

ASSESSMENT REFORM STUDY COMMITTEE

July 26, 2010

Room 3220 Administrative Center

4:00 p.m.

MEMBERS PRESENT: Ralph Geary, Bill Brockmiller, Vicki Burke, Dan Ferries, Sharon Hampson (County Board Members)

MEMBERS ABSENT: None

OTHERS PRESENT: From the County: Steve O'Malley, (County Administrator), Jeff Bluske, (Director, Zoning, Planning & Land Information), Karl Green (UW Extension), Charlie Handy (County Planner), Pam Hollnagel (Zoning, Planning & Land Information), Terri Pavlic (Recorder)

County Board Members: Jeff Schroeder, Don Bina, Maureen Freedland

Municipalities: Travis Parish (Town of Campbell), Lynnetta Kopp (Town of Shelby), Shelly Miller (Village of Bangor), Mike Hesse (Town of Farmington), Mark Schlafer (City of La Crosse Assessor), Dave Drewes (Citizens for Responsible Government), Steve Mader (Town of Greenfield), Roger Walter (Town of Barre), Les Milde (Assessor, Medary, Rockland, Bangor, Onalaska), Bud Raymer (Town of Onalaska), Greg Peterson (Village of Bangor), Ron Reed (Town of Barre), Ryan Walter

CALL TO ORDER

Chair Ralph Geary called the meeting to order at 4:00 p.m.

INTRODUCTIONS AND WELCOME

Chair Ralph Geary welcomed everyone and had them introduce themselves.

PUBLIC COMMENT

There was no public comment.

DISCUSS COMMITTEE COMPOSITION, RESPONSIBILITIES, MEETINGS/TIMES

The committee will consist of 6 County Board Supervisors (3 from within the City of La Crosse & 3 from outside of the City of La Crosse) and one Town Board Member, who still needs to be designated. One more County Board member still needs to be appointed as well. It was clarified that this is a study committee only and would be making recommendations to the Planning, Resources & Development Committee and Executive Committee and then to the County Board.

Meeting time: The meeting time will be 7:00 p.m. the 3rd Wed of the month and possibly meeting twice a month.

BACKGROUND AND UPDATE ON DEPARTMENT OF REVENUE WORK TO MODERNIZE WISCONSIN ASSESSMENT SYSTEMS

Jeff Bluske distributed a Policy Paper regarding an Overview of the Property Assessment Reform Proposal. The Wisconsin Department of Revenue (DOR) is proposing changes to the way property is assessed in the State. They have studied this and determined that the current system has some inadequacies. The counties have been contacted by the State to

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turn in examples where people have been paying too much in taxes, or examples of where they haven't been paying enough. The current system discusses a 2 tier system where the locals assess at a different level of assessment that's determined by the DOR fielding sales. Based on the fielding of these sales, they have found that it creates more inadequacies because the level of assessment is an average of the different levels of the major class codes. They want to get rid of that portion at the State level in order to save money state-wide. They are proposing assessing at full value every single year. In order for that to happen, they have come up with indicators on how this should happen. The State has created a system called IPAS, Integrated Property Assessment System that they have been working on for their manufacturing property, which is almost completed. This has some new standards in it that are different from the Property Assessment Manual that is currently being used. They want to introduce the International Assessing Organization standards to this.

A key aspect to this proposal is the creation of new assessment districts in order to form more economically representative groups of properties for accurate assessed value purposes.

STARTING POINTS

Karl Green went through various municipalities and looked at their sales to see how their sales compared with how properties were being assessed in the municipality. He had data for a period from 1998 – 2006 which usually gave him the opportunity to see when the municipality would do their reassessment. In one example residential homes sales had variation between sellers; with the tendency of home assessed values 20% lower than their sale price (approximately 65 homes sold had an assessed value between 80% & 89.9% for what the home sold.) In general, his data indicated as the average assessment ratio of a municipality falls, the variation between property owner's assessments increases.

When property assessments are inaccurate within a municipality, municipal residents will pay differing amounts of property tax between property owners. Even though the school district, WTC, and the county use the state equalized value system, the parcel's portion of property tax will be ultimately determined by the municipal assessment. If the municipal assessment is low, this property will also pay lower than equitable amounts to the school district, WTC and the county. In the assessment system if someone is underpaying then someone else is overpaying.

If anyone has numbers for the sales that you send annually to the DOR, please pass these along to Karl Green so that he can illustrate this. Karl's phone number is 785-9593 or e-mail: karl.green@ces.uwex.edu.

DISCUSS COLLECTION OF DATA – COSTS, WHO, WHERE, WHAT

Jeff distributed a graph of "Yearly Parcel Counts". Every year, after all the new subdivisions have been recorded, the new surveys, the parcel splits, etc. the Zoning Department compiles a Yearly Parcel Count. Discussion ensued as to what information this committee should collect. Jeff will send out a worksheet to all municipalities to fill in giving the last 5 years of assessment information including the last year cost for a total revaluation and what it has cost each of the municipalities to have an assessor staffed, including mailing notices,

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mileage, legal notices, computer software/hardware cost, etc. Then we will be able to do a comparison based on parcels and Jeff will compile all of the results.

ITEMS FOR FUTURE AGENDAS

Jeff Bluske will do the agendas for future meetings. If anyone has items for the agendas, please contact Jeff at 785-9724 or Bluske.jeff@co.la-crosse.wi.us. It was requested that if there are handouts, please get them to the committee prior to the meeting.

1. Brief overview of how properties are assessed (15 min each)
 - Mark Schlafer – City of La Crosse
 - Bud Raymer – Town of Onalaska
 - Les Milde - Medary, Rockland, Bangor, Onalaska
2. Background Information regarding Assessments

The Department of Revenue has an excellent website for background information and FAQs and it is recommended that the committee check this site out. Also the Wisconsin Property Assessment Manual is online. Both of these sites are easy to find by using Google.

NEXT COMMITTEE MEETING

August 18, 2010 **in West Salem** at the **Leicht Memorial Library** at 7:00 p.m.

ADJOURNMENT

MOTION by Hampson/Brockmiller to adjourn the meeting at 5:21 p.m **carried unanimously.**

Approved August 18, 2010 - Terri Pavlic, Recorder