



## Memo

DATE: June 29, 2016

TO: Finance Committee of the City of Manitowoc

FROM: Nic Sparacio  
Community Development Director

RE: Future Assessor Services

Since the retirement of the City Assessor, technical/professional assessor services have been provided through additional consultant support from Tyler Technologies and additional support from existing staff within City Hall has helped fill the gap in terms of administrative functions. This has served as an effective stop-gap measure for the short term, but a permanent solution is now needed. The following discussion is provided as a starting point for the decision making process.

### Issues and Challenges

The following challenges were inherent to the status quo, even before the retirement of the City Assessor, and should be addressed, if possible, with the selected future approach.

- The high cost of an impending revaluation project. The City's standing approach was to conduct a revaluation every 7 to 10 years as a large project and one-time cost.
- The added burden of the Property Listing function. Counties are obligated to provide Property Listing services, but Manitowoc County has been unreliable in this area. For various reasons, the City has been its own Property Lister.
- Technical errors. Even with a certified Assessor on City staff, errors were fairly common. Assessment errors seemed to be most commonly caused by data conversion issues when trying to get the City's various software systems to communicate with each other and with the State. Errors were also fairly common relative to Personal Property accounts.
- Outdated software. Even though the City is paying a premium for its existing CAMA package (CLT by Tyler Technologies), it is several versions out of date. This complicates the data conversion process mentioned above. The existing software also requires a maintenance contract with Oracle at additional cost. A new package must be Sequel Server compatible.

The following issues have been experienced during the short term transition period. These issues provide a glimpse of the potential challenges that could arise as we move away from the status quo and must be addressed in order to prevent bigger problems from developing.

- Lack of technical oversight. As we relied more heavily on a consultant over the last six months, there was no one within City staff with a depth of insight into the technical aspects of the consultant's performance. To some extent, there is always a level of trust in the professional judgement of experts, but having no internal staff trained in this discipline is a substantial risk.
- Reduced customer service. While we did our absolute best to give customers a direct route to have their issues addressed and to provide a seamless connection to Tyler Tech, there was still a notable gap. Customer complaints related to reduced accessibility and longer waits to get answers seemed to be more frequent after the City Assessor retired.
- Reduced communication. Despite our best efforts to have regular communication between internal and external team members, there were still times where this broke down. There were

actions taken by both City staff and consultant that the other was not aware of and later led to questions and confusion for customers that could not be answered.

- Increased burden on staff. An inter-departmental Assessor Services Team formed to provide shared clerical support and customer service from Clerk, Engineering, IT, and Community Development for the interim period. This team did amazing work, but the reality is that this is not a sustainable workload for these staff. Much of the burden fell to one person who is already serving as administrative support to two departments.
- The Property Listing function was put on the back burner. With no one to perform this function, there is a growing backlog of parcel changes that need to be reviewed and addressed.

### **Positives**

Not to be overly focused on the problems – there were also beneficial results of implementing the short term Assessor Services plan. Here are some highlights.

- It was an opportunity for inter-departmental cooperation. We had to take down the silos to get the work done.
- Tyler Tech corrected some of the data entry errors made by the previous Assessor. As it turns out, the previous Assessor was not using all the correct forms in the software, and this led to some of the data conversion and software communication issues.
- Improved consultant performance. Now that they know we are considering other alternatives, Tyler Tech staff have really stepped up to help us through this.
- Having a “neutral third party” as the City’s statutory Assessor may also be helping with some of the perceived equity issues that go with tax assessment. For example, local businesses and other entities that feel they are being treated unfairly can have more assurance that they are being treated on a consistent basis with other entities of their type around the state because our consultant doesn’t just work in Manitowoc.

### **Potential Goals**

We will need to reach agreement on what the City’s top priority goals are for the future delivery of Assessor services. The following are some suggestions from my perspective, and I am looking for Council feedback on this.

- Provide tax assessment services that are **technically sound** – free from errors and defensible from an equity standpoint.
- Utilize consultant services in a way that meets the needs for both ongoing maintenance and revaluation in a **cost-effective** manner. This may mean that large revaluation projects are avoided completely by more aggressively maintaining equity on an ongoing basis.
- Provide a level of **customer service that is consistent** with the expectations for other City services. This may mean that immediate access to a particular staff person or consultant will not be achieved at all times, but that customers have a direct route to leave a message for the right person without being redirected multiple times. This also means that simple questions that don’t require the technical expertise of an Assessor or Appraiser can frequently be answered by other staff that are immediately available.
- Reestablish a level of **independence for Assessor services** so that it is not an undue burden on other staff taking away from their ability to perform their primary job duties and so that it does not confuse customers as to who provides the service.

## **Alternative Solutions**

Three broad options seem to be available for providing Assessor services to a City of our size. One is the previous model, a certified Assessor as City staff with limited consultant support. Another is to blend a lower-level certification, such as Appraiser or Assessor Technician as City staff, with more extensive consultant support. And a third option would be to go with no City staff and rely entirely on a consultant. The following analysis provides some comparison of these broad options.

### **City Staff Assessor and Limited Consultant Support**

#### Advantages

- Property listing function can be worked into the job description.
- Provides highest level of in-house technical oversight to consultant.
- Provides highest level of on-site customer service.
- Relieves burden on other staff.
- Long term, has high potential to provide technically sound assessments.

#### Disadvantages

- Short term, will likely result in continued technical errors with learning curve of new staff.
- Provides the least opportunity for cost-savings as consultant portion is smallest and fixed cost is highest.
- Least potential for improved perception of assessment equity with continued reliance on in-house assessor.
- Creates the least potential to work aggressive maintenance into consultant scope and avoid a massive revaluation project.

### **City Appraiser/Technician and Consultant as Statutory Assessor**

#### Advantages

- Property listing function can be worked into the job description.
- Provides some level of in-house technical oversight to consultant.
- Provides substantial on-site customer service.
- Provides some opportunity for cost-savings as fixed costs are reduced and consultant portion increases.
- Relieves burden on other staff.
- Some potential for improved perception of assessment equity due to increased reliance on consultant.
- Creates some potential to work aggressive maintenance into consultant scope and avoid a massive revaluation project.

#### Disadvantages

- May result in continued technical errors with learning curve of new staff.
- Provides limited potential to achieve technically sound assessments – neither staff nor consultant have full reign.

### **Entire Assessor Function Contracted with Consultant**

#### Advantages

- Will likely result in continued reduction of technical errors.
- Greatest potential for cost-savings as fixed personnel costs are eliminated.
- Greatest potential for improved perception of assessment equity due to increased reliance on consultant.

- Creates the greatest potential to work aggressive maintenance into consultant scope and avoid a massive revaluation project.
- Creates an opportunity to get out of Property Listing and put this function back on the County.

#### Disadvantages

- Property listing function is not likely an available option.
- No in-house technical oversight to consultant.
- Provides lowest level of on-site customer service.
- May require continued burden on other staff to fill customer service gap.

#### **Request**

I am not necessarily expecting a decision from the Finance Committee at this time – especially since I cannot be present at the meeting. I want to get the discussion started and get some initial feedback on how to proceed. As examples, I would like your direction on whether or not to start working on a job description for a staff Appraiser or Assessor Technician or whether I should focus entirely on selecting a consultant to provide all services. One piece missing from any budget estimates is the impact of addressing the need for a revaluation. Whether this is again approached as a one-time large project or broken up into smaller chunks, it will have an impact on the amount of consultant services required. Consultant responses to an RFP will likely be needed before truly know the potential budget impacts of each alternative.