



# Assessor's Voice of Wisconsin

1987-88 IAAO Zangerle Award Winner 1991-92 IAAO Zangerle Award Winner

September, 2002



## Rural Assessor's Exchange

*By: Mel Raatz*

The budget bill has some interesting items included in it this year. The present proposal includes a one time reporting of ag land to the assessor and a different concept on the distribution of the ag penalty. If these two items remain in the budget, it will give the assessor some assistance in identifying ag land and make it feasible for the municipalities to implement the ag penalty. These will be two items to watch for. If they remain in the budget bill, I'm sure they will be covered at the fall assessor's seminar.

The ag use values this year will impact everyone's tax bill. The 40% to 45% decrease this year has actually reduced the equalized values of many townships. This will affect the apportionment for all municipalities. The rural municipalities with a reduced equalized value will see a reduced percentage that they will have to pay the state, county, school district and tech schools, while the municipalities that do not have much ag land will see their apportionment increase. The end result is a shifting of the tax burden to non-ag properties.

Next year appears that the trend for lower ag use assessments will continue if there are no changes made to the formula. We could see an additional 30% to 40% reduction in the ag assessments. The ag use formula or format, needs to be addressed prior to negative values. Negative values would make for a very complicated tax issue. All will feel the impact of this issue.

With an interesting year ahead of us, all assessors need to stay abreast of the law changes and the impact it will have on their workload. Make sure your municipalities are aware of the changes coming and have a plan in place to address the additional work and cost involved.

The assessor's position has changed immensely over the past few years. It's our responsibility as an assessor to stay informed of what the law requires and how it affects the assessments in each of our municipalities. We need to continuously educate ourselves to properly inform our municipalities and meet the demands placed on us. The fall seminars held by the Institute and the WTA are becoming more important each year to keep up with the changes. Plan on attending one if not both, as they should be very informative. The Institute will be held in September at Green Bay, and the Wisconsin Town's Association will be held in October at La Crosse. Classes will be available for assessor continuing education at both.

**Mel Raatz**  
**Rural Concerns**

## Official Notice From The Nominating Committee

Pursuant to the bylaws of the Wisconsin Association Of Assessing Officers, the Nominating Committee submits the following candidates to serve as Officers and Executive Board Members:

**Steve Miner** – President  
Cudahy

**Mike Higgins** – President Elect  
Kenosha

**Mark Schlafer** - Vice-President  
City of LaCrosse

**Pam Hennessey** -Secretary  
Dept. of Revenue

**Joan Spencer** – Treasurer  
Marshfield

**Kathleen Isleb** - 1 yr term  
Executive Board (replacing Mark Schlafer) City of Wauwatosa

**Eric Miller** - Executive Board  
City of Greenfield

**John Meyer** - Executive Board  
City of Milwaukee

**Reed Johnson** - Executive Board  
Dept of Revenue

The Election of Officers and Executive Board Members will take place at the September 25, 2002 Membership Meeting held in conjunction with the Wisconsin League of Municipalities Institute.

**2001-2002 Officers**

Nanette Giese Wausau	President (715) 261-6605
Steve Miner Cudahy	President-Elect (414) 769-2207
Michael Higgins Kenosha	Vice President (262) 653-2805
Joan Spencer Marshfield	Secretary/Treasurer (715) 384-3856
Mary Hlavinka New Berlin	Past-President (262) 786-6121

**2001-02 Board of Directors**

David Dueholm Madison	2002 (608) 831-8007
Dennis Duszynski Milwaukee	2002 (414) 286-3161
Allan Land West Allis	2002 (414) 302-8234
James Siebers Mequon	2003 (262) 242-3100
Hugh Harper Readstown	2003 (608) 629-5432
Mark Schlafer LaCrosse	2003 (608) 789-7525
Marie Ellis Sheboygan	2004 (920) 459-3393
Paul Klauk Waukesha	2004 (262) 524-3510
Sharon McCabe Madison	2004 (608) 266-4583

**IAAO Representative**

Mary Reavey Milwaukee	(414) 286-3101
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**NCRAAO Representatives**

Robert Lorier Brookfield	(262) 796-6649
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Steve Miner Cudahy	(414) 769-2207
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Doug Milius Dept. of Revenue	(920) 929-2970
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**AVOW Newsletter**

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**From the President's Desk;**

July 12, 2002 for AVOW September 2002  
From the President's Desk;

The Assessor's Institute is fast approaching and my term as president is coming to an end. I have enjoyed the opportunity to serve WAAO and be part of a membership that is always striving to do their best in an extremely difficult profession. I have enjoyed my time as president, but I would not have made it through my term without all the capable help of the Officers,

Directors, Committee Chairs, and Committee members. Without their involvement, our organization would not be able to meet the challenges that face our profession today. I wish to take this opportunity to say "Thank you" to all who have been able to serve WAAO in some capacity.

Throughout the year we have watched as our Executive Board has redefined Committee structure to better serve our membership. Change, which has a tendency to throw us out of our comfort zone, has been very beneficial. Because of change, the committees in charge of our educational programs have had more "specialization time" which has enriched the quality of our educational programs. Change is the one thing we will continue to see, especially in this time of economic uncertainty.

As I pass the presidency to the capable hands of Steve Miner, I know he will continue to support the mission of our organization. Thank you again for making my term as president an enjoyable experience I will always remember.

Hope to see you all in Green Bay.

Nan

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The Assessor's Voice of Wisconsin is published quarterly by the Wisconsin Association of Assessing Officers, a non-profit Wisconsin association. AVOW serves the information needs of Wisconsin assessors on issues of legislation, education, professional announcements and technical procedures. No part of the newsletter is construed as an endorsement by the WAAO unless so specified. The AVOW is available with membership to the WAAO. A membership form is available on the last page of this newsletter.



**Secretary/Treas Position Split Proposal**

Planning and Management met and discussed the proposed changes of splitting the Secretary and Treasurer duties of the Association.

Members are encouraged to discuss any feelings they have on this proposal with members of the Executive Board before the July 8th Executive Board meeting.

Any changes will have to be approved by the Executive Board. If approved, changes that affect the Association Bylaws will be printed in the September AVOW, and voted on at the September meeting.

**GENERAL MEETING MINUTES**

June 3, 2002

Klemmers Banquet Center, Greenfield  
 President Nan Giese called the WAAO business meeting to order at 10:45 a.m. with 53 WAAO members attending.

**SECRETARY / TREASURER REPORT** Joan Spencer

The minutes from the March 4<sup>th</sup>, 2002 quarterly meeting were approved as printed in the AVOW.

**Treasurer**

The operating accounts have a current balance of \$19,555.28, and the Education Fund has a balance of \$6,895.31, for a total of \$26,450.59. All submitted bills have been paid to date. Other than WAAO funds, a separate account maintained for the IAAO 2006 Conference Committee has a balance of \$1,287.30.

**General Meeting**

Receipts for the March 4<sup>th</sup> quarterly meeting were \$2,485 with expenses of \$1,822.67, for a difference of \$662.33. Raffle receipts were \$326 with costs of \$124, adding \$202 to the education fund.

**Membership Report**

We currently have 625 members, and added one at today's meeting. Membership renewal forms were mailed last week Wednesday for the next fiscal year.

At the last meeting, a question was asked about the survey results on the continued mailing of the hard copies of the AVOW newsletter. The results were as follows:

53	8.48%	Discontinue Hard Copy
152	24.32%	Unanswered
420	67.20%	Continue Hard Copy Mailing

**ACTIVITIES ON BEHALF OF THE ASSOCIATION**

Mary Reavey

IAAO decided that all of the organizations that support IAAO as chapters, associations, etc. will be allowed to pick their own representatives, allowing each organization to have up to four representatives. In the past, the IAAO President picked the representatives.

Mary's term expires in 2003, and Mary has agreed to continue on. Mark Schlafer from La Crosse has agreed to serve as an alternate. As we get closer to the IAAO 2006 Conference, we may want to add a few more to help with that event.

**COMMITTEE REPORTS**

**Awards Committee**

Nan Giese reported we are looking for nominations for this year's WAAO awards:

- Most Valuable Member
- Distinguished Research and Development
- Publication Award
- Distinguished Life Member
- Distinguished Assessment Jurisdiction
- Public Information Award.

Nomination forms were published in the last two AVOWS, and should be submitted to Nan Giese by July 1<sup>st</sup>.

**Planning and Management**

Nan Giese

Planning and Management met to discuss splitting the Secretary/Treasurer duties. It was agreed that it would be a good idea to split the duties, and this will be presented to the Executive Board at the July 8<sup>th</sup> meeting. Members are encouraged to

call if they have any questions.

