



Assessor's Voice of Wisconsin

September 2008



From the President's Desk:

By: Kathy Romanak

This has been a dynamic year! As President of WAAO I have been involved in many meetings and changes that have significantly aided our profession as assessor's. Last September started out with the Walgreens/Amicus Brief. As President I sent out 60 letters for funding contribution and support. The response was great from municipalities, and Assessor's (Wow WAAO!) In Legislation Assembly Bill 580 and Senate Bill 329-(74.37) was passed and signed by the Governor in April as 2007 Wisconsin Act 86. This was good legislation and a great day for WAAO.

Also Real Estate Standards committee did revisions and revised the 70.85 appeal guide for the Board of Review Decision and was approved by Department of Revenue. This also was a good change for the assessment process.

As my term as President of WAAO comes to an end, I would like to take this opportunity to thank the Executive Board members, the committee chairs and committee members for their commitment and dedication to WAAO. Without the many outstanding volunteers WAAO would not be the Assessor's Voice of Wisconsin. I especially want to thank Pete Weissenfluh, Steve Miner, Bob Lorier, Joan Spencer, Jim Siebers, Mel Raatz, and Kathee Isleb for their counsel and help.

Members you can make a difference for WAAO, your community, and the property owners of Wisconsin. Stay involved or get involved in WAAO, NCRAAO, AND IAAO. We all need your experience, ideas, and energy to maintain the high standard for our foundation of our profession. We need to keep up on our education and technology of assessment practices. Technology is like a steamroller. Either your on board or you become part of the pavement.

As I pass the presidency to the capable hand of Rocco Vita, I know he will continue to support the goals and mission of our organization. Rocco will do an excellent job leading WAAO.

Thank you for making my term as president a great experience. I was very honored to be your president and representative for WAAO. I hope to see everyone at the League of Wisconsin Municipal Assessor Institute In Racine this September.

Kathy Romanak

Upcoming Classes and Educational Opportunities

2008 IAAO Annual Conference

September 7-10, 2008
Grand Sierra Resort & Casino, Reno Nevada
www.iaao.org/

2008 Municipal Assessor's Institute - League of Municipalities Annual Assessor's Conference

September 16-19, 2008
Marriott Hotel
7111 W. Washington.
Racine, WI
www.lwm-info.org/

2008 Wisconsin Town's Association Annual Convention

October 5-8, 2008
Radisson Paper Valley Hotel
333 W. College Avenue
Appleton, WI
www.wisctowns.com/

All courses are approved for Assessor Continuing Education

2007-2008 Officers

Kathy Romanak Waterford	President (262) 534-3003
Rocco Vita Pleasant Prairie	President-Elect (262) 925-6714
Michael Muelver Rhinelander	Vice-President (715) 369-2952
Joan Spencer Marshfield	Treasurer (715) 384-3856
Pam Hennessey Madison	Secretary (608) 274-6842
James Siebers Stevens Point	Past-President (715) 346-1553

Editor's Note: I want to thank everyone who has contributed articles throughout the year to this publication. Over the coming months, the AVOW Committee will be working hard to bring you valuable and timely information. The AVOW committee members are: John Holtan (920) 749-1995, Katrina Malson (920) 236-5070, Heather Milde (608) 526-9394, Steve Miner (414) 479-8901. If you have any suggestions for the AVOW, please contact any of the members. Thanks. Editor

2007-08 Board of Directors

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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 16, 2008 WAAO Quarterly Meeting Minutes
Held at the KI Center, Green Bay in conjunction with the NCRAAO Conference

Meeting was called to order by President Kathy Romanak at 8:37 am. The following committee had reports. Those not listed had nothing to report. The minutes from the March meeting were not approved and will be done at the September League Conference.

Joan Spencer, Treasurer: Her report is listed below.

Kathy Romanak, Bob Lorier, Steve Miner, Rocco Vita and Paul Klauck met with DOR Secretary Erwin. They had a round table discussion on improving the professionalism of assessors, certification changes, personal property, exemptions, ag use value assessments and the need for more DOR support and direction for assessors.

Mel Raatz, Chair, Rural Concerns: The Rural Concerns Committee met via Email. They would like WAAO to continue to work on the trespass bill. The biggest obstacle is the Wisconsin Realtors Association. They are working on the assessor's education for the Wisconsin Towns Association Conference which will be held in Appleton October 5, 6 and 7th.

Kathy Romanak, Chair, Real Estate Standards. The Committee has been working on revision in the manual regarding 70.85. Al Land had input for the Department of Revenue. A draft was submitted to the Executive Board for approval and then on to Jenny Miller for approval.

The meeting adjourned at 9:00 am.

Respectfully submitted, Joyce Frey acting secretary

WAAO Treasurer Report

2008 Summary of Ledgers	2008 Beginning Balance	Receipts	Disbursements	Difference	Balance 3/8/08
Operating Accounts	\$21,301.61	\$44,441.77	\$46,335.93	(\$1,894.16)	\$19,407.45
2007 Education Fund	\$7,706.20	\$675.38	\$200.00	\$475.38	\$8,181.58
WAAO Funds	\$29,007.81	\$45,117.15	\$46,535.93	(\$1,418.78)	\$27,589.03

(continued on next page)

(Treasurer's Report continued)

Operating Accounts

Operating receipts to date have totaled \$44,441.77 with disbursements of \$46,335.93. Our current balance is \$19,407.45.

