



Assessor's Voice of Wisconsin

1987-88 IAAO Zangerle Award Winner 1991-92 IAAO Zangerle Award Winner
September, 2004



From the President's Desk:

By: Mike Higgins

As my term as President of WAAO comes to an end, I would like to take this opportunity to thank the officers, the Executive Board members, the committee chairs and committee members for their commitment and dedication to our organization. Without the many outstanding volunteers WAAO would not be the influential **Assessor's Voice Of Wisconsin**.

I would also like to thank the Mayor of Kenosha, John Antaramian, and the staff of the City of Kenosha Assessor's Office. Their understanding and support during this year has allowed me to serve as President of WAAO. Thank you Pete, Lois, Paul, Al, Janet and Bonnie.

I would encourage each and every member to become an active member of WAAO. With continual budget constraints for all, more involvement by many is essential. You can make a difference for WAAO, your community, and the property owners of Wisconsin.

As I pass the presidency to the capable hands of Mark Schlafer, I know he will continue to support the goals and mission of our organization. With your help and commitment, Mark will be an outstanding leader for WAAO. Good luck Mark!

Thank you for making my term as president an enjoyable experience. I hope to see everyone at the League Conference September 21-24.

Do You Want To Be Rich?

By: John Meyer

Then all you need to do is come up with a snappy advertising slogan such as "Tastes great! Less filling!", or "Where's the beef?", or "You deserve a break today", and rake in the cash from some advertising company. However, if you are not quite so ambitious or creative, and want to set your sights just a tad lower – have I got a deal for you!

You can be the lucky winner of a fully paid registration to the 2006 IAAO conference in Milwaukee (the 2003 Nashville registration fee is \$625 for non-IAAO members). How can I win this fabulous prize, you ask? Simple. All you need to do is submit your suggested slogan for the 2006 conference and be selected by the judges as the winning slogan. The slogan (your slogan?) will be submitted to IAAO for approval and hopefully ultimate use as the "official 2006 slogan".

Entries can either be submitted to me via e-mail (jemeyer@milwaukee.gov), or mailed no later than Oct 1, 2004 to me (John Meyer, City of Milwaukee Assessor's Office, Room 507, 200 E Wells St., Milwaukee, WI 53202). You can submit multiple entries, but remember to include your name, phone number, mailing and/or e-mail address with each submission.

No one should feel intimidated that "your" slogan may not be good enough. Previous conferences have had such slogans as "Nashville Magic", "Assessing an Ever Changing World", "Linking Our Horizons", "Today's Vision, Tomorrow's Reality", and "Global Solutions for Success". I'm sure that many of you can rise to this challenge and come up with something way better than those. Good luck, and get those creative juices flowing!

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**Special Thanks to:
John Doetze who proof reads for me.**

Tina

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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 should be 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.

The mission of the WAAO is to promote the public good by ensuring equitable assessments through assessor education, professional development, and public awareness.



General WAAO Meeting Minutes

June 7, 2004

Klemmer's Restaurant, Greenfield, WI

President Mike Higgins called the WAAO business meeting to order at 10:35 a.m.

SECRETARY/TREASURER REPORT

Secretary

The minutes from the 3/1/04 Quarterly Meeting were approved as printed in the AVOW.

Treasurer

The operating accounts have a balance of \$19,969.93 and the Education Fund has a balance of \$8,257.79, for a total of \$28,227.72. A separate account maintained for the IAAO Host Committee has a balance of \$2,372.88.

We had 101 paid receipts at the March 1st general Quarterly Meeting at the Raintree Resort in Wisconsin Dells totaling \$2,555. Expenses for the meeting totaled \$2,066.40 for a balance of \$488.60.

We had 100 paid receipts totaling \$7,500 for the March 2nd Golf Course session, including 5 DOT appraisers, 6 golf course owners (and one that paid but didn't show), 79 WAAO members, and 9 other appraisers or assessors. Expenses for the course totaled \$3,733.02, for a positive balance of \$3,766.98.

Membership Report

We ended the 2003-04 roster year with 605 members. Joan added 6 new members for 2004-05, for a total of 611 members. Joan will be mailing out dues notices again in the middle of June.

Correspondence & Other Communications

There have been several recent retirements: Andy Berkhout from the City of Manitowoc; Ed Lennop, City of Fond du Lac; and Ken Krouse, Village of Cadott.

COMMITTEE REPORTS

Awards/Resolutions Committee

John Meyer asked members to submit nominations for any awards for the upcoming conference in September.

Planning & Management

Mike Higgins reported the committee met on 5/21/04 and discussed the commercial database and the contract. We had decided to contract with WIREdata, they had sent us a contract which we weren't happy with, so we hired an attorney to revise it. WIREdata could not live with our contract. Tom Curtis of WIREdata was going to see what changes they would need in order to continue, but he had not gotten anything back to Mike over the last several months. Mike contacted him again to see what the status was and let him know our deadline was July 1st. Yesterday Tom responded with an e-mail that he will send a revised contract after he returns from vacation June 14th.

The committee also discussed hiring a lobbyist to promote legislative policies for WAAO. Planning & Management will recommend to the Executive Board that we set money aside in the budget in case we need to hire a lobbyist in the future. Members should also contact the League of Municipalities, Alliance of Cities, or the Wisconsin Towns Association as well.

The committee addressed the issue of the WAAO website and webmaster position. Mike has received complaints about the website being out of date and that items are not posted when requested. We decided to take the website in another direction. We've formed a team of 3 people who will take over the duties of webmaster starting in September. It is too much work for one person, so hopefully a team of 3 will be able to keep up more easily. Mike will name them after we have official acceptance from all 3.

