

NETWORK



Winter 2003

VIRGINIA ASSOCIATION OF ASSESSING OFFICERS The Quarterly Newsletter of Virginia's Assessment Professionals

VAAO SCHOLARSHIP PROGRAM

by **Bill Marchand**,
Co-Chairman VAAO Education Committee

The Virginia Association of Assessing Officers is now accepting applications for the annual VAAO Scholarship Program. This program is an important part of the VAAO's efforts to encourage young men and women to enter the assessment field in Virginia's state and local governments.

Scholarship recipients will attend the Virginia Department of Taxation's Advanced Assessors' School June 8-13, 2003 at the College of William and Mary, in Williamsburg, Virginia.

Scholarships, covering tuition, housing, and course materials will be offered to qualified persons considering the assessment profession as their career. Additional information on the VAAO Scholarship Program and the applications are enclosed. I hope you will encourage qualified persons, especially recent college graduates, to apply for a scholarship.

This announcement is being sent to the principal assessor in each locality, members of the education committee, and all colleges and universities in the Commonwealth which offer courses in real estate. Therefore, we would appreciate it very much, if you would inform your employees about the scholarships in case they know someone who is interested in assessing as a profession. In addition, we would appreciate it if you would post in your office the enclosed announcement about the scholarships. The purpose of the scholarship is to encourage individuals to enter the assessing field.

If you need additional information, contact Bill Marchand, 402 City Hall Bldg., Norfolk, VA. 23510-1014. Telephone: (757) 664-4732.

Featured Jurisdiction: *THE CITY OF PORTSMOUTH*



Historical Past, Challenging Future

The City of Portsmouth, a small seaport city in the Hampton Roads area, was chartered in 1858, approximately 100 years after its establishment as the Town of Portsmouth. However, the area was first explored by Captain John Smith of the original Jamestown Colony and was settled as early as 1620 as a plantation community and shipbuilding site.

Portsmouth's advantageous location on the Elizabeth River, part of the world's largest natural harbor, helped Portsmouth develop into a major maritime center. The Gosport Shipyard was established in 1767 and built many ships for the fledgling American Navy. In 1833, the first ship to be drydocked in the United States did so at the Portsmouth (Gosport) Navy Yard.

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The NETWORK is published quarterly by the Virginia Association of Assessing Officers, a non-profit organization dedicated to improving assessment standards and practices in the Commonwealth of Virginia.

The NETWORK is looking for interesting articles and news for future publication. Articles and photos, if not original, should contain the source and written permission allowing published use.

**Spring
Issue**

**Next Deadline:
April 15, 2003**

www.vaa.org

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A Message from VAAO President, Jerry Bannagan

I hope everyone enjoyed the holidays and had a little time from work to spend with family and friends.

The General Assembly is in session and our Legislative Committee is monitoring several bills that could affect us. The subject of the bills range from Land Use Taxation, Senior Citizen and Disabled Person Exemptions, Boards of Equalization, statute of limitations on court review for large cities, limitations on total revenue from reassessments, and limitations on individual assessment increases.

The Publicity, Personnel and Manual Committees are hard at work on our publications. The Education and Land Use Committees are working on our Annual Assessment Seminar to be held in Charlottesville, July 9th – 11th, 2003.

(Continued from page 1 - The City of Portsmouth)

During both world wars, Portsmouth's Navy Yard greatly expanded and produced many new ships for the American fleet. In 1919, the Navy yard built the Navy's first airplane carrier, the USS Langley, by converting the collier Jupiter. The full scale replicas of the Susan Constant, Godspeed and Discovery, the ships that brought the Jamestown colonists to America in 1607, were also built by a Portsmouth shipyard.

Steeped in history, Portsmouth still retains much of its historical flavor. The area today known as "Olde Towne" has its roots in a 65 acre plot of land that William Crawford laid out in 1752 to imitate Portsmouth, England. Some of the buildings in this area date back to the mid 1700's, with others having been



Cruise into Portsmouth at Mile Marker Zero on the Intracoastal Waterway and discover the perfect get-away destination.

built throughout the 1800's. There are fine examples of Colonial, Federal, Greek Revival, Georgian, and Victorian architecture presenting the visitor with a cornucopia of architectural styles from early American history. The area has also been a major part of the Portsmouth renaissance,

The Arrangements Committee is planning our annual Conference, which will be held in Virginia Beach, October 8th – 10th, 2003. The Annual Meeting Committee is seeking a location for our 2005 Conference.



Jerry Bannagan

The PDP Advisory, Membership, Awards, Audit and Finance, Resolutions, Nominating, Communication and Technology Committees, as well as our Chaplain, Parliamentarian, Historian, Flag Bearer/Sergeant-at-Arms, and Commissioner of the Revenue Liaison are all working on their perspective missions to keep the Association functioning well and serving our membership.

The Advanced Assessor's School will be held in Williamsburg, June 9th – 13th, 2003. The exam will be on Friday the 13th. Good Luck!!

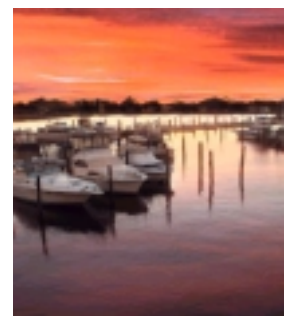
I believe we have gotten off to a good start and will have a successful year serving our members.



being a catalyst for bringing in new restaurants, antiques stores, specialty shops and museums that cater to those residents that are discovering the small-town charm of the area.

