

**MINUTES OF THE SPECIAL MEETING
OF THE AMES CONFERENCE BOARD
OCTOBER 14, 2021**

Conference Board Chairperson John Haila called the Special Meeting of the Ames Conference Board to order at 6:00 p.m. Roll Call was taken, which indicated that a quorum of each of the three voting entities was present. Representing the Ames City Council were Bronwyn Beatty-Hansen, Gloria Betcher, Amber Corrieri, Rachel Junck, and Tim Gartin. Representing the Story County Board of Supervisors were Linda Murken and Latifah Faisal. The School Districts were represented by Joe Anderson of the Nevada Community School District and Jane Acker of the Ames Community School District.

Mr. Haila announced that the Conference Board would be working off an Amended Agenda. The additional item was for calling for each of the three voting entities to make a recommendation for a person to be appointed to the Examining Board.

At the request of Chairperson Haila, Assistant Ames City Manager Deb Schildroth introduced staff members present from the Ames City Assessor's Office: Dan Boberg, Appraisal Technician; Judy Heimerman, Appraisal Technician; and Lisa Henschel, Database Manager.

PRESENTATION OF FINAL REPORT FROM THE IOWA DEPARTMENT OF REVENUE REGARDING REVIEW OF THE AMES CITY ASSESSOR'S OFFICE:

Chairperson Haila recalled that the Conference Board had met in July 2021 after the unexpected resignation of City Assessor Brenda Nelson, and the Board authorized the Chairperson to send a letter inviting the Iowa Department of Revenue to perform the following three tasks:

1. Review property records to determine disparate or missing information.
2. Review Vanguard software implementation.
3. Review current staffing levels and overall office structure.

Mr. Haila introduced Julie Roisen, Iowa Department of Revenue Administrator for the Local Government Services Division. Ms. Roisen was in attendance to present the Report to the Conference Board that she had prepared addressing the three tasks listed above.

Mr. Haila noted a minor correction to the Report, i.e., the Conference Board did not authorize the purchase of Vanguard software; the software purchase was made by the then-City Assessor Brenda Nelson.

Ms. Roisen thanked the Conference Board for its willingness to engage the Department of Revenue (DOR) in this process. She believed that showed a high level of integrity and openness on the part of the Board. Ms. Roisen also thanked the staff of the Ames City Assessor's Office, whom she said were extremely helpful and cooperative during the process. She noted that it would not have been possible for her to come to any conclusions without their support and participation.

According to Ms. Roisen, overall, her findings were that the taxable valuations are well-supported and very thoughtfully performed as demonstrated by Former City Assessor Greg

Lynch's work. Even though there are some things that will need to be managed, the valuations are very well-supported.

A synopsis of current parcel counts was given by Ms. Roisen. She said that there are approximately 22,000 improved taxable parcels in the assessing jurisdiction. One of the recommendations that the DOR is making, due to the law change for multi-residential classification this year, is for the consolidation of the multi-residential properties. By doing so, it would reduce the parcel count by 7,660 parcels, which would mean a huge gain in efficiency. That process is now moving forward. According to Ms. Roisen, there are approximately 799 vacant land parcels and between 578 to 711 exempted parcels. With the reduction from the consolidation of multi-residential properties, there would be 13,636 improved parcels. This would result in significant administrative efficiency and cost efficiency as well as reduce the burden on the Assessor's Office staff.

Ms. Roisen said that currently, there are two separate computer-aided mass appraisal software applications that are being used in the office: Microsolve and ProVal. In addition, staff is also utilizing Access databases, Tyler tax software application (housed in Story County), EnerGov, which is the City's permitting system; Laserfiche, a mobile data collector, and Excel, which is used extensively in the Office. In the past, SPSS, which collects statistical data, was also used, but not presently.

Regarding the transition of data, the DOR is recommending that MicroSolve not be used in the future and during the transition time between the conversion of the ProVal information into the new CAMA Vision, which is the CAMA system owned by Vanguard. That recommendation is being made because MicroSolve does not contain any permitting information, sketches, photos, and it is creating duplication of work for the staff. ProVal does have permitting information, sketches, and pictures. It appears that would result in efficiencies being gained and reduce the burden on staff during the interim period when the ProVal information is converted into the CAMA Vision system. There might be some slight differences in the data between the two systems; however, all of the valuations are performed outside of those two systems (all valuations are being performed in Excel spreadsheets). All commercial properties are being done in Excel Workbooks. Ms. Roisen advised that Former Assessor Lynch's work shows the various approaches to value and his support for those values. The residential values are performed in a single worksheet that is actually the basis of a regression equation that was developed through MicroSolve/SPSS, then put into an Excel spreadsheet to allow staff to enter the relevant information, i.e., square footage, quality, decks, garages, lot size, etc., into the equation, and it would generate a total value. Ms. Roisen noted that there is excessive dependence on spreadsheets.

