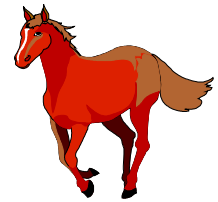




PROPERTY TAX NEWS



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BUDGET COMMITTEE APPROVES TRAINING INCENTIVE CHANGE

A major change in the administration of the training incentive program for PVAs has been implemented. The PVA Association Budget Committee met with Office of Property Valuation Executive Director Marian Davis at the Summer Conference and approved a new procedure for the distribution of incentive checks. Under the former policy, the incentive checks were mailed out en masse at the end of each year. Now an incentive check will be mailed to each qualifying PVA within a month of completion of the training units of 40 hours.

The training incentive checks were initially authorized in 2000 by HB 538, which made changes to KRS 132.590 relating to the compensation of PVAs. This program is completely separate from the awarding of expense allowance checks under KRS 132.597, which will continue to be mailed out to qualifying PVAs on a monthly basis.

HB 120, enacted by the 2002 General Assembly, clarified the language in KRS 132.590 to prohibit PVAs from receiving more than one training incentive during the same calendar year. This bill also enabled each PVA to carry up to 40 hours of approved education credit from each calendar year into the next and mandated that any PVA failing to obtain the minimum amount of approved training in any year shall lose all training incentives previously accumulated.

Under the expense allowance program (KRS 132.597), no carryover of education credit is authorized. However, hours of approved education earned for both programs may be earned concurrently.

As a result of the policy changes approved at the summer conference, up to 15 hours of education earned at the upcoming fall conference in November may be counted toward training units earned in 2004. Under the former policy, the cut-off date for the annual accumulation of hours often occurred before the fall conference.

A revision of the "Rules Governing Training Incentive Program for PVAs" was distributed to all PVAs on July 23, 2004. For additional copies or clarification of this document, PVAs should contact the Education Branch in Frankfort at (502) 564-8350.



STATE REAL PROPERTY TAX RATE SET

The 2004 state real property tax rate has been set at 13.1 cents per \$100 of assessed valuation. Under HB 44, the rate must be reviewed each year and adjusted to ensure that no more than a 4 percent cumulative increase in revenues is realized over the previous year. Before enactment of HB 44 in 1979, the state rate was 31.5 cents per \$100 of assessed valuation.

The establishment of the 2004 tax rate enables those counties certified by the Department of Revenue (DOR) to proceed with tax bill preparation once the local rates are set.



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**PVA ASSOCIATION
OFFICERS ELECTED AT
SUMMER CONFERENCE**

Karen Curtis was elected to her second term as PVA Association President during the summer conference held June 21-24 in Bowling Green. Connie Crain will serve another term as treasurer and Janice Stokes will remain as secretary. Also elected to serve another term were Bill Alward, executive vice president and Betty Ripato, legislative vice president. The following PVAs were chosen to serve on committees:

Executive Committee:

Chuck Adkins, Boyd County
Dana Bland, Breckinridge County
Patsy Conway, Franklin County
Anne Edwards, Green County
Denise Harper Angel, Jefferson
Ronnie Heady, Crittenden County
Jason Scriber, Henry County

Legislative Committee:

Ervine Allen, Breathitt County
Jason Chinn, Ohio County
Denise Harper Angel, Jefferson
Ann Riley, Marshall County
John Steele, Pendleton County
Eddie Tamme, Boyle County
T. W. Todd, Pulaski County

Ann Riley, Marshall County PVA, received the Outstanding PVA Award and Janice Stokes, Lyon County PVA, was awarded the Gold Service Award. Darrell Bradley, Morgan County PVA, was presented with the Lovel Hall of Fame Award, named in memory of the long-time Floyd County PVA. Nick Kearney was named Outstanding Property Valuation Employee and Logan and Pike counties were named Outstanding Assessment Jurisdictions.



**MONTGOMERY COUNTY
PVA RETIRES**

Jeff Garrison, Montgomery County PVA since 1981, retired May 31, 2004. Twenty-seven people passed a special examination given by the Department of Revenue (DOR) July 1 to determine qualified candidates for the office.

