

**Assessor****Function: Administration***Budget Overview*

## Agency Budget by Fund

	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2021 C2C</b>	<b>2021 Request</b>
General	2,656,307	2,667,024	2,430,782	2,712,661	2,799,839	2,799,839
<b>TOTAL</b>	<b>\$ 2,656,307</b>	<b>\$ 2,667,024</b>	<b>\$ 2,430,782</b>	<b>\$ 2,712,661</b>	<b>\$ 2,799,839</b>	<b>\$ 2,799,839</b>

## Agency Budget by Service

	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2021 C2C</b>	<b>2021 Request</b>
Assessor	2,656,307	2,667,024	2,430,782	2,712,661	2,799,839	2,799,839
<b>TOTAL</b>	<b>\$ 2,656,307</b>	<b>\$ 2,667,024</b>	<b>\$ 2,430,782</b>	<b>\$ 2,712,661</b>	<b>2,799,839</b>	<b>2,799,839</b>

## Agency Budget by Major-Expenses

	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Actuals</b>	<b>2020 Adopted</b>	<b>2021 C2C</b>	<b>2021 Request</b>
Salaries	1,724,345	1,846,885	1,656,686	1,843,706	1,903,022	1,903,022
Benefits	706,741	563,528	495,570	566,795	592,839	592,839
Supplies	48,891	48,000	67,304	48,000	48,000	48,000
Purchased Services	157,987	189,399	192,011	233,714	228,276	228,276
Debt & Other Financing	-	-	-	-	-	-
Inter Depart Charges	18,342	19,212	19,212	20,446	27,702	27,702
Inter Depart Billing	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 2,656,307</b>	<b>\$ 2,667,024</b>	<b>\$ 2,430,782</b>	<b>\$ 2,712,661</b>	<b>\$ 2,799,839</b>	<b>\$ 2,799,839</b>

# memo

**To:** Mayor Satya  
**From:** Michelle Drea, City Assessor  
**Date:** July 10, 2020  
**Subject:** 2021 Operating Budget: Transmittal Memo

## 2021 Operating Request: Major Goals

The Assessor's Office provides three major statutory duties for the City: to discover, to list, and to value all taxable property within the City. Our duties fall under the citywide element of Effective Government. Through the efforts of dedicated employees, we deliver the highest quality services to City taxpayers by: (1) establishing fair and equitable assessments of all taxable real and personal property; and (2) maintaining complete and accurate assessment rolls and property records as required by state statute.

### Assessments

Establishing fair and equitable assessments of all taxable real and personal property provides the requisite foundation for property taxation. Property taxes provide 70% or more of the revenue for the City. This foundational work must be completed accurately and efficiently. We leverage resources to access data and apply best practice appraisal techniques to set assessments. Once assessments are established, our office supports the assessments through various stages of appeal from Board of Assessors to Board of Review to Circuit Court and beyond. It is critical that our initial assessments are accurate and supportable to diminish resources spent in the appeal process. This requires talented personnel and reliable data.

### Data

Maintaining complete and accurate assessment rolls and property records as required by state statute provides critical infrastructure for the City. The goals of the Effective Government element are: (1) to have efficient and reliable public utilities, facilities, and services that support all residents; and (2) to collaborate with other governmental and non-governmental entities to improve efficiency and achieve shared goals. The property data collected and maintained by the Assessor's Office is integral to achieving these goals. The who, what, and where of property are all tracked in our data. Not only is the property data important to understand and achieve our goals, it is the most widely accessed by citizens per IT statistics. Our property look up page has the most traffic of any other webpage in the City.

## COVID Response & Recovery

Market data is crucial for creating effective COVID recovery models. In order to promulgate recovery efforts, the impact of COVID must be understood. This cannot occur without market data around our residential and commercial property markets. This data allows for targeted and efficient responses to those who have been impacted most. This effort is supported through our data collection efforts and reflected in our assessments.

Our service delivery will be impacted by the loss of field inspections, even temporarily. Accurate data cannot be collected without appropriate tools. Field inspections are one of the most heavily relied upon tools in our data collection efforts. These inspections are triggered by permits and sales. For permits, field inspections allow our office to quantify the work completed (roof, deck, remodel) and the quality class of the work for valuation purposes. For sales, inspections allow our office an actual view of the property to confirm listed property attributes, quality grading, and evaluate market data for the sale.