### **IAAO Report**

Mary Reavey

There are some upcoming IAAO seminars that will be in the AVOW newsletter. There are also brochures available for the October 13-16 Conference in Los Angeles.

We do have two new IAAO members; Reed Johnson and Jerry Prellwitz. Reed also is working on a designation.

The IAAO Endorsement Committee hasn't met, and we do have some endorsement requests that we will be reviewing.

### **NCRAAO Report**

Bob Lorier

The next NCRAAO Conference will be held in Wichita, Kansas June 10-12.

### **Education & Training**

Reed Johnson

The Committee met May 10<sup>th</sup> and recapped the March session. There was a fine turnout and revenues exceeded expenses. Everyone seemed happy with the education. Next March we may split the education into two sessions again. A public land survey workshop was discussed, along with perhaps a CAMA modeling workshop. We also discussed having a CAMA vendor display if we go that route.

Another topic has recently come up in Madison regarding mold identification and its impact on value. A hand count was taken of members interested in the following sessions:

- a 3-hour session on mold: discovery, remediation, effect on value, etc. (about half)
- a 5-6 hour seminar on computer modeling, probably using generic software, bring your own laptop, work with your own live data perhaps (a little less than half)
- a 3 hour program on business enterprise value by a fairly well respected tax attorney with national connections (a lot of interest).

There will be a week-long course (IAAO Course 312 "Commercial / Industrial Modeling Concepts") in West Allis at the Library, October 14-18. The registration form was printed in the June AVOW.

The Committee also reviewed the revised Committee duties and made some minor changes, which were forwarded to the Planning and Management Committee.

We are still working on trying to get a developer from Madison

for the next December meeting in Madison. Discussion will center on land acquisitions, development process and some industry standards on costs, and how they perceive development issues.

We talked about our education planning process, and Education and Training will try to develop an improved plan.

### **WCTC**

Steve Miner introduced Roger Kerkenbush, Associate Dean for Real Estate related programs (appraisal and assessment) from Waukesha County Technical College. Roger attended today's meeting with Ossie Johnson, and has been working with Ossie and Bernie Saylor.

Roger reported that while WCTC no longer offers a two-year degree in Appraisal or Assessment, it still offers all the necessary coursework, and all continuing education. All courses are certified for appraiser and assessor.

Anyone with ideas on how to get the word out about the WCTC programs should contact Roger. More specific course information can be gotten from the Department Secretary at (262) 691-5247.

### **Membership Services**

Sue Plutschack

The Committee worked on this quarterly meeting, and is now working on the upcoming League Conference activities. They also reviewed the updated Committee description and felt comfortable with that.

### **AVOW**

Tina Bizub

The next deadline for submitting articles is July 12<sup>th</sup>.

### **Legislative**

Mary Reavey

Peter Weissenfluh informed Mary that what is in the AVOW is pretty current. Other issues really aren't moving forward at this point in time.

### **Personal Property Standards**

John Meyer

Personal Property Standards will be meeting July 13<sup>th</sup>, at which point they will be finalizing the 2003 personal property return, as well as a two-sided optional instruction page.

### **Real Estate Standards**

Kathy Isleb

The Committee met to discuss the survey on Manufacturing. Unfortunately, there were not many responses and not many of

the larger jurisdictions responded. There was nothing that could be put into any format. The majority of those that responded appeared to be pleased with the current status of manufacturing assessments.

The Executive Board felt we really couldn't go any further at the present time. However, we do want to remain proactive and let the State know that enough cuts are enough, and we need these people out there to perform the manufacturing assessments. Nan will be writing a letter to the Secretary of Revenue regarding this issue.

**OLD BUSINESS**

Reed Johnson

Mel Raatz from Rural Concerns has been working on Education and Training.

Steve Hannot, an instructor and pretty well respected appraiser has put together training sessions on "The Valuation of Convenience Stores" and "The Valuation of Mobile Home Parks" for the next Towns Association Conference.

Nan Giese

Nan reported Mel has also requested that WAAO help to get the Towns Association to form a group to help with Education and

Training at the Towns Conference. This would work similar to the League format, where Assessors work outside of WAAO as League Trustees to help with Education and Training for the League Institute. She has not been able to get through to Rick Stadleman yet about this.

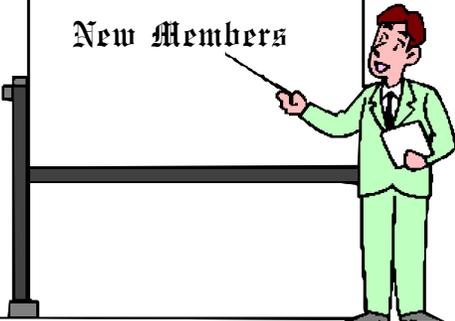
Phil Sanders

Phil reported Mel has also been working on the development of a standard assessment contract for annual maintenance, and had a meeting last week in Madison regarding this.

Mary Reavey - Education for USPAP

Ossie Johnson and Mary serve together on a Committee regarding USPAP. About a year and a half ago, the Appraisal Subcommittee came to Wisconsin to audit Wisconsin practices. Out of that, they decided that in Wisconsin the education that we allow to become a certified appraiser does not necessarily run through a program of education whereby you start with the basics and move on up.

What they are saying is that you can take the same courses over and over and still qualify. They are now working on a program where you have to meet certain types of education, not just that it's a certified course, but rather a progression that leads to more expertise.



**New Members**

<p>Kaiser, Sue E Assessment Technician City of Fond du Lac 160 S Macy St, PO Box 150 Fond du Lac WI 54936-3268 (920) 929-3268 (920) 929-7515 skaiser@ci.fond-du-lac.wi.us</p>	<p>Bonk, Geoffrey J Assessment Technician City of Fitchburg 5520 Lacy Rd Fitchburg WI 53711-5318 (608) 270-4235 (608) 270-4212 geoffrey.bonk@city.fitchburg.wi.us</p>	<p>Ehrlich, Ed Assistant City Attorney City of Milwaukee 749 W State Street #205 Milwaukee WI 53233 (414) 286-2676 (414) 286-8550 eehrl@milwaukee.gov</p>
<p>Pessefall, Douglas A. Michael Best &amp; Friedrich LLP 100 E Wisconsin Ave #3300 Milwaukee WI 53202 (414) 271-6560 (414) 277-0656 dapessefall@mbf-law.com</p>	<p>Kerkenbush, Roger Associate Dean WCTC 800 Main St Pewaukee WI 53072-4601 (262) 691-5528 (262) 691-5047 rkerkenbush@waukesha.tec.wi.us</p>	<p>Nelson, Kristine M Assessor I City of Racine 730 Washington Ave Racine WI 53403 (262) 636-9468 (262) 636-9466 knelson@cityofracine.org</p>
<p>Bayliss, Steve Dash Development Group 4680 Monches Rd Colgate WI 53017 (262) 628-5500 (262) 628-3161 steve.bayliss@dashdev.com</p>	<p>Wiegand, James R Senior Property Appraiser City of Milwaukee 9715 W Center St Milwaukee WI 53222 (414) 286-3123 (414) 286-8447 jwiega@ci.mil.wi.us</p>	

In addition, they are also looking at continuing education. We now have 28 hours that are required every two years. They will be looking at topics of continuing education, not just that you meet the 28 hour requirement.

This year 20% of the people that were audited did not meet the education requirements. They are also thinking of moving to a program similar to the Department of Revenue's whereby they keep a compilation of courses that need to be taken.

## ANNOUNCEMENTS

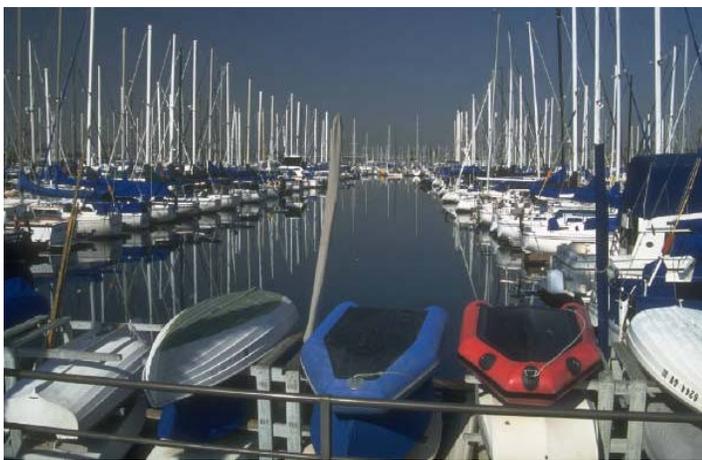
Mary Reavey

Sandy Gauger is celebrating a birthday today, and Russ Schwandt from Green Bay and Lori were recently married.