Museums include the Children's Museum of Virginia, the Portsmouth Naval Shipyard Museum, the Lightship Portsmouth Museum (it's a real ship!), and the Courthouse Galleries.

Portsmouth's maritime industry extends to shipping as well as shipbuilding. The Port of Hampton Roads is a leader in containerized cargo handling. There is also a robust industry involving ship repair and marine engineering. Other Portsmouth industry is associated with health care, food processing and manufacturing. Some of Portsmouth notable private employers are BASF (chemicals), Lindab, Gwaltney, Moon Engineering, Bon Secours (health care), NTELOS, and the market's NBC and FOX affiliates. There are also major federal employers including Norfolk Naval Shipyard (the oldest and largest naval shipyard in the nation), Naval Medical Center Portsmouth, and the U.S. Fifth District Coast Guard Command.



This Maritime community caters to more than 12,000 boaters annually and is equipped to handle vessels of all shapes and sizes.

(Continued on page 4)

Picking Up New Construction In The Field Using Computer Technology

PROVAL

ProVal has the CheckOut/CheckIn process with its current version (6.4.1) for picking up new construction using computer technology. The process will be much the same for the new version 7.0 which will be coming out in the fall. The only difference will be that instead of using Rbase as the database on the field computers, ProVal will be using Microsoft Desktop Engine (MSDE), which is basically Microsoft SQL Server 2000 without the tools. For more information email: Alan.Shipp@Manatron.com.

HANDHELD

The Dell Axim X5 handheld's sophisticated design encloses a brilliant 3.5" high-resolution transfective color display, four application keys, a navigator button, scroll dial, record button, and headphone mini-jack. The cost is \$299. For more information go to: www.dell.com.



ALA MODE SOFTWARE

Another tool for assessing officials to use in the field is the POCKET TOTAL 3.0 which includes powerful form and photo features and Pocket Apex. For more information visit ala mode's website: www.alamode.com/pocket/

APEX ASSESSOR SKETCH

Apex Assessor Sketch provides quick, easy drawing methods and tools to help the appraiser convert your field sketch notes, hand drawings, or blueprints into professional, clear building sketches with accurate area calculations. Automatically post your Area Name/Codes and square footage into the sketch to save you time. For more information contact website: www.apexii.com/assessor.htm

(Continued from page 3 -
The City of Portsmouth)

Further evidence that Portsmouth is being rediscovered by the Hampton Roads community is the announcement that the 2003 Homearama will take place in a newly-developed gated waterfront community in the city. Homearama is an annual event that showcases new homes by some of the area's best custom residential builders. This will be the first time in Homearama's 21 year history that Portsmouth has been the host city. Sixteen homes will be built for Homearama and are expected to sell in the \$500,000 to \$700,000 price range. Portsmouth officials are understandably excited about the estimated 100,000 people that are expected to attend Homearama. With the average older home selling for about \$79,000 in Portsmouth, compared to a regional average of \$135,000, and newly constructed homes averaging \$135,000 compared to \$180,000 for the region, the city is hoping for a trend to begin in up-scale residential development.

The City Real Estate Assessor, Bill Froehlich, has been with the department for over 30 years. In 1973 when he joined the staff, the Department was in the process of converting the records from a manual system to a CAMA. Portsmouth's Assessor's Office was among the first in the State to implement a CAMA system. Bill was promoted to Senior Appraiser in 1976, and to Deputy Assessor in 1978. He was appointed as City Assessor in 1985 following the retirement of Don Fasick, formerly of the Fairfax County Assessor's Office. Bill has both the SRA and CAE designations, and he is active in the VAAO, IAAO and the Appraisal Institute. The remainder of the Assessor's staff consists of the Assistant City Assessor, 6 appraisers and a 4-member administrative support team, including a part-time student worker.



Assessor, William
Froelich, CAE

Bill is an advocate of licensure and designation for the appraisers, and the staff is rewarded with pay incentives for earning various professional designations.

The Assessor's Office is responsible for 33,177 taxable parcels and 1,536 tax-exempt parcels. There are 30,703 taxable residential parcels and 2,474 commercial and industrial taxable parcels. Among the newer improvements in the city are the Ntelos Pavilion, a 6,500-seat performing arts center, and the Portsmouth Renaissance Hotel, which was featured on the prize wheel of Wheel of Fortune. The aging, mostly-vacant Tower Mall in the center of the city, was demolished and replaced by Victory Crossing Shopping Center, which includes a Super
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r a n t s .



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VAAO Member Profile ...

George Barham

(This is the first article of a new NETWORK feature that we hope will help VAAO members us get to know each other better.)

George Barham began working for the City of Virginia Beach Real Estate Assessor's Office as an Appraiser I approximately 3 years ago. He came to the Beach office after working several years as a fee appraiser in the Hampton Roads area. Some VAAO members may already know or recognize George since he was an instructor at a VAAO Conference in Williamsburg as well as a regional seminar in Williamsburg even before his entry into the assessment profession. George is still a part-time instructor of appraisal courses at the Alpha College of Real Estate in Virginia Beach and is certified as an instructor by the State of Virginia. His current position with Virginia Beach is as a Real Estate Appraiser III, specializing in commercial property assessments. George is a Certified Residential Appraiser and plans to upgrade his license to General Certified once he acquires the required commercial experience.