Without field inspections, we will have to rely upon digital tools to assist in data collection. CoStar, MLS, and Pictometry are the three digital sources we currently have available. We will be engaged in an ongoing effort to be creative in accessing this data. This may include expanding the scope and range of subscriptions to these services.

For our Open Book period this year, we partnered with IT to create an online portal for property owners to provide our office with information. It was a resounding success and we will build on it for 2020. One opportunity is to pivot the portal to allowing provision of sales and permit information by property owners. Photos and other recordings are supported in Accela and would be a meaningful data collection tool.

## 2021 Request & Equity

Without accurate data and assessments, the potential for an inequitable shift of the tax burden is significant. These shifts can cause those who have the most to pay less and those who have the least pay more proportionally. The route to our levy is created by state statute and is filled primarily by property taxes. If property assessments are inaccurate or inequitable, the result will be a shift in the tax burden. Diligent and talented staff using effective tools within a system governed by the Department of Revenue prevent this from occurring.

Further, it is the Assessor's responsibility to have knowledge of and intercede, when appropriate, with proposed or pending legislation that might increase this potential. Property assessment and taxation legislation and case law are powerfully impactful to equity. Our interactions with those systems must be consistent and effective.

Finally, the data collected and codified by the Assessor's Office may be beneficial in illustrating where disparities and solutions might exist in our community. For example, in our office, data around the number and availability of low income housing is mainly tracked through property tax exemptions. Providing information regarding the availability of exemptions and requiring strict adherence to statutory requirements is a function ascribed to the Assessor. These are continuous efforts for our office.

## 2021 Request & Sustainability

A stated goal under the Green and Resilient element of our Comprehensive Plan is that Madison will be a leader in stewardship of our land, air, and water resources. The Assessor's Office interacts with this goal in two ways. First, our data allows evaluation of resources within the City. All parcels and lots are codified with appropriate use acknowledged. This is foundational to quantifying where resources are best spent toward the stated goal.

Second, in an internal sustainability improvement process, our paper processes are being consciously deconstructed in preparation for our new CAMA/Valuation Technology System. This saves paper and the energy of constant printing of hundreds of permits and sales transfers. Further, it allows staff the opportunity to think through the changes in process and refine as we near adoption of new technology. An added benefit of this approach regards change management. Tackling the paper processes before adopting the technology breaks the change into navigable chunks resulting in improved morale and processes.

## Major Changes in 2021 Operating Request

We request that our Program Assistant 2 position be reclassified to a Data Analyst 2. The increase in budget for our personnel costs is approximately \$15,000. The Assessor's Office is undergoing a significant infrastructure change related to data management. A legacy system created in the 90's for data retention and management (PLGEO) is being replaced by a Computer Assisted Mass Appraisal/Value Technology system. This is a seismic shift that will change data management and quality control from clerical/data entry and paper processes to managing automated data within a sophisticated software system. Within the City of Madison job classification system, these job requirements and skill sets are found in the data analytics track of employment.

Currently, the skills required to manage the vast amounts of data in the Assessor's Office are clerical with an emphasis on data entry. Data entry needs will be significantly diminished with the new CAMA system. The skill sets required to manage data within the automated system relate to data administration and management with an emphasis on assessment software with knowledge of data governance, data quality, security, and analytics/modeling.

## Summary of Reductions

Our proposed reductions include the following: elimination of overtime, reducing the training budget by half, reducing our use of custodial services, reducing our mileage budget by half, eliminating an hourly assessment/drafting technician position, and reducing an administrative clerk position from 100% to 60%.

The specific personnel reductions of the administrative clerk from 100% to 60% and elimination of the hourly assessment/drafting technician were chosen as the impact is solely to customer service or migrating written data to digital - not to the state mandated appraisal portion of our work. The customer service impact for the personnel reduction is the elimination of a live person answering the phone. We can use our webpage to encourage online communication and utilize voicemail. While we are behind on record migration, this can be a continuous effort that is picked up in later budget cycles.

