



The Idaho Association of Assessment Personnel

Promoting Education • Communication • Excellence

From the President

I'm Jerry Coleman and I live and work in Latah County as the senior commercial appraiser. I have worked in the assessor's office for 11+ years, starting in residential, then in agricultural, and now in commercial appraisal.

I served on the IAAP board from 2000 to 2004. This year I was asked to serve for a year as president to provide continuity.

I am a big believer in what IAAP offers to assessors and appraisers in Idaho. I am happy to do whatever I can to help make IAAP as successful as possible. I am excited about working with the current board because I sense that all of the board members are committed to providing those in the assessment field with a high level of service.

I would like to remind all of you throughout the state, that this is

your organization. Please be involved by letting us know what you would like to see offered for classes, contributing articles for the newsletter that would benefit all of us, and/or offering to serve when asked.

One of our goals for the coming year is to update the peer directory. In the very near future, if you haven't been already, you will be asked to update information on the employees in your county for the directory. We hope to digitally publish the directory by the end of the year. We will be putting together a web page that will have the directory on it, along with other information that will be pertinent to assessment professionals.

Thank you and please take the opportunity to get involved!

Jerry Coleman
IAAP President

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Fall 2008 Edition

News

IAAP Officers



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Meet Your IAAP Officers

By now you've been introduced to the IAAP's new president, Jerry Coleman (see page 1), so let's meet the rest of the IAAP's officers for this year.

Vice-President George Green

I was born and raised in Council, Idaho.

I commenced working for the Adams County Assessor's Office in February 1987, at the age of 21. I worked there until transferring to the Nez Perce County Assessor's Office in January, 1993. In 2007, I spent three months in the Canyon County Assessor's Office in what I call my "pilot program". I am currently enjoying appraising the commercial properties again in Nez Perce County.

When not working, you will find me somewhere in the mountains from here to Council.

Secretary Rod Wakefield

Hi, I'm Rod Wakefield, secretary of the IAAP. Thank you for letting me serve as secretary this year. Here is a quick bio so you can get to know me. I live in Benewah County and am married to my wonderful wife, Marcie. We live on acreage south of St. Maries.

I grew up on a farm by Ames, Iowa, raising corn and soybeans, cattle and hogs. After high school I worked at the United States Post Office for 25 years before moving to Idaho in 2001. I worked in the assessor's office in Benewah County as a personal property and residential appraiser for about three years before coming to Latah County as a residential appraiser. I currently have about 4 1/2 years appraisal experience.

My first year as treasurer of IAAP was very rewarding as I learned a lot of new things and met a lot of nice people. I look forward to being secretary this year and hopefully contributing to the IAAP as an officer.

Treasurer Alan Smith

I have been an appraiser for two years with the Ada County Assessor's office. My first position with the Assessor's office was in the Personal Property department, where I specialized in construction and industrial type businesses. After a short time in Personal Property, I accepted a position in the Residential Property department where I currently specialize in appraisal and assessment of northwestern Ada County, including the municipalities of Meridian and Star, Idaho.

Prior to working for the Assessor's office I was employed by Albertsons Inc. for 13 years, where I held a number of store level positions. In December 2005, I graduated from Boise State University with Cum

Meet Your IAAP Officers, continued on page 3.

IAAO News

I hope that everyone had the opportunity to make it to the 74th IAAO conference in Reno. The location was very close for Idahoans! Unfortunately I did not make it to the event this year. Next year marks the 75th anniversary with the conference being held in Louisville, Kentucky on September 13-16, 2009.

From time to time appraisers around the state ask me about professional designations. We all know that while working in the world of assessment we gain incredible knowledge while trying to make fair and equitable assessments on the properties in our respective counties. You can put some of that hard earned knowledge to work for you and get some letters after your name.

IAAO offers five internationally recognized professional designation programs. The available designations are:

- Assessment Administration Specialist (AAS)
- Certified Assessment Evaluator (CAE)
- Cadastral Mapping Specialist (CMS)
- Personal Property Specialist (PPS)
- Residential Evaluation Specialist (RES)

If you are interested in obtaining a designation, or if you would just like to have more information, you can visit the IAAO web site (iaao.org) or please contact me if there is anyway I can help.

One requirement for each of the designation programs is that you must be a member of IAAO in good standing. If you are not a member and would like to become one, I can offer you half-price membership for the first year. (See the application on the next page.)

Susan Ripley
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Meet Your IAAP Officers, continued from page 2.

Laude honors, earning a degree in Business Management and a minor in Finance.

My professional interests include: computer systems and programming, statistical analysis, and management theory. During my personal time I have always been an avid outdoorsman, being actively engaged in hunting, fishing,

hiking, motorcycle trail riding, and shooting sports.