Since changing careers to assessment work, George has also been active in the VAAO. He has served on and co-chaired the Audit Committee (making use of his construction cost auditing experience) and is the current Chairman of the Resolutions Committee.

George has been married to his wife, Jackie, for 24 ½ years and has a grown son, Chris, and a daughter, Carrie, who is a graduate student at the University of Maryland. George and Jackie are also the proud grandparents of 3 grandchildren: Ben, Nick



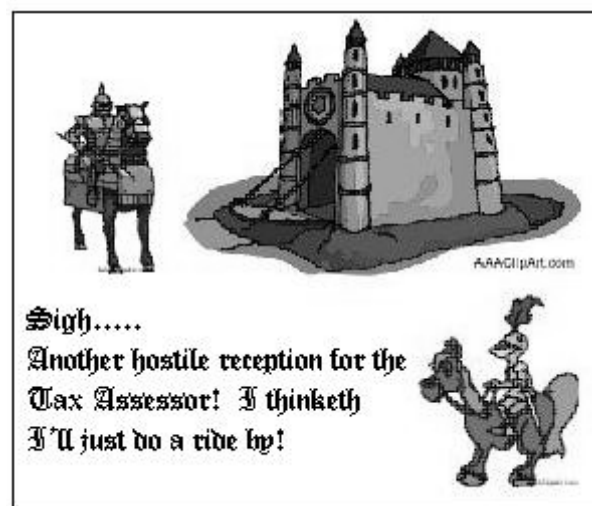
and Lauren. His interests range from airplanes (he's a licensed pilot) to cooking and old movies. Most weekends are spent attending their grandchildren's sports activities or at their church.

Speaking of church, George recently became an ordained minister, an accomplishment that fulfilled a long time goal. He worked very hard

over many years to meet the requirements set forth by his religious affiliation. It was no surprise then, when asked his favorite quote, that he replied, "For nothing is impossible with God" and offered Luke 24, verses 5 & 6 as a suitable epitaph for himself (look it up!). George is currently working part-time as the Youth Minister at his church. With his many commitments, George says that he rarely takes a vacation. However, he and his wife are planning a Caribbean cruise for their 25th anniversary.

As should be apparent from the above text, George is a very hard-working individual. However, he will always make time to assist a co-worker or support a worthwhile effort. He is a very giving person with the sort of contagious personality that one can't help but like. So what's George's long term plan for eventual retirement from his assessment job? He hopes to do mission work in Central and South America.

What a guy!



**Through out history...
some things never change!**

Retirement for VAAO Member ... Calvin “Rudy” Johnston

Written by the staff of the City of Hampton Assessment Office

Walk into Calvin Rudolph Johnston’s Franklin Street office on any given day and one might find him composedly at work among mountains of paperwork, typing away steadfastly on his computer, or perhaps calmly assisting a distressed taxpayer or city official in his tranquil, proficient manner. On rare, endearing occasions, Rudy can even be found dispensing his personal and professional advice, coined by some

as “Rudyisms,” to his co-workers and friends. Noticeably absent from his office walls are the physical testaments to his extensive education and professional experience. Missing in his manner is the egotistical and dictatorial demeanor that can often accompany a person with his title and position. On the contrary, Rudy has proven to be so much more than an outstanding City Assessor; he is a true “southern gentleman”, husband, father, and friend who has managed to skillfully channel the experiences of his life-long journey, into his 10-year prosperous tenure as the Real Estate Assessor for the City of Hampton.

This ‘journey’ began on September 14, 1932, on the Johnston family dairy farm in the scantily populated town of Farmville, Virginia, where Rudolph Johnston was born;



Retirement for Calvin “Rudy” Johnston

Rudy obtained a degree in Dairy Husbandry from Virginia Polytechnic Institute, now known as Virginia Tech, and landed his first job as a dairy farm manager for W.H. Hurtt in 1956. This was a position he knew that would not only utilize his training, but support his growing family as well.

It was after a brief stint in the military that Rudy began his assessment career as an Appraiser for the Virginia Department of Taxation in 1958. This led to numerous successful

career moves including: Assessor for the City of Williamsburg (1964), Assessor and Finance Director for the City of Williamsburg (1967), James City County Assessor (1974), York County Assessor (1987) and ultimately, Assessor for the City of Hampton in 1992. Under his leadership, the Hampton Assessment office overhauled their software system and refined the appraisal process. Rudy also encouraged educational and professional development amongst his employees. In between jobs, Rudy also managed to earn a Juris Doctorate from the William and Mary Marshall Wythe School of Law in 1970.

The Bible says that the steps of a good man are ordered by the Lord; a strong believer in the Bible and a Christian, Rudy truly is a good man with a heart of gold who allows his solid beliefs to permeate every aspect of his life; including his career. His wisdom, caring, and dedication have touched many and he will be lovingly missed by all in the Assessment office.

*His wisdom, caring
and dedication
have touched many!*

the 14th of 15 siblings. Rudy matriculated through the public school system and graduated from Cumberland High School in 1950. However, in a town well-known for its wide-ranging farms and agricultural resources, it was the family dairy farm that Rudy grew to love. He attended Fork Union Military Academy in 1951, and shortly after on September 11, 1954, married his high school sweet heart, Virginia, whom he lovingly refers to as “Ginny.” Together they raised 5 beautiful children.



