How to launch a successful performance management system

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“After developing and implementing CAMA systems for over 40 years, I know there’s a need for reliable, cost-effective options. I now focus solely on improved cost models and tables for use by the entire CAMA industry”

J. Wayne Moore, PHD

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A Maine court rules that taxes paid on wrong power lines is refundable

Assessing
The case for international property measuring standards

Maximizing people assets to achieve success

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Those days of distasteful behavior in the office are, we hope, a thing of the past, as we live in a time when respect for our coworkers is as important as respect for the work we are doing. The office is often our second home, filled with colleagues and friends who help make the day go by faster.

The work we do is enhanced by the relationships we form at the office, whether collaboratively working on projects or enjoying a Friday night social hour; the office provides us with both groups of people, sometimes they are the same.

Focus on the office

This issue of *F+E* focuses on the office, the appraiser’s or assessor’s office that is, highlighted through efficiencies in David Ginsborg’s outlook on the Santa Clara County Assessor’s Office (page 8) and Allen Zingg’s take on the workplace climate (page 20).

Allen recently worked with the IAAO Executive Board on office relationships and expectations for the staff at IAAO Headquarters. An IAAO member, he recently retired as Human Resources Manager at the Maricopa County Assessor’s Office, home of President-Elect Tim Boncoskey.

This issue also features a summary of the busy 2017 from Immediate Past-President Randy Ripperger, CAE (see page 24), who highlights many of the year’s successes and the beginnings of some major new initiatives IAAO is undertaking.

Just like any other office, IAAO is always looking for efficiencies, whether on the financial side ensuring that we are good
The work we do is enhanced by the relationships we form at the office, whether collaboratively working on projects or enjoying a Friday night social hour ...

stewards of our resources and spending money on projects that enhance the member experience, or looking for new ways to reach members.

We are already nearing the middle of 2018 and are planning our budget and programs for 2019. Over the next few months, we will talk more about plans and changes for next year.

Coming events

I hope you will be talking about the 2018 IAAO Conference in Minnesota the next time you are standing by the water cooler. We certainly are! A great deal of planning is underway.

The Conference Committee, chaired by Debby Ring, met in Kansas City in February to select the 2018 conference presentations. Nearly 120 submissions for presentations were received—it is going to be an exceptional education lineup.

And speaking of IAAO volunteers, a dedicated group gathered at spring Leadership Days in Kansas City in February and got to work on goals for the year. There are the AVM Global Credentialing Task Force and the new Data Quality Standard Task Force, which is working on a whole new standard addressing this hot topic. There is a lot happening at so many levels.

When you are reading this, we will be celebrating the success of another GIS/CAMA Conference and the International Research Symposium, two of the standout events that IAAO produces each year.

We will have attended the World Bank Land and Poverty Conference in Washington, D.C., with Paul Bidanset presenting on Geospatial Modeling & International Valuation Standards, Simplified Property Tax Appraisal, IAAO Innovation on Tax Systems, and Innovative Technologies.

I will have returned to my office and to a busy season of valuation and review. None of us could do it without our co-workers, our “work friends” who make the office special.

Enjoy your second home and know that IAAO is also working with you every day to make it an even better place to be — from 9 to 5 or beyond.
NEW JERSEY

State senate supports property tax as charitable write-off

New Jersey took the first step toward allowing residents with the nation’s highest property taxes to get around a new federal limit on state and local tax deductions.

The state Senate voted to allow municipalities to set up charitable funds to which homeowners would pay their annual tax bill. Those payments would qualify for a federal tax write-off, a boon for high-cost states whose residents are most burdened by the $10,000 cap on state and local property tax deductions signed into law by President Donald Trump in December.

California, Nebraska, Virginia, and Washington state also are considering such legislation, according to the National Conference of State Legislatures, a Washington, D.C.,-based lobbying group.

Average New Jersey property taxes hit a record $8,690 in 2017, according to the state community affairs department. Gov. Phil Murphy, a Democrat whose party controls both legislative houses, said he supports the measure. The bill also must be approved by the Assembly before it heads to his desk.

Even if the bill becomes law, the U.S. Internal Revenue Service has no provision for such a maneuver, and Treasury Secretary Steven Mnuchin has called the effort “ridiculous.”

—Elise Young, BloombergPolitics

TENNESSEE

Distilleries fighting possible whiskey barrel tax

Whiskey distilleries across Tennessee are upset about possibly facing a new tax.

A property assessor in Moore County, home to Jack Daniel’s, says whiskey barrels are now taxable.

This could end up applying to distilleries across the state, costing them hundreds of thousands of dollars.

“We strongly feel like this tax is anti-tourism, anti-business, anti-jobs tax,” said Tennessee Distilleries Guild President Kris Tatum.

While the whiskey flows at Old Forge Distillery in Pigeon Forge, it’s what’s holding it that’s pushed a new bill forward in the general assembly.

“I think we’d lose significant numbers of our members in the state in our industry,” said Tatum. “This is a new tax.”

It’s a new tax on whiskey barrels brought on by a Moore County property assessor who decided the biggest name in Tennessee whiskey had to pay up.

“It’s being framed like it’s a Jack Daniel’s problem, and it’s not, it’s an industry problem,” said Tatum.

Jack Daniel’s has barrels upon barrels, costing them millions.

But Tatum, who’s a partner at Old Forge, says the effects would be drastic for both big and small distilleries.

“We’ve got distilleries this could impact, you know, $150,000 to the bottom line this year alone,” said Tatum.

A new bill is going through the House and Senate, exempting the barrels from property taxes.

It’s somewhat of a gray area in property assessment.

“It’s gray enough to where I’m glad it ain’t mine,” said John Whitehead, Knox County Property Assessor.

Are the barrels considered taxable personal property or nontaxable inventory?

Whitehead says inventory is what a business sells, so in this case, the liquor, and personal property, which is something used in the business, like a computer or car.

—WBIR TV
**UNITED STATES**

**Lincoln Institute updates property tax resource**

The Lincoln Institute of Land Policy released a comprehensive update of State-by-State Property Tax at a Glance (https://www.lincolninst.edu/), a thorough online resource for U.S. property tax information for policy makers, researchers, journalists, the real estate industry, and homeowners.

Through a visualization tool, set of narratives, and analysis of the latest policy developments, the State-by-State Property Tax at a Glance explains how the property tax works in each state plus the District of Columbia.

The site incorporates information from the 1700s up to the latest laws and regulations, details on the structure and legal underpinnings of each property tax system, and context to convey how the property tax fits within systems of state and local government finance.

The update of the site describes the most important new laws and legal cases affecting the property tax. For example, it describes the emerging “dark store” approach to assessing big-box store properties, which is in play in at least six states.

The updated website provides such details in each of the 52 new narratives, written by experts in each state. These narratives tell the unique story of the property tax in each state and the District of Columbia, and also include a national overview.

The site features a glossary that defines property tax terms, providing common meanings as well as state-specific definitions. The resources section links to state documents and independent research.

The charts draw heavily from the Significant Features of the Property Tax database, including the State-by-State Property Tax in Detail tables, which catalog technical property tax data for each state. Significant Features of the Property Tax were developed in partnership with the George Washington Institute of Public Policy.

**FLORIDA**

**Condo law case highlights property tax oddity**

Condo associations may not represent unit owners in property tax appeals brought by the county appraiser, even if it means flooding the courts with hundreds of nearly identical lawsuits, a Florida appellate court ruled.

The Third District Court of Appeal ruled against two Miami Beach condo associations, finding each individual unit owner must defend a case filed by the county property appraiser challenging an administrative board’s decision to reduce the assessed value of the units.

The case was the first one in Florida examining the intersection of condominium law, which allows associations to represent unit owners in lawsuits involving “matters of common interest,” and the law governing property appraisers’ appeals.

Residents of the 140-unit Central Carillon Beach Condominium and 2201 Collins Avenue Condominium, which has 180 units, cannot join one action as a class because the law requires a taxpayer to defend an appraiser’s assessment appeal, the court ruled.

The judges recognized the decision might seem nonsensical, particularly because the initial administrative filing was properly made by the two condo associations before the Miami-Dade County Value Adjustment Board.

“Allowing an association to represent the interests of its hundred-plus unit owners in the appraiser’s appeal from the VAB reductions seems eminently logical,” Third DCA Judge Vance Salter wrote, with Judges Kevin Emas and Ivan Fernandez concurring. “If a joint petition can be pursued before the VAB, why shouldn’t a joint defense be allowed in the appraiser’s appeal from the VAB’s determinations?”

But the law is the law, the court ruled: A taxpayer must defend a property tax appeal brought by the appraiser.

— Celia Ampel, Daily Business Review
A power company that paid property taxes on a high-voltage transmission line it did not own will be getting its money back, thanks to a favorable determination by the Maine Supreme Court.

The court found that the company’s mistake and resulting overpayment were due to an “illegality, error, or irregularity in assessment.” Had the court decided the company’s overpayment was the result of an “error in the valuation of property,” as the affected towns had argued, the towns would have kept the money.

The decision means the company will receive a total of $191,128 from two Maine municipalities. The overpayments represented extra revenue for the towns. The power line’s true owner was also paying property taxes on the same line.

Each year, power companies prepare a list of the length and value of their transmission lines running through each municipality. The towns then use the stated values to assess property taxes.

For the 2012 list, the power company’s accountant decided to calculate the values directly from a company map. What wasn’t apparent from the map was that in two towns, one line was owned by the company and the other line was only serviced by the company under a maintenance agreement with its owner. Because she had added the lengths and the values of the two lines together, she did not realize her error, even when the local assessor’s offices questioned the unusual increase.

The accountant discovered her mistake before the next year’s report. The 2013 list included only the company’s property.

In 2015, the company filed for an abatement of the taxes paid in error. Neither town approved the request. The towns contended that the overpayments were the result of an error in valuation and that the deadline for those claims had passed. Valuation appeals must be filed within 185 days. On the other hand, abatement requests based on illegality, error, or irregularity in assessment can be filed for up to three years. The company met that deadline.

The court said that when an error affects the taxability of the property itself or shows impropriety in the manner of assessment, it indicates an issue with the assessment, not the valuation. In this case, two companies were assessed property tax on the same power line. This represents double taxation, which is illegal, the court said. Because the company filed its request within the required timeframe for an assessment issue, it is entitled to reimbursement of the taxes it mistakenly paid.

Construction not a charitable use, Idaho court finds

A combined community learning center and agricultural museum, which was under construction on the tax assessment date, does not qualify for exemption, the Idaho Supreme Court has ruled.

The decision reverses the Idaho Board of Tax Appeals, which determined that construction was not a “use” and that the organization’s tours and community engagement activities during construction fulfilled the exemption’s charitable use requirement.

The center, in downtown Boise, was envisioned by its organizers as a place to spark creativity and encourage visitors to try new things. The building concept featured five studio spaces dedicated to audio and film production, a commercial-grade kitchen, and a workshop complete with tools and 3-D printer.

The spaces were designed for holding classes and encouraging collaboration on independent projects.

Two large spaces also were planned for hosting community events. In addition, the center was intended to house a portion of its patron’s 100-plus antique tractor collection.

On the assessment date, the building was 70 percent complete.

The organization estimated that during the assessment year, it had provided tours for 500 people. In addition, to spark community interest, the organization held meetings at the site attended by 50 people and conducted community presentations for another thousand.

Some 75 contractors, students, and city employees visited the site to test the center’s prototype exhibits. Although many of these events were open to the public, half were not.

During this time, the building’s general contractor also provided educational opportunities. Through a partnership with a local university’s construction management program, students were invited to tour the site to study construction techniques.

The supreme court held that these activities were not sufficient to qualify for an exemption. The statute requires that a property must be used exclusively for the charitable purpose for which the charitable organization was founded. It also must offer a service that provides a public benefit.