Education Fund

We currently have \$8,181.58 in the Education fund.

Total cash on hand is \$27,589.03.

Membership

We have 564 members on the WAAO roster vs. 565 last year. The membership renewal forms have been mailed and we are currently collecting dues for the next year.

WISCONSIN MUNICIPAL ASSESSOR'S INSTITUTE RACINE WI



Now is the time to put in your reservations for the upcoming LEAGUE conference and WAAO September quarterly meeting. Please see the LEAGUE web site link on the WAAO web page for all the details. You can also get the information directly at

<http://www.lwm-info.org/>

The classes that have all been approved for Assessor continuing education and continuing Real Estate Appraisal credits have been applied for all sessions.

AWARDS COMMITTEE REPORT

The Awards Committee has reviewed nominations for many deserving candidates and has made its recommendations for WAAO Awards presentations. As is customary, awards will be presented at the banquet at the annual League of Wisconsin Municipalities' Assessor Institute. We look forward to seeing you there to join in honoring this year's recipients.

NOMINATING COMMITTEE REPORT

Pursuant to the bylaws of the Wisconsin Association of Assessing Officers, the Nominating Committee is pleased to submit the following slate of Candidates to serve as Officers and Executive Board Members:

Secretary – Pamela Hennessey, Retired, Wisconsin Dept of Revenue

Treasurer – Joan Spencer, Assessor, City of Marshfield

Vice President – Steven Schwoerer, Assessor, City of Oshkosh

President Elect – Mike Muelver, Assessor II, Peterson Appraisals

President (automatic succession) – Rocco Vita, Assessor, Village of Pleasant Prairie and others



Director – 3 year term – Peter Bronek, Senior Appraiser, City of Milwaukee

Director – 3 year term – Cathy Timm, Assessor, City of Cedarburg

Director – 3 year term – Peter Krystowiak, Deputy Assessor, City of Kenosha

Director – 1 year term – Shannon Krause, Assessor, City of West Bend (replacing Steven Schwoerer)

Director – 1 year term – Michael Procknow, Assessor, City of Fitchburg (replacing Joyce Frey)

The election of Officers and Executive Board Members will take place at the September 17, 2008 WAAO Quarterly Membership Meeting held in conjunction with The League of Wisconsin Municipalities annual Assessors Institute held at the Racine Marriott

WAAO Education Committee Meeting July 18, 2008 held at the Fitchburg City Hall

The meeting was called to order at 10:10am by Co-Chair Pete Krystowiak. Members present: Matt Tooke, Ryan Raatz, Roseanne Reckin, Pete Krystowiak, Jim Young, and Joyce Frey. Bill Briggs arrived after the meeting started. Members absent: Diane Cannistra, Paul Koller and Paul Klauck.

We reviewed the 2007 IAAO course. We talked about the reduced fee for the host city that was approved by the Executive Board. We read the comments from the students. The biggest request was to have the reading material before the class started so people could do some advanced studying. Comments were made that it was a lot of information to take in.

The December 2007 Quarterly Meeting survey results were reviewed. It highlighted the Energy Star program. Some felt it was too technical. Overall the program got a good review. People would like to know the value of building green and the cost savings. They would like more handouts. At the last minute, the builder who was going to be a presenter backed out. Jim stepped in to assist with the presentation.

The March 2008 Quarterly Meeting survey results were great. It was the BOR class taught by John Macy, Pete Weissenfluh and Reed Johnson. There was a record number of people who attended that session.. 145. We made about \$600 on that meeting. We discussed the idea of having a free meeting to increase attendance.

The June 2008 Quarterly Meeting was held at the NCRAAO Conference in Green Bay. The attendance was poor. The comments were made that it was too early for those who wanted to come for traveling any distance.

We worked on ideas for the 2008 December Quarterly Meeting. We came up with the following ideas: distressed sales (DOR is putting something on for the WTA Conference per Ryan), AVOW article that Heather Milde wrote, land costs, session on county-wide assessing by Jeff Bluske of LaCrosse, billboards, professionalism, green built residential and commercial, Marshall and Swift commercial pricing, round table discussion and contamination. We decided on contamination for December. We would like the focus to be on what does it mean in regards to valuation. Matt agreed to handle coordinating the session. We would like to have the DNR present and cover gas stations, flood waters, wells and dry cleaners.

We looked at the IAAO courses for the fall. We had requests for the following: 101, 102, 112, 300, 311, 312, 400 and 402. Pete announced that Mary Watson stepped down from coordinating

the IAAO classes and from our committee. We discussed her contribution to our committee and how unfortunate it is that she resigned. Pete will check with Diane, Paul Koller and Paul Klauck to see if any of them would like to take over this task. Pete is going to see who is available to teach what class and get back to us.