IAAO Representative Report

Mary Reavey reported that IAAO has been searching for a new headquarters location and has settled on Kansas City, MO (they are guaranteed an exemption from that city). They will combine with a farm managers association. IAAO will own the building, and the other association will rent from them, and share libraries and other resources. They are starting to translate some of their books into other languages. IAAO has made a lot of changes over the last several years. They had a financial gain this last year, due to many of the changes. They are looking for a new Executive Director and have received about 100 applications. They have changed their structure of committees to increase their membership. The upcoming conference in Boston will be held Aug. 29-

Sept. 1, 2004. Greg Landretti will be putting on a class about intergovernmental cooperation at that conference.

Ad Hoc IAAO 2006 Host Committee

Mary Reavey reminded everyone the 2006 conference will be Oct. 8-11, 2006 in Milwaukee. There will be a golf outing on Sunday 10/8/06 at the Washington County golf course. The opening reception will tentatively be held at the Milwaukee Art Museum. Member appreciation night will have a swing dance and band from Milwaukee, with instructors. For the banquet, hopefully, Irish dancers will be performing to an Irish band. If you have any additional ideas, please contact someone on the committee. John Meyer is still looking for a conference slogan, which will need to be approved by IAAO. We would like to make this a contest for the membership, with the winner being awarded conference registration. The deadline is Sept. 1, 2004 to John Meyer at City of Milwaukee.

Ad Hoc State & Local Finance Liaison Committee

Bob Lorier reported the committee met June 3rd. Another group, made up of Treasurers, Listers and Clerks, also meets with the Department of Revenue (DOR). The department is looking at coming up with a statewide computer system, with Mark Weber heading up that effort. The State-Local Finance reorganization draft is awaiting approval. A change to the previous reorganization plan is to come up with a local government manager position, assessor certification changes and tying in USPAP with the assessment manual. Reed came up with a guide for a property assessment contract for municipal officials. July 15th is the deadline for major concerns to Reed, minor items can be submitted into October. The new Tax Incremental Finance (TIF) law is now on the internet, including a chart comparing the old and new laws. The new law includes a \$1000 processing fee, with DOR looking at hiring an auditor to help with the reviews. The Committee is looking at a variety of other topics: Senate Bill 512 reversing the Columbus Park Housing decision; the assessment of satellite terminal boxes; the exemption of waste treatment and gas stations; Marshfield Clinic; the electronic recording of the Real Estate Transfer Return (RETR) and payment of the fee; certification automation by the end of 2004; the possibility of including the classes you've taken and your continuing education credit status (if you have concerns about publishing that information please contact Reed or Bob). Another topic of interest is the DOR LaCrosse office closing at the end of June, splitting the district between the Madison, Eau Claire, and Wausau offices. The next meeting is scheduled for July.

Ad Hoc NCRAAO 2008 Host Committee

Bob Lorier reminded everyone that this year's conference is coming up soon (June 14-16) in Kansas City. Contact Steve or Bob if you are interested in attending.

AVOW

Tina Bizub stated the next deadline for the AVOW is July 16, 2004. Please respect that deadline because Tina's son is getting married soon and she will be short of time.

Legislative Committee

Pete Weissenfluh said the Legislature concluded its 2003-04 session March 11th, and an extraordinary session has also concluded. Bills that were not passed by both houses at that time died. Many taxation bills (17) were introduced, but only 2 passed: a bill on the payment of property taxes and SB 512, the exemption for residential housing leased by benevolent associations. The Legislative Council is forming a study committee to deal with the problems resulting from that bill. Contact Senator Alan Lasee or Representative Steve Weickert if you are interested in serving on that study committee. There is a good article by Curt Wytinski of the League in *The Municipality* magazine. In order to get more data on the impact of s. 74.37 appeals (post Board of Review appeals that go to court), the Alliance of Cities will be conducting a survey of jurisdictions that have experience with these appeals. One of WAAO's goals is to seek repeal of the s. 74.37 appeal.

Real Estate Standards

Kathy Romanak reported this committee is in the process of revising the commercial operation statement for the assessment manual, and also of revising the income producing properties example letters. The commercial sales cover letter is drafted and will be recommended to the Executive Board.

Personal Property Standards

Mary Hennen said the committee is meeting soon to review the 2005 personal property form, so please forward your suggestions for revising that form.

Old Business

None

New Business

None

Announcements

None

The meeting was adjourned at 11:15 a.m.

Respectfully Submitted,

Pam Hennessey, Secretary

Real Estate Standards

By: Kathy Romanak-Chairman

The committee is in the process of revising and changing the Commercial operating statement for the manual and also the income producing properties example letters. The sales cover letter that is complete and drafted for the manual has been forwarded and recommended to the Executive Board of WAAO. Next meeting date will be in September.



Legislative Committee

By: Pete Weissenfluh
 *Reprinted in part and with permission from *The Municipality*, 2004, Volume 99, Number 7

This article summarizes new state laws affecting municipalities (assessors) enacted during the 2003-2004 legislative session. We have already reported on changes to State Law made by Act 33, the State Budget Act.

WI Property Assessment Principals

Submitted by: bob_behling@centurytel.net

A 30 hour (15 law & 15 appr.) class will be offered at WCTC. It is approved for cont. ed for appraiser certification and as initial course work for appraiser licensing. It's also a pretty good review prior to taking the Nov. Asz Cert exam.

It will be 4 Saturdays starting Oct 2nd. from 8:00AM - 3:30PM.

For more details see WCTC.edu

Or call Louann at 262-691-5247.