The organization’s stated purpose is to spur creativity and learning through the educational opportunities it offers, the court said. During the tax year at issue, however, the property’s principal use was as an active construction site. Conducting tours and hosting meetings at a construction site is not fulfilling the organization’s stated purpose, the court reasoned. These events also do not provide a benefit to the general public, the court said.

Once construction is completed and the planned programs are underway, the organization will be fulfilling a charitable purpose that can serve as the basis for a charitable tax exemption, the court said.

The primary product of the assessor’s office may be an accurate and timely assessment roll. But as Larry Stone, Santa Clara (California) County Assessor, sees it, the first mission is serving the customer — whether that’s a taxpayer, the local governments, schools, or the organization itself.

Just as customers expect quality and great service when they shop at a high-end retailer, taxpayers expect exceptional customer service above and beyond the more traditional delivery of fair, transparent, and timely assessments from the assessor’s office.

The job of the assessor’s office does not stop there. Property owners expect the office to be a keen steward of taxpayer dollars. Assessor’s staff want fair compensation and a modern, professional work environment.

Performance management system

To address these varied, and sometimes divergent, interests, a comprehensive performance-based management program was instituted that sets goals and standards for measuring how well the office is performing.

Then, based on the belief that what gets measured gets done, these outcomes are linked directly to actual costs, both direct and indirect.

Critical work activities are closely documented to show policymakers and the public how specific outcomes contribute to property tax revenue. Government budgets rarely define a specific level of service or an expected outcome. In the Santa Clara County Assessor’s Office, the budget is a genuine policy document.

The program includes an independent customer satisfaction survey component that measures whether taxpayers are getting the service they expect from the assessor’s office.

Budget requests to the county Board of Supervisors can be substantiated by empirical statistics on performance, including both costs and revenues associated with various assessment activities.
Management has the data to rapidly deploy resources in a timely manner to obtain the best results. The same data is used to make informed decisions when acquiring new technology.

The program also encourages line managers and staff to leverage their professional experience to collaborate on the development of the precise performance standards to which they will be held accountable. In Santa Clara County, the performance-based budget drives the organizational culture.

**Background**

The Santa Clara County Assessor’s Office is the fourth-largest assessment office in California, and its assessment roll contains more than 422,000 residential parcels and approximately 55,000 commercial and industrial properties.

San Jose is the nation’s 10th-largest city with corporate headquarters of some the most iconic names in the technology industry, including Apple, Google, HP, Intel, Netflix, and Adobe, as well as icons like Stanford University and the San Francisco 49ers new stadium complex.

When Stone was first elected assessor in 1994, he inherited a department comprising exceptional technical experts dedicated to their profession. Much of the work they did, however, relied on manual processes, which was a growing anomaly considering the office’s location in the heart of Silicon Valley.

A key component of the effort to modernize the office was designing and implementing a performance-based management system for measuring the time and costs needed to complete each required task.

Before his election as assessor, Stone saw the benefits of such programs first-hand during his 25-year career. As mayor and city council member in Sunnyvale, California, he led the effort to carry out a comprehensive performance-based management program for the city.

In 1993, President Bill Clinton declared Sunnyvale the “best managed local government in America.” The President said that Sunnyvale served as a model for the National Performance Review, the federal government’s initiative to re-invent the federal bureaucracy.

Both President Clinton and Vice President Al Gore picked Sunnyvale to launch the federal performance initiative.

**Transforming the approach to operations**

A performance-based management program changes the way an organization approaches its operations in three important ways.

First, it shifts the budget focus from line items to service levels defined in terms of quality, quantity, and cost.

Desired outcomes are established and then priced at cost. When there are not enough resources to pay for a desired level of service, a new service level must be created based on available resources.

Second, it provides a clear statement for management, line managers, and employees, as well as elected officials, of the service goals to be achieved, and what performance measures will be applied to determine success.

Third, it can be used to identify opportunities to increase productivity. It encourages managers and employees to try new solutions, even if they require the purchase of technology, as long as cost savings or other efficiencies can be demonstrated.

All these outcomes are possible through the collection and analysis of high-quality data linked to a cost accounting component. All the functions performed by the assessor’s office are identified and divided among 30 categories.

These work categories are then further divided into more than 200 tasks. Similar to the way law firms track time and activity, assessor’s office employees electronically complete time sheets recording the tasks they worked on each day.

In addition to work-related tasks, entries include holidays, sick leave, training, and similar non-core activities. A typical time sheet for a commercial appraiser is shown in figure 1.

Many programs are available that can be used to record employee time and activities. The assessor’s office retained Journyx, a Web-based time-reporting solution.

One hurdle to successful time-reporting is that employees can be reluctant to embrace a system that requires them to self-report their activities.

Staff need to be reassured that management’s purpose is not to hammer them.

It should be stressed at every opportunity that a performance management system can be used to recognize superior performance, not just sanction inferior performance.

**Linking activity cost data**

The activity cost data is then linked to the county’s payroll system. This enables staff salary and benefit costs to be allocated to each category and task, including technology and overhead costs.

This data is used to create standardized profiles for each work unit and job function, giving management the ability to compile fully loaded costs of every function and activity, and the average revenue each generates.

The Board of Supervisors can then extrapolate the impact of workload on revenue. For example, based on FY 2017 data, a typical commercial/industrial appraisal triggered by a change of ownership, on average, takes 12 hours to complete at a cost of $1,605, and generates an average of $3.2 million in new assessed value, approximately $32,000 in property tax revenue.

A multifamily, new construction reassessment requires
17 hours at a cost of $2,632, increasing the assessed value by $24 million, accounting for $240,000 in additional revenue.

A personal property audit of a major corporation requires 107 hours to complete at a cost of $21,000, resulting in $10.3 million in assessed value and more than $100,000 in revenues. Figure 2 shows assessed value of assessment activities ranked by costs.

Managers use the cost accounting data to measure performance and establish quality standards, allocate work assignments, and measure completion rates. Managers are able to review hours worked, which is essential in calculating the cost per unit.

This information is critical for achieving increased productivity, increasing the quality of appraisals, and improving customer service to property owners, taxpayers, and public agencies that depend on property tax revenues.

Redirecting work assignments to assessment appeals

The cost accounting program also applies to assessment appeal activity. This flexibility became critically important during the Great Recession when assessment appeals skyrocketed as real estate values plummeted, requiring the redirection of work assignments.

By law, assessment appeals in California must be resolved within two years of filing. With the unprecedented increase in assessment appeals, combined with budget cuts ordered by the Board of Supervisors in response to declining revenue, the assessor’s office was faced with a significant backlog of appeals.

Using the data from the performance management cost accounting system, the assessor’s office was able not only to quickly shift staff resources but also to demonstrate to the Board of Supervisors how budgeting more of the county’s limited resources for additional personnel to resolve outstanding assessment appeals would have a positive impact on revenues.

Cindy Chavez, Vice-Chair of the Santa Clara County Board of Supervisors, says, “When (Larry) Stone submits his budget to the board, he can show us the numbers to back up his request. He can demonstrate how the county will benefit by the additional expenditures and the consequences if the additional monies are not approved.

“The system works so well that the assessor’s office consistently comes in under budget. Unspent funds are returned to the county’s general fund. During Stone’s tenure, an unspent $15.3 million has been returned to the county.”

Rating customer service

One component of the assessor’s office performance system is customer service. To determine whether the office is providing the level of service taxpayers expect, an electronic customer satisfaction
survey is conducted every six months.

A sample of 250 taxpayers is selected from the phone calls received during a 24-hour period. Customers are asked, through a recorded personal message from Stone, whether they would be willing to respond to a brief four-question survey evaluating the quality of service they received.

The survey measures courtesy, knowledge, professionalism, and promptness. Customers respond on a scale of 1 to 5 by pressing the keys on their phone.

A final question seeks their overall satisfaction. The entire survey can be completed in less than a minute.

In the last semiannual survey, 126 customers rated the level of satisfaction at 90.3 percent. They ranked the staff at 4.4 on the 5-point scale.

These results are comparable to those in past years.

**Adopting a performance management system**

Those considering implementing a performance-based management/cost accounting program should start by asking three critical questions:

- What business are you in and why are you here (mission)?
- What are you trying to achieve (goals)?
- How do you know that you are achieving them (performance management)?

Anyone embarking on this process also should be willing to make a commitment for the long haul. Performance management systems often fail because they are too ambitious, constantly changing to follow the latest performance management fad, and are not given sufficient time to produce results.

This process is not a quick fix. To keep everyone’s attention and commitment strong, it is important to plan for some identifiable short-term successes along the way.

Adopting a performance-based management program is not just about implementing a new system. It’s about changing the culture of an organization.

Everyone — management, staff, or elected officials — needs to be clear on the expected results, how they will be achieved over time, and how success will be measured.

**The necessity of leadership**

Fundamentally, successfully implementing performance management requires consistent, daily leadership from the elected assessor.

Ron Gonzales, President and CEO of the Hispanic Foundation of Silicon Valley, said,

“I served on the City Council with Larry (Stone) and he has taken the highly successful model we built in Sunnyvale to the Assessor’s Office and has demonstrated that performance management can been implemented in any government agency, including the Assessor’s Office.”

All assessors want to deliver high-quality, fair assessments, but it is much harder to demonstrate that success to the public and staff.

In Santa Clara County, the anecdotal evidence has been matched to increased productivity with the performance management data to back it up.

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“WHEN (LARRY) STONE SUBMITS HIS BUDGET TO THE BOARD, HE CAN SHOW US THE NUMBERS TO BACK UP HIS REQUEST. HE CAN DEMONSTRATE HOW THE COUNTY WILL BENEFIT BY THE ADDITIONAL EXPENDITURES AND THE CONSEQUENCES IF THE ADDITIONAL MONIES ARE NOT APPROVED. THE SYSTEM WORKS SO WELL THAT THE ASSESSOR’S OFFICE CONSISTENTLY COMES IN UNDER BUDGET.”

— CINDY CHAVEZ, VICE-CHAIR OF THE SANTA CLARA COUNTY BOARD OF SUPERVISORS

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Figure 2 shows assessed value of assessment activities ranked by costs
Big-box stores’ tax fight reveals strange logic in Kansas county’s appraisals

Johnson County officials are justifiably frightened to death there is a plague descending on the county, and probably on all of Kansas as well.

BY STEVE ROSE

Its impact could be devastating, they say. And they don’t know how to stop it. The problem is complicated.

Suddenly, out of the blue, Johnson County’s appraised values of its seven Target stores were overturned by the Kansas Board of Tax Appeals. Also within the past few days, two drugstore chains in Johnson County — CVS and Walgreens — received hefty reductions.

County officials have run the numbers of their worst-case scenario if this plague continues. Approximately $100 million in property tax revenue generated by these large retailers and other businesses would be slashed. Half of that lost revenue would directly impact Johnson County public schools.

Long-time appraisers say the new method of appraising these stores is total nonsense. But, so far, the newly adjusted appraisals, based on radically different appraisal methods, have resulted in a 30 percent reduction in property values. And that means a reduction in the property taxes those Johnson County stores pay.

Surely, other Johnson County businesses will line up for the same discounts. Why wouldn’t they? It’s a gravy train. Businesses throughout Kansas will also jump on, given the Johnson County precedent.

County officials are rightly panicky. They expect this appraisal trend could infect the
entire local commercial appraisal system, thereby discounting the property taxes of most of the local commercial buildings.

That would shift that tax burden to — guess who — homeowners, of course.

The newly-hatched theories presented by the appraisers hired by these large retailers are not often found in textbooks. They are not accepted theories within the appraisal industry. I would call them “let’s pretend” theories.

The arguments supporting them ask for a belief in fantasy assumptions. The appraiser hired by Target convinced the Kansas tax board that a brand-new method — the “hypothetical leased fee theory” — should be accepted as the valid way to appraise a store.

