local chapters, assessors' groups, and individuals.

2,997 people are killed in the September 11 attacks at the World Trade Center in New York City, the Pentagon in Arlington, Virginia and in rural Shanksville, Pennsylvania. The 2001 IAAO Annual Conference was taking place in Miami at the time. Since all aircraft had been grounded, the conference continued as planned. Patricia Hedwall, CAE, remembers singing "God Bless America" at the session that day. "Nothing can ever compare to that unity," she says. "We found the strength in each other to keep us going."



2002

There are 7,450 members of IAAO, with 325 residing outside of the U.S.

Queen Elizabeth The Queen Mother dies aged 101 at Royal Lodge, Windsor.

U.S. President George W. Bush signs the Homeland Security Act into law, establishing the Department of Homeland Security, in the largest U.S. government reorganization since the creation of the Department of Defense in 1947.



2003

The new IAAO monthly magazine *Fair & Equitable* debuts.

Following the tremendous response by members to change the IAAO constitution to allow for electronic voting, the Board votes to approve electronic voting for the 2003 election. All members have the ability to vote online via the website, as well as requesting a paper ballot.

With its ruling in *Goodridge v. Department of Public Health*, the Massachusetts Supreme Judicial Court makes the state the first in the United States to legalize same-sex marriage.



2004

The first Certificate of Excellence in Assessment Administration (CEAA) is earned by Alachua County, Florida. Earning the CEAA is a recognition of those governmental units and individuals involved with assessment that integrate best practices in the workplace.

The first issue of *Journal of Property Tax Assessment & Administration* is published jointly by IAAO and the International Property Tax Institute. This journal replaces *Assessment Journal* and provides an expanded blend of articles on both practical and academic topics of interest to both groups.

The Executive Board selects Kansas City as the new location of the IAAO headquarters. On September 27th, they purchase the Adler building, the current home of IAAO headquarters.

MEMBER ANNIVERSARIES

5 Years

Kenneth W. Anderson, Owen County, Spencer, IN
Karen Ashley, Alachua County Property Appraiser's Office, Gainesville, FL
Karen T. Bailey, Champaign County Auditor, Urbana, OH
Cathy Barney, Carbon County, Price, UT
Douglas W. Boswell, Dauphin County, Harrisburg, PA
Lana C. Boswell, Nexus Group, Indianapolis, IN
Gail L. Brown, Hendricks County, Danville, IN
Michele F. Butler, Fleming County PVA, Flemingsburg, KY
Cindy Carter, Clinton County Assessor's Office, Plattsburg, MO
Jennifer Crawford, St. Lucie County, Fort Pierce, FL
Ann Marie Cywinski, Town of Tisbury, Vineyard Haven, MA
Douglas E. Dame, City of Nashua Assessing Dept., Nashua, NH
Gary W. Gillis, Woodford County Revenue Cabinet, Versailles, KY
Stacy W. Griffy, Montgomery County, Clarksville, TN
Janene L. Hebert, City of Plymouth, Plymouth, MN
April V. Holcomb, Harris County Appraisal District, Houston, TX
Aaron Holmes-Binns, City of Regina Assessment Department, Regina, SK, Canada
Keith Allen Hulsizer, Tulsa County Assessor's Office, Tulsa, OK
Audrey Jackson, St. Lucie County, Fort Pierce, FL
Gary E. Johns, Town of North Haven, North Haven, CT
Jeffery D. Law, Tarrant Appraisal District, Fort Worth, TX
Roseanne M. Lemery, Town of Argyle, Argyle, NY
Robert T. Lewis, Robert Lewis Consulting, Northfield, IL
Peter B. Lijoi, Union County Tax Board, Summit, NJ
Dave Marrano, Town of Tonawanda, Kenmore, NY
Gail McCormack, Clarendon County, Manning, SC
Tami A. McFarland, Black Hawk County, Waterloo, IA
JoAnn F. McIntyre, Town of Hudson Board of Assessors, Hudson, MA
Stacy D. Morris, Harrison Central Appraisal District, Marshall, TX
Gary F. Paschall, Gibson County, Trenton, TN
Mark S. Reenstierna, Town of Nahant, Board of Assessors, Nahant, MA
Debbie J. Richards, Wayne County, Waynesboro, MS
Steven F. Schwoerer, City of Oshkosh, Oshkosh, WI
Richard D. Simmons, Jr., Town of Lynnfield, Lynnfield, MA
Milo E. Smith, Tax Consultants, Inc, Columbus, IN
Tina M. Stoutenour, Hendricks County, Danville, IN
Michael J. Thompson, Scott County, Shakopee, MN
Anne L. Thurston, Shelby County Government, Shelbyville, IN

Robert A. Walter, Venango County, Franklin, PA
Nancy J. Wojcik, Hennepin County Assessor's Office, Minneapolis, MN
Jennifer A.M. Wooster, Clearfield County Assessor's Office, Clearfield, PA
Nancy Wyncoop Bower, Town of Jewett, Jewett, NY

10 Years

David W. Fitzgibbon, Fulton County Board of Assessors, McDonough, GA
Melinda C. Fonda, Town of Stratford Assessor's Office, Stratford, CT
Ivar S. Halvarson, Fairbanks North Star Borough, Fairbanks, AK
Eric M. Henderson, City of Peabody, Newton, MA
Mike Kochaver, City of Green Bay, Pulaski, WI
Glena A. Madden, Montgomery County Auditor's Office, Dayton, OH
Shawnee M. Waters, City of Suffolk, Suffolk, VA
Douglas G. Welton, Chickasaw County, New Hampton, IA
Elizabeth A. Wilkerson, City of Portage, Portage, MI
James L. Wulff, RES, Clark County Assessor's Office, Las Vegas, NV

15 Years

John D. Amore, Municipality of Anchorage, Anchorage, AK
William Boyd Beasley, Harnett County Tax Administrator's Office, Dunn, NC
Larry P Bolick, New Hanover County, Wilmington, NC
Jodie L Brown, Henry County Assessor's Office, New Castle, IN
Marc Caris, Sabic IP, Pittsfield, MA
Mary W. Deas, CMS, Virginia State Corp Public Service Taxation, Chesterfield, VA
Lura E. Duvall, Lander County, Battle Mountain, NV
David K. Gambrel, Lincoln County, Stanford, KY
Norma J. Green, Churchill County, Fallon, NV
Steven C. Helm, Dallas County Assessor's Office, Adel, IA
Cindy A Hilbert, Town of Marlborough, Milton, NY
Susan M. Just, Municipality of Anchorage, Anchorage, AK
Roy W. Kline, Pima County Assessor's Office, Tucson, AZ
Shannon L. Krause, City of West Bend, West Bend, WI
Deborah J. Lewis, Vigo County, Terre Haute, IN
Cynthia Taylor Lowry, Robeson County, Lumberton, NC
Walter Moore, III, Jackson County Assessment Department, Kansas City, MO
William E Parker, City of Norfolk, Norfolk, VA
Linda J. Reynolds, Orange County, Paoli, IN
Yolanda Salazar, Los Angeles County Assessor's Office, Signal Hill, CA

David L. Stone, El Paso Central Appraisal District, El Paso, TX
James D. Tanner, Gaston County, Gastonia, NC
Bill W. Thompson, Colbert County, Tuscumbia, AL
William C. Westover, Municipality of Anchorage, Anchorage, AK

20 Years

Sean Acosta, Property Tax Reduction, Jericho, NY
Ronald D. Agnor, City of Virginia Beach, Virginia Beach, VA
Christopher M. Bates, Christopher M. Bates, Inc., Fort Lauderdale, FL
Richard A Engelken, City of Dubuque, Dubuque, IA
Marcus T. Frick, Randolph County Tax Department, Asheboro, NC
Kathleen R. Geaghan, Town of Oakland, Oakland, ME
Kimberly Horton, CAE, Mecklenburg County, Charlotte, NC
David M. Saavedra, Washington Department of Revenue, Olympia, WA
Peggy L. Smith, Page County, Clarinda, IA
Matthew Woolford, Kent County Bureau of Equalization, Grand Rapids, MI

25 Years

Michael A. Bielak, CAE, Dundee Township Assessor, East Dundee, IL
John Chaklos, Putnam County, GA, Eatonton, GA
Barbara A. Chapman, Town of Derry, Derry, NH
John M. Cunningham, AAS, Cook County Assessor's Office, Chicago, IL
Richard C. Sands, Town of Orono, Bangor, ME
Robert E. Stickney, Stickney Appraisal Services, Shawnee Mission, KS

30 Years

Curtis E. Guest, Guest Appraisal Services, Gadsden, AL

35 Years

Kenneth E. Miller, Pasadena, CA
Joanna Niblack, Dundy County, Benkelman, NE
Linda A Rogers, Oklahoma County Assessor's Office, Oklahoma City, OK

40 Years

Michael B. Amo, CAE, Sauk Rapids, MN
Kenneth L. Kaval, CAE, Cook County Assessor's Office, Chicago, IL
John E. Setzer, Nestle Waters North America, Stamford, CT

