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MAGAZINE OF THE INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS

Risk-Based Inventory Management

Bill S. MacGougan

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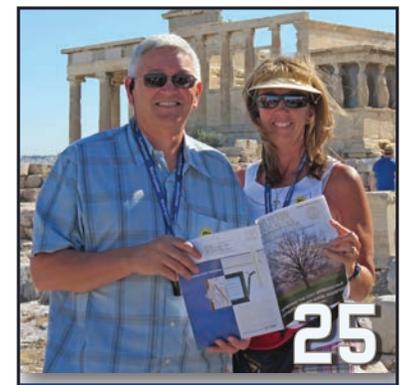
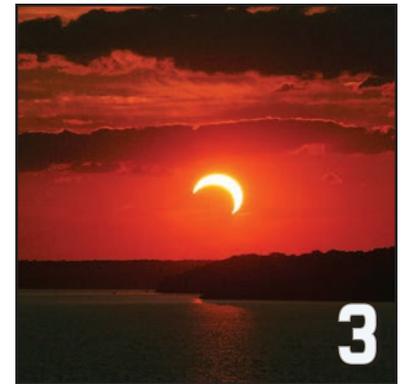
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Cover—Photo by Bill Weatherford, lunar eclipse, June 4, 2012.



From the President

Debra Asbury

Dear IAAO Members,

The Executive Board held its quarterly meeting, July 20–21, in Bellevue, Washington. I want to thank Lloyd Hara and the King County Department of Assessments for their hospitality during a tour of the facility, including demonstrations of a new iPad application for data collection and a new online appeals program. A number of important decisions were made at the board meeting that will keep IAAO moving in a positive direction.

One of the decisions was to approve holding a joint conference with the International Property Tax Institute in April or May 2013. The meeting will be held in Miami, Florida. I will share more details as they become available.

A project plan was approved to create a Spanish translation of the IAAO *Glossary for Property Appraisal and Assessment*. The glossary was previously a members-only benefit; however, the board decided that it was time to make both the English and Spanish versions (and future versions) available to nonmembers including the public.

The board reviewed a proposed amendment to Bylaw 14.2, “Use of IAAO Logo,” for exposure to the membership, as presented by the Communications Committee. This follows a previous change to the procedural rules regarding logo use. The IAAO logos are currently available to members on the Web site, along with instructions for appropriate use.

The board reviewed proposed conference sites for the 2017 annual conference and chose Las Vegas, Nevada. Other groups bidding for site selection were Anchorage, Alaska, and San Diego, California. I commend the efforts and dedication of all the groups that made proposals. It made the choice that much more difficult.

IAAO has approved a new Lifetime Achievement Award in the Area of Professional Development. This prestigious award recognizes a major contribution to the profession and will be given for the first time at the 2012 annual conference. I look forward to hearing the winner announced for.

The board approved an important new project plan for a Staffing Benchmark Survey. There is a lack of comprehensive data on jurisdiction staffing information. There has been consistent demand for such a survey and IAAO is stepping up to address this important issue.

The board approved conferring the Certificate of Excellence in Assessment Administration to seven jurisdictions: Taylor County, Texas; El Paso Central Appraisal District, Texas; Davidson County, Tennessee; Sarasota County, Florida; Ada County, Idaho; Washington County, Arkansas; and the City of Alexandria, Virginia. Also, Seminole County, Florida, was approved for recertification. This marks a record year for the number of jurisdictions that have participated in this program. It is gratifying to recognize professional excellence and the dedication required to reach this status.

The board approved a proposal to retain a consultant to develop a strategic plan for international outreach initiatives. The board has supported moving in this direction for several years now, and IAAO has invested signifi-

(continued on page 15)

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INTERNATIONAL ASSOCIATION
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Risk-Based Inventory Management

Bill S. MacGougan

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Risk-Based Inventory Management is a new approach to managing property inventory at BC Assessment (BCA), an independent crown corporation that provides assessment services for the province of British Columbia. The objective of the program is to develop and implement a more effective model for maintaining accurate and fair assessments. This article discusses the concept and the elements of a new framework and presents the findings of some of the exploratory work along with plans for additional development.

To date, the focus has been entirely on single residential properties. And while *inventory management* naturally includes the collection of new inventory (servicing), this article focuses on the quality of existing inventory (re-inventory). The purpose of this article is to support a wider conversation on this topic and potentially to elicit future collaboration on key elements.

The province of British Columbia is composed of 161 municipalities, 27 regional districts, 226 improvement districts, and 57 First Nations. Currently there are nearly 2 million properties worth more than \$1 trillion in assessed value. British Columbia has an annual assessment roll with full revaluation every year. Inventory refresh is primarily by exception. (With a desktop review process currently under way in Metro Vancouver, the entire region will be reviewed remotely over a 10-year period [i.e., not solely on an exception basis] with inspections by exception largely *directed* by that review. In the longer term it is expected that desktop review tools will be employed as part of the larger inventory-by-exception program.)

Field operations of BCA are provided by 16 offices in 10 regions throughout the province and a central Assessment and Valuation Services Department, which provides direct

assessment of specific property types and varying levels of valuation coordination and support for all property types.

The Problem: How to Maintain and Improve Roll Quality for a Growing Assessment Roll with Static Staffing Levels

Accurate property inventory is required for accurate valuation and is an integral part of a fair and equitable assessment and tax roll. Maintaining accurate inventory requires periodic re-inspection, and the staffing and tools used to complete this task involve considerable operating and capital expense. Although new technology can help leverage data collection efforts, a complete and fixed re-inventory cycle for such a large, varied multijurisdictional environment is not practical. A strategy to maximize the return on investment in inventory management is at the heart of the Risk-Based Inventory Management Program.

Historically, a number of tactics have been employed to select properties for re-inventory: ratio study output (where available), minor building permits, sales, appeals, inquiries, and appraiser observations. Although these historical approaches are somewhat ad hoc, they have worked relatively well. British Columbia has benefited from equitable and stable assessment rolls. At the jurisdictional level (e.g., municipal), roll quality measures consistently exceed IAAO standards for median assessment to sales ratio (ASR), coefficient of dispersion (COD), price-related differential (PRD), and tax refunds. As a result, supplementary assessment changes are consistently less than 0.37 percent of total property taxes (2011 Service Plan Report BCA roll stability target).

However, the current approach can allow inaccurate inventory (and resulting assessment inequity) to go un-

detected while increasingly limited resources are potentially applied to lower priority assessment work. Continued roll growth and increasing public and local government demands compound this problem.

In addition to the primary concern over the ability to maintain the level of quality into the future, there is also a strong desire to ensure greater integrity in the assessment roll, that is, to maintain the roll quality standards through *all* strata and to achieve the same high standards for all property groups, not just at the jurisdictional level.

Organizationally, BCA is in the midst of developing a *Good to Great* strategy (Collins 2001). One premise of Collins's book is that "the good is the enemy of the great." That is, once "a business decides that success has been attained, progress stops" (quote attributed to Thomas J. Watson of IBM in *Good to Great*). This premise has relevance for BCA. The organization does appear to consistently do a good job. However, there is a strong desire to develop a plan to do better in the future and to bring more real value to the taxpayers of the province.

One area of focus within that new plan is to commit to a re-inventory outcome that ensures

- Inventory is up-to-date and updated regularly.
- Data collection is effective and efficient.
- Processes are transparent and accessible.
- Assessments are uniform and objective and meet legislative requirements.

Achieving these goals requires clear identification of the existing problems and a determination of what the challenge really is. Some of the specific problems to be addressed are as follows.

Re-inventory Decisions Not Supported by Objective Data

The organized re-inventory work programs that are undertaken, while much more productive than one-off re-inventory work, rely on incomplete data. Throughout the province, about half of the *neighbourhoods* lack sufficient sales volumes to produce valid ratio study results. (A *neighbourhood* at BCA is more of an identified work area than what is commonly held to be a neighbourhood. They vary greatly in size, but typically they range between 300 and 3,000 properties and may include several actual neighbourhoods.)

In addition to the primary concern over the ability to maintain the level of quality into the future, there is also a strong desire to ensure greater integrity in the assessment roll.

This effectively leaves blind spots where developing problems with inventory or values are not apparent in the objective data that are available. Although appraiser observations, inquiries, appeals, and other sources can help make up for some of this lack of data, in general it is not known what is being missed. Problems cannot be defined in a consistent way or potential work programs prioritized.

Work programs that are generated within the blind spots are driven by appraiser observations or other triggers and therefore are affected by such things as an individual appraiser's experience and knowledge of his or her area of responsibility, current workload, and the like. Any number of factors affect the likelihood that an appraiser will propose a re-inventory program. Of the proposals that are brought forward, it is very difficult to compare them with other proposals

and make sound decisions about priorities.

This problem exists *within* regions and among the different assessment regions. In developing annual work objectives, each valuation team is required to conduct a risk analysis in support of proposed project work. However, this work is done independently and not supported with consistent data. The risk scores developed may not be relatable between teams within a region and almost certainly are not relatable between regions. Thus resources can be allocated to what is truly lower priority work in one region, whereas another region may be unable to address more critical inventory accuracy issues.

In addition, some common inventory problems may be widespread across most, or all, of the province. These problems are often more effectively addressed in a provincially coordinated fashion. However, the lack of comprehensive data means the pattern may not be recognized. Both efficiency and roll quality can be negatively affected.

Ineffective Controls, Accountability with Programs Driven by Varied, Subjective Criteria

As a result of the same factors affecting the initial decisions on where to allocate field resources, it is also very difficult to effectively track the results of the work and have clear accountability for the use of BCA resources.

A provincial project dashboard lists all planned re-inventory projects by region. This tool requires an estimate of days to be used for each re-inventory project and tracks the actual days used. It also provides for the inclusion of results measures from each project. However, it currently cannot *require* these measures, because for many projects the data to demonstrate results are not available. In other words, there is no way of



effectively measuring the result and knowing whether efforts are returning anything of value.

Frequent Corrections Result in Instability, Lost Confidence in Assessment Rolls

Overall, BCA creates very stable assessment rolls in all taxing jurisdictions, and confidence generally is high. The acceptance rate for assessments (the inverse of appeal rates) is consistently 98 percent or better. However, BCA recognizes that there are areas for which there is little indication of roll quality. It is not uncommon for a region in any given year to experience several anomalies that have actually been developing for years without notice. Suddenly, because of new information (e.g., complaints or new market activity), the incidence of poor roll quality is known to be high for a property group and an urgent work program is required to correct the situation. Urgent stakeholder relations work may also be required. Compounding these situations is the challenge of appropriately defining the problem without sufficient measures of roll quality. Confidence in the assessment roll is eroded in these areas, and the ability to have stable multiyear re-inventory plans, given the need to constantly react to emerging issues, is diminished.

Efficiency Lost through a Significant Amount of Reactionary One-Off Re-inspection Work

These *one-off* inspections result in more time per inspection. Even though each inspection is usually conducted systematically to minimize travel, there is still much more travel time than in a methodical re-inventory program, and additional time is lost due to highly variable issues and/or differing property types, additional start-up and completion time per folio, and so on. Tracking shows that organized re-inventory programs are almost three times as

productive in terms of inspections completed as one-off re-inspections. Regardless of the technology or technique employed, this practice is more expensive. In addition to the cost, it is also very difficult to prioritize all the one-off reappraisal work and virtually impossible to isolate and measure the impact of these efforts. There is also a perception that some of these inspections are unfairly biased toward newcomers (sold properties) or honest homeowners (i.e., those that take out permits for minor work where others may not).

Opportunity exists for substantial gains in efficiency and product quality. These improvements are necessary to build and maintain value and confidence in the assessment function and to sustain the quality of the assessment roll into the future.

Between 40,000 and 50,000 of these residential inspections are conducted each year outside of the inventory collection work required for new houses, major additions, and organized re-inventory programs. Many of these properties must be inspected in the current year (inquiries and complaints, supplementary assessments and various emerging issues), but in the years reviewed about 40 percent of these inspections resulted in little or no change.

The Challenge

Opportunity exists for substantial gains in efficiency and product quality. These improvements are necessary to build and maintain value and confidence in the assessment function and to sustain the quality of the assessment roll into

the future. Thus, an advisory group was assembled from around the province and its first task was to outline a new framework to meet this challenge.

New tools recently implemented or under development will help significantly with productivity, but these gains are not expected to bridge the gap that exists. As the shooting instructor was reported to have said to his students, “in a combat situation, you can’t miss fast enough to save your life” (Goleman, et al. 2004). Since there are not enough resources to inspect all properties within a reasonable cycle, resources need to be targeted effectively, and going faster simply will not help.

BCA needs an evidence-based decision process that recognizes those properties most in need of re-inventory. With a clearer view of the entire assessment roll, a process can be developed that will lead to earlier intervention in emerging roll quality issues and provide for the most effective use of BCA’s limited resources.

What has impeded BCA and similar assessment jurisdictions in the past is a lack of reliable information on which to base objective re-inventory decisions. The most reliable empirical information has come from ratio studies, and if there were sufficient sales for each property group, a relatively clear picture of roll quality for all properties could be formed and those properties exhibiting the lowest roll quality could simply be slated into a methodical multiyear re-inventory plan. However, actual ratio study reports do not provide such a comprehensive view because so many property groups lack sufficient sales to produce valid statistics. These are the blind spots that undermine any attempts to have a systematic, objective, and effective re-inventory program.

When BCA began this most recent initiative to address an age-

old problem, it was believed that “someone out there must have figured this out,” but reviewing the literature and reaching out through discussion forums (including IAAO’s AssessorNet) suggested otherwise. There are likely a few reasons for this, including the investment in research and development required and the fact that many assessment jurisdictions have a legal framework and/or geographic reality that means they do not face the same problem of how best to allocate resources in an inventory-by-exception program.

One potential solution identified early was the use of independent appraisals in those areas that lack sufficient sales. This is foreseen in the *Standard on Ratio Studies* (IAAO 2010) and could in fact solve the problem for BCA if not for two critical problems. First, in those areas that lack sufficient sales to appropriately measure roll quality, it is also more challenging to complete individual appraisal assignments. This would affect the reliability of the results, the cost of the appraisal work, or both. Second, the cost itself is prohibitive due to the amount of individual appraisals that would be required each year to have roll quality measures for all property groups.

A New Approach

A new approach was conceptualized in which a statistical model would produce risk profiles for all property groups based on property or neighbourhood characteristics and other available data. Each year new property, sales, and other data would be added and updated risk profiles developed for all property groups. Decision makers would then use the risk profiles, other analytical tools, and local information in targeted testing to determine where to allocate limited resources for maximum positive impact. This process would utilize information and skills currently employed but in a more systematic and objective

way and provide the new information necessary to complete the picture.

Medical Analogy

An analogy can be drawn between this approach to inventory management and the evidence-based medical model that combines practical knowledge with various analytical/diagnostic techniques to proactively manage the health of a specific population by

- Identifying risk factors
- Investigating symptoms
- Testing for conditions
- Considering the practicality and likely effectiveness of available treatment options to determine the best course of action.

In the current environment, some significant roll quality issues are only identified once they have a real impact on property owners and, on occasion, become political issues. As with many serious medical conditions, these issues are treatable at much lower cost if detected early. The resources currently applied to reactive work can be reallocated to a proactive inventory management program.

As with the medical model, the ultimate goal is an increased focus on prevention. Earlier detection, the initial objective, leads to a reduction in the resources devoted to correcting mistakes, such as catch-up for certain property types. This can result in a positive feedback loop (Meadows 1997), because a reduction in hidden, and then suddenly urgent, issues increases the time available for more proactive work, which further reduces the incidence of urgent issues and so on.

Multiyear Inventory Management Planning Cycle

This framework is built on a multiyear planning cycle. This is not the same as a fixed re-inventory cycle in which all properties are re-inspected within a given period.