Overall, my experience with the Assessor's office has been fantastic. It has allowed me to accomplish many of my personal and professional goals, as well as allowing me to be actively involved with professional organizations such as the IAAP and IAAO.

Ready, Set, Appraise This...



STEP UP TO IAAO AND STAND OUT IN THE CROWD

The International Association of Assessing Officers (IAAO) is a non-profit educational and research association of individuals in the assessment profession and others with an interest in property valuation.

Membership is open to anyone and includes individuals working in government, private industry and academia, as well as members of the general public.

IAAO MEMBERSHIPS

Regular Membership

is available to employees of government jurisdictions or private mass appraisal firms whose duties are directly related to property tax administration and assessment, or those individuals whose primary business is in support of government jurisdictions.

Associate Membership

is available to individuals not eligible for regular membership but who are interested in property valuation, tax and/or assessment administration.

Affiliate Membership

is an organizational membership open to any group or association of public officials, employees and/or citizens interested in property valuation for property tax purposes, property tax administration, and property tax policy. (Please contact the IAAO membership dept. for application and instructions: Membership@iaao.org)

Dues are payable in advance.

Please complete this application and return with payment of dues: If paying by credit card, please provide the information requested below and fax to 816/701-8149.

TOTAL MEMBERSHIP DUES \$

For information about an accredited membership designation, go to www.iaao.org.

VISA Cardholder Name (Print) _____
 MasterCard
 AMEX Card Number _____ Expiration Date _____

If paying by check, please make check payable to IAAO in U.S. Funds and mail to: IAAO, P.O. Box 504183, St. Louis, MO 63150-4183 (The returned check charge is \$25.00)



INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS MEMBERSHIP APPLICATION

Join IAAO and register for seminars at the reduced member rate!

Name _____ Title _____
 Jurisdiction/Firm _____
 Office Street Address _____
 Office City _____ Office State/Province/Country _____ Office ZIP/Postal Code _____
 Office Phone _____ Office Fax _____ Office E-mail _____
 Home Street Address _____
 Home City _____ Home State/Province/Country _____ Home ZIP/Postal Code _____
 Home Phone _____ Home Fax _____ Home E-mail _____
 Send mail to: Office Home Check here if you do not have an e-mail address or do not wish to provide an e-mail address. *E-mail is a vital link between IAAO and its members. It is IAAO policy not to sell, rent, or distribute e-mail addresses.*
Susan Ripley
 Person referring applicant (if anyone) _____

I hereby apply for membership in the International Association of Assessing Officers and agree to comply with the requirements of the IAAO Code of Ethics and Standards of Professional Conduct. If accepted for membership, I will abide by the IAAO Constitution, pay the established dues, and comply with the Code and Standards.

 Signature Date

Please indicate if you have been convicted of a felony or crime of offense which may reflect on your ability to abide by the IAAO Code of Ethics and Standards of Professional Conduct. Yes No

Office use only:
 H81RZ

International Association of Assessing Officers
 Membership Categories

Prices are quoted in US dollars and are subject to change. Prices are guaranteed through December 31, 2008.

Councils and Sections Interest Areas*

- (you may join more than one at no additional charge)
- Public Utility Section
 - Mapping and GIS Section
 - Computer Assisted Appraisal Section
 - Personal Property Section
 - State and Provincial Council (contact Membership Dept. to join)
 - Metropolitan Jurisdiction Council (contact Membership Dept. to join)

*You must be an IAAO member to be eligible for membership in these groups.

Board of Tax Appeals

Tips for Effective Presentation Planning

by Alan Smith, with Tim Tallman

It's that time of year again. Preparing and presenting Board of Tax Appeals cases. Given the importance of appeals cases in relation to maintaining the uniformity of assessment, it is imperative to compile and deliver an effective appeal presentation. The following recommendations are important for the development of an effective appeals presentation.

Know the Appellants Issue

Being able to identify the appellant's issue is essential in determining the foundation of whether or not the filed appeal is valid, and either should or should not be argued in a hearing environment. However, being able to deliver evidence to address the appellant's complaint is essential in repudiating their claim. This will not only allow the board to make a more deliberate decision, but will also show the appellants that you have identified and given consideration to their issue.

Consider the Three Approaches to Value

Giving consideration to the three approaches to value is essential in supporting a market valuation. Whether or not the approach is employed in an appeals presentation, it is important to be able to explain why an approach was not used if it comes into question. Depending on the type of the property being appealed, it may or may not be necessary or appropriate to employ all three approaches to market value. However, the consideration and explanation of these approaches will lend credibility to the good-faith effort on the Assessor's part in validating the assessed value of a property.

Develop a Comprehensive and Organized Appeal Packet

Appeals packets should be concise, yet comprehensive, providing evidence to support the case for market value, but also addressing the appellant's complaint. Visual aids, as explained in the following list can dramatically enhance a presentation's quality.