50 Years

M. Joseph Manning, Town of Milton, Milton, MA

Ontario, Canada

Dorota Bochenek
Laine Fernandes
Erinn Jane Grant
Chris McPhail
Robert Christopher Real

Greece

Anastasios Lampropoulos

California

Brian Donnelly
Ross Allen Schemmel

Colorado

Cynthia K. South

Indiana

Michael L. Goodpaster
Shirley Wiker

Massachusetts

Arion Dako
Patrick McCafferty

Anthony J. Savoie

Montana

Charles Pankratz

Nebraska

Jeffrey E. Curry

New Jersey

Dave Bossart

Ohio

Joshua R. Harper

Philip A. Vinson

Joan M. Wolfe

Oklahoma

Nathan Fox

Steven McGinnis

Pennsylvania

Larry Shubert

Puerto Rico

Gilbert Santana
Carlos Alberto Santiago

Texas

Charles A. Monteith

Robert N. Pigg

Virginia

Rene H. Miller

Wyoming

Brian D. Judkins

FROM THE PRESIDENT *(continued from page 2)*

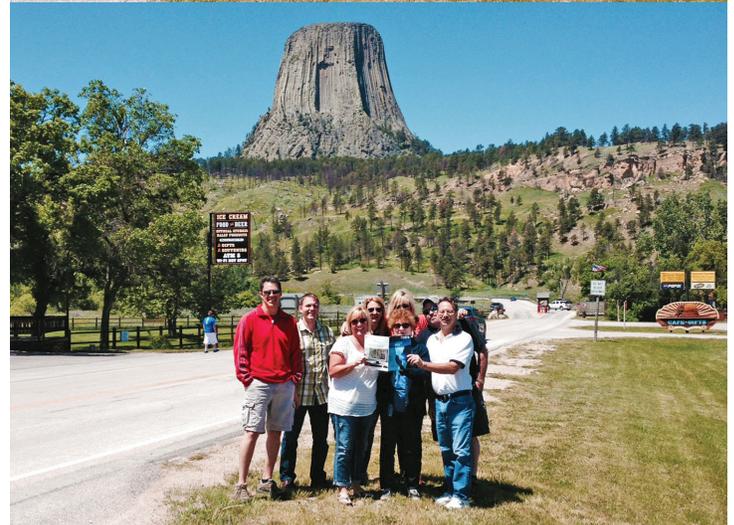
is the need to coordinate with other IAAO committees that are actively working on content development and delivery. The Infrastructure Committee is chaired by Fred Chmura, AAS, and members are Ralph Di Febo, CAE, RES; Wade Patterson; Margie Cusack; Rick Stuart CAE; and Mike Ireland, CAE. The committee is doing an exceptional job reviewing all things IAAO!

The cover story in this issue centers on automated valuation models (AVMs). IAAO members have always had a leadership role in developing and using mathematical modeling systems to determine property values. IAAO is currently revising its technical standard on the topic. This article provides a perspective on the scope of AVM use and acceptance around the world and the issues raised through use of AVMs for various purposes. Additional articles that are being planned will continue to inform IAAO members about the important role of AVMs in the modern world. Please read the letter from Technical Standards Committee Chair Bill Marchand beginning on page 36.

Last but not least, I would like to personally invite each of you to the 80th Annual IAAO Conference in beautiful Sacramento, California, in August. IAAO staff and volunteers are working diligently to ensure that there will be top-notch education sessions, a multitude of networking opportunities, and enjoyable social events. Registration numbers have surpassed last year at this time, and I anticipate excellent attendance.

Sincerely,

Kim Lauffer



Kim Lauffer and friends read F&E at Devil's Tower in Crook County, Wyoming, following the Annual Conference of the North Central Regional Association of Assessing Officers. Devil's Tower was designated as a United States National Monument in 1906. Pictured (bottom photo, l to r) are Jeff Ramsey, CAE, RES; Jared Thomason, RES; Amy Rasmussen, RES, AAS; Melinda Fonda, Linda Cwiek, Kim Lauffer, RES, Jeff Holsapple, CAE, RES; and Rick Stuart, CAE

A Letter from the Technical Standards Committee

In 2003, in order to provide guidance in promoting AVM accuracy through development and testing, IAAO created the *Standard on Automated Valuation Models (AVMs)*. This standard is significantly different from other IAAO standards. As stated in the Scope, “it is intended to provide guidance for both public sector CAMA and private sector AVMs.” As such it not only points inward to the property tax assessment community, but also outward to a larger superset of communities that uses determinations of property value for various purposes. AVMs are used for fraud detection, loan origination, portfolio valuation, and commercial investment analysis. They are used by commercial mortgage lenders, credit reporting agencies, direct marketing firms, disaster relief agencies, collateral risk agents, and property developers.

Having broad guidelines that encompass all of these purposes is extremely important. IAAO is uniquely situated to provide that guidance in the form of its technical standards. Providing guidance on key elements of an automated valuation model creates awareness of the need for validation, accuracy, and verifiability for the intended purpose. It provides guidance to AVM vendors and developers that wish to support standards and demonstrate that their products comply with industry-wide expectations of quality and integrity.

When multiple organizations representing various disciplines all provide guidance it is a powerful and positive influence that reinforces best practices. IAAO contributes to this consensus of thought by creating standards that can be (and frequently are) cited by other groups that promote standards. When the *Standard on Automated Valuation Models (AVMs)* is referenced in the literature and used to support the development of standards by other organizations it has a cumulative effect. As such, IAAO standards can influence a positive chain of events that builds integrity and stimulates interest in keeping the bar high when valuing property. Since its 2003 introduction, the IAAO AVM standard has been cited by organizations and governments all around the world, including the Royal Institute of Chartered Surveyors, the Appraisal Institute of Canada, and the Republic of Serbia Geodetic Authority.

The intent of IAAO is to provide authoritative guidance on best practices in property valuation rather than dictating policy or creating rules of governance for industries not directly related to property assessment for taxation purposes. With ever-advancing technology, statistical methods, and widespread access to information, AVMs in general have grown and advanced substantially over the past ten years. In order to continue to serve and advance the AVM community,

the IAAO Tech Standards Committee has announced the opening of the *Standard on Automated Valuation Models (AVMs)* for review. This opens the floor for conversation regarding the state of AVMs in our world today and how the standards can be adapted to continue this advancement. To begin the conversation and bring exposure to the subject, IAAO will feature a series of AVM-centered articles in *Fair & Equitable*, the first of which, “Moving Automated Valuation Models Out of the Box: The Global Geography of AVM Use,” by Paul Bidanset, is in this issue. We look forward to the community engagement and advancements this will bring.

Sincerely,

Bill Marchand

Chair, Technical Standards Committee



Visit the online Marketplace at IAAO.org to purchase and download webinars.

The knowledge you need at your fingertips.

**Education on Demand—
online courses for assessment professionals**

- SPSS for Appraisers
- An Introduction to the Cost Approach to Value
- An Introduction to the Income Approach to Value
- An Introduction to the Sales Comparison Approach to Value
- Mass Appraisal of Residential Property
- Introduction to GIS
- Site Analysis
- IAAO Standards of Professional Practice and Ethics
- Fundamentals of Assessment Ratio Studies
- Mathematics for Assessors
- 7-Hour National USPAP Update
- Understanding Real Property Appraisal

IAAO.org



Technical Standards Committee

Bill Marchand, Chair; Alan Dornfest, AAS; Doug Warr, CAE; Mary Reavey; Michael Prestridge; Brian Baker, Associate Member; and Chris Bennett, Staff Liaison

Alan Dornfest, AAS, and Mary Reavey attended the IPTI Mass Appraisal Valuation Symposium—Ensuring Valuation Consistency in Turbulent Times, June 18–19. They were there representing IAAO and introducing the paper, Guidance on International Mass Appraisal and Related Tax Policy.

In January, 2014, the IAAO Executive Board approved the document, which was developed by the Technical Standards Committee. This document was put together to support international efforts to institute or support mass appraisal based property tax systems. The document benefited from the input and perspectives of individuals representing a number of nations, several of which were represented at the IPTI Symposium. Representatives from Australia, Canada, Hong Kong, New Zealand, Russia, South Africa, and the United Kingdom were present at the meeting.

The symposium provided an opportunity for international exposure of both the development process and the major issues that arose during development of the guidance document. The conference hosted approximately 100 attendees.

Expected benefits to IAAO include a broader user audience, the potential for additional constructive comments as more professionals review the document, and more overall involvement within the international community of property tax professionals.

The presentation covered the following topics which are described in greater detail in the document:

1. supportive underlying economic, legal, and administrative framework
2. need for accurate property characteristics and market data
3. need to support skilled valuers
4. need for effective valuation models and components of such models
5. quality assurance
6. effective management and sufficient resources
7. appeals mechanisms
8. transparency and public relations.

