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FAIR & equitable

MAGAZINE OF THE INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS



Hospital Real Property Tax Assessment: Entrepreneurial Profit

Jack Randal Poteet



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Jack Randal Poteet

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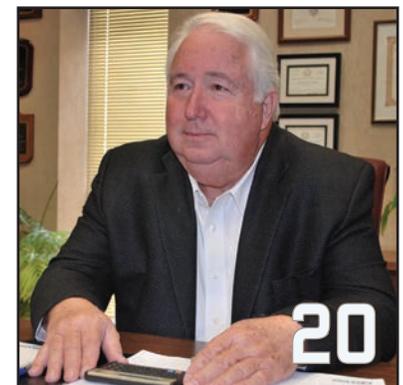
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From the President

Debra Asbury

Dear IAAO Members,

The IAAO Executive Board had a productive first meeting on January 20–21 in Kansas City, Missouri. During the meeting, newly elected board members Heather Drake, CAE, RES, Melinda Fonda, and Kenneth Joyner, RES, AAS; President-Elect Rob Turner; and Vice President Kim Lauffer, RES, were sworn in. (See photos from the board meeting on page 18 of this issue.) Congratulations to the newly elected board members. It was gratifying to see active participation by these individuals at our first meeting. Even though they are new to the board, they have been very active on committees and other important IAAO activities.

Notable board actions include the following:

- **Approval of 16 new designees.** In 2011, there were 145 new designation candidates (the most ever in a single year) and 55 members received their designations. In 2012, there are 25 new candidates and IAAO is on track to surpass the number of new designees.
- **Leon County, Florida, was approved to receive the IAAO Certificate of Excellence in Assessment Administration (CEAA).** This year 17 jurisdictions are participating in the CEAA program. The high level of participation in this program and the aforementioned designation program are indicators that IAAO members are committed to achieving professional excellence. It is encouraging to see so many individuals and groups taking pride in their professional accomplishments.
- **The results of the board elections were certified.**
- **A part-time Technical Assistance Coordinator position was approved for the coming year.** The Technical Assistance Program has been very active, with a number of requests for assistance coming from various jurisdictions. The need for additional resources to support this program will continue to be evaluated and adjusted as needed.
- **Revisions to sections of the *Standard on Mass Appraisal of Real Property* and *Standard on Digital Cadastral Maps and Parcel Identifiers* were approved.** IAAO technical standards are an important resource for jurisdictions and are often used to positively inform legislative and judicial processes. Keeping these standards up-to-date is the responsibility of the Technical Standards Committee. This year, at least six technical standards and the *Guide to Assessment Standards* are being reviewed.
- **The board approved the development of a plan for a new staffing benchmark study.** This plan, which will be developed by the Research Committee, will serve an important and urgent need. The IAAO library receives frequent requests for information about staffing levels. With economic conditions directly affecting staffing levels in government, a study such as this is more important than ever.
- **The International Special Committee and the Curriculum Development Special Committee were approved to continue in 2012.** Special committees help IAAO to address specific needs of generally limited scope and

(continued on page 19)

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Hospital Real Property Tax Assessment: Entrepreneurial Profit

Jack Randal Poteet

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This article presents two upward adjustments within the cost approach to account for entrepreneurial profit in the valuation of hospitals. Both adjustments relate to the benefit that the subject hospital property provides in enabling the purchaser to gain timely access to a profitable market without having to endure costly delays. Both adjustments pertain to the present value of a dollar: one to the delay in completing hospital design and construction, and the other to the delay then required to achieve market stabilization of the hospital real estate after construction is complete. By purchasing the subject hospital, the purchaser avoids such delays and the present value of that benefit is entrepreneurial profit. Although the example presented here applies to hospitals, the cost approach model applied here has potential application to a wide array of other commercial properties as well.

Entrepreneurial Profit: Upward Adjustments of Cost Approach

Delay in Hospital Design and Construction

Investors in the hospital real estate market are keenly aware of hospital construction costs and time delays associated with the hospital design and construction process. These delays, however, do not preclude use of the cost approach in investor considerations in the hospital market.

The fact that in some instances investors opt to take on hospital design and construction projects is evidence of market behavior implementing cost approach-based methodology, with the understanding that such projects do entail extended design and construction delays. Such delays are quantifiable in the cost approach as *opportunity costs*, calculated based upon the time value of money and accounted for by upward adjustment. In markets that are financially viable and lucrative, the upward adjustment of the cost approach is necessary for alignment and reasonable reconciliation with the relatively high-value indications by the income and sales comparison approaches, which are not burdened with extended design and con-

struction delays in market access or, alternatively stated, which reflect advantage over the cost approach in terms of more timely market access.

Newly constructed specialized properties, such as hospitals, are rarely available on the market as of any particular date (or appraisal date). Nevertheless, investors in the hospital market understand and accept that hospital construction costs, including entrepreneurial profit, are relevant in understanding pricing and value premiums that may apply to existing hospital real estate on the market on any particular date (or appraisal date) in relation to the benefit of timely market access that such real estate presents.

The IAAO text *Property Assessment Valuation* notes,

The economic principle that is the foundation for the cost approach is the principle of substitution, which states that a rational, informed purchaser will pay no more for a property than the cost of acquiring an acceptable substitute with like utility, assuming that no costly delay is encountered in making the substitution. (Thimman 2010, 227)

Costly delay, however, is encountered in making substitutions for hospital real estate. And when costly delay is encountered in making the substitution, it follows that a rational, informed purchaser will pay more for a property if that property is within a financially viable and lucrative market. How much more will the purchaser be willing to pay? The answer is based upon the present value of money, that is, the present value of the opportunity cost related to the costly delay.

So, in the hospital market, what is the design and construction timeline (delay)? Because of the complexity of these highly specialized projects, the process takes years.

Depending upon project complexity and scale, hospital design and construction typically runs about four to five years, with some projects taking considerably longer to complete. For example, a four-year period is projected for ongoing construction of the new 82-bed Sutter Medi-

cal Center in Santa Rosa, California, whereas a planning, design and construction period of about 10 years is projected for the Parkland Hospital, Dallas, Texas. For purposes of this article, a projected hospital design and construction period of four years is used.

In the cost approach, the focus is on modeling a buyer's option to acquire land, assemble a design and construction team, and then construct improvements of desirability and utility similar to that of the subject existing hospital. If that process is estimated to take four years, what are the opportunity costs related to the delay?

The opportunity cost can be measured as the present value of the lost hospital real property rental income (more specifically, hospital real property net operating income [NOI]) that would have been earned had there been no material delay, but that is lost for an estimated four years while awaiting completion of hospital design and construction.

Consider an example situation: an actual general acute care hospital in the Phoenix, Arizona, metropolitan area. Although the author has been engaged on numerous hospital appraisals in Phoenix, the valuation analysis example presented here does not pertain to any of those assignments, as such assignments and related assignment results are confidential. The following appraisal presentation does not qualify as an appraisal "report" under the Uniform Standards of Professional Appraisal Practice since it is not a communication of an appraisal transmitted to a client upon completion of an assignment. With regard to the example presented here, there is no client and therefore, there is no obligation with regard to any confidentiality. Nevertheless, as a courtesy to the property owner, the specific

identification of the subject hospital property is not disclosed. Yet, ample factual information provided in regard to the subject hospital property and its market provides for powerful application and demonstration of cost approach techniques applied in deriving entrepreneurial profit.

For this example application, the effective appraisal date is January 1, 2012. Property rights appraised are those of a fee simple estate in hospital real estate. The composite hospital complex was constructed in phases from 1973 to 1997. Its weighted average chronological construction vintage is 1981. Therefore, its effective weighted average chronological age is about 31 years. The hospital has been generally well maintained with ongoing renovations over the years. The overall effective age is about 25 years for long-lived building components. Gross building area is 592,432 square feet. Land value is estimated at \$5,625,000 as of the effective appraisal date. The cost approach value indication presented here is expressed on a dollar-per-square-foot-of-gross-building-area basis, with such dollars including land, site improvements, and building improvements—but excluding personal property, tangible and intangible. The cost approach value indication for the subject hospital real property before any adjustment for time-value-of-money opportunity cost related to design and construction delays is \$70,658,252, or about \$119.27/square foot of gross building area.

In estimating hospital real property net operating income (NOI), the first step is to consider hospital EBITDAR (i.e., earnings before interest, taxes, depreciation, amortization, and rent [emphasis here on *rent*]). Although EBITDAR is attributable to all assets of the hospital going-concern enterprise (real and

personal properties, tangible and intangible), it is the funding source that provides for returns on the hospital land as well as on and of the hospital improvements. If the business sector that utilizes the subject real estate class is financially viable and lucrative, then such affluence and abundance of cash flow tend to be favorable in supporting prices and values for real estate that is functional in supporting such businesses.

Although the Phoenix market was one of the hardest hit by the housing foreclosure crisis and recession of 2008–2009, the financial strength of hospitals in the Phoenix area illustrates the financial power of the healthcare sector. Excluding the government-owned Maricopa Medical Center and Phoenix Children's Hospital, there are 23 general acute care hospitals in the greater Phoenix area. Except for ordinary losses experienced in the first year following new hospital startups and openings, all 23 hospitals in the metro Phoenix area posted strong positive EBITDAR performance before, during, and following the recession.

Based upon data from the *American Hospital Directory* (www.ahd.com), aggregate EBITDAR for the 23 hospitals in the Phoenix metro area for fiscal periods ended within calendar years 2006–2010 is shown in table 1.

Thus, although the EBITDAR profits for the hospitals in the Phoenix market dipped by 9.34 percent during the fiscal periods ended in 2008, such bottom-line profits nevertheless exceeded \$500,000,000, even during the worst recession since the Great Depression of the 1930s. Moreover, such bottom-line profits bounced back at a rate of 40.54 percent in 2009 to \$740,908,682 and then further increased 9.19 percent in 2010 to \$809,027,769. By any measure,

that is a very profitable business sector and a testament to the power of the hospital business, particularly at a time when other sectors—residential, retail, hospitality, for example—have been very hard hit.

The financial viability of the hospital business sector is relevant to the hospital real estate sector because hospital real estate is compensated out of EBITDAR of the going concern of which hospital real estate is a contributory asset. Cash flows and the strength of players in the market speak to general risk levels in owning hospital real estate. The substantial EBITDAR levels for hospital going concerns suggest that the EBITDAR-to-hospital rent (or economic rent) ratios provide a considerable margin of safety to hospital real estate owners in terms of receiving fair returns on hospital land as well as returns on and of improvements. Moreover, the profitability of the hospital business in the Phoenix area is attractive to potential hospital real estate owners and tenants, and this situation minimizes potential vacancy and collection loss as well as tenant turnover (management costs) in deriving potential bottom-line hospital real estate NOI.

Market leases for hospital real estate tend to be structured on absolute net terms; that is, all real estate-related expenses, such as real estate taxes, insurance, utilities, maintenance, and the like, are allocated to tenants. On a dollar-per-square-foot-of-building-area basis, rental rates vary widely.

Yet rates are fairly predictable, being largely a function of the general age, physical condition, and functionality of hospital real estate. In recent years, absolute net rental rates for hospital real estate have ranged from less than \$10/square foot for hospitals nearing the end of their economic life, to about \$50/square foot for new, recently constructed hospitals, with market rent for any particular hospital being a function of market factors and circumstances specific to that hospital.

As previously noted, for this example, the overall effective age of the subject composite hospital complex is about 25 years. Based on the assumption of 45 years of economic life for hospitals of Class A average quality construction, according to the nationally recognized Marshall Valuation Service guidelines, the subject hospital is estimated to have a remaining economic life of about 20 years:

45 years economic life
 – 25 yr effective age
 = 20 yr remaining economic life.

Based on an absolute net market rent benchmark of about \$50/square foot for a new hospital and on other pertinent market factors, the market rent for the subject is judged to be about \$20/square foot of building area, on absolute net terms:

20 years remaining economic life
 ÷ 45 yr total economic life
 = 44.4% × \$50 rent if new
 = \$22.22 (rounded to \$20 market rent for subject).

In deriving potential NOI for the subject hospital real estate, keep in mind that the absolute net rental terms minimize landlord expenses and that the highly lucrative market as noted in Phoenix will minimize any potential vacancy or collection loss. Deductions are made for vacancy and collection loss (2 percent of potential gross income), management (1 percent of effective gross income), and miscellaneous/contingency expenses (0.5 percent of effective gross income).

Based on these parameters, the opportunity cost of hospital design and construction delay is derived as shown in table 2. Since design and construction related to the subject have been completed, this opportunity cost translates to entrepreneurial profit for the subject hospital property. The sum of present values of opportunity costs (entrepreneurial profit) during the design and construction period is \$35,484,198.

Applying this 50.22 percent increase to the unadjusted cost approach value indication of \$70,658,252 yields \$106,142,450 as the value indication adjusted for opportunity costs related to the four-year hospital design and construction period. Since the design and construction period has been completed for the subject, it enables the purchaser to avoid the noted opportunity cost (i.e., the costly delay related to design and construction). In this profitable market, this opportunity cost translates to entrepreneurial profit for the subject since the acquisition of the subject enables the purchaser to gain timely access to the market without having to endure costly delay related to design and construction.

Time Required for Stabilization

Once hospital construction is completed and the new hospital is opened, it is generally vacant and requires a period of time to achieve

Table 1. EBITDAR for 23 short-term acute care hospitals in the Phoenix Metro Area, 2006–2010 (excluding Maricopa Medical Center and Phoenix Children’s Hospital)

Fiscal Periods Ended Within Calendar Years	EBITDAR		EBITDAR per Bed
	Total Dollars	Percentage Change	
2006	\$464,230,634		\$63,359
2007	\$581,511,071	25.26%	\$80,872
2008	\$527,181,326	–9.34%	\$77,266
2009	\$740,908,682	40.54%	\$104,722
2010	\$809,027,769	9.19%	\$115,649

Table 2. Hospital cost approach analyses: Calculation of entrepreneurial profit for design and construction completed in relation to subject hospital (measured by the present value of opportunity cost to design and construct substitute of like utility)

	Design and Construction Period			
	Year 1	Year 2	Year 3	Year 4
Absolute net market rent (per square foot of gross building area)	\$20.00	\$20.00	\$20.00	\$20.00
Gross building area (square feet)	592,432	592,432	592,432	592,432
Potential gross income ^a	\$11,848,640	\$11,848,640	\$11,848,640	\$11,848,640
Vacancy and collection loss ^a (2.0%)	\$236,973	\$236,973	\$236,973	\$236,973
Effective gross income ^a	\$11,611,667	\$11,611,667	\$11,611,667	\$11,611,667
Less management fee ^a (1.0%)	\$116,117	\$116,117	\$116,117	\$116,117
Less miscellaneous and contingency expense allowance ^a (0.5%)	\$58,058	\$58,058	\$58,058	\$58,058
Net operating income ^a (NOI)	\$11,437,492	\$11,437,492	\$11,437,492	\$11,437,492
Discount factor ^a (11.0%)	0.9009009	0.81162243	0.73119138	0.65873097
Present value of opportunity cost on NOI unavailable due to delays for design and construction	\$10,304,047	\$9,282,925	\$8,362,996	\$7,534,230
Sum of present values of opportunity cost of NOI unavailable during design and construction period. Since the design and construction of the subject hospital has been completed, the subject hospital enables the purchaser to avoid this opportunity cost, or alternatively stated, enables the purchaser to gain access to these cash flows and values that would otherwise be lost to a purchaser opting to design and construct a substitute property. Therefore, in this profitable market (where timely market access is desired), the present value of these dollars translates to subject property entrepreneurial profit, included here in the cost approach.	\$35,484,198			

^aIf hospital built, stabilized, and depreciated for all depreciation applicable to the subject as of the effective appraisal date.

stabilization before yielding at-market returns to the subject real property. Which would a buyer rather have: a hospital that is sitting vacant or a hospital of similar desirability and utility that is stabilized? Obviously, the stabilized hospital has a higher value than the vacant hospital.

If the objective is to appraise the hospital real property under a stabilized scenario, which typically is the case with tax assessments, then the value indication by the cost approach must be increased to account for higher value under a stabilized scenario. While there may be numerous ways of deriving this upward adjustment, the technique utilized here is based upon lost opportunity cost, which is a measure of the intrinsic hospital real estate productive power underutilized pending stabilization. This opportunity cost is calculated by using the same technique as that previously applied in regard to the hospital design and construction opportunity cost (table 2).

Whether under for-profit or non-profit ownership, hospital real estate

is compensated from bottom-line EBITDAR of the going concern, of which the subject real estate is a contributory asset. If there is no EBITDAR or if EBITDAR is posting at a loss, then there is no cash flow to provide returns to the subject hospital real estate; this is often the case in the first year following hospital construction and opening.

As the hospital moves towards stabilization, the intrinsic earning power of the hospital real estate increases. So, in a general economic sense, the intrinsic earning power of the real estate (measured by the hospital real property NOI) increases as the hospital moves from construction and opening to a stabilized status.

Thus, the opportunity cost (or, entrepreneurial profit) to be added in the cost approach can be measured as the present value of the subject hospital real property rental income (more specifically, hospital real property NOI) that is available under a stabilized valuation scenario (such as that for the subject) but that would

otherwise be lost to a purchaser facing the burden of costly delay of taking a substitute property from construction and opening to stabilization of occupancy.

Although the time required to achieve hospital stabilization varies from market to market, achieving stabilization in the third year following completion of construction and opening is applied here for example purposes, that is, a 2-year period ramping-up to stabilization following hospital construction and opening. The opportunity cost pertaining to the time delay to achieve stabilization after completion of construction is derived as shown in table 3. The sum of present values of opportunity costs of NOI unavailable during the ramp-up to stabilization period following completion of hospital construction is \$9,845,070. Since the ramp-up-to-stabilization period has been completed for the subject, it enables the purchaser to avoid the noted opportunity cost (i.e., costly delay related to stabilization). In this profitable market, this opportunity cost translates to

entrepreneurial profit for the subject since the acquisition of the subject enables the purchaser to gain timely access to the market without having to endure costly delay to achieve stabilization related to a substitute property. Therefore, the opportunity cost identified in the model is a quantification of entrepreneurial profit for the cost approach related to the subject, increasing the cost approach value indication for the subject by \$9,845,070 which is a 13.93 percent increase over the unadjusted cost approach.