We would like to have someone from the DOR Manufacturing Section on our committee. Matt was going to speak to his brother, Adam and see if he was interested. Joyce offered to call Bill Wardwell if necessary.

Pete contacted Mike Muelver in regards to the Ad Hoc Certification Review Committee. As of today, Pete has not heard anything about the committee taking any action. Pete expressed to Mike that he would like to be on the committee. Pete thought we should at least have 2 people from our group on the committee. Pete will keep us posted. Ryan will contact Mike to get an update on their activity.

Old business: Pete gave an update on trying to put a class together with the Appraisal Institute. It doesn't look like it will be a viable partnership. Pete will send on information about the Year in Review seminar in the fall. He will announce it at the League Institute.

New business: We had a discussion on Green Built for commercial and the need for more information on this subject.

Our next meeting will be November 7th.



Get ready for some Golf

The Annual Assessors' Golf Outing will be held on Tuesday morning, September 18th at South Hills Country Club. Address is 3047 E Frontage Rd. Racine. Check in and pay at 8:30. For more details contact Dan Furdek at the City of Milwaukee Assessors' Office.

Phone (414) 403-3512

Email, dfurde@milwaukee.gov

PHOTOS FROM LAKE DELTON

**Wisconsin Towns Association Assessors
Workshop Topics**

2008 Assessor Workshops at WTA Convention

Monday - October 6

8:45 – 11:45 AM Class = Posting Sales –
Handling foreclosures etc.

Instructors - DOR

3 hr law / management

12:15 – 1:15 – Round Table/Cracker Barrel
discussion

1:15 – 4:15 PM Class = BOR procedures

Instructors – WTA & DOR personnel

3 hr law / management

Tuesday – October 7

8:45 – 11:45 AM Class = Valuing mega farms –

Instructor – Dennis Badtke

3 hr appraisal

1:15 – 4:15 PM Class = Tour Dairy farm –

follow-up of mega farms and

what is exempt on the farm

Instructors – Dennis Badtke & Ryan Raatz

3 hr appraisal

Assessor certification is pending for the Dairy
Farm Tour with DOR. Assessors should use
registration form in this magazine to register for
Annual Convention.



RECENT CASE LAW UPDATES

Property Leased At Above Market Rents Must Be Assessed Based On Market Rents When Income Approach Is Used, Supreme Court Decides

By Robert Horowitz and Amie B. Trupke

Reversing a unanimous decision of the Court of Appeals, the Supreme Court has concluded that a property tax assessment by the income approach of retail property leased at above market rents must be based on market rents, as Walgreen Co. argued, rather than the above market rent terms of Walgreen's actual leases, as argued by the City of Madison. *Walgreen Co. v. City of Madison*, 2008 WI 80 (July 8, 2008).



In essence, the Court decided that the value added by an above-market rent constitutes a contract right, rather than a real property right. (¶ 48) “[W]hat really matters in income approach evaluation,” the Court said, “is the fair market rent, not the particular terms of the subject lease.” (¶ 69)

“The main rule for income approach assessments of leased property,” the Court said, “is that the property must be assessed in terms of market rents unless, as is the case with encumbrances created by lower than market value rent, a buyer would not be able to buy the property at the market rate.” (¶ 83)



The Court emphasized that the above market rents were intentionally part of the “creative financing arrangements” made by Walgreen and the developer, which bought the land, built the building, and leased it to

Walgreen. However, the decision was not limited to above market rents resulting from financing arrangements. It encompassed above market rents resulting from any circumstance, including fluctuations in market rents. The Court did not specify what impact its decision would have on assessment by a sale of the subject property or by the sales comparison approach.

The Supreme Court reversed the decision of the Court of Appeals and remanded the case to the circuit court for further proceedings consistent with the Supreme Court's opinion.

In a complex 48-page opinion, by Justice Louis B. Butler,



Jr., the Supreme Court concluded that an

income approach assessment of a leased retail property's fee simple interest must be based on market lease rates, not actual contract rates, as long as encumbrances to the property do not cause its leased fee value to fall below a market rate value. (¶¶ 4, 48) The Court reaffirmed that section 70.32(1) requires adherence to the *Wisconsin Property Assessment Manual*, absent conflicting law, and concluded that the Manual was consistent with the Court's interpretation of Wisconsin statutory and case law. (¶¶ 3, 50) Quoting the book *The Appraisal of Real Estate*, the Court said that its holding is consistent with the “nationally recognized principle” that “[a] lease never increases the market value of real property rights to the fee simple estate.” (¶ 3, 84)

In a concurring opinion, Chief Justice Shirley S. Abrahamson



said that the dispute hinges on whether section 70.32(1) requires an assessor valuing leased real property to estimate the fair market value of a fee simple interest or instead to estimate the market value of a leased fee interest. (¶ 87) The answer to this question depends on

the statute, she said. In principle, she added, either approach may be used. (¶ 89) She said: “The court of appeals’ decision, the City of Madison’s brief, and the brief of the amicus curiae (representing various municipal entities and associations and the Wisconsin Association of Assessing Officers) make the following persuasive argument based on both the accepted definition of fair market value of real property and what happens in the real world: Property is assessed at the amount the property would sell for as a result of arm’s-length negotiations in the open market between an owner willing to sell and a buyer willing to buy. A buyer generally would pay more for real property that has a high stream of income from a lease than for property with a lower stream of income from a lease. Because the sum at which a property will be bought and sold is dictated in part by the income from a lease attaching to the property, the actual income stream from the lease should be capitalized to reach the assessed value of the property.” (¶ 94) She found the argument “persuasive,” but noted that section 70.32(1) requires real property to be valued in the manner specified in the Manual and was not persuaded that the case law contradicts the Manual (¶¶ 97, 99).