The non-personnel reductions are likely to occur due to the impact of Covid-19. We will be behind in gathering data on properties which may diminish the tax base. Pivoting to other sources will be necessary. The non-personnel reductions are viable with Covid-19 impact but likely not sustainable long term with the exception of overtime. With a full staff, we are an efficient office that does not require overtime.

c.c. Deputy Mayors  
Budget & Program Evaluation Staff  
Megan Lukens, Business Systems Manager  
Scott West, Assessment Operations Manager

## 2021 Operating Budget Service Budget Proposal

### IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Assessor

SELECT YOUR AGENCY'S SERVICE:

Assessor

SERVICE NUMBER:

101

SERVICE DESCRIPTION:

This service provides three major duties: to discover, to list, and to value all taxable property within Madison.

### Part 1: Base Budget Proposal

### BUDGET INFORMATION

	2018 Actual	2019 Adopted	2019 Actual	2020 Adopted	2021 C2C	2021 Request
<i>Budget by Fund</i>						
General-Net	\$2,656,307	\$2,667,024	\$2,430,782	\$2,712,661	\$2,799,839	\$2,814,839
Other-Expenditures	\$0	\$0	\$0	\$0	\$0	
<i>Total</i>	<i>\$2,656,307</i>	<i>\$2,667,024</i>	<i>\$2,430,782</i>	<i>\$2,712,661</i>	<i>\$2,799,839</i>	<i>\$2,814,839</i>
<i>Budget by Major</i>						
Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Personnel	\$2,431,086	\$2,410,413	\$2,152,256	\$2,410,501	\$2,495,861	\$2,510,861
Non-Personnel	\$206,879	\$237,399	\$259,314	\$281,714	\$276,276	\$276,276
Agency Billings	\$18,342	\$19,212	\$19,212	\$20,446	\$27,702	\$27,702
<i>Total</i>	<i>\$2,656,307</i>	<i>\$2,667,024</i>	<i>\$2,430,782</i>	<i>\$2,712,661</i>	<i>\$2,799,839</i>	<i>\$2,814,839</i>
FTEs		24.00		24.00	24.00	24.00

### PRIORITY

Citywide Element

Describe how this service advances the Citywide Element:

Through the efforts of dedicated employees, we deliver the highest quality services to City taxpayers by: (1) establishing fair and equitable assessments of all taxable real and personal property; and (2) maintaining complete and accurate assessment rolls and property records as required by state statutes. Our work provides the requisite foundation for property taxation. Property taxes provide 70% or more of the revenue for the City.

### ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Discover Property	35	The Assessor must maintain accurate maps/data identifying each parcel of land and attributes within the city. This process is governed by state statute and the Wisconsin Department of Revenue. Great care is taken to ensure that the data is accurate. To maintain uniformity and build an equitable tax base, accurate parcel and improvement data is required.  Constant attention must be given to businesses that sell, move, or are created in the city to ensure all personal property is fairly and accurately assessed.

This data is the most widely accessed by our citizens. IT confirms that our property look-up site is the most viewed of any other city website. The expectation of our citizens is accurate and available property information.

Lisng Pr operty

The Assessor must maintain accurate records of ownership to ensure that property is being represented accurately for assessment and taxation purposes. The focus is on ownership records of real estate. Our office records contact information, property description, and prepares a legal description. When values are established and listed on the assessment roll, they must also include the correct land classification for taxation purposes: Residential, Commercial, Agricultural, Agricultural Forest, Undeveloped, Forest, and Other.

These records provide the foundation for valuing the property through mass appraisal and other techniques. The sales that are recorded are researched and used for application in our trading process through mass appraisal. Further, to value property at full market value each year.

This data is the most widely accessed by our citizens. IT confirms that our property look-up site is the most viewed of any other. The expectation of our citizens is accurate and available property information.

Valuing Property

The Assessor must value all taxable property within the City on an annual basis and defend the values through Board of Assessors, Board of Review, Circuit Court, and beyond when challenged.

There are over 80,000 taxable parcels within the City at a value of \$30,583,919,700. Our office is solely responsible for accurate valuation of these properties each year. This process drives the majority of revenue for the City each year. Property taxes account for over 70% of the city budget.