VAAO Board Meeting Recap

November 5, 2002

Voting Members and Guests in attendance:

Jerald D. Banagan, ASA, Sam A. Davis, CAE, Larry E. Thurston, ASA, Janet E. Coldsmith, CAE, Janice E. Hudgins, Joseph C. Street, SRA, Roosevelt Barbour, RES, Ron McKissick, Larry Mackereth, CAE, Randolph Rush, John Kiger, Tammy Carroll, CAE.

Also Present:

George Barham, Priscilla Bele, Bill Marchand, Nancy Seldon, Donna Blackley, John Nelms, RES, SRA, Will (Biff) Leonard, CAE, SRA, Michael Dunstan, Richard Wood, Kim Smith, Susan Garling, Tommy Rice, CAE, James Gillie, COR, Bob Willingham, ASA, Sandra Hughes, Arthur Eason, Wayne Trout, ASA and Ron Agnor.

Treasurers Report: Joseph C. Street, SRA

Treasurer's Report was for period September 20, 2002 to November 15, 2002. Beginning balance \$65,487.69 plus interest from savings, CD's and a regional seminar held in Fairfax of \$554.00 less expenses \$3,675.43 resulting in a new balance of \$62,367.26. After all accounting, the net income for 2002 was \$6,480.78. A motion was made and seconded to approve the treasurers' report. All present voted in favor. The 2002/03 budget will be discussed under New Business.

Education:

Bill Marchand & Priscilla Bele

All members have been contacted and the first meeting is scheduled for December 4, 2002 at the Doubletree Hotel in Charlottesville, VA. One member of the committee questioned the correctness of serving alcohol at the seminar since the jurisdiction is paying the registration fee. It was discussed that the hotel contract is based on consummation of food and beverage. We do not want to have to pay any slippage.

Educational Seminar has been audited for the 2002 year and there is one outstanding check and an account difference that after going back through the check ledger cannot be accounted for. The difference being \$188.25 in the favor of the VAAO, it was suggested that we leave this balance until the end of the 2003 seminar. The 2002 Educational Seminar netted a profit of \$197.13, the check will be sent to Joe Street, Treasurer.

The Annual Conference checkbook has not been audited. Janice Hudgins reported that several counties/cities have not paid their registration fees for the PPTRA and the Professional Seminar. After lengthy discussion Ron McKissick made a motion and Sam Davis seconded that the President write letters to these counties/cities and request payment so that we can close the year out. All voted in favor.

Arrangements:

Donna Blackley/Nancy Seldon

All committee members have been selected and a meeting will be scheduled soon.

Membership:

John Nelms, RES, SRA

Reported that he had received applications from sixteen people. To add to that number, Janice Hudgins received and processed nineteen additional members as a result of the Educational Seminar and the Annual Conference. This brings the total new memberships for the past 2001-2002 period to thirty-five new members. As we start the year, I have received and processed three new members.

PDP Advisory:

Will "Biff" Leonard, CAE, SRA

Has not had a meeting as of yet, however he will be getting in contact with his committee members to discuss the upcoming Educational Seminar Program.

Personnel: Ron Agnor

All Salary Survey's have been mailed. There were approximately 60 picked up during the conference. He does have extra copies if anyone would like one he would be glad to email it to them. Because of the shortage in the budget they shopped around for a better printing price and saved approximately \$400.00.

Manual: Richard Wood

Requested everyone to look at the constitution and by-laws and see if there were any changes to be made and get with him. Richard was asked by Vice-President Coldsmith to check on the designation requirements.

Publicity:

Susan Garling & Kim Smith

The fall issue is at the printers now. The deadline for the Winter Issue is December 15th.

We are looking for a feature jurisdiction for the upcoming issue. We did not win the IAAO Zangerle Award this year. Kim suggested printing the newsletter in color at an extra cost of approximately

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VAAO SCHOLARSHIPS AVAILABLE

Careers In Property Assessment and Appraisal

Assessment involves the discovery, listing, and appraising of property for ad valorem taxation purposes. The assessor places an equitable assessed value on each parcel of real estate in a jurisdiction by estimating the property's market value. Assessment requires specialized appraisal knowledge, experience, and the ability to exercise sound judgment. A career in property assessment offers the opportunity of working with people and providing a significant public service.

Established in 1949, the Virginia Association of Assessing Officers (VAAO) is a professional organization of assessors and appraisers from state and local governments throughout the Commonwealth. The organization's mission is to improve assessment standards, disseminate information on assessment practices, and provide continuing education to its members.

VAAO SCHOLARSHIP PROGRAM

An important part of the VAAO's yearly activities is the Scholarship Program, designed to assist young men and women, particularly those of college age, entering the assessment field.

VAAO scholarship recipients will attend the Virginia Department of Taxation's School for Advanced Assessors to be held at the College of William and Mary, in Williamsburg June 8-13, 2003.

Scholarship recipients will be eligible for a variety of IAAO courses including Course 101: Fundamentals of Real Property Appraisal. Course 101 is an introduction to valuation principles and to the approaches of real estate. Completion of this course is the first requirement toward obtaining a professional assessment designation. Attending the school also allows the scholarship recipient to become acquainted with the assessment profession and to establish contacts with assessors in Virginia's state and local governments.