Aerial Photos and Maps—provide insight into attributes and usage of the subject property, while providing geographic relationship of the subject property and comparable property sales. Land value maps are valuable tools to illustrate assessment uniformity.

Scatter Plots and Charts—allow the array of data such as sales by date or property attribute in relation to sale price, and can reveal market value trends or explain economies of scale.

Adjustment Grids—illustrate the recognition of differences between market comparables and the subject property and are an essential tool in the development of an estimated market value using the sales comparison or market approach.

Legal Information and Case Citations—included copies of relevant statutes, administrative rules, and court decisions serve as reinforcement of appraisal methodology and decision making. The following websites are valuable for finding legal information and case citations:

- Idaho Statutes Title 63 Revenue and Taxation: <http://www3.state.id.us/idstat/TOC/63FTOC.html>
- State Tax Commission Administrative Rulings: <http://adm.idaho.gov/adminrules/rules/idapa35/0103.pdf>
- Idaho State Judiciary Search: <http://www.isc.idaho.gov/search/>

Once supporting information is gathered, organization of said material is imperative to delivering a compelling appeals presentation. Simple items such as numbering pages and exhibits allow the appraiser to bring the board's attention to key arguments. Developing an effective running order of the presentation's exhibits allows the appraiser to develop a concise and compelling argument for the valuation they placed upon a property.

Practice, Practice, Practice

Rehearsal prior to the appeals hearing will allow you to iron out kinks in your appeals presentation. If time allows mock presentation provides an even better platform for developing an effective appeals presentation. It can also raise issues and eliminate weaknesses that may not have been considered by the appraiser when building their case.

The application of these procedures can dramatically improve your Board of Tax Appeals case and presentation. Overall, these efforts will yield a positive reflection on not only your individual professionalism, but our profession as a whole.

Family foresters harness carbon credits

Grant funds research on sequestration to lay groundwork for new company

by Mateusz Perkowski

Capital Press, September 5, 2008, Reprinted with permission

Family forest owners in Oregon may soon get paid for the carbon their trees take out of the atmosphere.

The Oregon Small Woodlands Association is launching a carbon sequestration firm which will help forest owners sell the "carbon credits" generated on their properties on the Chicago Climate Exchange.

"For the first time ever, we'll be able to sell an ecosystem service on the voluntary market," said Mike Gaudern, executive director of the association.

The Woodlands Carbon Co., as the firm is called, is being launched thanks to a three-year \$673,000 grant from the American Forest Foundation, a non-profit group aimed at sustaining family forests.

The money will pay for staff and overhead, as well as zero-interest loans to family forest owners who want to participate.

Landowners will use the loans to pay forestry consultants to make cubic measurements of the trees growing on their land, which will be used to measure the amount of carbon sequestered over time.

The loans will come out of a revolving fund and will be paid off as landowners sell their carbon credits.

Family forest owners generally don't have the cash flow to make such investments themselves, so the Woodlands Carbon Co. will act as a portal for them to pool together and access the carbon market, Gaudern said.

"We think there's a real opportunity for family woodland owners," he said.

Not all the carbon generated by these family forests will be sold on the exchange, however.

The company will retain a 20 percent reserve as insurance against fire, windstorms and pests that could damage trees, thereby releasing carbon or hindering a forest's ability to store it.

"We can deal with that type of flux," said Gaudern.

As part of the grant agreement with the American Forest Foundation, the company must become self-sufficient within three years. It expects to sustain itself from commissions on carbon credits sold by participating landowners, said Gaudern.

To join the company, land owners must have their forestry practices certified by the American Tree Farm System or another agency approved by the Chicago Climate Exchange.

A unique aspect of the program is that landowners will be able to earn credits from standing trees as well as from carbon stored in wood products.

Such a system is conducive to keeping land forested, because the owners can earn an income without converting the use of their land, Gaudern said.

"We want to solve the climate crisis by keeping working forests working," he said.

The Chicago Climate Exchange allows credits to be earned in a number of ways from forestry, including planting new trees on non-forested land, replanting trees on recently harvested land, and "carbon stored in long-lived wood products

Carbon credits continued on page 7.

In Idaho

If this program in Oregon proves successful it will soon follow in Idaho.

Europe has adopted a mandatory cap-and-trade practice that requires companies which produce green house gasses or GHG's to compensate for their "carbon footprint" by purchasing offsetting units of carbon sequestration from forestland or similar entities. The carbon trading values in Europe are two to three times the values described here because the practices are mandatory there.