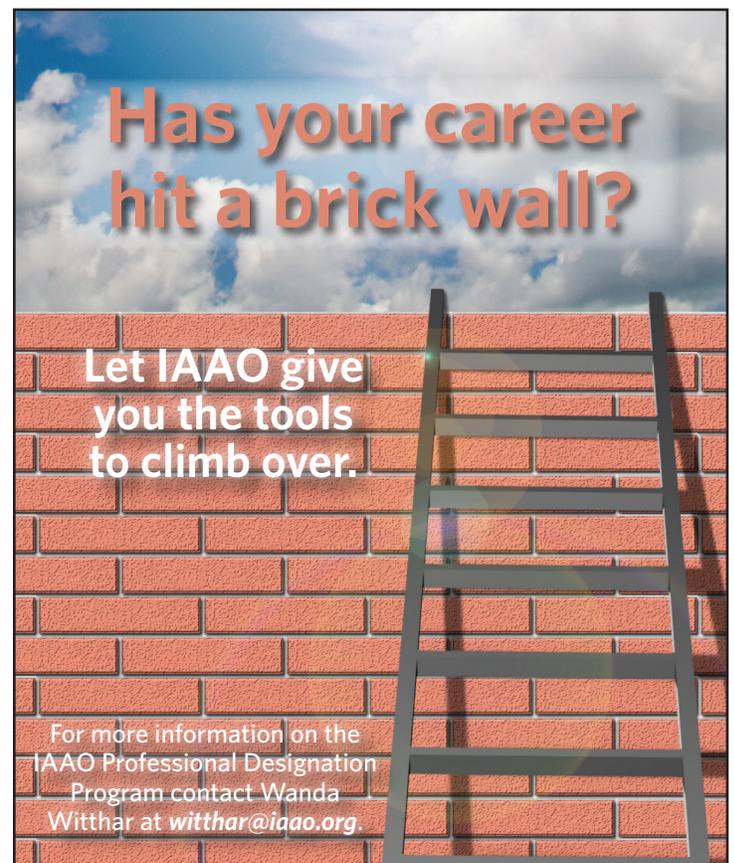
Among other key issues, the document and presentation discussed:

1. advantages and disadvantages of using current market value
2. types of property tax liability
3. frequency of reappraisal

4. effective legal framework that enables acquisition of adequate sales data
5. oversight
6. tax incidence controls
7. title registration
8. mapping programs
9. market data for market and rental income systems
10. residential and commercial characteristics examples
11. data collection and documentation
12. maintenance of characteristics data
13. use of mass appraisal models
14. quality assurance methods
15. notice and review within an appeals system
16. training, management, and resources

IAAO plans to treat this guidance paper as a living document. It will continue to collect comments and suggestions with the eventual goal of making it a full-fledged standard.

IAAO would like to thank IPTI President Paul Sanderson, JP LLB (Hons) FRICS IRRV and Chief Executive Officer, Jerry Grad, P. Eng., CRE, FRICS for the opportunity to introduce the paper at the IPTI conference.



Has your career hit a brick wall?

Let IAAO give you the tools to climb over.

For more information on the IAAO Professional Designation Program contact Wanda Witthar at witthar@iaao.org.

BY LOCATION

ALABAMA

101—Fundamentals of Real Property Appraisal

Montgomery, September 15–19, 2014

The Center for Governmental Services sponsor the offerings listed above. For more details, contact Julia Heflin 334/844-4782.

ARIZONA

551—Valuation of Machinery & Equipment

Phoenix, August 5–7, 2014

300—Fundamentals of Mass Appraisal

Phoenix, November 3–7, 2014

The AZ Chapter of IAAO sponsors the offerings listed above. For more details, contact Tim Grogan 602/372-9218.

ARKANSAS

201—Appraisal of Land

Little Rock, September 8–12, 2014

300—Fundamentals of Mass Appraisal

Little Rock, November 17–21, 2014

The Assessment Coordinator Department sponsors the offerings listed above. For more details, contact Cleta Hardy 501/324-9104

CONNECTICUT

102—Income Approach to Valuation

Rocky Hill, September 8–12, 2014

The Connecticut Chapter of IAAO sponsors the offering listed above. For more details, contact Melinda Fonda 203/988-0883.

FLORIDA

102—Income Approach to Valuation

Panama City Beach, August 4–8, 2014

201—Appraisal of Land,

Panama City Beach, August 4–8, 2014

312—Commercial/Industrial Modeling Concepts

Panama City Beach, August 4–8, 2014

402—Tax Policy

Panama City Beach, August 4–8, 2014

The FL Department of Revenue, Property Tax Oversight sponsor the offerings listed above. For more details, contact Meghan Miller 727/588-6856 or via e-mail, millerm@dor.state.fl.us

IDAHO

171—IAAO Standards

Boise, July 28, 2014

102—Income Approach to Valuation

Boise, July 28–August 1, 2014

201—Appraisal of Land

Boise, July 28–August 1, 2014.

311—Residential Modeling Concepts

Boise, July 28–August 1, 2014

331—Mass Appraisal Practices & Procedures

Boise, July 28–August 1, 2014

402—Tax Policy

Boise, July 28–August 1, 2014

163—Marshall & Swift - Commercial

Boise, July 29–30, 2014

151—National USPAP

Boise, July 29–30, 2014

191—National USPAP 7-Hour Update

Boise, July 31, 2014

The Idaho State Tax Commission sponsors the offerings listed above. For more details, contact Jan Barnard 208/334-7733.

INDIANA

151—National USPAP

Sellersburg, August 5–7, 2014

101—Fundamentals of Real Property Appraisal

Evansville, August 11–15, 2014

102—Income Approach to Valuation

Huntington, September 15–19, 2014

151—National USPAP

Valparaiso, September 30–October 2, 2014

300—Fundamentals of Mass Appraisal

Sellersburg, October 20–24, 2014

400—Assessment Administration

Indianapolis, December 1–5, 2014

The Indiana Chapter of IAAO sponsors the offerings listed above. For more details, contact Ginny Whipple 812/593-5308.

KANSAS

191—National USPAP 7-Hour Update

Wichita, September 29, 2014

311—Residential Modeling Concepts

Wichita, October 13–17, 2014

The Sedgwick County Appraisers Office sponsors the offering listed above. For more details, contact Todd Reynolds 316/660-9277.

331—Mass Appraisal Practices and Procedures

Olathe, August 18–22, 2014

201—Appraisal of Land

Olathe, September 8–12, 2014

The KC Chapter of IAAO sponsors the offerings listed above. For more details, contact Sackey Kweku 816/881-3307.

300—Fundamentals of Mass Appraisal

Topeka, August 4–8, 2014

The Kansas Department of Revenue, Division of Property Valuation sponsors the offerings listed above. For more details, contact Marilyn Cathey 785/296-4218.

101—Fundamentals of Real Property Appraisal

Wichita, July 21–25, 2014

102—Income Approach to Valuation, Wichita

Wichita, August 18–22, 2014

400—Assessment Administration

Wichita, September 15–19, 2014

The Kansas County Appraisers Association sponsors the offerings listed above. For more details, contact Cindy Brenner 620/873-7449

KENTUCKY

400—Assessment Administration

Frankfort, July 28–August 1, 2014

102—Income Approach to Valuation

Frankfort, August 18–22, 2014

101—Fundamentals of Real Property Appraisal

Frankfort, September 15–19, 2014

The KY Chapter of IAAO sponsors the offering listed above. For more details, contact Melissa Klink 502/564-7191.

MASSACHUSETTS

312—Commercial/Industrial Modeling Concepts

Needham, November 3–7, 2014

The Massachusetts Chapter of IAAO sponsors the offering listed above. For more details, contact Gary McCabe 617/733-4165

MICHIGAN

112—Income Approach to Valuation II

Escanaba, July 28–August 1, 2014

The Assessors Education Society sponsors the offering listed above. For more details, contact Miles Anderson 906/399-0950.

MINNESOTA

102—Income Approach to Valuation

Plymouth, September 15–19, 2014

311—Residential Modeling Concepts

Plymouth, October 20–24, 2014

102—Income Approach to Valuation

Plymouth, November 17–21, 2014

The MN Association of Assessing Officers sponsor the offerings listed above. For more details, contact Bob Wilson 952/826-0426.

MISSOURI

400—Assessment Administration

Blue Springs, July 28–August 1, 2014

402—Tax Policy

Blue Springs, October 6–10, 2014

The KC Chapter of IAAO sponsor the offerings listed above. For more details, contact Sackey Kweku 816/881-3307

NEW HAMPSHIRE

191—National USPAP 7-Hour Update

Concord, July 17, 2014

The New Hampshire Association of Assessing Officials sponsor the offering listed above. For more details, contact Renee Fisher 603/230-5958.

NORTH CAROLINA

400—Assessment Administration

Chapel Hill, August 18–22, 2014

The School of Government sponsor the offering listed above. For more details, contact Carolyn Sands Boggs 919/966-4157.

OHIO

201—Appraisal of Land

Moraine, October 27–31, 2014

191—USPAP 7-Hour Update

North Canton, November 3, 2014

The Ohio Ad Valorem School sponsor the offering listed above. For more details, contact Robert Graham 330/935-2997 or OhioAdValorem@nea.rr.com.