That theory suggests that, rather than appraising as if Target were a thriving store, the appraiser should assume that Target has closed, and something like a thrift store has taken its place. With that thrift store’s much smaller revenue, the value of the building would go down substantially.

That argument, believe it or not, recently won at the Board of Tax Appeals.

Or how about the “dark store theory,” which calls for a different assumption? Assume the Target building is totally vacant for an extended period of time. That would make the facility worth much less. Businesses in other states are pushing that theory hard, and it is being watched closely here as the next possible shoe to drop.

Appraisers in Johnson County who have spent decades appraising based on what is called the “highest and best use” of a commercial building now find themselves in never-never land. Market values don’t seem to apply anymore. What does apply is whatever theory some privately hired appraiser sells successfully to the tax appeals board.

Why would the three expert members of the board accept these ridiculous theories?

My guess is these three — James (Jay) Cooper, Ronald C. Mason and Devin D. Sprecker, all appointed by former Kansas Gov. Sam Brownback — have an extreme bias in favor of giving tax breaks to businesses. So they approve silly arguments, no matter what, in order to lower the values of these commercial buildings, and thus reduce the property tax load.

I can’t prove that any more than these absurd discounted appraised values can be proven. It’s just my theory.

Some conservative Kansas legislators are seeking to make these wild theories actual law. What Johnson County leaders can do is try to stop such legislation and also appeal to a higher court. And county officials say they will try both.

One would think logic and rational thinking would prevail over these crazy theories.

But in this hyper-political world today, you never know what will win the day. It is very appropriate to be very afraid.

The newly hatched theories presented by the appraisers hired by these large retailers are not often found in textbooks. They are not accepted theories within the appraisal industry. I would call them ‘let’s pretend’ theories. The argument supporting them asks for a belief in fantasy assumptions.
One of the essential valuation instruments the assessor has is building area, and one of the assessor’s best data collection tools is the tape measure. Both have been used for a long time. Is it time to update practices for collecting building size data? But first, just how important is the work of the tax assessor?

Considering the fiscal impact on taxpayers and local governments, the accuracy of the assessor’s work is vital.

According to data from the U.S. Census Bureau compiled by the Lincoln Institute of Land Policy, in 2015 property taxes collected in the United States amounted to $472.7 billion, or about 30 percent of general local government revenues.

The property tax component of 2015 general revenues by state ranged from 11 percent in Arkansas to 62 percent in New Hampshire. Because property taxes are an important and stable source of funding government services and property taxes are based on assessed value, the assessor’s work is important to the fiscal health of local government services such as public education, public safety, and public works.

How important are accurate building measurements?

The IAAO Standard on Mass Appraisal is built on the premise, “The accuracy of values depends first and foremost on the completeness and accuracy of property characteristics and market data (IAAO 2013).”

Beyond land area, there is no more important property...
characteristic than building area. IAAO does not have a separate standard on the measurement of buildings, so what standards do assessors use? It depends on where the jurisdiction is.

My first data collection job was as part of a crew of cooperative education civil engineering students from Northeastern University in Boston. Hunnicutt & Associates hired and trained us for a town-wide revaluation project in nearby Watertown. We measured every building; sketched them out by hand on a property record card; labeled the components of the building and the story height; and then calculated the square foot area of each building section.

The data collection manual we used was developed by the principals of the company. Every building in any jurisdiction that hired Hunnicutt was described/captured using the same manual and data collection techniques. If another municipality in the same county hired a different mass appraisal company, they used that company’s manual.

Some counties and even some states adopted the same mass appraisal manual, so in that case there was uniformity throughout the jurisdictions. Those are the origins of the profession’s data collection standards. Imagine how many building-capture standards and practices are used today based on these origins, 50, 100? Not only that, but these mass appraisal manuals did not really include a standard for measuring a building.

**There is no substitute for accurate field work**

Hunnicutt & Associates’ data collection and building cost manuals unfortunately became obsolete with the evolution of computer-assisted mass appraisal (CAMA). One of Hunnicutt’s contemporaries was Marshall & Swift.

The 2017 Marshall & Swift cost manual states, *Some intangible aspects of building appraisal require judgment, but the measurements of a building are not in this category. The size of a building is something very tangible and easily determined, either from plans or by measurement. An appraiser who makes a mistake in measuring or computing the size of a building will not inspire the confidence of his client, no matter how careful he is otherwise. (Marshall & Swift 2017, 4)*

And

*There is no substitute for accurate field work, either in measuring a building or in gathering economic or market data* (Marshall & Swift 2017, 5).

The Marshall & Swift manual does not, however, include a building measurement standard.

**Working toward a uniform standard**

Today’s assessors and property appraisers can no longer worry only about being consistent in their data collection/capture effort.

The results of their work, including the determination of building measurements and calculation of building areas, are usable by anyone through the internet if the assessor’s records are online.

Today the real estate market is not simply a local, or regional, or even national market, it is one of many global investor markets.

In the preface to her 2016 book, *A Good Tax, Legal and Policy Issues for the Property Tax in the United States*, Joan Youngman writes,

*...a tax on immovable property is an important fiscal tool in a time of globalization and international competition for mobile capital* (Youngman 2016).

With the current spotlight on the real estate market, increases in global investment in immobile real estate are a primary factor in the concerns being raised about differences in building areas in similar locations.

The International Property Measurement Standards Coalition (IPMSC) is an international group of professional and not-for-profit organizations working together to develop and embed a single property measurement standard. IPMSC was formed in 2013 after a meeting at the World Bank in Washington, D.C.

The IPMSC website includes the following statement:

*With so many different methods of measurement in use, it makes it difficult for property users, investors, occupiers and developers to accurately compare space. Research by global property firm JLL shows that, depending on the method used, a property's floor area can deviate by as much as 24 percent. (IPMSC 2018a)*

The coalition, comprising more than 85 organizations worldwide, including IAAO, aims to bring about the harmonization of national property measurement standards through the creation and adoption of agreed-upon international standards for the measurement of buildings.

To meet this goal, IPMSC formed a Standards Setting Committee (SSC), comprising 19 experts from 12 countries, including 4 from the United States. The SSC has spent considerable time researching established standards to ensure that existing intelligence has not been wasted.

The SSC has issued three standards—Office
Buildings (IPMSC 2014), Residential Buildings (IPM-SC 2016), and Industrial Buildings (IPMSC 2018b) and a fourth, Retail Buildings, is in development.

IPMS are not hybrids of existing standards. Each standard is a high-level standard and introduces concepts that may be new to some markets.

Building measurement is a fundamental basis for property valuation. It also underpins the decisions made by property users and provides a means to compare properties.

Space measurements are used by valuation experts, building users, investors, and lenders. Consistent and accurate building measurements can build public confidence in property tax systems and can be used in uniform financial reporting of property assets.

Assessors use building measurements in all three approaches to value: calculating replacement cost new in the cost approach, determining potential gross rental income based on standard unit rents (per square foot, per square meter) in the income approach, and as a unit of comparison in the sales comparison approach.

IPMS area conventions

Because there is no single measurement standard used by all parties, IPMS introduce a usable, transparent standard for measuring the exterior of all types of buildings:

- IPMS 1, which uses exterior measurements to calculate gross building area for all building types
- IPMS 2, which is used to calculate all interior areas
- IPMS 3, which is used to calculate interior areas for exclusive occupancy (owned or leased).

Most mass appraisal systems used by assessors rely on a square-foot or square-meter unit cost new as a basic valuation model. The area is calculated using building measurements, story heights, or floor levels. Most modern CAMA systems are compatible with the IPMS area conventions.

IPMS include definitions for how standard measurements are made and what type of building components should be included in the measurements and area calculations. IPMS even have a color-coded building component table for identifying common areas in multitenant buildings.

Since the mass appraisal process does not lend itself to interior measurement of residential dwellings, therefore limiting the use of IPMS 2, assessors can apply IPMS 3(A) – Residential, using exterior (wall) measurements to calculate living area when the building is used exclusively for single occupancy.

When the building is made up of multiple (attached) residential condominium units, the area of the individual unit falls under IPMS 3(B) – Residential with measurements taken to the “internal dominant face” of the wall. Most condominium unit deeds (and master deeds) use interior measurements, so ownership record and property tax record “dwelling” area are the same in most cases.

Multiple Listing Service

Because property tax systems are, by design, mostly transparent, the building areas used by assessors are typically available online, at least in the United States. Assessors also use market data to calibrate valuation models. One source of market data is the Multiple Listing Service (MLS).

MLS.com is a free site for real estate listings posted by participating system members and overseen by the National Association of Realtors (NAR). The as-

As buildings get bigger and more difficult to measure in business districts and new housing is developed in more remote areas, mass appraisal data collection efforts need to adapt.
The Association’s *Handbook on Multiple Listing Policy* defines a multiple listing service, in part, as, “a means by which participants engaging in real estate appraisal contribute to common databases” (NAR 2018).

Data that become common can also become malleable. Actual sale prices and other data are available through an MLS subscription. Most listings include building size or amount of living area or living space depending on the property classification, in the United States, usually given in square feet and usually labeled as living area in the case of a dwelling.

The living area provided in an MLS listing is often the same number as the living area provided on the assessor’s property information website. There is usually a footnote on each MLS listing sheet that states, “The information in this listing was gathered from third-party sources including the seller and public records.”

“Public records” usually means the assessor’s database, although there may be building design and construction documents publicly available as well.

This means that the building measurements collected by assessors are used not only for property tax purposes but also in the marketing of the property, and possibly others. I looked at 50 random MLS listings of single-family homes in the town where I work and compared the MLS listing living area to the finished area of the dwelling in the assessor’s database.

I found that 26 of the 50 listings matched exactly, or 52 percent of the time. For the other 24 houses, the median ratio of assessor living area to MLS living area was 97 percent. The range was 78 percent to 129 percent, and the average deviation was 8 percent.

The total MLS living area for all 50 dwellings was 129,887 square feet, and the total finished area from the assessor’s database was 129,029 square feet, a 1 percent difference overall, or about 8 square feet per house. Of the 24 living areas that were different, two-thirds, or 16, had more living area listed for sale than the assessed area.

In each case in which the listings and assessment records had different living areas, the difference could be explained by the treatment of either finished attic area or finished basement area.

As practitioners know, determining finished attic area or finished basement area can involve more than just taking measurements. Things like wall height and degree of finish can also be factors, with limited-use or limited-finish areas given less weight.

Several local real estate agents confirmed that they use the assessor’s records for total building area or total living area when preparing a market listing. They also confirmed that they might adjust the area before creating a listing for finished attic space or finished basement space.

They also explained that they often hire a consultant to create a floor plan of the building interior to help a potential buyer visualize the finished space. I asked a floor plan consultant whether he uses a building measurement standard.

He doesn’t. He does measure the interior of buildings, usually baseboard to baseboard, and inputs the measurements into a CAD program to draw the floor plans.
The consultant explained that the purpose of the floor plan was to produce a “graphic representation only,” which is accurately scaled but should not be relied upon as anything other than an illustration to be used for marketing purposes. The consultant also mentioned that he looks at the assessor’s data to check the total area.

Real estate appraisers often use the assessor’s data in their appraisal reports. A typical statement within the general assumptions and limiting conditions section of a written appraisal report is, “information furnished by others for use in this appraisal is believed to be reliable but cannot be guaranteed by the appraisers.”

And “the appraiser relied on information and representations provided by brokers, lenders, city officials, and written documentation such as surveys, plot plans, assessor’s records and maps.”

If lenders are using the independent appraisal report to decide on financing an acquisition or development, then the data used in the report are also being used in the lending process, even if indirectly.

The IPMSC standards were created for multiple uses of building measurements. Each standard contains the following language in the section, Aim of the Standards,

The measurements can be used for asset management, benchmarking, construction, facility management, marketing, property financing, research, transaction, valuation and other purposes.