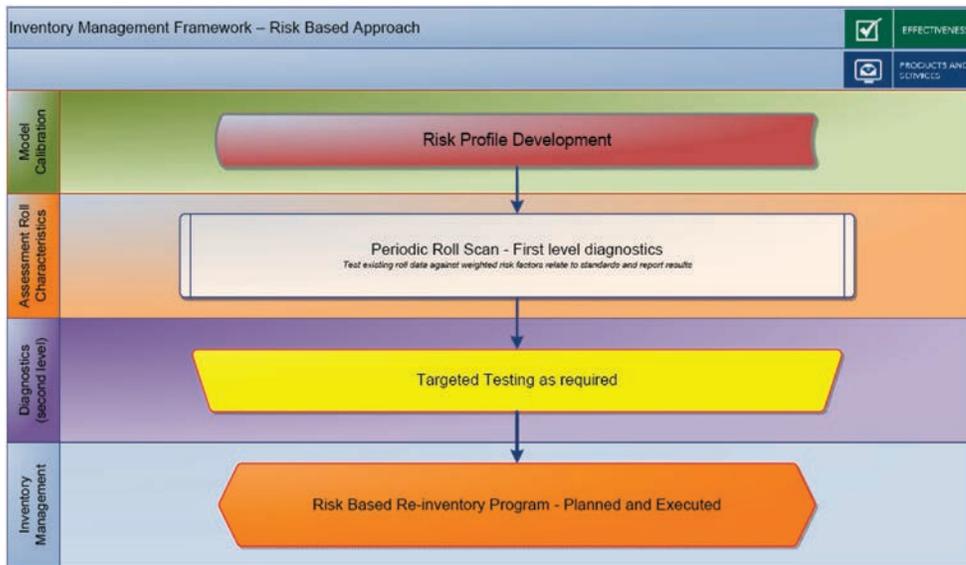
The multiyear plan is meant to accurately measure capacity and then responsibly allocate available resources for roll quality maintenance and enhancement within a systematic approach that is transparent, unbiased, integrated with the business, and truly cost-effective. Related to the BCA goals for inventory accuracy, this might include a five-year-long planning cycle that ensures all property groups are adequately measured within that period (see figure 1) and inventory accuracy issues appropriately targeted within the rolling five-year cycle.

With the framework outlined, the next task (and the real challenge) was to build the missing elements required for this new framework to function. Most notably, the risk profiles and supporting process and an inventory sampling process had to be developed.

Risk Profiles

The aim with risk profiles was to establish a correlation between certain identifiable property characteristics, or other known variables, and inaccurate inventory. While the built-in limitations were recognized, the starting point was to use ratio study results (specifically the coefficient of dispersion [COD]) where the sales exist. These results serve as the proxy for inventory accuracy and as the dependent variable in the various analyses. Other existing tools and techniques, and some under development, will be incorporated into the framework to separate other valuation model problems from inventory accuracy. The plan was to determine the set of factors or characteristics with the greatest likelihood of correlation with inaccurate inventory and then to build a model that tests for those factors among all properties groups, regardless of whether there are sufficient sales to produce valid ratio study results. Initially it was thought

Figure 1. A high level graphical view of the Risk-Based Inventory Management framework



this statistical work might lead to a simple list of attributes that are consistently correlated with bad inventory. Following that, simple queries of the property database could provide risk scores. However, it has not been so simple.

With the large number of independent variables, vast amounts of data, and other related challenges, the early statistical analysis, while promising, was labour intensive and inconclusive. Additional investigative analysis was conducted by using artificial neural networks (ANN) on the same data. This work, carried out by an external consultant (Keith Potter), showed promise, and the decision was made to pursue the analysis of risk factors by using ANN.

After several iterations, this work still showed promise. The initial risk scores produced by the model were highlighting good re-inventory targets, if not consistently, perhaps more often than the existing information by itself. For 2012 re-inventory planning (carried out in July 2011), neighbourhood risk scores developed using ANN were provided to field managers (see figure 2), and the feedback received included positive and negative views in terms of the usefulness

of the information provided at that point. BCA also submitted an interim report to a second external expert for direct peer review and potential recommendations. Work has continued, incorporating the feedback from that review, adapting the statistics used, adding new independent variables, and improving the raw data.

In recent iterations, risk scores have also been developed for smaller property groups (land rate groups and housing types within a neighbourhood), often between 100 and 300 properties. This is significant because it allows for more specific identification of potential risk as well as focusing on a more manageable number of properties for re-inspection programs. The correlation between

risk scores and CODs from hold-out sales is being monitored with each iteration. The best Pearson product-moment correlation coefficient achieved thus far was between 0.40 and 0.70 for rural and urban properties grouped by housing type. These are strong correlations in this context. However, the results are still unstable, and work continues to improve the model. (The Pearson product-moment correlation coefficient, sometimes referred to as Pearson's r ; is a measure of the correlation [linear dependence] between two variables X and Y , giving a value between +1 and -1 inclusive. It is widely used in the sciences as a measure of the strength of linear dependence between two variables [Wikipedia contributors 2012].)

It may be worth restating that the most important application here is not to those areas with sufficient sales. The areas with sufficient sales activity are being used to build the model. *Hold-out sales* from the same or other areas with sufficient sales are being used to test the model. (In this case the term *hold-out sales* refers to sales that occurred after the provision of data for the models. The data modeler did not have access to these data as the risk models were constructed.)

When there is confidence that the risk scores are consistently correlated with unacceptably high COD, then the model can be applied to areas without sufficient sales, and there is some level

Figure 2. Early Risk Report provided to field managers and appraisal teams showing the highest risk scores in one assessment region

Property Group			Roll Year			
Jurisdiction	Neigh.	Rate Code	2009	2010	2011	2012
Vancouver	200003	2n1234	5	5	5	
	200018	2n4321	4	4	5	
	200018	2n5678	4	3	4	
	200025	2n9951	3	3	4	
North Van	316021	2n3125	5	5	5	
	316050	2n1341	3	4	4	
West Van	328031	4n1234	4	4	4	
West Van	328031	4n5671	5	4	4	

of confidence that the areas with high risk scores would have high CODs if there were sales. This does not confirm that there are inventory accuracy issues but highlights where there is a significant risk.

Risk scores have now also been incorporated into an ArcView map layer, which has proven to be a very positive step based on user feedback. Figures 3 and 4 are screen capture examples of the initial map layers.

While the peer review concluded that the ANN report was valid and appropriately presented, there were recommendations for improvement. Outside of the resolvable issues, there was a concern about the impact of aggregating data prior to the statistical analysis (neighbourhoods and other property groupings) and the apparent *data-hungry* nature of ANN models. From an operational perspective, there is concern about the time and resources required to complete each iteration of the ANN model. The resources required to recalibrate the ANN models, once fully systematized, should be significantly less. However, other models that are also being pursued may help identify high-risk areas with less effort.

Geographically weighted regression and other geostatistical methods that do not require the grouping of data and that appear to be much less labour intensive to complete have been pursued. This effort is also being carried on with the assistance and guidance of an external subject matter expert (Richard Borst). Initial results from this approach also appear promising and are undergoing ground-testing in two assessment areas.

This model is based on a point by point error calculation, where

$$\text{Absolute relative error} = \frac{\text{absolute error}}{\text{sale price}}$$

$$\text{Absolute error} = |\text{residual error}|$$

$$\text{Residual error} = \text{appraised value} - \text{sale price},$$

and does not aggregate data beyond a single parcel. It uses spatially aware analytical methods such as Geographically Weighted Regression and other geostatistical methods that take into account the inherent nature of property data, namely, that it is highly spatially autocorrelated. Model attributes include a clear statement of the years since the data were refreshed and incorporates the concept of a baseline

Figure 3. ANN Risk Profile Layer based on housing type (Manual Class) (blue [1] is low risk; red [5] is high risk)

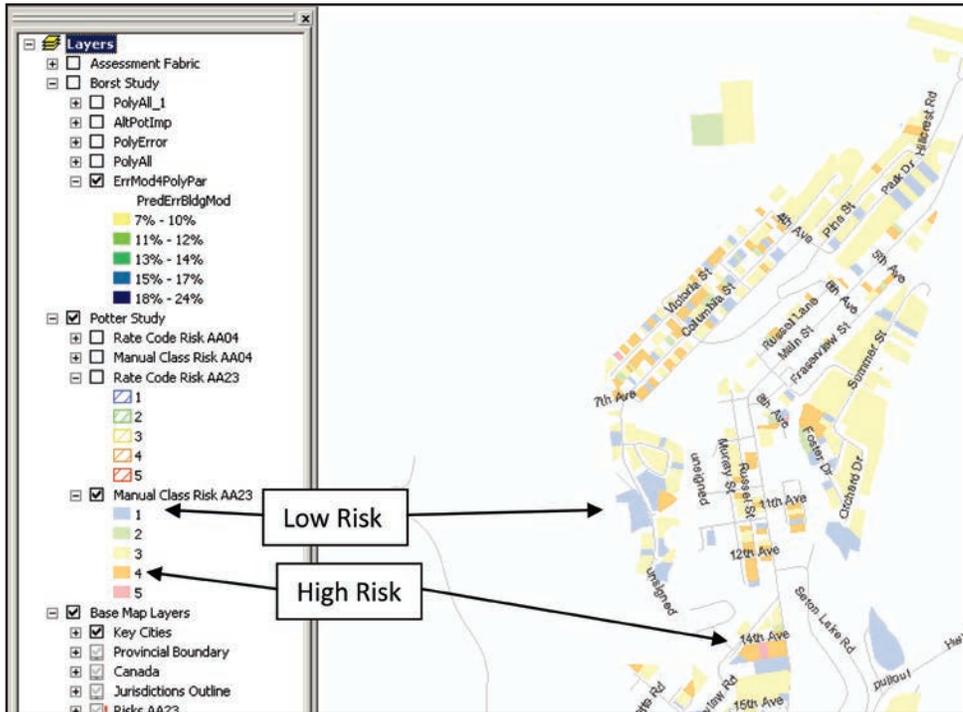
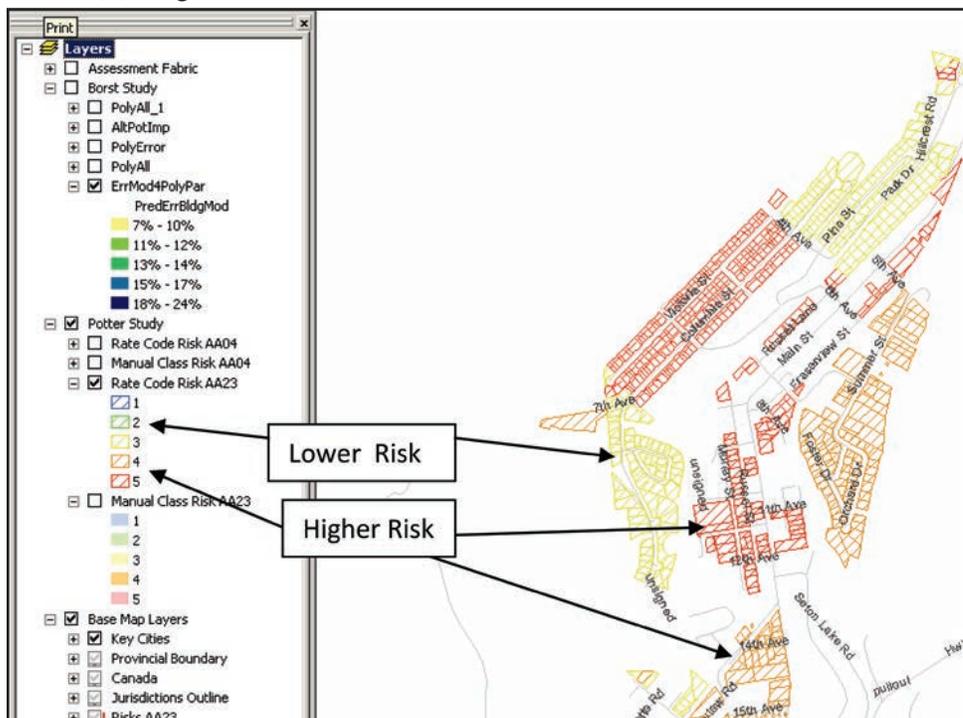


Figure 4. ANN Risk Profile layer based on land groupings (Land Rates) (blue [1] is low risk; red [5] is high risk)



error model, departures from which constitute areas of risk.

(Preliminary Report to BC Assessment by Richard Borst, Ph.D)

The sales data (and other variables) can be spatially interpolated so that spatial patterns can be generalized to nearby areas (see figure 5).

The correlation between the outputs of these two models varies by market area, but for both approaches the intent for the next iteration is to include one or more additional variables that should further improve the accuracy of the result. Both can be represented graphically on separate map layers and provided to the field for more feedback. One or both models will then be completed for the entire province and provided to the field in advance of planning the 2013 re-inventory work objectives.

The next variables being added to the models are related to assessment roll stability. First-level assessment appeal numbers will be first and then, potentially, related information around

the degree of change as the result of an appeal or supplementary assessment.

Future additions or enhancements being considered for the risk profiles include the following:

- Using out-of-period sales (to eliminate potential bias from the revaluation of sold properties)
- Banding uniformity standards (beyond just homogeneous or heterogeneous) or perhaps some measure that factors density by variability in effective age, sale price, or some other variable
- Including other variables related to neighbourhood characteristics or neighbourhood transition
- Exploring external information such as census data, relative tax burden, and comprehensive survey data.

Inventory Sampling

Risk information informs us, naturally, about risk. As in the medical model, intervention usually does not directly follow risk identification. Usually, if

the risk is significant or if symptoms are present, the next step is to conduct some sort of test, say, through a blood sample. In this model it's an inventory sample. Risk information, as it is currently envisioned, will be of little assistance to the field without a means of confirming a problem exists, defining the problem, and then isolating it so it can be effectively addressed with existing resources.

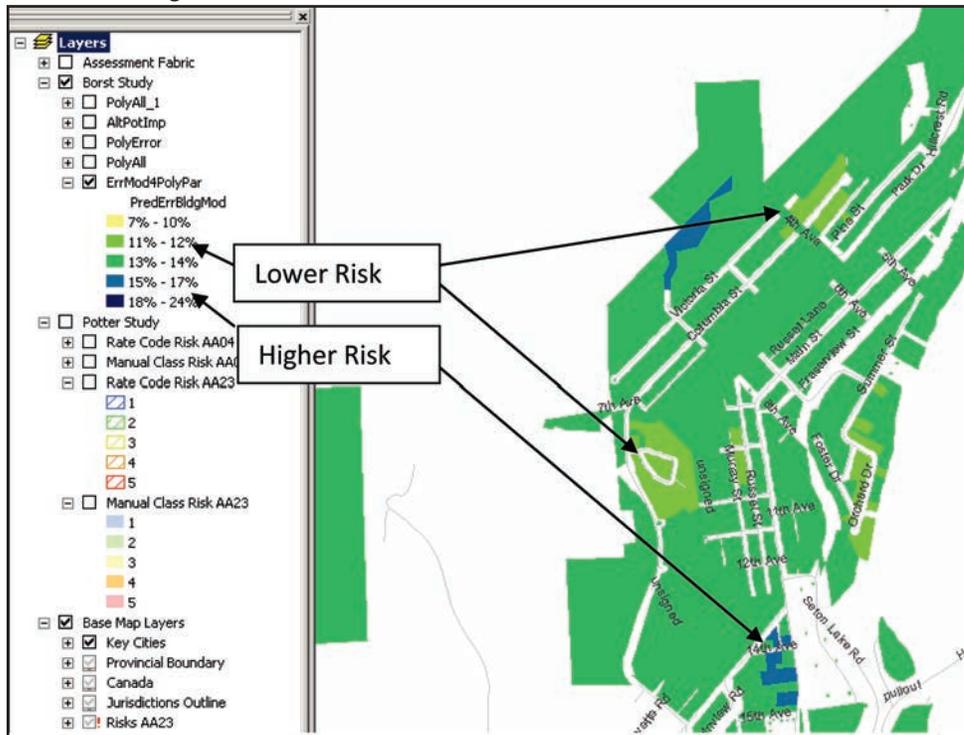
Inventory sampling seems simple enough. If a problem is suspected, take a (representative) sample and confirm it. However, a rational process must be developed for the field in order to appropriately utilize such a tool and to integrate it with existing systems and work practices. Within the Risk-Based Inventory Management program, the sampling process has been developed, beta-tested in the field, and refined considerably. The common feedback from the field is that it works. Sampling helps to determine whether in fact there is a problem with the inventory in a high-risk area (when ratio results are inconclusive).