TENNESSEE

101—Fundamentals of Real Property Appraisal

Knoxville, August 11–15, 2014

112—Income Approach to Valuation II

Brentwood, September 8–12, 2014

311—Residential Modeling Concepts

Knoxville, October 20–24, 2014

600—Principles & Techniques of Cadastral Mapping

Brentwood, November 3–7, 2014

201—Appraisal of Land

Brentwood, November 17–21, 2014

The Comptroller of the Treasury, Division of Property Assessments sponsor the offering listed above. For more details, contact James Woodyard 615/401-7789 or Cristi Moore 615/401-7774.

TEXAS

102—Income Approach to Valuation

Houston, September 8–12, 2014

400—Assessment Administration

Austin, October 6–10, 2014

101—Fundamentals of Real Property Appraisal

Austin, October 13–17, 2014

151—National USPAP

Houston, October 13–14, 2014

191—National USPAP 7-Hour Update

Houston, October 15, 2014

300—Fundamentals of Mass Appraisal

Austin, November 17–21, 2014

331—Mass Appraisal Practices and Procedures

Houston, November 3–7, 2014

452—Fundamentals of Assessment Ratio Studies

Houston, November 10–12, 2014

102—Income Approach to Valuation

Austin, December 8–12, 2014

112—Income Approach to Valuation II

Houston, December 8–12, 2014

The Texas Association of Appraisal Districts sponsor the offerings listed above. For more details, contact Doris Koch 512/467-0402.

UTAH

112—Income Approach to Valuation II

Salt Lake City, October 27–31, 2014

The Utah Chapter of the IAAO sponsors the offerings listed above. For more details, contact Tiffany Opheikens 801/399-8136.

VERMONT

102—Income Approach to Valuation

White River Junction, September 29–October 3, 2014

The Vermont Department of Taxes – PVR Division sponsors the offering listed above. For more details, contact Felicia Martineau 802/828-6635.

452—Fundamentals of Assessment Ratio Studies

Bellows Falls, August 11–13, 2014

The Vermont Assessors and Listers Association sponsors the offering listed above. For more details, contact John Vickery 802/865-7112.

WISCONSIN

102—Income Approach to Valuation

Milwaukee, August 18–22, 2014

Scott G. Winter Training & Consultants sponsors the offering listed above. For more details, contact Scott Winter 414/238-4002.

WYOMING

452—Fundamentals of Assessment Ratio Studies

Cheyenne, September 3–5, 2014

252—Valuing Property Affected by Environmental Contamination

Casper, September 17–19, 2014

101—Fundamentals of Real Property Appraisal

Casper, September 22–26, 2014

201—Appraisal of Land

Cheyenne, October 20–24, 2014

The Wyoming Department of Revenue sponsors the offerings listed above. For more details, contact Alan Lemaster 307/777-3450

BY COURSE

Course 101—Fundamentals of Real Property Appraisal

July 21–25, 2014, Kansas (Wichita)

August 11–15, 2014, Tennessee (Knoxville)

August 11–15, 2014, Indiana (Evansville)

September 15–19, 2014, Alabama (Montgomery)

September 15–19, 2014, Kentucky (Frankfort)

September 22–26, 2014, Wyoming (Casper)

October 13–17, 2014, Texas (Austin)

Course 102—Income Approach to Valuation

July 28–August 1, 2014, Idaho (Boise)

August 4–8, 2014, Florida (Panama City Beach)

August 18–22, 2014, Kentucky (Frankfort)

August 18–22, 2014, Kansas (Wichita)

August 18–22, 2014, Wisconsin (Milwaukee)

September 8–12, 2014, Texas (Houston)

September 8–12, 2014, Connecticut (Rocky Hill)

September 15–19, 2014, Minnesota (Plymouth)

September 15–19, 2014, Indiana (Huntington)

September 29–October 3, 2014, Vermont (White River Junction)

November 17–21, 2014, Minnesota (Plymouth)

December 8–12, 2014, Texas (Austin)

Course 112—Income Approach to Valuation II

July 28–August 1, 2014, Michigan (Escanaba)

September 8–12, 2014, Tennessee (Brentwood)

October 27–31, 2014, Utah (Salt Lake City)

December 8–12, 2014, Texas (Houston)

Workshop 151—National USPAP

July 29–30, 2014, Idaho (Boise)

August 5–7, 2014, Indiana (Sellersburg)

September 30–October 2, 2014, Indiana (Valparaiso)

October 13–14, 2014, Texas (Houston)

Workshop 163—Marshall & Swift-Commercial

July 29–30, 2014, Idaho (Boise)

Workshop 171—IAAO Standards

July 28, 2014, Idaho (Boise)

Workshop 191—National USPAP 7-Hour Update

July 17, 2014, New Hampshire (Concord)

July 31, 2014, Idaho (Boise)

September 29, 2014, Kansas (Wichita)

October 15, 2014, Texas (Houston)

November 3, 2014, Ohio (Canton)

Course 201—Appraisal of Land

July 28–August 1, 2014, Idaho (Boise)

August 4–8, 2014, Florida (Panama City Beach)

September 8–12, 2014, Kansas (Olathe)

September 8–12, 2014, Arkansas (Little Rock)

October 20–24, 2014, Wyoming (Cheyenne)

October 27–31, 2014, Ohio (Moraine)

November 17–21, 2014, Tennessee (Brentwood)

252—Valuing Property Affected by Environmental Contamination

September 17–19, 2014, Wyoming (Casper)

Course 300—Fundamentals of Mass Appraisal

August 4–8, 2014, Kansas (Topeka)

October 20–24, 2014, Indiana (Sellersburg)

November 3–7, 2014, Arizona (Phoenix)

November 17–21, 2014, Texas (Austin)

November 17–21, 2014, Arkansas (Little Rock)

Course 311—Residential Modeling Concepts

July 28–August 1, 2014, Idaho (Boise)

October 13–17, 2014, Kansas (Wichita)

October 20–24, 2014, Tennessee (Knoxville)

October 20–24, 2014, Minnesota (Plymouth)

Course 312—Commercial/Industrial Modeling Concepts

August 4–8, 2014, Florida (Panama City Beach)

November 3–7, 2014, Massachusetts (Needham)

Course 331—Mass Appraisal Practices and Procedures

July 28–August 1, 2014, Idaho (Boise)

August 18–22, 2014, Kansas (Olathe)

November 3–7, 2014, Texas (Houston)

Course 400—Assessment Administration

July 28–August 1, 2014, Kentucky (Frankfort)

July 28–August 1, 2014, Missouri (Blue Springs)

August 18–22, 2014, North Carolina (Chapel Hill)

September 15–19, 2014, Kansas (Wichita)

October 6–10, 2014, Texas (Austin)

December 1–5, 2014, Indiana (Indianapolis)

Course 402—Tax Policy

July 28–August 1, 2014, Idaho (Boise)

August 4–8, 2014, Florida (Panama City Beach)

October 6–10, 2014, Missouri (Blue Springs)

Workshop 452—Fundamentals of Assessment Ratio Studies

August 11–13, 2014, Vermont (Bellows Falls)

September 3–5, 2014, Wyoming (Cheyenne)

November 10–12, 2014, Texas (Houston)

Workshop 551—Valuation of Machinery & Equipment

August 5–7, 2014, Arizona (Phoenix)

Course 600—Principles & Techniques of Cadastral Mapping

November 3–7, 2014, Tennessee (Brentwood)



GIS/CAMA CALL FOR PRESENTATIONS

Abstracts due Monday, September 22, 2014

**19th Annual GIS/CAMA Technologies Conference • March 2–5, 2015
Renaissance Oklahoma City Convention Center Hotel • Oklahoma City, OK**

The GIS/CAMA Technologies Conference educational program is developed from submissions received through the Call for Presentations.

The 2015 Conference Planning Committee welcomes the submission of papers, complete sessions, discussion panels, and lightning talks. Presentation topics are not limited to suggested topics. All abstract submissions will be reviewed and considered regardless of topic.

Presentations that market specific products and services are not acceptable. Abundant exhibit and sponsorship opportunities are available during the conference.

Suggested Topics

GIS Technologies

**Integrating GIS & CAMA Data
(object-level/sub-parcel
data possibilities)**

**Using Assessor's CAMA Data
and GIS for Emergency Planning**

**Creating and Analyzing
Building Sketch Data**

Parcel/Cadastral Mapping

**Using GIS for Subparcel
Inventory Valuation**

**Interagency Data Sharing
and Cooperation**

Accepted presenters must submit either a formal paper (preferred) or a presentation with notes (e.g., PowerPoint/Prezi) during the conference for inclusion in the proceedings. The session moderator will collect papers and presentations on a thumb drive.

Accepted presenters must register and pay the regular conference registration fee. Acceptance as a presenter does not register you for the conference—registration fees are required.

For additional information, go to IAAO.org under Events→GIS/CAMA Conference.

