

Date: September 1, 2021

To: City of Ames Conference Board

RE: Report to Conference Board resulting from request under Iowa Code 421.17

From: J. G. Roisen, MA, CAE, Division Administrator Local Government Services



Executive Summary

Department staff visited the Ames City Assessor's office on Thursday August 19, and Friday August 20, 2021. This executive summary is prepared in response to the City of Ames Conference Board's July 27, 2021 request that the Department 1) review property records to determine disparate or missing information; 2) review Vanguard software implementation; and 3) review current staffing levels and overall office structure. On Tuesday August 10th Julie Roisen met with the assessor's staff and made written requests for information. The data requests were provided at various times on August 16, 17, 18, 19, & 24, 30 & 31, 2021. The requests for information and staff responses are provide in the addendum of the final report. Not all items are discussed in the Executive Summary but are addressed in the final report.

1) Review of Property Records to Determine Disparate or Missing Information:

As part of the overall data requests made to Ames City Assessor staff there were specific requests in regard to records pertaining to disparate or missing information. Julie Roisen has verified with staff and reviewed the reports of the information that these claims referenced. The missing data referenced was based on a standard report from one of the computer aided mass appraisal systems (CAMA), ProVal, where the same parcels were listed multiple times and the "missing" information was not relevant or substantive in terms of the valuation. The reason this missing information is not relevant is because the valuations are not performed in this computer system. Valuations are done in multiple spreadsheets. See the addendum of the final report for the missing data report. Additional parcel record information is available for each of these parcels through laser fiche. The referenced 731 parcels with no sketches are all exempted property except approximately six taxable parcels, which had no sketches in ProVal. Please reference the addendum of the final report. This is a standard report from ProVal. Of these six taxable parcels, it appears only two parcels do not have supporting valuation documentation. Sketches of these few parcels can be remedied easily through field inspections and or through the EnerGov permitting system. Supporting documentation for the valuation can also be performed by staff. While it is important to have sketches and documentation on exempt property, it is not critical as long as there are valuations for the exempted property. Staff provided all of the documentation in regard to the sketches and verified these items while Julie Roisen was onsite. Based on a report provided by Lisa Henschel on August 30, 2021, it appears that of the 961 exempt parcels in Ames, 307 do not have value. Many if not most of these appear to be agricultural land and/or abandoned ROW. Completing these exempt records that have no value will need to be prioritized for the 2022 assessment based on the requirement in Iowa Code section 427.1(18). A listing is provided in the addendum of the final report of these parcels. Even though these exempt

records didn't have valuation there was not impact to the tax base and the City of Ames and Story County taxpayers because the records are not taxable. The exempt records with no sketch could be prioritized for a date after the implementation of the new CAMA system.

The list of parcels with no land value are a variety of items that includes cell towers and condominium lots where the land and garages were platted separately but are valued with the parcel containing the improvements. The complete listing of parcels is included in an addendum in the final report. There did not appear to be anything unusual or problematic with these parcel records. The reference to building permits not recorded in the CAMA system did not appear to be the case. Permit information for all parcels is contained in the ProVal system. The permit information does not show up on the Beacon website because the Microsolve CAMA system is used to update the Beacon website for residential property and no permit information is contained in Microsolve. Building permits are scheduled on a batch process through EnerGov, the City permitting software, and uploaded into ProVal. Staff verified that the boxes of plans located in the assessor's office were either in ProVal and/or contained in the EnerGov system as a PDF. This information will be included in the addendum of the final report and cited as commercial plan index provided and verified by staff while Julie Roisen was onsite.

2) Review of Vanguard Software Implementation

It appears there was no actual plan for the conversion and implementation of Vanguard even though a contract has been signed and there was, at minimum, a meeting with Vanguard staff and Ames City Assessor's staff. Of particular note and importance here is staff using two CAMA systems, Microsolve and ProVal. One system, Microsolve, appears to be slated for retirement. There are no sketches, photographs or, I believe, notes in Microsolve. Sketches, permits, photographs and notes, I believe, are either contained in or attached to ProVal through Laser fiche. However, valuations are not actually done in either system. Valuations are performed in multiple spreadsheets based on a multiple regression equation for residential property and in multiple spreadsheet workbooks for all other property types except agricultural vacant land. The agricultural vacant land is done in Tyler's Incode 10, tax administration software. The Department would recommend that any conversion draw from one system, ProVal, because the vast majority of information needed for a conversion is contained in the ProVal system while the Microsolve system has limited information. Staff should identify all data fields that are contained in Microsolve that do not exist in ProVal that they feel are relevant and manage these data fields until implementation of the new CAMA system. Trying to convert from two systems inherently increases risk and staff time unnecessarily during a conversion.

A recommendation was also made to city staff to contact owners of condominium and cooperative regimes and request that multiple parcels be combined into single parcels for each apartment complex. Changes in Iowa Code from House File 418 for the 2022 assessment make this possible. This action would potentially reduce the workload on staff, the complexity of a conversion and implementation of the new CAMA system; as well as, reduce administrative costs for the assessor's office and for the affected taxpayers. Approximately 39% of the improved parcel count is comprised of condominiums and cooperatives. Combining parcels where a single entity owns the entire regime will reduce the improved parcel counts by 7,660 parcels or approximately 36%.