Sampling is also used to better define the problem. For example, the issue might simply be with homes in a certain age range in one or two parts of a larger neighbourhood. A few days of property inspections to collect inventory *samples* could take a re-inventory project from a 200-day appraisal assignment down to, say, 150 days or less, simply by better defining what, and where, the problem actually is. Often there is no need to re-inventory an entire neighbourhood. With a partial implementation this year, the inventory sampling process is committed to relatively modest savings of least 100 appraisal days, which will be invested into more re-inventory work.

How Sampling Works

Currently the process starts with recognition that additional information is required about inventory accuracy.

Figure 5. Error Model Risk Profile layer based on individual property error estimate (dark blue is highest risk)



Usually there is a lack of sufficient sales to develop valid ratio measures and some observed symptom of inaccurate inventory. Such symptoms might include a pattern of complaints or appeals or an appraiser's observation of changes that are not being captured (unreported renovations), or perhaps some sales suggest a problem exists but there are not enough sales to confirm it.

The appraisal team generates a random sample from within the property group and then arranges for inspections to be conducted. The current guideline for sample size is a minimum of 3 percent of properties, but this can vary depending on the cross section of properties in the property group. For example, more or fewer properties may need to be included if there is a wide range of housing types and ages within an area and sampling is being used to isolate the problem properties in order to more effectively target the inspection program.

To minimize potential bias, the property information collectors or appraisers conducting the inspections will have only the location of the property, the actual year built, and a building plan or sketch. The inspections may be completed as a separate task or interspersed with other field work in the area (especially if there is significant travel time involved). The property inspection standard is the same as for a regular new construction inspection, and the data collected are keyed into BCA's CAMA system, although sample inventory will not be used to generate the assessed value unless a full re-inventory of the property group is completed. Once inspections and data entry are complete, the appraisal team can generate an Inventory Accuracy Report through BCA's Quality Assurance Toolkit. (Cognos 8 is used to generate various reports from the assessment database, including the Inventory Accuracy Report.)

BCA uses a market-adjusted cost approach in its valuation model; thus once the inventory data are entered into a property record, a new manual replacement cost is calculated and then depreciation and market adjustment factors are applied. The Inventory Accuracy Report shows these calculated values along with other key data from the inspection; see figure 6.

Inventory Accuracy Report

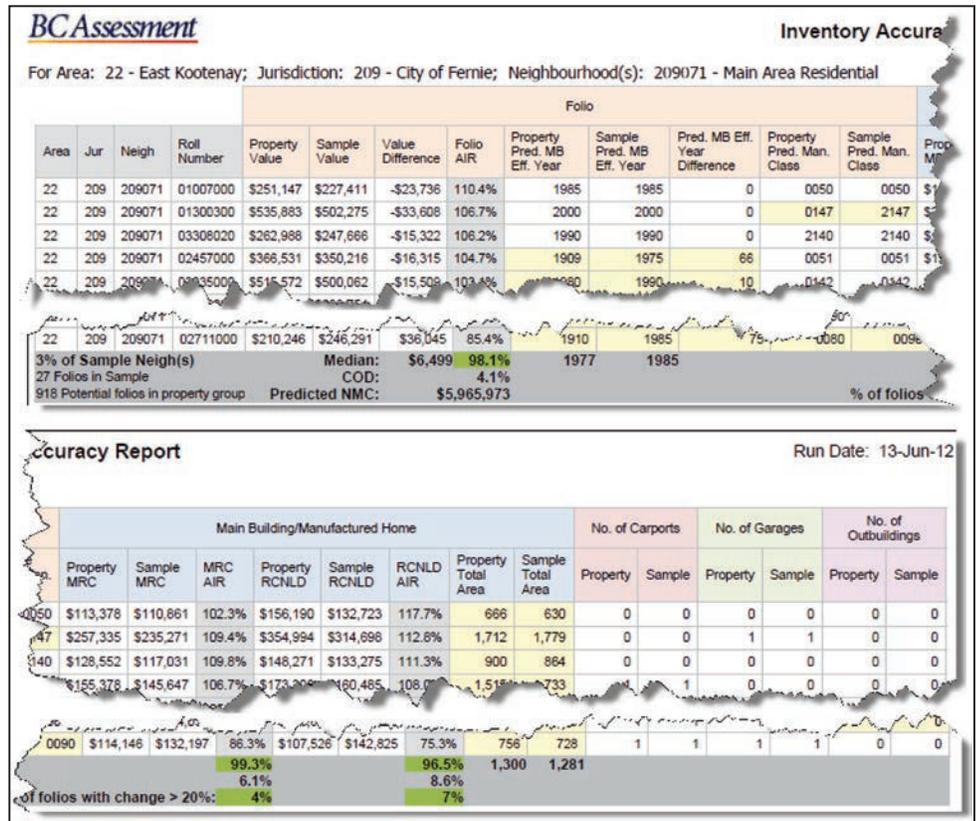
The example in figure 6 is from a neighbourhood in the small community of Fernie, British Columbia, with 918 single-family properties. Of those, 27 properties, or 3 percent, were inspected.

Some of the things the sampling report shows in this example are as follows:

- The median assessment to inspection ratio (AIR) is 96.8 percent, with a COD of 4.4.

- A closer look reveals that there was significant change in the effective age; the median effective year changed from 1974 to 1985. There appears to be a pattern of renovations not reflected in the inventory.
- The average size of the main building increased from 1,296 to 1,398 square feet. A significant portion of the sample increased by more than 200 square feet. Total area is not reflected in the current inventory.
- For 15 percent of the sample (4 of 27), manual replacement cost changes were greater than 20 percent.
- Because of the renovation and size changes, inspection of the neighbourhood could be expected to add about \$9.8 million, or 3 to 4 percent of overall value, to the assessment roll.

Figure 6. Example of Inventory Accuracy Report generated as a result of test inspections (MRC = manual replacement cost; RCNLD = replacement cost new less depreciation; and MB = main building)





A guide has been developed to help appraisal teams and their managers determine the appropriate sample size and generate a random sample from a group of properties. Guidance is also provided on using the system tools for the process; inspection standards are outlined to ensure unbiased results; and the process for generating reports and analyzing the results is spelled out.

This year additional work is being undertaken to ensure that the sampling process is effective and easy to use. More elements of the process are being systematized in an effort to fully integrate inventory sampling functionality into the assessment software.

Future Potential Use for Inventory Sampling

In the future inventory sampling could be considered as part of process to ensure that all property groups in the province have current inventory within a specified cycle. For example, a standard could be developed that requires roll quality results (from sales and/or inventory samples) be reported for all property groups at least every five years. Inventory accuracy does not change significantly in a single year, so utilizing a five-year timeframe could help minimize the overall number of required inspections. Such a program could provide the assurance that either inventory is current or a plan is in place to make it current within the multiyear planning process. In addition, if a valid and reliable process could be developed for combining the sampling ratios with ASRs in order to generate ratio study results for which sales alone would be insufficient, even fewer sampling inspections would be required (IAAO 2010).

At this time the notion of such a cycle has not been fully explored. However, cost estimates were developed for inventory sampling on a three- and a five-year cycle as part of an earlier report. Although that review concluded

it would be only a small fraction of the cost for independent appraisals, it is not yet clear whether this approach would be otherwise feasible.

Other Elements of the Framework

The Risk-Based Inventory Management Program is a group of projects aimed at improving the accuracy of the property inventory. Some of the challenges appear to be shared by other assessment organizations. The work discussed in this article is the bulk of what has been accomplished thus far and includes some of those shared challenges. Additional work is also planned or under way within this program, some of which may be unique to BCA. The projects to address these challenges are described briefly in the following paragraphs.

Performance Measures

New measures are currently being tested that will help demonstrate the value of these new tools and to provide valid meaningful inventory accuracy and roll quality performance information. One area being explored is measuring absolute value changes or specific inventory changes as a result of re-inspection. The rate of change per property, whether discovered from inventory sampling or from other re-inventory work, may be useful in measuring and improving the accuracy of the risk scores.

Data Collection Methodology

Processes or measures that can help determine the most effective method of data collection given different property group characteristics or identified inventory accuracy problems will be explored. One challenge with this project is quantifying results of individual re-inventory projects for comparison. Adding new value to the assessment roll is straightforward, but deriving and normalizing a measure for *improvements* in uniformity is more of a challenge. And how should

improvements in uniformity versus new assessed value be weighed? This work may rely on some qualitative review, in addition to some level of quantitative analysis, in order to create more objective decision support over time.

Field Work Planning and Reporting Tools

Central to a risk-based inventory management approach is that most re-inventory work be completed within organized work programs. A shift away from the reactive approach is needed, in which a permit, sale, or other event triggers an inspection to a proactive, thoughtful, and organized approach. In order to support this more thoughtful approach and to improve effectiveness of and accountability in the use of field resources, some new rules, tools, and training need to be developed.

Most of the organized re-inventory work is managed in projects; this seems to make sense. The Project Management Institute (2012) defines a project as “a temporary group activity designed to produce a unique product, service or result.” This certainly sounds like most of BCA’s organized re-inventory work. However, there is a very operational slant to this work as well. Much of it consists of “repetitive, permanent, or semi-permanent functional activities to produce products or services” (a definition of operational or routine work as opposed to project work [Dinsmore et al. 2005, 35]). The skills and approach required to lead projects are quite different from those required to lead operational activities. As a result, team leaders and others require a slightly different skill set. Project management training has been provided in the past, but much of the content simply does not apply to the specialized work of leading organized re-inventory work. A project to develop field work planning and reporting tools has been proposed within the Risk-Based Inventory Management Program.

New Analytical Tools

Inventory sampling informs about inventory accuracy and uniformity in a given property group for which sales data are insufficient. However, it does not determine the level of assessment. This program, and this article, focuses on inventory accuracy, but problems in these two areas are almost always occurring simultaneously in instances in which market value information is unavailable. Thus, BCA is also exploring methods for determining assessment levels in instances in which sales data are insufficient. Two avenues are being reviewed; both are being utilized in other jurisdictions. One approach incorporates systematic time adjustments to allow for wider time parameters; this tool should result in far fewer areas with insufficient sales data and reduce the need for inventory sampling or other additional work to determine the level of assessment.

The other tool being considered within this program is a process similar to the average unit value comparison approach (IAAO 2010). Comparing unit values between related market areas could provide better information about assessment levels in those areas with insufficient sales, without the need for independent appraisals. (Independent appraisals are not used in British Columbia to augment roll data when there are not enough sales to generate valid ratio study results. Given the geography and sheer size of the province, this option is not considered financially feasible.)

Work is also planned to develop new tools for separating inventory accuracy issues from other valuation model issues. Not only will this work make the new framework for identifying inventory issues more effective, but it is also part of the larger program of specifying and calibrating valuation models. Like other elements of this framework, some of this could develop naturally through appraisers using these tools

and applying their own ingenuity to solve various analytical problems. The work then may simply be to identify the best practices and incorporate them into the common framework.

When fully developed, the new framework should provide an ongoing comprehensive evaluation of property inventory. This evaluation will facilitate effective priority setting and improve (evidence-based) decision-making at every level.

Integration with Existing Model Building and Calibration Process

BCA valuation models utilize a *market-adjusted cost approach*. At various points in the model building and calibration processes, anomalies or problems may be recognized and analysis undertaken to help identify the problem. One of the potential causes for anomalies is inventory inaccuracy. The conceptual framework built up around inventory accuracy and risk-based inventory management and the valuation models will intersect when either a model structure or calibration problem or an inventory problem occurs. The analyst needs to have a means of determining which problem it is. Although no formal process has been documented, BCA appraisers do have various means for solving this riddle. As with some of the other analytical puzzles regularly solved by appraisers, the task here will largely be to capture best practices. However, some controlled testing may also be utilized.

Collaboration

A critical element of this program is collaboration, that is, involving experts within BCA as early and as often as possible to help build the product and ensure its effective integration

into the business. External collaboration is also seen as critical, including the following organizations:

- The Canadian Property Assessment Benchmarking Network (CPABN). Early in the development of this new model, a forum post was made to encourage discussion on the topic, and presentations have been delivered at two annual conferences of CPABN. These activities have led to fruitful discussions with several assessment agencies across Canada, as well as a collaborative paper and presentation with Ontario's Municipal Property Assessment Corporation (MPAC) to the IAAO 2011 Annual Conference on the topic "Intelligent Data Maintenance Program."
- The International Property Taxation Institute (IPTI). A presentation of the developing framework was delivered in October 2011 to the Mass Appraisal Valuation Symposium in Vancouver, British Columbia.
- The International Association of Assessing Officers (IAAO). An early post to the *AssessorNet* forum resulted in some enlightening discussion, and valuable feedback and guidance were received from a number of IAAO members. In addition, further investigation into related practices in other jurisdictions was initiated. As noted, BCA and MPAC made a joint presentation at the 2011 Annual Conference. For the 2012 Conference, two separate presentations are planned: a BCA presentation on the overall Risk-Based Inventory Management framework largely based on this article and a more detailed review of the statistical modeling work that has contributed to this program (Keith Potter and Bill Levis are scheduled to present "Assisting Resource Deployment for Residential Property

Inventory Improvement Using Artificial Neural Network-based Risk Profiles”).

Goals for 2012 and Beyond

In a way the new process might be viewed as a systemization of what has always been done at BCA with some critical new information incorporated. On the other hand, the process could also be viewed as a genuine breakthrough in having reliable information available to support evidence-based decisions for the effective allocation of resources and to provide for clear accountability for the use of those resources.

When fully developed, the new framework should provide an ongoing comprehensive evaluation of property inventory. This evaluation will facilitate effective priority setting and improve (evidence-based) decision-making at every level. The effective implementation of this framework will be critical, because moving to an evidence-based approach can have consequences beyond the quality of the decisions. “Some resistance to evidence based practices arise because, when done right, it can change power dynamics, replacing formal authority, reputation, and intuition with data” (Pfeffer and Sutton 2006).

This program may not be in the same universe as actually bringing sight to the blind, but in a much smaller way, that’s exactly what we’re doing. In jurisdictions like British Columbia that have inspection-by-exception programs, tools are being developed that will help assessors determine where they should be allocating their limited resources for the greatest positive effect. This program will help BCA shift to a more proactive, even preventive, approach to inventory accuracy issues and reduce subjective, potentially biased decisions. These efforts will help sustain and improve the confidence of stakeholders.

The major program goal for this year is to further refine and systematize the tools that have been developed and to use these tools in planning 2013 work programs. At the same time, development of other elements of the model is continuing. As this work shifts from exploratory to practical application, the hope is that other assessment agencies and interests from around North America that face similar challenges will conduct and share their work in this area.

Acknowledgments

The work within this program has had a very large exploratory and experimental component. This work can be challenging to sustain within a budget-constrained public service organization with more and more demands and fixed resources. It is a testament to the leadership at BCA that the work of this program has been so strongly supported.

Many people have contributed to this effort including the following: Graham Held was the program manager through 2011 and remains a co-program manager and the project manager for the Risk Profiles Project. Project Managers Rod Ravenstein, Kelly Dorin, and Greg Wood have been instrumental in getting the projects to this point. The rest of the advisory group, Tracy Shymko, Andrea Elves, Robbie Hans, and Alan Brakefield, have also been integral to the program.

External consultants John Baker, Dr. Keith Potter, and Dr. Richard Borst have ensured our work to date has been the best it could be.

The statistical work undertaken required an immense amount of data extraction and preparation. Without the skillful and responsive efforts of the Quality Assurance team (Kristie Foster and Jared Melvin), the work on risk profiles and the work on developing inventory sampling would not have gotten off the ground.