The IPMSC standards can be adopted by any user or group of users. Regardless of who uses the measurements for whatever purpose, it is the same building and should be consistently represented.

As buildings get bigger and more difficult to measure in business districts and new housing is developed in more remote areas, mass appraisal data collection efforts need to adapt.

**Data may be available through other means, but at what risk?**

In his book, *Houses—The Illustrated Guide to Construction, Design & Systems*, Harrison says this about reading house construction plans:

*When the novice checks the dimensions of an existing house against those indicated on the plans, he or she often is surprised to find that they do not appear to agree* (Harrison 1998).

This is because one cannot tell just by looking at the plans what the actual points of measurement are. For example, the dimension lines that show the size of a room will not agree with the measurement read on a tape run from the wall surface on one side of the room to the wall surface on the opposite side of the room.

The measurement read on the tape may be from about one inch to more than five inches less than the dimensions shown on the plan. Architects rarely indicate dimensions from one wall surface to another.

Harrison gives examples of plans in *Houses* and definitions for the architect’s use of various dimension lines and symbols, such as those illustrated below. Assessors who use construction plans to collect or confirm building measurements should be trained in reading and interpreting such plans.

- **Arrows:** [↔]  **Dots:** •••, or **Slashes:** / — /

**IPMS 2 – Residential** requires that interior measurements be from the predominant surface of the interior walls, so using architect’s plans may be helpful for interior areas if interpreted correctly since the IPMS requirement is that the area must be able to be measured.

A well-trained and experienced data collector should be able to read construction plans to extract both exterior wall measurements and interior wall-to-wall measurements when physical measurements are not available within the time or cost constraints of a mass appraisal project.

Mass appraisal for property taxation is primed to become a global enterprise, and IAAO is in position to be a part of that movement.

One strength of the property tax appraisal system that has been built in the last 50 years is the integrity of the data used in the assessment process.

A further step in the evolution of assessment systems is to standardize the calculation of building area using uniform
standards for measuring buildings. Why is an international building measurement standard needed? As the real estate market grows increasingly global, the need for international consistency in property measurement becomes ever more apparent.

Today, property measurement practices are highly localized and therefore do not offer the transparency and consistency needed in a global marketplace. Increasingly the assessor’s building area data will be used by others.

**What standard should be used for determining building area?**

Global positioning system (GPS) technology has transformed navigation from the sextant to the smartphone, and emerging technologies using Lidar or laser scanning are replacing the tape measure.

As the assessment profession moves into an era of new technologies available for measuring buildings, the opportunity arises for a uniform building measurement standard that can be used by all parties—from landlords to tenants, from buyers to sellers, from architects to engineers, from lenders to appraisers and, yes, to mass appraisers and assessors.

For IAAO members, the IPMSC standards could close the fissure between assessors and taxpayers regarding differences of opinion on valuation matters. A common standard for building measurement is a good place to initiate the conversation to help resolve disputes.

In fact, if a taxpayer provided building measurements based on the appropriate IPMSC standard, the assessor would accept them as accurate and use them in the assessment process in the same way that the assessor accepts a land survey prepared by a registered surveyor.

**Where do others stand on IPMS?**

The Building Office Managers Association (BOMA) recently published its 2017 edition of the Office Standard, stating,

The BOMA 2017 Office Standard is fully compatible with the International Property Measurement Standard for Office Buildings. BOMA will be incorporating the IPMS standards in all of its standards.

BOMA is a founding member of IPMSC, and the 2018 chair of IPMSC is Lisa Prats, vice president of marketing and international affairs for BOMA International in Washington, D.C.

IPMS have been adopted by a growing number of users of building measurements, including governments, such as the United Kingdom and the city of Dubai, UAE; industry participants, such as Colliers International, CBRE, JLL, Cushman & Wakefield; and major corporations, such as BASF and Xerox.

IPMSC membership comprises IAAO and 85 other organizations from more than 160 countries, including the Appraisal Foundation, the Appraisal Institute, the American Society of Farm Managers and Rural Appraisers, the Royal Institute of Chartered Surveyors (RICS), the Council of European Geodetic Surveyors (CLGE), the Institute of Real Estate Management (IREM), and the International Monetary Fund (IMF) among many others.

IPMS provide a real opportunity for IAAO members to adopt an industry-accepted and readily available standard with no risk of conflict with IAAO standards, USPAP, or any jurisdictional valuation requirements.

The use of IPMS for building measurements can help assessors individually and IAAO members collectively to continue to build on the strengths of the assessment process, including reliable data, and to earn the confidence of taxpayers and other users of assessment data.

So how important is accurate and consistent building measurement?

Whether a taxpayer is paying $1 per square foot in property tax or $10 a square foot, every square foot counts.

**References**


BY ALLEN ZINGG

The past 12 years at the Maricopa County, Arizona, Assessor’s Office have been filled with change. Although many changes have been structural, perhaps more profound has been the ongoing transformation of the office in the midst of a rapidly changing world and staff demographics and needs.

For instance, there has been a shift from a long-service staffing model to a more dynamic staffing situation where there is a greater multigenerational mix and more career fluidity. Communication, even more transparency, and the professional development of staff will increasingly be key levers to success.

The business of assessors is to identify, locate, and value the property assets of taxpayers within the county. What the Maricopa County Assessor’s Office strives to do is to identify, locate, and value assets within the office. This article focuses on some of the efforts to do that in the recent past.

The journey begins ...

Every organization, public or private, experiences difficulties involving people and their performance. Several years ago there were a couple of unfortunate situations that were not handled as well as they could have been. The people involved were dedicated, long-service employees who typically made significant contributions. They were good people and intelligent enough to have handled the situations differently, but didn’t. Taking a course wasn’t the answer. There had to be a way to increase self-awareness and to build the interpersonal skills of those involved.

In property assessment, tools and systems are used to support the ability to accurately and efficiently value assets. Similarly, the assessor’s office has used tools to help value its people assets and leverage them through better communication and processes.

Maximizing people assets to achieve success

Emotional Intelligence (EQ) may be defined as the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions — Salovey and Mayer, 1990
Identifying and valuing assets: Emotional Intelligence

Emotional Intelligence assessment was identified as the tool, and coaching as the process to help improve interpersonal effectiveness as part of the professional development of the individuals involved. Emotional Intelligence (EQ) may be defined as

the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions (Salovey and Mayer 1990)

Research demonstrates that EQ greatly enhances personal effectiveness. Studies have also shown that increasing EQ leads to greater business success in leadership, sales, customer service, and the like.

There are many models and approaches for EQ. Six Seconds (www.6seconds.org), a California-based nonprofit organization, and its methodology for putting EQ into action were selected as the approach.

As Human Resources Manager in the office, I became trained in the Six Seconds Model and was certified to administer the Emotional Intelligence Assessment (SEI) and to provide EQ coaching. The SEI is an online questionnaire that takes about 10 minutes to complete.

The questionnaire is completed by the individual and sent to Six Seconds, and a report is generated that provides a detailed analysis of the eight competencies making up the Six Seconds model of EQ. This report is shared with the individual and helps the individual become aware of his or her varying EQ strengths or areas for possible further development.

It can be used as an awareness study guide and/or as a starting point for coaching to improve EQ and desired outcomes.

Since 2010, I have administered 83 SEI assessments to help individuals in the Maricopa County Assessor’s Office develop greater awareness of their EQ and apply this either in their leadership or staff positions.

Those who have embraced this and invested in continual development of their assets have experienced remarkable improvements in their leadership abilities and/or interpersonal relationships (if not in a formal leadership role).

Identifying and adjusting workplace climate: employee engagement, communication, and transparency

In 2011 the national economy was well into a recession, and the state of Arizona was as severely challenged as any.

Organizations struggled to deal with these financial struggles, as did the people within and outside organizations, for example, property owners who had seen the values of their property drop.

It made the environment within and without the organization challenging. For example, like many other organizations, the assessor’s office was not able to provide annual performance pay increases. Staff morale was low, and communication and willingness to communicate were difficult.

One tool that the county had used to gauge the level of employee satisfaction was an annual survey. Because of the conditions that existed for about six years, the effectiveness of this survey eroded.

While many could intellectually understand what was going on during that time, on an emotional level, trust was low, and people did not feel heard or appreciated.

In a sense, just as property assets (values) are affected by market conditions, so too was the work climate. Just as property assessors need to understand the market’s influences to make adjustments, a better understanding of the impact of prevailing conditions was needed to open up communications.

For this, another tool developed by Six Seconds, the Organization Vital Signs
(OVS) climate assessment, was used. The OVS is an online questionnaire that asks a series of questions on a five-point scale.

These questions and the responses to them are designed to produce metrics on important key factors in organization climate: motivation, teamwork, change, execution, and trust.

The OVS also measures outcomes influenced by the key factors of retention, productivity, customer focus, and future success. All these are the vital signs of the organization in the Six Seconds model.

The OVS also includes six to eight open-ended questions that respondents answer in narrative form. The respondents’ answers and comments are collected anonymously for aggregation, analysis, and reporting by Six Seconds. The questionnaire itself takes on average 15–20 minutes to complete.

In property assessment, the values produced often are the result of an iterative process of review and adjustment and then, when delivered to property owners, can be the subject of appeals, claims, and correction processes, which lead to validation or further adjustment to the value.

The same holds true with the OVS, only more so, meaning that the OVS results are the foundation for discussion leading to greater understanding and action where appropriate.

In the case of the first office-wide OVS in the Maricopa County Assessor’s Office, 35 meetings and more than 1,000 people-hours were spent discussing the results with all employees across all work units to deepen leadership’s understanding of assets and concerns in the workplace.

This intensive process created greater transparency and gave employees at all levels a voice.

This was significant. Further, it created a roadmap that led to making adjustments to improve the climate.

The OVS also measures employee engagement by group, and the discussion process itself often has the effect of increasing engagement.

Since that time, subsequent OVS projects have been conducted for segments of the assessor’s office to measure climate at different times. Depending on the work group, OVS was conducted at least one more time and in some cases as many as three times.

Identifying, valuing, and enhancing assets: leadership feedback and professional development

Research shows that the leader of a team, group, or organization has the most significant impact on the workplace climate. Thus, during the OVS assessments, another Six Seconds tool was incorporated, the Leadership Vital Signs (LVS) assessment.

The LVS was designed to collect and analyze feedback regarding an identified leader to help that leader compare self-perceptions with those of others in the organization. Typically, this is a 360-degree feedback drawing from the particular leader’s managers, direct reports, colleagues, and staff members randomly selected from the leader’s group or division.

The LVS is designed and administered similarly to the OVS as an online questionnaire that is anonymously aggregated and reported. The vital signs measured are motivation, change, teamwork, execution, and trust and outcomes of efficacy, influence, design, and direction.

As with the OVS, the LVS is a combination of data questions and narrative responses that provide the leader with robust feedback both overall and by groups of respondents, for example, colleagues, direct reports, and staff members.

The process for acquiring the deepest understanding of the feedback and gaining the most benefit is for the leader to discuss the results with a trained facilitator, then with his or her manager, and finally with a minimum of five others who participated in the LVS.

Typically, this process yields further feedback and clarification of perceptions for the leader, resulting in greater self-awareness, better informed decisions, and greater interpersonal effectiveness.

This process not only provides a roadmap for the leader but also helps build or strengthen relationships with those with whom the leader discusses the LVS results.

More recently the focus has been on the LVS, rather than the OVS, as helping leaders develop their effectiveness can...
have the most immediate and significant impact on the workplace climate.

To date, more than 30 LVS assessments and processes have been conducted, and in some cases the LVS for a particular leader has been remeasured so that he or she can consider where change has occurred and gain a current understanding of his or her own leadership effectiveness.