**SERVICE BUDGET CHANGES**

**Service Impact**

What is the proposed change to the service's budget from cost to continue to agency request?

What are the service level impacts of the proposed funding changes?

Program Assistant 2 to Data Analyst 2 - data management processes from capture through application will be improved with the reclassification of this position. With the advent of CAMA in two years, the processes and business practices need to be established to allow for a smooth transition of data. Further, current processes are pivoting to completely electronic rather than paper processes with manual data entry. That transition requires the data analyst skill set to be successful.

**Personnel-Permanent Positions**

Are you proposing an allocation change to the FTEs for this service?

Type	Fund	Amount	Description
Perm Wages	<input type="text" value="1100"/>	<input type="text" value="\$15,000"/>	Wage increase from Program Assistant 2 to Data Analyst 2.
Benefits	<input type="text"/>	<input type="text"/>	
<b>Total</b>		<input type="text" value="\$15,000"/>	

Explain the assumptions behind the allocation change.

We request that our Program Assistant 2 position be reclassified to a Data Analyst 2 (H333). The increase in budget for our personnel costs is approximately \$15,000.

The Assessor's Office is undergoing a significant infrastructure change related to data management. A legacy system created in the 90's for data retention and management (PLGEO) is being replaced by a Computer Assisted Mass Appraisal/Value Technology system. This is a seismic shift that will change data management and quality control from clerical/data entry and paper processes to managing automated data within a sophisticated software system. Within the City of Madison job classification system, these job requirements and skill sets are found in the data analytics track of employment.

What is the justification behind the allocation change?

Currently, the skills required to manage the vast amounts of data in the Assessor's Office are clerical with an emphasis on data entry. Data entry needs will be significantly diminished with the new CAMA system. The skill sets required to manage data within the automated system relate to data administration and management with an emphasis on assessment software with knowledge of data governance, data quality, security, and analytics/modeling.

**Personnel-Other Personnel Spending**

Are you requesting additional personnel spending for non-annualized pay?

Type	Fund	Amount	Description
Overme	<input type="text"/>	<input type="text"/>	<input type="text"/>
Premium Pay	<input type="text"/>	<input type="text"/>	<input type="text"/>
Hourly	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total</b>		<b>\$0</b>	

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

**Revenue**

Are you proposing a change to the service's budgeted revenue?

Are you proposing an increase or a decrease to the budgeted revenue?

Fund	Major	Amount	Description
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Explain the assumptions behind the change to budgeted revenue.

What is the justification behind the proposed change?

**Non-Personnel**

Are you requesting additional non-personnel funding for this service?

Fund	Major	Amount	Description
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

**Part 2: Proposed Budget Reduction**

What is 5% of the agency's net budget?

What is the proposed reduction to this service's budget?  
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Explain how you would change the activities and the level of service as a result of implementing the funding decrease to this service. List changes by service activity identified above. Add a separate line for each reduction.

Activity	\$Amount	Description
Overme - all services	5,000	Our processes are efficient with support available. Further, we are fully staffed. There will be no need for overme.
Conferences and Training - support all services	5,000	The availability and need for training will be diminished in 2021. The need to retain part of this budget is solely to continue our vested research for a Computer Assisted Mass Appraisal (CAMA) system. 2020 was a loss in the process. 2021 will be our research, RFI, and RFP year.
Custodial Building Use Charges - supports all services	25,000	Our custodial services are minimal. To reduce the amount by half, our office will embrace completing the custodial work necessary to maintain or improve the current state.
Mileage - supports all services	25,000	Field inspections will be limited until Covid-19 is no longer an issue. This will allow our mileage budget to be cut. In the event that inspections can safely be accomplished in 2021, staff can manage with the use of city cars to complete their field work.
Hourly Assessment/Drafting Technician - support all services	25,000	We currently have an hourly position assisting with creating electronic record cards for properties that were originally hand sketched. We were required to complete this work by 2013 (per the Department of Revenue) but it is ongoing. This position was also set to assist with migration of Town of Madison property record data in 2021 and 2022.
Administrative Clerk Position reduction from FTE to 60% - supports all services	20,000	The reduction of this position percentage would impact customer service. There would be no live phone coverage. Communication would be managed through voicemail and email.
<b>Total</b>	\$105,000	

Explain the changes by major expenditure category that your agency would implement as a result of the funding decrease to this service.