Submit abstracts online at <http://www.urisa.org/forms/gis-cama-abstract-submission>.

The GIS/CAMA Technologies Conference is sponsored by the International Association of Assessing Officers and the Urban and Regional Information Systems Association.

Calendar of Events

Local • Regional • International

Michigan Assessors Association

42nd Annual Summer Conference

August 3–6, 2014

Plymouth, Michigan

<http://maa-usa.org>

Appraisal Institute

2014 Annual Meeting, AI Connect

August 4–6, 2014

Austin, Texas

www.appraisalinstitute.org/annualmeeting

Oklahoma Tax Commission, Ad Valorem Division

70th Annual Educational Conference

August 5–8, 2014

Tulsa, Oklahoma

Tennessee Chapter of IAAO

Fall 2014 Meeting

August 11–13, 2014

Nashville, Tennessee

www.tiaao.org

Maine Association of Assessing Officers

Annual Fall Conference

September 3–5, 2014

Sebasco Harbor Resort, Maine

maineassessors.org

International City/County Management Association

100th Annual Conference

September 14–17, 2014

Charlotte, North Carolina

icma.org/en/icma/events/conference/welcome

Society of Professional Assessors and International Property Tax Institute

SPA 50th Anniversary Celebration

October 24–25, 2014

Omni Providence, Providence, RI

www.societyofassessors.org

Submit event information with name, date, place, and contact information to bennett@iaao.org.

Notice: The June 2014 issue of *Fair & Equitable* included a notice about Course 300—Fundamentals of Mass Appraisal, which was scheduled to be conducted in Thailand on July 21–25. Unfortunately, the course has been postponed as a result of current political circumstances in Thailand. The course sponsor, the Thai Appraisal Foundation plans to reschedule the course when circumstances allow.

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Fred Chmura, AAS, Managing Partner

860.974.1354 • fchmura@teamconsulting.cc

Rick Stuart, CAE, Senior Consultant

785.259.1379 • Rstuart17@cox.net

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FOUNDATION NEWS

IAAO member Lisa A. Hobart, PPS, has been appointed to a three-year term on The Appraisal Foundation Board of Trustees as member-at-large beginning in January 2015. Hobart is Assessor for the Charter Township of West Bloomfield, Michigan. She has been an IAAO member since April 1988 and is a coauthor of the IAAO book *Property Assessment Valuation*, third edition.



The Appraisal Foundation is governed by the Board of Trustees and is charged with providing financial support for the work of the Foundation's three independent boards: the Appraisal Practices Board, the Appraiser Qualifications Board, and the Appraisal Standards Board. It is also responsible for appointing members to those boards and providing oversight of the activities of the Foundation's boards and advisory councils.

Congratulations Lisa!

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IAAO Conferences, Seminars, and Meetings

Event	Location	Dates
Infrastructure Review Committee	Chicago, Illinois	July 16–17, 2014
Executive Board Meeting	Chicago, Illinois	July 18–19, 2014
Budget Committee	Chicago, Illinois	July 21–22, 2014
IAAO 80th Annual International Conference on Assessment Administration	Sacramento, California	August 24–27, 2014
Executive Board Meeting	White Plains, New York	October 17–18, 2014
Leadership Days	Kansas City, Missouri	November 14–15, 2014
35th Annual IAAO Legal Seminar	Chicago, Illinois	December 11–12, 2014
IAAO 81st Annual International Conference on Assessment Administration	Indianapolis, Indiana	September 13–16, 2015
IAAO 82nd Annual International Conference on Assessment Administration	Tampa, Florida	August 28–31, 2016
IAAO 83rd Annual International Conference on Assessment Administration	Las Vegas, Nevada	September 24–27, 2017
IAAO 84th Annual International Conference on Assessment Administration	Minneapolis, Minnesota	September 23–26, 2018



Mary Ann Weidner, RES

The Secrets to Hotel Casino Valuation: A Clark County (Las Vegas) Perspective

Noon–2:00 pm CDT • July 16, 2014

Mary Ann Weidner, RES

With the expansion of legalized casino-style gambling over the past decade, more jurisdictions are faced with the challenges of valuing these types of properties for tax purposes. This webinar will provide an overview of the valuation of hotel casinos from the perspective of Clark County (Las Vegas), Nevada. Though each jurisdiction may have unique market influences different from Las Vegas, this webinar is designed to provide a framework for getting started in hotel casino valuation. This includes tracking and analyzing departmental revenue and expenses; reviewing and analyzing historical market transactions; and deriving revenues, expenses and cap rates necessary to make a valuation determination. Practical examples will be provided for review along with charts showing statistical analysis on historical data.



From this webinar you will learn

- A better understanding of Nevada's tax system
- A better understanding of how to value hotel casinos using the income approach
- Methods for deriving departmental revenues
- Methods for deriving departmental expenses
- Data on historical hotel casino transactions—Cap Rates
- Sources for attaining data on hotel casinos

Participant/Site License Charge

Member Rate		Non-Member Rate	
1-3 attendees	\$79	1-3 attendees	\$149
4-9 attendees	\$139	4-9 attendees	\$219
10+ attendees	\$199	10+ attendees	\$289

Most webinars earn 2.0 continuing education credits

CALL FOR ARTICLES AND WEBINARS

- Automated Valuation Models
- Burden of proof
- Safety procedures in the field
- Nonprofits
- Contaminated land
- Data sharing initiatives
- Public relations
- Tax policy/Tax reform
- Green buildings & systems
- Alternative energy
- Equity appeals (Texas)
- FOIA requests
- Historical property
- Hospitals/surgical centers
- Mineral rights
- Public relations
- Open source resources
- Tax collection
- Disaster response
- Procedure improvements

To submit article ideas contact Chris Bennett, bennett@iaao.org. • To submit webinar ideas contact Robin Parrish, parrish@iaao.org.

In Memoriam

Michael H. Martin

Michael H. Martin, 58, of Galliano, Louisiana, passed away on Tuesday, March 4, 2014.

Martin joined IAAO in 2001 and was active at the local level through the Louisiana Assessors' Association and was a past president. He served as Lafourche Parish Assessor for 13 years. He was very involved in his community through the Lafourche Parish Bar Association, Rotary Club, Lafourche Chamber, American Cancer Society, Knights of Columbus, Louisiana Organ Procurement Agency, and many other organizations.



Those close to Martin will remember him as devoted to his family, selfless, and someone who always tried to do the right thing and help others. He was known for running a high-quality office, telling jokes, and making everyone feel welcome and important.

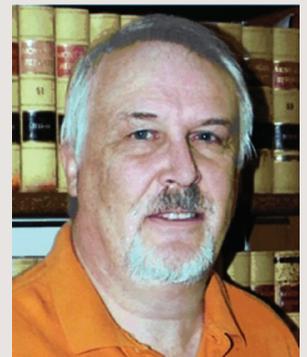
Martin is survived by his wife, son, and parents. A visitation, funeral, and burial were held at Our Lady of Prompt Succor Catholic Church in Golden Meadow, Louisiana, on Friday, March 7, 2014. In lieu of flowers, memorial donations may be made in honor of Michael Hal Martin to the Louisiana Organ Procurement Agency at www.lopa.org/financial-contributions.

In Memoriam

Charles A. "C.A." Daw

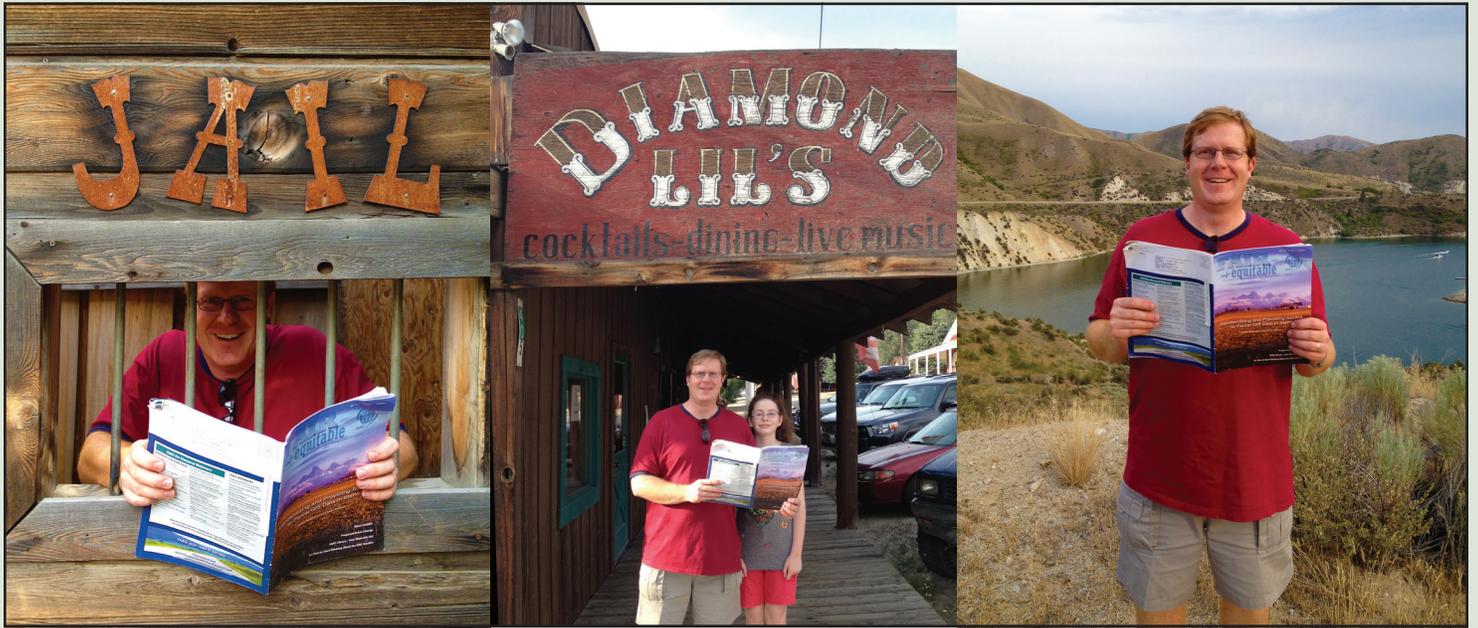
Charles A. "C.A." Daw, 60, of Helena, Montana, and Boise, Idaho, passed away on Thursday, May 1, 2014.