Gov. Fletcher appointed Linda Cockrell as PVA on July 16, 2004. Cockrell has been a deputy in the Montgomery County Office for nearly 20 years and has earned her Certified Kentucky Assessor (CKA) and Senior Kentucky Assessor (SKA) designations.



ELECTION NEWS

Denise Harper Angel, Jefferson County PVA, won the Democratic primary for Louisville's 35th district state senate seat. She will face Republican Ron Burrell in the general election in November. Burrell was unopposed in the May primary.

Lawrence County PVA Gray Maynard, appointed by Gov. Fletcher in December to fill the unexpired term of Jim Heston, will face Democrat Chris Rose in November. Rose defeated Debbie Queen to win the Democratic nomination.

Elections for the office of PVA will also be held in Laurel, Montgomery and Woodford counties this November. Since the vacancies occurred after the filing deadline, parties will select their candidates by caucus and file during the first week in August.



EDUCATION NOTES

The Education Branch recently sent out the survey for the 2005 education class schedule. The survey is the first step in the scheduling process. The results of this survey are used to determine when and where classes will be held next year. If you have not already done so, please complete the survey and return it to the Education Branch as soon as possible.

**Ewalt Appointed to IAAO
Instructor Relations Committee**

On June 1, 2004, International Association of Assessing Officers (IAAO) President Fred Chumra appointed Kentucky Chapter Executive Committee member Stacey Ewalt to the international Instructor Relations Committee. This committee was created to address issues relating to the education program and provide input from the states to the IAAO leadership.

Stacey is the coordinator for the Office of Property Valuation's Education Program and has served on the state education committee for nearly 10 years. This appointment will not only bring a valuable asset to the IRC, but will give Kentucky a voice in IAAO education policy.



**FALL CONFERENCE
UPDATE**

Topics for the one-day workshops at fall conference are finalized. Topics are: Valuation of a Contaminated Property, Reconstructing Income/Expense Statements, Marshall and Swift Residential - Square Foot Method and Marshall and Swift Commercial - Square Foot Method. The fifth workshop will be a GIS workshop conducted by ESRI.

More information, including workshop descriptions, will be sent with the conference registration packets that are being mailed soon. Pre-registration is required for these workshops to determine the correct number of workshop materials.



**GIS CONFERENCE
UPDATE**

On line registration is now available for the GIS Conference Sept. 28 - 29 at the Radisson Hotel in Lexington.

The conference features two days of educational sessions. Pre conference workshops will be held Monday, Sept. 27 and post conference workshops will be held Thursday, Sept. 30. A special two-day ESRI workshop on ArcGIS will also be held on Thursday and Friday.

For more information about the conference, the complete list of workshop topics, or to register on line, visit the OGI website at <http://ogi.ky.gov>.

The conference is sponsored by the Division of Geographic Information and the Geographic Information Advisory Council.



**NEWS FROM THE
ADMINISTRATIVE
SUPPORT BRANCH**

By Kim Holt

Due to the recent reorganization of state government, the PVA Administrative Support Branch is now part of the Division of Local Government Services, which is under the Finance and Administration Cabinet's Office of the Controller. The state controller is Ed Ross and Daryl Dunagan is the director of the Division of Local Government Services. These organizational changes represent the first steps in developing a more effective and efficient cabinet. A survey will be sent to you as the PVA Administrative Support Branch becomes a "one stop shop" for the PVAs. Please share your ideas and suggestions with us.

We are pleased to report that due to the temporary lifting of the freeze on education awards to deputies receiving CKA and SKA designations, the PVA Administrative Support Branch approved and processed a total of 13 checks. Deputies who earn their CKA or SKA designation receive a one time lump sum payment based on their salary at the time of designation. All deputies are encouraged to continue to work toward these designations as the PVA Association Budget Committee is anticipating that this freeze will again be lifted next year at summer conference.

Open enrollment for health insurance is normally scheduled for mid September to early October. The Personnel Cabinet is anticipating several changes for the upcoming year. This office will pass along more information as it becomes definite.