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Productivity and the Value of a Public Worker

Mark Funkhouser, Ph.D.

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A large share of the total cost of state and local governments is personnel costs. Wages and benefits constitute 60 percent or more of the costs of many local governments. And as the impact of the recession has dragged on for these governments, there has been an ever-increasing focus on the salaries of government workers.

The public discussion has gotten louder and more vitriolic as ordinary citizens, hurt economically by the recession and egged on by many in the political arena, have been increasingly skeptical of the value of public workers. And the public workers themselves have become increasingly demoralized, desperate and defensive. Nearly all of this public discussion around personnel costs has been misguided.

Wage rates are not labor costs. Over and over, we hear about what government employees are paid. That's the wage rate. Labor costs are different and need to be looked at in two ways: first, as a cost per unit of production, as in labor cost per lane-mile of road maintained, and then as the total labor cost of the organization. At the very least, the total labor cost must be managed so as to not rise faster than total revenue on an annual basis and must be low enough to not crowd out investments in capital. This is done primarily by reducing headcount—something governments have doing with a vengeance since early in the recession. Between August 2008 and June 2012, state and local governments reduced their total employment by more than 650,000.

Productivity is the result of capital applied to labor. Private businesses continually look for opportunities to increase productivity by investing in

technology and machinery and thus reducing labor costs. We see examples of these sorts of tradeoffs in the routine of our daily lives. Bank tellers have been largely replaced by ATMs, we pump our own gasoline, we go to the self-service checkout at the store, and we punch our own buttons on the elevator. In every case, the industry in question has replaced workers with investments in capital.

The public focus on wage rates complicates the productivity picture in government because often the result of the investments in technology and equipment mean that the workers have to be more highly trained and therefore better compensated. A backhoe operator can move more dirt per hour than a worker with a spade, but being a backhoe operator requires more skill and training and therefore a better wage rate. And unfortunately, the headcount reductions in government have largely not been the result of increased productivity through investment in capital. Rather, they have been precipitous cuts driven largely by the need to close short-term budget gaps. If headcount is reduced without productivity improvements, the result is a reduction in services and an eventual decline in the quality of life in the community.

Managing labor costs in the public sector is further complicated by the “quartet phenomenon.” If you reduce the headcount for a quartet, you get something different—a trio—which is not good if what is required is a quartet. Government has lots of these situations—classroom sizes in the case of schoolteachers, for example. There might not be much difference for students if classroom size increases a little, but large increases will have a

negative impact on a good teacher's ability to reach every child with quality instruction. Facilities such as community centers and libraries have to have a certain minimum staffing to keep the doors open.

Completely absent from the discussions I've seen of government employee costs has been a consideration of how much a good employee is worth. How much, in quality of life and revenue from increased residential and business growth, is a good police officer or schoolteacher or park maintenance employee worth?

Governments that do well are those that focus on productivity and value by managing labor costs well, making prudent investments in technology and equipment, and focusing on providing services their constituents value.

The impact of the recession seems to be that the wealth and income disparities are growing between well-off communities and those that are in fiscal distress. In the end, these well-off communities will have fewer employees than most cities, but their workers will be better equipped and better managed. The successful communities will be those that manage their labor costs wisely and well, not by holding down wage rates but by smart investments in capital.

Dr. Mark Funkhouser, a former Kansas City mayor and auditor, is the director of the Governing Institute. E-mail: mfunkhouser@governing.com





From the President

(President, continued from page 2)

cant time and effort to cultivate relationships with groups and individuals outside the United States and Canada. I applaud this decision to share the knowledge that IAAO has to offer with the rest of the world. As part of these international outreach efforts, I travelled to Vancouver, British Columbia, with Director of Professional Development Larry Clark, CAE, to participate in training for a group of visiting delegates from the Chinese State Administration of Taxation.

In keeping with these international initiatives, IAAO welcomes the International Property Tax Institute (IPTI) as a new affiliate member. We have been working with IPTI to establish joint initiatives to serve an international audience. The board also approved the Assessors' Association of Nevada as an affiliate member. The board looks forward to increased interaction and participation with both of these prominent organizations.

I attended the IPTI Annual Conference, August 22–23, in Sao Paulo, Brazil. I will report more on this trip in October.

On July 22–27 I travelled to Fairbanks, Alaska, to attend the Alaska Association of Assessing Officers Summer Meeting and represent IAAO. Vice President Kim Lauffer represented IAAO at the annual meeting of the Idaho Association of Assessment Personnel, and President-Elect Rob Turner represented IAAO at the Michigan Assessors Association Annual Conference.

IAAO held its Budget Committee meeting August 9–10 at headquarters in Kansas City. The committee reviewed the proposed budget for 2013 prior to submitting it to the Executive Board for approval at its next meeting.

This issue of F&E contains the 2012 Candidate Profiles. Please review the information for these candidates and participate in the election process. Every vote helps to determine the future leaders of IAAO. We have had much success in recent years because we are well-managed and our leaders take their responsibilities very seriously. Let's continue to do great things and elect candidates who also care deeply about the future of IAAO and its members.

This issue will reach members at about the same time the annual conference is taking place. If you were unable to attend, rest assured we will be providing reports of the activities there. This year, for the first time, a double-header Webinar will be presented live at the annual conference. It will provide an opportunity to share a little bit of the conference experience and the quality education that is provided there.

I look forward to reporting on the conference and other activities in October and November.

Sincerely,

Debra Asbury

Music from Arkansas:

Over the past months, you've read about the beauty, history, and unique attractions of Arkansas. However, you have not yet strummed to the beat of Arkansas music and its musicians. Arkansas is steeped in many varieties of music and music history—bluegrass, opera, rock 'n' roll and even someone known simply as "the man in black." Throughout Arkansas history it's the small towns that have yielded the greatest rewards. The following are just a few of the well-known musicians grown from the frigid Arkansas winters, the beauty of its spring, the heat of its summers, and the vibrant colors of its fall:

Ronnie "the Hawk" Hawkins	Born in Huntsville, Arkansas, in 1935, Ronnie was a rock 'n' roll pioneer who has never forgotten his Arkansas roots.
Conway Twitty	Born in Helena, Arkansas, in 1933, Twitty's birth name was Harold Jenkins. Conway once thought of using the stage name of Bald Knob.
Charlie Rich	Born in the community of Colt (between Wynne and Forrest City), Charlie was best known as the "Silver Fox" and for his song "The Most Beautiful Girl in the World."
K. T. Oslin	Born in Crossett, Arkansas, in 1942, K. T. was the first woman to ever win the Country Music Association (CMA) Songwriter of the Year award in 1988.
Ronnie Dunn	Born in El Dorado, Arkansas, in 1953, the music duo of Brooks & Dunn won the CMA Entertainer of the Year award in 1996.
Ed Bruce	Born in Keiser, Arkansas, in 1939, Bruce is best known for penning the song "Momma Don't Let Your Babies Grow Up to be Cowboys" and was known for his rockabilly sound.
Kris Allen	Born in Jacksonville, Arkansas, in 1985, he was the 2009 American Idol Winner.
Last but never least Johnny Cash	Born in Kingsland, Arkansas, in 1932, Johnny's music transcends generations and music genres. His music and contributions to the music industry will always have a place in history. Johnny will be forever known as the "man in black."

Quote from Arkansas:

You build on failure. You use it as a stepping stone. Close the door on the past. You don't try to forget the mistakes, but you don't dwell on it. You don't let it have any of your energy, or any of your time or any of your space.

—Johnny Cash

Computer-Assisted Appraisal Discussion List— When Does a Lease Equal Ownership?

Q. Jeanette M. Spriggs, Clovis, New Mexico

For ad valorem purposes, is there a point at which a lease is long enough to be considered ownership? We have a property held by an exempt entity that has now been leased to a development company for the term of 99 years. The company is remodeling the property for use as a mix of apartments and commercial space. There is some discussion on whether or not the length and terms of the lease equate to ownership. Are there any standards or case laws that would support it being taxed?

A. Daniel Furdek, Milwaukee, Wisconsin

For valuation purposes, we follow the Financial Accounting Standards Board (FASB) *Statement 13*. You can download it through a Google search. That long of a lease would be considered a capital lease. A lease is capital if any one of the following is met:

- (1) The lease conveys ownership to the lessee at the end of the lease term.
- (2) The lessee has an option to purchase the asset at a bargain price at the end of the lease term.
- (3) The term of the lease is 75 percent or more of the economic life of the asset.
- (4) The present value of the rents, using the lessee's incremental borrowing rate, is 90 percent or more of the fair market value of the asset.

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

This is a very complex question, and the answer will be very dependent on the underlying statutes and case law. I don't think any one answer will fit. In Idaho, for example, we have had questions over fire stations owned privately but leased to municipalities.

A. Daniel Furdek, Milwaukee, Wisconsin

Actually, I thought *FASB 13* was pretty specific about that in regards to how to handle leased property for federal income tax purposes, and from my experience the state usually follows federal guidelines for reporting purposes. I would check on the distinction between reporting for income tax purposes versus ad valorem. If there is a distinction, please post the difference between the two.

A. Michael J. Fedele, CAE, Windsor Locks, Connecticut

You may not be dealing with an ownership issue. Most states require exempt entities that own property to use that property for the exempt purpose. If this is the case in your state, issue the notice and tax bill to the exempt entity.

A. David Stannard, Northford, Connecticut

Who is collecting the lease income and who owns the land? If the landowner has had the property in tax-exempt status for whatever reason and the owner now is leasing the property, the exemption should be removed.

A. Candence E. Robinson, Salem, Oregon

My guess is no. Ownership is ownership. A lease at market rates, however, may be discounted to a market value using market norms in the area. If the controlling entity is not exempt, it should be taxable based on that value. The issue will be what to do going forward as the market changes. Aren't there jurisdictions in Hawaii that have to deal with this all the time? Do properties leased like this sell in your market?

A. Will E. Leonard, III, CAE, Henrico, Virginia

Virginia taxes the leasehold interest in real property if the owner is exempt and the tenant is taxable.

Virginia State Code 58.1-3200 is as follows: "All taxable real estate, having been segregated for and made subject to local taxation only by Article X, Section 4 of the Constitution of Virginia, shall be assessed for local taxation in accordance with the provisions of this chapter and other provisions of law. For purposes of the assessment of real estate for taxation, the term 'taxable real estate' shall include a leasehold interest in every case in which the land or improvements, or both, as the case may be, are exempt from assessment for taxation to the owner. The provisions of this chapter relating to the assessment of real estate shall not apply to property required by law to be assessed by the State Corporation Commission or the Department of Taxation."

See also Virginia State Code section 58.1-3203: "If the remaining term of the lease is 50 years or more, or the lease permits the lessee to acquire the real property for a nominal sum at the completion of the term, such leasehold interest shall be assessed as if the lessee were the owner" [see AssessorNET for link in original post].

A. Allan Booth, Newport, Rhode Island

Rhode Island General Laws 44-4-6 states: “Estates in the possession of a tenant for life or for a term of 10 or more years when by the terms of his or her lease the tenant for years is required to pay the taxes on the estate, may be taxed to the tenant, who, for the purposes of taxation is deemed the owner.”

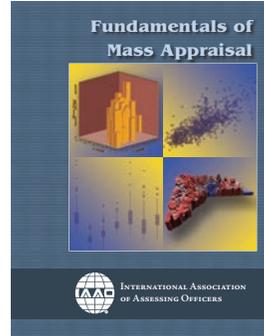
Was your question answered using AssessorNET?

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.



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✓ CALENDAR OF EVENTS LOCAL • REGIONAL • INTERNATIONAL

League of Wisconsin Municipalities

Assessor's Institute and WAAO Quarterly Meeting
September 25–28, 2012
Appleton, Wisconsin
<http://www.lwm-info.org>

Maine Association of Assessing Officers

Fall Conference
September 26–28, 2012
Sebasco Harbor Resort, Sebasco Estates, Maine
www.maineassessors.org

Virginia Association of Assessing Officers

64th Annual Conference
October 9–12, 2012
Virginia Beach, VA
<http://vaao.org/>

The Appraisal Foundation

Board of Trustees Fall Meeting
November 1–3
Portland, Oregon
www.appraisalfoundation.org/s_appraisal
Submit local event information with event name, date, place, and contact information to bennett@iaao.org.

IAAO Conferences, Seminars, and Meetings

Event	Location	Dates
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
17th Annual GIS/CAMA Technologies Conference	Albuquerque, New Mexico	March 4–7, 2013
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
IAAO 82nd Annual International Conference on Assessment Administration	Tampa, Florida	August 28–31, 2016

Candidate Profiles: Election of the 2013 Executive Board

For President-Elect

Kim Lauffer, RES
Appraiser
Comanche County
Coldwater, Kansas



Experience

- Comanche County Appraiser 1993—present

Leadership Activities

- Member of IAAO since 1993
- President—Kansas County Appraisers Association 2002
- RES Designation 2004
- IAAO Member of the Year—2005
- Committee Service—Ethics, Planning & Rules, Membership Services, Chair-Conference Content
- IAAO Executive Board Member—2008–2009
- Vice President—2012

Goals/Objectives

- Develop and encourage future leaders
- Always ensure the highest quality of IAAO education offerings
- Provide maximum value through technology, services and education to our members
- Maintain IAAO's sound financial standing
- Further expand transparency to all leadership activities

I am eager to serve and encourage all members to find the satisfaction, friendship, and pride in profession that IAAO has provided me. I ask for your support in my commitment to continue serving IAAO as President-Elect.

For Vice President

Martin D. Marshall
County Administrator/
Equalization Director
Lenawee County
Adrian, Michigan



I respectfully request your vote for IAAO Vice President. I have benefited from membership in IAAO for 23 years and would like the opportunity to serve IAAO members as Vice President. I believe my experience with IAAO as a Representative, a committee member and an Executive Board member, along with service on state association boards and committees, has prepared me to take this step to a leadership position.

There are challenges for IAAO in the coming years and IAAO must be the voice of experience and set the standards for mass appraisal. IAAO must work to meet the educational needs of members with affordable and flexible programs. Positive dialogue with members to identify their needs and attract others to this association is vital to our growth and success. In addressing these issues, IAAO members must be our primary concern.

The advancements by IAAO in recent years are also significant. IAAO has established a standing committee for Chapters and Affiliates, online learning opportunities have been expanded and formalized, the headquarters building is now owned outright, the association budget is balanced and the association has reserves. I am asking for your support to continue this positive direction.

Leadership/IAAO Activities

- IAAO Executive Board 2009–2011
- IAAO Conference Content Comm 2007–2008, 2012, Chair
- Special committee for the Executive Board
- Board Liaison to Communications and Scholarship Comm 2009
- IAAO Representative 2004–2008
- Tax Collector Ad-Hoc Committee 2004
- Michigan Assessors Association board 1993–2007, Pres 2006
- Michigan Equalization Directors board 1991–1999, Pres 1998
- MAA Legislative Chair

Experience

- Assessment Administrator 34 years
- IAAO member since 1989
- Equalization Director, Lenawee County, 24 years
- State of Michigan MMAO Certificate

For Executive Board Region 1

Lisa Andres
Appraiser (Real Property)
Office of the Assessor, L.A. County
Los Angeles, California



My name is Lisa Andres, and I am running for the IAAO Executive Board. I am a graduate of California State Polytechnic University, Pomona, and I have worked for the Los Angeles County Assessor's Office as a Real Property Appraiser since 1997. I joined IAAO in 2001, and became a part of the Los Angeles County Chapter of IAAO in 2002 when the International Conference was being hosted in Los Angeles.

In 2006, I was elected to my Chapter's Executive Board, and in 2011, I was honored to be elected Los Angeles County Chapter President. Because I also wanted to work with the overall IAAO organization, I was appointed to the Paul V. Corusy Memorial Library Trust Committee that same year. In 2012, I became an IAAO State Representative, and was delighted to be featured in *Fair & Equitable* as Representative of the Month for May! Perhaps the single greatest honor inferred upon me this year, though, was being appointed to Chair the new IAAO Chapters and Affiliates Committee. It's been exciting to forge a new path and help this organization grow. I've also just received a nomination for the IAAO Member of the Year Award, which genuinely humbles me. I am just doing what I love to do! I have truly enjoyed every minute of my service to IAAO, on both the local and national levels, and hope to be able to continue to serve you, my friends, even further by becoming a member of the Executive Board.