Summary of Cost Approach Adjustments

The principle of substitution (Thimigan 2010, 227) includes the phrase, “assuming that no costly delay is encountered in making the substitution.” However, costly delay is encountered in making substitutions for hospital real estate. And when costly delay is encountered in making the

substitution, a rational, informed purchaser will pay more for a property in a market that is financially viable and lucrative. How much more will the purchaser be willing to pay? The answer is based upon the present value of money, that is, opportunity cost related to the costly delay.

In the example presented here, opportunity costs related to both the hospital design and construction delay and the ramp-up to stabilization delay translate to entrepreneurial profit for the subject hospital property increasing its cost approach value indication from \$70,658,252 to \$115,987,520, an increase of about 64.15 percent, as summarized in table 4. This entrepreneurial profit was earned because acquisition of the completed and stabilized subject property will enable a purchaser to gain timely access to the market without having to endure costly delay related to design, construction

and then stabilization. (Author’s note: The subject hospital real property actually sold in a qualified arm’s-length competitive transaction for considerably more than \$115,987,520 [that consideration pertained only to real estate and excluded business value and other personal property]).

Supplemental Considerations: Hospital Market

The EBITDAR data that provide much of the basis for application of the time-value-of-money adjustments in the cost approach are derived from hospital reports to governmental authorities. There is a lag time of about 1 year from the filing of such reports to their being made available to the public.

The effective appraisal date for the example here is January 1, 2012. As of this effective appraisal date, complete EBITDAR data are available

Table 3. Hospital cost approach analyses: Calculation of entrepreneurial profit for ramp-up to stabilization completed in relation to subject hospital (measured by the present value of opportunity cost to achieve a ramp-up to stabilization of a substitute of like utility)

	Stabilization Period	
	Year 5 ^a	Year 6 ^b
Absolute net market rent (per square foot of building area)	\$20.00	\$20.00
Gross building area (square feet)	592,432	592,432
Potential gross income ^c	\$11,848,640	\$11,848,640
Vacancy and collection loss ^c (2.0%)	\$236,973	\$236,973
Effective gross income ^c	\$11,611,667	\$11,611,667
Less management fee ^c (1.0%)	\$116,117	\$116,117
Less miscellaneous and contingency expense allowance ^c (0.5%)	\$58,058	\$58,058
Net operating income ^c	\$11,437,492	\$11,437,492 ^d
Discount factor ^c (11.0%)	0.59345133	0.53464084
Present value of opportunity cost on NOI unavailable due to delays for ramp-up to stabilization	\$6,787,595	\$3,057,475
Sum of present values of opportunity cost of NOI unavailable during ramp-up to stabilization period. Since the subject is already stabilized, the subject hospital enables the purchaser to avoid this opportunity cost, or alternatively stated, enables the purchaser to gain access to these cash flows and values that would otherwise be lost to a purchaser opting to achieve a ramp-up-to stabilization of a substitute property with like utility. Therefore, in this profitable market (where timely market access is desired), the present value of these dollars translates to subject property entrepreneurial profit, included here in the cost approach.	\$9,845,070	

^a In this market, evidence suggests that there is little to no EBITDAR during the initial start-up year following completion of construction. So by the cost approach or construction new alternative, the owner continues to await returns related to the hospital real property during the first year following completion of construction; such opportunity cost is measured here as the present value of real property NOI which could be received by the purchaser of the subject property (which is stabilized), but which is otherwise unavailable to the purchaser opting to achieve a ramp-up to stabilization related to a substitute of like utility.

^b Derivation of opportunity cost allowance for second year phasing up occupancy is included here at the present value of half of NOI that would be available to a purchaser of the subject property (which is stabilized), but which is otherwise estimated to be unavailable to the purchaser opting to achieve a ramp-up to stabilization related to a substitute of like utility.

^c If hospital built, stabilized, and depreciated for all depreciation applicable to the subject as of the effective appraisal date.

^d Phase midway to stabilization, thus 50%, or \$5,718,746, is the estimated net operating income opportunity cost for Year 6.

only through the end of 2010. Thus, in presenting the cost approach value indication, the appraiser should also include any adjustments to account for any changes in market circumstances during the year immediately preceding the effective appraisal date (in this instance, during 2011). Such adjustments are those judged by the appraiser to have any material *net* impact upon EBITDAR or other market factors prospectively from the effective appraisal date and upon the cost approach valuation that is a function thereof.

For the example of the cost approach application here, updated market factors applicable to 2011 and prospectively from the effective appraisal date are both positive and negative.

Positive factors include the following:

- Fundamental support in the hospital sector will continue due to increasing demand from the aging baby boom generation and the political power of this demographic in terms of influence upon politics, law, and resulting allocation of resources.
- There is the prospect of greater effective demand for healthcare services because about 32 million uninsured residents have the possibility of obtaining health insurance under the Patient Protection and Affordable Care Act (PPACA).
- Regardless of whether the PPACA is repealed or drastically scaled back by Congress or declared

unconstitutional by the U.S. Supreme Court, irreversible change will occur in the way that healthcare is delivered in order to reduce costs and improve patient outcomes; these changes include the potential of greater cost efficiency and profits from the implementation of improving technology and systems.

- Newly evolving accountable care organizations offer the potential for hospitals and other healthcare providers to deliver integrated services and quality outcomes and to receive a share of the cost savings achieved.

Negative factors include the following:

- The PPACA may be repealed or drastically scaled back by Congress or declared unconstitutional by the U.S. Supreme Court.
- There is increasing pressure to constrain federal government spending on entitlement programs, including potential reforms and reductions to Medicare.
- With continuing budget pressures, some states may enact legislation to reduce their Medicaid expenditures.

Like other markets, hospital markets present opportunities and risks. Hospitals are heavily dependent upon reimbursement from government programs, such as Medicare and Medicaid, and from the private healthcare insurance pool, which may increase or decrease effective demand

for services. Even though politics and resulting laws may shift now and then, the hospital sector benefits from the fundamental political and financial power of the aging baby boom generation. Although the PPACA may ultimately be repealed or drastically scaled back by Congress or declared unconstitutional by the U.S. Supreme Court, the profits in the hospital market in this example were not derived from the PPACA; the outlook for such profits is judged to be favorable regardless of whether the PPACA remains intact. On balance, taking into account both risks and opportunities, prospects for bottom-line EBITDAR and other hospital market factors prospectively as of the effective appraisal date are considered to be within parameters similar to those modeled in the cost approach example presented here (see table 4). And such valuation results are strongly supported by actual hospital sales.

As shown in table 4, the adjusted cost approach value indication for the subject hospital real property is increased from \$70,658,252 (\$119.27/square foot) to \$115,987,520 (\$195.78/square foot). This incorporates an increase of \$45,329,268, or about 64.15 percent, for time-value-of-money adjustments (entrepreneurial profit) related to hospital design and construction and ramp-up to stabilization benefits that the subject hospital property offers to purchasers otherwise facing costly delays in the design, construction, and then stabilization of a substitute property of like utility in this profitable market. How does that \$195.78/

Table 4. Hospital Cost Approach Summary: Adjustments to include entrepreneurial profit related to design, construction and stabilization

	Value		Percentage of Upward Adjustment
	Total Dollars	Dollars per Square Foot of Building Area	
Cost approach value indication before adjustments	\$70,658,252	\$119.27	
Entrepreneurial profit related to subject design and construction	+\$35,484,198		50.22%
Entrepreneurial profit related to subject having achieved stabilized status	+\$9,845,070		13.93%
Cost approach value indication including entrepreneurial profit for design, construction and stabilization	=\$115,987,520	\$195.78	64.15%

square foot value indication for the subject by the cost approach compare to actual hospital real property sales in the market—direct sales evidence?

Direct Sales Evidence

In considering comparable sales, note that the market for hospital real properties is national. The first of those sales addressed here happens to be a local sale, a previous sale of the subject hospital property (comparable sale 1).

Comparable sale 1 is the previous sale of the subject hospital real property in the Phoenix, Arizona, metropolitan area. The subject hospital sold in September 2008, a landmark month for the economic downturn. The sale price consideration for the subject hospital economic unit (excluding an off-site medical office building and rehabilitation/nursing facility) was \$155,101,894, or about \$261.81/square foot of building area. As previously noted, EBITDAR in the Phoenix market subsequently increased in 2009 and 2010. Such increases would support upward indexing of the sale price. And having considered market risks and opportunities as of the effective appraisal date, the appraiser judged the \$261.81/square foot price paid for the subject hospital real estate in 2008 to be supportive of, if not justifying further increase of \$195.78/square foot, the cost approach indication here.

Now let's consider some recent hospital real property sales—sales that occurred during 2011, the year immediately preceding the effective appraisal date of January 1, 2012. These sales will capture market reaction to all positive and negative market factors known at the points of such transactions.

Comparable sale 2 is the sale of a hospital in New Jersey in February 2011 for \$145.00/square foot of building area. With original construction much older than that of the subject,

this property is inferior to the subject with regard to physical status. Considering other factors but with the relative age differential judged to be the primary price influence, upward price adjustment of comparable sale 2 is judged to be necessary. That is, the value unit applicable to the subject hospital would be expected to be higher than \$145.00/square foot.

Comparable sale 3 is the sale of a hospital in California in February 2011 for \$179.88/square foot of building area. It was originally constructed during the 1970s, and its composite age and condition are generally similar to those of the subject hospital. Although California is a relatively expensive real estate market, which might merit some downward price adjustment, the hospital campus related to comparable sale 3 is about 33 percent medical offices, which cost considerably less than general acute care hospital space. Therefore, on balance, a net upward price adjustment of comparable sale 3 is appropriate. Because of overall market factors and special emphasis on accorded differentials noted here, comparable sale 3 supports a value indication greater than \$179.88/square foot.

Comparable sale 4 is the sale of another hospital in New Jersey, which occurred in November 2011. The price was \$254.55/square foot of building area. With original construction much older than that of the subject, this property is inferior to the subject, which is newer. Although an upward price adjustment of comparable sale 4 for physical condition is appropriate since it is older than the subject hospital, a net downward price adjustment of comparable sale 4 is applied because its location (just west of Manhattan) is superior to that of the subject. So, the value indication for the subject property would be less than the \$254.55/square foot price for comparable sale 4.

Comparable sale 5 is the sale of a hospital in Arizona in January 2011. The price was \$430.36/square foot of building area. The hospital was built in 2005 and therefore is considerably superior to the subject. So the value indication for the subject would be considerably less than the \$430.36 price paid for comparable sale 5.

Comparable sale 6 is the sale of a hospital in Texas in May 2011. The price was \$532.64/square foot of building area. The hospital was built in 2009 and therefore is considerably superior to the subject. So the value indication for the subject would be considerably less than the \$532.64 price paid for comparable sale 6.

The cost approach indication for the subject, \$195.78/square foot of building area, is certainly well supported by comparable hospital sales during 2011. The comparables established a general value greater than \$179.88/square foot for comparable sale 3 and less than \$254.55/square foot for comparable sale 4. Again, note that these sales capture market reaction to all positive and negative market factors known at the point of such transactions.

Therefore, the cost approach value indication presented here is confirmed by direct market sales evidence as being within a reasonable and market-supported value range.

Conclusion

The cost approach value indication before application of the time-value-of-money (entrepreneurial profit) adjustments is \$70,658,252, which is about \$119.27/square foot of building area. When the time-value-of-money adjustments are applied (entrepreneurial profit is accounted for), the resulting cost approach value indication is increased by more than 64 percent to \$115,987,520, which is about \$195.78/square foot of building area for the hospital in this example.

Note that the hospital cost approach model presented here did not create market value; it simply measured market value (including entrepreneurial profit) that already existed. Market value measured by the cost approach here was already within price ranges strongly supported by direct sales in the sales comparison approach.

The subject property is built. It exists and is stabilized as of the effective appraisal date. The subject hospital market is strong and financially viable.

The burden of costly delay due to design and construction has already been incurred, and the market value related to relief from such burden to potential buyers has already been earned and made part of the subject real property market value. Likewise, the burden of costly delay due to ramp-up to stabilization has already been incurred, and the market value related to the relief from such burden to potential buyers has already been earned and made part of the subject real property market value.

The time-value-of-money adjustments presented here for the cost approach merely capture market-based considerations. They quantify opportunity *costs* that have already been incurred, that is, *costs* that have benefit to rational and informed purchasers and therefore give rise to entrepreneurial profit within the subject valuation. Indeed, the adjustments for this entrepreneurial profit provide the piece of the puzzle that was otherwise missing, that is, the bridge for reasonable alignment of the cost approach value indication with hospital real property price levels evidenced by direct sales in the market.

Note that the subject hospital presented in this example has a weighted average chronological construction vintage of 1981. Assessors estimating

market values for newer hospitals might expect considerably higher valuation results.

Sale prices for newer, state-of-the-art hospitals range up to *more than \$500/square foot of building area*. That pricing pertains to real estate only and excludes any intangible personal property (business value) or tangible personal property (equipment, inventories, and the like).

In tax appeal cases, hospital sale data presented by tax representatives of for-profit hospital corporations may relate to hospital properties sold under distressed circumstances. A primary business strategy of for-profit hospital corporations is to acquire distressed (poorly managed) hospitals and then to profit on a turnaround of hospital performance by instituting, among other things, competent hospital management. Distressed hospital sales do not set the upper limit of actual market value for hospital real estate. A pool of at-market hospital sales can provide a strong basis to support and closely align with results of the cost approach model presented here.

The magnitude of adjustments for hospital design and construction and ramp-up to stabilization applied in the cost approach depends upon a number of variables, including, but are not limited to

- The estimated design and construction period applicable to the complexity and scale of the subject hospital
- The market rent applicable to the subject hospital real estate, which is in turn partly a function of market risk assessment pertaining to competitive market dynamics and EBITDAR/hospital real estate rent ratio coverage levels in the market

- Comparable evidence of the time required to achieve hospital stabilization
- Market risk factors and cost of capital applicable to deriving the discount rate utilized in present-value-of-money calculations.

Cost approach adjustments presented in this article provide a basis for adjusting the cost approach upward to reflect relevant time-value-of-money considerations and entrepreneurial profit in hospital real property markets. By using such adjustments, the cost approach tightly reconciles to results of the sales comparison and income approaches to value, which also incorporate similar market considerations.

Again, although the example valuation model applied here pertains to hospitals, the model and its power in quantifying market based entrepreneurial profit has potential application to a wide array of commercial properties.

References

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Jack Randal Poteet, MAI, ASA, is principal of Hospital Appraisal Services, LLC, Overland Park, Kansas.



INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS 2011 ANNUAL REPORT

IAAO 2011 EXECUTIVE BOARD

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Debra Asbury, President-Elect
Rob Turner, Vice-President
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*IAAO is only the very best source to be
the very best at what our charge requires
of us.*

Alveno Ross Augusta—
Richmond County, Georgia

Message from 2011 President Bruce Woodzell

Dear IAAO Members,

Faced with the challenges of current economic conditions, IAAO demonstrated again true success and leadership for its members in 2011. By adapting to the needs of its members, IAAO has truly become a valuable international resource that will continue to grow in the future.

In 2011, the association focused on rewriting educational materials and creating new online courses. These efforts have been well received, as indicated by increasing course enrollments. Members and nonmembers alike have expressed a renewed interest in advancing their careers through all IAAO education opportunities. A renewed interest has also been shown in IAAO professional designations.

At IAAO we recognize our members needs' for efficient and environmentally friendly solutions and realize that investing in these solutions generates membership value for the near and long term. Self-study courses were offered as a cost-effective alternative to classroom education, and Webinars provided additional diverse learning opportunities.

IAAO publications, including the new textbook *Fundamentals of Mass Appraisal*, complemented updated educational offerings.

Outstanding products such as an upgraded AssessorNET and introduction of the *Fair & Equitable Digital Edition* provided additional communication choices to fit individual preferences and take advantage of enabling technologies.

The Paul V. Corusy Memorial Library installed InfoTrac, a new database for 24/7 researching journal articles; it is available in 11 languages and as visual or audio files.

The annual conference in Phoenix offered a world-class networking and learning experience, and I commend the Arizona Local Host committee for all their dedication and hard work.

Relationships with our local chapters, affiliates, and international members were strengthened and are anticipated to grow stronger each year.

Financially, IAAO is on solid footing, with healthy reserves and worthwhile investments in infrastructure improvements and upkeep of the headquarters facility.

Thanks again to the 2011 IAAO Executive Board, committee volunteers, Executive Director and staff, and all the members of IAAO for their contributions that made 2011 such a success.

The stage is set for IAAO to maintain its role as an educator, innovator, and international leader in mass appraisal and assessment administration. With that in mind, I am pleased to share with you the 2011 Annual Report.

All the best,

Bruce Woodzell

PROFESSIONAL DEVELOPMENT

Twenty years ago, the Virginia Association of Assessing Officers challenged other states to increase the number of IAAO professional designees and, ultimately, professionalism in the assessing field. In 2011, a record 55 members received their IAAO designation, with Florida and North Carolina tying for the most new designees and 145 new candidates entering the professional designation program.

The 32nd Legal Seminar was held in New Orleans, Louisiana. Attorneys and assessment professionals from 29 states and Canada attended the seminar. Sessions covered case law updates, valuation of billboards, telecommunications property and equipment, omitted property and back tax assessments, contract rent and market rent in commercial property valuation, the Commerce Clause and ad valorem taxation of gas, oil, and petroleum products, and the boundaries of proper ethical conduct in property tax representation.

The annual GIS/CAMA Technologies Conference explores the importance of geographic information systems (GIS) and computer assisted mass appraisal (CAMA) systems in providing access to data and analysis of information for better decision making within a jurisdiction. Held in partnership with the Urban and Regional Information Systems Association (URISA), the 2011 event in Memphis, Tennessee, "Lose the Blues: Using GIS and Valuation Technology to Increase Efficiencies in the Assessor's Office," had 274 attendees.

Phoenix, Arizona was host to the 77th Annual International Conference on Assessment Administration, "Transforming Assessment: Rising to Meet New Challenges." The 1,032 attendees from 47 states plus Washington D.C., 8 Canadian provinces, and 10 countries had the opportunity to choose among 64 educational sessions and numerous networking events. The timely plenary session focusing on mortgage fraud was led by an FBI Agent and U.S. District Attorney. Dr. Joyce Yanyun Man of Peking University and the Lincoln Institute of Land Policy presented a session on the property tax system in China.