Meeting Adjourned!

*Respectfully Submitted,*

*Joan Spencer, Secretary/Treasurer*



## Supreme Court Ruling Scuttles Lakeside 'Dockominiums'

*By: Tom Daykin*

The battle of the boat slips finally got its Wisconsin Supreme Court ruling this week, but the justices passed on resolving the case's wider issues.

As a result, a dispute that pits developers and Realtors against local officials and state regulators will linger unless it ends up before the U.S. Supreme Court.

The case involves "dockominiums" - boat docks that are sold like condominiums instead of leased like parking spaces.

It began in 1994 when The Abbey Resort, located on Geneva Lake in Fontana, proposed selling about 400 docks it had been leasing to boaters. Department of Natural Resources officials objected to the plan.

The state agency argued that selling boat slips for up to \$50,000 apiece, instead of leasing them on a year-to-year basis, would reduce public access to the lake. And that would violate the public trust doctrine of Wisconsin's Constitution, in which the state holds the beds of navigable waters in trust for public use.

Converting the leased boat slips to dockominiums would not deny public access to Geneva Lake, according to the Abbey's owner, ABKA Limited Partnership, which is an affiliate of Anvan Corp. and a suburban Chicago real estate developer. The majority of boaters who rent slips at The Abbey do so year after year, and selling the slips would have little effect on who actually used the docks, ABKA said.

The Abbey sold 185 slips before suspending sales to await the outcome of the case. An agency administrative law judge ruled in 1996 that The Abbey could sell 120 docks, and the decision was upheld in 1999 by a Walworth County circuit judge.

The Wisconsin Realtors Association and Wisconsin Builders Association, two of the real estate industry's biggest trade groups, both joined the case and took The Abbey's side.

Also joining the fray was the Wisconsin Association of Lakes, a group that includes public lake districts, lakefront property owners and lake users.

The association said allowing dockominiums could bring a flurry of new dock construction on Wisconsin's lakes. That would bring overuse by boaters, creating environmental problems for the lakes, the association argued.

The Court of Appeals last year ruled that the conversion of docks from lease properties to dockominiums violates the public trust doctrine.

That decision was "frightening," says Tom Larson, director of land use and environmental affairs at the Wisconsin Realtors Association. The court's ruling contained broad language that suggested that all boat slips, whether sold or leased, could violate the public trust doctrine, he says.

The state Supreme Court this week upheld the Court of Appeals decision but did so with a "very, very narrow" reading of the law, Larson says.

The majority ruling, written by Justice Ann Walsh Bradley, said The Abbey condominium units didn't have an independent use as required by state law. Instead, the condo units were lockboxes on the shoreline. Because the small lockbox units don't have an independent use as defined by state law, The Abbey was illegally selling the right to use the lake without creating valid condo units, the ruling said.

But the majority ruling did not explicitly say that

dockominiums violate the public trust doctrine, according to a concurring ruling by Justice William Bablitch. The majority should have declared dockominiums unconstitutional, Bablitch said, noting that dockominiums could undermine laws that limit the number of piers and docks allowed on Wisconsin's shorelines.

"The public is entitled to the full reasonable use and enjoyment of these waters, including the enjoyment that comes with the natural beauty of the waters," Bablitch wrote. "One can easily imagine the damage to the aesthetic appeal of our public waters if this concept is allowed."

For example, one single property owner on a small lake could divide up his shoreline property and then sell dockominiums to numerous new owners, he said.

Attorney William O'Connor of the lake association says the majority decision appears to say that dockominiums must be tied to condo units that have an independent use, such as a nearby residential condo unit.

O'Connor also says the ruling is a victory for dockominium opponents.

But Larson, of the Realtors association, says the narrow language of the majority ruling leaves room to decide what would be a lawful dockominium.

Indeed, a dissenting opinion by Justice Diane Sykes said the majority ruling "evades the significant public trust doctrine questions" involving dockominiums. The legal status of dockominium marinas remain in doubt, Sykes wrote.

And the ruling "trampled" on the property rights of ABKA and the dockominium owners at The Abbey, according to Sykes.

Meanwhile, ABKA is reviewing its options, including a possible appeal to the U.S. Supreme Court, according to a statement issued by the Lombard, Ill.-based partnership.

Appeared in the Milwaukee Journal Sentinel July 18, 2002



## IAAO Conference Update

How would you like to win \$500,000, or an all expenses paid vacation to Tahiti? What about a 2003 Lexus?

Well, if you are one of the lucky ones who were wise enough to purchase an IAAO 2006 Conference T-shirt last year, you could win one of the above mentioned prizes.

"What do I have to do to be eligible to win one of those prizes", you may ask?

Well, it's actually quite simple.

**First:** At the upcoming 2003 Assessor's Institute which will be held Sept. 24-27 in Green Bay, be sure to proudly wear your IAAO 2006 Milwaukee T-shirt.

**Second:** Find and enter a contest that offers those prizes.

If you choose to just wear your T-shirt and not concern yourself with money, cars or trips – you **STILL** may get lucky and win something for just wearing your T-shirt.

Besides a chance of winning something (NOT a trip, cash or car – but something), there are many reasons for wearing the T-shirt

- Great color is soothing and reminiscent of a tranquil moonlit lake
- Skyline of Milwaukee that is displayed comes in handy when strangers ask you what the Pfister Hotel Tower looks like.
- Identifies you as a person of discerning taste.
- May get someone to buy you a drink.
- Great way to promote the IAAO Convention in Milwaukee
- Scientifically proven that wearing the T-shirt elevates your IQ by 21.8 points.
- In any pick up game of "shirts" and "skins", you automatically qualify for the "shirts" team.
- Serves as a reminder if you were wondering, "What do I have up in 2006?"

If you haven't purchased your IAAO T-shirt yet, you'll still have a chance to acquire one (or two or three) in Green Bay this September, and thus be eligible for any goodies that might be offered. See you in Green Bay this September and in Milwaukee in 2006.



## Hastening Of Farm Tax Break Upheld

*State's high court rules phase-in period was flexible*

By: Amy Rinard  
of the Milwaukee Journal Sentinel staff

The state Department of Revenue acted legally when it cut short a phase-in and fully implemented a new tax assessment method that has saved farmland owners nearly half a billion dollars in taxes, the state Supreme Court ruled Tuesday.

The ruling ended a two-year legal battle over a law whose benefits initially were to be rolled out over a decade.

"This is a great day for Wisconsin farmers," said Dan Poulson, president of the Wisconsin Farm Bureau Federation, which had fought hard for use-value assessment of farmland.

Under use-value assessment, which the department fully enacted in 2000, all farmland in Wisconsin must be assessed for property tax purposes on the basis of its current agricultural use and not on its market value for potential development.

Use-value assessment has caused the average property tax paid on an acre of farmland in Wisconsin to plummet 72%, from \$18.33 to \$5, according to the Farm Bureau.

The law took effect in 1996 with a two-year assessment freeze followed by two years of an expected 10-year phase-in, which was cut short with the full implementation of use value.

Through 2001, use-value assessment has saved the owners of agricultural land \$434 million in property taxes, the Revenue Department said.

The tax breaks have been especially dramatic for owners of some of the most expensive farmland in the state - in Waukesha, Racine, Washington, Ozaukee and Dane counties - where development has driven market values up.

Use-value assessment was designed to help financially struggling farmers by lowering their property tax bills so they would not have to sell their land to developers to make ends meet.

Challengers of the Revenue Department's action to end the

phase-in after two years said the narrow margin of Tuesday's ruling - and a strong dissenting opinion by Chief Justice Shirley S. Abrahamson - shows the complexity of the legal questions the case presented.

"We're obviously disappointed in the outcome," said Michael P. May, a Madison attorney who handled the case that was filed on behalf of a Taylor County farm couple but paid for by the state Senate. "We think the dissenters have it right and that the majority opinion is a misreading of the law."

The Senate chief clerk's office said Tuesday that the Senate has spent \$70,708 in connection with the lawsuit.

Plaintiffs Ray and Wanda Mallo contended in the suit filed in February 2000 that unlike many farmers their property taxes rose, in part because the assessment formula considers the land's productivity.

At issue was whether the Revenue Department had the authority under state law to end the phase-in period eight years early and fully carry out use-value assessments in 2000.

The suit argued that was a violation of legislative intent. But writing for the majority, Justice N. Patrick Crooks said the language of the legislation made the phase-in period flexible.

The law said the phase-in is to end no later than Dec. 31, 2008, Crooks wrote, noting that "it does not say, however, that it cannot end earlier."

Revenue Secretary Richard G. Chandler applauded the court's decision, saying in a statement that it "removes a major source of economic uncertainty facing Wisconsin's farmers."