To reduce risk and alleviate over burdening staff during the conversion, a recommendation that the Conference Board engage the vendor, of the software application, to have the vendor re-sketch and link each sketch to the pricing tables for residential properties. There is a structural difference between the way the two CAMA systems price properties that in all likelihood is not compatible. Additionally

converting existing sketches will yield a diagram that does not calculate and cannot be linked to the pricing tables. A secondary recommendation is for the Conference Board to contract with the vendor have all residential lots sized in the new CAMA system as the data available for conversion within ProVal and Microsolve is not readily convertible into the new system. This again alleviates risk, staff time, and delay in the conversion and implementation process.

During the process a plan will need to be made to allocate staff time to work with Vanguard to map the data into the new system and a decision maker will need to be available to make determinations where data is not easily converted and/or mismatches exist in fit between ProVal and CAMAVision. Another recommendation would be to plan for complete conversion, if possible, by the 2023 assessment which would mean the work is completed in late 2022 or early 2023. Additional analysis will need to be done to value land and improvements within the new CAMA software at the time of go live. If the 2023 assessment is not feasible then 2024 would be the last date for completion to be in compliance with the 2020 Iowa Manual based on the approved extension request.

3) Review Current Staffing Levels and Overall Office Structure

The current staffing levels appear to be heavily weighted toward non-appraisal staff. The need for these support staff FTEs could be reduced by decreasing the duplicative work of keeping two computer-aided mass appraisal systems updated with information. An immediate improvement would be to stop using one of the existing CAMA systems to alleviate the burdensome nature of this maintenance on existing staff. Since the vast majority of information is contained within ProVal and the Microsolve system has much less information contained in it; retention of the system that contains the most relevant information makes the most logical sense. From discussions with the staff, no actual valuations, no permit information or sketches or photographs are being maintained or valued in Microsolve so maintaining this system appears unnecessary. There are 5,417 condominium properties that are in Microsolve. However, combining the records that can be combined, as recommended earlier in this executive summary, reduces these parcel counts so the actual number left in Microsolve will be significantly less and can be managed either in spreadsheets or in ProVal until the implementation of the new CAMA system.

At the current time it appears staff update the Beacon website with sale information for residential property from Microsolve. However, all sale information is maintained in ProVal and the updates for nonresidential property to Beacon are done from ProVal. Beacon updates for all parcels could be done from ProVal. Again, indicating there is no need to continue maintaining Microsolve. Staff would need to work with the Beacon Schneider staff to get the batch processes in place to accomplish this for residential properties.

The current residential improved parcel count of 11,861 with the addition of second dwellings on parcels and agricultural dwellings the count equals 11,888. Assuming approximately 6,000 residential parcels per FTE, results in an estimate of approximately two residential appraisal FTEs would be required. All other nonresidential improved parcels, assuming a reduction in the residential condominiums which are actually apartment buildings of 7,660 records, equals 1,844 total improved nonresidential parcels. Assuming approximately 1,500 parcels per FTE for a commercial appraiser equals approximately 1.25 FTEs. Considering the district court and PAAB caseload another .5 FTE may be necessary. This information indicates approximately 1.50-1.75 FTEs for appraisers with skill to manage commercial and other more complex properties. The assumption is the assessor or a deputy should be skilled enough to manage these properties types which leaves approximately .50-.25 FTE for office administration. Eliminating the maintenance of two CAMA systems reduces the administrative needs as well. Two FTEs should be

sufficient as support staff once the decision is made to stop using two CAMA systems. Because the City assessor’s office is a separate assessing jurisdiction from the county, there is a higher need for technical support staff to manage between the city and county systems. Also, the upcoming conversion and implementation of a new CAMA system, indicates a higher need for technical support staff. An additional benefit, once the implementation is completed, is that the technical support staff will be in a very good position to manage the new software and all interfaces, batch processing, and the ratio studies and reports needed for appraisal and administrative support staff.

To summarize the Department’s Recommendation:

Non-residential appraisal FTEs (assessor and possible deputy)	1.50-1.75
Residential appraisal FTEs	2
Support staff	2
Technical staff	1
Overall office management by assessor	<u>.25-.50 FTE</u>
Total FTE’s estimate	7

Appraisers should be capable of handling the appeals at the boards of review and be capable of making recommendations to the assessor and to the boards of review. These recommendations would be for valuation changes at an individual property level as well as mass appraisal recommendations to maintain values that are compliant with Iowa law.

The recommendations presented here of course need to be considered in the context of the skills and abilities of current staff and potential applicants for vacant positions. Efficiencies could be gained if the staff was expected to do both residential and commercial appraisal work. Additionally having more than one staff person capable of doing both types of work improves the delegation of the work when vacancies occur. Cross training for the support staff would also improve the management of tasks when positions become vacant as well.