Taxation Issues

Act 94 – Designating Public Depositories for the Payment of Property Taxes. Allows municipalities to designate public depositories as places where taxpayers can pay their property tax bills. Effective December 18, 2003.

Act 195 – Property Tax Exemption for Residential Housing Leased by Benevolent Associations. Nullifies the Wisconsin Supreme Court's recent *Columbus Park Housing** decision making residential housing leased by benevolent associations subject to property taxation. The Act retains the status quo that existed before the court's decision. It provides

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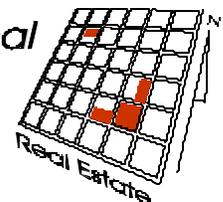
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that for property tax assessments for 2002 and forward, leasing a part of any property that would otherwise be exempt from property taxes does not render the property taxable, regardless of whether the lessee would be exempt from property taxes if the lessee owned the property, if both of the following apply:

- a. The leased property is residential housing.
- b. The lessor used all of the leasehold income for maintenance of the leased property or construction debt retirement of the leased property, or both.

The Act also directs the Legislative Council to study the effect of *Columbus Park Housing* on property tax exemptions for property that is leased, pursuant to Wis. Stat. Sec. 70.11 (intro.), and as affected by the Act. The Legislative Council must report its findings and recommendations to the Legislature no later than December 15, 2004; Act 195 took effect April 23, 2004.

* In *Columbus Park Housing Association v. City of Kenosha*, 267 Wis. 2d 59, 671 N.W.2d 633, (2003), the court held that property owned by a benevolent organization that purchased blighted property, rehabilitated it, and rented it to low-income families who received federal rent subsidies was not exempt from property tax because the low-income tenants would not be entitled to the exemption if they owned the property themselves.

Act 95 – Date by Which Property Tax Bills Must be Mailed. Establishes deadlines for preparing the tax roll and sending out property taxes. The Act requires that property tax bills be mailed to taxpayers no later than the third Monday in December. It also requires each taxing jurisdiction located in a tax district to submit all information relating to the taxing jurisdiction's property tax levy to the taxation district by December 1, No penalty is specified in the statutes for violating these new deadlines. Effective December 18, 2003.

Act 230 – Definition of Agricultural Forest Land for Property Tax Purposes. Expands the amount of wooded lands on farms that qualify for preferential property tax treatment as "agricultural forest land." Under the Act, forest land may be taxed as "agricultural land" if it is located on a parcel of land that was classified at least in part as agricultural land on January 1, 2004, if the forest land continues to be located on a parcel of land classified at least in part as agricultural land in the year of the assessment. If forest land was not located on a parcel classified at least in part as agricultural land on January 1, 2004, at least fifty percent of the parcel upon which it is located must have been converted to agricultural land in order for the forest land to be taxed as

"agricultural forest land." The Act first applies to property tax assessments as of January 1, 2005.

Alliance of Cities 74.37 Survey

The Alliance of Cities is conducting a survey of municipalities that have experienced claims for excessive assessments. Information from the survey will likely help in discussions with policy makers as WAAO and others attempt to repeal or modify Section 74.37. If you have not been contacted about this survey but have information to share, please call Legislative Committee chairman, Pete Weissenfluh.

Legislative Council is forming Columbus Park Study Group

As explained above in ACT 195, the Legislative Council is forming a committee to study the impact of the recent Supreme Court decision in *Columbus Park*. Several WAAO members (Mike Higgins, Mary Reavey, Gregg Hagopian) have been actively seeking membership on this important committee.

Recent Court of Appeals Decisions

The Circuit Court for Brown County in *John J. Bunker v. City of Green Bay Property Assessment Board of Review*, ruled that the Board of Review properly relied on the comparable sales method for determining the value of residential property. The taxpayer in this case argued that the Board of Review should have used a cost method. Taxpayer went on to argue that even if the comparable sales method was used, the Board should have relied on taxpayer's comparables. On this issue, the court refused to rely on taxpayer's comparables because of differences in amenities and sizes.

The Court also upheld Board of Review in its action to disallow a taxpayer attempt to present additional testimony after the hearing was concluded.

In another case, the District IV Court of Appeals ruled that assessors preparing a capitalization rate for a federally subsidized housing project used the wrong interest rate component in the calculations. The court sent the case back to the Iowa County Circuit Court with directions for future actions by the Board of Review.

The city Board of Review upheld a capitalization rate constructed by the assessor utilizing a 1% subsidy rate. The taxpayer argued that in building up the capitalization rate the assessor should have used a market interest rate. The circuit court upheld the Board's decision. The case has now been remanded back to circuit court.

These decisions will soon be posted on the WAAO website. ■

Rural Concerns Committee

By: Mel Raatz

Our occupation continues to be a challenge. Along with the continual changing markets, we must also be aware of the legislative mandates directly affecting our work.

A draft of a Standardized Maintenance Contract has been made available for viewing. It looks good, although it's a little lengthy, it covers most everything. It is definitely an excellent tool for comparison of services. We (assessors) still need to educate our boards what our duties are. Some assessors do the bare minimum while others do considerably more. The cost of the services rendered will vary accordingly. Your municipality needs to know what YOU do.

WAAO is looking into the feasibility of having a lobbyist assist us in getting the trespass law re-entered as well as addressing the problems Statute 74.37 has created. This statute refers to claims on excessive assessments. Hopefully, we can accomplish some favorable changes to these laws this coming year.

The proposal for valuing vacant ag land, undeveloped, and woods similar to our present Managed Forest Law (requiring a sign-up with the County Conservation Department), has been welcomed with enthusiasm by the Conservation and Ag Departments. This could eliminate assessors having to put different values on properties, other than market values. WAAO is presently reviewing it and will hopefully endorse it.