Identifying and valuing assets: improving understanding of and communication with others

Over the past 12 years or so, the assessor’s office has used one more tool to enhance interpersonal relationships and communication, Identity Mapping, sometimes called Four Ways, created by Personality Resources Inc. This tool is a streamlined behavioral/communications self-assessment grounded in the work of Jung, Meyers-Briggs, and temperament models (e.g., Kersey, DiSC, etc.).

A number of these tools are available. The one from Personality Resources is positively structured; the process is easy and fun and yields memorable results.

The other distinguishing characteristic of the Personality Resources tool is that it is application-oriented; that is, it is designed to be used for team-building, composing teams to incorporate different styles, improving customer service, and so forth.

The basic process is facilitated in a group setting in which each attendee completes a simple self-assessment. After each attendee completes his or her self-assessment (about 10 minutes), the facilitator leads the group through a series of exercises in which subgroups by communication styles reveal their characteristics and how best to communicate and interact with them. The facilitated session takes about three hours, but the time goes by quickly for the participants.

But more than that, the participants leave the exercise not only with a different understanding of themselves and the others in the session but also with a better understanding of others outside the session because of the simplicity of the tool and the process.

And it is profound. It reminds attendees of their assets in terms of how they tend to interact, see the world, and communicate. Indeed, a number of staff members who participated as long as 11 years ago still keep their self-assessment profile either with them (along with their county badge) or in their work area.

The journey continues …

As the Maricopa County Assessor’s Office continues to drive toward its vision of innovation, technology, best practices, and of maximizing staff talent, tools such as these described will continue to support this effort. Recently debriefing discussions of LVS assessments were conducted with seven leaders in areas key to the office’s future success.

In addition, a Four Ways Identity Mapping session was held as a team-building and communication-enhancing exercise with the internal team and the external vendor team for the major systems redesign project.

The IAAO Executive Board and IAAO headquarters staff saw the value in assessing workplace climate and leadership effectiveness and asked me to conduct both an OVS and an LVS assessment (of the Executive Director), first in 2014, and then in the of fall 2017.

The results of the 2014 OVS and LVS helped the Executive Director appointed in late 2014, have an accurate roadmap as he began his new role. The 2017 OVS and LVS results reflected the positive movement that the entire IAAO headquarters staff has demonstrated along with the Executive Director.

A facilitated discussion with the headquarters staff and the director, conducted in January 2018, was helpful as they continue to leverage their assets as well as consider areas for further development.

Inevitably, over time, the leadership team at the Maricopa County Assessor’s Office has changed with new managers and supervisors, new roles, and new approaches. These activities coupled with other leadership development and coaching efforts have helped the office move forward and supported the transitions that have occurred.

The office continues to explore best practices and possible new tools to assess climate and leadership effectiveness. While some of the tools described may or may not remain, in some fashion tools and processes to identify, locate, and value people assets and workplace climate will continue to be an important part of what it takes for future success.
BY RANDY RIPPERGER, CAE

Each year, IAAO undertakes new projects and initiatives, continues existing programs, and plans new programs for the future. As the immediate Past-President, I am pleased to present the following review of the association’s activities in 2017.

BOARD

In 2017 the Executive Board reviewed the Vision 2020 strategic plan and focused on the major goals regarding membership, professional development, research and standards, governance, and ethics.

As part of the strategic plan, IAAO works to be the recognized source for research, technical assistance, and information services in mass appraisal. With more and more jurisdictions turning to IAAO for assistance, the IAAO Executive Board determined in 2017 that the technical services offerings from IAAO needed to be updated and expanded.

To handle the increased volume of technical assistance requests, the Executive Board set up the Professional Consulting Services of IAAO, LLC (PCS). The new entity is a wholly owned subsidiary of IAAO and will provide professional consulting worldwide based on a deep and objective understanding of the assessment challenges confronting property tax practitioners.

Our efforts include developing partnerships with other associations. In 2017, IAAO secured space in the National Association of Counties (NACo) building in Washington, DC. IAAO now has a small office and access to conference rooms and other facilities to use for meetings. Having the space in the NACo office provides IAAO a presence in Washington and makes it easier to meet with other international organizations.

The Board also has worked to make it easier for members to interact and take part in the organization. In 2017 we approved moving to an all-electronic voting process for IAAO’s annual election. In the past, members could vote either online or via a paper ballot. The process could be cumbersome, and results were delayed as we waited for late-arriving ballots. In 2017 the election closed on Nov. 30, and the results were announced on the morning...
of Dec. 1. In addition, with all-electronic voting, we saw an increase in the number of members casting ballots. With the new Board in place, I believe the organization is in good hands.

MEMBERSHIP

Several exciting achievements regarding membership were attained in 2017. A major item was that the number of members grew by 5 percent, pushing the total to more than 7,700 by the end of the year. As part of the strategic plan, we are looking for opportunities to grow our membership, and our efforts are taking hold with two consecutive years of good growth.

As part of this growth, IAAO welcomed two new chapters in 2017—British Columbia and New Mexico. To help new and existing chapters, IAAO held another successful President’s Leadership Symposium in Kansas City just prior to the Fall Leadership Days committee meetings.

IAAO’s committee structure changed in 2017 as we worked to include more people and make serving easier for members. IAAO has learned through membership surveys that many members would like to serve on committees but in more flexible ways than traditionally have been offered.

IAAO developed a plan to establish single-issue task forces to go along with standing committees, increasing the opportunities for members to participate. Members now have the option to serve on short-term task forces as well as long-term standing committees. This is great news for those professionals who want to commit to a shorter volunteer term. The new structure went into effect in January 2018, and our goal is to increase members’ ability to serve and help meet IAAO’s goals.

INTERNATIONAL

IAAO’s goals include promoting best practices in assessment administration and we are working with international organizations to do so. During 2017 we made a number of strides to achieve that goal. IAAO was voted to observer status at The European Group of Valuers’ Associations’ board meeting last fall. TEGoVA is a nonprofit association composed of 71 valuers’ associations from 37 European countries representing more than 70,000 valuers.

IAAO also made several presentations at the World Bank’s Land and Poverty 2017 Conference in Washington, D.C. I was joined by several IAAO members and staff in presenting programs on property tax appraisal, valuation, and IAAO standards. The World Bank is a vital source of financial and technical assistance to developing countries around the world. It supports a wide array of investments and IAAO’s participation is important.

In addition, IAAO was involved with the International Property Measurement Standards Coalition (IPMSC) and the International Valuation Standards Council coalition. Last, IAAO offered the International Research Symposium in Madrid, Spain, covering topics from automated valuation models to application of unique valuation methods.

EDUCATION

IAAO works to advance mass appraisal education and professional development programs. One of the major reasons members join IAAO is the access to educational courses and designations. With instructors located across the country, IAAO can offer members, and others, many opportunities to take courses nearby. However, not all courses are available locally or at a time that meets members’ needs.

To help meet these educational needs, IAAO presents several courses online. In 2017 IAAO added Course 101 to its online offerings. The first course was held in March and repeated in July and October. Going forward, IAAO will be offering other courses online but will continue to hold courses in the traditional in-person setting.

In 2017 IAAO continued to update its online educational webinar series. Restarted in late 2016 to focus on topics of importance to members, the webinars attracted nearly 1,500 attendees in 2017 for topics ranging from modeling to Excel tips to waterfront property valuation. IAAO is building an impressive list of webinars in its catalog, and if you missed any, they are available through the IAAO website store.

MEETINGS

Education isn’t limited to just IAAO’s courses or webinars. Each year at the Annual Conference, IAAO offers more than 60 educational sessions, which are eligible for continuing education credit.

Members are taking advantage of the information offered.

At the 2017 Annual Conference in Las Vegas, we had more than 1,500 attendees—one of the best attended meetings in several years and a nearly 50 percent increase over conferences of just a few years ago. Highlights of the 2017 meeting included the release of the position paper on big-box valuation by the Special Committee on Big-Box Valuation.

In addition to the Annual Conference, in 2017 IAAO hosted a successful Annual Legal Seminar in Seattle. IAAO also partnered with URISA to offer the Annual GIS/CMAP Technologies Conference and exhibition, which is designed to foster collaboration and integration of data, technology, and functionality.

OTHER

Beyond these accomplishments, IAAO works to promote a culture of the highest ethical standards. We do so through our education and training. In 2017 we released the new Apendium, a single source for the body of knowledge that describes the expertise required to effectively work and succeed within the assessment profession.

The Apendium, available through the IAAO website, was developed by a team of subject matter experts and incorporates input from a survey of IAAO members. Using the links on the site, you can dive directly in your knowledge areas of interest. If you are new to the industry, you can use the links on the right to learn more about the main professional roles. From there, you can go into the knowledge areas that each role requires.

In 2017 IAAO started work on redesigning Fair + Equitable magazine to make it more user-friendly and informative. The first issue was released in January and offers a broad range of content in a highly readable format.

As you can see, we have been busy over the past year and look forward to another busy year in 2018.

I appreciate the opportunity to have served as your 2017 President and thank the Executive Board, staff, and volunteers for their assistance in helping the association continue to meet its goals.

Each year is a growing experience for the association, our members, and the Board, and 2017 was no different. We made great strides in the past year in expanding our programs and had a huge conference attendance in Las Vegas but need to remember to not go beyond our capabilities.
The 2018 IAAO award nominations are open!

BY RYAN DELEON, RES, AAS, AND CHAIR, IAAO MEMBERSHIP RECOGNITION CEREMONY

My journey in the assessment industry began like most of my fellow assessors: somewhere else.

After college, I worked briefly as a financial advisor, and when that didn’t work out, I took the first job I could find, and that ended up being an Appraiser I at my local assessor’s office.

From there I worked my way up to Appraiser II, III, and then Residential Modeler.

During that time, I took enough IAAO coursework to earn my RES and AAS designations. This also allowed me to go to my first Annual Conference, which led me to being a part of the U40 Leadership Lab. From there I served on the Membership Recognition Committee, and have since become chair of that committee. It has been an interesting journey.

I can honestly say without IAAO, I probably would have only considered this a temporary career. With IAAO, I have met many people and learned so much more than I could have otherwise.

It is now the time of year to nominate your fellow assessors for IAAO awards. It is always nice to be recognized by your peers for your achievements.

Whether it is for winning an award or earning your designation, it shows everyone that you have put in effort and are an asset to our organization. If you are unfamiliar with all our awards, I encourage you to review them. You or someone you know may be a great candidate this year or in the future.

It may become a goal of yours or your jurisdiction to be nominated by your peers and win an award. As Chair of the Membership Recognition Committee, I encourage and request everyone to take a look at all our award categories, and consider nominating a person or jurisdiction deserving of recognition.

Wherever you are in your professional journey, IAAO Awards are here to acknowledge its members who guide IAAO into the future.

Please take a few moments this nomination season to nominate an individual, jurisdiction, chapter, affiliate, or a written communication that you believe is essential to furthering IAAO.

It’s with IAAO awards that IAAO can give back to you, as you make it all possible!

To submit a nomination go to https://www.iaao.org/media/membership/2018_Awards_Nomination_Form.pdf

If you have any questions, please contact awards@iaao.org.
Making contributions: Winning the Clifford B. Allen Most Valuable Member Award

BY JILL BOLAND

Each year, IAAO Awards honor individuals for doing outstanding work in the profession.

One of the most respected awards is the Clifford B. Allen Most Valuable Member Award, which recognizes a member who has made a significant contribution to IAAO for a period of years by participating in its activities and working toward the realization of the IAAO mission.

Amy Rasmussen, RES, AAS, 2018 IAAO Vice-President, won this award in 2017.

“It was not only a surprise but a privilege to be nominated by a highly respected member of IAAO, and someone I consider a mentor and my friend,” she said. “To then discover that our peers agreed with the nomination and chose me to receive the Clifford B. Allen Most Valuable Member award for 2017 was an amazing honor.”

Amy joined IAAO in 2004, and 2018 marks her 14th year of membership, along with her 29 years in the assessment field.