Name	\$ Amount	Description
Personnel	\$45,000	Loss of hourly drafting technician and reduction of administrative clerk to 60% me.
Non-Personnel	\$60,000	Reduction in mileage, custodial work, training, and a complete elimination of overme.
Agency Billings		
<b>Total</b>	\$105,000	

Is the City mandated to perform the activities of this service? If so, explain the mandate and mandated service level. If not, are there other local organizations also involved in performing these activities.

The City Assessor provides a municipal service that is completely governed by the state through state statute, the Wisconsin Department of Revenue, and the Wisconsin Property Assessment Manual. There are no other organizations that can provide this service.

We are tasked to discover, list, and value property in the City. The fewer staff and tools we have the less value reflected in our assessment roll. Without personnel and software to confirm value added, property assessments are static. This results in less revenue generated for the City. There are further legal implications.

**Interim Market Update Requirements**

The Wisconsin Property Assessment Manual requires a certain level of evaluation of property each year. We are in a perpetual cycle of "Interim Market Update" which requires evaluation of all classes of property with mass appraisal techniques (trending) each year and valuing new construction, value added due to building permits, etc. The values are full market value on an annual basis.

The alternative is to undergo a maintenance/reevaluation cycle. In maintenance years, only changed property or new construction is evaluated and reassessed. All other property values are static. Every fifth year, a reevaluation is then required. A reevaluation requires that each parcel in the municipality is inspected and confirmed with new property record cards. While the maintenance/reevaluation cycle is an activity for the decreased 2021 Operating Budget: Agency Requests

staff required during maintenance years, there are many reasons that this cycle is not desirable for Madison. During maintenance years, the tax base would diminish as property is not consistently brought to market value. Further, at over 80,000 parcels, you would need triple the staff in our office during revaluation years. Recruiting, hiring, and training that number of folks to undergo a revaluation in a single year is not tenable.

If we lay off staff, maintaining the Interim Market Update becomes fraught and an adoption of the maintenance/revaluation cycle is a likely but undesirable outcome.

**Assessor Affidavit**

If forced to continue with the Interim Market Update without adequate staff, a problem arises when required to sign the Assessor Affidavit under Wis. Stat. § 70.49. The City Assessor must attest to the Department of Revenue that the assessment roll contains... "to my best information and belief, a complete list of all real and personal property liable for assessment for the present year in said municipality, have been made with the best information available that can practically be obtained using professionally accepted appraisal practices." [ii] This is signed under oath and a legal presumption attaches to the roll once complete. I cannot in good faith make this attestation with an inadequate staff while in the Interim Market Update cycle.

**Staffing Recommendations**

We are already understaffed according to the staffing guidelines promulgated by the Wisconsin Department of Revenue in Chapter 3 [iii] of the Wisconsin Property Assessment Manual.

WPAM guidelines for our office state that we should have 17 appraisers, 1.5 personal property appraisers, 11 data collectors, and 6 support staff. Our current staff consists of 13 appraisers, 6 data collectors, and 3 support staff.

[i] Chapter 4 (page 3) WPAM  
[ii] Assessor Affidavit form  
[iii] Chapter 3 WPAM

Has this reduction been proposed in prior years?

Does the proposed reduction result in eliminating permanent positions?

If yes, what is the decrease in FTEs:

Does the proposed reduction impact other agencies (i.e. Fleet Services)?

If yes, which agencies:

Describe why the proposed reduction was chosen.

The specific personnel reduction (FTE to 60%) was chosen as the impact is solely to customer service not to the state mandated appraisal portion of our work. The non-personnel reductions are viable with Covid-19 impact but likely not sustainable long term with the exception of overtime. With a full staff, we are an efficient office that does not require overtime.

Explain the impacts of the proposed reduction on the end user of the service. How can impacts of this reduction be mitigated?

The customer service impact for the personnel reduction is the elimination of a live person answering the phone. We can use our webpage to encourage online communication and utilize voicemail.

The non-personnel reductions are likely to occur due to the impact of Covid-19. We will be behind in gathering data on properties which may diminish the tax base. This will need to be addressed in 2022.