The Wisconsin Town's Association will be held in Appleton – October 3rd, 4th and 5th. The assessor classes lined up this year include: **“Assessment Contracts”** - Instructors include, but not limited, to Rick Stadelman and Reed Johnson; **“Use Value/Rural Concerns”** - Mel Raatz; **“Personal Property Overview”** - John Meyer; **“Taxpayer from Hell”** - Tom Jadin. The last speaker is a psychologist who addresses methods of dealing with workloads, problems and people. This is one every assessor should hear at least once. It is very constructive and entertaining.

To keep up with our changing expectations we must become more involved in attending classes and giving input on topics close to us. Don't hesitate to contact any WAAO board member as to what direction you'd like to see your organization take on any given topic. If you have a concern about an issue – odds are someone else does too.

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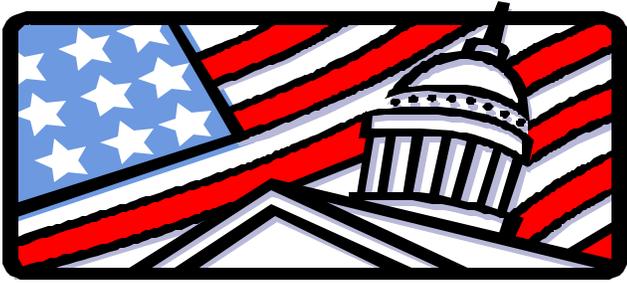
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SLF Working Notes

Notes by: Jennie Miller

Items 5 and 12 on the agenda were deferred to the July meeting.

1. Jean Gerstner provided a draft of the Division's proposed organizational chart. The number of positions has been excluded on the chart until the Department of Administration approves the plan.

Due to its regulatory role, the Bureau of Assessment Practices is separate from the Bureau of Property Tax.

The new Bureau of Property Tax consists of three sections: Equalization, Local Government Services and Manufacturing/Utility.

A local government manager position was created to provide assistance to local governments, encourage collaboration by working together, improve communication and conduct special projects.

The SLF Training Team is working to establish required skill levels. The Team's final report should be completed by the end of June.

Jim Gultry stated second interviews for the Director of the Bureau of Property Tax should be scheduled within the next two weeks.

2. Frank Humphrey shared some of the suggestions generated at the Wisconsin Association of County Officials (WACO) May 12th meeting.

3. Bob Lorier reported there is a 50-50 chance of a contract being signed between WAAO and Wire Data for a Commercial Sales Database.

4. Mark Weber presented the proposed Integrated Property Assessment System (IPAS). DOR plans to issue a Request for Information for IPAS. It is believed DOR can purchase an off the shelf system to meet the needs of Manufacturing/Utility and Equalization. A future goal is to make IPAS available to local municipalities.

5. Greg Landretti discussed the possibility of changing the levels of assessor certification. Secretary Morgan wants to increase the level of standards to which assessors are held. There are several strategies we can pursue to achieve this, change the level requirements or change the requirements. Greg asked the group how they felt about adopting USPAP standards through the *Wisconsin Property Assessment Manual*.

There are a number of issues prompting this change, including assessors not using consistent practices and the lack of professionalism by some assessors. Gene Miller stated the new Agricultural Forest law is being implemented at two extremes. Some assessors are classifying all forest land in the class and others are not classifying any forest land in the class.

Kathee Isleb suggested improvements to certification should be based on four points:

- Section 70.32 requires USPAP,
- Use standards similar to Real Estate Sales progression,
- Evaluate assessment performance based on data collected and
- DOR's annual meetings aren't enough; more timely information is needed.

Kathee complimented the DOR on the timely communication of the Columbus Park case and legislative changes.

6. Reed Johnson distributed a draft copy of the *Guide to Property Assessment Contracts for Wisconsin Municipal Officials*. The purpose of the *Guide* is to create a dialogue between municipal officials and assessors when negotiating assessment contracts. Reed requested comments on the *Guide* by July 15th.

7. Gene Miller provided a chart summarizing the new Town Tourism, Agricultural Forest (TAF) law, Section 60.85 Wis. Stats., and changes made to the TIF law. The number of TIF districts is expected to increase during the next 2 years. There will be a \$1,000 fee due after TIFs are approved. Two program revenue auditor positions have been approved to support TIF and TAF.

8. Greg Landretti reported DOR sent a memo to assessors on 5/12/04 regarding the impact of SB512. A legal opinion is pending on a proposed memo to assessors regarding the taxability of digital home computer terminals. Legal is also reviewing a DNR legal opinion on certain gas station equipment providing waste treatment.

Assessors of communities where Marshfield Clinics owns property were sent a memo stating the Clinic property is taxable according to a Court of Appeals decision.

9. Tom Gundlach gave a status report on the Real Estate Transfer Return team. Two contract analysts are working on the design and analysis phase and believe the project will progress rapidly once the system is designed. A pilot rollout is planned for December. The project will be XML based with open standards so it can be used by anybody including vendors. The issue of electronic signatures needs to be addressed. RETRs will no longer have attachments.

10. Scott Shields discussed the status of the two Assessment Practices Internet based projects.

The certification project has two components. The first component will allow certified individuals to view their continuing education record and the second component will allow the public to check if an individual is certified.

When the WPAM project is completed, subscribers will have the option of paying by credit card and/or direct payment from checking and savings accounts. A link to Volumes 1 & 2 of WPAM will be sent via email to paid subscribers. The long-term goal is to make the *Manual* available in an electronic format only to reduce paper, printing and shipping costs.