Amy has worked in the assessor’s office in various positions since 1989. She became a Deputy Assessor in March 2008 and was appointed Director of Litigation for the Polk County Assessor’s office in Des Moines, Iowa, in August 2014.

Amy successfully completed the IAAO Instructor Training Workshop in 2010 and has taught numerous IAAO courses, including Course 101, Course 102, and Course 201, as well as other local and regional courses and conference sessions.

She has also served on the IAAO Ad Hoc Designation Subcommittee as a Professional Designation Advisor and a previous IAAO representative, and has been involved in various committees as both a member and chair, such as the IAAO Planning and Rules Committee, Special Technology Committee, Vision 2020 Committee, Budget Committee, USPAP Committee, and Professional Development Committee.

Amy was elected to serve as a member of the IAAO Executive Board in 2014 and is the 2018 IAAO Vice-President.

Giving it your all: the Matylda Zurowska Hudak Member of the Year Award

BY JILL BOLAND

One of the most esteemed awards is the Matylda Zurowska Hudak Member of the Year Award. This award recognizes a member who has made a significant contribution to the association in its activities and working toward the realization of the IAAO mission.

Amy Rasmussen, RES, AAS, 2018 IAAO Vice-President, won this award in 2017. The award is named after Hudak, who was IAAO’s first female member.

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Amy was elected to serve as a member of the IAAO Executive Board in 2014 and is the 2018 IAAO Vice-President.

“The U40 Leadership Lab knew of the hardships that many younger professionals faced when trying to get funding to attend IAAO meetings.

They proposed the Innovation Grant to honor and reward young professionals so that recipients could attend the IAAO Annual Conference.

The IAAO Board generously funded the Innovation Grant, which sends members 40 years old and under to Annual Conference who have carried out a creative idea and have had a tangible and positive impact on the assessing processes or procedures in their jurisdiction.

With Jake’s hard work and foresight, he is helping others actively engage in the IAAO experience.

Congratulations to Jake on creating new opportunities for IAAO to give back to its members!
DENISE BAILEY
Seminole County (Oklahoma) Assessor
semctyassessor@outlook.com

Denise Bailey has served as the Assessor for Seminole County since 2013. She began with the office in 2002 and worked with business personal property as well as overseeing most of the day-to-day operations of the office since 2010. She previously served as Chief Financial Officer/Comptroller for businesses in Oklahoma and New Mexico. Denise holds a Bachelor of Science in business administration from Lubbock Christian University. Denise is involved in the IAAO Oklahoma Chapter and recently agreed to serve as a chapter officer and become involved at the national level.

How did you get into the assessment industry?

In 2002, I was without a job, and a friend of mine was the current assessor in Seminole County. She contacted me and asked if I would want to consider going to work for her. I considered it, and accepted, although it was a totally foreign industry to me ... my background is in accounting. And the rest is history.

What would you say to someone who might be considering going into this profession?

There’s always something to learn. I’ve been in the office since 2002, first as the deputy and now as the assessor. And I like to tell the people I interview that seldom a day goes by that I don’t learn something new. Thanks to IAAO, I’ve had many opportunities to learn even above and beyond what our state requires for accreditation.

How does assessment help a local community?

In the past, our county has not always revalued property correctly. It was revalued when it sold or changes were made to it, but not on an annual basis. Through a lot of hard work and dedication on the part of myself and my staff, we have begun to do that on an annual basis using mass appraisal, and our values are incrementally going up, which means, in return, more money for our schools, for our county health, and for county government.

What would you like the public to know about what you do?

A lot of people see the assessor as the enemy. But we’re not here to unfairly value your property ... I have a staff of nine people who are always happy to visit with you and help you understand the exemptions that are available (and) the process we go through ...
SENIOR APPRAISAL SPECIALIST
Cumberland County Tax Administration
Fayetteville, North Carolina

Description
The primary purpose of this position is to advise and assist managers in the coordination of staff appraisers in projects related to gathering data for the ongoing real estate appraisal process.

This position works closely with the Assistant Real Estate Division Manager, Real Estate Division Manager and Chief of Real Estate and Mapping in implementing revaluation projects and completion dates for the revaluation process.

Duties
- Reviews the data collected by the appraisers.
- Performs related work as required.
- Plans work schedule to include routing, driving, inspecting, collecting data, measuring and sketching residential and commercial/industrial properties and obtains information from automated database, building plans, property records, standards and other files/records information including soils data, sales qualification data; etc.
- Uses sales comparison, cost and income approaches to value; and determines property values.
- Conducts comprehensive sales ratio and assessment ratio studies utilizing highly technical statistical procedures.
- Collects and analyzes cost, sales and income data; and researches the real estate market on a continual basis.
- Utilizes statistical and mathematical techniques to order and condense large masses of sales, cost and income data into meaningful and usable market indicators of value for use by the appraisal staff.
- Reviews and critiques all levels of independent fee appraisal reports as requested by supervisors and management personnel.
- Interprets financial statements, Certified Public Accountant audits, income tax returns and other accounting statements employed by income producing properties.
- Composes appraisal or review reports that comply with the Uniform Standards of Professional Appraisal Practices (USPAP) as needed to defend the assessment.
- Assists in the formulation of revaluation strategies assisting in developing and implementing cost indexes, depreciation tables, capitalization procedures, property classification guidelines, market, cost and income models for all classes of real property.
- Conducts extensive area research and delineates neighborhood characteristics and boundary lines; assists in composing the Schedule of Values; establishes a grading file for comparables; and assisting in developing cost manuals and a schedule of uniform land values.
- Assists in the coordination and instruction of revaluation staff appraisers in appraisal necessary for the revaluation.
- Assists the Assistant Real Estate Division Manager, Real Estate Division Manager and Chief of Real Estate and Mapping in implementing revaluation procedures, data conversion procedures and any new software implementation.
- Provides information and answers questions from property owners and the general public regarding the appraisal process and other appraisal related issues.
- Provides assistance to taxpayers who come into the office for information.
- Reviews and seeks to resolve taxpayer complaints and conducts informal property appeals with taxpayers and/or their representatives.
- Performs all steps and procedures necessary to present appealed assessment valuation cases at local Board of Equalization and Review level and at North Carolina Property Tax Commission level.

This job description in no way implies that the duties listed here are the only ones the employee can be required to perform. The employee is expected to perform other tasks as directed by their manager or supervisor.

REQUIRED EDUCATION AND EXPERIENCE
Bachelor’s degree in accounting, business, tax administration or closely related field supplemented by five (5) years experience and/or training involving property appraisal work; or an equivalent combination of education, training, and experience.

Requires training in the application of personal computers.

Requires certification by the N.C. Department of Revenue as a Real Property Appraiser which includes completion of IAAA Course 101 and Fundamentals of Property Tax Listing and Assessing within 18 months of appointment.

Must have and maintain a valid North Carolina driver’s license with an acceptable driving record; background check with local law enforcement agency required.

Has (or can gain) considerable knowledge of the methods, procedures and policies of Cumberland County as such pertains to the performance of the essential duties of Senior Appraisal Specialist.

Has considerable knowledge of principles and practices of conducting commercial/industrial and residential property appraisals and assisting in coordinating staff appraisers.

Has considerable knowledge of the laws, ordinances, standards, and regulations pertaining to the essential duties and responsibilities of the position.

Has considerable knowledge of the organization of the department, and of related departments and agencies.

Clearly understands the occupational hazards and safety precautions required to perform the essential functions of the work.

Has considerable knowledge of terminology and related professional languages used within the department as such pertains to work responsibilities.

Knows how to maintain cooperative and effective relationships with intra- and interdepartmental personnel, as well as any external entities with whom position interacts.

SALARY AND BENEFITS
Job Duration: Indefinite
Salary: $45,018.00 - $47,268.00 (Yearly Salary)
New Designees

RES

RESIDENTIAL EVALUATION SPECIALIST

JENNIFER JEAN CRAIG, RES, CAMA Data Quality Manager for the Pinellas County (Florida) Property Appraiser, earned the Residential Evaluation Specialist designation in December. She has been with this office and in the profession for 12 years. Craig holds a Bachelor of Science degree in business administration from the University of South Florida and the Certified Florida Evaluator (CFE) designation from the Florida Department of Revenue.

ROSS FENERTY, RES, Assessor for Property Valuation Services Corporation (PVSC) in Nova Scotia, Canada, earned the Residential Evaluation Specialist designation in December. Fenerty has been in assessment and with PVSC for 12 years, starting as a Field Assessor. After working in residential assessment, he now works in commercial with a federal portfolio.

KATHY HOLLIS, RES, Residential Appraiser for the Pinellas County (Florida) Property Appraiser, earned the Residential Evaluation Specialist designation in December. She joined this office in February 2015 after working 15 years in the private sector. Hollis holds a Bachelor of Science degree in business administration from the University of Tampa and earned her Certified Residential Appraiser license in 2000.

ELLYN KUBISIAK, RES, Appraiser I/Residential Appraiser for the Pinellas County (Florida) Property Appraiser, earned the Residential Evaluation Specialist designation in December. She has served this office and profession for three years. Kubisia holds a Bachelor of Applied Science degree in sustainability management from St. Petersburg College. She earned the Certified Florida Evaluator (CFE) designation in November 2016 from the Florida Department of Revenue.

WILLIAM LANIER, RES, Appraisal Analyst for the State of Tennessee, Comptroller of the Treasury, Division of Property Assessments, earned the Residential Evaluation Specialist designation in January. Lanier has worked in appraisal for 16 years, serving with the state for the past year. He holds a Bachelor of Business Administration, Magna Cum Laude, with a major in finance and a minor in real estate from Middle Tennessee State University and an Associate of Science, Summa Cum Laude from Columbia State Community College. He is a Certified Residential Real Estate Appraiser and a Tennessee Certified Assessor.

CARLA MOULAISON-HURLBURT, RES, Assessor for Property Valuation Services Corporation (PVSC) in Nova Scotia, Canada, earned the Residential Evaluation Specialist designation in December. Mouaison-Hurlbut began with PVSC in May 2009 as a summer student data collector before becoming a full-time field assessor in 2010 and accepting her present position in September 2017.

JACQUELINE C. WARR, RES, Residential Appraiser for the Pinellas County (Florida) Property Appraiser, earned the Residential Evaluation Specialist designation in January. Birdwell began her career in cadastral mapping at the county level in 2004 and stayed in mapping before accepting this position in 2014. She holds a Bachelor of Arts degree in environmental studies: natural resource management from the University of California at Santa Barbara.

AAS

ASSESSMENT ADMINISTRATION SPECIALIST

MONIKA K. BIRDWELL, AAS, Appraisal Analyst 2 for the Division of Property Assessments, State of Tennessee, Comptroller of the Treasury, earned the Assessment Administration Specialist designation in January. Birdwell began her career in cadastral mapping at the county level in 2004 and stayed in mapping before accepting this position in 2014. She holds a Bachelor of Arts degree in environmental studies: natural resource management from the University of California at Santa Barbara.

ROBERT T. LEE, AAS, lawyer with Lee Law Firm, Mount Juliet, Tennessee, earned the Assessment Administration Specialist designation in January. Lee began his 32-year assessment career as a Field Appraiser with the Tennessee Division of Property Assessments before serving in personal property and then law. He earned his Juris Doctorate from the Nashville School of Law and his Bachelor of Arts degree in business administration from Tennessee Technological University. He is a certified Rule 31 Mediator for the Tennessee Board of Professional Responsibility.