Abrahamson and Justice Ann Walsh Bradley dissented, agreeing with a January 2000 attorney general's opinion that found no statutory authority for the Revenue Department to end the phase-in period eight years early.

Justices Jon P. Wilcox and David T. Prosser Jr., both former legislators, did not participate.

Also Tuesday, the court dismissed a related lawsuit filed by Milwaukee Mayor John O. Norquist and several other Wisconsin mayors that challenged the constitutionality of the use-value assessment law. The court said the suit was moot in light of the ruling in the Mallo case.

Norquist said Tuesday that he continued to believe use-value violates the Wisconsin Constitution and that the real beneficiaries of the law are not farmers but developers who now pay far less in taxes on farmland that they own and plan to develop.

Appeared in the Milwaukee Journal Sentinel on June 26, 2002.



## Proposed WAAO Bylaw Changes

*Planning & Management Review: 5/20/02*

*Executive Board Approval: 7/8/02*

**For Membership Vote At The Quarterly  
Membership Meeting: 9/25/02**

### ARTICLE II - MEMBERSHIP

#### Sec 1 (A) Original

**RETIRED MEMBERSHIP:** Open to any individual who has retired from, or otherwise terminated the position, under which they previously held a **regular or associate** membership, not employed in any manner that would qualify them as a subscribing member.

#### Proposed Change

**RETIRED REGULAR MEMBERSHIP:** Open to any individual who has retired from, or otherwise terminated the position under which they previously held a **regular** membership, not employed in any manner that would qualify them as a subscribing member.

#### Original

**Sec 3** Applications for membership shall be made on forms obtained from the Secretary/Treasurer.

#### Proposed Change

**Sec 3** Applications for membership shall be made on forms obtained from the **Association Treasurer**.

### ARTICLE III - OFFICERS

#### Original

**Sec 1** The officers of the Association shall be elected by a plurality vote of members, and shall be the following: President, President Elect, Vice-President, and Secretary/Treasurer. The term of office shall be for one year.

#### Proposed Change to Sec 1 - Add Sec 2 and Sec 3

**Sec 1** The officers of the Association shall be elected by a plurality vote of members, and shall be the following: President, President Elect, Vice-President, **Secretary and Treasurer**. The term of office shall be for one year.

**Sec 2** The President, President Elect and Vice President shall be Regular WAAO members in good standing.

**Sec 3** The **Secretary and Treasurer** shall be WAAO members in good standing **with voting rights**.

### ARTICLE IV - EXECUTIVE BOARD OF DIRECTORS

#### Original

**Sec 1** There shall be an Executive Board of Directors consisting of fourteen members, including the President, President Elect, Vice-President, Secretary/Treasurer, immediate past President, and nine Executive Board of Directors, each Director elected for a term of three years; three members to be elected each year at the annual meeting of the Association. The President shall serve as Chairman of the Executive Board of Directors.

#### Proposed Change

**Sec 1** There shall be an Executive Board of Directors including the President, President Elect, Vice-President, Secretary, Treasurer, immediate past President, and nine Executive Board of Directors, each Director elected for a term of three years; three members to be elected each year at the annual meeting of the Association. The President shall serve as Chairman of the Executive Board of Directors.

#### Original

**Sec 3** For the purpose of transacting official business, a quorum of the Executive Board of Directors shall consist of not less than seven members.

#### Proposed Change

**Sec 3** A majority of the Executive Board shall constitute a quorum for the purpose of transacting official business.

### ARTICLE V - ELECTIONS

#### Original

**Sec 4** The Officers and Executive Board of Director members shall be elected by the membership of this Association at the annual meeting. The voting order shall be the following:

President Elect,  
Vice-President,  
Secretary/Treasurer,

Any 1-year term Executive Board of Director members,  
Any 2-year term Executive Board of Director members,  
Any 3-year term Executive Board of Director members.

**Proposed Change**

**Sec 4** The Officers and Executive Board of Director members shall be elected by the membership of this Association at the annual meeting. The voting order shall be the following:

President Elect,  
Vice-President,

**Secretary,**  
**Treasurer,**

Any 1-year term Executive Board of Director members,  
Any 2-year term Executive Board of Director members,  
Any 3-year term Executive Board of Director members.

**Original**

**Sec 5** Voting rights are vested in REGULAR and DISTINGUISHED LIFE members only.

**Proposed Change**

**Sec 5** Voting rights are vested in REGULAR, **RETIRED REGULAR**, and DISTINGUISHED LIFE members only.

**ARTICLE VI - DUTIES OF OFFICERS**

Original

**Sec 4** SECRETARY/TREASURER

- Shall perform all the duties of the Secretary and Treasurer offices.
- Shall keep a roll of the members of the Association.
- Shall provide advance notice of all meeting dates for members.
- Shall in general perform all the duties pertaining to the office.
- Shall keep minutes of all meetings of the members, and of the Executive Board.
- Shall perform all duties which may be assigned by the President or Executive Board.
- Shall compile an annual report of the meetings, activities, and membership for the annual meeting of the Association.
- Shall collect all monies due to the Association, giving receipts, disbursements, and balances during the year.
- Shall deposit all monies of the Association in a financial institution approved by the Executive Board.
- Shall record all disbursements.

**Proposed Change To Sec 4 - Add Sec 5**

**Sec 4** SECRETARY

- Shall keep minutes of all meetings of the members, and of the Executive Board.
- Shall perform all duties which may be assigned by the President or Executive Board.
- Shall provide advance notice of all meeting dates for members.
- Shall in general perform all the duties pertaining to the office
- Shall update and maintain the Executive Handbook.

**Sec 5** TREASURER

- Shall keep a roll of the members of the Association.
- Shall in general perform all the duties pertaining to the office.
- Shall compile an annual report of all financial activities of the Association.
- Shall collect all monies due to the Association, providing invoices and receipts.
- Shall deposit all monies of the Association in a financial institution approved by the Executive Board.
- Shall record all disbursements.

**ARTICLE VII - RULES**

**Original**

**Sec 1** Thirty-one members shall constitute a quorum at a meeting. In case a quorum shall not be present, the meeting may be adjourned by those present to a future date, of which notice will be given to all members by the Secretary/Treasurer.

**Proposed Change**

**Sec 1** Thirty-one members shall constitute a quorum at a meeting. In case a quorum shall not be present, the meeting may be adjourned by those present to a future date, of which notice will be given to all members by the **Association Secretary**.

**Original**

**Sec 3** The President and Secretary/Treasurer shall be ex officio members of all committees, and are entitled to participate in the proceedings thereof as members, but their attendance shall be optional and voluntary, and shall not be deemed as part of the regular officer duties.

**Proposed Change**

**Sec 3** The President, **Secretary and Treasurer** shall be

ex officio members of all committees, and are entitled to participate in the proceedings thereof as members, but their attendance shall be optional and voluntary, and shall not be deemed as part of the regular officer duties.

**ARTICLE IX - MEETINGS/DUES**

*MEETINGS*

**Original**

**Sec 1** The annual meeting of the Association shall be either the third or fourth regular meeting of the calendar year. At this meeting, the election of officers for the year shall be held.

**Proposed Change**

**Sec 1** The annual meeting of the Association shall be the **last membership meeting of the fiscal year.** At this meeting, the election of officers for the year shall be held. ■

that land no longer meets the definition of agricultural land and/or when additional land acquired or leased. (See A Note From The Governor on page 12)

**Penalty for Agricultural Land Converted to Other Uses**

Municipalities currently administer the penalty. This requires the county where the land is located to administer the penalty.

The county would retain 50% of the penalty and the municipality where the land is located would acquire 50% of the penalty.

A uniform penalty would be extended within each county on a per acre basis. The Department of Revenue (DOR) will each year determine the penalty within each county as an amount equal to the difference between DOR's estimate of the average, per acre fair market value of agricultural land sold in the county in the previous year and the average, per acre equalized value of agricultural land in the county in the previous year multiplied by:

- 5% if the conversion is of more than 30 acres;
- 7.5% if the conversion is of 10 to 30 acres;
- 10% if the conversion is of less than 10 acres;

The penalty will be waived under the following circumstances:

- if the amount of the penalty is less than \$25 per acre
- if the land is converted from an agricultural use to where it would be classified as "other", "productive forest land", or "swamp and waste" classifications.