Applicants for the VAAO Scholarship must meet three basic requirements: (1) resident of the Commonwealth of Virginia; (2) high school graduate (or equivalent); and (3) interested in the assessment profession. An adequate background in mathematics is helpful and desirable.

In addition, a member of the VAAO must sponsor each applicant. Contact with a VAAO member may be made by calling either the nearest city or county real estate assessors' office, or Bill Marchand, 402 City Hall Bldg, Norfolk, VA 23510-1014 or (757) 664-4732.

Mail Application to Bill Marchand, Education Co-Chairman, 402 City Hall Bldg., Norfolk, VA 23510-1014. Applications must be received by **March 31, 2003**. The VAAO Scholarship Committee will select the recipients; all recipients will be notified of the committee's decision by April 30, 2003.

Taxing Manufactured Homes

By **Julio G. Del Corso, III CAE**

Some people are under the impression that manufactured homes can be taxed at a rate other than equal to the real property tax rate.

Tax code Statute 58.1-3506 (8) states "...Vehicles without motive power, used or designed to be used as manufactured homes as defined in Code 36-85.3..."

Section B of 58.1-3506 found in the "2002 Cumulative Supplement" states "...and (iii) for purposes of subdivision A8, equal that applicable to real property..."

In summary, manufactured homes are to be taxed at the same tax rate as real property in the locality where they reside.

2003 Legislation

SB735 Conveyance of real estate for delinquent taxes or certain liens.

Provides that real estate for which there are delinquent taxes or certain liens for removal, repair or securing of a building; the removal of litter; or the cutting of grass or weeds, such real estate may be conveyed to the locality if the real estate has a value of \$20,000 or less and such taxes, liens, penalties, and interest exceed 25 percent of the value of the real estate. This would change current law, which requires that such taxes, liens, penalties, and interest exceed 50 percent of the value of the real estate and that the value of the real estate not exceed \$20,000.

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Board Meeting Recap - (Continued from page 7)

\$800.00 per issue. This was suggested as maybe a way to draw attention to our newsletter for next year's award. After much discussion it was decided that the newsletter is a way of informing our members and if we win the award it's nice. The newsletter on the web site is in color. Sam Davis suggested that possibly Wayne Trout as an IAAO representative from our chapter start writing an article for the newsletter. He was asked and agreed to do so. Susan stated that with the new process we will be saving approximately \$200.00 per issue if we do not go with color. Janet Coldsmith, of Fairfax County volunteered her jurisdiction as the feature for the next issue.

Legislative: Tommy Rice, CAE & James Gillie, COR

Jimmy reported that he did not have a report for the Commissioners. Has been in contact with the Commissioner of Revenue legislative committee to help keep him informed of any changes he may need to report. Tommy reported on upcoming changes that are coming out of the Joint Subcommittee in reference to changes to appointments and laws for Board of Equalization. As more comes he will make the board aware.

Use Value: Bob Willingham, ASA

Susan wrote a nice article for the newsletter. Bob plans to meet with the Education Committee on December 4th to discuss the up coming program at the July seminar.

Historian: Sandra Hughes

Randy Rush will maintain the file cabinets in his office. Julio Del Corso has requested permission to write articles for the newsletter on the history of the VAAO.

Communications & Technology: John Yeatman, AAS

A schedule of events for the 2003 has been forwarded to be put on the web site.

New Business

Joe Street, Treasurer was asked to present the 2003 VAAO budget with a total income and expense of \$19,450.00. Janice Hudgins made a motion and was seconded by Janet Coldsmith to show a line item for Wayne Trout Campaign Fund and allocate up to \$500.00 to assist him in running for the Executive Board of the IAAO. Questions were raised about the IAAO Building Fund and it was discussed. All voted in favor. Joe Street recommended to keep a balanced budget we reduce the IAAO Instructor training from \$1,000.00 to \$500.00. A motion was made by Janice Hudgins and seconded by Sam Davis to reduce the IAAO Instructor training to \$500.00 in order to balance the budget again. All voted in favor. Joe Street then made a motion and was seconded by Sam Davis to accept the budget for 2003 as amended. All voted in favor.

Richard Wood suggested that we make Mr. Ken Thorsen, State Tax Commissioner a regular speaker at the Educational Seminar each year in July. Mr. Gillie said it would be beneficial for the Commissioner's also. It was also suggested, that we make him a member of the VAAO. After some discussion Larry Thurston made a motion and was seconded by Janet Coldsmith to pay regular member dues this year for Mr. Thorsen. All voted in favor.

Mr. Woodzell approached Ron Agnor of the Personnel Committee to make some changes in the survey. The requested changes was to show whether you have a CAMA system or not and if so what system you have?



The second request is where apartments fit in for value on the assessments, under the residential assessment or the commercial assessment? Maybe putting in a separate line for apartment values. After discussion it was decided that the committee could make changes they felt necessary. No action was necessary by the board.

Wayne Trout sent e-mails to some of the members about purchasing a subscription service from the IAAO. There is a minimum of twenty-five orders necessary to take advantage of the special \$100.00 rate. For the special rate you would six appraisal a year, approximately one every two months, also they would include a Glossary of Appraisal Terms, and the legal committee has come up with a book on Contaminated Environmental Properties. The total cost for these services is normally approximately \$169.00, however you can received these with the special rate of \$100.00. Wayne said he would be the order central if anyone is interest.