MATTHEW D. MYERS, AAS, CIO Staff Appraiser for the Stark County, Ohio Auditor’s Office, earned the Assessment Administration Specialist designation in January. Myers has been in the profession for 13 years, serving the past three in this office. He holds a Bachelor of Fine Arts degree from Edinboro University of Pennsylvania and a Project Management Professional (PMP) Certification from the Project Management Institute.
JENNIFER ROSENZWEIG, AAS, Senior Revenue Consultant for the Florida Department of Revenue, earned the Assessment Administration Specialist designation in December. Rosenzweig has served the department for the past three years of her 13-year assessment career. She holds the Certified Florida Evaluator (CFE) designation from the Florida Department of Revenue. She is a Certified Residential Appraiser and a Real Estate Sales Associate, both under the Florida Department of Professional Regulation.

JASON R. STEWART, AAS, Public Utility & Transportation Auditor/Analyst (Level III) with the State of Tennessee, Comptroller of the Treasury, Office of State Assessed Properties, earned the Assessment Administration Specialist designation in January. Stewart began his assessment career five years ago in this position. He holds a Bachelor of Science degree in accounting from Athens State University.

CAE
CERTIFIED ASSESSMENT EVALUATOR

JASON FROST, CAE, Chief Deputy of Real Estate for the Stark County (Ohio) Auditor, earned the Certified Assessment Evaluator designation in January. Frost began his career in this office as a Tax Map Clerk in 1996, eventually serving as Assistant to the Chief Appraiser and Chief Appraiser before accepting his current position in 2011. He is an Ohio Certified General Appraiser and has been an IAAO instructor since 2013.

CAMILLE A. SMITH, CAE, RES, Commercial Real Estate Assessment Director for the Orange County (Florida) Property Appraiser, earned the Residential Evaluation Specialist designation in January. Smith has been in appraisal for 31 years, with three of those years at Orange County. She holds a Master of Business Administration and a Bachelor of Business Administration in finance from the University of Central Florida. She also holds an MAI designation from the Appraisal Institute and is a State-Certified General Real Estate Appraiser (Florida) and a Florida Real Estate Broker.

IAAO Board Elections

Interested in running for the IAAO Executive Board? Check the website for forms and dates. Officer, Regular and Associate member positions to be filled for 2019.

EVENTS

- **IAAO Executive Board Meeting**
  - April 20-21
  - Albuquerque, New Mexico
- **Northeastern Regional Association of Assessing Officers Conference**
  - April 29-May 3
  - Boston
- **The Appraiser Foundation’s Appraiser Qualifications Board Public Meeting**
  - May 4, 2018
  - Seattle
- **Spring General Assembly of TEGoVA**
  - May 17-19
  - Estoril, Portugal
- **Preparation and Trial of the Property Tax Assessment Appeal**
  - June 7-8
  - Chapel Hill, North Carolina
- **IAAO Executive Board Meeting**
  - July 13-14
  - Vancouver, Canada
- **IAAO Annual Conference**
  - Sept. 23-26
  - Minneapolis
- **Fall Leadership Days**
  - Oct. 19-20
  - Kansas City, Missouri
- **IAAO Executive Board Meeting**
  - Nov. 16-17
  - Charlottesville, Virginia
- **39th Annual IAAO Legal Seminar**
  - Dec. 13-14
  - Chicago
- **GIS/CAMA Conference**
  - Feb. 25-28, 2019
  - Portland, Oregon

CLASS CALENDARS

Find complete listings of upcoming IAAO courses, webinars, workshops, forums, and a course calendar map on the IAAO website, iaa.org.
H aving spent several decades in the assessment profession, I have had the privilege of working with many people who are dedicated to good work.

They are the kind of employee who from day one wants to know how they will be evaluated and what will form the basis for judging when they have achieved their goal.

For those people IAAO has written a set of standards.

Beginning in 1976 with the Standard on Equipment, Facilities, Supplies, and Procedures and the Standard on Assessment Maps and Parcel Identifiers, the number has expanded to 13 covering a wide range of topics including contracting for assessment services, valuing contaminated property and our most popular, Standard on Ratio Studies.

Merriam-Webster’s Dictionary defines a standard as “something established by authority, custom, or general consent as a model or example” and that fits the IAAO standards. Each standard has been written and updated by subject matter experts representing all parts of the assessment profession with the single goal of serving as a model or example for members to point to as the best practices in the industry. While portions of some of the standards have been codified, their more common use is as guidelines for improving operations.

Until recently, our standards focused on a rule-based approach. For example, appraisal levels are acceptable when the measure of appraisal level, the median assessment to sale price ratio, falls within the range from 90 percent to 110 percent. That rule, or one like it, is used in many parts of the United States on a continuous basis.

As we move more aggressively into foreign countries, we are confronted with property tax systems that may be in their infancy if they exist at all. They may lack the capacity to satisfy the rules, but are still looking for the overall guidance of the principles from which the rules grew. For example, the rule establishing the acceptable range for median ratios is one expression of the overall principle calling for fair and equitable appraisals. In order to meet that need, the IAAO Executive Board has asked that any new standard or revision of an existing standard include a presentation of the principles along with the rules.

In the next few months, Fair+Equitable will carry a brief description of the contents of the existing standards, all of which are available for download from the IAAO website, iaao.org.
Enhance your valuation procedures using what you already have!

Can you answer YES to any of these questions?

☐ Do you need assistance implementing and maintaining an effective ratio study?

☐ Is your office struggling with updating and maintaining valuation tables within your CAMA system?

☐ Could missing, outdated, or incomplete data be jeopardizing your property valuations?

☐ Are you running into valuation difficulties due to a changing real estate market?

If you answered YES to any of these questions, Professional Consulting Services of IAAO, LLC can help you. We have a team of qualified professionals who can evaluate your operations and find answers to your important questions.

Paul Bidanset
Valuation Research Project Manager

Direct: 816-701-8118
Toll Free: 800-616-IAAO (4226)
Email: bidanset@iaao.org

Paul is an expert at using CAMA modeling and GIS to ultimately improve accuracy, uniformity, equitability, and defensibility of property tax assessments.

Areas of expertise

- Location adjustments & response surface analysis - Harness the power of GIS to calculate and apply more accurate location adjustments
- Data review (could missing, outdated, or incomplete data be jeopardizing your valuations? We’ll evaluate and assist)
- Model tune-ups to update cost tables, depreciation schedules, and more
- Real Estate/Property Automated Valuation Models (AVMs) AKA Computer-assisted Mass Appraisal (CAMA) Models
- Plotting valuation statistics on maps for quality control and value defense
- Conducting and improving ratio studies (COD, PRD, PRB, etc.)

www.iaaoconsulting.org

PROFESSIONAL CONSULTING SERVICES OF IAAO, LLC
A wholly owned subsidiary of IAAO
Say it once, say it clearly, and say it in the right place

The IAAO Governance Committee is updating the association’s governing documents

BY RANDY RIPPERGER, CAE, IAAO IMMEDIATE PAST PRESIDENT

Over the past few years, the IAAO Executive Board has been working on a number of areas to update the way the association operates, and as part of the process the Governance Committee is reviewing IAAO’s governing documents.

The update was prompted by suggestions by IAAO’s legal advisor and consultant in 2017, following a review of the existing IAAO Constitution, Procedural Rules, and Bylaws.

The review found several items in the three documents that were duplicative, in conflict, or no longer necessary.

The Executive Board directed the Governance Committee to work on updating the documents, and we contracted with a national parliamentarian to assist in the review of the documents and develop suggested changes.

The focus is to say it once, say it clearly, and say it in the right place. Doing so will make the documents much easier to follow and understand.

The committee is now reviewing the suggestions regarding the articles of incorporation, plus changes to the Constitution and Bylaws, for review by the Executive Board in April.

Proposed changes approved by the Executive Board must be exposed to the IAAO membership for comment and feedback. Any changes to the Articles of Incorporation or Constitution must be approved by a vote of the membership.

Additional details on the changes will be reviewed in future articles of Fair+Equitable and member input is important. In addition, a Town Hall session is scheduled for 5:15 p.m. Tuesday, Sept. 25, at the Annual Conference in Minneapolis.

The Town Hall session will provide an explanation of what changes are proposed, why they are necessary, and answers to questions from members regarding the proposals in preparation for the November ballot questions.

The Governance Committee is overseeing the process as it supports the mission and commitments of IAAO by maintaining the organization’s documents.

The IAAO Constitution was originally established as the document of empowerment whereby the membership of the association passes powers and establishes duties to the leadership of the association.

The IAAO Bylaws are less rigid than constitutional provisions but more rigid than procedural rules. They were compiled from the IAAO Constitution, the former Policies and Procedures Manual, and the recommendations of the Infrastructure Review Committee report.

The IAAO Procedural Rules are the detailed guidelines for carrying out a specific procedure, policy, or program of IAAO. These rules are promulgated and maintained by the Executive Board.

Over the years there have been many changes and additions to the documents, and in the process, conflicts and other issues have arisen.

This review should help to provide both the Executive Board and membership clearer guidance on the operation of the association.

IAAO is staying modern and cool with a new course map to help find upcoming IAAO courses for members and non-members. Click on the search button and map educational courses by title. Special Projects Coordinator Laura Knott and Technology Manager Shaun York are responsible for keeping IAAO up-to-date in Kansas City!

Map sponsored by http://go.esri.com/IAAOMMM
2018 IAAO Annual Conference Registration Now Open!

BY MIKE ARDIS

Registration for the 84th Annual International Conference on Assessment Administration, Sept. 23–26, 2018, at the Minneapolis Convention Center, is now open.

More than 1,200 attendees are expected at the 2018 conference, and attendees can register online or download the registration form.

The registration fee is $645 for members and $845 for nonmembers until July 20 and then increases to $770 and $970. Onsite registration pricing starts on Sept. 9, with the fee for members at $895 and $1,095 for nonmembers.

The conference will get underway on Sunday, Sept. 23, with the Exhibit Hall opening and Welcome Reception. Programs start on Monday, Sept. 24, with the Opening Ceremony, featuring the keynote speaker, Jack Dangermond, the founder and president of Esri. A landscape architect by training, Mr. Dangermond founded Environmental Systems Research Institute (Esri) in 1969 with a vision that computer mapping and analysis could help design a better future. Featured conference programs include an update on IAAO’s Big-Box Task Force report, “Implementing a Big-Box Methodology”; “AVMs in Europe; Future of Property Tax”; “Supersize Me! The Valuation of Corporate Headquarters”; “Maximize the Value of Your Assessor Website”; “What Is Blockchain and How Does It Impact Real Estate”; and “Women Who Lead: Real Life Experiences.”

Following the “Women Who Lead” session on Wednesday morning, there will be an optional Women’s Initiative Luncheon open to all attendees for $25.

In addition to several programs on GIS and mapping, there will be two workshop programs Sunday, Sept. 23: “Creating Maps with Assessor Data” and “Creating Spatial Valuation Models.”

There will also be an “Exhibitor Solutions” track of sessions this year. See a tentative program schedule on page 36.

New assessment tools unveiled at GIS/CAMA Conference

IAAO recently unveiled a new Compensation Estimator as a quick and easy comparative analysis tool for IAAO members.

The tool was announced at the 22nd Annual GIS/CAMA Technologies Conference March 19–22 in Houston, sponsored by the Urban and Regional Information Systems Association (URISA) and IAAO.

The conference helps assessment and appraisal professionals see how they can work more effectively using technology. Additional details on the GIS/CAMA Conference will be featured in the May issue of Fair+Equitable.

The tool’s data are based on the findings of the IAAO Assessment Industry Compensation Survey conducted by Reapdex Research and can be a helpful guide for strategic planning and professional development efforts.

The Compensation Estimator uses results based upon about 3,000 responses to the IAAO Assessment Industry Compensation Survey survey. IAAO members can check out the tool at www.iaao.org/estimator. The complete Assessment Industry Compensation survey is available online through the IAAO website store.

Succession Planning Toolkit

Also announced at the GIS/CAMA Conference was a new Succession Planning Toolkit to serve as a succession planning guide specifically for valuation agencies. IAAO created the Toolkit to help members incorporate leadership development within their strategic planning. The toolkit is available to download at www.iaao.org/successionplanning.