Daw joined IAAO in 1988 and was a speaker, author, and advisor. He was Chief Legal Counsel for the Montana Department of Revenue for seven years. Prior to that, he practiced law in Idaho for 28 years and was a founding member of the firm Dillion, Bosch and Daw. He was involved in the community through the United Way, Boise School District, and the Masonic Idaho Lodge #1.



Daw will be remembered as an outstanding attorney, an expert in state and local taxation, and a kind person who always treated others with dignity and respect. He had a distinguished record of working for state tax agencies, and he was a mentor for those who worked alongside him. The IAAO Technical Standards Committee recently sent Daw a letter of thanks and commendation for his service over many years providing IAAO with outstanding legal advice for various standards and textbooks. He will be greatly missed.

Daw is survived by his wife, daughter, son, and parents. Memorial services were held in Boise, Idaho, on Monday, May 26, 2014, and in Helena, Montana, on Thursday, May 29, 2014. In lieu of flowers, the family requests that donations be made to the Huntsman Cancer Institute at www.huntsmancancer.org/giving to further research for Peutz-Jeghers Syndrome.



Ken Joyner, Assessor for Mecklenberg County, North Carolina, reads *Fair & Equitable* on a family trip to Idaho City, and Boise, Idaho.

In the 1860s, Idaho City was the largest town in the Northwest as a result of Gold Rush Fever. Unscrupulous rascals like Ken occasionally had to be thrown into the town lockup (left photo) until their gold fever subsided. Fortunately, the jail provided quality reading materials like F&E to pass the time.

Because Ken's family depends on him (and he really is a nice guy) the judge showed leniency and released him into the custody of his daughter, Olivia (center photo), who is known

for her stability and temperate ways. It was just in time for lunch at the world-famous Diamond Lil's family restaurant and saloon (center).

In the photo on the right, Ken is pictured reading F&E along the banks of the Boise River. Ken was hightailing it back to Boise upon his release. The Boise River is a 102-mile-long tributary of the Snake River close to the Sawtooth Mountain Range, where Ken was planning to hide out when Gold Fever overtook him.

Upon advice from his daughter, Ken chose to travel to Boise by car rather than whitewater rafting as initially planned.

Iredell County (North Carolina) Real Property Appraisal Supervisor Fran Elliott has the right initials (FE) for her position as a *Fair & Equitable* appraiser and supervisor!

Fran reads the *F&E Digital Edition* at her desk, from which she plans and supervises her team of one part-time and five full-time real property appraisers. Way to go F.E.!



IAAO accepts digital photos of interesting or unusual places for "Where Do You Read F&E?" and photos of local jurisdiction activities and meetings. Please provide full contact information with your submission. Send photos to bennett@iaao.org.

PART TIME CONSULTANT

Cost Containment Advisors, Inc.

Our property tax practice continues to expand! We are looking for semi-retired or individuals with part time availability with experience in personal property, real property, and unitary valuations specifically in the utility and power industry to assist our clients on an "as needed" basis. If you are interested in additional income and flexible hours please contact kittyg@cost-containment-advisors.com via email and send a recent bio which includes industry experience. Please note—no need to relocate.

Skills

- Experience in property taxation
- Experience in power & utility industry
- Computer skills & internet access
- Good communication skills

Minimum Education

Associates Degree

Minimum Experience

7–10 years

CURRICULUM MANAGER/INSTRUCTIONAL DESIGNER

International Association of Assessing Officers, Kansas City, Missouri

The International Association of Assessing Officers is a non-profit organization formed in 1934 to meet the professional needs of property assessors/appraisers. Headquartered in Kansas City, Missouri, IAAO serves a membership of approximately 7,500 with conferences, seminars, education courses, credentialing programs, networking opportunities and an extensive research library. We offer a good working environment, benefits, retirement, and free parking.

Overall Responsibility:

The Curriculum Manager designs, develops, and supervises the creation of curriculum content, training materials, training modules, teaching aids, and manages all aspects of curriculum development. This individual will be expected to deliver accurate, high-quality documentation within a specified deadline and timeline and will work with web-based media.

- Utilize adult learning principles to develop all instructional materials.
- Serve as a technical resource to instructors, staff, developers, association committees
- Conduct training for instructors, developers and staff. Assists developers in writing course objectives that meet course design and adult education standards.
- Provide input into the development and maintenance of on-line learning opportunities
- Coordinate curriculum development processes with

developers and serves as a resource to staff and students.

- Oversee the development and maintenance of curriculum-related documents in all formats, including web-based.

Position requirements:

Instructional design experience (corporate or academic work accepted) including:

- Knowledge of media design and educational technology;
- Familiarity with Learning Management Systems;
- Knowledge of Microsoft Office and Adobe Design Premium suites;
- Use of multimedia skills.

The Curriculum Manager coordinates and performs duties related to the curriculum review and approval process, including:

- Maintenance of course, program, and distance education course information in accordance with established guidelines and best practices;
- Development of courses, designation-related requirements;
- Technical resource to instructors, staff, developers, association professional development committees; and
- Conducts training for instructors, developers and staff.

Key duties and responsibilities:

Manage multiple program development projects simultaneously by prioritizing project deadlines. Manage all aspects of new curriculum development programs/projects:

- Develop a calendar and timelines for submission and approval of revisions to and/or creation of new materials; assist with preparation of agenda items and materials for Education Subcommittee,
- Establish a process to review and include feedback from end of course surveys, and student evaluations into the quality assurance and course maintenance processes.
- Manage relationships with publishers to ensure text book edition changes and learning resources are appropriately reflected in course updates.
- Assure the accuracy and compliance of classroom and distance education courses to various accreditation programs, such as IDECC, The Appraisal Foundation CAP approval program, and others
- Collaborate with course and textbook writers to develop and review proposed project efforts to determine scope, key milestones, time-frame, and monitor work to ensure compliance.
- Track program development life cycles; ensure that any problems are addressed, and resolved quickly.

- Manage and communicate with off-site development and support resources, including publishers and development vendors, to ensure successful implementation of projects.
- Develop and implement curriculum and distance education related training and other support services to instructors, developers, reviewers, subject matter experts and staff.
- Serve as a resource and offers recommendations related to new offerings, designations/certifications and distance education programs.
- Conduct curriculum and distance education-related research and analysis
- Work collaboratively across functional areas to manage and coordinate new program launches.
- With regard to course development:
- Work with developers and the committee members to establish strong course objectives
- Help evaluate examination questions with regard to goals that have been set
- Help determine what elements should be included in written and PowerPoint media
- Help developers prepare quality charts and graphs
- Work with developers, committee members and staff to develop an overall map of course content to help in the determination of which material to update and when

Job Requirements

Relevant experience:

- Effective communication skills, including superior writing skills.
- Understanding of adult student learning theories and approaches.
- Knowledge of and experience in implementing instructional design principles.
- Experience with distance education programs and courses.
- Modern office methods and practices including report writing; proper English usage, spelling, vocabulary and grammar .
- Operation of personal computer software programs including word processing, databases, spreadsheets and design programs.

Ability to:

- Analyze situations accurately and take appropriate action.

- Plan and present training and/or give presentations to individuals and groups.
- Develop and maintain statistical records.
- Interpret and apply education policies and procedures.
- Schedule and manage competing projects and assignments.
- Work independently and in team situations

Minimum Qualifications:

Education:

Bachelor's degree in Curriculum Development, Instructional Design, Instructional Technology, Education or related area. (Master's degree preferred.)

Lead responsibility on significant course development projects for which instructional systems design and evaluation methodologies were used.