Jerry thanked Janice for setting up this meeting and announced the next board meeting will be April 25, 2003, 10:00 AM at the Williamsburg Marriott, Williamsburg, VA

(Continued from page 4-The City of Portsmouth)

The City's tax base is over 50% exempt, primarily due to the holdings of the United States Government. Portsmouth is home to Norfolk Naval Shipyard and the United States Naval Hospital, two of the largest government facilities in the country. So far in the 2002-03 tax year, new construction has totaled nearly \$47 million, which is a great help to the beginning year assessment of \$3.2 billion in taxable real property.

It's a Bird...



**No,
It's a
Manufactured
Home**

It's a Plane...



This home is on loose cinder blocks with no foundation.

From the IAAO Executive Board Meeting

At the time of my writing, I have just returned from the IAAO Executive Board meeting in Charleston, SC. As is usually the case, the 2 days of the meeting were very long and very busy. Much of our time was spent discussing and dealing with the current financial problems of the organization. IAAO is not alone in facing financial difficulties as all of the national and international appraisal groups have seen declining revenues over the past several years. Since our membership is largely governmental in nature we have to face the realities associated with shrinking local and state budgets and the effect that has on the availability monies for association dues. With those financial limitations in mind the E-Board took some major steps to insure the financial stability of the IAAO, hopefully, without impacting member services.

The good news is that our members will see the advent of broadcast e-mail from headquarters and some much needed improvement in our publications and educational offerings. If you have not received any e-mail communications from IAAO headquarters in Chicago, then you

need to send them your e-mail address. The best way to accomplish this is to contact headquarters via webmaster@iaao.org and give them your e-mail address.

The Professional Development committee is working very hard on finalizing several one-day seminars and workshops. Unlike several years ago when these were rolled out, IAAO is going to make sure that each seminar has been fully developed and instructors are certified to conduct the classes. It is currently being planned to offer two of these at the annual VAAO Educational Seminar in Charlottesville this July. The IAAO Education Sub-committee is continuing to work diligently on getting our course offerings corrected and updated.

By the time you read this I would hope that you have received the new IAAO magazine, *Fair and Equitable*. With the advent of *Fair and Equitable* you will no longer be receiving the old *Opportunities* newsletter. This new publication represents a part of our efforts to improve the quality of the printed media that IAAO is responsible for and provides to our members. Look for some exciting new improvements to the *Assessment Journal* when the next issue of that comes out too.

Lastly, I have been given a copy of the first issue of the new IAAO subscription service that deals with the valuation of specialized properties. Again, the format of the publication is first rate and I would encourage all of you to purchase a subscription. Details for subscribing will be found in you issue of *Fair and Equitable*.

That's about all the news I have for now. If you have any questions or constructive criticisms that you would like to have addressed, feel free to contact me via e-mail at wayne.trout@norfolk.gov or by phone at 757-664-4732.



Proval Quarterly Meeting

The Virginia Proval Users Group will hold its quarterly meeting on Wednesday, April 30 at 10:00 am at the Southside Community Service Center at 4100 Hull Street, Richmond, Virginia. The meeting is open to all interested parties.



2003 SCHOLARSHIP APPLICATION



VIRGINIA ASSOCIATION OF ASSESSING OFFICERS

The Virginia Association of Assessing Officers announces two scholarships for this year's Virginia Department of Taxation School for Advanced Assessors at the College of William and Mary in Williamsburg, June 8-13, 2003. Two scholarships for Course I will cover tuition, course materials, dormitory housing and meals.

Applicants should complete this form signed by a sponsoring VAAO member and return to:

VAAO Scholarship Committee
402 City Hall Bldg
Norfolk, VA 23510-1014

You may contact a VAAO member by calling your nearest city or county real estate assessor's office and/or Commissioner of Revenue's office.

Applications must be received by March 31, 2003. VAAO will notify scholarship recipients by mail by April 30, 2003.

Name: _____
(Please print or type)

Current Mailing Address: _____
Street/P.O. Box City or Town County Zip Code

Permanent Home Address: _____
Street/P.O. Box City or Town County Zip Code

Office Phone: _____ Date of Birth _____

Education: (Indicate high school, secondary, business, college, graduate or other level)

	Degree/Certificate	School Name/Location	Dates	Subject and Date
1)	_____	_____	_____	_____
2)	_____	_____	_____	_____
3)	_____	_____	_____	_____
4)	_____	_____	_____	_____
5)	_____	_____	_____	_____

If currently enrolled at a college or university, list name of Institution: _____

(You may make additional copies of the application form, as needed.)

(Continued on page 13)

Legislation

(Continued from page 8)

SJ311 Constitutional amendment (1st resolution); assessment of real property.

Provides that beginning with the 2006 tax year, real property shall be assessed for tax purposes at no more than 105 percent of the assessed value of such property in the preceding tax year. However, if real property is sold or improved, it shall be assessed at fair market value for the tax year in which such transaction or improvement occurs. Such fair market value assessment shall then be subject to the 5 percent limitation in subsequent tax years until such time as the property is again sold or improved.

HB2503 Real estate appeals to Boards of Equalization and circuit court.

For purposes of appeals to a board of equalization, the bill provides that there shall be a presumption that the valuation of real estate as determined by the local assessing officer is correct, and the taxpayer must produce substantial evidence that the valuation of his real estate is erroneous and was not arrived at in accordance with generally accepted appraisal practice in order to receive relief from the board.

