

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

Agency Budget by Fund

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
General	2,430,782	2,712,661	2,853,615	2,790,146	2,761,790	2,761,790
TOTAL	\$ 2,430,782	\$ 2,712,661	\$ 2,853,615	\$ 2,790,146	\$ 2,761,790	\$ 2,761,790

Agency Budget by Service

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Assessor	2,430,782	2,712,661	2,853,615	2,790,146	2,761,790	2,761,790
TOTAL	\$ 2,430,782	\$ 2,712,661	\$ 2,853,615	\$ 2,790,146	\$ 2,761,790	\$ 2,761,790

Agency Budget by Major-Expenses

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Salaries	1,656,686	1,843,706	1,903,218	1,902,022	1,878,476	1,878,476
Benefits	495,570	566,795	710,859	616,599	604,246	604,246
Supplies	67,304	48,000	77,927	48,000	51,000	51,000
Purchased Services	192,011	233,714	141,165	195,823	200,366	200,366
Inter Depart Charges	19,212	20,446	20,446	27,702	27,702	27,702
TOTAL	\$ 2,430,782	\$ 2,712,661	\$ 2,853,615	\$ 2,790,146	\$ 2,761,790	\$ 2,761,790

To: Dave Schmiedicke, Finance Director

From: Michelle Drea, City Assessor

Date: July 9, 2021

Subject: 2022 Operating Budget Transmittal Memo

Major Goals

The Assessor's Office provides three statutory duties for the City: to discover, to list, and to value all property within the City. Our duties fall under the citywide element of Effective Government. In addition to City values, we operate with a belief in supportive relationships and work environment, respect, quality and data driven outcomes, and continuous improvement.

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 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 is impacted by the loss of field inspections. 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. Considering the current data available from Public Health, we anticipate field inspections to resume in 2022.

Without field inspections, we 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 are engaged in an ongoing effort to be creative in accessing this data. This includes expanding the scope and range of subscriptions to these services.

For our Open Book period, we partnered with IT to further develop the online portal for property owners to provide our office with information and integrated the objection process. Further capitalizing on this opportunity, we added a portal to allow property owners to provide sales and permit data.

2022 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. A recent example is successfully advocating against repealing the personal property tax.

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.

2022 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 2022 Operating Request

Our agency request does not include any changes from the cost to continue budget.

Summary of Reductions

The Assessor's Office budget is lean. At the start of my tenure in 2018, we began to research and implement office efficiencies. For example, we have completely eliminated overtime. This represents an average savings of \$5,000 per year. Further, our office reorganization in 2019 resulted in a savings of \$41,200. The effort and results of the robust continuous improvement in our office budgeting means that we do not have excess, outside of personnel, to offer for reduction.

The reorganization resulted in an efficient and effective small team doing impactful work. However, it also resulted in a lack of positions that can go unfilled without significant consequence. When evaluating our staffing, it was critical to our management team to avoid any lay-offs. The first proposed reduction would be to not fill a vacant Assessment Technician position. Unfortunately, to reach the 5% reduction we would need to eliminate a currently filled Assessment technician position as well.

Each Assessment Technician is responsible for capturing approximately \$214,000,000 in new construction value each year by gathering, analyzing, and verifying all new construction data in the City. New construction value is the sole mechanism by which the levy can be increased. This levy increase (new construction) equals \$4,800,000 in tax revenue. There is no other staff available to fill this gap. New construction data would be lost.

It is the Assessor's responsibility to ensure all parcels within the City are valued uniformly. This requires accurate data. The Assessment Technician staff is solely responsible for gathering the initial property data upon which all valuations rely. Furthermore, the Assessor's job goes beyond the discovery, valuation, and listing of property. When communicating with the public, the Assessor needs to demonstrate professionalism, accuracy, honesty, and integrity. Without accurate data, this is an impossible task.

c.c. Deputy Mayors

Budget & Program Evaluation Staff

Scott West, Assessment Operations Manager

Megan Lukens, Assessment Business Systems Manager

2022 Operating Budget

Service Budget Proposal

IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Assessor

SELECT YOUR AGENCY'S SERVICE:

Assessor

SERVICE NUMBER:

101

SERVICE DESCRIPTION:

This service discovers, lists, and values all taxable property within the City of Madison. Activities performed by the service include: (1) assessing residential, personal, and commercial properties (2) listing real property; preparing tax rolls (3) conducting Boards of Review and Boards of Assessment and (4) property tax litigation. The goal of this service is to provide accurate, up-to-date property assessments to ensure the fair and equitable distribution of property taxes.