If trading carbon credits becomes the norm in the market in Idaho, then it will be possible to consider it as part of the cash flow that forest land produces. Until the practice is common and a normal part of the business of growing trees it remains something of interest, but not something that can be included when calculating the value of forestland for property tax purposes. - Rod Brevig, Forest Tax Administrator, Idaho State Tax Commission

The following is an article detailing the successes of the company currently constructing a new type of student housing in Moscow, Idaho.

Campus Crest Enjoys Year Over Year Growth with Its Fully Loaded College Living Facilities

CHARLOTTE, N.C., Right now, many developers are feeling the pinch of the current economic recession. But not Campus Crest, the developer behind a successful brand of college living facilities called The Grove. Since the company began in 2004, it's developed 19 of The Grove locations across 10 states, with 12 more slated to begin construction later this year, a 450 percent average increase per year.

Billed as 'fully loaded college living,' The Grove developments provide more than just a home away from home for students. Amenities include individual lease options for residents, high speed Internet access throughout the residences and properties, a centrally-located clubhouse and resident gathering area complete with a pool, tavern-style game room, sand volleyball court, basketball court, fire pit, coffee shop, fitness center and tanning salon.

Residents also enjoy bundled payments, in which one bill per month covers rent, all utilities including cable, high speed Internet access, and use of all of The Grove amenities, including the fitness center and tanning salon.

"The demand for The Groves' growth has truly been a testament to the Campus Crest vision, which is to build a fully loaded home away from home for students to enjoy during

their college years," said Shannon King, president of Campus Crest. "Students want to have fun, and their parents want them to be safe. The Grove provides all of that and more across each of our properties."

Currently, The Grove properties provide fully loaded living facilities for college students in Alabama, Georgia, New Mexico, North Carolina, Texas, Washington and Colorado. More locations will be added throughout 2008 and 2009 across these states as well as Tennessee and Kansas, with plans to expand into the Northeast and Western parts of the country.

About Campus Crest and The Grove

The Grove is the brand of luxury college living facilities built by Campus Crest, a progressive, Charlotte, N.C.-based firm founded by a group of professionals whose vision is providing the best student housing in the industry. Campus Crest has developed more than \$100 million of student housing and is committed to responsible development practices, delivering community conscious projects that go beyond the requirements of the cities where they are located. Visit www.gogrove.com for more information.

SOURCE Campus Crest and The Grove

Carbon credits continued from page 6.

(that) are sustainably managed," according to exchange specifications.

Companies that want to voluntarily offset their carbon emissions can use the Chicago Climate Exchange to buy these credits, which are measured by the metric ton of carbon.

According to the Environmental Protection Agency, an acre of reforested land can sequester up to about 2 metric tons of carbon per year.

The value of a metric ton of carbon on the voluntary market has fluctuated widely since the Chicago Climate Exchange began trading in late 2003.

In the first year and a half of trading, the price per metric ton

grew from about \$1 to \$5, then began sliding downward, according to exchange data.

The most recent low point was in January, when a metric ton traded for about \$2. The market surged after that, topping \$7 per ton in June, but has now sunk to below \$4.

The U.S. does not have a mandatory cap-and-trade system, which requires companies to buy offsets if their emissions exceed a prescribed level. If the system ever becomes mandatory, as it is in Europe, demand for credits would likely increase and prices would rise.

In that event, forestry will be well-positioned to become part of the cap-and-trade market, said Gaudern. "We're learning by doing."

Have something to say?

Get involved! All IAAP members are encouraged to submit articles for the quarterly IAAP News publication. Did you have an interesting or unusual property to assess? Email a brief description of the property and how you appraised it, along with several photos that illustrate the distinctiveness of the property. Do you have an opinion on a current issue or problem facing Idaho's assessment personnel? Is there an event, meeting or educational opportunity occurring in your area that may be of interest to fellow IAAP members? Let us know! Send all submissions to Jerry Coleman: jerrycoleman@latah.id.us

Ratio Studies Classes

by Steve Fiscus, Administrator
Division of County Support
Idaho State Tax Commission

Recent events have made us aware that there are some severe deficiencies when it comes to running and understanding ratio studies. Ratio studies have many uses in the appraisal and assessment practice. I suspect that often times the only time a study is completed is when it is necessary to determine a pass or fail grade for annual assessments. Although this is the mechanism utilized for final determination, the studies are an essential tool in determining depreciation schedules and other various tables.

In the past the State Tax Commission has provided educational opportunities that focused on ratio studies. This year is no exception. We will be offering classes on a regional basis beginning October 6-7 in Boise. The class will also be held in Moscow October 22-23 and in Idaho Falls on October 27-28. Please contact Jan Barnard at 208-334-7733 if you have any questions about this or any other educational opportunities. This class should be attended by Assessors and staff members since sometimes the results of the studies serve different purposes.

Thank you to everyone who submitted articles for this issue of the IAAP News