



County Assessment Proposal

- **Accurate: Adjusted Annually at Market Value**
- **Fair: Consistent Statewide Valuation Process**
- **Efficient: 72 Counties vs. 1851 Municipalities**

Current Assessment Process Challenges

■ Inefficient

- 1851 municipalities
- No economies of scale
- Paper driven process - minimal electronic analysis / integration

■ Inconsistent

- Assessment contracts: often verbal/non-existent or incomplete as it relates to assessment standards
- Data collection & application

■ Unfair

- Minimal annual revaluations: often 6-10 years between revaluations

■ Complex

- Municipality: determines property value & individual tax burden
- State: determines district total value & district tax burden

County Assessment Process Opportunities

■ Efficient

- From over 1800 assessment jurisdictions to less than 100
- All assessment data electronic
- Electronic analysis / integration

■ Consistent

- Standardization of contracts and data collection
- DOR audits every county with ability to require corrections
- Board of Tax Exemptions provide guidance & information for Assessment Manual

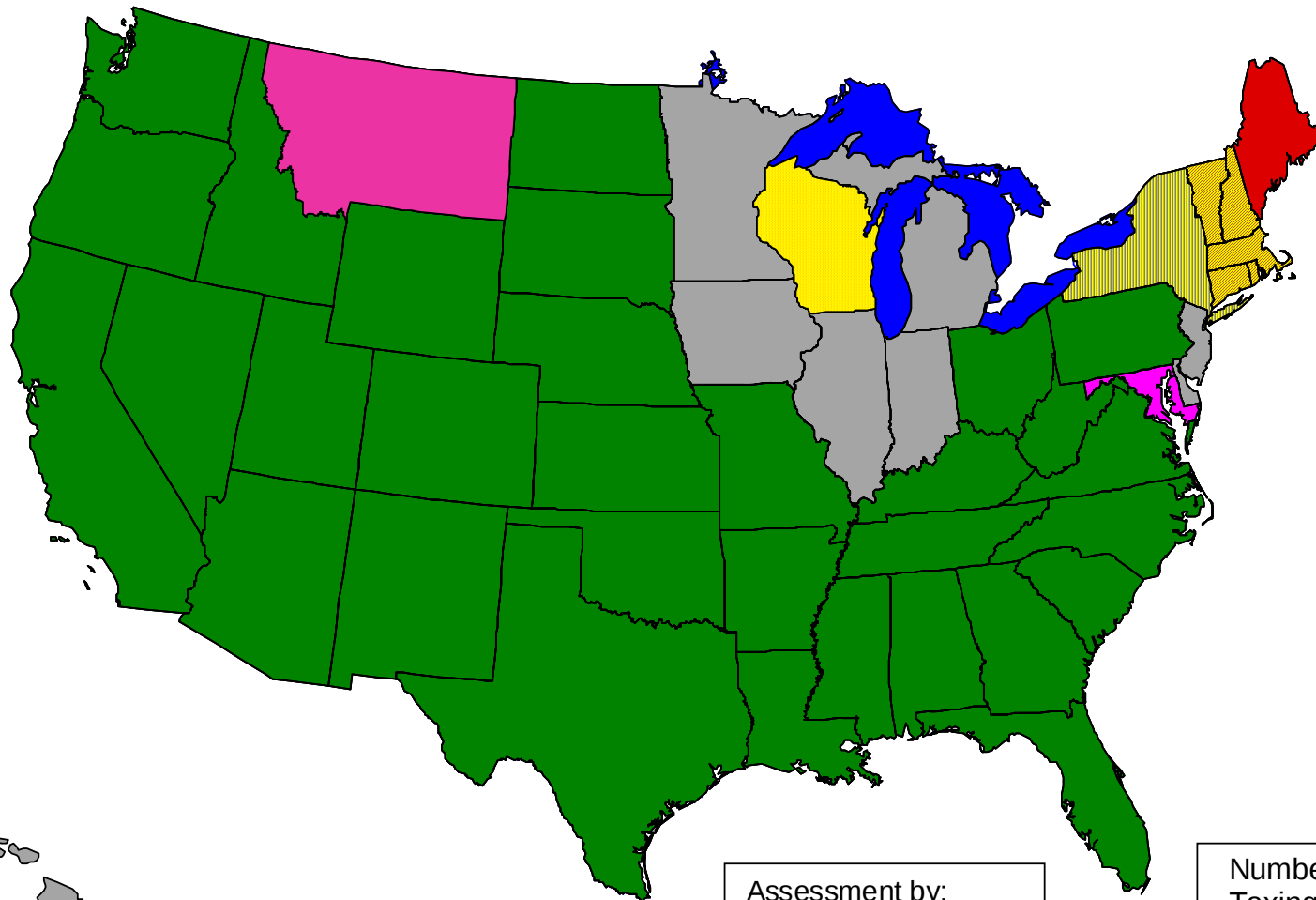
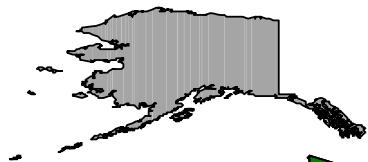
■ Fair