Part 1: Base Budget Proposal

BUDGET INFORMATION

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
<i>Budget by Fund</i>						
General-Net	\$2,430,782	\$2,712,661	\$2,853,615	\$2,790,146	\$2,761,790	\$2,761,790
Other-Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
<i>Total</i>	<i>\$2,430,782</i>	<i>\$2,712,661</i>	<i>\$2,853,615</i>	<i>\$2,790,146</i>	<i>\$2,761,790</i>	<i>\$2,761,790</i>
<i>Budget by Major</i>						
Revenue	\$0	\$0	\$0	\$0	\$0	
Personnel	\$2,152,256	\$2,410,501	\$2,614,077	\$2,518,621	\$2,482,722	\$2,482,722
Non-Personnel	\$259,314	\$281,714	\$219,092	\$243,823	\$251,366	\$251,366
Agency Billings	\$19,212	\$20,446	\$20,446	\$27,702	\$27,702	\$27,702
<i>Total</i>	<i>\$2,430,782</i>	<i>\$2,712,661</i>	<i>\$2,853,615</i>	<i>\$2,790,146</i>	<i>\$2,761,790</i>	<i>\$2,761,790</i>
FTEs		78.70		24.00	24.00	24.00

PRIORITY

Citywide Element

Describe how this service advances the Citywide Element:

It is the assessor's duty to discover, list, and value all taxable real and personal property within the City. Through the efforts of dedicated employees, we will deliver the highest quality services to City taxpayers by: (1) establishing fair and equitable assessments of all taxable real estate and personal property; and (2) maintaining complete and accurate assessment rolls and property records. In addition to City values, we operate with a belief in supportive relationships and work environment, respect, quality and data driven outcomes, and continuous improvement.

ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Discover Property	30	The discovery function includes gathering, analyzing, and verifying all property data.
Listing Property	20	The listing function includes maintaining maps and records of all property in the City. Maintaining records involves updating real and personal property attributes such as land divisions, ownership changes, legal descriptions, building characteristics, and creating new building records for new construction.
Valuing Property	40	It is the assessor's responsibility to ensure the parcels within the district are valued uniformly. Valuation involves rigorous statistical analysis using data acquired through the listing and discovery functions. Also, this function includes defending values in settings such as Board of Assessors, Board of

Review, circuit court and beyond.

Communications and Required Reporting

10

The assessor's job goes beyond the discovery, valuation, and the listing of property. When communicating with the public, the assessor needs to demonstrate professionalism, accuracy, honesty and integrity.

State statutes require a variety of reporting from our office. This includes the Municipal Assessment Report and Statement of Assessment. The calculations derived from data submitted on these reports directly impact the levy, aid payments, and our taxing capacity.

SERVICE BUDGET CHANGES

Service Impact

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

None

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

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service? No

Type	Fund	Amount	Description
Perm Wages			
Benefits			
Total		\$0	

Explain the assumptions behind the allocation change.

What is the justification behind the allocation change?

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay? No

Type	Fund	Amount	Description
Overtime			
Premium Pay			
Hourly			
Total		\$0	

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?

No

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

Select...

Fund	Major	Amount	Description

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?

No

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: Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

1. Describe how Black, Indigenous, and People of Color (BIPOC), people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.) would be affected by the proposed budget or budget change(s)? Please consider the following to answer this question:

The service that the Assessor's Office provides requires accurate property data in order to ensure equitable outcomes, most importantly uniform assessments. While our role is to reflect market values with accurate data, other City agencies tasked with developing housing and other RESJI initiatives rely on our data for successful outcomes.