Online communication and exchange capabilities grew substantially in 2011 with a revision and upgrade to AssessorNET. In addition to posting and responding to questions from peers, member now can participate in a discussion group; start a blog; use a mobile AssessorNET QR code; share documents; and provide online member profiles.

This year's annual conference in Arizona was absolutely amazing. The courses and guest speakers were some of the best in recent memory, and I heard nothing but great feedback. I feel such a sense of camaraderie at these conferences. The bond we share is priceless.

Edye McCarthy, Town of Greenburgh, New York



The CAE designation has given credibility to my capabilities as an assessor in the eyes of the public as well as other professionals.

Ralph Neely, CAE,
Mecklenburg County, North Carolina



2011 STATISTICS

Members

7,121

Member Retention

87%

Representatives

125

Affiliates

50

Chapters

26

Countries

25

EDUCATION

In 2011, IAAO offered a total of 638 courses, workshops, one-day forums, and on-line courses serving a total of 6,630 students.

Offering Type	Offerings	Students
Courses	185	3819
Workshops	76	1607
One-day Forums	21	848
Online Courses	356	356

This was the second year for a unique series of IAAO Webinars designed to provide members with convenient education at a reasonable price for any budget. More than tripling the previous year's offerings, IAAO provided 11 Webinars in relevant and timely subject areas. Market expert Peter Korpacz presented quarterly market updates; other Webinars included Income Capitalization Approach for Skilled Nursing Facilities; Claiming the Unclaimed; Bringing Market Trend Data to the Local Level; and Customer Service Is Priority #1.

A contract was signed in 2011 with eLogic as the vendor for moving IAAO courses to a new online format. As a vendor, eLogic will provide access to its Learning Management System (LMS). IAAO will focus on content, while eLogic makes the materials engaging to the online learner. IAAO Workshop 452—Fundamentals of Assessment Ratio Studies is the first to move to this online format.

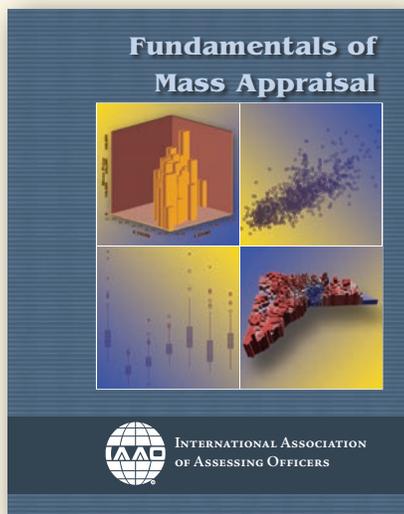
In 2011, IAAO published *Fundamentals of Mass Appraisal*. This essential resource contains substantial information on developing a mass appraisal system, building and calibrating models, and conducting a revaluation.

Courses 101—Fundamentals of Real Property Appraisal, 102—Income Approach to Valuation, and 300—Fundamentals of Mass Appraisal were revised in 2011 to take advantage of the revised textbooks *Property Assessment Valuation* and *Fundamentals of Mass Appraisal*. Course 601—Cadastral Mapping—Methods & Applications and Workshop 651—Geographic Information Systems for Assessors were also updated.

In 2011, IAAO partnered with McKissock, LP to provide members with an online option for meeting their *Uniform Standards of Professional Appraisal Practice* (USPAP) continuing education requirement. This joint effort provides an on-line version of the 7-Hour National USPAP Update course, which can be used to satisfy continuing education for state licensing agencies.

Course 402—Tax Policy is very informative and that I would highly recommend it to others.

Course evaluation comment



Course 400—Assessment Administration has excellent material—very organized and applicable to my job.

Course evaluation comment

RESEARCH

The Paul V. Corusy Library Trust Fund experienced substantial growth through the “I’m a Friend” campaign launched in 2011. The fund provides grant opportunities for research on mass appraisal, tax assessment, and tax policy.



In 2011, there were 7,865 total downloads from databases and documents delivered through the Paul V. Corusy Library. With the average cost of an article from other document delivery libraries being \$15, IAAO members saved \$117,975 for their jurisdictions (and taxpayers) by using the IAAO library services rather than alternative document delivery services.

New to IAAO in 2011 was the InfoTrac Custom Journal Database. This service contains 100 real estate appraisal and public administration periodicals and indexes and more than 500,000 articles. The database has a feature that can translate articles from English into 11 languages and can convert full-text articles to podcasts for downloading to a personal listening device.



Four issues of the *Journal of Property Tax Assessment & Administration* were published in 2011. The journal, developed in partnership with the International Property Tax Institute (IPTI), is a benefit of membership that provides an international forum for the dissemination of theoretical and practice-based research in the fields of property tax assessment and administration. Articles included “Property Tax as Legislated and Practiced in Gabon,” “Property Taxation in Senegal: Legislation and Practice,” and “To Market, To Market: Establishing an Approach to Market Value for Special Purpose Properties That Is Fair.”

The monthly *Fair & Equitable* magazine featured articles written by members for members, that shared perspectives and research on today’s assessment issues, association news, educational course listings, events coverage, an events calendar, and classified advertising. In 2011, members were provided with *F&E Digital Edition*, a green (electronic) publication delivery option with benefits including search by keyword, translation of page content into 10 languages, live links, and use by mobile devices. Since *F&E Digital Edition* was launched in June 2011, there have been 2,445 visits to the access page on the Web site.

In the spring of 2011, IAAO conducted a Membership Interest Survey. Results are being used to provide members the programs and services that best meet their needs, to develop efficient delivery methods for those programs, to recruit new members, and to retain current members. Information gathered included primary reasons for joining IAAO.

In 2011, IAAO conducted a State and Provincial Ratio Practices Survey. The last such study took place in 2008. The survey and subsequent report provide a comprehensive overview of existing ratio study practices and thus allows oversight agencies to standardize their practices using prevailing practices as a benchmark.

TECHNICAL ASSISTANCE

IAAO maintains technical standards to provide a systematic means by which assessing officers can improve and standardize operations in their offices. The *Standard on Mass Appraisal of Real Property* and the *Standard on Public Relations* were revised in 2011.

In November, IAAO President Bruce Woodzell and Director of Professional Development, Larry Clark, CAE, lectured on the mass appraisal process at the winter meeting of the Russian Society of Appraisers (RSA) in Moscow. RSA is the profession organization of valuers in Russia with approximately 7,000 members.

The Appraisal Qualification Board requires that state regulators have documentation in the form of reports, certifications, file memoranda, or other evidence that the work performed is compliant with the *Uniform Standards of Professional Appraisal Practice (USPAP)*. To assist in compliance with new requirements, a *Mass Appraisal Revaluation Template* and *Mass Appraisal Revaluation Log* were developed and made available to IAAO members through the association Web site.

Promoting innovation and excellence in property appraisal and tax policy, IAAO provides objective advice to assessment jurisdictions around the world through the Technical Assistance Program. Projects in 2011 included Philadelphia, Pennsylvania and Hawaii County, Hawaii.



Report of the Executive Director Lisa Daniels

In spite of difficult economic times worldwide, especially for municipalities, 2011 was a very successful year for IAAO. Very much like our members, we have tightened our belts at headquarters and continued our dedication to the financial health of the organization, while continuously looking for ways to provide outstanding member benefits. Some of the benefits added or enhanced in recent years are now cited as the primary reasons that members renew year after year in spite of the tough times.



AssessorNET, our online discussion forum, got a new look this year as well as enhanced functionality. I've been told by members that this benefit alone is worth the price of their annual dues. In addition to that, our Research Services have taken off and members have become more comfortable when searching for the information they need. With the help and encouragement of staff, many are realizing that this new digital world places a multitude of new resources right at their fingertips. It's a pleasure to bring this to our members and a point of organizational pride that we are the caretakers of such a unique collection of documents. There is none other like it in the world.

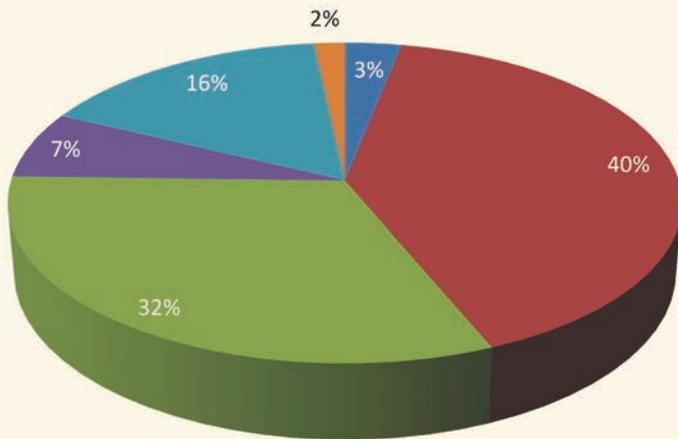
After years of planning and moving in the right direction, 2011 was the year we made the most progress toward our goal of a more robust online learning system. We have continued to add to the list of short courses offered, and established a portal to a firm that offers an online version of the USPAP Update course. Finally, we entered into a contract with *eLogic*, the company that will provide our online learning management system. Our first course offering is *Fundamentals of Assessment Ratio Studies*, with many more courses to follow.

Part of 2011 was spent putting together a five-year plan outlining where we think the organization is headed. Although the individual activities will vary widely from year to year, it's clear that the future is all about technology. What can we provide to you digitally? What can we give you access to at your desktop? How can we help you do more with less? How can we continue to give you superior member benefits and make sure that you're aware of all that is available to you?

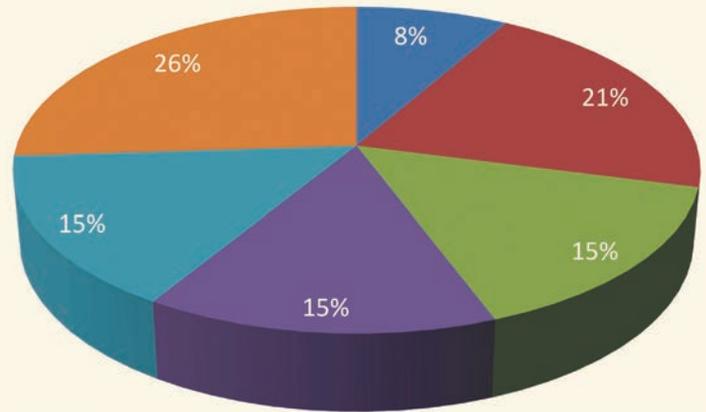
As we ponder these and so many more questions in 2012, I wanted you to know that we are always open to your ideas and suggestions. Our progress is fully dependent on an active and engaged membership. We move forward only with your involvement. Thank you for being a vital part of our success.

Sincerely yours,

Lisa J. Daniels, MPA
Executive Director



Revenue



Expenses

- Research and Information
- Education and Professionalism
- Membership Services
- Publications and Marketing
- Annual Conference
- Management and General

*The 2011 annual audit and statements of financial position will be published separately.

IAAO 2011 Committees

Committee	Chairperson
Associate Member Committee	JoAnn F. Pierson
Audit Committee	Anthony S. Kweku
Budget Committee	Debra Asbury
Chapter Bylaws Special Committee	Edward A. Crapo, AAS
Coalition of Geospatial Organizations	Neal D. Carpenter, CMS
Communications Committee	L. Wade Patterson
Conference Content Committee	Martin D. Marshall
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Curriculum Development Special Committee	Scott G. Winter, RES
Ethics Committee	Peter C. Weissenfluh
Friends of the Paul V. Corusy Library Trust Committee	Melinda C. Fonda
International Special Committee	Jose Lopez-Garrido
Jeff Hunt, CAE, Memorial Candidates Trust Committee	Kirk F. Boone, PPS
Legal Committee	Thomas A. Jaconetty, Esq
Member Recognition Committee	Sheila Crapo
Membership Services Committee	Wendel Ingram, Jr
Nominating Committee	Bill Carroll
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Education Subcommittee	Barry D. Couch, CAE
Instructor Relations Subcommittee	Robert P. Graham, II, AAS
Professional Designations Subcommittee	Heather Drake, CAE, RES
Research Committee	August Dettbarn
Scholarship Committee	William Birkle, AAS
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State and Provincial Council	Ruth A. Sorensen
Computer Assisted Appraisal Section	Mary Jo Starostka
Public Utility Section	Jeff Amburgey
Tax Collection Section	Christina Morton



Certificate of Excellence in Assessment Administration

Since its inception in 2004, the IAAO Certificate of Excellence in Assessment Administration program has recognized governmental units and individuals involved with assessment that integrate best practices in the workplace. IAAO has recognized 10 jurisdictions to date. 2011 saw the program grow from seven to 15 candidates. Jurisdictions receiving the Certificate of Excellence in Assessment Administration in 2011 were City of Hampton, Virginia; Clay County, Florida; Pinellas County, Florida; and Johnson County, Kansas was recertified.





Charitable Exemptions

A New Hampshire home health care association whose stated purpose is to enhance the “ability of agencies providing home health care to deliver quality services to New Hampshire residents” was deemed eligible for a charitable exemption on appeal. The exemption had not been renewed on the basis that the organization was actually operating as a trade association.

According to its articles of association, the group’s objectives are “to promote not-for-profit home health care and related services; to promote programs and services directed toward the prevention of illness, the encouragement of good health practices, and the overall protection of the public’s health; and to work with other groups, associations, agencies, and individuals toward coordination, increased effectiveness, and availability of human services” for state residents. The association offers memberships in three categories: providers of home health care services, entities such as case management agencies and suppliers of home health care equipment, and individuals who support the group’s work. Approximately 25 percent of the association’s membership is for-profit agencies.

To pursue its objectives, the organization offers classes and training on home-health-related topics. While classes are open to the general public, some are on topics such as procedure coding and marketing techniques that would be of interest only to home health care professionals. It maintains a Web site where the public can learn more about home health care and its role in health care delivery, but other types of information of interest to members are hosted in a members-only area. The Web site also features a referral page where the public can obtain names of home health care providers in their area, but only association members are listed on the page.

In determining whether an association qualifies for a charitable exemption, the New Hampshire courts have looked to the organization’s stated charitable goals and whether the group’s endeavors work toward achieving those goals. Further, any public benefit must not be “slight, negligible, or insignificant” compared to the benefit to members.

The New Hampshire Board of Tax and Land Appeals determined, and the state’s supreme court concurred, that the organization fulfilled its “dominant purpose ... to promote home health care services.” It was not necessary that the group provide services directly to the public to fulfill a charitable purpose, the board said. The organization could do so indirectly through its services to its members. And, while members undoubtedly benefited from the association’s programs, “the ultimate beneficiary” of the association’s work, the board noted, was the general public. The board further noted that collection of membership fees did not disqualify the organization. The board stated that the fees merely provided one of the main “money engines” the group used to achieve its charitable goals.

“It should be remembered,” the board stated, “that the [association’s] objectives are not to provide home health care directly but ‘to work with other groups, associations, agencies, and individuals ...’. Th[e] interaction with its members ... is necessary to effectively and efficiently accomplish [its] mission.”

(Home Care Association of New Hampshire v. City of Concord, New Hampshire Board of Tax and Land Appeals, Docket No. 22995-06EX, July 15, 2011, rehearing denied October 12, 2011; Appeal of the City of Concord, Supreme Court of New Hampshire, No. 2009-041, January 13, 2011)

TIF Districts

Wisconsin cities now have a new tool to foster local economic development. Under recently passed legislation, neighboring cities are now permitted to join together to form a tax increment financing (TIF) district. Previously, municipalities could create TIF districts only within their own boundaries.

Two or more cities can agree to form a multi-jurisdictional TIF. All parcels within a TIF district must be contiguous and at least one parcel in each participating city must touch a parcel in another participating city. A city cannot be a party to a TIF without contributing some of its territory to the district.

A multi-jurisdictional TIF can only account for 12 percent of the combined current tax base of the participating cities. The 12 percent limit is the same as the current maximum percentage allowed for TIFs within a single city. If the tax base in a participant’s portion of the multi-jurisdictional TIF plus that in its current individual TIFs put it over the 12 percent maximum, the city can still participate with the approval of the affected taxing bodies.

To create a multi-jurisdictional TIF, a joint board is formed composed of a public member appointed by each participating municipality and representatives for affected school districts and county governments. A TIF can be approved by a majority vote of the board, but each public member must vote for the proposal otherwise the TIF cannot be created.

(Wisconsin Assembly Bill 179, signed November 15, 2011)

**Victoria, Australia**

Amy Guy
Brett M. Reed

Alberta, Canada

Les Chute

British Columbia, Canada

Keith Potter

Manitoba, Canada

Dan Goray

Nova Scotia, Canada

Carla Moulaison-Hurlburt

South Africa

Gaushal Meelun

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Georgia

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Don Kolb

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Wilhelmina G. Robertson

Illinois

Jack Hagaman

Indiana

Scott R. Bernhardt

Kansas

Belinda K. Atkins
Mark E. Boettcher
John Cameron
Christopher R. Edstrom

Ryan A. Janzen
Shannon Winter

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Renee M. Harlow
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Louis Fitzmorris

Massachusetts

Dan Crumley
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Kathleen M. French
Molly K. Reed

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Allan Berg
Shila Kiander
Robert Scripture
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Minnesota

Anthony E. Feffer

Randy W. Lahr
Lane Thor

Missouri

Michael Crawford

New Jersey

Martha Lado

New Mexico

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Ohio

Derek J. Green

Oklahoma

Michael Schmedt
Steve Stout

Rhode Island

Leo Lapierre

South Carolina

Kimberly A. Pautz
Fredrick Levi Senn, Jr

Texas

Bruce Burnham

Utah

Marcy Babcock

Virginia

Howard W. Goodie
Anne G. Sayers

Washington

Michelle L. Budd

Wisconsin

Rich Bell

Pictured (l to r) President-Elect Rob Turner, Vice President Kim Lauffer, RES; and newly elected board members Heather Drake, CAE, RES, Melinda Fonda, and Kenneth Joyner, RES, AAS are sworn in by President Debra Asbury while other board members look on at the start of the January 20–21, 2012, Executive Board meeting.