For Executive Board Region 1

Tim Boncoskey
Chief Deputy Assessor
Maricopa County
Phoenix, Arizona



I lead 330 assessment professionals and administer over 1.6 million parcels annually for the elected County Assessor.

For nearly 30 years, my professional career has been devoted to the service of the public as an employee of local, state and federal government.

At the University of Arizona, I received a bachelor's degree in public administration and continued my education at the LBJ School of Public Affairs at the University of Texas where I earned a master's degree. I have also completed numerous management and leadership programs, including IAAO courses.

The Arizona Chapter of IAAO has elected me as its President twice—in 2007–2008 (18-month term), and 2011. The ACIAAO received the IAAO Outstanding Chapter Award in 2009 for our activities. I have served twice on the State of Arizona Annual Tax Conference Planning Committee and directed the first Property Tax Conference, "We Value Arizona" in the State's history in 2008. I am also very active in the Arizona Association of Assessing Officers.

My IAAO leadership roles include: State Representative since 2009 (IAAO Rep. of the Month in August 2011), Chair of the Metropolitan Jurisdictions Council in 2011, Co-Chair of the Local Host Committee for the 77th Annual Conference, and Councils and Sections Committee Chair in 2012. Since joining IAAO, I have attended, presented, or moderated at every IAAO annual conference, three GIS/CAMA conferences and many associate/affiliate members user conferences.

I highly value the development of individuals that carry the awesome responsibility for property tax assessments throughout the world. I will work tirelessly to ensure IAAO provides each assessment professional with the tools, resources, education and contacts needed to fulfill this important public service.

For Executive Board Region 2

Thomas May, AAS
Property Tax and
Assessment Consultant
Minneapolis, Minnesota



Phone (763) 424-1202
E-Mail : tjmay19@comcast.net

I retired as the Hennepin County Assessor in Minneapolis, Minnesota in 2009 after a 34 year career in Property Tax Assessment. I have been an IAAO member for over 30 years. I graduated from the University of Minnesota in 1973 with a Bachelor of Science Degree in Business Administration. I have been very active in the Minnesota assessment community and served as instructor and presenter at numerous educational classes and seminars.

Assessment Career in Hennepin County

- 1975–1980—Staff Appraiser
- 1980–1984—Statistical Analyst
- 1984–1996—Assistant County Assessor
- 1996–2009—County Assessor
- 2009–present—PT and Assessment Consultant

My career accomplishments include:

- IAAO Assessment Administration Specialist (AAS)—2007
- IAAO Donehoo Essay Award—1995
- IAAO Distinguished Assessment Jurisdiction Award—2002
- IAAO Representative since 2008
- IAAO Executive Board 2009–2010
- IAAO Budget Committee 2010 and 2012
- IAAO Professional Designation Subcommittee 2011
- IAAO AAS Professional Advisor
- MAAO President—2004
- MAAO Executive Board Member—8 years
- MAAO Legislative Committee—20 years +
- MAAO Chair of Sales Ratio Committee—2007

I am running for the IAAO Executive Board to provide service in return for the 30 + years of professional instruction, guidance and development that my IAAO membership has provided. It would be an honor to contribute to the Executive Board as IAAO maintains its position as the pre-eminent authority on property tax assessment.

My goal is to provide the best member services possible to all assessment professionals and be flexible as needs and issues change.

For Executive Board Region 2

Scott G. Winter, RES
Assessment Division Manager
City of Milwaukee
Milwaukee, Wisconsin



I began my assessment career as a data collector for CLT, now Tyler Technologies, after graduating from the University of Wisconsin-Milwaukee. My degree is a Bachelor of Business Administration, with a real estate major. In 1989, I was hired by the City of Milwaukee Assessor's Office and promoted to management in 2003. I became a member of IAAO in 1991, and benefited greatly from the excellent IAAO educational offerings and network opportunities. I earned my RES designation in 1999.

I have had the privilege to serve on the IAAO Conference Content Committee for the Anchorage and Milwaukee conferences, and was the Chairman of the Content Committee for the 2008 NCRAAO Conference. I also served on the IAAO Research Committee where we earned both the Bernard L. Barnard Award and the Distinguished Research and Development Award for published assessment articles. I also served as Chair of the Curriculum Development Special Committee. Currently I serve on the IAAO Education Subcommittee. I am an IAAO National Instructor and present several courses per year. I have presented at four IAAO conferences, an IAAO Webinar, and at many Wisconsin Assessor events.

I hold a Certified General Appraiser License and have been a teacher of assessment and appraisal courses at a local college for the past five years. I developed a new online Assessor Certificate Program for the school, and the entire curriculum. Our Wisconsin chapter, WAAO, has awarded me the Publication Award in 2003, the Chairperson of the Year Award in 2006, and the Distinguished Research and Development Award in 2008. I am on my sixth year as a WAAO Executive Board member and am Chairman of the IAAO Designations Subcommittee.

I am committed to excellence in IAAO education, and developing research partnerships with academics.

Candidate Profiles • Voting Information

For Executive Board Region 3

Brian E. Gordineer, AAS
City Assessor
City of Hampton, Virginia
Hampton, Virginia



Education

- BA—College of William and Mary, Williamsburg, VA
- MBA—Mason School of Business, College of William and Mary, Williamsburg, VA
- Real Estate Coursework—Virginia Commonwealth Univ., Richmond, VA

Professional Designations/Certifications/Awards

- Certified General Appraiser—Commonwealth of Virginia
- AAS—IAAO
- Publication Award—Virginia Association of Assessing Officers (2006)
- Outstanding Member Award—Virginia Association of Assessing Officers (2007)
- Most Valuable Member Award—Virginia Association of Assessing Officers (2008)

Professional Experience

- Appraiser Trainee—City Assessor's Office, Richmond, VA
- Appraiser—City Assessor's Office, Richmond, VA
- Senior Real Estate Appraiser—Real Estate Division, Henrico Co., VA
- Deputy Director—Real Estate Assessments Division, James City Co., VA
- City Assessor—Office of the Assessor of Real Estate, Hampton, VA

Leadership Activities

- City Assessor—Hampton receives Certificate of Excellence in Assessment Administration (2011)
- IAAO Approved Instructor—IAAO Course 400, Assessment Administration (2010)
- Secretary—Virginia Association of Assessing Officers (2010–2012)
- Director—Virginia Association of Assessing Officers (2008–2009)
- Education Committee Chair—Virginia Association of Assessing Officers (2007)
- Awards Committee Chair—Virginia Association of Assessing Officers (2004)
- Land Use Committee Chair—Virginia Association of Assessing Officers (1997)

Goals/General Statement

My goal is to strengthen IAAO's ability to provide high-quality educational and professional development opportunities, as well as to increase member access to research resources and the latest innovations in the assessment field. IAAO should be a valuable partner to every member and assessment organization.

For Executive Board Associate Member

David M. Heinowski
Owner/Single Member
Heinowski Appraisal
and Consulting, LLC
Canton, Michigan



I have been an Associate Member of IAAO for 24 years and have attended 24 consecutive annual conferences. I have also worked on the Associate Member Committee (AMC) auction at each of the 24 conferences. I have been either a regular member to the AMC (including one term as chair of the committee) or an ad hoc member for the majority of the 24 years.

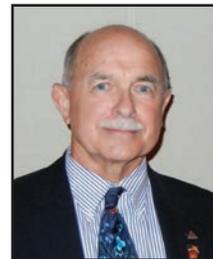
I have also served on the Resolutions Committee, USPAP Committee, Nominating Committee, Conference Content Committee, Headquarters Relocation Committee, and am currently working with the Local Host Committee for the 2013 Annual Conference to be held in Grand Rapids, Michigan. I was honored to be the recipient of two IAAO Harry Galkin Awards and am personally humbled and most proud of being a recipient of the Rosalyn Johnston Award.

Locally, I am active with the Michigan Assessors Association. I have been appointed to serve on the MAA board of directors as the subscribing member by eleven (11) standing presidents, each appointment of a one year term. I have served on multiple committees for MAA including serving as the annual conference chair. I have developed a commercial and industrial appraisal short course for the Michigan Department of Treasury and teach this course for both Treasury and MAA.

I firmly believe that the Associate Members have a strong commitment to IAAO that is to the benefit of all. I would like to see this strengthened by increasing the number of Associate Members along with the involvement of Associate Members in IAAO's committee structure.

For Executive Board Associate Member

Kenneth Voss, CAE
Principal
Kenneth Voss & Associates, LLC
Atlanta, Georgia



I am the principal in the firm Kenneth Voss & Associates, LLC, specializing in real estate valuation, real estate consulting, litigation support, and arbitration in the southeast United States. Prior to opening my own appraisal practice, I was the Vice President—Real Estate with Tenenbaum & Associates in Kansas City, Missouri. In addition, I am an independent contractor with Team Consulting.

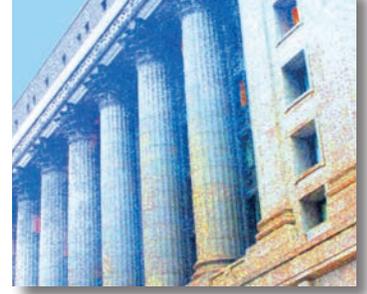
I graduated from East Carolina University with a bachelor of arts degree in 1970, and Lindenwood College with a Master of Valuation Science in 1984.

I received my IAAO CAE designation in 1975, the Appraisal Institute's SRA designation in 1978 and MAI designation in 1992. Currently I am a Senior National Instructor for IAAO courses 101, 102, 112, 201, numerous one-day seminars and workshops, and I am instructing these classes in 20 states and one territory.

Since 1991 I have served on various IAAO Committees including the Nominating Committee, Awards Committee, Professional Designation Subcommittee, USPAP Committee, Associate Member Committee, and Conference Content Committee in addition to being elected to the Executive Board on three occasions. I am the proud recipient of the Harry Galkin Award, the 2007 IAAO Member of the Year Award, and numerous Presidential Citations.

The experience of serving on various IAAO committees provides an excellent background to understand the needs of the IAAO family, both regular and associate members.

My goals for IAAO are: status with the Appraisal Foundation, is it good for IAAO, cost effective, and the general relationship with our members; providing publications to non-members at a nominal cost; working with AARO to allow mass-appraisal experience for licensing; and a strong International Outreach program.



Charitable Exemptions

The Kentucky Supreme Court has ruled that a nonprofit business development corporation does not qualify for exemption as a “purely public charity” under the state constitution. The ruling reverses an appellate court decision (reported in Legal Trends, January 2011) that granted the exemption on the grounds that the group’s economic development activities benefited the community as a whole.

The organization was formed by a group of local businessmen in 1968. Members provide a variety of services to help businesses relocate to the area or expand existing local facilities. As part of these efforts, the group purchases and improves area industrial sites. Any proceeds from the sale or lease of redeveloped property are used to fund future purchases. Members receive no compensation for the services they provide.

The 100-acre industrial site at issue was purchased from the city for \$1 in 2001. The purchase agreement stipulated that the land be used “for the creation of new jobs or in order to preserve existing jobs...” Any proceeds from future sales or leases would be shared with the city.

As established by Kentucky case law, for an organization to qualify as a purely public charity, the charity provided cannot be merely incidental to the organization’s activities. Further, those activities must not primarily benefit the organization’s members.

Unlike the appellate court, the supreme court saw the primary beneficiaries of the organization’s economic development activities were the businesses it served, not the local community. Developing and marketing commercial property to attract new businesses did not create jobs, the court said, it only offered the incidental benefit of potentially creating new jobs. It could also be argued, the court

said, that organization members as local business owners stood to benefit from any increased economic activity.

(*Hancock v. Prestonburg Industrial Corp.*, Supreme Court of Kentucky, No. 2010-SC-000376-DG, April 26, 2012)

Public-Private Partnerships

A bank that co-owned two properties with the local public redevelopment agency was not liable for property taxes on the agency’s share of the properties, the Virginia Supreme Court has ruled. In the past, the bank had paid taxes on its percentage of ownership interest, while the agency paid no taxes as an exempt government entity.

The city contended that it could tax the bank for the agency’s ownership interests because the parties’ arrangement was, in effect, a lease agreement. The city based this assertion on the parties’ operating agreement, which stated that the bank had the exclusive right to use and manage the property “as if [it] owned the entire fee simple interest[s].” The city also argued that the operating agreement created a leasehold interest for the agency, which, according to state statute, was taxable to a lessee. The operating agreement stipulated, however, that the bank would pay no rent or other fees to the redevelopment agency for possession of the properties. The court reminded that the two partners owned the properties as tenants-in-common and thus the bank had “a right to possess, use, and enjoy the common property without being accountable to [its] co-tenant[] for rents or profits.”

The city also argued that the bank could be taxed for the entire property because the agency’s share was not being used for a public purpose. The court pointed out that neither the Virginia constitution nor statutes require use for a public purpose to qualify for exemption, only that property be owned by a public entity. Even if the

agency’s portion of the properties had been taxable, the court said, the bill should have gone to the redevelopment agency, not the bank.

(*City of Richmond v. Suntrust Bank*, Supreme Court of Virginia, No. 102409, March 2, 2012)

Urban Farms

In an effort to preserve small farms in increasingly urban counties, the Utah legislature has enacted legislation that treats so-called urban farms as agricultural land for property tax purposes. Currently, this land is valued at highest and best use, typically as commercial or residential property.

To qualify for agricultural land assessment, an urban farm must occupy between two and five acres. Land under farming-related buildings such as barns and greenhouses and features such as ponds and irrigation ditches can be included in the total, but land used for residential purposes cannot. Land used to raise animals for food or for grazing is not eligible for agricultural land assessment. The farmland’s output must be greater than 50 percent of the average agricultural production per acre in the county for the comparable land type. The land must have been actively cultivated for the two years prior to the tax year in which it is assessed as an urban farm.

Any land on an eligible parcel that is used for residential or other purposes is assessed for those uses and not as agricultural land.

An urban farm that ceases operation is subject to a rollback to highest and best use assessment for up to 10 previous years.

(Urban Farming Assessment Act, 2012 UT S122, signed March 19, 2012)



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- ◆ Mass Appraisal of Residential Property
- ◆ Commercial Case Study Review
- ◆ Site Analysis
- ◆ IAAO Standards of Professional Practice and Ethics
- ◆ Fundamentals of Assessment Ratio Studies
- ◆ Mathematics for Assessors



Is your member information up-to-date?

Don't miss benefits such as publications, education, and networking opportunities! 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.

Whichever method you choose, your information is updated quickly and you continue to receive valuable benefits.



IAAO your road to success . . .

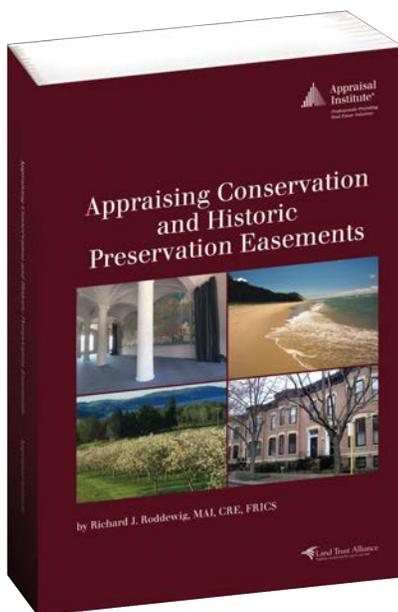
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For more information on the IAAO Professional Designation Program contact Wanda Witthar at witthar@iaao.org

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Property Tax Fraud

NY City property tax system needs reform—grand jury (published August 1, 2012)

by Karen Freifeld, Reuters

Article reports on a grand jury determination that many owners of income-producing property in New York City file false information in order to reduce taxes. Recommendations include stiffer penalties and increased resources to enable effective enforcement.