This bill limits to 9 the number of years of consecutive service that a person may sit as a member of a board of equalization and addresses what types of professionals should make up the board.

The bill also requires each member of a board of equalization to take continuing education instruction at least once in every 4 years of service.

The bill provides a 3-year statute of limitations for appealing real estate assessments to all circuit courts. In some localities, there is a 1-year statute of limitations.

Jurisdiction Reports and Membership News

MIDDLESEX COUNTY

Tri-County Appraisal Company has been selected to complete the next reassessment of Middlesex County effective January 1, 2004.

CITY OF CHESAPEAKE

The City of Chesapeake has a new Real Estate Assessor. He is **William L. Rice**, known to his friends as "Willie". Mr. Rice has been employed by the City of Chesapeake as the city's Right-of-Way Agent for the past seven years. He will begin in his new position on February 1, 2003. Rice replaces Laurence Street, CAE, who held the job for nearly 20 years before resigning August 1st, 2002.

Before his employment with the City of Chesapeake, Mr. Rice worked for 10 years in the private sector as a fee appraiser. He also was employed for several years as the real estate agent for the City of Virginia Beach. He will be a welcomed addition to the ranks of assessment professionals in Virginia.

KING WILLIAM COUNTY

The Board of Supervisors has passed an ordinance establishing a business license as of January 1, 2003.

NORTHUMBERLAND COUNTY

Northumberland has approximately 19,000 real estate parcels and a population of 11,400 people. The total value of new construction as of January 1, 2003 will be \$49 million dollars. Waterfront property is booming.

HANOVER COUNTY

Jason Cowan and **Jeffrey Liggan**, recent graduates of the VCU School of Real Estate program, have been hired as Appraiser I.

CITY OF NORFOLK

The City of Norfolk would like to welcome **Emily King**, our new Appraiser I. Emily is a 2002 graduate of the College of Charleston with a degree in Historic Preservation/Community Planning. Before joining the Assessor's Office, Emily took part in Norfolk's Summer Intern Program. Emily and her fiance Tim are planning a July wedding.

Retirement: **Ms. Bettie Hampton**, Real Estate Appraiser retired from the City of Norfolk on December 31st with 25 years of service. Bettie's career with the City included 15 years with the Police Department and Division of Parking and finally the Real Estate Assessor's Office. Her sense of humor and easy manner will be missed. Bettie is enjoying her retirement lying in bed watching Court TV and teaching bad habits to her husband, The Honorable Early Hampton. Early and Bettie have 12 grandchildren and 5 children and hope to have many more.

CITY OF RICHMOND

Thomas Olinger has been hired as an Appraiser III. The total value of new construction in the city for 2002 was \$445 million dollars.

HENRICO COUNTY

Blake Baber, who is a graduate of the VCU School of Real Estate program, was hired as Appraiser I. In addition **Joyce Soles** has been promoted to Appraiser II.

NEW KENT COUNTY

Tri-County Appraisal Company has been selected to complete the next reassessment of New Kent County. A software system has been purchased from Vision Appraisal Technology for the reassessment.

2003 VAAO SCHOLARSHIP APPLICATION

(page 2)

Employee Record: (Includes full and part time employment beginning with most recent)

Name/Address of Employer	Position Held	Dates Employed	Reason for Leaving
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- 1) _____
- 2) _____
- 3) _____
- 4) _____

Have you held (or applied for) a part-time or summer position in an assessor's office? If "yes", give dates and office (not a prerequisite for application).

Briefly state below your reasons for wishing to attend the Advanced Assessor's School, including any experience you may have had in this field.

Applicant's Signature	Date
-----------------------	------

MANDATORY VAAO Sponsor's Signature	Date
------------------------------------	------

Committee comment and recommendation: _____



VIRGINIA LAND USE SECTION

*Created by the Virginia Association of Assessing Officers Land Use Committee
to provide a communication link between localities
to exchange data and share knowledge.*

Land Use Committee Members:

Warren Arthur (Clarke), **Marsha Beverly** (Roanoke), **Julio DelCorso** (Department of Taxation),
Susan Garling (Chesterfield), **Bruce Lowe** (Roanoke), **Debbie Marston** (Dinwiddie),
Melissa Sager (Shenandoah) and **Bob Willingham** (Loudoun) - **Chairman**

Proposed Legislation

SB1015: Real estate tax; Use value assessment and taxation.

This bill provides that local governments by ordinance may limit use value assessment and taxation to owners of real estate having a minimum percentage of their total income derived from the real estate for which use value assessment is to apply. Such minimum percentage shall not exceed 20 percent of total income.

SB898: Diversion of property from open-space land use.

This bill would authorize the Virginia Outdoors Foundation to divert certain real property consisting of approximately 78.6 acres located in Chesterfield County acquired and designated as open-space under the authority of the Open-Space Land Act (10.1-1-1700) from open-space land use if other certain



real property consisting of approximately 2,600 acres located at Mountain Lake in Giles County is provided as a substitute to be preserved under the Open-Space Land Act.

HB2056: Special land use assessment.

This bill provides that land devoted to the production for sale of plants and animals that live in water are eligible for local-option special agriculture land use assessments if the owners meet certain maximum income and net worth restrictions.

Other legislation related to the Special Assessment Program:

HB2434: Silvicultural Activities; Best management practices.