Left, Executive Board members, Executive Director Lisa Daniels, and various committee chairs, staff, and other guests gather in the Board Room at IAAO headquarters.

photos by Leann Ritter

From the President

(President, continued from page 2)

duration. If the needs persist and adequate funding is available, then special committees are sometimes upgraded to permanent committee status, especially if they are providing a tangible benefit to the association and its members.

Other items were discussed by the board and referred to IAAO committees for further discussion at Spring Leadership Days.

About the time you receive this issue, I will be attending the GIS/CAMA Technologies Conference, March 12–15, 2012, in San Antonio, Texas. I hope to report more on that meeting in the next issue.

IAAO will hold its next Executive Board meeting in Hot Springs, Arkansas, in April. The Arkansas Chapter of IAAO and the Arkansas Assessment Coordination Department will host the Executive Board at this location.

Please contact me or any board member about concerns, comments, and suggestions you may have about the future of IAAO.

Sincerely,

Debra Asbury

Hot Springs Trivia

Hot Springs is steeped in history and tradition. It is home to the first national state park. It hosts thousands of visitors each year during horse-racing season and it is also known for its healing natural hot springs.

Hot Springs is also home to the world's shortest St. Patrick's Day parade. The 98-foot parade is held on Bridge Street, in the heart of downtown Hot Springs. Last year, more than 30,000 visitors donned green, and assembled with a pint or two in hand, and some even kissed the Blarney Stone at the end of the parade route. A number of celebrity Grand Marshalls have graced this not-so-tiny parade. This year is no exception...on March 17, Tim Matheson will be the parade Grand Marshall. He is probably best known for his role in Animal House as Otter.

Famous quote from Arkansas:

*I know you have all heard "If you can read thank a teacher."
What I say is, "If you have a teacher thank your assessor."*

—State Senator Bill Sample District 19

District 19 is in the heart of Hot Springs and hopefully will remain in your heart should you ever visit its beauty and history.



IAAO | **INNOVATION & EXCELLENCE** WEBINAR SERIES

For more information go to www.iaao.org.

IAAO Conferences, Seminars, and Meetings

Event	Location	Dates
Executive Board Meeting	Hot Springs, Arkansas	April 20–21, 2012
Preparation & Trial Seminar	Milwaukee, Wisconsin	April 26–27, 2012
Executive Board Meeting	Bellevue, Washington	July 20–21, 2012
IAAO 78th Annual International Conference on Assessment Administration	Kansas City, Missouri	September 9–12, 2012
Leadership Days Meeting	Kansas City, Missouri	October 19–20, 2012
Executive Board Meeting	Tampa, Florida	November 9–10, 2012
33rd Annual Legal Seminar	Chicago, Illinois	December 13-14, 2012
IAAO 79th Annual International Conference on Assessment Administration	Grand Rapids, Michigan	August 25–28, 2013
IAAO 80th Annual International Conference on Assessment Administration	Sacramento, California	August 24–27, 2014
IAAO 81st Annual International Conference on Assessment Administration	Indianapolis, Indiana	September 13–16, 2015

General List—Electric Transmission Lines

Q. Brian Gordineer, AAS, Hampton, Virginia

I am looking for case studies or research studies related to the effect of electrical transmission lines on real estate values. In particular, information regarding large acreage rural property is desired, although any property type or class would be helpful. Thank you!

A. J. Russ Thimgan, Goodyear, Arizona

Maricopa County has been using regression analysis for many years to determine the effect of power lines. We have found that the impact tends to be greater for smaller properties. In some areas, we found that larger acreage properties did not show any detriment to value. The adjustment varies from area to area. One model indicated that an adjustment of 4 percent was needed.

A. Steven Schwoerer, Oshkosh, Wisconsin

I would start with contacting electrical transmission companies. I have a case on this issue, and the company here

in Oshkosh is the American Transmission Company.

The appraisers for the property owner liked to get excerpts from a study written by Francois Des Rosiers. If you search by his name, you should be able to find the study done from 1991 to 1996. It shows some negative influences of power lines and some positive influences.

A. Scott T. Sampson, Tacoma, Washington

IAAO has a number of valuation studies linked to its Web site (www.iaao.org). Also, the IAAO Library has several articles and studies on transmission lines and property values [see original post on AssessorNET or contact the IAAO Library for a list of resources].

Was your question answered using AssessorNET?

Let us know and we will share the answer with IAAO members in *Fair & Equitable*. Send your question and the answers that helped you, to Kate Smith, at smith@iaao.org. Be sure to tell us how you used the information. All questions and answers are reprinted with the permission of the participants.

IAAO Rep of the Month • Michael D. Barnett, Texas

David Wayne Reed



Mike Barnett is currently Chief Appraiser of the Smith County Appraisal District (Tyler, Texas). He is a native of Fort Worth, where he received his public school education and graduated from the University of Texas at Arlington with a bachelor of arts degree. He later completed a Certificate of Real

Estate from Southern Methodist University.

Mr. Barnett has more than forty years property tax experience and has held various offices in several professional organizations including the Texas Association of Assessing Officers, Texas Association of Appraisal Districts, and the Texas Metropolitan Council of Appraisal Districts. He recently completed a term as President of the Texas Association of Appraisal Districts.

His professional designations include Registered Professional Appraiser, Registered Texas Assessor Collector, Certified School Tax Administrator, and Certified Texas Assessor.

He says that IAAO has always provided a special resource and sense of perspective. One of his most memorable moments occurred while attending his first conference in Toronto in 1978. Even at that point of early involvement with IAAO, Barnett realized just how invaluable the organization would be to his development and knowledge base. He says “IAAO remains a valued resource regardless of whether someone is just starting their career or they have extensive experience.”

In his time away from the office he enjoys working on old cars and spending time with his wife, tending their horses on their farm in northern Smith County. For the last several years, they have spent a great deal of time renovating an old Gambrel Barn that was on the property. This project resulted in a beautiful structure that combines both comfort and elegance in creating an inviting home.

IAAO

INNOVATION & EXCELLENCE WEBINAR SERIES



2012



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

Presented by Rob Turner

1:00–3:00 pm CDT, April 18, 2012

The general economic and real estate recession has had a significant impact on the ability of local government jurisdictions to fund their operations. Few areas across the globe have been unaffected by the reduction in local property tax revenues due to the decline in property values. The problem has often been exacerbated by the legislative branch of government providing even greater property tax relief to its constituents. In order to survive during these times, cutbacks have been an order of business for many.

A change of operating culture and implementation of thoughtful and practical measures can greatly improve the situation. Understanding the methods, challenges, and process for a revised operating culture is the first step. The practical measures detailed in this Webinar can improve office operating efficiencies. These enhancements will soon become an integral part of the organization to serve the best interests of the jurisdiction now and into the future.

From this Webinar you will learn:

- How to develop a “doing more with less” culture
- To anticipate the good, the bad, and the ugly
- Thoughtful and practical ways to improve efficiency and effectiveness
- Methods to measure success
- Tech-tips to make your office work better, cheaper, faster

Most Webinars earn 2.0 continuing education credits.

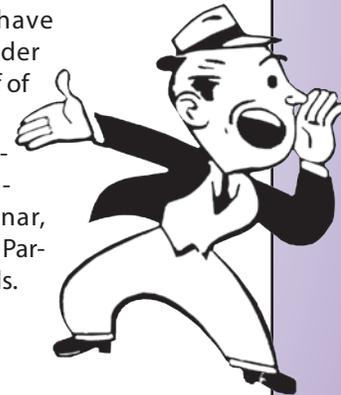
Participant Rate/Site License Charge

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

Call for Webinar Presenters

IAAO is calling all members who have expertise in defined areas to consider presenting a 2-hour Webinar on behalf of the association.

If you feel that you are qualified to speak on any of the topics listed below via an IAAO Webinar, contact Director of Membership, Robin Parrish at parrish@iaao.org for more details.



Topics of Interest

- Billboards
- Car Dealerships
- Car Washes
- Casinos
- Cell Phone Towers
- Churches
- Contaminated Land
- Convenience Stores/ Gas Stations
- Fitness Centers
- Flex Buildings
- Golf Courses
- Green Buildings
- Historical Property
- Hospitals/Surgical Centers
- Landfills/Rock Quarries
- Marinas
- Mortuaries/ Cemeteries
- Restaurants
- Self Storage Units
- Ski Resorts
- Subsidized Housing
- Swimming Pools/ Rec. Properties
- Theaters



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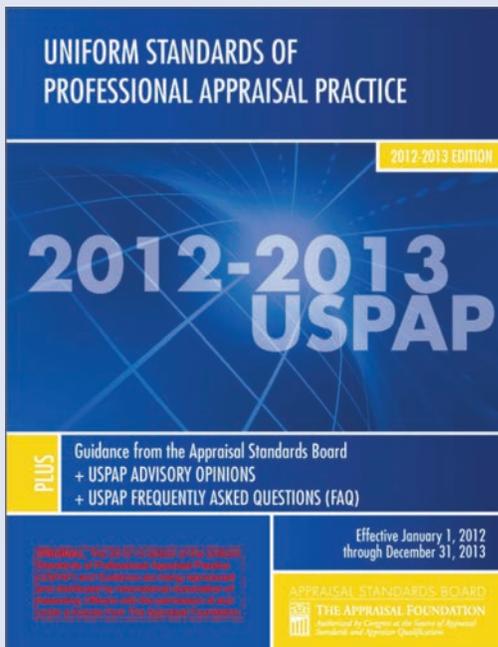
800 628 1013 ext. 2 sales@vgsi.com www.vgsi.com

USPAP 2012–2013 Available for Download

The 2012–2013 edition of *Uniform Standards of Professional Appraisal Practice* is currently available to IAAO members as a free download on the IAAO Web site. The download is being distributed by IAAO with the permission of, and under license from, The Appraisal Foundation.

When downloading USPAP it is important to follow the instructions provided. Access to the edition is through an E-reader program that allows users to flip through pages electronically similar to the way you would a printed book. Users must have Java installed in order to use the product.

Full instructions can be accessed through The Appraisal Foundation Resource Page at <http://www.iaao.org/sitePages.cfm?Page=454>. Additional resources are also available, including a free video outlining changes in the new edition.



CALENDAR OF EVENTS LOCAL • REGIONAL • INTERNATIONAL

Northeastern Regional Association of Assessing Officers (NRAAO)

2012 Spring Conference
April 28–May 3, 2012
Yarmouth, Massachusetts
<http://www.nraao.org/>

The Appraisal Foundation Board of Trustees, Sponsoring Organizations, and North American Conference of Appraisal Organizations (NACAO) Spring Meeting

2012 Spring Conference
May 17–19, 2012
San Antonio, Texas
<http://www.appraisalfoundation.org>

North Central Regional Association of Assessing Officers (NCRAAO)

Annual Conference
June 11–14, 2012
Kansas City, Missouri
<http://www.ncraao.org/2012ConfLocation.htm>

Institute of Municipal Assessors

2012 Annual Conference
June 24–26, 2012
Ottawa, Ontario, Canada
www.assessorsinstitute.ca

International Property Tax Institute (IPTI)

Annual Conference
August 22–23, 2012
Sao Paulo, Brazil
<http://www.ipti.org>

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

New Hardship Grants Available

New funding assistance is available for members to renew their annual IAAO Membership. IAAO members who demonstrate financial need and meet application criteria can apply to the Hardship Grant Committee for assistance. This fund covers a need not met by other assistance programs.

The Hardship Grant Committee evaluates applications in a confidential blind process and inform recipients of its decision in a timely manner. Applications are being accepted now. Grant award amounts are as follows:

- IAAO regular member \$100 (member pays remaining \$75)
- IAAO associate member \$100 (member pays remaining \$80)

Limited funds are available. Apply today at www.iaao.org under the Scholarships menu.

New 7-hour *Uniform Standards of Professional Appraisal Practice (USPAP)* Requirements

CAE, RES, AAS, and PPS Designees—Effective January 1, 2012, it will be mandatory for IAAO designees, except CMS holders, to complete at least two 7-hour Uniform Standards of Professional Appraisal Practice (USPAP) update courses during their five year cycle. The 15-hour USPAP Course will no longer satisfy the USPAP recertification requirement for IAAO designees. Approved courses are IAAO Workshop 191, or any Appraisal Foundation approved 7-hour National USPAP Update course. The National USPAP Update Course concentrates on the most recent changes to USPAP, common problem areas, and application of USPAP to real world situations. This course is appropriate for practicing appraisers who already have a baseline understanding of USPAP, but need to be apprised of recent developments and updates affecting their appraisal practice. Also, effective January 1, 2012, it will be mandatory for IAAO designees, except CMS holders, to complete IAAO Workshop 171 (in class or online) during their five year cycle.

CMS Designees—Within a five-year recertification cycle, it is mandatory for IAAO CMS designees to complete either the 7-hour IAAO Standards of Professional Practice and Ethics online supplement, the 7-hour IAAO 171 Standards of Professional Practice and Ethics course, or the IAAO one-day forum on Standard 6.

Math for Assessors



This instructional CD features a self-contained, self-paced tutorial that allows the user to practice math skills from the most basic concepts through advanced techniques needed to succeed in higher level IAAO courses. It provides everything you need to get started and increase your comfort level with essential math concepts.

Retail Price: \$25

Member Price: \$15

To order go to the Marketplace at www.iaao.org.



Stand Out in the Crowd with IAAO Accredited Membership

Be recognized for your IAAO educational achievements by becoming an Accredited Member.

- IAAO member in good standing with a minimum of five years in the assessing profession
- Successful completion of 180 hours of IAAO courses, workshops, and seminars, including 101, 102, and 400, and
- Completion of a 15-hour workshop on Standards of Practice and Professional Ethics (IAAO Workshop 151 or equivalent)

For more information call 800-616-IAAO.

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

Need Experts?

Looking for a vendor or consultant? Go to the IAAO Vendors & Consultants Directory first to get the information you need.

- Almy, Gloude-mans, Jacobs & Denne
- CCI
- DEVNET, Inc.
- IncomeWorks
- International Association of Assessing Officers
- Local Government Services International
- Manatron
- O'Connor Consulting
- Patriot Properties, Inc.
- qPublic
- Sketch Validation, LLC
- TEAM Consulting, LLC
- True Automation
- Tyler Technologies, Inc.
- Vision Government Solutions, Inc.

Congratulations New Designees

Phillip Nguyen, CMS, received the Cadastral Mapping Specialist designation in December 2011. Nguyen serves as a GIS Specialist II for the Harris County Appraisal District in Houston, Texas. He has held that position for nine years. Nguyen helped create a map titled “Impact of Sales on HCAD Assessed Value,” which was published in ESRI. He is a member of the Geographic Data Committee. In his spare time, Nguyen enjoys going fishing and spending time with his two daughters. He joined IAAO in 2009.



Jarrod Young, CMS, received the Cadastral Mapping Specialist designation in December 2011. Young serves as a GIS Specialist II for the Harris County Appraisal District in Houston, Texas. He has held that position for four and one half years. Young attended Texas State University and earned a bachelor’s degree in geography in 2002. He will present a session at the 2012 GIS/CAMA Technologies Conference in San Antonio, Texas. Young joined IAAO in 2009.



Khadijah Bilal, CMS, received the Cadastral Mapping Specialist designation in December 2011. Bilal serves as a GIS Specialist II for the Harris County Appraisal District in Houston, Texas. She has held that position for four years. Bilal previously served as a Business Personal Property Appraiser, Administrative Technician II, and as a GIS Tech for JCAD. She attended the University of Houston and received a bachelor’s degree in geography with emphasis in GIS, holds an associate’s degree in accounting from Lamar State College, and attended Stilwell Technical Center to pursue computer-aided drafting. Bilal helped create a map titled “Impact of Sales on HCAD Assessed Value,” which was published in ESRI. She joined IAAO in 2009.



Michael H. Vy, CMS, received the Cadastral Mapping Specialist designation in December 2011. Vy serves as a GIS Specialist II for the Harris County Appraisal District in Houston, Texas. He has held that position for four years. Vy attended the University of Houston and earned a bachelor’s degree in business studies. He helped create a map titled “Impact of Sales on HCAD Assessed Value,” which was published in ESRI. Vy joined IAAO in 2009.



Thang V. Nguyen, CMS, received the Cadastral Mapping Specialist designation in December 2011. Nguyen serves as a Program Administrator for the Harris County Appraisal District in Houston, Texas. He has held that position for eight years. Nguyen previously served as a Mapper for JCAD and also served as a Mapper for HCAD. He attended Lamar University and received an associate’s of applied science degree in computer drafting technology. Nguyen helped create a map titled “Impact of Sales on HCAD Assessed Value,” which was published in ESRI. He has 20 years of experience in GIS and joined IAAO in 2009.



Linghui Zeng, CMS, received the Cadastral Mapping Specialist designation in December 2011. Zeng serves as a GIS Specialist II for the Harris County Appraisal District in Houston, Texas. She has held that position for six years. Zeng attended a GIS studies program at Houston Community College, holds a bachelor’s degree in English, and attended Hunan University of Science—department of electrical engineering in the People’s Republic of China. She served as a full-time lecturer at Qiu Ren Technical College and helped create a map titled “Impact of Sales on HCAD Assessed Value,” which was published in ESRI. Zeng joined IAAO in 2009.



Verne W. Pottorff, CAE, Professional Designee of the Year Award

by Kate Smith



For the past 60 years, earning a professional designation from IAAO has been a great achievement and mark of distinction for many members. For more than 40 years, an annual award has bestowed a special honor on an IAAO designee who has effectively promoted the interests, mission, and goals of the Professional Designation Program.

Originally called the Outstanding IAAO Professional Designee Award, this award now bears the name of Verne W. Pottorff, CAE. Pottorff, an assessor from Iowa, joined IAAO in 1957 and earned the CAE in 1966. He was extremely active in IAAO, serving on various committees and the Executive Board, and he received numerous awards and citations for his work. Shortly after Pottorff's death in 1980, the IAAO Executive Board voted to permanently change the name of the Outstanding IAAO Professional Designee Award to the Verne W. Pottorff, CAE, Professional Designee of the Year Award to recognize his remarkable legacy of tirelessly promoting IAAO membership and designations.