In the Court’s opinion, Justice Butler reasoned as follows:

First, the Court held that under section 70.32(1) and the Property Assessment Manual, “a property assessor’s task is to identify the market value of a fee simple interest as described by the Property Assessment Manual and which reflects the ‘full value’ that could ordinarily be obtained at a private sale....” (¶ 20)

Second, after quoting from the Manual, the Court held that the appropriate methodology that should generally be used for appraising leased property is that “an assessor should consider the leased fee interest to be equal to the market value as long as the lease rate is not encumbered to the point of falling below the market rate. In such cases where a lease encumbrance brings the lease rate below the market rate, the assessed value of the property is reduced, corresponding with the reciprocal positive leasehold value to the tenant. In such cases where the contract rents are below market levels, the leased fee interest, in other words, will not be the same as the fee simple interest in the property.” (¶ 28) This exception, the Court held, “is limited to cases in which the lease rate is

below the market rate, making it evident that the market value could not be obtained at sale.” (¶ 29) “Barring other encumbrances bringing a property below the fair market value in a case such as this, it is the market value and not the above market contract rents that must be the value source in income approach real property assessments of leased property.” (¶ 60) This conclusion, the Court said, was supported by the Manual and not in conflict with section 70.32. (¶ 82)

Third, the Court held that the decisions in the *Darvel*, *Metropolitan Holding*, and *West Bend* case merely recognizes “a narrow exception to the general rule of valuing property by market value, an exception applicable only when market value could not be obtained by a purchaser due to encumbrances resulting in lower than market value rent terms.” (¶ 34) “The logic underlying the exception for below market rents is that the limited ability of owners to purchase property at market value in some cases should be accommodated, rather than taxing property at a rate owners cannot afford, because they would not be able to receive the market value-based assessment amount at a sale.” (¶ 52) These cases, the Court held do not apply to cases involving properties with above market rent. (¶¶ 37-44, 49-50, 82-83)

The Court said that “a lessor may be more than fully compensated for an encumbrance through above market rent... but that does not transform the lease from an encumbrance to part of the ‘bundle of rights’ appertaining to a property, nor does it transform the rent payments into anything more than compensation for an encumbrance. Rather, it may just make the property owner a wise investor.” (¶ 45) The Court said that “[i]n this case, the above market lease terms enhance, rather than encumber, the worth of a property in the eyes of a potential purchaser. However, just because retail property may be income-producing does not render the contract benefits of an above market lease equal to a higher property value. . . . Even leases with higher lease terms may still result in problems outweighing its benefits to the property owner, such as the risk of weak tenants or even financially capable tenants who are litigious and willing to ignore lease terms or break leases.” (¶ 47)

(continued on page 9)

RECENT CASE LAW UPDATES - continued

Fourth, the Court held that “tax assessors must refrain from including creative financing arrangements under a specific property’s lease in their valuations of that property.” (¶ 57) The *Flood* and *Flint Building* cases stand for the “underlying principle” that “a real property assessment should not be based on factors such as unusual financing or above market rent that are not normal conditions of sale reflected in the value of a fee simple property interest.” (¶¶ 34, 54-56, 84)

Fifth, the Court held that the lower courts failed “to recognize the rule that it is erroneous to rely solely on the income approach in a property assessment, and that it is also bad policy to do so in the manner the City assessor did in this case, in effect taxing business efforts instead of property.” (¶ 34)

Sixth, the Court disagreed with the argument that the lease income is “inextricably intertwined” with the land and is therefore subject to valuation. (¶¶ 62-66) To do so, the Court said, would contravene “the general principle that real property assessments should not be based on business value.” (¶ 65) The Court concluded: “Basing an assessment solely on the income stream derived from a lease leads to an absurd result of necessarily rendering property that is not income producing ‘practically valueless for taxation purposes.’ . . . As such, if a business goes bankrupt and breaks the lease on a retail property, the value of the property would default to zero under such an approach. In addition, if property is assessed solely by the terms of a long-term lease, the value of the property would remain stagnant for long stretches of time, regardless of changing property values in the surrounding community. Furthermore, basing assessments broadly on actual lease rates rather than fair market value would result in extreme disparities and variations in assessments.” (¶ 74)

The City of Madison was represented by City Attorney Larry W. O’Brien. Robert Horowitz filed an amicus brief and presented oral argument on behalf of the Wisconsin Association of Assessing Officers, the League of Wisconsin Municipalities, the Alliance of Wisconsin Cities, and 23 municipalities.