For more information, go to:

<http://in.reuters.com/article/2012/08/01/newyork-property-idINL2E8J1ANI20120801>

Property-tax cheats facing crackdown (published July 28, 2012)

by Martha Brannigan, The Miami Herald

Article reports on expanded efforts to identify property owners illegally claiming homestead exemptions in Miami-Dade County, Florida. Increased incentives to do so are being driven by budget problems and improved technology to help identify offenders.

For more information, go to:

<http://www.miamiherald.com/2012/07/28/2918219/property-tax-cheats-facing-crackdown.html>

Declining Revenues

Property tax first-quarter revenue down, seen sliding more

(published August July 16, 2012)

by Reuters

Articles discusses overall declining revenues from property tax sources in the first quarter of 2012 in year-over-year comparison. The article reports that property taxes accounted for 74 percent of local revenue in 2009.

For more information, go to:

<http://www.reuters.com/article/2012/07/16/us-usa-states-taxes-idUSBRE86F1FA20120716>

Surplus Budget

Property tax protest: Tulsa County checks and balances questioned

(published July 24, 2012)

by Jennifer Loren, Oklahoma Impact Team, NewsOn6.com

Articles discusses the activities of a Tulsa County, Oklahoma, tax activist who is questioning large cash surpluses being held by entities funded by property tax dollars. He is questioning why reductions are not being made to allocations of property tax dollars.

For more information, go to:

<http://www.newson6.com/story/19091786/taxpayer-protests-tulsa-county-property-taxes>

California Caps

Calif. homeowners see jump in property taxes (published July 23, 2012)

by The Associated Press

Articles discusses a loophole in Proposition 13, which imposes a 2 percent cap on property tax increases. Proposition 8 allows for greater than 2 percent increases if property values were previously reduced in value. The increase can be in effect until the property reaches its former value prior to the reduction.

For more information, go to:

http://www.mercurynews.com/breaking-news/ci_21138936

Tax Limits

New York State municipalities hover near property tax limits

(published August 3, 2012)

by Anna Louie Sussman, Reuters

Articles discusses statutory limits set by New York state on the percentage of property tax revenue that can be collected by local governments. The limits create problems when other sources of funding, including state subsidies, do not cover state-mandated expenses. The result is forced reduction of programs for which expenses are not mandated. Eight municipalities are approaching the statutory limit.

For more information, go to:

<http://in.reuters.com/article/2012/08/02/newyork-municipalities-taxes-idINL2E8J299D20120802>

Commuter Tax

Commuter tax on the move (published August 3, 2012)

by Editorial Board, The Washington Post

Opinion on the merits of a “commuter tax” for Washington, DC, points out that, unlike U.S. states, the District of Columbia is not able to tax the earning of people who work there but live in surrounding states. This inability to tax workers’ wages creates budgeting problems and difficulty financing improvements to aging infrastructure.

For more information, go to:

http://www.washingtonpost.com/opinions/will-the-district-finally-get-to-implement-a-commuter-tax/2012/08/03/668e4f6a-dcdc-11e1-af1d-753c613ff6d8_story.html



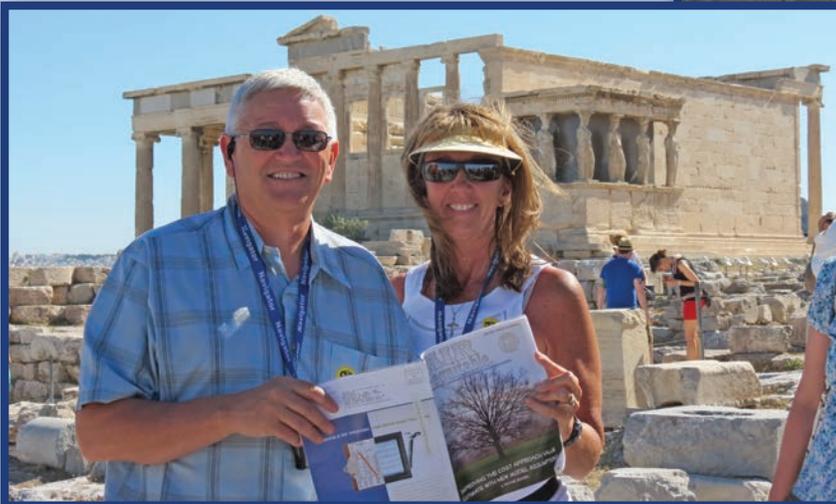
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IAAO accepts digital photos of interesting or unusual places, for "Where Do You Read F&E?," and photos of local jurisdiction activities and meetings. Please provide full contact information with your submission. Send photos to bennett@iaao.org.

Vicki and Marion Johnson, CAE, Kellianne Nagy, CAE, and Roger McCarty and his wife Debby read F&E in Stato della Città del Vaticano (State of the City of the Vatican) in Roma, Italia. They are in St. Peter's Square in front of St. Peter's Basilica, the largest Christian church in the world. The Basilica was built over 80 years and consecrated in 1626.



At right, Marion Johnson, CAE, and Kellianne Nagy, CAE, read F&E at Panathinaiko Stadium (also known as Panathenaic Stadium) in Athens, Greece. This stadium was the site of the first modern Olympics in 1896, and it received partial use during the 2004 Olympics. Built entirely of white marble, it was originally built in 556 BC and rebuilt with marble in 329 BC. The original Olympic Games were celebrated in Olympia, Greece, beginning in 776 BC, and ending in 393 AD.



Left, Marion Johnson, CAE, and Kellianne Nagy, CAE, read F&E in front of the Erechtheion, an ancient Greek temple dedicated to Athena Polias (goddess of wisdom, the practical arts, and warfare, and the protectress of Athens) and Poseidon Erechtheus (god of the sea). It is on the north side of the Acropolis of Athens in Greece.

Congratulations New Designees

David R. Hanson, AAS, received the Assessment Administration Specialist designation in June 2012. Hanson serves as the Chief Appraiser for the Yavapai County Assessor's Office in Prescott, Arizona. He has held that position for seven years. He previously worked in the City of Fargo Assessor's Office, as a mortgage appraiser, and as a fee appraiser. Hanson attended the North Dakota State College of Science and earned an associate's degree in applied science. He joined IAAO in 2011.



John C. Isbell, AAS, received the Assessment Administration Specialist designation in July 2012. Isbell serves as the Assessor of Property for Sumner County in Gallatin, Tennessee. He has held that position for eight years. He attended Middle Tennessee State University and earned a bachelor's degree and also a master's degree. Isbell is currently pursuing a doctorate in policy at Tennessee State University. He is active in IAAO, serving on the Membership Recognition Committee and also as an IAAO State Representative. Isbell was voted Assessor of the Year in 2007 and has taken numerous mission trips with his church. He joined IAAO in 2004.



Harry Neumann, CAE, RES, earned the Certified Assessment Evaluator designation in July 2012. Neumann serves as an Associate Assessor for the City of Calgary, Alberta. He has held that position for seven years and previously served as a Data Collector and Assessor Intern. Neumann attended Mount Royal College and earned a bachelor's degree from the University of Calgary in economics. He also completed the University of British Columbia Real Estate Program and is a member of the Alberta Assessors Association. Neumann joined IAAO in 2001.



Danielle (Dana) Naumann, RES, received the Residential Evaluation Specialist designation in July 2012. Naumann serves as the Assessor for Franklin County in Hampton, Iowa. She has held that position for eight and one half years and previously worked in the Cerro Gordo County, Iowa, Assessor's Office for four years. Naumann attended the University of Iowa and holds an Iowa real estate sales license. She presented a program at the Iowa State Association of Assessors 2009 Fall Conference, "Franklin County, Iowa, Commercial & Industrial Reappraisal Project in an Equalization Year." Naumann is currently serving as Vice President and is a past board member of the Institute of Iowa Certified Assessors. She earned the ICA certification in 2008 and joined IAAO in 2004.



Rex A. Norman, CAE, earned the Certified Assessment Evaluator designation in July 2012. Norman serves as the Assessor for the town of Windham, New Hampshire. He has held that position for 13 years and previously served as the Assessor for the town of Nashua, New Hampshire, and as an Appraiser for Remis Associates. Norman attended Los Angeles Valley College and earned an associate's degree in management and attended Franklin Pierce College and earned a bachelor's degree in finance. Norman serves as an IAAO State Representative and served as President of the New Hampshire Association of Assessing Officers in 2010. Norman states "this has been a long journey (17 years) and I am extremely proud to have achieved this goal. I look forward to mentoring and encouraging colleagues to reach for this esteemed professional designation." He joined IAAO in 1995.



Sixty Years of IAAO Professional Designations

by Leann Ritter



Recognizing 60 years of professional designations

Sixty years—**60 YEARS**—Amazing! For 60 years, IAAO has been recognizing professional competence and a high level of mass appraisal skills through the professional designations program. And in that time, nearly 2,000 individuals have pursued and obtained this mark of excellence.

The objectives for IAAO's professional designation are

- to raise the standards of the profession
- to attain recognition of the assessment profession by government authorities and the public, and
- to gain for designated member recognition qualified, objective, unbiased appraiser and administrators of systems for ad valorem tax purposes.

For the past eight months, *Fair & Equitable* has been running a series of articles on the designation program. We've asked for your stories and learned why many of you choose to seek an IAAO professional designation. This month we share a few of those stories. And if you are a designee and haven't responded, IAAO wants to hear from you. (Please see the accompanying box note on page 28 for submission information.)

Lurty C. Houff, Jr., CAE is the IAAO designee with the lowest number and earliest designation date who replied. Mr. Houff is CAE #223 and received his "Certificate of Appointment" on October 4, 1964. He writes, "You asked about reasons for seeking a designation and I will give you mine. If you read my qualifications, you will notice that I was (only) a high school graduate.* Even in the 1950s and 1960s most of my peers and supervisors were all college graduates. So the only way to compete for higher salaries and positions was to get designated. Yes the designation did pay off for me. I think one of the highest parts of my professional career was when President William (Bill) Diggs, CAE, appointed me to speak at the 21st Professional Seminar in San Francisco, California, as the representative of IAAO. At this time, I was the Director of Real Estate Division for Fairfax County Virginia."

* The IAAO Executive Board has made the decision to require a college degree for the CAE and RES designations for individuals applying after January 1, 2014.



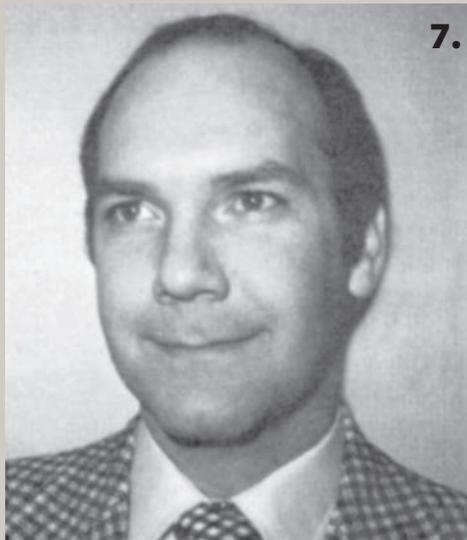
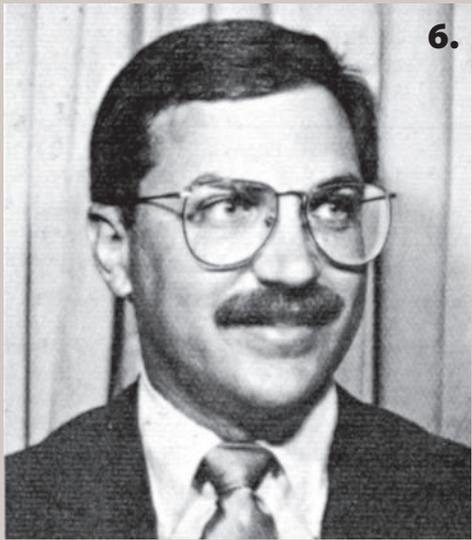
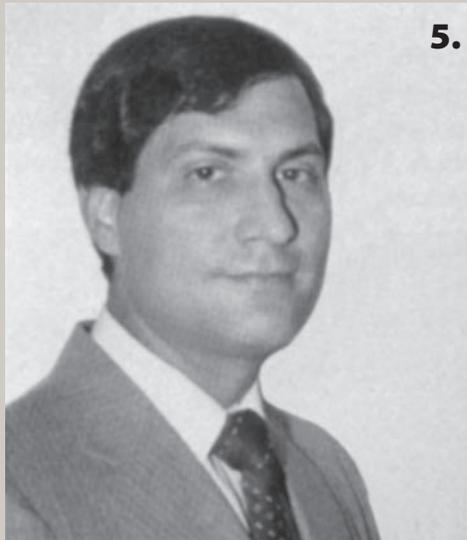
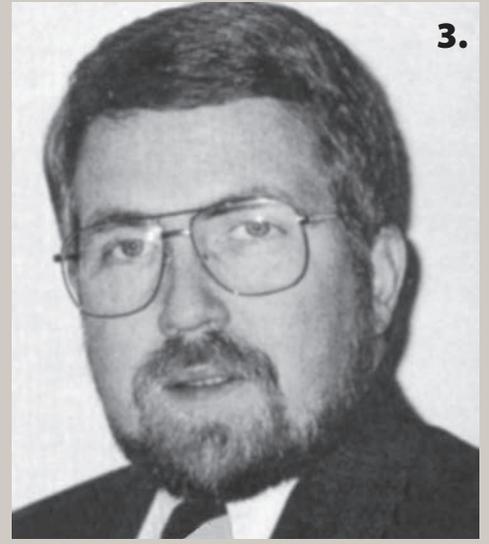
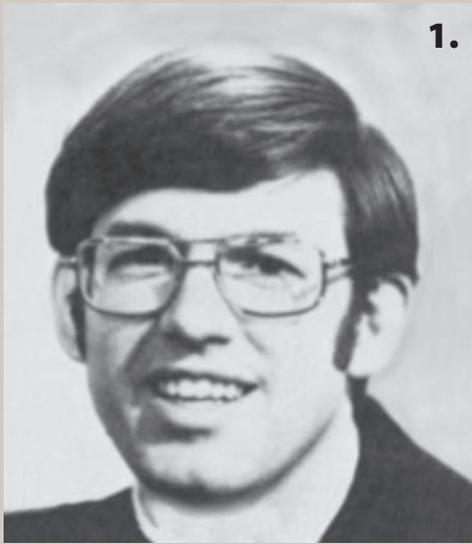
Larry Mackereth, CAE #997, Assistant Director, Fairfax County Department of Tax Administration models his CAE cufflinks.

Fairfax County has continued the practice of recognizing and supporting professional designations. At present, five Fairfax County employees are IAAO designees.

Canadian member Konstantins Chaks is CAE #333. He received his designation on June 20, 1968. Mr. Chaks writes, "I joined IAAO for selfish reasons, to get information about valuation processes of real estate. I had some knowledge of the construction industry and could add up to 100. After (attending my) first conference on assessment administration, I was impressed with the wealth of knowledge it offered on the subject. . . . I am grateful for lifelong information I have received from the association and quite a few advices I have received from individual members."

Summing up what many of our respondents have written, Past President Wayne D. Llewellyn, CAE #902, said, "The reason I got my CAE is that the three letters actually stand for Committed to Achievement and Excellence."

Many designees have served as leaders at IAAO. Can you guess who these IAAO members are from their original designation photos? (Answers are below.)



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*.

Answers: 1. Larry Clark, CAE; 2. Marion Johnson, CAE; 3. William "Pete" Rodda, CAE, RES; 4. Garth Thimman, CAE; 5. James Todora, CAE; 6. Patrick Alesandrini, CAE; 7. Michael Ireland, CAE.