The recent IAAO Assessment Industry Compensation Survey found that almost half of assessment professionals in the United States will be retiring in the next nine years. Similar findings and concerns have been expressed internationally, and the industry will need to cultivate the next generation of assessment industry leaders.

Most valuation agencies have limited resources to meet the challenges of replacing seasoned professionals and therefore need to take matters into their own hands. This toolkit was created to jump-start these efforts by offering steps to initiate strategic succession planning for developing new industry leaders.

IAAO at the World Bank

IAAO representatives, including President Dorothy Jacks, took part in the Annual World Bank Conference on Land and Poverty in Washington, D.C. in late March and presented a program on “IAAO Innovation and Leadership Training for the Development of Successful Property Tax Systems.”

The conference presents the latest research and practice on the diversity of reforms, interventions, and innovations in the land sector around the world. The 2018 conference, “Land Governance in an Interconnected World,” is one of the largest international events on land governance, attracting over 1,300 participants in 2017 from governments, academics, civil society, and the private sector.

In addition to the IAAO Innovation program, IAAO representatives were on the following programs: “Simplified Property Tax Appraisal For Effective Revenue Mobilization”, “Achieving Fair Property Tax Valuations with Geospatial Modeling & International Valuation Standards: A Case Study of the Moldova Real Estate Market”, “Roundtable: Big Data and the Valuation Office — a Two-Sided Application for Land Administration?”, and “Innovative Techniques for Improving Valuation Models: Case Studies.”
The schedule of sessions for the 2018 International Conference on Assessment Administration

Join IAAO in Minneapolis for an outstanding education program and continuing education credits.

Nearly 80 sessions will be offered over three days. Presentations fill tracks including Effective Leadership, Legal and Legislative Matters, Emerging Issues, Real Property, Assessment Technologies, GIS & Mapping, Personal Property and Agricultural & Classified Use.

The new Exhibitor Solutions track* will focus on solutions that conference exhibitors offer to the many challenges faced by assessing officers. Sunday, pre-conference sessions will provide hands-on experience with half-day sessions on Creating Maps with Assessor Data and Creating Spatial Valuation Models.

The course schedule below is subject to change. See the IAAO website for more information.

*CEUs not offered for the Exhibitor Solutions track.

SUNDAY, SEPT. 23

Pre-conference hands-on workshops

8 a.m. – noon

GIS & MAPPING
Creating Maps with Assessor Data
- Paul E. Bidanset, Ph.D. (candidate), International Association of Assessing Officers
- Margie Cusack, MA, International Association of Assessing Officers

1 p.m. – 5 p.m.

GIS & MAPPING
Creating Spatial Valuation Models
- Paul E. Bidanset, Ph.D. (candidate), International Association of Assessing Officers
- Margie Cusack, MA, International Association of Assessing Officers

MONDAY, SEPT. 24

1:30 p.m. – 2:30 p.m.

ASSESSMENT TECHNOLOGIES
You Don’t Have to be the Boss to Make a Difference
- Travis Horne, Saskatoon, Canada

EFFECTIVE LEADERSHIP
Promoting Your Office
- Greg McHenny, AAS, Riley County, Kansas
- Allen Todd, RES, Riley County, Kansas

EMERGING ISSUES
Improving the Property Tax with Monthly Payments
- Adam H. Langley, MA, Lincoln Institute of Land Policy
- Joan Youngman, Esq., Lincoln Institute of Land Policy

EXHIBITOR SOLUTIONS
The Attainable Reality of Going Paperless
- Tim Bross, Tyler Technologies
- Michael Lange, Tyler Technologies

GIS & MAPPING
GIS 101 for Assessors
- Brent Jones, PE, PLS, Esri
- Paul E. Bidanset, Ph.D. (candidate), International Association of Assessing Officers

LEGAL AND LEGISLATIVE MATTERS
The Geospatial Data Act: What Assessor Should Know
- Neal Carpenter, CMS, The Sidwell Company

PERSONAL PROPERTY
Update of the IAAO Standard on Valuation of Personal Property
- Lisa A. Hobart, CAE, PPS, RSA, Lisa A. Hobart, LLC
- Tiffany Opheikens, RES, Weber County, Utah

REAL PROPERTY
Wheels Off! Or On? Mobile Home Park Valuation Concepts
- Marcus M. Moffitt, RPA, MPA, Denton Central Appraisal District, Texas

2:45 p.m. – 3:45 p.m.

ASSESSMENT TECHNOLOGIES
Desktop Review Using Imagery and CAMA
- Michael Neimeyer, Dakota County, Minnesota
- Shannon Sailer, Dakota County, Minnesota

EFFECTIVE LEADERSHIP
Social Media: An Effective Way to Communicate
- Christine Centazzo, MA, Palm Beach County, Florida

EMERGING ISSUES
Future of Property Tax
- Larry Clark, CAE, International Association of Assessing Officers

Paperless
- Tim Bross, Tyler Technologies
- Michael Lange, Tyler Technologies

GIS & MAPPING
GIS 101 for Assessors
- Brent Jones, PE, PLS, Esri
- Paul E. Bidanset, Ph.D. (candidate), International Association of Assessing Officers

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TUESDAY, SEPT. 25

9:30 a.m. – 10:30 a.m.

ASSESSMENT TECHNOLOGIES
How Continuous Valuation Improves Taxpayer Acceptance
- Marc Francke, Ph.D., University of Amsterdam

EFFECTIVE LEADERSHIP
Now That’s a Good Story!
- Bradley A. Eldridge, MAI, CAE, Douglas County, Kansas
- Willa Jesse, MSSE, International Association of Assessing Officers

EXHIBITOR SOLUTIONS
Hillsborough County’s Multi-Year Desktop Appraisal Project
- Nancy Johnston, Apex Software

GIS & MAPPING
The History of the Public Land Survey System
- Richard Norejko, CMS

LEGAL AND LEGISLATIVE MATTERS
How Credible is Your Witness?
- Christina M Marinakis, J.D., Psy.D., Litigation Insights

PERSONAL PROPERTY
Valuation of Wind Farms
- Calvin Kent, Ph.D., AAS, W.V. Property Valuation Commission

REAL PROPERTY
Administering the County’s Natural Resource Tax
- Marcus M. Moffitt, RPA, MPA, Denton Central Appraisal District, Texas

10:45 a.m. – 11:45 a.m.

ASSESSMENT TECHNOLOGIES
Quick, Automated, and Accurate Sketches in Adams County

1:30 p.m. – 2:30 p.m.

ASSESSMENT TECHNOLOGIES
Desktop Review Using Imagery and CAMA
- Michael Neimeyer, Dakota County, Minnesota
- Shannon Sailer, Dakota County, Minnesota

EMERGING ISSUES
Improving the Property Tax with Monthly Payments
- Adam H. Langley, MA, Lincoln Institute of Land Policy
- Joan Youngman, Esq., Lincoln Institute of Land Policy

EXHIBITOR SOLUTIONS
The Attainable Reality of Going Paperless
- Tim Bross, Tyler Technologies
- Michael Lange, Tyler Technologies

GIS & MAPPING
GIS 101 for Assessors
- Brent Jones, PE, PLS, Esri
- Paul E. Bidanset, Ph.D. (candidate), International Association of Assessing Officers

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- Neal Carpenter, CMS, The Sidwell Company

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Update of the IAAO Standard on Valuation of Personal Property
- Lisa A. Hobart, CAE, PPS, RSA, Lisa A. Hobart, LLC
- Tiffany Opheikens, RES, Weber County, Utah

REAL PROPERTY
Wheels Off! Or On? Mobile Home Park Valuation Concepts
- Marcus M. Moffitt, RPA, MPA, Denton Central Appraisal District, Texas
• David (Chalky) Pettersson, GISP, EagleView
• Lisa Gasko, Quincy, Illinois

**EFFECTIVE LEADERSHIP**

Internships and Other Pathways to Assessing Careers
- James R. Atchison, CAE, Hennepin County, Minnesota

**EMERGING ISSUES**

Research Grant Report on Vertical Inequity
- Frank J. SanPietro, CFP, Ph.D. (candidate), University of Memphis
- Mark Sunderman, Ph.D., University of Memphis

**EXHIBITOR SOLUTIONS**

Eliminating the Boundaries between GIS and CAMA
- Matthew Bryant, DEVNET Incorporated

**LEGAL AND LEGISLATIVE MATTERS**

When Fee Simple is Not So Simple
- James L. Murrett, MAI, SRA, Appraisal Institute

**PERSONAL PROPERTY**

Cell Towers: Estimating Value Using the Cost Approach
- Greg P. Popham, MURP, CRE - Cell Tower Valuation
- H. David Dyer, CRE - Cell Tower Valuation

**REAL PROPERTY**

Direct Sales Comparison Model for Residential Properties
- Ashley Wu, Ph.D., Property Valuation Services Corporation

**ASSESSMENT TECHNOLOGIES**

Using Google Sheets to Track and Manage Your Sales Validations
- Randy Ripperger CAE, Polk County, Florida

**ASSESSMENT TECHNOLOGIES**

4:15 p.m. – 5:15 p.m.

**LEGAL AND LEGISLATIVE MATTERS**

Assessment Policy/Administration Trends in the US & Canada
- Alan S. Dornfest, AAS, Idaho State Tax Commission
- Divya Ravich, Maricopa County, Arizona
- R. Todd Bergren, Esri Canada
- T. Douglas Brydon, Oklahoma Tax Commission

**PERSONAL PROPERTY**

Valuing Selected Complex Properties Around the World
- Sopon Pornchokchai, Ph.D., FIABCI, Thai Real Estate Business School

**REAL PROPERTY**

Replacement, Reproduction or Reconstruction Cost, Which One?
- Edward L. Martinez, IDECC, CoreLogic

**EFFECTIVE LEADERSHIP**

Women Who Lead: Real Life Experiences
- Rebecca L. Malmquist, CAE, SAMRA, Minneapolis

**EMERGING ISSUES**

Houses: Using Assessment Data for Health Research
- Young Juhn, M.D., Mayo Clinic
- Philip H. Wheeler, Mayo Clinic
- Mark Krupski, CAE, Olmsted County, Minnesota
- Chung-ii Wi, M.D., Mayo Clinic
- Euijung Ryu, Ph.D., Mayo Clinic

**GIS & MAPPING**

Work Session Using KNIME for Data Analytics
- Mark Cooke, Ph.D., MA, Tax Management Associates Inc.
- Matthew Woolford, Kent County, Michigan

**LEGAL AND LEGISLATIVE MATTERS**

Managing Large Appeals
- N. Joel Moser, Esq., MPA, Bernstein Shur

**ASSESSMENT TECHNOLOGIES**

Using Data Visualization Software in Excel
- David M. Cornell, CAE, MAI, Cornell Consultants, LLC

**EFFECTIVE LEADERSHIP**

Postage: Are You Paying Too Much? Probably
- Jim Cote, EEMC, MDP, The Master’s Touch

**EMERGING ISSUES**

What is Blockchain and How Does It Impact Real Estate?
- Margie Cusack, M.A., International Association of Assessing Officers
- Keith Nichols, MPA, Thomson Reuters

**EXHIBITOR SOLUTIONS**

Maximize the Value of Your Assessor Website
- Andrew Harrison, GISP, The Schneider Corporation

**LEGAL AND LEGISLATIVE MATTERS**

The Evolution of the Special Assessment Tax
- Joseph M. Turner, Michigan Property Consultants

**MAPPING**

IAAO Map-A-Thon Competition Results
- Paul E. Bidanset, Ph.D. (candidate), International Association of Assessing Officers

**REAL PROPERTY**

Misfortune or Calamity: California Property Reassessment
- Manuel N. Gallegos, Los Angeles County Assessor
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