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Tax Appeals Commission Again Limits Manufacturing Plant To Partial Exemption For Waste Treatment Facility

By Robert Horowitz and Amie B. Trupke

In a decision of the Tax Appeals Commission, a manufacturing plant was limited to a partial exemption for its waste treatment facility under the version of section 70.11(21) in effect before the statute was amended, effective in 2007. *City of De Pere v. Wisconsin Department of Revenue and Fox River Fiber Co., LLC*, 06-M-142, 06-M-143 (June 16, 2008).



The commission held that waste treatment facilities on the premises of a manufacturing plant may be exempt under section 70.11(21), but not property used for other types of purposes or facilities. Using industrial wastepaper as its raw material, the plant manufactured “wet lap pulp” and sold it to manufacturers of tissue and paper products. Since most of the plant’s equipment was exempt as manufacturing property under section 70.11(27), the case primarily involved the plant’s land and buildings.

The decision followed and reaffirmed the reasoning of the commission’s recent decision in *City of Green Bay v. Wisconsin Department of Revenue*, No. 06-M-146, Wis. TAX REP. (CCH) ¶ 401-070 (Wis. Tax App. Comm’n Dec. 21, 2007).

The decision granted exemption to parts of the plant where manufacturing and waste treatment occurred simultaneously. However, the decision rejected the manufacturer’s claim for total exemption, based on a prior decision of the court of

appeals, because exemption there had been sought and granted only for parts of the plant actually used to treat wastes.

The commission was interpreting the version of the statute in effect from 2002 through 2006. However, the commission's reasoning appears applicable to the current statute, as narrowed by the 2007 amendment. The commission also rejected the manufacturer's claim that the City's arguments were frivolous and that the manufacturer was therefore entitled to recover its attorneys' fees.

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International Association of Assessing Officers



74th International Conference on Assessment Administration

Reaching New Heights in Professional
Assessment September 7-10, 2008

Grand Sierra Resort and Casino Reno, Nevada



Top ten reasons to attend this year's conference!

- 1) Network with colleagues
- 2) Receive continuing education credit
- 3) Talk with the experts
- 4) Hear the latest research results
- 5) See the latest products and services
- 6) Learn new ideas and techniques
- 7) Become inspired and motivated
- 8) See the Great Reno Balloon Race
- 9) Watch the Reno Memorial Races with historic
Motor Sports Association
- 10) Watch the National Championship Air Races

JOIN THE FUN!

W.A.A.O. Silent Auction

When: December 1, 2008
W.A.A.O. Quarterly Meeting

Where: Crowne Plaza Hotel
4402 East Washington Ave.
Madison, WI 53704
608-244-4703

W.A.A.O.'s Membership Services Committee will be holding its Silent Auction at the December Quarterly Meeting in Madison. We are asking you to participate in two ways:

1. Donate a gift or gifts for W.A.A.O.'s Silent Auction
(Our goal is to have every Municipality participate)
2. Participate in the Auction by bidding on your item of choice

The proceeds will be going toward the W.A.A.O. Education Fund which is used for educational scholarships and supplementing educational pursuits.

Please consider bringing an item for the Silent Auction. Everyone is a winner!

Support your W.A.A.O. Education Fund

If you have any questions, please contact:

Nan Giese
Membership Services Committee Chairperson
Phone: (715) 261-6605
Fax: (715) 261-0335
Email: nsgiese@mail.ci.wausau.wi.us



Municipal Assessors Institute

Sept. 16-19, 2008
Racine, Wisconsin
Marriott Hotel (262) 886-6100

Real Estate Appraisal credits have been applied for sessions 1-15.

Tuesday, September 16

10:00 Registration

1:00 Moderators' Meeting

1:30 Concurrent Workshops

(1) 1031s, REITs, Master Leases, Master Limited Partnerships and Business Models — Should Form of Ownership Affect Assessment Procedures? (3 Hours Appraisal)

Moderator: Deb Edwards, Village Assessor, Plover

Instructors: Pete Weissenfluh, Chief Assessor, Milwaukee; Amy Seibel, Attorney, Seibel Law Office

Instructors will touch on various examples of business models, taxpayer positions and arguments, WI Statutes, Laws and Guidelines; forms of business ownerships, including real estate investment Trusts, master leases, master limited partnerships, LLPs, LLCs; and financing models, including sale/leaseback, 1031 exchanges and subsidized housing, with time for questions and answers.

(2) Intro to Commercial Valuation Using the Income Approach (3 Hours Appraisal)

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

Instructors: Mike Kurth, Chief Assessor, Madison, Judy Drouth, Commercial Appraiser, Madison, Dan Crowley,

Commercial Appraiser, Fitchburg and Jeff Huemmer, Commercial Appraiser, Madison

This course will discuss basic commercial property valuation using the income approach. This will include a basic income approach refresher, database development and valuation problems focusing on smaller commercial properties. Please bring a calculator for working through problems presented by the instructors.