11. Gene Miller announced the closure of the La Crosse District Office effective June 30th. The positions have been reassigned and the appraisal staff will be telecommuting for one year. A memo was sent to local officials explaining the changes.

The county reassignments are as follows:

Adams and Juneau – Wausau District
Crawford, Grant, Richland and Vernon – Madison District
Buffalo, Jackson, La Crosse, Monroe and Trempealeau – Eau Claire

12. Items 5 and 12 will be on the agenda for the July meeting.

13. The next meeting will be held on July 30, 2004, at 9:30 AM in the Events Room at the DOR Building.

New Members

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(715) 384-7831
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Property-Tax Rise Triggers Backlash in Some Areas

Homeowners, Legislators

Move to Limit Big Increases

Used for Funding Shortfalls

By Ray A. Smith

Staff Reporter of THE WALL STREET JOURNAL

**Condensed by James R. Siebers,
City Assessor, City of Mequon**

July 13, 2004 10:49 p.m.; Page A1

In an election year in which national candidates have focused on issues such as jobs and the war in Iraq, many voters are rebelling over an issue closer to home: a huge jump in their property taxes.

In many parts of the country in recent years, strapped local governments have imposed big increases in property-tax rates, as well as in home assessments, to fill budget shortfalls. In response, voters have organized efforts to repeal or slow property-tax boosts in states from Virginia to Oregon, in some cases with the support of frustrated local officials.

Governments give a range of reasons for the increases, from gaps caused by cuts in federal revenue to declining commercial bases, rising health-care and pension costs and demands for more school funding.

Nationwide, property taxes — used to fund everything from police and fire departments to schools and recreational services — rose an average of more than 10% between 2001 and 2003, estimates Joseph M. Mulcahy, a national deputy managing principal at Deloitte & Touche LLP's Property Tax Services Group. In some municipalities, he says, home assessments have gone up between 20% and 50%.

Particularly hard hit have been some desirable and growing suburban areas outside major metropolitan areas, where home prices and assessments have been on the rise. In a survey of such suburbs outside 12 major cities across the country, Runzheimer International, a management consulting firm based in Rochester, Wis., found that property taxes rose an average of 23.3% between 2000 and 2004.

For many homeowners, the increases have eaten into benefits they gained from President Bush's cuts in federal income taxes. Mark Zandi, chief economist at Economy.com Inc., a research firm in West Chester, Pa., estimates that nearly a fifth of the income-tax benefit Americans are receiving from federal tax cuts this year is going to pay for higher property taxes. Mr. Zandi says he expects property taxes to continue rising "very rapidly."

While many homeowners took advantage of low interest rates to get good deals on mortgages, the median monthly mortgage payment, including principal and interest, on a median-priced single-family home rose slightly between 2001 and 2003, to \$793 from \$789, according to the National Association of Realtors. Over the same period, assessments rose rapidly, thanks to the housing boom. The median price of an existing single-family home rose to \$170,000 from \$147,800.

Alexander J. Aitken, a 56-year-old pilot for American Airlines, says that taxes on his four-bedroom, two-story home in Culpeper County, Va., rose 45% in 2003 from the year before, to \$6,000. The 2003 figure was 237% higher than it was when he bought the house for about \$450,000 five years earlier, he says.

A big culprit, he says, was a boosted assessment. In March of last year, his house was reassessed at \$625,000, an increase he blames on an influx of newcomers who have heated up the local market. "People have been moving out here from Washington, D.C., to get away from the hustle and bustle and have been willing to pay \$600,000 for a home," he fumes. "That has nothing to do with me."

Mr. Aitken has helped start a group called Virginians Over-Taxed on Residences, or VOTORS, that is pushing for a range of state measures that would cap property taxes, including a constitutional amendment that would reset property values to their January 2000 level.

Similar movements have taken off in other cities and states, putting pressure on politicians to stem the tide of increases and inspiring legislative measures and even a few taxpayer proposals that may be on ballots this November.

They are the latest in a wave of modern tax revolts that began with the 1978 passage of Proposition 13 in California, which rolled back property taxes and limited the ability of municipalities to raise them. Even Californians, though, have seen big increases in recent years, since properties there can be reassessed when sold or transferred and there has been a flurry of such transactions. Property taxes "have grown very vigorously," says Marianne O'Malley, an analyst at the state's Legislative Analyst's Office in Sacramento, which provides nonpartisan fiscal and policy advice to the legislature.

In Maine, where property taxes assessed rose an average of 7% in 2002 and another 5.51% in 2003, a group called the Maine Taxpayers Action Network, led by Carol Palesky, an accountant and grandmother in her mid-60s, is pushing to get an initiative for a 1% property-tax cap on the November ballot.

Meanwhile, state legislatures in Illinois and South Carolina, in response to citizen outrage over high taxes, recently passed

bills limiting increases in property-tax assessments. On Monday, Illinois Gov. Rod Blagojevich signed legislation intended to slow the rate of increase in assessments.

In Clark County, Nev., which includes Las Vegas, Tax Assessor M.W. Schofield has called on the state legislature to limit to 6% the maximum annual increase in assessed home values. Land prices are rising so fast in the county that, without a cap, property tax bills next year are likely to shoot up 20% to 50%, depending on the neighborhood, says Michele Shafe, assistant director of the assessor's office.

"That's enough to put somebody out of their home, especially senior citizens," she says.

With the economy improving, some municipalities have moved to offer a bit of relief. New Jersey's recently signed \$28 billion budget includes increased taxes for the state's wealthiest residents to fund property-tax rebates. But that followed several years of heavy increases in property-tax bills. In 2003, the average bill was \$5,269, up from \$4,958 in 2002, and \$4,651 in 2001, according to the New Jersey Department of Community Affairs.