- Annual updates – Responsive to market changes

■ Transparent

- County: determines property value, individual & district tax burden

State Assessment Types



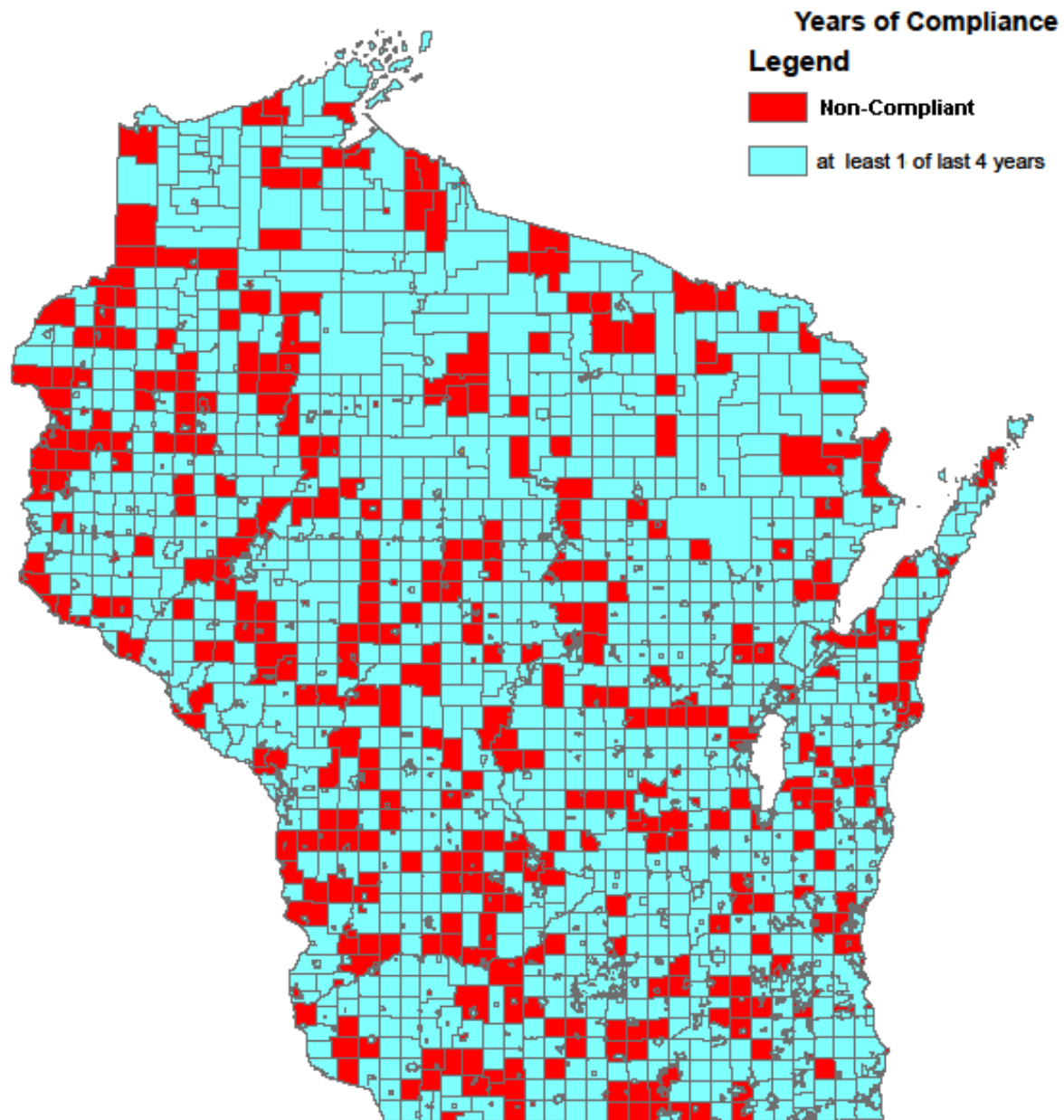
Assessment by:

- Municipal
- State and Municipal
- State
- County
- County and Municipality

Number of Taxing Jurisdictions

- <400
- <1150
- 1851

All Major Property Classes Assessed Within 10% of Full Value



County Assessment Implementation

■ Years 1 to 3

- County Assessment offices created
- All municipalities required to upgrade parcel detail and assess at Market Value within 3 years

■ Year 4

- Municipalities no longer assess
- County Assessment offices first publish assessment rolls
- Functioning County Board of Assessors & Board of Review
- DOR begins to adopt County Values as full / equalized value

■ Year 5

- Assessment functions completed by County except manufacturing
- DOR audits Counties' processes to verify standards & uniformity
- Statewide County Assessment: All Counties at full / equalized value

County Assessment Detail

- Structure
- Valuation
- Regulatory

County Assessment Detail

Structure

- County Assessment Administrator
 - 1 for each County
 - Responsible for timely & accurate completion of process & reporting of information to DOR
- No municipal exceptions
- Multiple counties may combine
- May employ county staff or contract
 - Regardless of employment type, all facets of assessment process standardized throughout state - specified by statute or Wisconsin Property Assessment Manual (WPAM)

County Assessment Detail

Structure – Annual County Process

- End of February
 - Assessors validation & verification of sales complete
 - Information submitted to DOR
 - Enables County & State to commence modeling
- Early April
 - Preliminary numbers complete – submitted to DOR
 - DOR preliminary review – feedback to assessors
- 2nd Monday in May - Assessments complete & notices mailed
 - County provides totals to DOR & all taxation districts
 - Opportunity for municipalities / school districts to review
- 2nd Monday in June - County Board of Assessors commences
- 2nd Monday in July - County Board of Review commences
- August 1: Final changes provided to DOR
- August 15: DOR Certifies Full Values

County Assessment Detail

Structure - County Assessment Administrators

- Discover, list & value all property within jurisdiction
- Determine value on annual basis - full value subject to taxation
- Manufacturing & utilities remain with DOR

County Assessment Detail

Structure – Appeal Process

1. County Board of Assessors (BOA)

- Similar to current BOA statutes for 1st class cities
- Members: County Assessment Administrator's office
- Appeals required by second Monday in June
- Appeal of BOA determination to county board of review

2. County Board of Review (BOR)

- Similar to current BOR statutes
- Representatives from Town, Village, & City
- No members may be from same municipality

3. Circuit Court

County Assessment Detail

Structure – Board of Tax Exemptions

- Process for County Assessors to seek guidance
- Taxation improved through this uniform process
- Board's guidance placed into WPAM
- Guidance not binding

County Assessment Detail

Valuation – Transition Period

- Years 1 to 3 – Municipalities required to conduct state defined revaluation
 - According to state standard contract
 - Data collection – interior inspections required
 - Photos & sketches of all improvements
 - Use of WPAM – Volume 2 for listing / codes
 - Electronic records required & provided to DOR
 - Municipal to County
 - ✓ Years 1 to 3: Counties create Assessment Administrator Office
 - ✓ Revaluation in year 1 or 2: Full value maintenance until turned over to county in 3rd year
 - ✓ 3rd Year: Records & data to county after assessments complete
 - ✓ 4th & 5th year: County assumes assessment function

County Assessment Detail

Valuation – Full Value

- Annual valuation – full value subject to taxation
 - Counties begin with up-to-date property data
 - Recent sales analyzed to annually project value
 - Uniform & accurate valuation of property requires correct, complete, & up-to-date property data
- Maintaining Property Data – IAAO Standards
 - Assessors must collect & maintain property data
 - ✓ ownership, location, size, use, physical characteristics, sales prices, rents, costs & operating expenses
 - On-site inspection of 20% of properties annually
 - ✓ Check measurements, additions/deletions, photograph
 - Long Term: digital image technology augments field inspection

County Assessment Detail

Valuation, cont.