Kentucky Retirement Systems will be hosting several "Pre-retirement" seminars throughout the commonwealth. Anyone who is within five years of retirement and/or making plans to retire is encouraged to attend.

As of July 1, 2004, the PVA Administrative Support Branch requires that a copy of the college transcript be sent with any employment applications that report college hours earned. Annual increments for FY 04-05 will be two percent for all state employees. Local Hire/OX bills will be processed at the end of January, April, July and October. Payments will be due upon receipt of bill for the extra deputies.

REMINDERS

Office vehicle data forms are due from all PVA offices. This is a required document that needs to be completed and filed in each PVA budget folder annually.

For personnel/payroll questions, please use the following list of counties:

Karen Bond: Adair - Clinton, Franklin - Graves

Cyndi Abrams: Crittenden - Floyd, McCracken - Woodford

Kim Holt: Grayson - Lyon

Donna Seeberger: Health insurance and employee benefits.



GOVERNOR FLETCHER ANNOUNCES ORGANIZATIONAL STRUCTURE OF NEWLY MERGED CABINETS

Gov. Ernie Fletcher revealed the organizational structure of the newly merged Finance and Administration and Revenue Cabinets July 9, 2004.

As was previously announced, Mark Treesh has been appointed commissioner of the Department of Revenue (DOR). Treesh most recently worked as the legislative liaison for the Finance and Administration Cabinet during the 2004 legislative session. Prior to joining Gov. Fletcher's administration, he represented the 14th district in the Kentucky House of Representatives for nearly 10 years. Tim LeDonne has been appointed deputy commissioner of the DOR. LeDonne, former director of Revenue Operations, holds an undergraduate degree in mechanical engineering and a master's in business administration.

With the exception of a name change for the Division of Technical Support, the Office of Property Valuation remains basically unchanged. The Division of Technical Support is now named the Division of Minerals Taxation and GIS Services. David Gabbard is acting director of the Division. Tom Breidert is acting director of the Division of State Valuation. Tom Crawford remains the director of the Division of Local Valuation. Nick Kearney rejoined the staff of the Education Branch as Branch Manager.

The PVA Administrative Support Branch is now under the Finance and Administration Cabinet's Office of the Controller, Division of Local Government Services. More on that change is discussed in an article on page 3.



ADDRESS CHANGES

Two new counties have been added to the wide area network (WAN) and now have new e-mail addresses. The counties and their PVAs addresses are:

Todd County PVA: PerryW.Stokes@ky.gov
Washington County PVA: MargaretA.Platt@ky.gov

Ninety-eight counties are now connected to the WAN, with more scheduled to be completed soon. The Office of Property Valuation is now sending correspondence electronically when possible to cut postage costs. PVAs and deputies with e-mail should be sure to check it periodically.

Pulaski County now has a website. The web address is www.pulaskipva.com.

Monroe County has a new mailing address. It is 200 North Main Street, Suite A, Tomkinsville KY. 42067-1548.

The PVA directory has been updated to reflect these changes, as well as several others, and is on the DOR web site. The directory will be updated and a new version posted on the web site when changes warrant. Please refer to the date at the bottom of the page to determine whether a page has been updated.

JUDGE RULES SHERIFF SHOULD COLLECT TAXES

Jefferson Circuit Judge Denise Clayton ruled that county sheriff John Aubrey should collect taxes in metro Louisville's urban services district.

The legal battle over who should collect taxes in Jefferson County began in 2000 because of the state law that allowed the merger of Jefferson County and the City of Louisville. The law named the sheriff as the tax collector; however, Metro Mayor Jerry Abramson argued that another portion of the law gave the metro government the authority to collect its own taxes, just as the city of Louisville had done.

In the July 27, 2004 opinion Judge Clayton ruled that under KRS 134.140, the sheriff is "the only lawful collector of ad valorem taxes imposed by the Metro Government." including the taxes levied by the Louisville Urban Services District. The court further held that the sheriff was entitled to a commision or fee at the rate specified in KRS 134.290(2).