Experience:

- Knowledgeable and functional in technical writing, including consistent and correct use of tense, grammar/spelling and terminology.
- Comprehensive knowledge of current instructional theories and principles applicable to both online and instructor -led adult learning programs.
- Intermediate to advanced computer experience and proficiency in Microsoft Office 2003, 2007, 2010, and shared point, etc.)
- Good organization skills and time management skills; ability to be flexible and solve problems.
- Strong proof-reading skills to produce error-free documents.
- Ability to communicate through verbal and written means with individuals, small groups and audiences at all levels of the organization.
- Ability to ask appropriate questions, probe for understanding, and work in collaboration with others to achieve desired results.
- Proficient knowledge of recognized desktop publishing applications including layout and design (e.g. Quark, Publisher, In-Design, Photoshop, Illustrator).
- Skilled in the use of recognized web-authoring, SCORM compliant applications (e.g. Lector a, Flash, Camtasia, Adobe Presenter, Articulate, Adobe Premier, Captivate, Flash, etc.)
- Ability to produce learning materials to include facilitator/instructor and participant manuals
- Ability to deal effectively with obstacles to progress in order to maintain project momentum.

Supervision Received:

Curriculum Development Manager reports to the Director of Professional Development.

Contact information:

To learn more about IAAO, visit www.iaao.org.

Interested persons should provide a cover letter (including salary requirements), references, resume/CV and any pertinent details about their experience to Larry Clark, CAE, Director of Professional Development, clark@iaao.org. Closing date for applications: August 1, 2014

COMMERCIAL REAL ESTATE COTA

Sedgwick County Appraiser's Office, Wichita, Kansas

Job Objectives

This position will be responsible for overseeing and reviewing all appraisal aspects for the Kansas Court of Tax Appeals (COTA) cases involving Commercial Real Estate in Sedgwick County Kansas as well as other duties. Monitoring and tracking of all pending COTA dockets will be done in conjunction with the County Counselor's Office to ensure all court imposed requirements and deadlines are met. All pending cases and associated documentation will be reviewed for possible resolution or presentation at a Court of Tax Appeals trial. Case review will include correspondence and meetings with property owners and/or their representatives to ensure thorough information exchange and possible dispute resolution. Any cases proceeding to the Court of Tax Appeals will require depositions and testifying in court. Additional responsibilities for this position will include: participation in all levels of valuation hearings, annual final valuation review and onsite property inspections when warranted.

Essential Job Functions

This position requires a self-directed person with strong negotiating skills and a thorough knowledge of commercial real estate market practices. Extensive knowledge and experience in applying the three approaches to value (cost, income, and comparable sales) is essential. A thorough understanding of commercial construction methods and materials is beneficial. Knowledge and experience with various software applications such as IBM SPSS and Microsoft Word, Excel, and Access are necessary. A large portion of the duties associated with this position require communications with various professionals: attorneys, property tax representatives, commercial property managers, realtors and, property owners. The ability to clearly communicate both verbally and in writing is crucial.

Job Requirements

Requirements for applicants for this position include:

- State of Kansas Registered Mass Appraiser (RMA)
- General Certified Appraisal License or IAAO Profes-

sional Appraisal Designation (CAE preferred)

- Bachelor's degree in real estate, business, finance, or economics required. (Extensive direct experience in mass appraisal may be substituted.)
- Minimum of five years of commercial mass appraisal experience

Education

Bachelor's degree

Experience

5–7 years

Equipment

Typical office equipment used. Computer programs used include: Microsoft Word, Excel, Access, Orion CAMA System and IBM SPSS. There will be occasional driving of personal vehicle (mileage reimbursed).

Work Environment

Typical office work environment. Occasional on-site property inspections at various locations around the county.

Usual working days/hours

Mon.–Fri. 8:00 to 5:00

Location of work

4035 E. Harry

- Must pass KBI background check and pre-employment urine drug screen.
- Valid Kansas Driver's License Required. Must meet Driver Qualification standards as set forth in Sedgwick County's Fleet Vehicle Operation and Usage policy.
- This position may be filled or closed to further application without notice.

Apply at <https://www.hrepartners.com/hrepartners/jobdetails.aspx?id=23140>.

Sedgwick County is proud to be an Equal Opportunity Employer.

DIRECTOR OF RESEARCH

International Association of Assessing Officers, Kansas City, Missouri

The International Association of Assessing Officers is a non-profit organization formed in 1934 to meet the professional needs of property assessors/appraisers. Headquartered in Kansas City, Missouri, IAAO serves a membership of approximately 7,500 with conferences, seminars, education courses, credentialing programs, networking opportunities and an extensive research library. We offer a good working environment, benefits, retirement, and free parking.

Position will have the overall responsibility for the Research Department:

- Plans, implements, and continually evaluates a research program to serve the association, its members, and the assessing profession, in accordance with the current

IAAO CAREER CENTER *(continued)*

- IAAO Strategic Plan. Directs and coordinates research activities for the creation of organizational products and services, including technical assistance.
- Conceptualizes research projects relating to the immediate, short-range, and long-range objective of the association in such areas as assessment methods and practices, property tax policies, methodological and technological innovations that have a potential for improving assessment practices, and public opinions and attitudes about property taxation.
 - Manages the updates of the association's ongoing research projects, including the Property Tax Administrative Policies and Practices survey, the Ratio Studies Practices survey, and the Staffing Benchmark survey.
 - Conducts research on the impact of IAAO membership on assessment jurisdictions with regard to staff turnover, number of appeals, assessment ratios, and other outcomes. Researches the impact of IAAO membership and designations on assessors' career development, salaries, tenure, and other outcomes.
 - Manages the Academic Partnership Program in cooperation with the Research Committee. This program awards grants to student/faculty researchers for conducting research on assessment topics.
 - Prepares proposals designed to secure grants for the association to conduct research projects.
 - Prepares timely reports and articles for distribution through the association's periodicals and other publications.
 - Represents the association at major meetings, conferences, etc., such as National Association of Counties, and International City/County Management Association.
 - Communicates the correlation between a high-quality assessment program and a stable revenue base to county commissioners, city councils, state revenue agencies, other budgetary officials/legislators.
 - Plans and formulates aspects of research and development proposals such as objective or purpose of project, applications that can be utilized from findings, costs of project, and equipment and human resource requirements.

Announcing IAAO CAREER CENTER at IAAO.org

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- **Anonymous resume bank** protects confidential information. Your resumé is visible to employers. Your identity and contact information remains confidential until you reveal it.
- **Value-added benefits** such as career coaching, resumé services, education/training, articles and advice, resumé critique and writing, and career assessment test services.
- **Employer benefits** too. High return on ad dollars, targeted search capabilities, access to job board networks, stored messaging, and user-friendly templates.

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- Develops and submits proposals considered feasible to management for consideration and allocation of funds or allocates funds from department budget.
- Develops and implements methods and procedures for monitoring projects such as preparation of records of expenditures and research findings, progress reports, and staff conferences, in order to inform management of current status of each project.
- Negotiates contracts with consultants to perform research studies such as a periodic salary survey of assessment professionals.
- Serves as the first point of contact for the Technical Assistance program, serving as a liaison to the Technical Assistance Committee, and working with clients to lead them in the right direction.

Job Requirements

Degree in economics, business administration, public administration, real estate, statistics, or a related field. Master's degree (M.A.) preferred; or four to ten years related experience and/or training; or equivalent combination of education and experience.

Relevant experience:

Five years progressively responsible experience in designing and carrying out research projects in the field of assessment administration or reasonably related field.

Knowledge of:

Research design and implementation in such areas as assessment methods and practices, property tax policies, methodological and technological innovations that have a potential for improving assessment practices, and public opinions and attitudes about property taxation.

Ability to:

Apply advance mathematical concepts such as exponents, logarithms, quadratic equations, and permutations. Ability to apply mathematical operations to such tasks as frequency distribution, determination of test reliability and validity, analysis of variance, correlation techniques, sampling theory, and factor analysis.

Define problems, collect data, establish facts, and draw valid conclusions. Ability to interpret an extensive variety of technical instructions in mathematical or diagram form and deal with several abstract and concrete variables.

Contact information:

To learn more about IAAO, visit www.iaao.org.

Interested persons should provide a cover letter (including salary requirements), references, resume/CV and any pertinent details about their experience to Lisa Daniels, Executive Director, daniels@iaao.org.

Closing date for applications: August 1, 2014

IAAO VENDORS & CONSULTANTS DIRECTORY
THE SOURCE For Professional Vendors & Consultants

Need Experts?

Looking for expert help? Go to the IAAO Vendors & Consultants Directory to get the information you need.

- **Almy, Gloudemans, Jacobs & Denne**
- **Appraisal Institute**
- **DEVNET, Incorporated**
- **EagleView Technologies/Pictometry**
- **International Association of Assessing Officers**
- **Local Government Services International**
- **Narrative 1 Software**
- **O'Connor Consulting, Inc.**
- **Pickett & Company, Inc.**
- **Spatialest**
- **TEAM Consulting, LLC**
- **Thomson Reuters**
- **Tyler Technologies, Inc.**
- **Vision Government Solutions**
- **ZillionInfo**

Scholarships Anyone?

