

## **ASSESSMENT REFORM STUDY COMMITTEE**

January 19, 2011

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, Ray Ebert, Bill Brockmiller, Dan Ferries  
(County Board Members)
- Richard Schomburg, (Town of Hamilton Chairman), Jeff Brudos, (Town of Shelby  
Administrator, alternate)
- MEMBERS EXCUSED:** Kenneth Manke, (Town of Bangor Chairman)
- MEMBERS ABSENT:** Sharon Hampson, Mary Willett
- OTHERS PRESENT:** Rolly Bogert, (Town of Onalaska) Paul Kitzmann (Town of Burns Chairman)  
From the County: Jeff Bluske, (Director, Zoning, Planning & Land Information)  
Pam Hollnagel, (Zoning, Planning & Land Information & Recorder)

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

Chair Ralph Geary called the meeting to order at 7:03 p.m.

### **APPROVAL OF December 15, 2010 MEETING MINUTES**

Burke/Ferries motioned to approve minutes, approved unanimously.

### **PUBLIC COMMENT**

There was no public comment

### **PRESENTATION BY DEPARTMENT OF REVENUE (CAROL ROESSLER, JEAN ADLER & DAN DAVIS)**

Department of Revenue Assessment Reform Update La Crosse County January 19, 2011 handout was distributed being a copy of the power point presentation.

Introduction made by Jeff Bluske for Carol Roessler, State & Local Finance Division Administrator, Jean Adler, State & Local Finance Deputy Division Administrator and Dan Davis, Bureau of Property Tax Director.

Carol Roessler described their mission was to get County and Town Officials to come together to collaborate on this issue because if one tax payer pays less than their share then one is paying more. They are looking for Fairness and Equity in the most Fiscal Manor possible. They were here for two things to update and share with us their information and to listen and hear our recommendations. She complimented La Crosse County on doing their homework and holding these meetings.

Jean Adler presented the update on property assessment reform with a Power Point Presentation. They are encouraging full value assessments and consortiums and more transparency and enforcement. The 2010 Wisconsin Property Assessment Manual (WPAM) should be on the DOR's website by the end of January. This describes the new standards which are the International Association of Assessor Officer's (IAAO) Technical Standards which have been developed and updated over several decades, and the Appraisal Foundation's Uniform Standards of Professional Appraisal Practice (USPAP) which became effective in 1987. USPAP is being required for the January 1, 2012 assessment. The IAAO standards are considered the technical standards and address methods and practices. They have been created by

assessors for assessors and many have been incorporated into the WPAM. The IAAO standards tell you how to do things and USPAP tells you how things should be done.

The IAAO Standards consist of 15 documents:

1. Guide to Assessment Administration Standards
2. Standard on Contracting for Assessment Services
3. Standard on Administration of Monitoring and Compliance Responsibilities
4. Standard on Assessment Appeal
5. Standard on Automated Valuation Models (AVMs)
6. Standard on Digital Cadastral Maps and Parcel Identifiers
7. Standard on Facilities, Computer, Equipment and Supplies
8. Standard on Manual Cadastral Maps and Parcel Identifiers
9. Standard on Mass Appraisal of Real Property
10. Standard on Professional Development
11. Standard on Property Tax Policy
12. Standard on Public Relations (The DOR's number one complaint they receive about assessors)
13. Standard on Ratio Studies
14. Standard on Valuation of Personal Property
15. Standard on Valuation of Properties Affected by Environmental Contamination

USPAP applies to the entire appraisal profession. The property assessment profession consists of 3 components – Property Appraisal (individual, mass and review appraisal), Assessment Administration and Property Tax Policy. USPAP is a way to organize and explain the work done. A major expectation of USPAP is disclosure - how the job was done. USPAP has 2 main pillars – to promote and maintain a high level of public trust and to develop and communicate the analyses, opinions, and conclusions in a manner that is meaningful and not misleading.

USPAP has 10 standards addressing activities of development and reporting. Standards 1 & 2 are for real property appraisal, standard 3 is for appraisal review, and standards 4 & 5 are for real property appraisal consulting, standard 6 is for mass appraisal; standards 7 & 8 are for personal property appraisal, standards 9 & 10 are for business or intangible asset appraisal. Electronic parcel files will be required by January 1, 2013 assessment, this will standardize records statewide. The State & Local Finance/Assessment Work Group which has representatives from League of WI Municipalities, WAAO, WI Towns Association, Contract Assessors, Real Property Listers, Counties Association, Municipal Clerks, Municipal Treasurers and a subgroup of assessors developing USPAP compliant reports, has now been subdivided into smaller work groups. Their first project they are going to work on is the USPAP implementation.