The decision is now final, since no appeal was filed.



JOHN PETERS, 39 YEAR VETERAN, RETIRES

John Peters, Northern Field Branch Manager, is retiring after 39 years of service, taking with him a wealth of experience and knowledge.

Peters began his career in 1965 in the General Property Tax Division of the Department of Revenue. He was hired in the field, along with 21 other employees, as a result of the landmark *Russman v. Lockett* decision to bring fractional assessments up to fair cash value in all 120 counties. As is the case with any new situation, the new field representatives met resistance in some counties and were welcomed in others. Now it is hard to imagine a property tax system without a field staff.

The title and the duties have changed over the years, but some things have remained the same. The field staff is still responsible for conducting sheriff's settlements and gathering data for assessment/sales ratio studies. Along the way, new tools have been developed that have made the job easier. Prior to having computers, all work was done by hand. In the late 1980s, the first computers were issued to the field staff, initially for the sole purpose of recording deeds. Now computers are involved in virtually all of the duties of the field staff. The first computers utilized by the field staff did not have hard drives, instead using a pair of 3.5 inch diskettes. Peters thinks technological advances like GIS and CAMA have made offices more efficient, with most PVAs eagerly embracing new technology.

One of the most interesting duties of the field staff is serving as interim PVA when a PVA retires or resigns. Peters has served as interim PVA in several counties throughout the years, including Boone, Campbell, Clark, Kenton, Lewis, Montgomery and Pike.

One of the "hazards" of the job is that administrations change every four years. PVAs and county officials run in even numbered years and governors in the

following odd numbered years. Peters says he has never had a problem adjusting to the changing of the guard and "sometimes new people are refreshing." They often have new ideas and are more willing to try new methods.

As Peters enjoys his retirement, he leaves behind a well-trained Northern Field Branch to serve the PVAs and taxpayers. The Office of Property Valuation wishes him a long and happy retirement.



In addition to John Peters, three other long-time employees of the Office of Property Valuation retired July 30, 2004.

Colleen Coyle retired after 28 years of service. She began working in the Pikeville field office and also worked in severance tax prior to joining Property Valuation in 1997.

Steve Meuser worked for Revenue since 1982. He began his career in the Pikeville District office as a Revenue Field Auditor and began working for Property Valuation in 1990 in unmined coal and oil and gas assessment. Since 1997 he has worked for the Division of State Valuation doing tangible property audits.

Teresa Hays retired after 29 years of service. She began working in 1975 in the typing pool at Boone Plaza and from there moved to the Capitol Annex. She began working for property tax in 1982. She worked on the intangible refund project and in the Division of Local Valuation.

John Peters was honored with a luncheon attended by members of the Northern Field Branch and the Division of Local Valuation on Wednesday, July 21. Steve, Teresa

and Colleen were honored at a reception held by the Office of Property Valuation Wednesday, July 28. All DOR retirees were honored at a reception August 26, 2004.



SOFTBALL GAME RAISES MONEY FOR KECC

The Department of Revenue and PVAs and deputies got a headstart raising money for this year's Kentucky Employees Charitable Campaign (KECC) with the 2nd annual PVA vs. Revenue softball game, held July 14th at Lakeview Park in Frankfort. The event raised over \$250 for KECC, which officially kicked off August 18th.

The theme for this year's campaign is "Change for Today, Hope for Tomorrow." Payroll deduction forms were recently sent to all PVA offices, along with an informational brochure outlining the six participating charities. If you return your payroll deduction form electing at least the minimum \$2.00 per payroll deduction or make a cash contribution of at least \$48.00 no later than Sept. 30th, you will be eligible for a drawing for a 2004 derby breakfast print.



Property Tax News is a quarterly publication of the Finance and Administration Cabinet's Department of Revenue (DOR) dedicated to increasing communication among professionals involved in the field of assessment administration in Kentucky.

Comments and suggestions for future articles should be addressed to Cindy Meholovitch, Editor, 200 Fair Oaks Lane, Frankfort, KY 40620, (502) 564-8340.

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