This bill requires silvicultural activity to be conducted in accordance with best management practices as established by the State Forester, and prohibits silvicultural activity that causes or is likely to cause pollution. "Silvicultural activity" means any forest management activity, including but not limited to the harvesting of timber, the construction of roads and trails for forest management purposes, and the preparation of property for reforestation. The bill provides the State Forester with authority to issue special orders ceasing silvicultural activities being conducted contrary to best management practices.

SB1052: Preservation of important farmlands.

This bill requires state agencies and local governments, either or both, with the cooperation of the United States Department of Agriculture, to designate state and locally important soils, which include prime, unique, and locally important farmland. The bill also defines farmland, prime farmland and unique farmland.



Attorney General Opinion

Dated 2/10/83

First, you ask whether a locality may remove a parcel of real estate from a use value assessment program merely because the ownership changed from individual ownership to a partnership consisting of the same owners. Second, you inquire whether a locality may require a survey of the real estate to accompany an application for use value assessment as a prerequisite for eligibility.

The answer to your first question is provided in 58-769.8: "Continuation of valuation, assessment and taxation under an ordinance adopted pursuant to this article shall depend on continuance of the real estate in the use for which classification is granted, continued payment of taxes as referred to in 58-769.8:1, and compliance with the other requirements of this article and the ordinance and not upon continuance in the same owner of title to the land."

In my opinion, a parcel may continue in a use value assessment program despite a complete change in ownership, so long as the actual use of the land does change and the other prerequisites of 58-769.8 are satisfied.



In answer to your second question, I find no basis for permitting a locality to automatically require every application for use value assessment to be accompanied by a survey. Section 58-769.8 requires property owners wishing to qualify for use value assessment to submit an application on forms prepared by the State Tax Commissioner. In addition, an application fee may be required by the locality. No other specific application requirements are set out.

In determining whether a parcel qualifies for use value assessment, the local assessing officer must make certain factual determinations. Among these are minimum acreage requirements. If a question should arise whether the parcel meets these minimum acreage requirements, it may be necessary for the applicant to produce evidence, which will qualify the parcel for the minimum acreage. Although such evidence may include a survey, the locality should consider all facts that are relevant on the question whether the property meets the use requirements.



Question and Answer

New Question:

If a rollback is levied in 2003, what years are we to include in the rollback if they received a special assessment for 2002, 2000, 1999, 1996 and 1995?

New Question:

If a father and son own numerous contiguous parcels and one of the parcels is conveyed to the son and his wife to construct a house, can the 5.5 acre parcel qualify for special assessment after pulling out a 1 acre home site?



Send your submissions for the newsletter to:

Susan Garling

E-mail: garlings@chesterfield.gov

Telephone: 804-751-4477

Fax: 804-717-6278

Address: 6701 Mimms Loop

P. O. Box 40

Chesterfield, VA 23832

Bob Willingham

E-mail: bwilling@loudoun.gov

Telephone: 703-777-0290

Fax: 703-771-5234

Address: Dept of Financial Services

1 Harrison Street S.E.

P. O. Box 7000

Leesburg, VA 20177

ALERT! The 48th Annual Education Seminar

The 48th annual education program will include 2 one-day professional seminars.

House Construction Design and Systems

This workshop is designed to provide some background on residential house construction. Topics that will be covered include: location, house types, interior design, architectural styles, construction, environmental hazards, building materials/systems and home improvement innovations. The text for the workshop is houses: The Illustrated Guide to Construction, Design and Systems by Henry Harrison.

Instructor: Marion Johnson

Marion Johnson is the County Assessor from Douglas County Kansas. He has his CAE designation and has been an IAAO instructor for more than 10 years.

Valuation of Cell Towers

The explosion of cellular towers to serve as transmitters for telecommunication industries has become a new property type that assessment officials must value for taxation purposes. The uniqueness of this property type and the lack of market sales force assessment officials to rely upon the cost and income approach to value. Learn how to utilize these approaches in accurately valuing the fastest growing property type in the world.

Instructor: Gary McCabe

Gary McCabe is the Director of Property Taxes for American Tower Corporation. Gary has 24 years experience in all phases of Ad Valorem property tax. He holds the CAE designation and is a Senior National Instructor for the IAAO.

Summary of Changes to 2003 Edition of USPAP

Definitions: The comment to the definition of appraisal review was modified by deleting the word appraisal. This edit was necessary to be consistent with changes to standard 3.

Ethics Rule: The ethics rule was edited to clarify that an individual...should comply any time that individual represents that he or she is performing the service as an appraiser.

Standards Rules 1-05: This standards rule was modified to require appraisers to analyze all prior sales of the subject property within the past three (3) years for all types of real property, if such information is available in the normal course of business.

Standards Rule 1-6: This new standards rule was added to clearly demonstrate that reconciliation is a separate component of the appraisal process rather than a function within the analysis of sales history.

Standard 3: This standard was edited in several locations to accomplish the following:

-Make standard 3 inclusive of all appraisal disciplines: Real Property and Personal Property (including Mass Appraisal) and Business Appraisal.

-Require an appraisal review that includes the reviewer's own opinion of value to be reported in at least a Summary Appraisal Report format.

-Remove the requirement that the scope of work in an appraisal review match the scope of work in the appraisal under review.



**NETWORK
The VAAO NEWSLETTER
c/o REAL ESTATE ASSESSOR**

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P. O. BOX 40 ROSE BUILDING
CHESTERFIELD, VA 23832**