Nominations are accepted for this award each year, and winners consider the affirmation of their work by professional colleagues to be the highest of praise. On receiving this award in 2011, Randy Ripperger, CAE, Chief Deputy Assessor for Polk County, Iowa, said, "To be awarded the Verne W. Pottorff, CAE, Award and be recognized by your peers for supporting and promoting the IAAO Professional Designation Program is truly an honor for me personally, something that I will never forget."

James Todora, CAE, of Sarasota, Florida, won the Verne W. Pottorff, CAE, Professional Designee of the Year Award in 2003, and he echoes Ripperger's sentiments. "This award meant almost as much to me as the designation itself," said Todora. "It is incumbent upon all designees to promote the designation program by assisting and encouraging others to earn a designation. I am proud to continue doing my part, please join me in promoting this great program."

All award nominations for 2012 are due by May 1. For more information on the IAAO Award and Designation Programs, call 800-616-IAAO (4226) or visit www.iaao.org.



Verne W. Pottorff, CAE, left no stone unturned in promoting professional designations. This photo, from 1979, shows Pottorff with his license plate that displayed both the IAAO CAE designation and the ICA designation conferred by the Institute of Iowa Certified Assessors.

What's Your Number?

We want to take advantage of this anniversary year to make sure our designation records are accurate and complete.

If you currently hold an IAAO designation, please send:

- your name
- the date on your designation certificate, and
- the number of that certificate

to Larry Clark, CAE, Director of Professional Development. You can send the information by e-mail to clark@iaao.org or in a letter to:

Larry Clark
314 W 10th Street
Kansas City, Missouri 64105-1616.

All persons who respond will have their name entered into a drawing for a *Fundamentals of Mass Appraisal* textbook.

In addition, we would be interested in hearing more about your reasons for seeking a designation. Send your story to IAAO, attention Larry Clark, CAE. Stories may be published in future issues of *Fair & Equitable*.

Let IAAO Recognize Your Professional Achievements

Nominations are now being accepted for the 2012 awards program

Help IAAO shine a spotlight on its brightest and most industrious members.

The Member Recognition Committee is actively seeking top notch nominations from around the globe for the IAAO Annual awards program. Each year, these awards showcase the finest examples of excellence possessed by IAAO's membership. The members of IAAO maintain the highest standards of professionalism and quality in their work, and that merits appreciation.

Do you know of someone who deserves notice for his/her professional achievements? Has your county office implemented a new appeals process worthy of praise? Does your IAAO chapter or affiliate continue to keep you informed on local issues with an award-worthy newsletter? Did you have an IAAO instructor who made a difference in your career? If you answered yes to any of those questions, then by all means, submit a nomination!

Submitting a nomination is not difficult or time consuming. A single-page summary that details how the nomination fits the specific award criteria is all you need. Keep it simple. Just give IAAO the basic who, what, when, where, and why.

If you or someone you know deserves recognition this year, send the nomination form, along with any supporting documents, to IAAO headquarters. You can even e-mail it to Kate Smith, IAAO Membership and Publications Marketing Coordinator, at smith@iaao.org and save yourself the postage.

For more information on all of the award categories, and to download the nomination form, please visit www.iaao.org. All nominations are due by May 1, 2012.

Let the world know about the professional accomplishments of you and your peers. Submit an award nomination today!

DEADLINE

All nominations must be received at IAAO headquarters by **May 1, 2012**. No exceptions will be made for submissions received after this date. Nomination forms and supporting documents should be mailed to:

Membership Dept/Awards Program
IAAO
314 W. 10th St.

Kansas City, Missouri 64105-1616

or submit all nomination forms and documentation via e-mail to Kate Smith at smith@iaao.org.



VISIT Milwaukee

Case Overview

The seminar presents a case study based on an actual trial that has either been appealed or is under appeal. The mock trial focuses on a proceeding before the Review Board of the State of Utopia. The subject is a well-known building in the City of Eden—an approximately 10-year-old, mixed-use commercial property. The subject includes hotel, office, and retail space. The property is located in one of the most successful retail districts in the City of Eden, and perhaps in the entire country.



PREPARATION AND TRIAL OF THE PROPERTY TAX ASSESSMENT APPEAL SEMINAR

APRIL 26–27, 2012 • HYATT REGENCY MILWAUKEE

FOR MORE INFORMATION VISIT WWW.IAAO.ORG

Is your member information up-to-date?

Keeping your address and e-mail information current ensures that you will continue to receive these benefits.

- Special notices about educational opportunities, library resources, and meetings where you can share information with your peers
- Monthly IAAO E-News broadcast e-mails
- Monthly *Fair & Equitable* and quarterly *Journal of Property Tax Assessment & Administration*

Choose an update method:

- Send an e-mail with new information to membership@iaao.org
- Update your record directly at www.iaao.org (requires log in)
- Call 800/616-4226 for assistance from a membership services representative.

Now is a good time to explore www.iaao.org.

Look on the home page for tools members use frequently:

- Quick Links
- What's New
- Upcoming Meetings & Events
- AssessorNET
- F&E Digital Edition
- Reference Desk
- Job Opportunities
- Technical Standards
- Member Lookup
- Scholarships



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34,622 motivated people viewed IAAO Job Opportunities from January 1, 2011 through January 1, 2012.

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Place a Web employment ad with IAAO and get listed FREE in *Fair & Equitable*, the IAAO monthly magazine shared by more than 7,000 mass appraisal professionals. We offer low rates and a targeted audience.

Contact Mario Gipson: 816/701-8131 • gipson@iaao.org

F&E Digital Edition— A Green Choice For Members

Members who want to opt out of receiving the print edition of *Fair & Equitable* can do so as follows:

- *Update you membership profile online.* Log in as a member at www.iaao.org, go to “my account” at the top of the page, and under options look for “Exclude from *F&E Print Edition*” and click “Yes.”

If you encounter difficulty updating your online profile, contact the IAAO Membership Department at 800/616-4226 or membership@iaao.org.

Members who want to continue receiving the print edition do not need to do anything. They will receive the printed version of F&E as usual.

Members that have chosen to opt out will no longer receive *F&E Print Edition* in the mail. You will receive notices in IAAO E-News broadcasts when *F&E Digital Edition* is available each month.



Request for Proposal—IAAO Grading Guide

IAAO is seeking a qualified individual to revise the *Guide to Real Property Demonstration Appraisal Report Writing*. The materials that are to be developed should reflect a complete understanding of the IAAO procedural rules, IAAO standards, USPAP and best practices in writing appraisal reports.

Scope of Work

- Developers will submit a content outline
- Materials to be developed include:
 - A complete written guide
 - Supporting forms to be used in the grading process
- Developers may be required to participate in conference calls with the Professional Designations Subcommittee (PDS) to resolve any issues or answer any questions that may arise.

Product Delivery Timetable

- Proposal due at IAAO HeadquartersApril 1, 2012
- Developer selected is notified no later thanMay 1, 2012
- Initial draft due no later thanJuly 1, 2012
- PDS Committee to review and submit changesAugust 1, 2012
- Final draft dueSeptember 1, 2012

To be Considered

If you are interested in submitting a bid and being considered as the Developer, please submit a hard copy *and* electronic copy of your proposal to include the following:

1. Professional biography
2. Professional references (e-mails and phone numbers of professionals in the field who can attest to your knowledge and experience in developing similar materials)
3. Time-and-cost calculations associated with the following development milestones:
 - Milestone # 1—Delivery and acceptance of an outline and measurable performance objectives
 - Milestone # 2—Delivery of initial draft
 - Milestone # 3— Delivery of response to PDS concerns
 - Milestone # 4—Delivery of final set of materials
4. Work Samples (e.g., previous courses/examinations/workshops that you have developed)

Please submit your proposal no later than April 1, 2012 to the attention of Larry Clark, Director of Professional Development, IAAO, 314 West 10th Street, Kansas City, Missouri 64105. The developer will be selected no later than May 1, 2012.

5 Years

Maine Association of Assessing Officers, Cumberland, ME
Gina L. Anderson, Big Horn County, Basin, WY
Kenneth J. Anderson, Pictometry International Corp, Brandon, FL
Anthony Ansolabehere, Kern County, Bakersfield, CA
Susan E. Baker, City of Lebanon, Lebanon, NH
Johnny M. Bankston, St Tammany Parish, Covington, LA
Gordon Bleakley, Land & Property Services, Belfast, N. Ireland, United Kingdom
Michelle Bolen, Isanti County, Cambridge, MN
Barbara Boyce, Sacramento County Assessor's Office, Sacramento, CA
Colin Breen, Land & Property Services, Belfast, N. Ireland, United Kingdom
Valerie D. Brewer, Washington County Assessor's Office, Fayetteville, AR
David Alan Bronte, Land & Property Services, Belfast, N. Ireland, United Kingdom
Trent Brown, Beaver County, Beaver, UT
Richard Cleary, Snohomish County Assessor's Office, Everett, WA
Sean Daly, Land & Property Services, Belfast, N. Ireland, United Kingdom
Jeffrey S. Davis, Albemarle County, Charlottesville, VA
Bart DeBellis, City of Hampton Assessor's Office, Hampton, VA
Clare C. Downey, City of Alexandria, Department of Real Estate, Alexandria, VA
Chris W Eilert, Bergen County Board of Taxation, Hackensack, NJ
Stephen Fay, Land & Property Services, Belfast, N. Ireland, United Kingdom
Debra M. Fendlason, St Tammany Parish, Covington, LA
Brad Flaherty, State of Washington Department of Revenue, Olympia, WA
Gerald Galabrese, Jr, Bergen County Board of Taxation, Cliffs Park, NJ
Tanya Gambrell, Wyandotte County Appraiser's Office, Kansas City, KS
Cristin A. Haley, RES, Saskatchewan Assessment Management Agency, Melfort, SK, Canada
Alan Hanna, Land & Property Services, Belfast, N. Ireland, United Kingdom
Michael S. Hartman, Town of Hartland, Gasport, NY
Matthew A Helfand, Appraisal Resources Company, Inc, Cranston, RI
Gary R Hensley, Sr, Dearborn County, Lawrenceburg, IN
Rich W. Hobernicht, Washington County, Hillsboro, OR
Howard Hubler, Washington Department of Revenue, Bothell, WA
Ian Johnston, Land & Property Services, Belfast, N. Ireland, United Kingdom
Peter Johnston, Land & Property Services, Belfast, N. Ireland, United Kingdom
Madlyn L. Jones, Harris County Appraisal District, Houston, TX
William Joss, Land & Property Services, Belfast, N. Ireland, United Kingdom
George F. Klumpp, Jr, St Tammany Parish Assessor's Office, Covington, LA
Eldon L. Kottwitz, Platte County, Platte City, MO
Pam Lathrop, Lavaca County Central Appraisal District, Hallettsville, TX
Seth A. MacNaughton, Saskatchewan Assessment Management Agency, Melfort, SK, Canada
Mary Mallon, Land & Property Services, Belfast, N. Ireland, United Kingdom
Noel Maybin, Land & Property Services, Belfast, N. Ireland, United Kingdom
Kris M. McAllister, Town of Newbury, Newbury, NH
Andrew McClelland, Land & Property Services, Belfast, N. Ireland, United Kingdom
Colin McDonald, Land & Property Services, Belfast, N. Ireland, United Kingdom
Kristy McFarland, Gunnison County Assessor's Office, Gunnison, CO
Brendan McGarry, Land & Property Services, Belfast, N. Ireland, United Kingdom
Michael McGrady, Land & Property Services, Belfast, N. Ireland, United Kingdom
Angela McGrath, Land & Property Services, Belfast, N. Ireland, United Kingdom
Martin McGrath, Land & Property Services, Belfast, N. Ireland, United Kingdom
Christopher Miner, Greenfield Advisors, Seattle, WA
Desy Monaghan, Land & Property Services, Belfast, N. Ireland, United Kingdom
Erin James Montgomery, Land & Property Services, Belfast, N. Ireland, United Kingdom
Leslie Morgan, Shasta County, Redding, CA
Patricia Oaks, Wauconda Township, Wauconda, IL

William Bryan Page, City of Alexandria, Department of Real Estate, Alexandria, VA
Janae N. Robbins, Wyandotte County Appraiser's Office, Kansas City, KS
Tammy Schenekl, DuPage Township Assessor Office, Bolingbrook, IL
Steven S Schuster, Bergen County Board of Taxation, Hackensack, NJ
Cathy S. Searcy, Elkhart County, Goshen, IN
Donnie Sparkman, Wakulla County, Crawfordville, FL
Henry Spence, Land & Property Services, Belfast, N. Ireland, United Kingdom
Cathy D. Spicer, Wyandotte County Appraiser's Office, Kansas City, KS
Shannon Stary, Pritchard & Abbott, Inc, Houston, TX
Nancy Staufenberg, Maricopa County Assessor's Office, Phoenix, AZ
Johnny M. Stephens, CMS, Maury County, Columbia, TN
Jennifer L. Steveson, City of Worcester, Jewett City, CT
Patrice M. Stewart, Pasquotank County, Elizabeth City, NC
Jason A. Taylor, RES, Saskatchewan Assessment Management Agency, Melfort, SK, Canada
Kathy Thompson, Fremont County, St Anthony, ID
Neil Rogers Thorne, Frederick County, Winchester, VA
Tanya Walker, RES, Saskatchewan Assessment Management Agency, Regina, SK, Canada
Roy E. Wheat, Wyandotte County Appraiser's Office, Kansas City, KS
Stephanie M. Wilson, City of Alexandria, Department of Real Estate, Alexandria, VA

10 Years

Ken Anderson, Alberta Department of Municipal Affairs, Edmonton, AB, Canada
Susan Avazpour, Johnson County Appraiser's Office, Olathe, KS
James E Childers, Potter-Randall Appraisal District, Amarillo, TX
Mark Harrell, Patriot Properties, Lynn, MA
Kory Hofland, Montana Department of Revenue, Helena, MT
Jean Hostetler, Tyler Technologies, Inc., Plano, TX
Carol K. Judd, Keizer, OR
Elizabeth Kohake-Roeder, Nemaha County, Seneca, KS
Eric Lindberg, CAE, Dakota County Assessing Services, Hastings, MN
Robert A Morgan, Union Pacific Railroad, Omaha, NE
William Neal, II, RES, Johnson County Appraiser's Office, Olathe, KS
Charles B. Neely, Jr, Williams Mullen, Raleigh, NC
Wayne Overkamp, Franklin County Assessor's Office, Union, MO
Victor Pearson, Nunda Township, McHenry County, Crystal Lake, IL
Terry L Polley, Ajalat, Polley, Ayoob & Matarese, Glendale, CA
Gerald Rainbolt, Gerald Rainbolt & Associates, Inc, The Colony, TX
Connie M. Sebastian, Boulder County Assessor's Office, Boulder, CO
Timothy Pete Smith, Okaloosa County Property Appraiser's Office, Fort Walton Beach, FL
Randy E Triplett, Catawba County, Newton, NC
Karen Zukauskas, Town of Canton, Canton, MA

15 Years

Glenn Borin, City of New York, Finance Department, Roslyn, NY
Roger Childress, Lake County Property Appraiser's Office, Tavares, FL
Nora E. Corkill, Astoria, OR
Darby Davis, Kosciusko County Assessor's Office, Warsaw, IN
Donnalee N. Dees, Marion County Appraiser's Office, Ocala, FL
Lance E Honea, Pike County Tax Assessor, Magnolia, MS
Peggy (Margaret) Jenkins, Town of Moreau, South Glens Falls, NY
Fumio Kiuchi, Tokyo, Japan
Bobby R Parker, Beaufort County Assessor's Office, Washington, NC
Bonnie L. Payton, Kalamazoo County Equalization Department, Kalamazoo, MI
Jon Stokes, Coca-Cola Enterprises Property Tax Department, Dacula, GA
Robert Turner, Hillsborough County Property Appraiser's Office, Tampa, FL

20 Years

Kevin K. Bahrenfuss, Hamilton County Assessor's Office, Webster City, IA
Gerald R. Barber, Madison County Tax Assessor, Ridgeland, MS

Member Anniversaries • March (continued)

Robert J. Benedict, Assessment & Appraisal Info Systems Inc, Schenectady, NY
Allyson R Bourriaque, Calcasieu Parish Assessor's Office, Creole, LA
Barry D. Couch, CAE, Douglas County Assessor's Office, Omaha, NE
Kenneth S Herman, Rhinebeck, NY
Arthur J. Larner, CAE, City of Edmonton, Edmonton, AB, Canada
J. Scott Loots, Easley, McCaleb & Associates, San Francisco, CA
Alan Marcuvitz, Michael, Best & Friedrich, Milwaukee, WI
David Melton, Grenada County Tax Assessor & Collector, Grenada, MS
Frederick W Morgan, City of Detroit, Finance Department, Detroit, MI
Stephen D Parker, S Parker & Company, Inc, Metairie, LA
Sherron L. Schultz, City of Taylor, Westland, MI
Stephanie Sumrall Smith, AAS, Ouachita Parish Assessor's Office, Monroe, LA
Robert L. Wooldridge, Morgan County, Fort Morgan, CO

25 Years

Lorene N. Bayan-Wilson, Jackson County Assessment Department, Independence, MO
Douglas O Biederstedt, Peru Township, Peru, IL
Michael M. Chaves, CAE, Miami-Dade Property Appraiser's Office, Miami, FL
Phillip M Draper, Davidson County Assessor's Office, Nashville, TN
Robert W C Ellis, PPS, Nokomis, FL
Michael J. Evangelista, Lake County Auditor's Office, Painesville, OH
Robert J Gingras, Parker Appraisal Company, Inc, Falmouth, ME
Kathy Ann Hansen, Smith County, Smith Center, KS
Eddie Thomas, Craighead County Assessor's Office, Jonesboro, AR
David E. Tinsley, Cleveland County, Norman, OK
Kenneth P. Vinson, Davidson County Assessor's Office, Nashville, TN
James A. Willett, RES, Polk County Assessor's Office, Des Moines, IA
Martin D Wittmer, Arlington County, Fairfax, VA

30 Years

Richard Buchanec, CAE, Buchanec & Company, Ltd, Saint Anne, IL
Charles P Danna, Jr, Town of South Windsor, South Windsor, CT
Henry J Frydel, Fairfax County Department of Tax Administration, Fredericksburg, VA
John S. Moreland, RES, City of Clinton, Clinton, IA
Denise Burrell Smith, Charles City County, Charles City, VA

35 Years

David A. Arlen, RES, Powder Springs, GA
Elliott Bauman, Jefferson Parish, Gretna, LA
Ben L. Faulk, CAE, Faulk Real Estate Services, Tallahassee, FL
Edward E Havill, Lake County Property Appraiser's Office, Tavares, FL
Michael P. Miano, Marvin F. Poer & Company, Boston, MA
Davis R. Offutt, Aurora Township, Aurora, IL
L Dean Pohren, Mitchell County, Osage, IA
John W. Trainor, Clermont County Auditor, Batavia, OH

40 Years

Richard L Venn, CAE, Venn Property Consultants, Denver, CO

45 Years

Charles R Laverty, CAE, Board of Assessors, Cambridge, MA

50 Years

South Carolina Association of Assessing Officials, Little Mountain, SC

55 Years

Joseph E. Kane, CAE, Plantsville, CT

65 Years

Iowa State Association of Assessors, Nevada, IA

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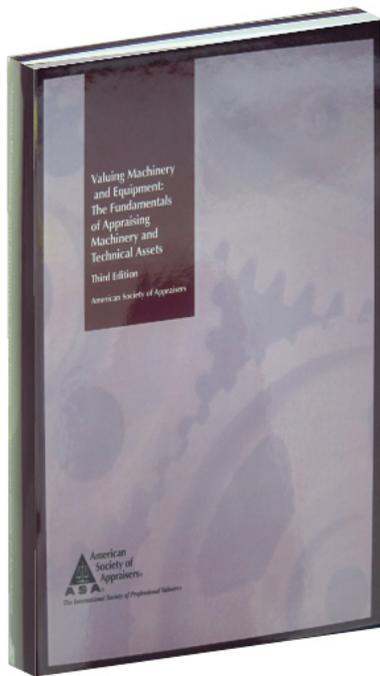
- ◆ Online Course 859—SPSS for Appraisers
- ◆ An Introduction to the Cost Approach to Value
- ◆ An Introduction to the Income Approach to Value
- ◆ An Introduction to the Sales Comparison Approach to Value
- ◆ Mass Appraisal of Residential Property
- ◆ Commercial Case Study Review
- ◆ Site Analysis
- ◆ IAAO Standards of Professional Practice and Ethics

Bylaws Amendments Exposure Notice

On November 11, 2011, the IAAO Executive Board unanimously approved exposing proposed Bylaws amendments to the members. On January 21, 2012, the IAAO Executive Board unanimously approved exposing additional changes regarding Councils and Sections. The intent and effect of this draft is to provide updated Bylaws.