**Use Value Decision**

The Wisconsin Supreme Court ruled the state's use value assessment of farmland law and the implementation of the law is constitutional. In a 3-2 vote, the court said the Department of Revenue had the authority to fully implement the use value law, rather than phase it in over a ten year period. (Justices Crooks, Sykes, Bablitch in the majority; Justices Abrahamson, Bradley dissented; Justice Wilcox and Prosser recused themselves.) The decision can be obtained at <http://www.wisbar.org/res/sup/2002/00-3252.htm>

The decision in the above referenced Mallo case, made moot the discussion of the prior Norquist case. This decision can be seen at <http://www.wisbar.org/res/sup/2002/98-2795.htm>

**YMCA Exemption**

Lake Country Racquet and Athletic Club, Inc., et al. v. Richard G. Chandler, et al.

A motion and brief was recently filed in Dane County challenging the private YMCA exemption in 70.11 (12). Robert Gordon of Weiss, Berzowski & Brady, filed this. ■



**Legislative Committee Report**

*By: Pete Weissenflub*

**Budget Adjustment Bill  
Penalty for Agricultural  
Land Converted to Other  
Uses**

Changes to current law:

**Definition of Agricultural Land**

Changes to current law:

Farmers will have to file a form ONE TIME with the local assessor stating all of the land they farm – INCLUDING leased land they are farming. If a farm's land spills over into more than one municipality, the farmer has to file the form with each municipality (simply by making a copy of the form and sending it to all municipalities involved). The form must be filed by March 1, 2003.

If the farmer does not file the form by the March 1, 2003 deadline, they may file an appeal to the board of review.

The owner must notify the assessor when any parcel of



## A Note From The Governor

### Re: Definition of Agricultural Land for Use Value

Sections 156b, 156d, 156e, 9144 (1m) and 9344 (1m)

These sections, in part, provide that land in agricultural use is eligible for use value assessment if the land is on a farm and a form has been filed that specifies that the land is part of a farm. These sections also require that a form must be filed with the local assessor when land is no longer eligible for use value.

I am partially vetoing these sections to eliminate the requirement that land in agricultural use must be on a farm to receive use value. I am also partially vetoing these sections to eliminate the filing requirements. I am making these partial vetoes because these requirements will cause substantial confusion, unnecessary work and will take needed tax breaks away from deserving farmland.

The bill defines a farm as a business engaged in activities included in crop production or animal production as specified under the North American Industry Classification System.

Because this definition is too narrow, however, to include several types of land currently included in the Department of Revenue's definition of agricultural use, the bill may force property tax increases on a substantial amount of agricultural land. As a result of my veto, land devoted to Christmas tree and ginseng growing, as well as land enrolled under certain federal conservation programs, will clearly remain under use value.

Besides this definitional concern, the bill's filing requirements are unnecessary, inefficient and counterproductive. Under the bill, if any farmer fails to file a form specifying the parcels included in the farm by March 1st, the land loses use value assessment. This will occur even if the land has been in agricultural use for many years and there is no doubt that the land is farmland. If a form is not filed, the bill demands that the land be revalued. Since the reclassification of the land may be

reversed through appeal, this extra workload can be a waste of time and effort. Finally, the requirement that a form be filed when land is no longer eligible for use value is unneeded because assessors will be, in virtually all cases, already aware of changes related to the use of the land.

Because of my vetoes, farmers will not need to take any action, or file any form, to continue receiving use value benefits. There will be no need for tens of thousands of farmers to file forms that state the obvious and not a single acre of farmland will inadvertently lose its use value assessment because of improper definitions or bureaucratic requirements.

## Let IAAO Help You Reach for the STARS

By: Mary Reavey

The International Association of Assessing Officers (IAAO) was founded in 1934 as a resource for the assessing profession. The IAAO is committed to enhancing careers and opportunities for the assessment profession. It does that in many ways for us. If you are interested in making a positive difference in your career you should really consider joining and now is the time!

President-Elect Paul Welcome from Kansas will be targeting membership as part of his presidential term. Since this is one of his priorities for next year, he would like to see a 10-15% increase in membership by the time of the annual conference in Los Angeles running from October 12-15, 2002.

So here's the bargain. Normally regular membership is \$150 and first time regular membership is \$125 – already a great value. However, right now first time membership rates are cut to \$75. AND, with a money back guarantee.



In other words, you can't afford not to join. If you don't agree that it's worth it just let us know and get your money returned. Here are some of the membership benefits: Assessment Journal, Opportunities Newsletter, education and conference discounts, members-only access to the IAAO web site, library and research help, publications discounts, etc.

At the League Conference in September I will have plenty of membership applications available. In addition, I will have some special promotional material and a drawing for all IAAO members that are present at the conference. I look forward to seeing you there! Please feel free to contact me if you have any questions at [mreavey@ci.mil.wi.us](mailto:mreavey@ci.mil.wi.us) or 414-286-3101. Thanks. ■



## Continuing Education

### Standards Of Appraisal Practice (18)

Sponsor: Waukesha County Technical College  
 Contact: Roger Kerkenbush 262-691-5228  
 Instructor: O. Johnson, D. Banach  
 Location: WCTC - Pewaukee  
 Date(s): August 27, 29 & 31, 2002  
 Hours: 12.0 Program Hours Appraisal & 6.0 Program Hours Law/Managmt

### 2-4 Family Appraisals

Sponsor: Waukesha County Technical College  
 Contact: Roger Kerkenbush 262-691-5228  
 Instructor: O. Johnson, D. Banach  
 Location: WCTC - Pewaukee  
 Date(s): September 14, 2002  
 Hours: 5.0 Program Hours Appraisal

### Assessor Certification Study Course

Sponsor: Wisconsin Indianhead Technical College  
 Contact: Margaret Forrester 715-234-7082 Ext 5212  
 Instructor: Jennie Sanders  
 Location: WITC - Rice Lake  
 Date(s): September 20 & 21, 2002  
 Hours: 7.0 Program Hours Appraisal & 8.0 Program Hrs Law/Management

### Standards Of Appraisal Practice (18)

Sponsor: Waukesha County Technical College  
 Contact: Roger Kerkenbush 262-691-5228  
 Instructor: O. Johnson, D. Banach  
 Location: WCTC - Pewaukee  
 Date(s): October 29, 30 & November 1, 2002  
 Hours: 12.0 Program Hours Appraisal & 6.0 Program Hours Law/Managmt

### USPAP Update

Sponsor: Blackhawk Technical College  
 Contact: Rita Brock 608-757-7726  
 Instructor: James Coutts  
 Location: BTC - Janesville  
 Date(s): November 13, 2002  
 Hours: 4.0 Program Hours Law/Management

### National Uniform Standards of Professional Appraisal Practice (USPAP)

Sponsor: Blackhawk Technical College  
 Contact: Rita Brock 608-757-7726  
 Instructor: James Coutts  
 Location: BTC - Janesville  
 Date(s): December 3, 5, 10, & 12, 2002  
 Hours: 10.0 Program Hours Appraisal & 5.0 Program Hours Law/Mangmnt

### Standards Of Professional Appraisal Practice

Sponsor: Wisconsin Indianhead Technical College  
 Contact: Margaret Forrester 715-234-7082 Ext 5212  
 Instructor: Lynn Gregorash  
 Location: WITC - Rice Lake  
 Date(s): December 10, 12 & 14, 2002  
 Hours: 10.0 Program Hours Appraisal & 5.0 Program Hrs Law/Management ■



## NCRAAO - 2002

By: *Steve Miner*

The 2002 NCRAAO Conference was held in Wichita, Kansas. The Wisconsin crew for NCRAAO 2002 included only seven people. It was a long drive but we were

rewarded with excellent educational sessions and wonderful Kansas hospitality. The classes were offered on Tuesday and Wednesday, and I for one really got a lot out of them. We all had plenty of chances to enjoy the Wichita area. Getting the opportunity to mingle with assessors from the other states was really the best part of the conference. We gained first hand knowledge of what challenges these other professionals are facing. We also had opportunities to meet many of the I.A.A.O representatives and candidates.

The conference started with a golf outing at a wonderful course. For those not golfing, there was a trip to a miniature golf course along with rides on bumper boats. Our directors' meeting was Monday afternoon. There was a reception on Monday evening, which included a silent auction and dinner. On Tuesday, the conference and classes got underway. Four of the classes were approved for Wisconsin Assessor continuing education. The classes offered and the people teaching them were great. The Tuesday spouse program included a bus trip with stops at the All American Indian Center and the Botanica - The Wichita Gardens. For Tuesday dinner, we went to Oldtown – a revitalized historic warehouse district. We had a great barbeque dinner, which was followed by a scavenger hunt through several of the taverns in the area. On Wednesday, we had more classes. The evening banquet was very good and we enjoyed excellent entertainment from two magicians. The Wisconsin people sat together and had a great time.