(3) Real Estate Economic Overview (3 Hours Law/Mgmt)

Moderator: Mary Reavey, City Assessment Commissioner, Milwaukee

Instructor: Mark Eppli, Chairman, Marquette University Real Estate Dept.

The Real Estate Economic Overview provides a market assessment of the primary drivers of the real estate space markets (i.e. the supply of and demand for types of commercial space) and the real estate capital markets (i.e. the supply of and demand for investment funds for commercial real estate markets with an eye to investment trends, investment returns, and space absorption

6:00 President's Reception

Wednesday, September 17

Joyce Frey, Ass't City Assessor, Fitchburg; Chairman, Municipal Assessors Section, presiding

9:30 Welcome Address — Mayor, Racine

Address — Bill Carroll, Chief Appraiser, Williamson Central Appraisal District, Georgetown, TX, IAAO Vice President

Address — Jean Keller, Assessor, Bremer County, Waverly, Iowa, NCRAAO President

WAAO Business Meeting

10:30 What's New From DOR — Roger Ervin, Secretary, Department of Revenue



1:30 Concurrent Workshop

(4) WI Property Tax Litigation 2008: What Every Assessor Needs to Know (3 Hours Law/Mgmt)

Moderator: James Siebers, City Assessor, Stevens Point

Instructors: Robert Horowitz, and Amie B. Trupke, Attorneys, Stafford Rosenbaum LLP

Panelists: Mike Kurth, Chief Assessor, Madison; Larry W. O'Brien, Assistant City Attorney, Madison; Peter Weissenfluh, Chief Assessor, Milwaukee

A comprehensive review of Wisconsin property tax law and litigation, with emphasis on recent important developments in the statutes and case law. The latest decisions of the Wisconsin Supreme Court and the Wisconsin Court of Appeals will be discussed and analyzed.

(5) Gas Station Appraisal (3 Hours Appraisal)

Moderator: Barb Berget, City Assessor, Monroe

(6) Revitalization of Older Downtowns (3 Hours Appraisal)

Moderator: Janet Scites, Assessor II, Racine

Instructors: Devin Sutherland, Exec. Dir., Downtown Racine Corp.; Brian O'Connell, Director of City Development, Racine; John Stibal, Dept. of Development, West Allis



(7) Assessment Software (3 Hours Law/Mgmt)

Moderator: Pete Krystowiak, Deputy City Assessor, Kenosha

Instructors: Julie Hall, DEVNET; Marty Kuehn, Tyler Technologies, Mike Weeks & Scott Johnson, Vanguard Technologies; Andy Pelkey, Assessment Technologies of Wisconsin, LLC

This presentation will review a variety of assessment software packages including Market Drive and CAMAVision as well as others.

5:15 Reception

6:00 Banquet/Business Meeting

Thursday, September 18

9:00 Concurrent Workshops

(8) Illinois Assessing (3 Hours Law/Mgmt)

Moderator: Jim Siebers, City Assessor, Stevens Point

Instructor: Martin Paulson, MBA, MS, Chief County Assessing Officer, Lake Co., IL

This course will outline the valuation and tax billing process in Illinois. The presenter will discuss the various preferential assessments, the conflict between the requirements for uniform assessments and achieving market value in Illinois, the local equalization process, the assessment review process, along with how assessors are evaluated in Illinois.

(9) Ethics/Professionalism (3 Hours Law/Mgmt)

Moderator: Mike Kurth, Chief Assessor, Madison

Instructors: Jennie Miller, Chief Training Officer, Assessment Practices, DOR-Madison, Bob Lorier, City Assessor, Brookfield, Greg Landretti, Partner, and Dominic Landretti, Partner, Landretti & Company



The purpose of this course is to discuss the requirements needed to comply with the developing and reported requirement of Standard 6 of the Uniform Standards of Professional Appraisal Practice. Standard 6 is the Mass Appraisal Standard. The course will offer an example report as well as a cross-reference between each component in the report and each component in USPAP.

(10) Retirement Transitioning for Assessors (3 Hours Law/Mgmt)

Moderator: Russ Schwandt, City Assessor, Green Bay

Instructors: Roy Raush, Trust Fund Specialist, Employee Trust Fund and Doug Milius, Oshkosh

This is a presentation covering many of the Wisconsin Retirement System benefits administered by the Department of Employee Trust Funds. Topics discussed will include retirement, separation and survivor benefits, along with life and health insurance, if applicable. Presenters will give insights into items to consider when making your retirement decision based on some true live examples. Time will be given for questions during and after the presentation.

11) Green Construction (3 Hours Appraisal)
 Moderator: Dell Zweig, Ass't City Assessor, Watertown
 Instructor: Dave Bundy, Johnson Financial Group



1:30 Concurrent Workshops

(12) Employment Law for the Practitioner: Hiring/Training/Succession Planning (3 Hours Law/Mgmt)
 Moderator: Mel Raatz, Property Appraiser II, Oconto Falls
 Instructor: Dean Dietrich, Attorney, Ruder Ware
 This program will provide background information for the practitioner regarding employment law and how it impacts the operation of a typical municipal assessor's office. Information will be presented about hiring procedures and employee termination procedures including the laws that impact taking such employment action. The presentation will also discuss procedures and recommendations for succession planning within a municipal assessor's office.