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Bob Gloudemans 602-870-9368
rgloudemans@earthlink.net

Bob Denne 847-788-1694
rcdenne@gsb.uchicago.edu

Almy, Gloudemans, Jacobs & Denne

Property Taxation and Assessment Consultants

IAAO | **INNOVATION & EXCELLENCE** WEBINAR SERIES



Craig Cardella



Michael Hairr

Valuation of Subsidized Housing

Presented by Craig Cardella and Michael Hairr

Noon-2:00 pm CDT • September 19, 2012

Identifying and understanding affordable and subsidized multi-family property is the key to fair and equitable valuation. Join property tax consultants Craig Cardella and Mike Hairr as they share their unique perspective on this diverse and generally misunderstood area of property tax valuation.

Learn practical tools to correctly identify affordable housing communities including USDA/RD, HUD and LIHTC. Recognize the basics of how these properties function. Examine the features that contribute to value. Discover ways to obtain the data needed for accurate valuation using sales, cost, and income approaches.

From this Webinar you will learn:

- Variances between market and affordable housing
- How to identify types of affordable and subsidized properties
- Financial characteristics of subsidized housing
- How subsidized tenants influence property economics
- How deed restrictions and mandates impact subsidized property
- How to overcome challenges to valuing affordable and subsidized properties

REGISTER AT WWW.IAAO.ORG

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Member Anniversaries • September

5 Years

Leanne M. Aldrich, City of East Providence, East Providence, RI
Janet Barnard, Idaho State Tax Commission, Boise, ID
Michael T. Bauer, Xerox Government Solutions, Waite Park, MN
Kevin L. Bishop, Lincoln County Courthouse, Troy, MO
Rick Brown, International Appraisal Company, Marietta, GA
Tammy Brown, Town of North Haven, North Haven, ME
David A. Cottingham, Prince William County, Real Estate Assessments, Woodbridge, VA
Jonathan I. Dakon, Prince William County, Real Estate Assessments, Woodbridge, VA
Laura S. Dearth, Prince William County, Real Estate Assessments, Woodbridge, VA
David G. Doggett, Palm Beach County Property Appraiser's Office, West Palm Beach, FL
Becky A. Eiting, Davenport City Assessor's Office, Davenport, IA
Beverly J. Fields, Randolph County Government, Winchester, IN
John E. Ford, IV, Town of Redding, Bethany, CT
Lisa Goree, Southampton Town, Southampton, NY
Willy Govender, eValuations, Durban, KwaZulu-Natal, South Africa

Kenneth E. Guille, Laramie County Assessor's Office, Cheyenne, WY
Claudia J. Harrison, City of Brookshire, Brookshire, TX
Patricia J. Israel, Ford County, Dodge City, KS
John H. McCarthy, Dept. of Revenue Administration, Property Appraisal Division, Concord, NH
Brian S. Phelps, City of Watertown, Watertown, NY

10 Years

Bernice Brooks, Arlington County, Arlington, VA
Brad M. Comer, Iowa City Assessor's Office, Iowa City, IA
Jess R. Conway, III, AAS, Division of Property Assessments, Newport, TN

Barry P. Cooperstein, City of Taunton, Taunton, MA
Rhonda S. Duncan, AAS, Division of Property Assessments, Newport, TN
Mark Forndenbacher, Arlington County, Arlington, VA
Patricia H. Hall, Tyler Technologies, Charlotte, NC
Nestor M. Hernandez, Arlington County, Arlington, VA
Todd L. Hoover, Osceola County, Kissimmee, FL
Deidra L. Kelly, Arlington County, Arlington, VA
Valdi M. Pace, Blaine County, Hailey, ID
Georgianna K. Rail, Montgomery County, Independence, KS
Joseph A. Reilly, CAE, Seminole County Property Appraiser's Office, Sanford, FL
Sally Sheibenberger, Seminole County Property Appraiser's Office, Sanford, FL
Derrick D. Thomas, Cook County Assessor's Office, Chicago, IL
Kimberly A. Thomas, County of Hillsdale, Hillsdale, MI
Susan Thompson, Joplin, MO
Virginia Noyes Thompson, Town of Manchester by the Sea, Manchester, MA
Alice J Weinberg, Seminole County Property Appraiser's Office, Sanford, FL
Courtney L. Wood, Arlington County, Arlington, VA

15 Years

Melissa L. Baer, CAE, Tyler Technologies - CLT Division, Plainfield, CT
Amy Balogh, City of Ann Arbor, Ann Arbor, MI
Shawna M. Baron, Town of Cromwell, Cromwell, CT
Brad A. Bookheimer, Hamilton County Auditor's Office, Cincinnati, OH
Jimmy R. Garnett, Montgomery County Appraisal Department, Montgomery, AL
David A. Gillies, Maricopa County Assessor's Office, Phoenix, AZ
Tammy Y Harnish, Barnes & Thornburg Attorneys of Law, South Bend, IN

Linda Keys, Lorain County Auditor's Office, Elyria, OH
Christopher Kline, Lawrence County Auditor's, Ironton, OH
James D. Merte, Scio Township, Ann Arbor, MI
John S. Philip, City of Hartford Assessor's Office, Hartford, CT
Michael Suley, Allegheny County Department of Property Assessment, Pittsburgh, PA
John C. Vickery, City of Burlington, Burlington, VT

20 Years

James D Henrich, Custer County Assessor's Office, Westcliffe, CO
Harold H Sheff, Smith, Gendler, Shiel, Sheff, Ford, & Maher, PA, Minneapolis, MN
James R. Siebers, City of Stevens Point, Stevens Point, WI

25 Years

Norman J. Bruns, Garvey, Schubert, & Barer, Seattle, WA
Charles W. Carter, Manatron Inc., Beavercreek, OH
Vickie B Cowell, Humphreys County, Waverly, TN
John W Erhardt, Raleigh, NC
Robert F Hansen, Hubbard County, Park Rapids, MN
Stephanie J. O'Dell, Miami County Appraiser's Office, Paola, KS
Michael P Tesch, CMS, The Sidwell Company, St Charles, IL
Joseph F Wagner, RES, Maryland Department Assessments & Taxation, Baltimore, MD

30 Years

Roger F Arnzen, Cape Girardeau County, Jackson, MO
Dennis J. Baldrige, Iowa City Assessor's Office, Iowa City, IA

40 Years

Thomas D Flanagan, Flanagan Bilton LLC, Chicago, IL
Orlando Pellegrino, Flanagan Bilton LLC, Chicago, IL
Thomas K. Tegarden, CAE, Tegarden & Associates, Inc, Nashville, TN

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

The screenshot shows the IAAO website homepage. At the top, there is a navigation bar with links for 'home', 'site map', 'member login', and 'contact us'. Below this is a search bar and a 'Welcome to IAAO' banner featuring a group photo of members. The main content area is divided into several sections:

- People & Groups:** A sidebar menu with links for Membership, Education, Professional Designations, Meetings, Publications & Advertising, Library & Resources, Awards & Recognition, Scholarships, Documents, Marketplace, Webinars, and About Us. It also includes language options: 中文, 日本語, Deutsch, РУССКИЙ, Español, Français, Nederlands, Polski, عربي, and English.
- Welcome to IAAO:** A central text block stating that IAAO is the internationally recognized leader in property appraisal, assessment administration, and property tax policy. It includes a Facebook 'Like' button and a 'What's New' section with links to the 2012 Election Documents, Register for the KCI/IAAO Golf Tournament, and a Hardship Grant.
- Upcoming Meetings & Events:** A section listing events such as the July 18, 2012 Foreclosure Sales Webinar and the Sept. 9-12, 2012 78th International Conference.
- Online Marketplace:** A section with two featured items: 'Fundamentals of Mass Appraisal' and 'Property Assessment Valuation, Third Edition'.
- QUICK LINKS:** A sidebar menu with links for 78th International Conference, Join Now, Update Your Profile, F&E Digital Edition, USAP Download, Webinars, Knowledge Courses, Renewed Membership, 7 Hour USAP, Update Course, How Available, Online, Events Calendar, I&E Resources, Venues & Consultants, Job Opportunities, Technical Standards, Assessors Drafts, Topics of Interest, Public Information Resources, Media Resources, Membership Application, IAAO Logo Resources, IAAO Term Search, and IAAO Videos.



Nova Scotia, Canada

Darren Marsh

Saskatchewan, Canada

Gail A. Renkas

Iceland

Samuel Smari Hreggvidsson

Thorunn Bjork Sigurbjornsdottir

Latvia

Sarmite Barvika

Arizona

Tracy Y. Johnston

Allen M. Zingg

Arkansas

Jonathan E. Baker

Allen Bryant

Cory Scott

Neil Winder

California

Jennifer E. Budzak

Colorado

Frank R. Bregar

Jeff Hamilton

Connecticut

Timothy Hutvagner

Florida

Terri A. Herrington

David Jean-Baptiste

Nereyda Perez

Berk Vigoa

Georgia

Terry Gilreath

Hawaii

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Idaho

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Kansas

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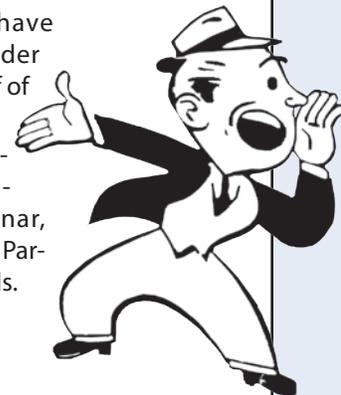
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Call for Webinar Presenters

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
- Burden of Proof
- 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

BY LOCATION

ALABAMA

500—Assessment of Personal Property

Montgomery, November 5–9, 2012

600—Principles & Techniques of Cadastral Mapping

Montgomery, November 5–9, 2012

102—Income Approach to Valuation

Hoover, January 28–February 1, 2013

151—National USPAP

Montgomery, June 12–14, 2013

101—Fundamentals of Real Property Appraisal

Hoover, September 9–13, 2013

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

ARIZONA

400—Assessment Administration

Phoenix, November 26–30, 2012

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

ARKANSAS

300—Fundamentals of Mass Appraisal

Little Rock, December 3–7, 2012

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

CONNECTICUT

300—Fundamentals of Mass Appraisal

Rocky Hill, October 22–26, 2012

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

ILLINOIS

102—Income Approach to Valuation

Normal, October 15–19, 2012

The Illinois Property Assessment Institute sponsors the offering listed above. For more details, contact Erica Larkin 309/862-0300.

INDIANA

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.

IOWA

101—Fundamentals of Real Property Appraisal

Ames, December 10–14, 2012

402—Tax Policy

Ames, December 10–14, 2012

The Institute of Iowa Certified Assessors sponsor the offerings listed above. For more details, contact John Freese 319/824-6216.

KANSAS

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.

LOUISIANA

101—Fundamentals of Real Property Appraisal

New Orleans, September 17–21, 2012

102—Income Approach to Valuation

New Orleans, September 24–28, 2012

The Orleans Parish Assessor's Office sponsor the offerings listed above. For more details, contact Reba Johnson 504/658-1399.

MASSACHUSETTS

112—Income Approach to Valuation II

Burlington, October 15–19, 2012

The Massachusetts Chapter of IAAO sponsor the offerings listed above. For more details, contact Karen Rassias 978/363-1100 X116.

MINNESOTA

400—Assessment Administration

Plymouth, October 15–19, 2012

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

MISSISSIPPI

552—Personal Property Auditing-Basic

Meridian, October 1–3, 2012

MS State University Extension Service, Center for Governmental Training sponsors the offerings listed above. For more details, contact Janet Baird 662/325-3141 or janet@ext.msstate.edu.

MISSOURI

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.

553—Advanced Personal Property

St. Charles, October 22–24, 2012

The St. Louis Chapter of IAAO sponsor the offerings listed above. For more details, contact John Gilbert 314/622-5524.

NEBRASKA

101—Fundamentals of Real Property Appraisal

North Platte, September 24–28, 2012

400—Assessment Administration

Lincoln, October 1–5, 2012

162—Marshall & Swift-Residential

North Platte, November 5–6, 2012

932—Restructuring Income and Expense Statements

Columbus, November 15, 2012

The Nebraska Department of Revenue, Property Assessment Division sponsor the offerings listed above. For more details contact Jody Warfield 402/471-5982.

OHIO

112—Income Approach to Valuation II

Coshocton, October 29–November 2, 2012

191—National USPAP 7-Hour Update

Alliance, November 5, 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

400—Assessment Administration

Knoxville, October 8–12, 2012

101—Fundamentals of Real Property Appraisal

Brentwood, December 3–7, 2012

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

TEXAS

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

101—Fundamentals of Real Property Appraisal

Houston, October 8–12, 2012

300—Fundamentals of Mass Appraisal

Houston, October 8–12, 2012

102—Income Approach to Valuation

Houston, December 3–7, 2012

162—Marshall & Swift - Residential

Dallas, December 10–11, 2012

163—Marshall & Swift - Commercial

Dallas, December 12–13, 2012

311—Residential Modeling Concepts

Houston, March 4–8, 2013

400—Assessment Administration

Houston, March 11–15, 2013

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

VERMONT

300—Fundamentals of Mass Appraisal

White River Junction, October 1–5, 2012

The State of VT Tax Department, Property Valuation and Review sponsor the offerings listed above. For more details, contact Felicia Martineau 802/828-6635.

VIRGINIA

171—IAAO Standards of Professional Standards & Ethics

Virginia Beach, October 10, 2012

The Virginia Association of Assessing Officers sponsor the offering listed above. For more details, contact Kim Smith 757/385-8851.

WISCONSIN

400—Assessment Administration

Wauwatosa, October 22–26, 2012

The Wisconsin Association of Assessing Officers sponsors the offerings listed above. For more details, contact Paul Koller 262/797-2461.

BY COURSE

Course 101—Fundamentals of Real Property Appraisal

September 17–21, 2012, Louisiana (New Orleans)

September 24–28, 2012, Indiana (Huntington)

September 24–28, 2012, Nebraska (North Platte)

October 8–12, 2012, Texas (Houston)

December 3–7, 2012, Tennessee (Brentwood)

December 10–14, 2012, Iowa (Ames)

September 9–13, 2013, Alabama (Hoover)

Course 102—Income Approach to Valuation

September 24–28, 2012, Louisiana (New Orleans)

October 15–19, 2012, Illinois (Normal)

December 3–7, 2012, Texas (Houston)

December 10–14, 2012, Indiana (Greensburg)

January 28–February 1, 2013, Alabama (Hoover)

Course 112—Income Approach to Valuation II

October 15–19, 2012, Massachusetts (Burlington)

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

Workshop 151—National USPAP

September 25–26, 2012, Texas (Houston)

October 2–3, 2012, Kansas (Wichita)

October 9–11, 2012, Indiana (Valparaiso)

June 12–14, 2013, Alabama (Montgomery)

Workshop 162—Marshall & Swift Residential

November 5–6, 2012, Nebraska (North Platte)

December 10–11, 2012, Texas (Dallas)

Workshop 163—Marshall & Swift - Commercial

December 12–13, 2012, Texas (Dallas)

Workshop 171—IAAO Standards of Professional Practice & Ethics

October 10, 2012, Virginia (Virginia Beach)

Workshop 191—USPAP-7 Hour Update

September 24, 2012, Texas (Houston)

November 5, 2012, Ohio (Alliance)

Course 300—Fundamentals of Mass Appraisal

September 17–21, 2012, Indiana (Greensburg)

September 24–28, 2012, Kansas (Topeka)

October 1–5, 2012, Vermont (White River Junction)

October 8–12, 2012, Texas (Houston)

October 22–26, 2012, Connecticut (Rocky Hill)

October 29–November 2, 2012, Indiana (Bloomington)

December 3–7, 2012, Arkansas (Little Rock)

Course 311—Residential Modeling Concepts

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

March 4–8, 2013, Texas (Houston)

Course 400—Assessment Administration

October 1–5, 2012, Nebraska (Lincoln)

October 8–12, 2012, Tennessee (Knoxville)

October 15–19, 2012, Indiana (Evansville)

October 15–19, 2012, Minnesota (Plymouth)

October 22–26, 2012, Wisconsin (Wauwatosa)

November 26–30, 2012, Arizona (Phoenix)

March 11–15, 2013, Texas (Houston)

Course 402—Tax Policy

December 10–14, 2012, Iowa (Ames)

Workshop 452—Fundamentals of Assessment Ratio Studies

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

Course 500—Assessment of Personal Property

September 17–21, 2012, Texas (Houston)

November 5–9, 2012, Alabama (Montgomery)

Workshop 552—Personal Property Auditing-Basic

October 1–3, 2012, Mississippi (Meridian)

Workshop 553—Personal Property Auditing-Advanced

October 22–24, 2012, Missouri (St. Charles)

Course 600—Principles & Techniques of Cadastral Mapping

November 5–9, 2012, Alabama (Montgomery)

One-Day Forum 932—Restructuring Income and Expense Statements

November 15, 2012, Nebraska (Columbus)

IAAO BYLAW FOR EXPOSURE

14.2 USE OF IAAO LOGO

The IAAO logo may only be used to identify a member in good standing of the International Association of Assessing Officers. ~~Whenever used, it~~ **The logo** shall be used in connection with the federal registration symbol (An "R" within a circle) (®). ~~It may be reprinted in any color or combination of any colors~~ **The IAAO logo may only be reproduced in the colors and formats provided by the Association**, on any background, and ~~of at~~ any size ~~so as~~ long as the federal registration symbol is legible **recognizable**.