## NCRAAO Conference-2003

Next year's conference will be in Omaha, Nebraska and all WAAO members are invited. Please look closely at your budgets and see if you can fit this excellent conference in. It will be a great time to see Nebraska

and it is not as far away as Wichita. We are working to get the educational sessions approved for Wisconsin assessment continuing education. We would love to see a large number of Wisconsin assessors make the trip to Omaha. It is a great chance to see another state and visit with lots of great people. If you have questions about the conferences please contact any the NCRAAO representatives. The representatives are Bob Lorier, (414) 796-6649, Steve Miner (414) 769-2207 and Doug Milius (920) 929-2972.



## I.A.A.O. Course 112

Income Approach To Valuation II Was recently presented in Bloomington Illinois, here is a sample of the concepts this fascinating course covered. How many do you know? (Just a reminder, the exam required that the **best** answer be selected.) Good luck!

### Leverage:

- A) to invest borrowed money in anticipation of a higher return on investment
- B) something Gilbert Brown enjoys when he gets on a teeter-totter

### Sinking Fund:

- A) the amount of annual investment required to accumulate a predetermined total
- B) the typical 401K plan over the past 24 months

### Concessions:

- A) special terms given by an owner to induce a tenant to sign a lease
- B) the stand where you'll find Pete Weissenfluh during a Brewers game

**Surplus Productivity:**

- A) income from property after accounting for labor, management and capital costs
- B) any work you can get out of Mark Schlafer

**Anticipation:**

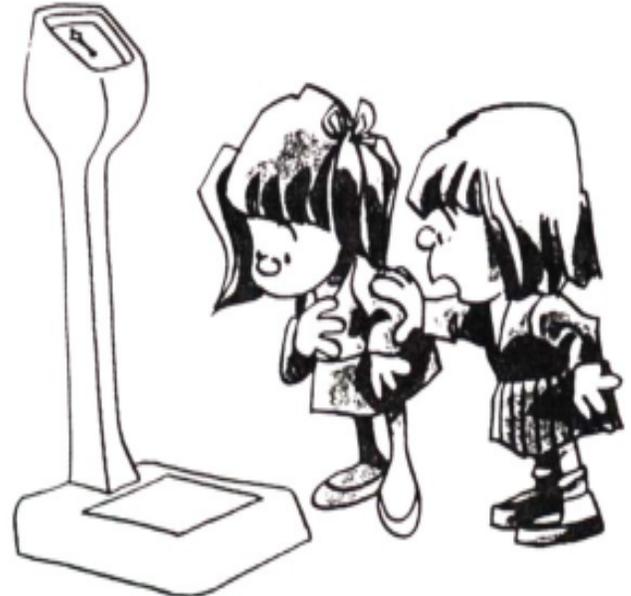
- A) market accounting for the present worth of the future benefits of property ownership
- B) "The Board of Review closes in 2 hours"!!!!

**Basic Value Equation:**

- A)  $I = R \times V$
- B) W.A.A.O. membership = \$25.

**Land Contract:**

- A) one of four major methods of financing real estate
- B) a proposed hit on AI Land



*"Don't step on it... it makes you cry."*

■

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**IAAO COURSE 312 – COMMERCIAL/INDUSTRIAL MODELING CONCEPTS**

Sponsored by the  
WISCONSIN ASSOCIATION OF ASSESSING OFFICERS

**WHAT: Course 312 – Commercial/Industrial Modeling Concepts**

Course 312 presents a detailed study of the mass appraisal process as applied to income-producing property. Topics include income property data, market analysis, sales comparison approach, cost approach, gross and net income analysis, capitalization rate development, model specification and calibration, and value review and maintenance.

**Recommended: Course 300; MARP (Please note Recommended not Required)**

**WHEN:** October 14 through October 18, 2002

**WHERE:** West Allis Library – West Allis, WI  
Located near several lodging establishments.

**INSTRUCTOR:** Michael Ireland, CAE  
Assessor, City of Bloomington, IL

**TEXT BOOK:** MARP-Mass Appraisal of Real Property. Member price: \$50 soft cover and \$75 hard cover text. Non-member price: \$75 soft cover and \$100 hard cover text.

**HOW MUCH:** \$375.00 (does not include textbook). Late registrants/cancellations must pay a late registration/cancellation fee equal to \$25 or the cost of the text, if greater.

This is probably one of the least expensive opportunities available to attend a certified five-day course. Thirty (30) attendees may be needed in order to be able to hold the course. Forty (40) will be the maximum number allowed. **To ensure attendance, a \$50 deposit payable to WAAO should be sent by August 30<sup>th</sup> to:**

Mary Watson, Course Coordinator  
City Hall, Room 507  
200 East Wells Street  
Milwaukee, WI 53202

The course will be submitted for Wisconsin assessor continuing education hours. **Additional information regarding the course will be provided to all registrants.**

If you have any questions, do not hesitate to call Mary Watson at (414) 286-3178.

---

Please reserve one slot in the IAAO Course 312 session October 14-18 2002..

Enclosed is my check for the \$50 deposit, **payable to WAAO.**

Please remit payment by August 30, 2002.

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_

**If you need a text, please identify below:**

**MARP - Mass Appraisal of Real Property**

**Hard Cover**

**Soft Cover**

\$75 Member

\$50 Member

\$100 Nonmember

\$75 Nonmember

## Legislative - 2001-2002 Session

### End of the Session Wrap-Up

Thanks to Curt Witynski, Assistant Director, League of Municipalities for allowing free use of his article from *The Municipality*, June 2002, Volume 97, Number 6

While the Legislature continues to meet in special session on the budget repair bill, it has completed its regularly scheduled business for the biennium. The Legislature concluded its final general business floor period of the 2001-2002 Legislative Session on March 14, 2002. At that time, all regular session bills not agreed to by both houses died pursuant to Senate Joint Resolution 1 (SJR 1). Of the 1,429 bills introduced this legislative session, which began on January 3, 2001, at most only 108 will be signed into law. This is a record low.

The previous record was set last session, which produced 198 Acts. The low output is due primarily to the gridlock caused by the partisan split between the two houses. The Democrats control the Senate. The Republicans control the Assembly.

**Act 85 - Tax Exempt Parcels in BIDs.** Allows tax-exempt parcels of property to be included within the proposed boundaries of a business improvement district (BID). Tax-exempt parcels included in a BID, however, would not be subject to any special assessment levied against properties within the BID. Sec. 66.1109, Stats. **Effective May 3, 2002.**

### Changes to Ag-Use Penalty (see adjoining article)

The following are proposals that did not make it through the legislative process. We will likely see these bills re-introduced in succeeding sessions.

### Assembly Bill 647 - Installment Payments on Manufacturing Property Tax Refunds (M. Lehman, R-Hartford)

Allows municipalities to pay large manufacturing property tax refunds in five annual installments. Requires the state to reimburse municipalities for interest payments on manufacturing property tax refunds.

How far did it advance? Passed the Assembly on February 26, 2002. Died in the Senate without a committee hearing pursuant to SJR 1.

### Assembly Bill 778 - Limiting Tax Exemption for Non-Profit Medical Research Foundations (Petrowski, R- Town of Stettin)

Limits the scope of the tax exemption applicable to non-profit medical research foundations, such as the Marshfield Clinic. Under the bill, only the facility that is the primary location for receiving, aggregating, and analyzing research is

exempt from the property tax.

How far did it advance? Introduced late in the session on February 7, 2002. Died in the Assembly without a public hearing pursuant to SJR 1.

### Senate Bill 304 - Modifying the Definition of Agricultural Land (Decker, D-Weston)

Requires owners of farms wishing to qualify for use-value assessment to file a form with the assessor certifying that the farm generated a least \$6,000 in gross receipts from animal or crop production. Also changes how the penalty imposed for converting agricultural land to other uses is calculated and administered.

How far did it advance? Introduced late in the session. Public hearing held by Senate Committee. Died in Senate pursuant to SJR 1. Slightly modified version included in Senate's budget repair package.

### Assembly Bill 932 - Eliminating Tax on Personal Property (Grothman, R-West Bend)

Repeals the personal property tax.

How far did it advance? Introduced at the end of the session. No public hearing. Died pursuant to SJR 1.

### Senate Bill 409 - Tax Exemption for Restaurant Equipment (Meyer, D-La Crosse)

Exempts restaurant equipment from the personal property tax.

How far did it advance? Died in Senate pursuant to SJR 1 without receiving a public hearing.

## 2002 WAAO Calendar

Sept 24-27	Municipal Assessors Institute Regency Suites, Green Bay
Sept 25	WAAO Business Meeting Regency Suites, Green Bay
Oct 7	Executive Board Meeting Raintree Resort WI Dells
Oct 13-16	IAAO Conference Los Angeles, CA
Oct 13-15	WI Towns Assoc Conference Radisson, LaCrosse
Dec 2	Quarterly Membership Meeting

## Personal Property

By: *John Meyer*

By the time you are reading this, the revised Personal Property Guidelines will be available on the WAAO web site in the Members Only section. The Personal Property Standards Committee has also been very busy creating the 2003 PP return, that should now be a 4, not 5 page booklet.

