

## **ASSESSMENT REFORM STUDY COMMITTEE**

October 27, 2010

Administrative Center 3<sup>rd</sup> Floor, Room 3220

400 4<sup>th</sup> St. N., La Crosse WI 54601

7:00 p.m.

**MEMBERS PRESENT:** Ralph Geary, Vicki Burke, Dan Ferries, Sharon Hampson, Ray Ebert  
(County Board Members)

Kenneth Manke, (Town of Bangor Chairman), Richard Schomburg, (Town of Hamilton Chairman), Mary Willett, (Village of Holmen Administrator), Jeff Brudos, (Town of Shelby Administrator, alternate)

**MEMBERS EXCUSED:** Bill Brockmiller

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** From the County: Steve O'Malley, (County Administrator), Charlie Handy, (La Crosse County Planner), Karl Green (UW Extension), Pam Hollnagel, (Zoning, Planning & Land Information & Recorder)

Municipalities: Blaine Lee, (Town of Hamilton Supervisor), Mark Schlafer, (City of La Crosse Assessor)

## **CALL TO ORDER AND ROLL CALL**

Chair Ralph Geary called the meeting to order at 7:00 p.m.

## **APPROVAL OF SEPTEMBER 9, 2010 MEETING MINUTES**

Burke/Ferries motioned to approve minutes, approved unanimously.

## **PUBLIC COMMENT**

There was no public comment

## **REPORT ON HOW ASSESSING IS HANDLED IN OTHER STATES**

A map was distributed that is available on the Department of Revenue Web site which shows how the states are assessing either by Municipal, State and Municipal, State, County or County and Municipality. It also shows the number of taxing jurisdictions within each State. Wisconsin is shown as assessing by Municipality and has the largest number of taxing jurisdictions which is 1851.

## **PRESENTATION BY WINONA COUNTY ASSESSOR STEPHEN I. HACKEN ON MINNESOTA ASSESSING SYSTEM**

Stephen Hacken was introduced as the Winona County Assessor by Steve O'Malley. Mr. Hacken stated that Winona County has both urban and rural communities, with a population of approximately 50,000 and approximately 25,000 tax parcels in the County. The County has five county board members. The County Assessor's office assesses approximately three fourths of the county and assesses all of the cities within the county. There are 2 local assessors who do assessing in the county's rural areas but the local assessors have to answer to the County Assessor. The County Assessor's office processes all appeals and all litigation; there is an attorney from the county assigned to handle this. There are four steps to the appeal process. First step is to visit with the assessor, second step is to go to the local board of review, which is the town board (they have to have training and be certified by the state) and includes one person from the County Assessor's office. The third step is to go to the County Board of Equalization and the property owner has to have proof such as appraisals etc. The fourth and final step is going to Tax Court. Out of 29 board of review meetings held last year only seventeen residents appeared before them.

The County Assessor's office also assesses the manufacturing/industrial property; in Wisconsin this is assessed by the State Department of Revenue.

The County Assessor's annual budget is \$500,000 with \$325,000 of that being put on the tax levy; \$175,000 is billed to the districts. Approximately \$100,000 of this comes from the City of Winona.

The office consists of the County Assessor, an assistant County Assessor, three appraisers and 2 clericals (which float to different offices in the county as needed) with 2 local assessors assessing some rural areas. Of the 2 local assessors one is on contract with the municipality with 1 being an employee of the municipality. The County Assessor is appointed by the County and is appointed for four years. The State has to approve the appointment.

There are 4 levels of assessment license in Minnesota, the lowest level being called Certified which can assess residential, farmland and commercial but cannot assess income producing properties. The next level is Certified Specialist who can assess everything the certified level can along with assessing income producing properties. Then there is Accredited that can assess everything but cannot do administrative duties. The highest level is Administrator, which the County Assessor holds.

Annual assessments have to meet State requirements every year; the level of assessment has to be between 90 and 105 percent every year. If this is not met the State can come in and adjust this. The County Assessor's office makes sure the equalization is fair by making sure that the average of assessment is not coming from some houses being over assessed and some being under assessed thus making the average total assessment being within the 90 to 105 percent.

Computerized appraisal systems help with making this process equitable. They try to keep the equalized as close as possible from one district to the next and within the actual districts also. The assessor's office has to actually view forty percent of all properties every year; with the appraisers working on a quota system requiring them to review a certain number of properties per week. A property has to be viewed at least once every five years and/or when building permits are issued. Six comparable sales are used for assessing property. Some of the smaller districts with comparable sales may be grouped to reach this number. The County is responsible for taxing mobile homes, the revenue is distributed the same as other property but the County is responsible for the assessing. The assessment card consists of a folder that contains – old field cards for historical data, digital photos of the improvements/property, sketch of the improvements, etc. Everything is now on the computer system which can be accessed by the public for free by coming into the courthouse and using a terminal or by paying a fee and accessing all of this information on the county's website. All property records are public record except for rentals. A monthly fee is paid for the computer system and several counties (consortium) purchased the system together.