There's no doubt that many state and local governments experienced big shortfalls with the economic downturn that began in 2000 after the flush years of the 1990s boom. Sales taxes, which had been rising rapidly, suddenly tumbled, while revenue from corporate taxes shrank. Tax cuts spurred reduced federal spending. Many states, feeling the pinch, cut back their funding to local governments, dealing them a double whammy.

At the same time, local expenses have increased for everything from infrastructure to public safety, especially in areas with fast population growth, says Chris Hoene, research manager at the National League of Cities, a Washington lobbying and membership group representing more than 18,000 local communities.

In 2003, 62% of cities said they were increasing public-safety spending, in part to respond to terrorism concerns, he says. More than a third also were increasing spending on such items as health care, pensions and roads, he says.

School funding, which generally absorbs the largest share of local-tax revenue, also has surged.

During that time, schools have seen costs rise for everything from upgrading facilities to increased employee health-care costs.

—James R. Hagerty in New York, Jacob M. Schlesinger in Washington and Sheila Muto in San Francisco contributed to this article.

Nominations

Candidates for 2004-2005

WAAO Board of Directors are:

Jim Siebers, Mequon - Vice President
 Mel Raatz, Oconto Falls - President-Elect
 Jim Young, Sun Prairie - Director
 Wesley Little, Beloit - Director
 Bill Adams, Wisconsin Rapids - Director

NCRAAO Conference-2004

The 2004 NCRAAO Conference was held in Kansas City, Missouri. The Wisconsin contingent for NCRAAO 2004 included about 7 people plus a few spouses. We had many opportunities to mingle with assessors from the other states and we gained first-hand knowledge of how other assessment professionals operate their offices. The 28 sponsors and vendors gave us plenty of new ideas to talk about. Several IAAO representatives were in attendance and it was great to talk with them about what is happening with IAAO. Most importantly, IAAO is moving to Kansas City, Kansas and it was nice to get the inside scoop from the IAAO staff about the upcoming move.

The conference started with a golf outing and the course was great. The first night was the President's reception and silent auction. There was a live auction for several high value items; it was LOTS OF FUN.

The classes were offered on Tuesday and Wednesday and the speakers were from all over the country. The classes about Personal Property valuation and cell tower valuation were really the highlights. The Tuesday night dinner was a bar-be-queue and Kansas City really knows how to cook up a bar-be-queue. There was a live band for entertainment.

Next year's conference will be in Illinois and all W.A.A.O. members are invited. It will be a great time and Quad Cities area is so close.

Please visit <http://www.visitquadcities.com/>. We are looking forward to having very educational and fun time in Moline & Rock Island, Illinois • Davenport & Bettendorf, Iowa. If you have questions about the conferences please contact any the NCRAAO representatives. The representatives are Bob Lorier, (262) 796-6648, Steve Miner (414) 769-2207 and Jim Siebers (262) 242-3100.

**Bridging the Past,
Building the Future**
Aug 29 – Sept 1



Registration is now available
online at www.iaao.org

Early registration allows you:

- Discounted price
- Opportunity to buy Red Sox Tickets

IAAO – HISTORY ABOUND

By: Mary Reavey

The last issue of IAAO's publication *Fair and Equitable* reminisced IAAO's beginnings as we move into our 70th Anniversary. How appropriate that this should correspond with the 2004 IAAO Conference scheduled for Boston next month! Our nation's history really comes to life when you visit there. Reflecting on the past is good and oftentimes puts where we are into a better perspective.

In 1934 when IAAO began (actually it was NAAO – N standing for national) there was certainly a need for more professional, better-trained assessors. There was also a need for a way to communicate with more clout on matters concerning assessment laws and procedures. The original group that met in 1934 felt the best way to accomplish this was to organize; thus creating more strength and more voice. I am proud to say that we are accomplishing just what was intended so many years ago. The results of worldwide

assessment personnel working together are all around us. The formation of the IAAO and their mission back in 1934 ring true to our organization's mission today – "to promote innovation and excellence in property appraisal and property tax policy and administration through professional development, education, research, and technical assistance." Today, more than ever, assessment officials are challenged. I guess one thing we have learned since 1934 is that there is constant change. Assessors still need the education, networking, professionalism and expertise IAAO provides. The next 70 years should be interesting!

IAAO – WHAT'S NEW

- 1) New Executive Director is on the horizon
- 2) The move to Kansas City is underway. It sounds like there are a couple of properties that have perked the executive board's interest.
- 3) Carol Kuehn, Stevens Point will be chairing the Planning and Rules Committee for 2004-2005.
- 4) Scott Winter will serve as Co-Chair of the Conference Content Committee for the 2005 IAAO Conference in Anchorage. This will set him up to serve as Chair for the 2006 Conference in Milwaukee.

2006 PLANNING

We made several decisions at our recent meeting at Klemmers in Greenfield. They include:

- 1) Golf Outing – Sunday, October 8, 2006 – Washington County Golf Course
- 2) Opening Reception – Sunday, October 8, 2006 – Milwaukee Art Museum
- 3) Member Appreciation Night – Monday, October 9, 2006 – Swing Dance
- 4) Banquet – Wednesday, October 11, 2006 – Irish Dancers for entertainment

We will be working on our budget soon. Let me know if you have comments or suggestions. Thanks.

REMEMBER

Deadline for slogan entries is coming soon. Get your ideas to John Meyer or a member of the 2006 Promotions Team for consideration. The winner will be the recipient of a free 2006 conference registration valued at approximately \$450.00!!!!