The exposure draft can be accessed on the IAAO Web site at <http://www.iaao.org/documents/index.cfm?&Category=19>. A link to the draft is also available on the home page at www.iaao.org. The draft was posted as of February 13, 2012.

Send comments by March 30, 2012, to IAAO Executive Director Lisa Daniels, daniels@iaao.org.



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2012 Exhibitor and Sponsorship Opportunities

INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS

78TH ANNUAL INTERNATIONAL CONFERENCE ON ASSESSMENT ADMINISTRATION

SEPTEMBER 9-12, 2012 • KANSAS CITY CONVENTION CENTER • KANSAS CITY, MISSOURI



INTERNATIONAL ASSOCIATION
OF ASSESSING OFFICERS

Being a Exhibitor allows you to:

- Build long-term relationships with key leaders
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- Highlight your position as a leader in mass appraisal

Being a Sponsor allows you to:

- Enhance visibility and maximize your exposure
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- Demonstrate commitment to education

Exhibitors Contact: Lauren Harlan, Meetings Coordinator, harlan@iaao.org • 816/701-8109 • Fax 816/701-8149 • www.iaao.org

Sponsors Contact: Leann Ritter, Marketing Manager, ritter@iaao.org • 816/701-8161 • Fax 816/701-8149 • www.iaao.org

INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS
78TH ANNUAL INTERNATIONAL CONFERENCE ON ASSESSMENT ADMINISTRATION
SEPTEMBER 9-12, 2012 • KANSAS CITY CONVENTION CENTER • KANSAS CITY, MISSOURI

THREE WAYS TO REGISTER

Registration or Program Questions? Contact Lauren Harlan, E-mail harlan@iaao.org or call 816/701-8109.

1. FAX this completed registration form if you are paying with a credit card to 816/701-8149.
2. MAIL this completed registration form and payment to the IAAO Bank Lockbox at:
IAAO, P.O. Box 504183, St. Louis, MO 63150-4183.
3. Online at <http://www.iaao.org/events/AnnualConference.cfm>

(Please print legibly.) Is your contact information new or updated since July 2011? Yes No



STEP ONE—REGISTRANT INFORMATION

IAAO Member Number: _____ Nonmember

First Name _____ MI _____ Last Name _____

Name for Badge _____

Employer _____ Title _____

Work or Home Address _____

City _____ State/Province _____ ZIP/Postal Code _____ Country _____

Phone _____ Fax _____ E-mail _____

Emergency Contact _____ Phone _____

First-time attendee Speaker Volunteer

If you have any special needs, we are here to accommodate you. Please indicate any dietary/physical needs.

Dietary: Diabetic Vegetarian Food Allergies _____

Physical: Please check here if you require special accommodations to participate. E-mail a description of your needs by August 16, 2012, to Lauren Harlan, harlan@iaao.org. After August 16, 2012, we cannot guarantee we can accommodate your request.

STEP TWO—REGISTRATION FEES

The member and nonmember registration fees for the IAAO Annual Conference include: education sessions, Sunday Welcome Reception, Monday Opening Ceremony, Monday Networking Luncheon, Tuesday Awards Breakfast, Tuesday Attendee Appreciation Lunch, Wednesday Plenary Session, Wednesday Closing Banquet, continental breakfasts, refreshment breaks, conference proceedings, and recertification and continuing education credits.

Guest registration includes a name badge, admission to Sunday Welcome Reception, Monday Opening Ceremony, Tuesday Awards Breakfast, Wednesday Closing Banquet, and continental breakfasts, but does not include a conference bag, education and plenary sessions, or the proceedings. Please include payment for your guest when you register. **Guest refers to a spouse, relative, or personal friend, NOT a business associate or staff colleague. Sessions will be monitored.**

Guest Name for Badge _____

INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS
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STEP TWO—REGISTRATION FEES (CONTINUED)

	Discount fee by July 20	Received after July 20 and by August 16	On-site fees	Amount
Conference Registration—IAAO Member	\$500	\$600	\$700	
Conference Registration—IAAO Nonmember	\$650	\$750	\$850	
<input type="checkbox"/> NACAO participant (ASFMRA, IRWA, AI, ASA)* Include member ID no. _____	\$500	\$600	\$700	
One-day Registration—IAAO Member <input type="checkbox"/> Monday <input type="checkbox"/> Tuesday <input type="checkbox"/> Wednesday (does not include Closing Banquet)	\$275	\$300	\$325	
One-day Registration—Nonmember <input type="checkbox"/> Monday <input type="checkbox"/> Tuesday <input type="checkbox"/> Wednesday (does not include Closing Banquet)	\$300	\$325	\$350	
Guest (includes Closing Banquet)	\$200	\$200	\$200	
Additional Closing Banquet tickets (one ticket included with each full registration)	# of tickets _____ X	\$70		
IAAO Education Development Campaign—voluntary contribution				
GRAND TOTAL				

One-day registrations include all education sessions and events for the selected day except for the Wednesday Closing Banquet.

* North American Council of Appraisal Organizations (NACAO) Discount. Register at the IAAO member rate if you are an active member of one of the following appraisal groups that participate in NACAO: the American Society of Farm Managers and Rural Appraisers (ASFMRA), the International Right of Way Association (IRWA), The Appraisal Institute (AI), and the American Society of Appraisers (ASA).

STEP THREE—PAYMENT

Mail: Send completed registration form and check or money order to the IAAO Lockbox at: IAAO, PO Box 504183, St. Louis, MO 63150-4183.

There is a fee to process cancellations and refunds. See policy below. Your registration cannot be processed until full payment is received.

Make check payable to IAAO. Check or money order payments must be drawn in U.S. dollars. Check No. _____

If paying by credit card, **pay online** at www.iaao.org or **fax** the completed registration form to 816/701-8149.

VISA MasterCard AMEX

Card # _____ Expiration Date _____

Your signature below authorizes IAAO to charge your credit card the total payment and acknowledges that you have read and understand the cancellation and refund policy shown below.

Cardholder Name _____

Signature _____ Date _____

Cancellation & Refund Policy: Guarantees for food service, printing, and space rental cannot be changed by IAAO at the last moment. For this reason we must adhere to strict guidelines. Requests for refunds will be honored, less a \$50 processing fee, only if received in writing by August 16, 2012. No refunds will be made after August 16, 2012. No refunds are given for no-shows. Send your cancellation notice to Lauren Harlan, harlan@iaao.org or mail to IAAO, 314 W 10th Street, Kansas City, Missouri 64105 or fax to 816/701-8149.

Advance Registration Deadline: Registrations must be received at IAAO Headquarters by August 16, 2012 in order to be included in the attendee list and to guarantee availability of preprinted materials. Registrations received after August 16, 2012 will be processed on-site.

International

Property tax cools high-end housing market (published January 30, 2012)

by *ChinaDaily USA*

Article explains the effect of a trial tax in Chongqing municipality, China, intended to curb rising home prices due to speculative buying. The tax, which went into effect just over a year ago, has cooled the housing market and resulted in development of smaller homes that are accessible by a broader range of people.

For more information, go to:

http://www.chinadaily.com.cn/usa/business/2012-01/30/content_14504230.htm

House tax just one battle in fight to end our woes (published January 21, 2012)

by *James Downey*

Editorial opinion reviews multiyear effort to introduce a property tax again in Ireland due to economic pressures and influence of the European Union.

For more information, go to:

<http://www.independent.ie/opinion/analysis/james-downey-house-tax-just-one-battle-in-fight-to-end-our-woes-2995699.html>

Greeks facing electricity disconnections for unpaid property tax (published January 20, 2012)

by *Katerina Nikolas*, digitaljournal.com

Article describes controversial cuts in electric power to Greek residents who fail to pay a new emergency property tax being collected through utility bill payments. The Greek Public Power Corporation has been given the task of collecting the tax or cutting power for nonpayment.

For more information, go to:

<http://www.digitaljournal.com/article/318192>

Economic Revitalization

Deep divisions remain in Iowa property tax debate (published January 25, 2012)

by *AP, CBC Money Watch*

Article contrasts points of view on proposed cuts to commercial and industrial property taxes as an economic incentive for businesses to remain in Iowa. At issue is whether proposed state subsidies will cover lost revenues at the local level.

For more information, go to:

http://www.cbsnews.com/8301-505245_162-57365762/deep-divisions-remain-in-iowa-property-tax-debate/

Property Tax Reform

No way to find out now about Philly property tax bill (published January 26, 2012)

by *Troy Graham, Philadelphia Inquirer*

Article discusses Philadelphia's Actual Value Initiative, an in-progress reform initiative to establish equitable property taxation based on market value and the need to establish a millage rate for the budget prior to completion of the valuation effort.

For more information, go to:

<http://www.philly.com/philly/news/homepage/138095643.html>

Californians favor a 'split' property tax—one system for homes, the other for everything else (published January 24, 2012)

by *Central Valley Business Times*

Article reviews a survey of Californians regarding various tax options including separating residential property taxes from other taxes. The split tax would lift Proposition 13 limits on commercial property in favor of taxing based on market value.

For more information, go to:

<http://www.centralvalleybusinesstimes.com/stories/001/?ID=20249>

Nonprofits may face property tax hike; Homeowners' exemption remains unchanged (published January 24, 2012)

by *Keoki Kerr, Hawaii News Now*

Article discusses homeowner exemptions and possible changes to taxation of exempt or partially exempt nonprofits in Oahu, Hawaii.

For more information, go to:

<http://www.hawaiinewsnow.com/story/16593395/nonprofits-may-face-property-tax-hike-homeowners-exemption-remains-unchanged>

Property Tax Relief

Vermont House vote could bring property tax relief (published January 21, 2012)

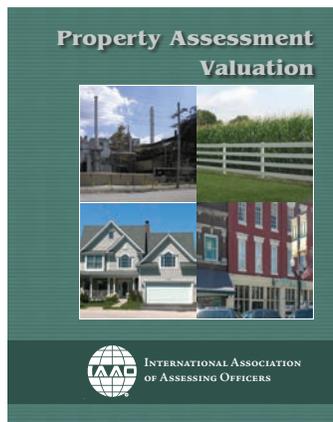
by *Nancy Remsen, BurlingtonFreePress.com*

Article discusses proposed changes to Vermont's annual budget bill that would redirect budget surplus funds to the state's Education Fund in a gradual effort to reduce reliance on property tax for school funding.

For more information, go to:

<http://www.burlingtonfreepress.com/article/20120121/NEWS03/201210301/Vermont-House-vote-could-bring-property-tax-relief?odyssey=tab%7Ctopnews%7Ctext%7CFRONTPAGE>

Property Assessment Valuation, 3rd ed.



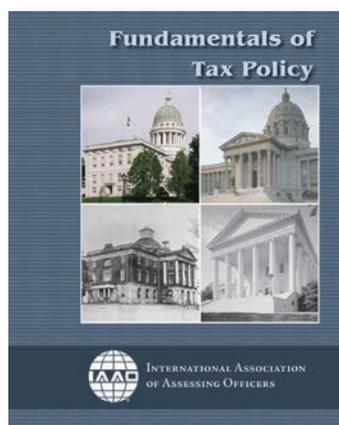
Property Assessment Valuation, 3rd edition, is an introductory text on assessment administration and property appraisal principles for assessment purposes. The 3rd edition contains substantial updates on mapping, highest and best use, and personal property assessment. The book supports the following IAAO courses:

101—Fundamentals of Real Property Appraisal, 102—Income Approach to Valuation, 112—Income Approach to Valuation II, 201—Appraisal of Land, and 500—Assessment of Personal Property.

To order, go to www.iaao.org and click on Marketplace, the IAAO online ordering system!

Members \$55, Nonmembers \$70

Fundamentals of Tax Policy



Fundamentals of Tax Policy explores the concepts and philosophy of taxation, the underlying systems for taxation, and the effects of taxation.

The book presents a broad overview of general tax policy with an emphasis on property tax policy. This book will be useful to local, state, and provincial assessing officers and tax officials, members of the

academic community, legislators, tax researchers, and governmental administrators.

The book was authored by Richard Almy, Alan Dornfest, AAS, and Daphne Kenyon, Ph.D.

To order, go to www.iaao.org and click on Marketplace, the IAAO online ordering system!

Members \$60, Nonmembers \$75

The Appraisal Foundation News

The Appraisal Foundation Seeks Candidates for Vacancies on Board of Trustees and Appraisal Practices Board

Application Deadline is April 2, 2012

The Appraisal Foundation is seeking qualified candidates to serve on its Board of Trustees and the Appraisal Practices Board (APB). There are four At-Large Trustee seats available as of December 31, 2012 and three seats on the APB as of June 30, 2012. Completed applications for vacancies on the Board of Trustees and the APB must be received by April 2, 2012. The search for qualified candidates for the AQB and ASB will begin in late spring of 2012.

The Board of Trustees of The Appraisal Foundation is charged with funding the work of and appointing members to the APB, AQB and ASB, as well as providing oversight of these three Boards. The Board of Trustees meets twice a year, in the Spring and Fall. Trustees are reimbursed for travel expenses and are not compensated for their time. The individuals selected for positions on the Board of Trustees will serve three-year terms commencing January 1, 2013. One of the potential seats on the Board of Trustees is earmarked for a representative with an interest in consumer affairs.

The APB is the Foundation's newest Board. The APB is responsible for identifying and issuing opinions and guidance on Recognized Valuation Methods and Techniques, which may apply to all disciplines within the appraisal profession. The APB offers voluntary guidance in topic areas which appraisers and users of appraisal services feel are the most pressing. The Board utilizes panels of Subject Matter Experts (SMEs) to aid in the development of the guidance. Individuals serving on the APB are compensated for their time and reimbursed for their travel expenses. The individuals selected for the APB positions will serve a term of up to three-years commencing July 1, 2012.

The Appraisal Foundation is interested in expanding the diversity of its Boards by considering applications from business leaders with an interest in valuation or involved in various appraisal disciplines.

Application packages for the At-Large Trustee vacancies are available on-line at the Foundation website at the following link: <https://appraisalfoundation.sharefile.com/d/s66ecacd92574e5e9>.

Application packages for the APB vacancies are available on-line at the Foundation website at the following link: <https://appraisalfoundation.sharefile.com/d/s7e545872cb84a3fb>.

Individuals may apply for either the Board of Trustees or the Appraisal Practices Board, but not both, at this time.

If you would like to request an application package via e-mail or if you have additional questions, please contact Arika Cole (arika@appraisalfoundation.org). When requesting information on the applications via e-mail, please use the phrase "2012 APPLICATION INFORMATION" in the subject line, and please include your full name email address and phone number.



Where Do You Read **FAIR** & equitable?

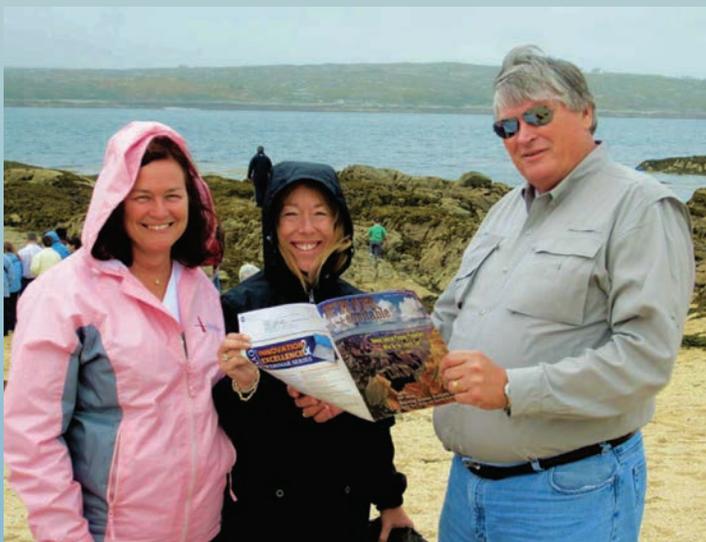
IAAO accepts digital photos of interesting or unusual places, for "Where Do You Read F&E?" and photos of local jurisdiction activities and meetings. Please provide full contact information with your submission. Send photos to bennett@iaao.org.