Additionally, there is now a one page insert of general instructions that the assessor can choose to include (or not include) with the return. At last year's Institute, this seemed to be the most requested feature when the WAAO membership was surveyed.

## Exemptions

By Gregg Hagopian.

University of Wisconsin Medical Foundation Denied Property Tax Exemption by Dane County Circuit Court.

This is a follow-up to the AVOW article that appeared on this litigation in a previous issue. We've since obtained and read the circuit court decision.

Dane County Circuit Court Judge Richard J. Callaway wrote an April 16, 2002 decision denying the University of Wisconsin Medical Foundation, inc. property tax exemption under 70.11(4) and 70.11(25).

Some main points from Judge Callaway's decision, translated in "laymanese," are:

1. Cutting through what the parties may argue, if, in the end, the taxpayer doesn't meet its burden to clearly prove entitlement to exemption, including its burden to clearly show ACTUAL EXEMPT USE of the parcel at issue, the taxpayer loses. No exemption. Plain and simple.
2. It is the Court's job to interpret legislation - not to legislate. Amen Judge Callaway!
3. "Used exclusively" in 70.11(4) and in 70.11(25) means a lot and can't be ignored, expanded, or discounted. It's not enough for a parcel to be owned and operated by a non-profit organization. More is required. Much more. The parcel ACTUALLY has to be used for an EXEMPT PURPOSE, and, that actual physical use must be exclusive, or at least to such a really substantial degree that is reasonable and logical. For example, nonexempt use can't be the exception that swallows the rule. That is, very incidental nonexempt use won't necessarily blow an OTHERWISE appropriate exemption where the taxpayer has in fact proven ACTUAL and SUBSTANTIAL exempt use; but, in the end, the taxpayer has to actually prove actual exempt use that is exclusive or really substantial. No matter how you look at it, the taxpayer

has to prove that there is an exempt, nonprofit owner, that owns, and that ACTUALLY uses, the subject parcel really substantially or downright exclusively for an exempt purpose. Author's note: use of money from property for an exempt purpose is much, much different from use of the property for an exempt purpose. Look to actual physical use of the property itself. Don't be fooled by a taxpayer's arguments about how it uses money from a property.

4. In the end, Judge Callaway said, "there is no substantiation of the assertions that the main purpose of the clinic properties was other than to provide medical care to paying patients. Stated another way, there is nothing distinguishing the clinic properties from non-exempted private medical clinics."

5. Regarding the clinic's attempt to argue that the uniformity clause was violated because other cities in Wisconsin exempt the same type/use of property as that owned by University of Wisconsin Medical Foundation, Judge Callaway said if the taxpayer would have proved entitlement to exemption for the parcels at issue, they'd get the exemption, but if they don't prove it, they don't get it.

6. The "reasonably necessary" doctrine that might be applicable in hospital exemption cases under the version of 70.11(4m) that used to exist years ago, is not applicable to 70.11(4) and 70.11(25) cases



## Municipal Assessors Institute

The 2002 Municipal Assessors Institute will be held on September 24-27, at The Regency Suites Hotel in Green Bay.

Enclosed is a copy of the program for this meeting. You will note that a banquet is planned for Wednesday evening. The \$90 registration fee (\$110 fee for on-site registration) will include the cost of the banquet. The spouses'/guest registration fee is \$25, which includes the reception on Tuesday evening and the banquet on Wednesday night. These fees should be returned **with** your registration form.

The sessions on Tuesday afternoon, Wednesday afternoon, Thursday and Friday morning have been approved by Department of Revenue and the Department of Regulation and Licensing for approved continuing education credits.

Included with this announcement is another form on which we ask your assistance in helping us to make the necessary program arrangements. You will also note on the program that the sessions are numbered (1) through (15), and we ask that you check which sessions you plan to attend.

## 2002 Municipal Assessors Institute

Tuesday, September 24

10:00 Registration

1:00 Moderators' Meeting

1:30 Concurrent Sessions

(1) Property Tax Exemption (3 Hours Law/Mgmt)

Moderator: Mary Reavey, Assessment Commissioner, Milwaukee

Instructors: Gregg Hagopian, Ass't City Attorney, Pete Weissenfluh, Chief Assessor, Milwaukee

This workshop will address the March 1 exemption application form required by Wisconsin Statute Section 70.11's preamble, and give practical advice on what to look for when you review that form to determine if the applicant is entitled to exemption.

(2) Advanced Income Approach — (3 Hours Appraisal)

Moderator: Ray Fisher, City Assessor, Madison

Instructor: Sharon McCabe, Commercial Appraiser, Madison

This class goes beyond the fundamentals of the Income Approach. The mechanics and logic behind capitalization rates will be discussed in depth.

6:00 President's Reception—Packers' Hall of Fame

Wednesday, September 25

9:30 General Session

Wes Little, City Assessor, Beloit; Chairman, Municipal Assessors Section, presiding

Welcome Address — Mayor Paul Jadin, Green Bay

Address — Debbie King, Tax Administrator, Union Co., Charlotte, NC, IAAO President

Address — Jan Pelland, Hall Co., Grand Island, Nebraska, NCRAAO President

WAAO Business Meeting

10:30 What's New From DOR — Rick Chandler, Secretary, Department of Revenue

1:30 Concurrent Workshops

(3) Condo Valuation (3 Hours Appraisal)

Moderator: Wes Little, City Assessor, Beloit

Instructor: Scott Winter, Senior Property Appraiser, Milwaukee

A practical guide to appraising condominiums in your jurisdiction, with a special emphasis on discovery and model building.

(4) Personal Property Tax: History & Future (3 Hours Law/Mgmt)

Moderator: Dawn Washatka, City Assessor, Appleton

Instructor: Rick Olin, Legislative Fiscal Bureau

This seminar will include background and history of personal property and exemptions; treatment of personal property in other states; and criteria for evaluating the continued taxation or exemption of personal property.

(5) Subsidized Housing—Sec. 42 Tax Credit Projects (3 Hours Appraisal)

Moderator: Nan Giese, City Assessor, Wausau

Instructors: Christopher Laurent, Mgr., Multifamily Development and John Unertl, Tax Credit Asset Mgr., WHEDA

This workshop will cover the basic premises of the tax credit program: projected cash flows throughout the compliance period; risks to the development throughout the compliance period; our current valuation issues as we fund primary debt on the development; and investor expectations.

(6) WI Property Tax Litigation 2002: What Every Assessor Needs to Know (3 Hours Law/Mgmt)

Moderator: Ray Fisher, City Assessor, Madison

Instructor: Robert Horowitz, Partner, Stafford Rosenbaum LLP, Madison

This course covers tax exemptions, assessments, Board of Review procedures, court review of assessments, and claims of nonuniformity. Recent developments are emphasized.

6:15 Reception

7:00 Banquet/Business Meeting

Thursday, September 26

9:00 Concurrent Workshops

(7) Golf Course Valuation (3 Hours Appraisal)

Moderator: Nan Giese, City Assessor, Wausau

Instructor: Mike Sweeney, MAI, Golf Course Appraiser & Consultant, Sweeny, Inc., Bloomington, IL

The seminar will focus on golf course architecture and valuation procedures. Approaches that will be discussed include the income approach and the sales comparison approach (including different comparison methods).

(8) Contracts, Bidding, Rural Issues (3 Hours Law/Mgmt)

Moderator: Russ Schwandt, City Assessor, Green Bay

Instructors: Rick Stadelman, Executive Director, WI Towns Assn. and Dave Dueholm, Village Assessor, Sauk City

This workshop will be an overview of issues relating to assessor contracts and requirements, including a discussion of particular issues for particular types of contracts.

(9) Brownfields (3 Hours Appraisal)

Moderator: Shannon Krause, City Assessor, West Bend

Instructors: Dan Kolberg, and Michelle Syring, Brownfields Specialist, Dept. of Natural Resources

This workshop will focus on issues associated with the assessment of brownfield properties. Brownfields are properties that face impediments to redevelopment due to actual or perceived environmental contamination.

(10) Register of Deeds, Property Tax Lister, Recorded Documents (3 Hours Law/Mgmt)

Moderator: DeAnn Brosman, City Assessor, Oshkosh

Instructors: Sue Winninghoff, Winnebago Co. Register of Deeds and Jim Wallen, Brown Co. Property Lister

This course will include the statutory background, functions, services, and an overview of each office, along with individual specifics.