2004 Municipal Assessors Institute

The Abbey Resort, Fontana, September 21 - 24, 2004

Registration information was mailed in July. For more information, contact Sherry Lee at (800) 991-5502; or visit <www.lwm-info.org>. Real Estate credits approved for all classes.

TUESDAY, SEPTEMBER 21

10:00 Registration

1:00 Moderators' Meeting

1:30 CONCURRENT WORKSHOPS

(1) GIS & The Assessor's Office (3 Hours Appraisal)

Moderator: Nan Giese, City Assessor, Wausau

Instructors: Lee Halbrook, GIS Analyst, Wausau; Jeff Megahan, Commercial/ Residential Appraiser, Wausau; Laurie Krueger, Residential Appraiser, Wausau; Richard Rubow, Residential Appraiser, Wausau; Jennifer Reek, GIS Coordinator, Brookfield; and Denise Neumann, Deputy Assessor, Brookfield

This workshop will illustrate the integration of GIS and CAMA data. The use of GIS in the assessor's office will also be explained, as well as future GIS applications and expansions.

(2) Valuation of Billboards Using the Income Approach (3 Hours Appraisal)

Moderator: Debbie Edwards, Village Assessor, Plover

Instructor: Mike Kurth, Chief Assessor, Madison

This course will review the current issues involved in the valuing of billboards using the income approach to value. Can the income approach be used? Should the income approach be used?

(3) Reviewing Assessment Practices (3 Hours Law/Mgmt) **Limited to 60 people**

Moderator: Mike Higgins, City Assessor, Kenosha

Instructors: Mary Reavey, City Assessment Commissioner, Milwaukee and Greg Landretti, Director, Assessment Practices, DOR

The presentation will cover office procedures, mapping, property records, valuation, and public relations. It will also focus on measures of assessment performance.

6:00 *President's Reception*

WEDNESDAY, SEPTEMBER 22

9:00 GENERAL SESSION

DeAnn Brosman, City Assessor, Appleton; Chairman, Municipal Assessors Section, presiding

Welcome Address - Village President Thomas Whowell, Fontana

Address - Wayne Llewellyn, CAE, Mgr. of Research Development & Training, Calgary, A- Wendy Reyerson, Chief Co. Assm't Official - Lee County, IL; NCRAAO President

WAAO Business Meeting

10:30 What's New From DOR - Michael Morgan, Secretary, Department of Revenue

1:30 CONCURRENT WORKSHOPS

2004 Calendar

September 21-24	Municipal Assessors Institute	The Abbey, Fontana
September 22	WAAO Business Meeting	
Aug 29-September 1	IAAO Conference	Boston, MA
October	WI Towns Assoc Convention	KI Convention Center, Green Bay
October 11	Executive Board Meeting	Raintree Resort, WI Dells
	October 15 - Dec AVOW Deadline	
December 6	Quarterly Membership Meeting	

(4) WI Property Tax Litigation 2004: What Every Assessor Needs to Know (3 Hours Law/Mgmt) Alberta, Canada, IAAO President Address

Moderator: Ray Fisher, City Assessor, Madison

Instructor: Robert Horowitz, Attorney, Stafford Rosenbaum, LLP

A comprehensive review of Wisconsin property tax litigation, this course will emphasize recent developments. Questions and comments from the audience will be invited throughout the presentation.

(5) Subsidized Housing (3 Hours Appraisal)

Moderator: Mary Reavey, Assessment Comm., Milwaukee

Instructor: Sharon McCabe, Lecturer, UW-Madison

This workshop will cover the logistics of subsidized housing, including an overview of programs, valuation of rent subsidy programs, valuation of Section 42 program (tangible/intangible value) and Valuation of Interest Rate Reduction Programs.

(6) DOR Organization & Reorganization (3 Hours Law/Mgmt)

Moderator: Russ Schwandt, City Assessor, Green Bay

Instructors: James Gultry, Administrator, State & Local Finance; Jim Pahl-Washa, OITS Application Development Resource Mgr.; Mark Weber, Manager, Bureau of Manufacturing & TELCO Assessment; Gene Miller, Dir., Bureau of Equalization; Judie Gibbon, Tax TIF Program, DOR

This course will introduce the reorganized Division of State and Local Finance and provide information regarding Division automation projects and recent law changes.

(7) Right-of-Way/Takings & Condemnation Appraisals (3 Hours Appraisal)

Moderator: Shannon Krause, City Assessor, West Bend

Instructor: Dennis Stefanik, Real Estate Agent, Milwaukee Metropolitan Sewerage District

This course will cover eminent domain/condemnation acquisition process and appraisal methodology using practical examples.

5:15 Reception

6:00 Banquet/Business Meeting

THURSDAY, SEPTEMBER 23

9:00 CONCURRENT WORKSHOPS

(8) Previous & New TIF Laws (3 Hours Law/Mgmt)

Moderator: Shannon Krause, City Assessor, West Bend

Instructor: Phil Cosson, CIPFA, Vice President, Ehlers & Associates

The workshop will compare the old and new law and answer the question "What does it all mean?" Time will be allotted for questions and answers.

(9) Title VII—Civil Rights (3 Hours Law/Mgmt)

Moderator: Russ Schwandt, City Assessor, Green Bay

Instructors: Mike Fox, Attorney, Fox & Fox, SC, Madison; Gregg Gunta, Attorney, Gunta & Reak, SC, Milwaukee

(10) Mock Board of Review (3 Hours Law/Mgmt)

Moderator: Paul Koller, City Assessor, New Berlin

Instructors: John Macy, Village Attorney, Dousman, Oconomowoc Lake, etc.; Craig Lake, City Appraiser II, Waukesha

A question and answer session concentrating on frequently asked questions regarding the Board of Review and how to, as assessors, present your case.