Above, Daniel G. Pikarski, a real estate taxation attorney and partner in the law firm of Gordon and Pikarski, Chicago, Illinois, takes a break from following in the footsteps of Ernest Hemingway and catches up on *Fair & Equitable* while touring Havana, Cuba, in December 2011. Pikar-

ski was asked to be a guest speaker at the National REIA (Real Estate Investment Association) annual convention.

In addition, Pikarski and members of REIA met with ranking officials of the Cuban Government to discuss property issues currently affecting Cuba. The law firm of Gordon and Pikarski handles real estate taxation matters, zoning/land use, and condemnation issues throughout Chicago, Cook County, and Illinois.



Left, Edye McCarthy (center) and Sheila and Ed Crapo, AAS, read F&E on Coral Beach (Trá an Dóilín) in County Galway, Ireland. The beach is of interest because it is not made from the tropical coral that most people are familiar with but rather from calcareous deposits called maerl, formed by several species of coralline algae. The mineral remains wash up on shore to form the beach. It is a rare and ecologically important area.

BY LOCATION

ALABAMA

551—Valuation of Machinery and Equipment

Montgomery, May 16–18, 2012

257—Fundamentals of Industrial Valuation

Montgomery, July 18–20, 2012

101—Fundamentals of Real Property Appraisal

Hoover, September 10–14, 2012

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

ARIZONA

201—Appraisal of Land

Phoenix, February 20–24, 2012

201—Appraisal of Land

Phoenix, April 9–13, 2012

600—Principles & Techniques of Cadastral Mapping

Phoenix, April 30–May 4, 2012

151—National USPAP

Phoenix, August 7–9, 2012

191—National USPAP 7-Hour Update

Phoenix, August 29, 2012

400—Assessment Administration

Phoenix, October 29–November 2, 2012

The Arizona Chapter of IAAO sponsors the offering listed above. For more details, contact Charles Krebs 602/506-5191.

ARKANSAS

201—Appraisal of Land

Little Rock, April 23–27, 2012

400—Assessment Administration

Little Rock, May 7–11, 2012

102—Income Approach to Valuation

Little Rock, August 27–31, 2012

300—Fundamentals of Mass Appraisal

Little Rock, December 3–7, 2012

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

601—Cadastral Mapping—Methods & Applications

Fayetteville, March 26–30, 2012.

The Arkansas Chapter of IAAO sponsors the offering listed above. For more details, contact Farrah Matthews 870/886-1135 or Melissa Crane 785/296-5465.

FLORIDA

101—Fundamentals of Real Property Appraisal

Tampa, March 19–23, 2012

The Hillsborough Community College (HCC) sponsors the offering listed above. For more details, contact Lori Craig at 813/253-7982 or 813/259-6010, <http://www.tampatraining.com/training-courses/course-details.cfm?ID=1261>.

INDIANA

101—Fundamentals of Real Property Appraisal

Evansville, March 19–23, 2012

300—Fundamentals of Mass Appraisal

Valparaiso, April 9–13, 2012

402—Tax Policy

Greensburg, May 21–25, 2012

151—National USPAP

Greensburg, June 5–7, 2012

102—Income Approach to Valuation

Huntington, July 16–20, 2012

400—Assessment Administration

Valparaiso, August 6–10, 2012

300—Fundamentals of Mass Appraisal

Greensburg, September 17–21, 2012

101—Fundamentals of Real Property Appraisal

Huntington, September 24–28, 2012

151—National USPAP

Valparaiso, October 9–11, 2012

400—Assessment Administration

Evansville, October 15–19, 2012

300—Fundamentals of Mass Appraisal

Bloomington, October 29–November 2, 2012

102—Income Approach to Valuation

Greensburg, December 10–14, 2012

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

KANSAS

651—GIS for Assessors

Topeka, May 7–8, 2012

The Kansas Association of Mappers sponsors the offerings listed above. For more details, contact Melissa Crane 785/296-5465.

101—Fundamentals of Real Property Appraisal

Hutchinson, April 30–May 4, 2012

102—Income Approach to Valuation

Topeka, August 20–24, 2012

300—Fundamentals of Mass Appraisal

Topeka, September 24–28, 2012

151—National USPAP

Wichita, October 2–3, 2012

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

924—Valuation of a Manufactured Home Park

Wichita, June 18, 2012

851—RES Case Study Review

Wichita, June 19–21, 2012

500—Assessment of Personal Property

Wichita, July 30–August 3, 2012

The South Central Kansas Chapter of IAAO sponsors the offering listed above. For more details, contact Todd Reynolds 316/660-9277.

311—Residential Modeling Concepts

Topeka, April 2–6, 2012

101—Fundamentals of Real Property Appraisal

Topeka, July 9–13, 2012

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

201—Appraisal of Land

Olathe, May 21–25, 2012

400—Assessment Administration

Olathe, June 4–8, 2012

112—Income Approach to Valuation II

Olathe, June 18–22, 2012

402—Tax Policy

Olathe, July 30–August 3, 2012

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

KENTUCKY

601—Cadastral Mapping: Methods & Applications

Frankfort, March 19–23, 2012

102—Income Approach to Valuation

Buckhorn, April 23–27, 2012

500—Assessment of Personal Property

Cadiz, July 9–13, 2012

101—Fundamentals of Real Property Appraisal

Carrollton, July 16–20, 2012

201—Appraisal of Land

Frankfort, August 13–17, 2012

102—Income Approach to Valuation

Frankfort, August 27–31, 2012

The Kentucky Chapter of IAAO sponsor the offerings listed above. For more details, contact Stacy Bush 502/564-5118.

LOUISIANA

102—Income Approach to Valuation

Baton Rouge, May 21–25, 2012

400—Assessment Administration

Baton Rouge, May 21–25, 2012

600—Principles & Techniques of Cadastral Mapping

Baton Rouge, May 21–25, 2012

151—National USPAP

Baton Rouge, June 25–27, 2012

151—National USPAP

Baton Rouge, June 27–29, 2012

The Louisiana Assessor's Association sponsor the offerings listed above. For more details, contact Rich Bailey 318/327-1300, Ext. 110.

MISSISSIPPI

112—Income Approach Valuation II

Starkville, May 7–11, 2012

The Center for Government Training and Technology sponsors the offerings listed above. For more details, contact Taylor Casey 662/325-3141.

MISSOURI

191—USPAP, 7-Hour Update

Blue Springs, March 22, 2012

151—National USPAP

Blue Springs, April 18–19, 2012

102—Income Approach to Valuation

Blue Springs, April 23–27, 2012

101—Fundamentals of Real Property Appraisal

Blue Springs, August 6–10, 2012

300—Fundamentals of Mass Appraisal

Blue Springs, August 13–17, 2012

311—Residential Modeling Concepts

Blue Springs, October 15–19, 2012

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

NEW HAMPSHIRE

312—Commercial/Industrial Modeling Concepts

Concord, May 14–18, 2012

171—IAAO Standards of Professional Practice & Ethics

Concord, August 16, 2012

The New Hampshire Association of Assessing Officers sponsor the offerings listed above. For more details contact Todd Haywood 603/496-7293.

NORTH CAROLINA

101—Fundamentals of Real Property Appraisal

Chapel Hill, March 19–23, 2012

102—Income Approach to Valuation

Concord, May 14–18, 2012

311—Residential Modeling Concepts

Chapel Hill, June 4–8, 2012

400—Assessment Administration

Chapel Hill, August 13–17, 2012

The University of NC at Chapel Hill School of Government sponsor the offerings listed above. For more details contact Carolyn Boggs 919/966-4157.

OHIO

300—Fundamentals of Mass Appraisal

Marysville, April 16–20, 2012

201—Appraisal of Land

Urbana, July 23–27, 2012

112—Income Approach to Valuation II

Coshocton, October 29–November 2, 2012

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

TENNESSEE

101—Fundamentals of Real Property Appraisal

Brentwood, April 16–20, 2012

402—Tax Policy

Brentwood, June 18–22, 2012

Comptroller of the Treasury, Division of Property Assessments sponsor the offerings listed above. For more details, contact James Woodyard 615/401-7789.

TEXAS

158—Highest and Best Use

Houston, March 19–20, 2012

500—Assessment of Personal Property

Houston, September 17–21, 2012

452—Fundamentals of Assessment Ratio Studies

Round Rock, September 19–21, 2012

191—USPAP – 7 Hour Update

Houston, September 24, 2012

151—National USPAP

Houston, September 25–26, 2012

300—Fundamentals of Mass Appraisal

Houston, October 8–12, 2012

162—Marshall & Swift - Residential

Houston, December 10–11, 2012

163—Marshall & Swift - Commercial

Houston, December 12–13, 2012

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

UTAH

102—Income Approach to Valuation

Salt Lake City, August 13–17, 2012

112—Income Approach to Valuation II

Salt Lake City, August 20–24, 2012

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

VIRGINIA

101—Fundamentals of Real Property Appraisal

Harrisonburg, June 11–15, 2012

102—Income Approach to Valuation

April 23–27, 2012, Kentucky (Buckhorn)

Harrisonburg, June 11–15, 2012

112—Income Approach to Valuation II

Harrisonburg, June 11–15, 2012

201—Appraisal of Land

Harrisonburg, June 11–15, 2012

300—Fundamentals of Mass Appraisal

Harrisonburg, June 11–15, 2012

311—Residential Modeling Concepts

Harrisonburg, June 11–15, 2012

400—Assessment Administration

Harrisonburg, June 11–15, 2012

402—Tax Policy

Harrisonburg, June 11–15, 2012

500—Assessment of Personal Property

Harrisonburg, June 11–15, 2012

The Department of Taxation sponsors the offerings listed above. For more details, contact Jason Hughes 804/371-0842 or <http://vaao.org/conference-seminar/events-registration/>.

WASHINGTON

257—Fundamentals of Industrial Valuation

Spokane, March 15–16, 2012

The Spokane County Assessor's Office sponsor the offering listed above. For more details, contact Vicki Horton 509/477-5732.

WEST VIRGINIA

100—Understanding Real Property Appraisal

South Charleston, March 26–27, 2012

102—Income Approach to Valuation

South Charleston, June 4–8, 2012

The Marshall University sponsors the offerings listed above. For more details, contact Karen Adkins 304/696-4814.

WISCONSIN

311—Residential Modeling Concepts

Milwaukee, March 19–23, 2012

Scott G. Winter Training & Consulting sponsor the offerings listed above. For more details, contact Scott Winter 414/238-4002 or scottwinter@wi.rr.com.

BY COURSE

Workshop 100—Understanding Real Property Appraisal

March 26–27, 2012, West Virginia (South Charleston)

Course 101—Fundamentals of Real Property Appraisal

March 19–23, 2012, North Carolina (Chapel Hill)

March 19–23, 2012, Indiana (Evansville)

March 19–23, 2012, Florida (Tampa)

April 16–20, 2012, Tennessee (Brentwood)

April 30–May 4, 2012, Kansas (Hutchison)

June 11–15, 2012, Virginia (Harrisonburg)

July 9–13, 2012, Kansas (Topeka)

July 16–20, 2012, Kentucky (Carrollton)

August 6–10, 2012, Missouri (Blue Springs)

September 10–14, 2012, Alabama (Hoover)

September 24–28, 2012, Indiana (Huntington)

Course 102—Income Approach to Valuation

April 23–27, 2012, Missouri (Blue Springs)

April 23–27, 2012, Kentucky (Buckhorn)

May 14–18, 2012, North Carolina (Concord)

May 21–25, 2012, Louisiana (Baton Rouge)

June 4–8, 2012, West Virginia (South Charleston)

June 11–15, 2012, Virginia (Harrisonburg)

July 16–20, 2012, Indiana (Huntington)

August 13–17, 2012, Utah (Salt Lake City)

August 20–24, 2012, Kansas (Topeka)

August 27–31, 2012, Arkansas (Little Rock)

August 27–31, 2012, Kentucky (Frankfort)

December 10–14, 2012, Indiana (Greensburg)

Course 112—Income Approach to Valuation II

May 7–11, 2012, Mississippi (Starkville)

June 11–15, 2012, Virginia (Harrisonburg)

June 18–22, 2012, Kansas (Olathe)

August 20–24, 2012, Utah (Salt Lake City)

October 29–November 2, 2012, Ohio (Coshocton)

Workshop 151—National USPAP

April 18–19, 2012, Missouri (Blue Springs)

June 5–7, 2012, Indiana (Greensburg)

June 25–27, 2012, Louisiana (Baton Rouge)

June 27–29, 2012, Louisiana (Baton Rouge)

August 7–9, 2012, Arizona (Phoenix)

September 25–26, 2012, Texas (Houston)

October 2–3, 2012, Kansas (Wichita)

October 9–11, 2012, Indiana (Valparaiso)

Workshop 158—Highest and Best Use

March 19–20, 2012, Texas (Houston)

Workshop 162—Marshall & Swift Residential

December 10–11, 2012, Texas (Houston)

Workshop 163—Marshall & Swift - Commercial

December 12–13, 2012, Texas (Houston)

Workshop 171—IAAO Standards of Professional Practice & Ethics

August 16, 2012, New Hampshire (Concord)

Workshop 191—USPAP – 7 Hour Update

March 22, 2012, Missouri (Blue Springs)

August 29, 2012, Arizona (Phoenix)

September 24, 2012, Texas (Houston)

Course 201—Appraisal of Land

April 9–13, 2012, Arizona (Phoenix)

April 23–27, 2012, Arkansas (Little Rock)

May 21–25, 2012, Kansas (Olathe)

June 11–15, 2012, Virginia (Harrisonburg)

July 23–27, 2012, Ohio (Urbana)

August 13–17, 2012, Kentucky (Frankfort)

Workshop 257—Fundamentals of Industrial Valuation

March 15–16, 2012, Washington (Spokane)

July 18–20, 2012, Alabama (Montgomery)

Course 300—Fundamentals of Mass Appraisal

April 9–13, 2012, Indiana (Valparaiso)

April 16–20, 2012, Ohio (Marysville)

June 11–15, 2012, Virginia (Harrisonburg)

August 13–17, 2012, Missouri (Blue Springs)

September 17–21, 2012, Indiana (Greensburg)

September 24–28, 2012, Kansas (Topeka)

October 8–12, 2012, Texas (Houston)
October 29–November 2, 2012, Indiana (Bloomington)
December 3–7, 2012, Arkansas (Little Rock)

Course 311—Residential Modeling Concepts

March 19–23, 2012, Wisconsin (Milwaukee)

April 2–6, 2012, Kansas (Topeka)

June 4–8, 2012, North Carolina (Chapel Hill)

June 11–15, 2012, Virginia (Harrisonburg)

October 15–19, 2012, Missouri (Blue Springs)

312—Commercial/Industrial Modeling Concepts

May 14–18, 2012, New Hampshire (Concord)

Course 400—Assessment Administration

May 7–11, 2012, Arkansas (Little Rock)

May 21–25, 2012, Louisiana (Baton Rouge)

June 4–8, 2012, Kansas (Olathe)

June 11–15, 2012, Virginia (Harrisonburg)

August 6–10, 2012, Indiana (Valparaiso)

August 13–17, 2012, North Carolina (Chapel Hill)

October 15–19, 2012, Indiana (Evansville)

October 29–November 2, 2012, Arizona (Phoenix)

Course 402—Property Tax Policy

May 21–25, 2012, Indiana (Greensburg)

June 11–15, 2012, Virginia (Harrisonburg)

June 18–22, 2012, Tennessee (Brentwood)

July 30–August 3, 2012, Kansas (Olathe)

Workshop 452—Fundamentals of Assessment Ratio Studies

September 19–21, 2012, Texas (Round Rock)

Course 500—Assessment of Personal Property

June 11–15, 2012, Virginia (Harrisonburg)

July 9–13, 2012, Kentucky (Cadiz)

July 30–August 3, 2012, Kansas (Wichita)

September 17–21, 2012, Texas (Houston)

Workshop 551—Valuation of Machinery and Equipment

May 16–18, 2012, Alabama (Montgomery)

Courses 600—Principles & Techniques of Cadastral Mapping

April 30–May 4, 2012, Arizona (Phoenix)

May 21–25, 2012, Louisiana (Baton Rouge)

Course 601—Cadastral Mapping—Methods & Applications

March 19–23, 2012, Kentucky (Frankfort)

March 26–30, 2012, Arkansas (Fayetteville)

Course 651—GIS for Assessors

May 7–8, 2012, Kansas (Topeka)

Workshop 851—RES Case Study Review

June 19–21, 2012, Kansas (Wichita)

One-Day Forum 924—Valuation of a Manufactured Home Park

June 18, 2012, Kansas (Wichita)



Call for Papers

IAAO 33rd Annual Legal Seminar December 13–14, 2012 • Chicago, Illinois Doubletree Hotel, Magnificent Mile

The Legal Committee seeks qualified professionals to present topics of legal interest to attorneys and assessors. Topics will be considered from the following categories:

- Unique Valuation Problems
- Effective Representation
- USPAP
- Open Space Conservation
- Transfer Development Rights
- Public Policy and Ethics

Submission deadline for a 200-word abstract is April 1, 2012. Send abstracts to odom@iaao.org along with a detailed biography or resume. Due to mandatory continuing legal education requirements, speakers are required to submit a completed written paper by October 1, 2012, which will be used to obtain approval from various state MCLE commissions. PowerPoint slides cannot be accepted for the MCLE review process, although PowerPoint slides are welcome at the seminar itself. Speakers who cannot meet this deadline will not be considered.