(13) Real Estate Foreclosures: How Did We Get There, How Are They Handled? (3 Hours Law/Mgmt)
 Moderator: Steven Schwoerer, City Assessor, Oshkosh
 Instructors: John Lohre, President, Mid Wisconsin Wealth Management; Bill Strauss, Sr. Economist/Economic Advisor, Federal Reserve Bank, Chicago



How did we get there? An overview of the U.S. and the Midwest economy as it created the sub-prime and financial crisis that led to the real estate market melt-down. How are foreclosures handled? Legal considerations and case law. The property condition and value of foreclosed homes, and an open discussion of municipal budgets v. tax assessments.

(14) Equalization Overview & Providing Assessments with eRETR (3 Hours Law/Mgmt)
 Moderator: Pete Krystowiak, Deputy City Assessor, Kenosha
 Instructors: Scott Shields, Section Chief, DOR-Madison; Al Romportl, Tom Janssen, Jim Murphy, Mary Gawryleski & Dave Winslow, DOR

The first half of this course will provide an overview of how an equalized value is developed and conclude with a description of other responsibilities that are completed by Equalization staff. The second half of this course will present the electronic Real Estate Transfer Return and the electronic process for assessors to submit assessment information for properties that have sold.

Friday, September 19

Russ Schwandt, City Assessor, Green Bay; 1st Vice Chairman, Municipal Assessors Section, presiding

9:00 (15) Mars vs. Venus Communicating at Work (3 Hours Law/Management)



Moderator: Russ Schwandt, City Assessor, Green Bay
 Instructor: Laura V. Page, Consultant, Coach, Teacher, Page Consulting

See you in Racine!



FEATURED ASSESSOR - RUSS SCHWANDT

City of Green Bay Assessor
 (920) 448-3066
 russc@ci.green-bay.wi.us

Russ has been the City Assessor in the City of Green Bay for the past nine (9) years. He has held positions in other municipalities including: Oshkosh City Assessor; Little Chute Village Assessor and Neenah Deputy Assessor. A member of WAAO for twenty-five (25) years, Russ has been active in the IAAO Local Host, NCRAAO Local Host, Ad Hoc ReEngineering, Nominating Awards, and Program Committees. He is currently involved with the Legislative, Exemptions, Ad Hoc SLF, Planning & Management Committees, League of Wisconsin Municipalities Assessor Section and the WAAO Executive Board.

During his time as the City Assessor in Oshkosh, Russ got the opportunity to defend a value against the same property owner, at the Board of Review, for seven (7) years straight. The property owner continued to come after Russ left, even after the Board reduced his value to what he wanted.

At the start of just 8 years old Russ began working on a construction crew for his father. No OSHA restrictions back then! He is now married with 4 kids and 2 grandkids. He enjoys boating, fishing and reading. Something you may not know about him is that he has an AARP card. His motto is treat people the way you would like to be treated.

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Welcome new & returning WAAO Members!!!

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(608) 755-3045
laube@ci.janesville.wi.us



Wisconsin Association of Assessing Officers (W.A.A.O.)

Invites you to participate in their Annual Education Fund Raffle

With THREE CHANCES TO WIN!



FIRST

Raffle Winners will be pre-drawn and Posted Tuesday Night by 6:00 p.m.

At the President's Reception Bring Your Presidents Reception Ticket

From Your Conference Packet

To See if Your Ticket Number is On the Posted List.

If it is, you are a Winner!

SECOND

At the End of the Wednesday Night Banquet/Business Meeting Winners Will Be

Announced

BE SURE TO BUY YOUR TICKETS!!!!

THIRD

At the Thursday Night W.A.A.O. Hospitality Room

Bring Your W.A.A.O. Hospitality Room Ticket

From Your Conference Packet

For Your Chance to Draw A Winner!

Free Food and Drinks For Everyone!!

WAAO Quarterly Meeting

DATE: Wednesday, September 17 2008



PLACE: Marriott Hotel 7111 W. Washington Ave. Racine, WI 53406 (262) 886-6100

TIME: 9:30 AM Business Meeting

PRICE: If you sign up for the League conference, the WAAO meeting is included. If you come for only the WAAO meeting, there is no cost.

You can sign up for the conference by going to the League of Municipalities web site.