Comparison was made that in 2010 over 9 billion in property tax was collected, all other taxes in the state combined consisted of 11 billion in taxes. Many people pay over 100 dollars per year to have their income taxes done but no one pays anything to have their real estate appraised for their assessment every year. There are 432 primary assessors that determine who pays the 9 billion dollars. There are 1851 municipalities in the state and the DOR has 103 in their division.

Dan Davis presented the update on the Integrated Property Assessment System (IPAS). Tyler Technologies is the developer and has been working on this for the last 5 years. The manufacturing rolls are now posted on the DOR's website so the paper copies will be eliminated soon. Modeling for common property types for manufacturing properties is currently being worked on. This site now has data available to everyone including the public. DOR is currently collecting electronic rolls from Counties and municipalities and is currently working with partners including real property listers to standardize the information. Future uses for this system include replacing the Clerk's reporting of the SOA (statement of assessment) data, easier application of 74.41 chargebacks and TID evaluations. Capability of tracking parcel changes and eliminate missed/duplicated manufacturing and local issues. Provide details for projecting equalized value by stratification by value, class, water frontage, TID. This will improve the accuracy of parcel numbers upon filing of the Electronic transfer return.

Electronic Parcel Files update – DOR is requesting parcel data from select municipalities and working with assessment partners to set minimum standards. Assessment parcel files are required to be electronic by 2013; this will standardize parcel records statewide and allow changing assessors and software to become much easier. The long term goal is to have parcel based data statewide, consistent quality, complete and accurate parcel attributes and information and be transparent to municipal officials and property owners. Long term goal is to tie IPAS data to reports.

Jean Adler then presented the update on Assessor Certification and Education, Assessor Contracts and the Supervision of the Assessment Process. An exam must be passed to become certified. Education is required every year to maintain that certification and the amount of education required depends upon the certification level. DOR conducted USPAP & IAAO training in 2010 and additional sessions are planned for 2011.

Assessment contracts are the municipality's responsibility – Counties cannot pass a resolution requiring municipalities to have an assessor contract. DOR has recommended contracts for maintenance and revaluation which the DOR uses for state ordered revaluations. These contracts can be located on the DOR's website at <http://www.revenue.wi.gov/pubs/slf/pb062.pdf> . Assessment records are owned by the municipality and the assessor is the custodian. When the assessor leaves a paper copy and electronic records (has to be in a format that the municipality can read) must be provided to the municipality and the subsequent assessor. In the future the Supervision of the assessment process will include enhanced assessment audits made possible by the collection of assessment rolls and parcel data. The municipality should have a written contract complete with associated statutes and WPAM and annually review the work of the assessor to ensure equitable assessments at the local level. A previously signed contract does not exempt the assessor from the DOR's new requirements.

Question and answer session was held after the DOR's presentation and they went away with three items of interest that they are going to check into from this meeting:

1. Working on a checklist for municipal officials that describes what their duties are and what duties they should expect from their assessors prior to open book and board of review.
2. Make the DOR's annual compliance report more narrative so it is easier to understand where the municipalities are out of compliance and where they are doing a good job.
3. Get in touch with Karl Green regarding coming up with a "Simple Facts" report that tells municipal officials what their duties are.

#### **UPDATE ON CONTRACT REQUESTS CHART GIVEN BY JEFF BLUSKE**

The updated handout 2010 Assessor Contract Replies was distributed, which had been updated after Bill Shepherd had sent letters to all of the municipalities that had not replied previously to the request for their assessor contract information. Currently there are only 2 municipalities that have not provided this information, the Town of Campbell and the Village of Bangor.

#### **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. Discuss the DOR's and the La Crosse County's example assessing contracts

#### **NEXT COMMITTEE MEETING**

Wed. February 16, 2011 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 Burke/Geary to adjourn meeting at 9:18 p.m. carried unanimously.

APPROVED, February 23, 2011.

Pam Hollnagel, Recorder