Would you like help paying for an education course? Or maybe a little extra money could help you attend the Annual Conference. No matter what the situation, IAAO may be able help. We have several scholarships available, including:

IAAO Scholarship Fund
(The maximum amounts awarded for this fund have recently been increased.)

Barbara Brunner Scholarship Fund

Jeff Hunt, CAE, Memorial, Candidates Trust

Timothy N. Hagemann Memorial Membership Trust

Friends of the Paul V. Corusy Library Trust

IAAO Hardship Grant

For more information about all the scholarships available, and to apply, please visit the Education section of IAAO.org.



IAAO Technical Assistance: Objective - Professional - Affordable

IAAO provides assistance in the following areas

- Appraisal Process and Techniques—guidelines for real and personal property valuation, evaluation of manuals and cost schedules, mapping requisites, data systems, assessment cycle, integrating GIS and CAMA systems, benchmarking
- General Assessment Administration—personnel requirements, systems, internal controls and management procedures, determining resource availability, development of RFPs
- Mapping—compliance with standards, contractor selection, integration of digital mapping technology
- Reappraisal Program—determination of need, method of implementation, determining whether an outside appraisal firm is required, program supervision, remote sensing technology and quality control
- Personnel—standards for selection, compensation, training and certification, candidate testing, examination development
- Public Relations—outreach programs, satisfaction surveys, streamlining of public access to assessment data
- Quality Assurance—assessment standards, ratio studies, jurisdictional revaluation, review of income-producing properties, appeals
- Record Maintenance—assessment and tax roll management, transition to a digital environment, quality control
- Audit—staffing levels and resources, environmental contamination policies, valuation applications, best practices
- Tax Policy—drafting state legislation, defining exemptions and credits, evaluating property tax burden

IAAO does not undertake technical assistance projects in the following areas: reassessment or mass appraisal projects; individual appraisals or assessments; or studies not approved by responsible assessment officials. For those seeking help with an individual appraisal project, IAAO may be able to provide referrals.

IAAO provides technical assistance services only at the request of the head of the agency involved. For further information on the scope and cost of such services, please contact IAAO Headquarters. All inquiries are confidential and without obligation.

E-mail: technicalassistance@iaao.org

IAAO On-Demand Webinars

WEBINARS FOR PURCHASE

2014

The Elusive Overall Cap Rate
Peter Korpacz

2013

Subsidized Housing—Valuation Options May Seem Closer Than They Appear

Brad Eldridge and Kevin Bradshaw, CAE

The State of the U.S. Real Estate Market: Fourth Quarter 2013 Market Update

Peter Korpacz

Webinar Double-Header:

Defending a Commercial Assessment Using the Three Approaches

Edward Martinez, James Siebers, and Steve Miner

Obsolescence Impacting Personal Property: Considerations in the Current Economy

Todd Barron and Arline Broome

Condominium Assessment: Issues and Answers

Scott Winter, CAE, RES

Golf Course Valuation: Identifying and Isolating the Real Estate

Douglas Main

The State of the U.S. Real Estate Market — Second Quarter 2013

Peter Korpacz

Valuation of Hospitals and Surgical Centers

Colleen Blumenthal

Nursing and Senior Housing Valuation Techniques and Trends

Alan Plush

2012

Cash Modeling in an Accrual World

John Ryder, Ed Beisner, and David Provost

Double-Header:

Cell Tower Valuation

Walt Woodward and Randy Scott

Intangibles in Commercial Properties

Mark T. Kenney

Wind Farms 101

Wade Patterson and Gary Snyder, RES

Foreclosure Sales and the Mass Appraisal Process

Scott Winter, RES

It's Time for a Roundup—The Appeals Have Stampeded!

David Boisvert

The Good, the Bad, and the Ugly of Assessment Policies and Practices

Steve Van Sant and Alan Dornfest, AAS

FREE WEBINARS

Working with the Media—Crafting a Positive Message for Your Jurisdiction

Manny Gallegos and Chris Bennett

The Face of Customer Service in the Assessment Office

Tiffany Seward and Tina Morton

Preparing for the PPS Case Study Exam

Kirk Boone, PPS

The History of Mapping

Richard Norejko, CMS

Doing More With Less: Improving the Effectiveness and Efficiency of an Assessment Jurisdiction

Robert Turner

Train The Brain: Creating Sustainable and Affordable Online Training in the Assessment Office

Tina Morton and Tiffany Seward

Visit IAAO.org Marketplace for all available webinars. Free webinars are available for download at IAAO.org under Webinars/Past Webinars



IAAO Education in Action

Below are photos from IAAO Course 400—Assessment Administration, which was offered recently in St. Augustine, Florida. The instructor was Tom Fleming, CAE. The class was assigned a problem where they were required to split into teams and make a presentation. As you can see from all the flip-chart notes and diagrams, this class really got into the spirit of things.



For information about sponsoring IAAO classes contact Education Manager Jean Spiegel, spiegel@iaao.org. Please contact individual coordinators for each state's offerings for enrollment/registration information.

Not a member of IAAO?

Join now and save on conference registration and more.

IAAO is the internationally recognized leader for mass appraisal standards. Through your membership in IAAO, you have access to wide array of valuable benefits designed to enhance professional knowledge and career opportunities:

- Access to the IAAO Library and thousands of books, articles, government documents, and linked databases
- Member discount to the McKISSOCK online USPAP course
- The opportunity to earn an internationally recognized IAAO professional designation
- The ability to connect and share information with colleagues using AssessorNET the online discussion forum
- Subscriptions to the monthly *Fair & Equitable*, the quarterly *Journal of Property Tax Assessment & Administration*, and the bi-monthly e-newsletter *Assessing Info*
- Registration discounts on IAAO webinars, seminars, and annual conference
- Discounts on IAAO books and multimedia in the Marketplace

Why would you not want to join?

It's a Party and You're Invited to Join in the Celebration of IAAO's 80th Anniversary!

Instead of IAAO receiving gifts, IAAO is handing out a gift each month to those who recruit new members in 2014. The more members you recruit, the more opportunities you have to be chosen to receive an Anniversary gift!

Prizes include: Nook; Portable DVD Player; Camcorder; IAAO Books; Keurig; Headphones; IAAO Webinar; Garmin GPS; Target Gift Card; Amazon Gift Card; 2015 IAAO Membership Renewal and a Grand Prize of \$800 Cash.

It's a celebration all year long and your participation is requested. For more information contact the Membership Department at membership@iaao.org.

Watch for other anniversary contests on IAAO's social media for more ways to win anniversary gifts!



Membership

When you live, eat, and breathe membership like I do (and have for years), new developments and opportunities that could benefit members and inspire membership growth in the organization get me really excited. As President Lauffer mentioned in her From the President column last month in *Fair & Equitable*, the IAAO Executive Board approved at its April 2014 meeting new membership dues levels and a new Member Loyalty program.

For several years, the staff of the Membership Department and the Membership Services Committee (MSC) have worked diligently to research, talk with members, and develop a plan to entice not only existing members but also potential new members while encouraging growth in IAAO. I take my hat off and bow to the hard-working members of the MSC over the past couple of years for their insightfulness and tenacity—presenting a plan that can benefit many members and help the association grow. I also thank the IAAO members who, through focus groups and committee meetings, gave their valuable input in an effort to move the association forward.

New Developments

So what are these new developments and opportunities? There are three specific changes centered around dues payment levels.

Entry-Level Payment Level

A reduced payment level will be available for anyone interested in joining IAAO who is in an entry-level position of a governmental authority or jurisdiction.

To qualify, an individual's duties must relate to property valuation, property tax administration, or property tax policy, and they must be interested in growth and learning through interaction with other IAAO members.

New members selecting this payment level will receive all membership benefits electronically, including monthly issues of *Fair & Equitable* magazine and the quarterly *Journal of Property Tax Assessment & Administration*. Entry-level members are eligible for this rate for a maximum of three years before being elevated to the full payment level.

Student Payment Level

This reduced payment level will be available for anyone enrolled full-time in an accredited college, university, or technical school who has a professional interest in public finance or state and local taxation. Individuals selecting this payment level will receive all membership benefits electronically, including monthly issues of *Fair & Equitable* magazine and the quarterly *Journal of Property Tax Assessment & Administration*.

Electronic Payment Level

This reduced payment level will be for any member who wants to receive all the benefits of membership electronically, including monthly issues of *Fair & Equitable* magazine and the quarterly *Journal of Property Tax Assessment & Administration*.

The IAAO Budget Committee will soon meet and make recommendations to the Executive Board for pricing on these three new payment levels. It is important to point out that the new payment levels do *not* affect IAAO membership categories. Regular and Associate member categories remain unchanged and only dues payment levels are affected.

There are so many changes coming to IAAO, all to better meet the needs of its valuable members and future members.

As always, thank you for your continued membership in IAAO.

Sincerely,
Robin Parrish



Director of Membership
Robin Parrish

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