According to Ms. Roisen, the reason Former Assessor Brenda Nelson signed the contract for the new CAMA system is because by 2022, the Iowa Manual has to be used unless an extension has been requested. Ms. Roisen stated that the person who converted for ProVal in 2008 into the Iowa Manual is no longer available; there is no one to convert ProVal into the Iowa Manual, which makes ProVal obsolete. The Vanguard CAMA Vision system already has the Iowa Manual in it.

Ms. Roisen advised that staff had already asked for an extension to 2024 for the use of the Iowa Manual. The conversion to the CAMA Vision system seems to be the most cost-effective and efficient solution to meeting the statutory requirement.

At the request of Chairperson Haila, Ms. Roisen advised that 106 out of 107 assessing jurisdictions use the Vanguard CAMA Vision system; Ames is the only one that has not converted to the CAMA system.

Missing or Disparate Data. Staff had provided Ms. Roisen with standard reports out of the ProVal system for both commercial records and data integrity. The reference to the 682 commercial records that did not have property record cards and the reference to the 848 records in the data integrity reports are really the same parcels over and over again. The reports were things such as the lineal feet didn't match something else. In Ms. Roisen's opinion, this was not that significant because none of the valuations were actually being performed in the system. Staff has gone through those and categorized parcels that are same together as much as possible. The appearance that there were no property records cards and the appearance that there were data issues was really a misconception and a misunderstanding of those reports, a lack of recognition that the valuations were actually being done in Excel Workbooks for the commercial property and in single-page Excel spreadsheets for residential property. There are over 8,200 condominium and cooperative parcels. Some are in the Microsolve CAMA system, some are in ProVal, and most are in Excel spreadsheets. The law change, which will result in a reduction of parcel count, will remove that as an obstacle moving forward.

References were made in the Final Report to the 732 missing sketches. Ms. Roisen advised that those were almost entirely exempt properties. So, as exempt properties, there is no impact to the tax base. While *Iowa Code* requires that there be valuations on exempt property, it doesn't impact the tax base or the taxpayers.

The list of 126 parcels with no land value is a variety of items that includes cell towers and condominium lots where the land and garages were platted separately, but valued with the parcel containing the improvements. There did not appear to be anything unusual or problematic with those 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. Also staff verified that the boxes of approximately 80 plans located in the Assessor's Office were either in ProVal and/or contained in the EnerGov system as pdfs. There were only six parcels where there was no support for the valuation. There was a valuation on the taxable parcels.

Review of Vanguard Software Implementation. It appears that there were no written conversion or implementation plans into the Vanguard CAMAVision provided. A contract has been signed, and there was a meeting with Vanguard staff and Ames City Assessor's staff. For the conversion, staff identified approximately 13,500 sketches that would need to be converted. Assuming the reduction in parcel count resulting from combining the condo parcels and the

cooperative parcels, there will be approximately 15,000 total parcels that will need to be converted.

Review of Current Staffing Levels and Overall Office Structure. To evaluate the staffing levels and overall office structure, Ms. Roisen said that she had requested detailed data about the work volume, parcel counts, permits for new construction, Declaration of Value processing, applications processing, Board of Review petitions, and questions pertaining to software systems. The current office structure (and staff) is comprised of the following positions:

City Assessor	Vacant
Former Deputy Assessor/Now Operations Manager/Residential Property Appraiser Supervisor	Brenda Swaim
Two Residential Appraisers	Chris Bilslend 1 Vacant
Database Manager	Lisa Henschel
Two Appraisal Technicians	Dan Boberg Judy Heimerman
Administrative Assistant	Vacant
Intern (Assistant Clerk)	Teresa Espinosa

According to Ms. Roisen, the current staffing appears to be heavily weighted toward support staff, rather than appraisal staff. Alleviating the duplicative work being done in two CAMA systems potentially removes the need to replace the vacant Administrative Assistant position. In Ms. Roisen's opinion, two FTEs capable of appraising non-residential properties (Assessor and Deputy Assessor); two FTEs for residential appraisals, two FTEs as support staff (Appraisal Technicians), and a Database Manager would be sufficient staffing. A summary of workload by work type was given by Ms. Roisen.