For more information,
contact Mary Odom, odom@iaao.org



CHIEF APPRAISER

Henry County, Georgia

Henry County Board of Assessors is seeking candidates for the position of Chief Appraiser. Applicant must have a Bachelors degree in Economics or related field and must be certified as an Appraiser IV by the Georgia Department of Revenue along with at least five years experience in appraising real property and in personnel supervision. Certification by the Georgia Board of Real Estate Appraisers is preferred but not required. The applicant must have the knowledge, skills, and abilities to supervise an office of 28 plus employees and manage the appraisal of 80,000 plus parcels of real property and approximately 10,000 parcels of personal property. The applicant must have the ability to relate well with the public and members of the staff. The applicant must either know or be adaptable to ACS CAMA USA appraisal software. Applicant should have experience in testifying in Superior Court on tax appeals. The applicant that is hired will work for and is responsible to the Henry County Board of Assessors. Entry-level salary is DOQ and a complete benefit package is available. Applicant must have and maintain a valid Georgia driver's license and pass a physical, drug screening, and background check. Applications along with full resume will be accepted by the Henry County Human Resources Department, 140 Henry Parkway, McDonough, GA 30253. Position will be open until filled.

DEPUTY ASSESSOR

City of Concord, New Hampshire

Capital City: Stable, diversified economic base, Aa1 bond rating. Community: Safe, highly educated, low unemployment. Tax Base: Commercial/Industrial tax base represents approximately 40% of taxable value. 25% of total City value tax exempt. Position: Self-motivated professional with commercial assessing and or commercial appraising experience for position of deputy assessor. Part of a team based, stable work environment of appraisal professionals; reports to the Director of Real Estate Assessments. Competitive flexible benefits package. To apply, go to www.concordnh.gov. Application must be completed online and submitted electronically. For more information call (603) 225-8535. First review March 15, 2012

VIRTUAL PART TIME OPPORTUNITIES

Cost Containment Advisors, No need to relocate

Our property tax practice continues to expand, and we are looking for retirees with experience in personal property, real property and unitary valuations to assist our clients on an "as needed" basis. If you are interested in additional income, exciting and varied virtual work, and flexible hours please contact kittyg@cost-containment-advisors.com via email and a recent bio. Please note - no need to relocate, and we are fully staffed with appraisal resources at this time

COMMERCIAL APPRAISER III

Castle Rock, Colorado

The Douglas County Assessor is seeking candidates for an Appraiser III position in the Commercial Department. Responsibilities of the position include field work, data collection and CAMA system usage; sales verification and analysis; quality control reporting and other data analysis; development and application of mass appraisal models to commercial property using the cost, income and sales comparison approaches; development and defense of single property appraisals for assessment appeals; application of Colorado assessment law, and other duties as assigned. Solid commercial appraisal experience and an active real estate appraisal license are required. Preferred candidates will have knowledge or experience in ad valorem appraisal and property tax or appraisal litigation. The required employment application and a detailed job description are available at www.douglas.co.us. Salary depends on experience, position open until filled.

PROPERTY TAX CONSULTANT

Nashville, Tennessee

Seeking a professional with experience in commercial real property valuations and appeals for a full or part time temporary assignment in our Nashville, TN based consulting firm. The person in this position will monitor property valuations and negotiate property assessments and settlements across multiple states and taxing jurisdictions. Must have excellent negotiating skills and a proven record of meeting deadlines. We are a well established 30 year old tax consulting firm. Salary is dependent on experience. If you are a retiree or an independent consultant looking for additional income, please submit your resume to proptax12@yahoo.com.

EQUALIZATION DIRECTOR

Barry County, Hastings, Michigan

Barry County, Michigan, is seeking qualified candidates for Equalization Director. Responsible for directing and overseeing Equalization for Barry County, including preparation of annual equalization report, management of staff, preparation and oversight of departmental budget and all administrative functions of department. Applicant must have Level III (MAAO) or higher certification from the State of Michigan Assessors Board. Employment applications and a comprehensive position description are available on the Barry County website (www.barrycounty.org) or by contacting Barry County Administration, 220 W. State St., Hastings, MI 49058, (269) 945-1284. Salary Range: \$50,752 - \$60,881 plus benefits. Position will be open until filled.

DEPUTY ASSESSOR

Beaufort County Office of the Assessor, Beaufort, South Carolina

Salary Range: DOQ

Deputy Assessor opening for the Beaufort County Assessor's office located in beautiful Beaufort, South Carolina. We are a Sea Island coastal community which includes the famous Hilton Head resort area.

This position assists the County Assessor with overall department operations. Responsible for the coordination and supervision of activities involving valuation of real property, planning appraisal and reassessment activities, quality control over work product of residential and commercial appraisal staff to ensure compliance with standards governing mass appraisal. Position has overall responsibility for staff training and offering solutions to mass appraisal problems. Deputy Assessor performs the duties of the County Assessor in their absence. South Carolina Certified General or Certified General Mass certification or in a state allowing reciprocity in South Carolina is required. Applicant must possess a valid driver's license. Application is available at www.bcgov.net or contact Employee Services at 843-255-2990.



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ARE JUST A CLICK AWAY!**

IAAO Financial Assistance Program Offerings

IAAO Provides Opportunities for Scholarship Funding through the IAAO Financial Assistance Program

IAAO Scholarship Fund

The IAAO Executive Board has established a Scholarship Fund for the purpose of promoting ad valorem appraisal professionalism. The Scholarship Fund is available to all IAAO members who need financial assistance to attend IAAO educational activities, attend the IAAO annual conference, attain an IAAO professional designation, or perform research.

For more information, contact Director of Administration Angela Blazevic, 816/701-8123, blazevic@iaao.org.

Jeff Hunt, CAE, Memorial Candidates Trust

Grants are awarded to professional designation candidates who demonstrate financial need and intend to use the funds to complete the requirements of a professional designation (administered by the Jeff Hunt, CAE, Memorial Candidates Assistance Trust Committee).

For more information, contact Education Manager Jean Spiegel, 816/701-8133, spiegel@iaao.org.

Timothy N. Hagemann Memorial Membership Trust

Funding is awarded to help assessing officers from smaller rural jurisdictions become members of IAAO or maintain membership in IAAO. Priority is given to assessors who work full-time in jurisdictions with fewer than 7,500 parcels of real estate and consideration is given to the jurisdiction's budgetary constraints (administered by the Timothy N. Hagemann Memorial Membership Trust Committee).

Friends of the Paul V. Corusy Library Trust

Friends of the Paul V. Corusy Library Trust funding is awarded to perform research in the fields of mass appraisal, tax assessment, and tax policy throughout the world (administered by the Friends of the Paul V. Corusy Library Trust Committee).

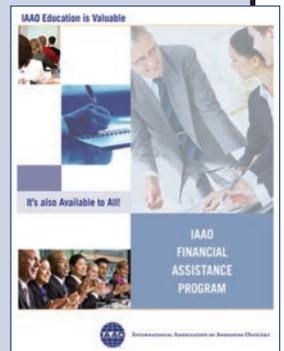
For more information, contact Director of Administration Angela Blazevic, 816/701-8123, blazevic@iaao.org.

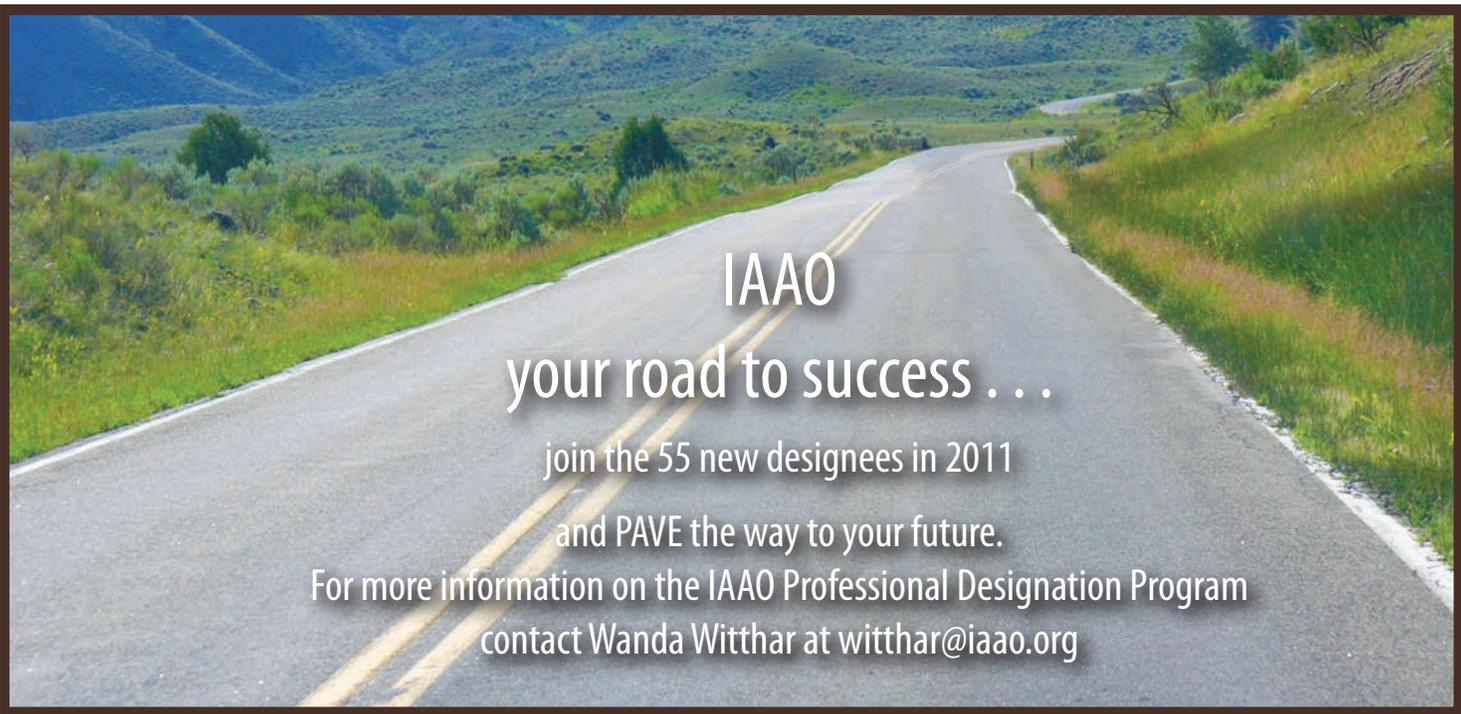
Application forms are available on the IAAO Web site at www.iaao.org/library/index.cfm. The link can be found under Library & Resources/Scholarships. Please download the application forms prior to contacting staff.

For more information contact Angela Blazevic, AAS, Director of Administration, blazevic@iaao.org, 816/701-8123 or go to the IAAO Web site for information about specific funds.

IAAO is a nonprofit 501(c)(3) educational association.

Contributions are generally tax deductible. Check with your tax advisor.





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



Tell your friends...



**IAAO now offers the 7-hour USPAP
Update course online!**

The International Association of Assessing Officers is pleased to announce its relationship with McKissock Education to allow members and associates to complete the 7-hour National USPAP Update course using the McKissock Virtual Classroom.

- **Log In & Out At Your Convenience!**
- **Customer Support Available 7 Days A Week!**
- **E-USPAP Book included!**
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** The USPAP Update Course is not allowed online in AR, AZ, MT, NE, NH, NV, OH, and WV. "Print Your Own Certificate" feature not available in NC & NY.

McKissock
Your education solution.

Visit the IAAO homepage, www.iaao.org, and look for the Online 7-Hour USPAP Update Course link under "Quick Links".

Alaska Association of Assessing Officers

The Alaska Association of Assessing Officers held its 2012 elections of officers at its annual membership meeting in Fairbanks, during the November conference of the Alaska Municipal League.

Tom Anderson, Assessor, for the Kenai Peninsula Borough, was elected as Vice President of the organization. Assessment Records Supervisor, Idris Van Sant, from the Mat-Su Borough was re-elected Secretary. Also, re-elected as Treasurer was Cynthia Anderson, Senior Title Examiner from the Fairbanks North Star Borough. Melanie Breitenbach, property appraiser for the Fairbanks North Star Borough was elected to the Executive Board for Region #3.

Other officers of the association include: President, Ron Brown, Assessor for the Ketchikan Gateway Borough; Immediate Past-President, Kelly Taylor, Deputy Administrator with the Municipality of Anchorage; Don "Marty" McKee, Assessor for the Municipality of Anchorage, Board Member Region #1; and Randy Hughes, Assessor for the City and Borough of Sitka, Board Member Region #2.

The AAAO is a professional organization with more than 125 members that work throughout Alaska to promote and administer fair and equitable property tax rolls on an annual basis.



26th Pan Pacific Congress

October 1–4, 2012 • Melbourne, Australia
Global Cities, Global Challenges, Global Thinking

The Australian Property Institute invites its global neighbours to share this iconic city for the 26th Pan Pacific Congress in October 2012.

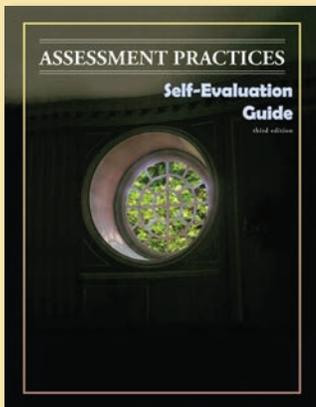
Melbourne, Australia, is one of the world's most liveable cities and the undisputed events, sport, and food capital in the country.

Melbourne is the heart of the regions biotechnology industry and is home to seven of the U.S. Fortune 500 top 20 corporations. This vibrant business centre is an ideal venue and is opening its doors for the next Pan Pacific Congress.

The Organizing Committee is planning a comprehensive and informative Program.

The Call for Abstracts is available at
www.api.org.au

Assessment Practices Self-Evaluation Guide, 3rd ed.



The *Assessment Practices Self-Evaluation Guide*, 3rd edition, has been written to assist candidates for the Assessment Administration Specialist (AAS) designation, and jurisdictions seeking the Certificate of Excellence in Assessment Administration. It also can be used to document best practices in the office.

The guide incorporates accepted standards of assessment practice in the publications and standards of IAAO and reflects the requirements of the *Uniform Standards of Professional Appraisal Practice* (USPAP).

To order, go to www.iaao.org and click on Marketplace, the IAAO online ordering system!

Electronic version: Members \$25, Nonmembers \$50
Printed version: Members \$45, Nonmembers \$90



IAAO Staff News—Too Cute!

Ian Parker Smith is the first child born to IAAO Membership/Publications Marketing Coordinator Kate Smith and her husband, Jonathon.

Ian was born at 6:41 p.m. on November 1, 2011. He measured 19.5 inches long, and weighed six pounds, one ounce. Congratulations to Kate and her family.

What We Have Done for You Lately

It seems no matter what you accomplish, professionally, personally, or otherwise, it doesn't get you far. Soon you are asked, "What have you done for me lately?" Well, in the case of IAAO professional development, the answer is quite a bit.

Through the efforts of the Communications Committee and Education Subcommittee, along with hard-working authors, reviewers, and editors, IAAO has a new textbook, *Fundamentals of Mass Appraisal*. It was published in November and will form the basis for a new set of mass appraisal courses, for which the Education Subcommittee has already requested proposals. Outlines for the courses were prepared several years ago with an emphasis on hands-on training that builds on previous steps. With the first courses to be built in Excel®, the Education Subcommittee thought it necessary to have a workshop to help student preparation. That workshop should be written and available prior to the first course being rolled out.

A workshop covering the valuation of agricultural land is scheduled to be pilot-tested in April and should be available for general use shortly thereafter.

Existing course and workshop material is constantly being reviewed and modified because of instructor and student comments. In addition, the Executive Board actively supports an ongoing effort to revise material every five years and completely rewrite each course every ten years. As a result of that support, two major courses will be revised this year: Course 112—Income Approach to Valuation II and Course 201—Appraisal of Land. Workshop 552—Personal Property Auditing Basic and Workshop 553—Personal Property Auditing Advanced will also be revised this year. The goal is to have all these offerings ready for a rollout to instructors during this year's annual conference in September.

Very soon, IAAO will be rolling out another online offering, Course 452—Fundamentals of Assessment Ratio Studies. This represents another move toward online education at a level that can meet state licensing approval. An outside vendor was hired to help meet International Distance Education Certification Center (IDECC) requirements, which are part of The Appraisal Foundation Course Approval Program.

The Instructor Relations Subcommittee and Education Subcommittee will be working on instructor certification and contracting issues arising out of the need to have IDECC-certified instructors available when the new on-

line course is offered. Students must have an avenue available for answering their questions concerning course content.

The Professional Designations Subcommittee is contracting the revision of the *Guide to Demonstration Appraisal Report Writing* (see page 28 of this issue), as well as considering upcoming changes in the requirements of The Appraisal Foundation.

All of us at headquarters are excited about the future. We are dreaming of the day within the next few years when members will be able to store and retrieve more of their records any time they need them. We are looking forward to the time when all our education is available 24 hours a day, seven days a week in every part of the world, and in multiple languages.

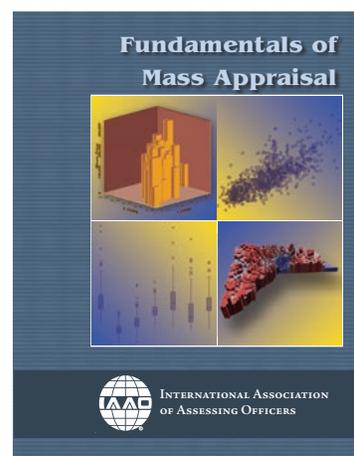
Sincerely Yours,

Larry Clark, CAE

Director of Professional Development



Fundamentals of Mass Appraisal



This essential tool for mass appraisers replaces and updates *Mass Appraisal of Real Property*. If you are using automated valuation models, or mass appraisal you need to understand the principles developed in this textbook. This volume contains everything you need to know to develop a mass appraisal system, build and calibrate models, and conduct a revaluation.

To order, go to www.iaao.org and click on Marketplace, the IAAO online ordering system!

Members \$55, Nonmembers \$70; softcover

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This deal is doubly good because for each person you refer, you get an entry into a **MONTHLY DRAWING FOR \$200.**
It's a win-win, the perfect pair!

This incredible offer expires on March 31, 2012. The sooner you recruit new members, the more they get for free, and the more chances you have to win \$200.

**THIS DEAL IS 2 GOOD 2 PASS UP,
SO DON'T WAIT, SHARE TODAY!**

Visit **www.iaao.org** for more information
and a special membership application.

Questions? Contact membership@iaao.org
or call 1-800-616-IAAO (4226).



FOR EACH PERSON YOU REFER, YOU GET AN ENTRY
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IAAO Technical Assistance



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.



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