In Minnesota there are between sixty and seventy different assessment classifications, and there is a middle process to the tax system which can make a commercial property assessed at \$200,000 pay more in taxes than a residential property assessed at \$200,000. This middle process consists of taking the market value multiplied by the tax capacity rates multiplied by the extension rate which comes up with the gross tax then the credits are subtracted.

Documents that affect real estate are recorded in the Records Office, the Auditor's Office assigns new tax parcel numbers and creates the legal descriptions and makes the name changes on tax parcels. The County Assessor's Office produces the mapping and lot sizes. None of these offices are partisan and some counties have merged some or all of these positions.

All property is assessed as of January 2<sup>nd</sup> for that year, the local boards of review are held between April 1<sup>st</sup> and May 2<sup>nd</sup>. The town budget hearings are held in March; with all budget levies being due in September. The first half of the tax bills is due in May with the second half being due in October. All tax bills are mailed by the County along with the assessment notices. These are mailed in the same envelope – the tax bill is for the previous year with the notice being for the assessment for the current year and the assessed value for the next tax bill. This mailing both together saves a huge amount on the postage bill.

### **ASSESSOR'S PROPERTY CARD REQUIREMENTS**

A copy of the assessor's property card PA-500 (which is required to be filled out for every parcel) was distributed along with the PA-501 insert along with an agricultural work card PA-703 by the La Crosse County Land Information Office. The section "Property Record Card Requirements" which was taken from the Wisconsin Assessor's Manual was also included which explains what is required to be filled out on the record cards.

## **REPORT ON MUNICIPALITY ASSESSING CONTRACTS**

A letter was sent October 4, 2010 by Jeff Bluske to all town chairs inquiring about their assessing contracts and also requested a copy if possible. One reply was received from the Town of Shelby, they filled out the questionnaire and stated they were in the process of negotiating a three year contract and would send the La Crosse County Land Information Office a copy when completed. Discussion was held on whether this request is public record and whether the County's Corporation Counsel should draft a letter requesting this information as an open records request. No decision was made. Mary Willette stated the Village of Holmen had just signed a new three year contract with Associated Appraisal and would email a copy to Jeff's office. Ken Manke, Town of Bangor Chairman stated they do not have a written contract; just a hand shake. Richard Schomburg, Town of Hamilton Chairman stated they have a three year contract with an assessor with one year left on the contract. The Committee members would like to see this letter sent to the Villages and the City of Onalaska also – the City of La Crosse has a full time staff employed.

## **REPORT ON ASSESSING CONTRACTS BY THE DOR AND ZONING, PLANNING AND LAND INFORMATION**

The Guide to the Property Assessment Process for Wisconsin Municipal Officials (With Sample Assessment Work Contracts) which is available from the Department of Revenue's website was distributed by the La Crosse County Land Information Office. This report starts out by explaining what an assessment is and what its purpose is to actually having a sample assessment contract included. An example contract from the Department of Revenue which is available on their website was also distributed. Another contract "Request for Proposal; Property Assessor" which was produced by the combined effort of Bryan Jostad, the County's Purchasing Manager along with Charlie Handy the County Planner and the Real Property Listing staff was also distributed. Charlie also relayed the message that Bryan Jostad is willing to help any municipality tailor a contract to their needs.

## **FUTURE AGENDA ITEMS**

Jeff Bluske is to be contacted for future agenda items, please contact Jeff at (608) 785-9724 or [Bluske.jeff@co.la-crosse.wi.us](mailto:Bluske.jeff@co.la-crosse.wi.us).

1. Presentation of the effects of inequality in the equalization process by Karl Green from UW Extension.
2. Presentation on the proposed new mandates for Assessors from the Department of Revenue.
3. Report on assessing contracts from the Villages and City of Onalaska.

## **NEXT COMMITTEE MEETING**

Wed. December 15, 2010 at 7:00 p.m. in Room 3220 of the County Administrative Center, 400 4<sup>th</sup> St. N., La Crosse, WI 54601.

## **ADJOURNMENT**

Motion by Ebert/Burke to adjourn meeting at 8:58 p.m. carried unanimously.

Approved, December 15, 2011.

Pam Hollnagel, Recorder