- a. Describe who directly benefits, who indirectly benefits, and who does not benefit from the proposed budget or budget change from 2021. Are there any opportunities in this budget to address gaps, remove barriers, or more equitably distribute services?
- b. What information or data do you have about how this service is accessed by or affects BIPOC populations, people living with lower incomes, and people who are otherwise marginalized (because of disability, age, gender, etc.)? Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?
- c. List any community partners and other City agencies who are affected by, care about, or already working on issues related to this service. Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?
- d. Does the proposed budget, or budget change from 2021, potentially harm specific populations or communities? Consider that not changing a budget item might also be considered an "action" and could affect populations differently.
- e. How will you continue to communicate with your stakeholders (from 1b and 1c above) in this process?

All citizens benefit from our C2C budget.

2. Is the proposed budget or budget change related to a recommendation from any of the City's teams or initiatives that connect community need with opportunities to advance racial equity, inclusion, and social justice (e.g., NRTs, RESJI, LCET, MAC, WIC, Equitable Workforce Plans)?

Yes No

If so, please identify the respective group and recommendation.

Part 3: Proposed Budget Reduction

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

\$138,090

What is the proposed reduction to this service's budget?

\$153,448

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
Discover Property	115,086	Technicians gather, analyze, and verify all new construction data in the City. The organization and accuracy of assessment records determine the effectiveness of the assessment function.
List Property	38,362	Measure and list real property attributes to ensure that all property records include accurate data, as required by state statute.

Total	\$153,448
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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	\$153,448	This decrease is not filling a currently vacant FTE position: Assessment Technician. And, laying off a current FTE position: Assessment Technician.
Non-Personnel		
Agency Billings		
Total	\$153,448	

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.

Yes, the Assessor's Office provides a municipal service completely governed by state statute. Wisconsin State Statutes Chapter 70 and the *Wisconsin Property Assessment Manual* mandates all aspects of the Assessor's Office duties. No other agency nor organization may perform these duties. Further, noncompliance ultimately results in the Wisconsin Department of Revenue intervening. This intervention can include completely taking over the assessment function for the City.

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 Assessor's Office budget is lean. At the start of my tenure in 2018, we began to research and implement office efficiencies. For example, we have completely eliminated overtime. This represents an average savings of \$5,000 per year. Further, our office reorganization in 2019 resulted in a savings of \$41,200. The effort and results of the robust continuous improvement in our office budgeting means that we do not have excess, outside of personnel, to offer for reduction.

The reorganization resulted in an efficient and effective small team doing impactful work. However, it also resulted in a lack of positions that can go unfilled without significant consequence. When evaluating our staffing, it was critical to our management team to avoid any lay-offs. The only vacant position is an Assessment Technician.

Explain the impacts of the proposed reduction on the end user of the service. Summarize these impacts in the context of the questions asked in Part 2 of this form. How can impacts of this reduction be mitigated?

Each Assessment Technician is responsible for capturing approximately \$214,000,000 in new construction value each year by gathering, analyzing, and verifying all new construction data in the City. New construction value is the sole mechanism by which the levy can be increased. This levy increase (new construction) equals \$4,800,000 in tax revenue. There is no other staff available to fill this gap. New construction data would be lost.

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Section 4: Optional Supplemental Request

NOTE: Agencies may submit one supplemental request in their 2022 budget request. Please include the request in the most relevant service. If multiple supplemental requests are submitted, agencies will be required to choose one to be presented for consideration for the Executive Budget. Requests should only be submitted if agencies identify a critical need. Agencies should first consider reallocating base resources within and among services before proposing budget increases. Agencies should not include Town of Madison requests in this section.

What is the proposed funding increase? Explain how you would change the activities and the level of service as a result of implementing the funding increase to this service. List changes by service activity identified above.

Activity	\$Amount	Description

Total	0	
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Explain the changes by major expenditure category that your agency would implement as a result of the funding increase to this service.

Name	\$Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	0	

How will this increase be funded (e.g., General Fund, Library Fund, Capital Fund, Enterprise Fund, Grant Fund, etc.)? Please list the most applicable funding source(s). Follow up with your budget analyst if you are uncertain.

What are the implications of this service increase over the next five years? Identify if this increase is ongoing and if additional increases to funding or personnel would be needed to support this increase.

Does the proposed increase affect workload for any administrative or internal service agencies (e.g., IT, Finance, HR, Fleet)?

If yes, which agencies?

Describe why the proposed increase is critical.