■ County Process Detail

- Data collection process
 - ✓ Routine review of all property characteristics
 - ✓ Sale validation & verification
- Maintaining property data
 - ✓ Property inspection rate
 - ✓ Building permit collection & analysis
- Annual valuation process – analysis of data
 - ✓ Collection / analysis of income, expense & other market data
 - ✓ Valuation models, testing & quality assurance
 - ✓ Time series analysis
 - ✓ Statistical process & results, e.g. coefficient of dispersion

County Assessment Detail

Valuation, cont.

■ DOR Audit – Annual Compliance Review

- Values & processes adhere to statutes & WPAM
 - ✓ Data collection process
 - ✓ Maintaining property data
 - ✓ Annual valuation process – analysis of data
- County values accepted as full, equalized
- County values will determine apportionment

County Assessment Detail

Regulatory

■ Assessor Certification

➤ WPAM

- ✓ certification requirements for County assessment personnel
- ✓ facilitate changes as assessment / appraisal industry changes

➤ Testing for ability to comply – IAAO Courses

➤ Certification hearing & discipline process:

1. Written reprimand
2. Temporary suspend certification
3. Permanently revoke certification

DOR will publish suspensions & revocations

County Assessment Detail

Regulatory

■ Assessor Certification – IAAO Assessment Administrator

General qualifications

Education†

Minimum: High school diploma or equivalent

Desirable: Bachelor's degree in public administration, business administration, finance, economics or some college and experience equivalent to education.

AAS or CAE designation

Experience

Increasingly responsible positions in an assessor's office, supervisory experience

Skills and knowledge

Understanding of appraisal principles and property tax laws and regulations; proficiency in problem-solving, interpreting statutory requirements, conducting good public relations, and maintaining effective group and interpersonal relationships

Courses for entry††

All level 100 (General Appraisal) & level 200 (Specialty Appraisal) courses

Course 400—Assessment Administration

Course 402—Tax Policy

Course 500—Assessment of Personal Property*

Course 600—Principles and Techniques of Cadastral Mapping

Workshop 151—Standards of Practice & Professional Ethics

Mandatory continuing education††

Course 300—Fundamentals of Mass Appraisal

Course 310—Applications of Mass Appraisal Fundamentals

County Assessment Detail

Regulatory

■ Assessor Certification – IAAO Real Property Appraiser

Education†

Minimum: High school diploma or equivalent

Desirable: Bachelor's degree in mathematics, communications, economics, statistics, accounting, finance, computer science, business administration, or real estate *or* some college and experience equivalent to bachelor's degree

Skills and knowledge**

Minimum: Mastery of all three approaches to value

Minimum:

Course 101—Fundamentals of Real Property Appraisal

Course 102—Income Approach to Valuation

Course 500—Assessment of Personal Property*

Workshop 151—Standards of Practice & Professional Ethics

Desirable

Course 112—Income Approach to Valuation II

Course 201—Appraisal of Land

Course 300—Fundamentals of Mass Appraisal

Workshop 161—Marshall & Swift Cost Approach—Residential

County Assessment Detail

Regulatory

- Wisconsin Property Assessment Manual
 - Acceptable standards & methods of valuation, information collection & analysis
 - Require standards published through national accredited institutions (Appraisal Institute & IAAO)

County Assessment Detail

Regulatory, cont.

■ Electronic

- Statutes will require electronic submission of information to DOR
- DOR has developed an Integrated Property Assessment System (IPAS)
 - ✓ Will allow DOR to analyze the County's values & processes
 - ✓ Determine adherence to requirements
 - ✓ County adheres to requirements = DOR approve & adopt County's values as district's full value, i.e. equalized
 - ✓ Process will eliminate the current two-tier valuation process

County Assessment Detail

Regulatory, cont.

■ Enforcement

- County's values unsatisfactory
 - ✓ DOR order special supervision for subsequent year where any DOR costs are charged to county
- County's values unacceptable
 - ✓ DOR can issue an "equalization order" on aggregate level (class totals versus individual property values) for inequities
 - ✓ Adjusted aggregate value represent equalized
 - ✓ Followed by order for county to correct in subsequent year with any DOR costs charged to county