See <http://www.lwm-info.org/>

9:30 Welcome Address - Gary Becker, Mayor, City of Racine

Address - Bill Carroll, Chief Appraiser, Williamson Central Appraisal District, Georgetown, TX, IAAO President

Address - Jean Keller, Assessor Bremer County, Iowa, NCRAAO President

WAAO Business meeting

10:30 What's New from DOR - Roger Ervin, Secretary, Department of Revenue

2008 Assessor's Institute Golf Outing

Tuesday-September 16TH, 2008

PLACE: Racine's South Hills Country Club Web Site:<http://www.southhillsc.com/>

LOCATION: 3047 E. Frontage Road Racine

TIME: 8:30 A.M. check in time

EVENT: Nine hole Scramble with hole events and prizes

POWER CART: Included

COST: \$25.00 per person. Includes green fees, power cart and hole prizes. Pay at the course upon arrival. Lunch is available on site

RSVP: to Dan Furdek Email to dfurde@milwaukee.gov

2008 MUNICIPAL ASSESSOR'S CONFERENCE IN RACINE

TUESDAY SEPTEMBER 16, 2008 - 9:00 AM TEE OFF

There is no more scenic place to be then on a golf course in Wisconsin in September. The 2008 Municipal Assessor's Institute will kick off with 9 holes of golf at South Hills Country Club at 9:00 AM on Tuesday morning, September 16, 2008. Contact: Dan Furdek @ 414-286-8353 or email dfurde@milwaukee.gov to reserve a spot or request a foursome.

PLEASE RESERVE YOUR SPOT ASAP SO WE CAN MAKE SURE WE ACCOMMODATE AS MANY AS POSSIBLE

SOUTH HILLS COUNTRY CLUB

3047 E. Frontage Road Franksville, WI 53126 Phone: (262) 835-4441

	1	2	3	4	5	6	7	8	9	OUT
White Tees	394	359	326	102	409	360	208	515	407	3080
Red Tees										2815
Par	4	4	4	3	4	4	3	5	4	35

CHECK IN AND PAY AT COURSE: 8:30 AM

Price includes 9 holes with cart - Closest to pin, (1) prize - longest drive, (1) prize - longest putt (1) prize

Event Price per person = \$28.00

FORMAT: 4 man/person Scramble. Winners to receive prizes.

Registration Information:

First name

Last name

Address

Contact Phone #

Email address

WISCONSIN ASSOCIATION OF ASSESSING OFFICERS 2007-08 CALENDAR
www.waao.org

President	Kathy Romanak	Waterford	(262) 534-3003	romanak@tds.net
Pres. Elect	Rocco Vita	Pleasant Prairie	(262) 925-6714	rvita@plprairie.com
Vice President	Michael Muelver	Rhineland	(715) 369-7652	mikemuelver@frontiernet.net
Secretary	Pam Hennessey	Madison	(608) 274-6842	pamhennessey@charter.net
Treasurer	Joan Spencer	Marshfield	(715) 384-3856	joan@ci.marshfield.wi.us
Past President	Jim Siebers	Stevens Point	(715) 346-1553	jsiebers@stevenspoint.com

2007

October 8, 2007 **Executive Board Meeting**
 October 12 - December AVOW Deadline Hilton Garden Inn, WI Dells

December 3, 2007 **Quarterly Membership Meeting** Crowne Plaza Hotel, Madison

2008

January 7, 2008 **Executive Board Meeting**
 January 12 - March AVOW Deadline Hilton Garden Inn, WI Dells

February 20 **Assessor's Day At the Capitol** Meet at [Kavanaugh's Esquire Club](#)
 - 1025 W Sherman, Madison at 11:00 (buffet)

March 3, 2008 **Quarterly Membership Meeting** Country Springs Hotel Pewaukee

April 7, 2008 **Executive Board Meeting**
 April 11 - June AVOW Deadline Hilton Garden Inn, WI Dells

June 15-17, 2008 NCRAAO Conference Hotel Sierra (FKA Regency Suites) & KI Ctr
 Green Bay WI

June 16, 2008 **Quarterly Membership Meeting** Hotel Sierra (FKA Regency Suites) & KI Ctr
 Green Bay WI

July 7, 2008 **Executive Board Meeting**
 July 11 - September AVOW Deadline Hilton Garden Inn, WI Dells

September 7-10, 2008 IAAO Conference Grand Sierra Resort & Casino Reno, NV
 (formerly Reno Hilton)

September 16-19, 2008 Municipal Assessor's Institute Marriott Hotel, Racine, WI

September 17, 2008 **WAAO Business Meeting** Marriott Hotel Racine, WI

October 5-8, 2008 WI Towns Assc Convention Radisson Paper Valley Hotel, Appleton, WI

October 6, 2008 **Executive Board Meeting**
 October 10 - December AVOW Deadline Hilton Garden Inn, WI Dells

December 1, 2008 **Quarterly Membership Meeting** Madison, WI

MEMBERSHIP APPLICATION

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, 314 West 10th Street, Kansas City, Missouri, 64105. phone (816) 701-8100, Fax (816) 701-8149, <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)

_____ New Member _____ Membership Renewal
_____ WAAO \$35 Regular \$25 Associate \$25 Student \$20 Retired Regular Member \$70 Subscribing
_____ IAAO \$175 (First year, or \$87.50 for 1st time members by signing up though IAAO Rep. Mary Reavey (414) 286-8447)

Name: _____ Title: _____

Jurisdiction: Town, Village, City of: _____ Phone Number: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Email: _____

Signature: _____ Fax Number: _____

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



An Official Publication of WAAO