MOTION: To approve exposing to the membership the proposed amendment to Bylaw 14.2 USE OF IAAO LOGO as presented by the Communications Committee.

Made by Dave McMullen, seconded by Kim Lauffer, RES

Motion carried, unanimous.

Send comments by October 1, 2012, to Executive Director Lisa Daniels, Daniels@iaao.org.

(Posted to Web site August 12, 2012)



CONSULTING ENGAGEMENT OPPORTUNITIES

Cost Containment Advisors

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 <mailto: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.

INDUSTRIAL PROPERTY APPRAISER

Hillsboro, Oregon

Take your career to the next level with Washington County's Department of Assessment & Taxation.

You will perform valuations and appraisals of complex business Real and Personal Property. Industrial property characteristics assigned to this position typically include distribution, assembly, processing, or manufacturing products from raw materials or fabricated parts and includes factories that render service.

Successful candidates will possess:

A Bachelors Degree in Business Administration, Public Administration, or Science and one (1) year of industrial appraisal experience; OR

- An Associates Degree in Real Estate and two (2) years of industrial appraisal experience; OR

- Designation or Completion Certificates with curricula directly related to the finance, insurance, and real estate industry and three (3) years of industrial appraisal experience

Candidates must possess the ability to obtain a Registered Appraiser certificate from the State of Oregon Department of Revenue at the time of hire.

Pay range is \$25.36 - \$30.83/hour. We offer opportunities for professional growth and a comprehensive benefits package. For more information on this position and to apply on-line, please visit our Human Resources page at www.co.washington.or.us, or

Washington County Human Resources
155 N. First Ave., Ste. 270
Hillsboro, OR 97124

Equal opportunity employer with commitment to a diverse workforce.

Women, minorities, veterans and people with disabilities are encouraged to apply

DEPUTY FOR APPRAISALS

Pinellas County, FL

Pinellas County Property Appraiser

\$90,000 - \$125,000 + Excellent Benefits

The Pinellas County Property Appraiser is seeking a Deputy for Appraisals. This high-level managerial position is responsible for complex and technical appraisal matters in preparation of the Pinellas County tax roll. The position requires an experienced manager to oversee all commercial, residential and tangible personal property appraisal functions across 4 offices and 70+ employees.

The Property Appraiser is seeking a candidate with the following desirable qualifications:

- At least 8 years management experience in ad valorem tax appraisal
- Possession of a Certified Florida Evaluator (CFE) designation
- Possession of the MAI or CAE designation, or other professional appraisal designation
- Florida State-Certified General Real Estate Appraiser license
- Extensive experience with commercial, residential and tangible personal property value defense and litigation, mass appraisal modeling, multiple regression analysis and/or feedback, and oversight of appraisal applications using oblique imagery.
- Or an equivalent combination of experience, education, designations and training.

This recruitment will remain open until it has been filled.

To apply visit: <https://employment.pinellascounty.org/EOE/AA/ADA/DFW/VP>

REQUEST FOR BID—EVALUATION OF KANSAS OIL & GAS GUIDE

Kansas

The Kansas County Appraiser's Association is soliciting bids from qualified individuals or companies for a contract to evaluate the *Kansas 2012 Oil & Gas Guide* utilized for the purpose of valuing oil and gas leases, along with all other equipment and material, used in operating oil or gas wells in the State of Kansas for ad valorem tax purposes.

All bids must be sealed and received on or before September 1, 2012. The Request for Bid document is available online at: www.kscAA.net/report or contact the KCAA.

KCAA

PO Box 988

Meade, KS 67864

620.873.7449 • kcaa@sbcglobal.net • www.kscAA.net

REVALUATION PROJECT MANAGER

Brevard, NC

Revaluation Project Manager – Transylvania County - NC
\$39,136 - \$58,714

Performs administrative, supervisory and complex technical work managing appraisal of real property for yearly assessment and countywide reappraisal. Involves developing and implementing revaluation schedule of values; supervision of appraisal personnel; and ensuring that appraisals/revaluation are completed timely.

Require significant initiative; independent judgment; high degree of accuracy, uniformity, and proper application of procedures, principals and policies consistent in real estate and General Statutes.

Requires: Knowledge of Assessment Administration, Machinery Act, General Statutes, rules, regulation and principals associated with appraisal of real property;

BS in Business Administration, Economics, Real Estate or related field; 3/years appraisal experience and one successful revaluation project; Certified as Real Property Appraiser by NCDR; valid Driver's License; and supervisory experience or equivalent combination. Open until filled. Inquire at jobs@transylvaniacounty.org.

Please call with quote to and Bill to:
Transylvania County
c/o Sheila Cozart, Human Resources
21 E. Main Street
Brevard, NC 28712
(828) 884-3227 • (828) 884-3119 (fax)

REAL PROPERTY COORDINATOR

Lubbock Central Appraisal District, Texas

Under the administrative direction of the Assistant Chief Appraiser, is responsible for defining, planning, developing and implementing all Real Property intermediate and long range appraisal plans. The Coordinator is responsible for the District's timely compliance with the Texas Constitution, statutes, Comptroller's rules, and District policy pertaining to real property appraisal. In addition, the Coordinator is responsible for management of all daily operations of real property appraisal in order to resolve all matters at the lowest appropriate level. The Coordinator is also required to work closely with other District staff, managers, and coordinators to provide effective communication and cooperation.

COMPENSATION - Salary is commensurate with qualifications.

For a complete job posting please visit www.lubbockcad.org
APPLICATION: Please submit application, resume and letter of application to:

Lubbock Central Appraisal District
Real Property Coordinator
Attn: Margie Smith
P.O. Box 10542
2109 Avenue Q
Lubbock, Texas 79408
msmith@lubbockcad.org

BUSINESS PERSONAL PROPERTY COORDINATOR

Lubbock Central Appraisal District, Texas

Under the administrative direction of the Assistant Chief Appraiser, is responsible for the defining, planning, developing and implementing of all Business Personal Property intermediate and long range appraisal plans by the district. The Coordinator is responsible for compliance with the Texas Constitution, statutes, Comptroller's rules, and Lubbock Central Appraisal District policies. In addition, the Coordinator is responsible for management of daily operations of Business Personal Property appraisal to resolve all matters at the lowest appropriate level. The Coordinator is required to work closely with district staff, managers, and coordinators to provide effective communication and cooperation.

COMPENSATION - Salary is commensurate with qualifications.

For a complete job posting please visit www.lubbockcad.org
APPLICATION: Please submit application, resume and letter of application to:

Lubbock Central Appraisal District
Business Personal Property Coordinator
Attn: Margie Smith
P.O. Box 10542
2109 Avenue Q
Lubbock, Texas 79408
msmith@lubbockcad.org

CALL FOR ARTICLES

- Economic downturn
- International development
- Effects of foreclosures on market value
- Commercial/specialized assessment workflows
- Parcel data standards
- Computer appraisal systems
- Burden of proof
- Valuation of utilities
- Legislative reporting
- Local news & spotlights
- Valuation of green buildings
- Highest & best use
- Valuation of Ag properties
- Special assessments
- Tax policy
- Public relations
- Tax collection
- Applying new technology
- Legal perspectives
- Public relations
- Valuation methodology
- Data collection

For more information contact Chris Bennett, bennett@iaao.org

New IAAO Staff—Sustaining the Vision

Kate Smith

IAAO is in many ways fortunate to have very low staff turnover. The downside is we don't often get to announce new names and faces. The good news is that IAAO staff additions this year will help to provide more and better services to members.

Carolyn Ford

Carolyn joined IAAO as a part-time Research Librarian in June 2012 after working as a temporary employee for several months. She earned a Master of Library Science degree from Emporia State University. Carolyn helped to create a Web site called Lendle.me, which allows users to share and borrow Kindle e-books. She is now with IAAO full time as Administrative Assistance, Professional Development/Research Librarian.



Lisa Williams

Lisa is the Administrative Assistant for the Membership and Administration Departments. She started working at IAAO in January 2012. She has more than 15 years of experience in administrative roles for non-profit organizations. Lisa enjoys traveling, going to movies, and spending time with family and friends, which includes her three children and three grandchildren. She also does work in the community and for her church.



Matt York

Matt is excited to be back at IAAO as the Exam and Records Processor as of February 2012. He worked in this position several years ago, decided to try something else for awhile, and jumped at the chance to return when his old job opened up. Matt got married in his time away, and he and his wife have two dogs and love to travel. Matt plays slow-pitch softball and disc golf and is a fan of Mizzou athletic teams. He's also a Kansas City Royals season ticket holder, and says he'll save room for everyone



on the Royals bandwagon when they start dominating the American League.

Virginia "Ginny" Whipple, AAS, is New Technical Assistance Program Contractor

Ginny signed with IAAO as a part-time contractor for the Technical Assistance Program. She began as Project Coordinator in June 2012. She has worked



in various aspects of the mass appraisal field since 1984 and has been a very active member of IAAO since 1994. Ginny is excited to take on the unique challenges that are addressed through current Technical Assistance projects, and she'll be responsible for getting new projects under way. She says her God-given talent is sewing, and she's an avid vegetable gardener. She also enjoys campfire cooking and camping.

IAAO Financial Assistance Programs

IAAO Scholarship Funding

- IAAO Scholarship Fund
- Jeff Hunt, CAE, Memorial Candidates Trust
- Timothy N. Hagemann Memorial Membership Trust
- Friends of the Paul V. Corusy Library Trust

For more information contact Angela Blazevic, AAS, Director of Administration, Blazevic@iaao.org, 816/701-8123 or go to www.iaao.org 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 Hardship Grants

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. Application 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.

Extreme Makeover Library Edition

IAAO is proud to unveil the latest version of LibraryLink, a high-performance online catalog and periodical database. LibraryLink empowers assessors to conduct effective research and enhances the search process with the following features:

- The redesigned landing page includes new menus and tool bar graphics, rather than text buttons (figure 1).
- The dropdown search box is on the landing page (figure 2).
- Results can be sorted by relevance, title, date, classification, or author.
- Personalized reviews of selected materials in the catalog can be

added for other users to read (figure 3).

- Details of an item can be viewed without clicking on its title.

LibraryLink continues to offer the following features:

- The landing page "Home" screen is a gateway to online assessment resources, *Fair & Equitable*, IAAO journal articles, and recently added library materials.
- Advanced search options to refine or expand searches
- Ability to seamlessly connect to full-text articles if available and to request by e-mail any that are not downloadable



- Ability to save searches and search results when logged in
- Ability to set up an alert service for new materials on any topic or author
- Relational linking between journal issues, subjects, authors, conference proceedings, and so on.
- Public access to the catalog for nonmembers. Nonmembers cannot access full-text articles or documents but may request them for a fee.

Figure 1. LibraryLink landing page "Home" screen

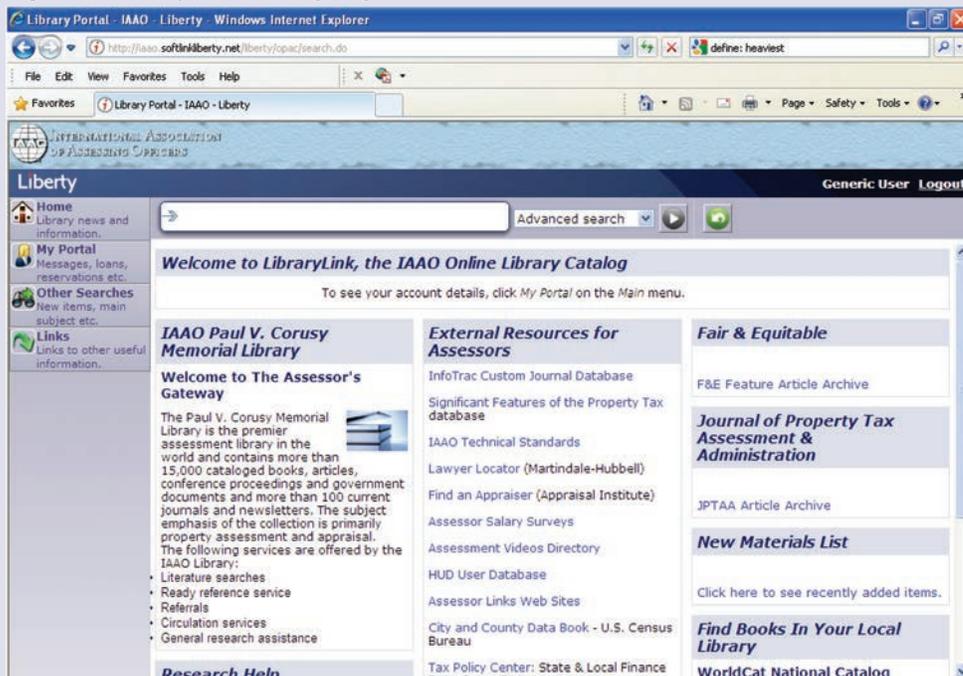


Figure 2. Dropdown search box

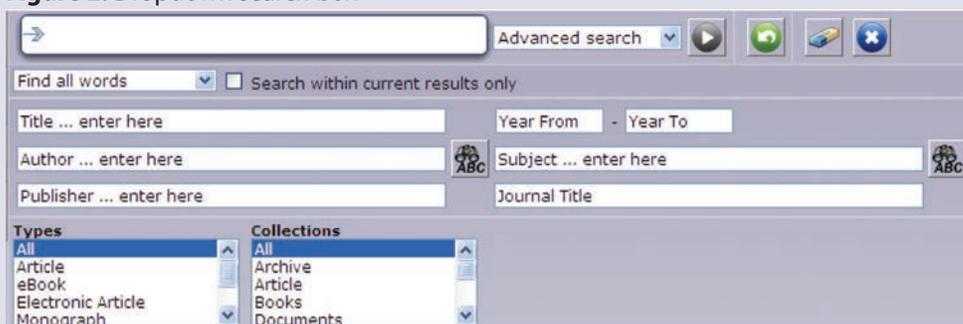


Figure 3. Feature to add personal reviews of articles



The Paul V. Corusy Memorial Library houses a prestigious collection of assessment and appraisal materials. LibraryLink is the bridge to knowledge for assessment professionals, appraisers, attorneys, legislators, and policy makers. Access to the catalog is located on the Library & Resources Web page <http://www.iaao.org/library>.

Virtually Yours,

Mary Odom

Director of Library Services



INTERNATIONAL ASSOCIATION
OF ASSESSING OFFICERS
314 W 10th St
Kansas City, Missouri 64105-1616

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On September 9, iasWorld® 7 takes tax assessment where it's never gone before.

You've never seen iasWorld like this before. Easy-to-use software that goes where you go. Visit booth 301 during the IAAO conference, register for our iPad® giveaway, and see iasWorld 7 firsthand. Find out for yourself how portable and user-friendly tax assessment can be. The neighborhood will never be the same.