Conference Board Member Linda Murken asked if the City Assessor's Office, after the data conversion is complete, will be using the same software as the County Assessor's Office. Ms. Roisen replied that that was correct. Ms. Murken commented that having the City and County on the same software will be a great step forward. It will reduce the workload on the County Auditor's Office as well.

Conference Board Member Gloria Betcher asked to know the current number of FTEs in the City Assessor's Office. Assistant City Manager Schildroth replied that there are eight with a part-time intern. Currently, six of those positions are staffed. Moving forward, it is being recommended that there be seven FTEs.

Board Member Faisal inquired if the recommendation was to not use Microsolve anymore. She asked if there is anything in Microsolve that is not in ProVal. Ms. Roisen advised that it is her understanding that the vast majority of the information needed is in ProVal and not in Microsolve. Ms. Faisal also asked if the Excel spreadsheets would also no longer be used. At the request of Chairperson Haila, Ms. Roisen indicated that the following software programs would no longer be used: Microsolve CAMA, ProVal CAMA, Microsoft Access database, mobile data collector, SPSS statistical package, and Microsoft Excel. The Tyler tax software, EnerGov, Laserfiche, and Pictometry will continue to be used. Ms. Roisen further explained that there are no sketches, photographs, or permit information, notes or attachments contained in Microsolve, so conversion of Microsolve data would not yield any real benefit. The Excel Workbook files provide support for the valuations; however, they are not convertible in the format that they are in today.

Referencing the staff's request for an extension of the requirement to use the Iowa Manual until 2024, Ms. Murken noted that would be three years. She asked if it was anticipated that the conversion was going to take that long. Ms. Roisen stated it was actually two years: 2022 and 2023. It was also asked by Ms. Murken if the Contract for Services with an appraiser was temporary. Ms. Schildroth stated that it would be temporary. It is necessary that an Agreement be entered into with an appraiser to perform non-residential appraisal work due to there not being anyone on the current staff to do that work. According to Ms. Schildroth, they do have a person in mind, and it is hoped that the Agreement can be finalized in the near future and the person would be on board by the end of this month. It is assumed that the new City Assessor would do that work in the future. While this work is being done, they will be moving forward with the recruitment for a new City Assessor.

Mayor Haila asked Ms. Roisen to talk about the advantages of hiring Vanguard to do the conversion. Ms. Roisen said that Vanguard does a lot of contract work all over the state. As such, they can make many resources and services available, if needed. It was again noted that, out of 107 jurisdictions in the State of Iowa, 106 use Vanguard software. The advantage of that would also be that the Ames Office would be on the same system as the entire state.

Regarding resketching, Ms. Faisal asked if it was the recommendation to resketch everything. Ms. Roisen answered that resketching the parcels allows for linking to the pricing, so it is being recommended that all parcels be resketched. When a conversion is done, the information converts as "a blob." When they are sketched, any change in the sketch also updates the square footage and the pricing. This will require a great deal of work; since Vanguard is very efficient and familiar with resketching, it is being recommended that Vanguard be hired to do that work. They will also assist with training staff.

Council Member Gartin asked Ms. Roisen if the commercial property valuations were sufficiently supported by the data. Ms. Roisen replied that the commercial side has extensive support for the valuations. She noted that Former Assessor Lynch had individual Excel Workbooks for every commercial property. He had done at least two or three approaches to value cost to incoming market and he had used both Marshall Valuation Services and the Iowa Manual. Therefore, Ms. Roisen believes the commercial properties have extensive support for the valuations. She advised that the residential properties are valued using multiple regression equation that is in an Excel spreadsheet as well. The multiple regression equation was trended

for 2021. The commercial property was trended for 2021 using analysis that was done by former Assessor Richard Horn.

Board Member Anderson asked if the Iowa Manual was used to currently value any property in Ames. Ms. Roisen responded that it was; on the commercial records, there was a cost approach performed using both the Marshall Value and the Iowa Manual on the parcels that she reviewed. The residential properties have used a regression equation based on sales. Mr. Anderson asked if it was reasonable to assume that total conversion to the Iowa Manual could cause a significant change in individual property valuations. Ms. Roisen advised that the CAMA Vision software uses a market-driven cost approach. The properties are costed and an analysis is done based on sales that adjusts the value based on sales within the neighborhood or group of comparable properties. Ms. Roisen further explained the regression approach versus the cost approach. She added that there will have to be quality control with the major differences being investigated, and she would envision that staff will be participating in that.