(11) The Impact of Relocation Benefits on Market Value (3 Hours Appraisal)

Moderator: Jim Young, City Assessor, Sun Prairie

Instructor: Jeff Barta, SCRP, VP, Executive Director, The Relocation Center, Inc., Milwaukee

Learn why corporations move their employees and how they induce them to relocate as well as what effect these benefits have upon the home sale process. Learn the differences between a relocation appraisal and a typical mortgage appraisal.

1:30 CONCURRENT WORKSHOPS

(12) Assessment 101 (3 Hours Appraisal)

Moderator: Tom Kienbaum, City Assessor, Racine

Instructors: Ryan Raatz, Assessor I and Rick Raatz, Assessor I, R & R Assessing Services

Assessment 101 is an overview of the assessment procedure, including 1) field readiness/review, 2) in-house statistical review and application, 3) open book and Board of Review proceedings.

(13) Use Value/Rural Concerns (3 Hours Law/Mgmt)

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

Instructor: Mel Raatz, Assessor II, R & R Assessing Services

An overview of Use Value which includes: how agricultural land is classified, what qualifies and how it is to be assessed; the agricultural penalty application; the present definition of undeveloped land and ag. forest classifications; and rural concerns open forum.

(14) Assessment Contracts (3 Hours Law/Mgmt)

Moderator: Rocco Vita, Village Assessor, Pleasant Prairie

Instructors: Reed Johnson, Chief Training Officer, Assessment Practices, Dept. of Revenue; Rick Stadelman, Executive Director, Wisconsin Towns Assn.; Mike Couillard, Supervisor of Equalization, DOR; and Ron Jacobson, President, Jacobson & Bennett Appraisals, Inc.

This program introduces the DOR publication "Guide to Property Assessment Contracts for Wisconsin Municipal Officials." It also discusses the tasks associated with managing a revaluation and the components of a good maintenance contract.

(15) Budgeting for Program Managers (3 Hours Law/Mgmt)

Moderator: Mary Reavey, City Assessment Commissioner, Milwaukee

Instructor: Mike Daun, City Comptroller's Office, Milwaukee

This course will provide ideas on how to make your budgeting process more useful in your day-to-day management responsibilities.

FRIDAY, SEPTEMBER 24

Paul Koller, City Assessor, New Berlin; 1st Vice Chairman, Municipal Assessors Section, presiding

8:45 Business Meeting

9:00 (16) Impact Generations Can Have on Work Place (3 Hours Law/Mgmt)

Moderator: Paul Koller, City Assessor, New Berlin

Instructor: Rick Bayer, Loss Control Manager, CIVMIC

This workshop profiles the four major generational groups, does a comparison of them, and discuss strategies that can be used for working more effectively with each generation.

Noon Adjournment

Officers

Chairman—DeAnn Brosman, City Assessor, Oshkosh

1st Vice Chairman—Paul Koller, City Assessor, New Berlin

2nd Vice Chairman—Shannon Krause, City Assessor, West Bend

Past-Chairman—Nan Giese, City Assessor, Wausau

Trustees:

2004

Ray Fisher, City Assessor, Madison

Joyce Frey, Ass't City Assessor, Fitchburg

Rocco Vita, Village Assessor, Pleasant Prairie

2005

Deb Edwards, Village Assessor, Plover

Mary Reavey, City Assessment Commissioner, Milwaukee

Mike Higgins, City Assessor, Kenosha

2006

Jim Young, City Assessor, Sun Prairie

Russ Schwandt, City Assessor Green Bay

Tom Kienbaum, City Assessor, Racine



2004 Municipal Assessors Institute

Name: _____

Title: _____

Address: _____

Municipality/Firm: _____

Yes No (please answer all questions)

My guest's name is _____

— — I/We will attend the President's Reception/ Products display on Tuesday evening.

— — I/We will attend the Reception/Banquet on Wednesday evening

— — I would like information on the golf outing Sept. 21, (pre-registration required). Contact Luke Alger (920) 236-5072; lalger@oshkosh.wi.us.

I will attend the following sessions: (circle 1 in each col.)
Workshop #3 is limited to the first sixty people.

Tues.	Weds	Thurs am	Thurs. pm	Fri.
1	4	8	12	15
2	5	9	13	16
3	6	10	14	
	7	11		

Tuition: \$100 (\$125 on site);

Guest: \$30 (includes Tues. reception & Wed. banquet).

Please return this form by Friday, Sept. 10, 2004 **Please Enclose Payment or Credit Card Information**

Master Card Visa check

Number _____ Exp: _____

V-code _____

Signature _____

Sherry Lee, League of Wisconsin Municipalities, 202 State Street, Suite 300, Madison, WI 53703

Please place an "X" through the box if you need an accommodation regarding a disability. We will contact you to make the necessary arrangements.

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.

Check	Dues (Annual - August 1 through July 31)								
<input type="checkbox"/>	New Member	<input type="checkbox"/>	Membership Renewal						
<input type="checkbox"/>	WAAO \$25 Regular	<input type="checkbox"/>	\$20 Associate	<input type="checkbox"/>	\$20 Student	<input type="checkbox"/>	\$15 Retired Regular Member	<input type="checkbox"/>	\$50 Subscribing
<input type="checkbox"/>	IAAO \$150 (First year, first time members \$125, or \$75 by signing up through IAAO Rep. Mary Reavey (414) 286-8447)								

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