1:30 Concurrent Workshops

(11) Expert Witnesses (3 Hours Law/Mgmt)

Moderator: Paul Koller, City Assessor, New Berlin

Instructors: Kathee Isleb, City Assessor, Wauwatosa, Jerry Hanson, Ass't City Attorney, Green Bay and Wes Little, City Assessor, Beloit

This course focuses on successful strategies to defend assessments before the Board of Review, 70.85 Appeals and in the courts. Handouts will be provided.

(12) Rural-to-Urban Transitional Issues (3 Hours Appraisal)

Moderator: Joyce Frey, Ass't City Assessor, Fitchburg

Instructors: Dick Eiberger, Town Assessor, Town of Menasha; and Arlen Albrecht, UW-Extension

This session will focus on the values and beliefs that people have regarding the land use issue and land use planning. What would a retiring farmer, a new rural homeowner, and a conservationist, think about these issues?

(13) Assessment Compliance (70.05), Equalized Value Adjustments (70.57), And The Assessor's Calendar (3 Hours Law & Mgmt)

Moderator: Mike Wallace, City Assessor, Hudson

Instructors: Phil Sanders, Supervisor of Equalization, DOR; and Steve Miner, City Assessor, Cudahy

A review of the calendar year DOR valuation cycle with a discussion of sec. 70.57(1) adjustments and impact on sec. 70.05 assessment compliance.

(14) Board of Review (3 hours law/management)

Moderator: Rocco Vita, Village Assessor, Pleasant Prairie

Instructors: Gene Miller, Dir., Bureau of Equalization, Dept. of Revenue, John Macy, Village Attorney, Nashotah, Sussex, etc., and Rick Stadelman, Executive Director, WI Towns Assn.

Speakers will lead a panel question and answer session concentrating on frequently asked questions regarding the Board of Review and how to present a case to the Board.

Friday, September 27

Nan Giese, City Assessor, Wausau; 1st Vice Chairman, Municipal Assessors Section, presiding

8:00 Concurrent Workshops

(15) What's So Bad About Feeling Good? (3 Hours Law/Mgmt)

Moderator: Nan Giese, City Assessor, Wausau

Instructor: Tom Jadin, Winnebago Mental Health Institute

Addiction. Is it really that bad? Why is it so pleasurable and what if we could teach others (and ourselves!) to get as "turned on" to work, school, or life as some do to drugs?

11:00 Adjournment

Officers

Chairman—Wes Little, City Assessor, Beloit

1st Vice Chairman—Nan Giese, Deputy City Assessor, Wausau

2nd Vice Chairman—DeAnn Brosman, City Assessor, Oshkosh

Past-Chairman—Dawn Washatka, City Assessor, Appleton

Trustees: 2002

Russ Schwandt, City Assessor Green Bay

Paul Koller, City Assessor, New Berlin

Mary Reavey, City Assessment Commissioner, Milwaukee

Trustees: 2003

Mike Wallace, City Assessor, Hudson

Shannon Krause, City Assessor, West Bend

Trustees: 2004

Ray Fisher, City Assessor, Madison

Joyce Frey, Ass't City Assessor, Fitchburg

Return to: League of Wisconsin Municipalities  
202 State Street, Suite 300  
Madison, WI 53703



### Registration Form for 2002 Municipal Assessors Institute

Please answer "yes" or "no" to the following questions:

Yes                      No

\_\_\_\_\_                      \_\_\_\_\_                      My spouse/guest will accompany me. His/Her name is: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_                      \_\_\_\_\_                      I/We will arrive in time to attend the President's Reception on  
Tuesday evening.

\_\_\_\_\_                      \_\_\_\_\_                      I/We plan to attend the Reception/Banquet on Wednesday evening.

\_\_\_\_\_                      \_\_\_\_\_                      I would like to receive information on the Golf Outing on Tuesday,  
September 24 (**Pre-registration is required**). Please call or email  
Russ Schwandt (920) 448-3070 or [russc@ci.greenbay.wi.us](mailto:russc@ci.greenbay.wi.us) asap.

I will attend the following sessions: (check one in each column)

- |        |        |         |         |         |
|--------|--------|---------|---------|---------|
| _____1 | _____3 | _____7  | _____11 | _____15 |
| _____2 | _____4 | _____8  | _____12 |         |
|        | _____5 | _____9  | _____13 |         |
|        | _____6 | _____10 | _____14 |         |

Name \_\_\_\_\_  
(please type or print)

Title \_\_\_\_\_

Address \_\_\_\_\_

City, State, ZIP \_\_\_\_\_

Please **return form with check**  
for \$90 (\$110 for on-site registration)  
(\$25—spouse/guest) to the  
the League office by Friday, Sept. 13



Please place an "X" through the  
box if you need an accommoda-  
tion regarding ADA. We'll contact  
you to make the necessary arrange-  
ments.

Mail to: Regency Suites Hotel  
333 Main St.  
Green Bay, WI 54301  
(800) 236-3330

check in: 3:00 p.m.  
check out: 12:00 p.m.

### Room Reservation Form

### Municipal Assessors Institute

September 24-27, 2002

Please reserve the following accommodations for me in connection with the 2002 Municipal Assessors Institute  
(check accommodation desired)

Single

Double

\_\_\_\_\_ \$99.00 per day

\_\_\_\_\_ \$99.00 per day

(plus 13.5% room and state tax. If you are tax  
exempt, a letter/certificate of exemption is required)

I plan to arrive at about \_\_\_\_\_ (a.m.)(p.m.) on \_\_\_\_\_, September \_\_\_\_\_,

2002 and depart at about \_\_\_\_\_ (a.m.)(p.m.) on \_\_\_\_\_, September \_\_\_\_\_,

2002. Please send confirmation to the undersigned.

Name \_\_\_\_\_  
(please type or print)

Type of Room

\_\_\_\_ Non Smoking  
\_\_\_\_ Smoking

Title \_\_\_\_\_

Address \_\_\_\_\_

Municipality \_\_\_\_\_

ZIP

Fax Number: \_\_\_\_\_

Credit Card Type \_\_\_\_\_ Expiration Date \_\_\_\_\_

Cardholder Name \_\_\_\_\_ Credit Card Number \_\_\_\_\_

**Reminder:** Reservations should be made  
with the Regency Suites by **Sept. 2, 2002.**  
One night in advance or a credit card  
is required to guarantee rooms.



Please place an "X" through the  
box if you need an accommo-  
dation regarding ADA. We'll  
contact you to make the neces-  
sary arrangements.



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# MEMBERSHIP APPLICATION FORM

## WAAO Membership Classifications

**REGULAR MEMBERSHIP:** Open to officers, officials and employees of governmental bodies whose duties are directly related to property tax assessment and administration.

**ASSOCIATE MEMBERSHIP:** Open to officers, officials and employees of governmental bodies not covered by regular membership and to officials, administrators, and employees of educational institutions.

**SUBSCRIBING MEMBERSHIP:** Open to any individual not eligible for regular or associate membership AND who is interested in the science of property assessment and taxation and who subscribes to the purpose of the Association.

Both of these organizations are dedicated to **professionalism in assessment**. They share the common mission of improving the quality of assessment through education, involvement and commitment to the assessment process. The Wisconsin Association of Assessing Officers specifically addresses the needs of the Wisconsin Assessor. The International Association of Assessing Officers provides a broad perspective of activity in our industry.

We encourage you to become actively involved in assessment administration by becoming a member of these organizations.

For further information on the WAAO, call or write Joan Spencer, 630 S. Central Avenue, P. O. Box 727, Marshfield, WI 54449-0727. phone (715)384-3856. For information on the IAAO, call or write to IAAO, 130 East Randolph Street, Chicago, IL, (0601-62170. phone (312) 819-6100, Fax (312)819-6149, <http://www.iaao.org>.

This form can be used for joining either the **IAAO** or the **WAAO**. Please check the appropriate area, enclose a check and send to the appropriate address indicated above.

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Check	Dues (Annual)
<input type="checkbox"/> New Member	<input type="checkbox"/> Membership Renewal
<input type="checkbox"/> WAAO \$25 Regular	\$20 Associate \$20 Student \$15 Retired \$50 Subscribing (August 1 through July 31)
<input type="checkbox"/> IAAO \$130 (First year, first time members \$105, or \$65 by signing up through IAAO Rep. Wayne Ballweg (608) 524-6404	

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Jurisdiction: Town, Village, City of: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

e-mail: \_\_\_\_\_

Signature: \_\_\_\_\_ Fax Number: \_\_\_\_\_

### WAAO

c/o Joan Spencer, Secretary/Treasurer  
630 S. Central Avenue  
P.O. Box 727  
Marshfield, WI 54449-0727