Moved by Corrieri, seconded by Acker, to accept the Final Report from the Iowa Department of Revenue dated September 22, 2021, regarding review of the Ames City Assessor's Office by the Iowa Department of Revenue.

Roll Call Vote: 3-0. Motion declared carried unanimously.

Presentation of Transition Plan. Ms. Schildroth reviewed the Transition Plan, which was based on the recommendations in the Iowa Department of Revenue Report. The Transition Plan identified the task, the lead staff person, the tentative deadline, and the current status.

Chairperson Haila noted that there is a certain cap on the budget. Ms. Schildroth stated that it was important to understand that the budget for the Transition Plan will still be requisitioned through the County. The ending fund balance for FY 2021 was \$337,000 that will be available for allocation in 2022. There will be additional payroll savings from the unfilled positions. Mr. Haila commented that there may be another Conference Board meeting called before the end of the year to provide a budget update.

According to Ms. Schildroth, software has been purchased, but installation has not yet occurred. The data will be turned over to Vanguard for conversion. Staff from Vanguard is currently looking at the data, which is slated to be returned to City Assessor staff for review. After their review, it goes back to Vanguard to make revisions, and then back to City Assessor staff for final review. After the third review, it is considered complete. Ms. Roisen added that the City Assessor will be given some time to run analytics before it is finalized. Staff will receive some initial training in the next few weeks. One hundred hours (100) of on-site training has been purchased; more can be purchased, if needed. A User's Training is scheduled for next week, and staff from the Ames Assessor's Office will be attending. A Five-Year Contract has been entered into. Vanguard estimated the cost low when the Contract with the City was prepared; the final cost will be approximately \$40,000 more.

Additional assistance from Vanguard will be needed to perform the sketching. The total cost was not immediately available; however, it will be provided to the Conference Board at a later date. The price ranged from \$8.25 - \$12.50/parcel.

Regarding the non-residential appraisal assistance, GAAP Solutions (Mel Obbink) is the agency that is being recommended to provide ongoing consultation. It is anticipated that it will take two to three months to complete the work. GAAP Solutions is charging \$110/hour plus ancillary expenses (travel, lodging). Mr. Obbink will be ready to start by the end of October.

Regarding staffing in the City Assessor's Office, six of the seven job descriptions have been created. City of Ames Human Resources Director Bethany Jorgenson has been assisting with that effort. Recruitments for the City Assessor and Residential Appraiser will be initiated in December 2021/January 2022.

It was noted that, per the Memorandum of Understanding approved by the Conference Board in March 2021, transition of payroll from Story County to the City of Ames will occur by January 2022.

Moved by Murken, seconded by Beatty-Hansen, to approve the Transition Plan.
Roll Call Vote: 3-0. Motion declared carried unanimously.

Ongoing Consultation by the Iowa Department of Revenue. Ms. Schildroth brought the Board's attention to the information provided as part of the meeting packet entitled, "Additional Action Steps Supporting the Transition Plan." One of those steps was for the Conference Board to consider entering into an informal agreement with the Iowa Department of Revenue for ongoing consultation on an as-needed basis. She noted that that does not necessarily mean Ms. Roisen would be present in the Office, but that she would be available to provide guidance, if needed.

Moved by Betcher, seconded by Beatty-Hansen, to approve ongoing consultation by the Iowa Department of Revenue, on an as-needed basis.
Roll Call Vote: 3-0. Motion declared carried unanimously.

Excellence Through People Values. Ms. Schildroth stated that the City of Ames has adopted ETP values as its organizational culture that all employees, the City Council, and Boards and Commissions are involved with. It is a set of 14 values that support the two goals that the City has: (1) Exceptional service at the best price, and (2) An enjoyable and stimulating work environment from which personal and professional growth can occur. The Conference Board is being asked to consider adopting the ETP values for the City Assessor's Office.

Chairperson Haila noted that the Memorandum of Understanding was entered into in March 2021. It states that the City Assessor's Office will adopt, support, and embody the *Excellence Through People* organizational values.

Moved by Junck, seconded by Faisal, to adopt the *Excellence Through People* values for the City Assessor's Office.
Roll Call Vote: 3-0. Motion declared carried unanimously.

Ms. Schildroth stated that the payroll transition from Story County to the City of Ames was part of the Memorandum of Understanding (MOU) that was entered into in March 2021. That MOU transitions the payroll for the City Assessors' Office from Story County to the City of Ames.

It was stated by Ms. Schildroth that it was important to understand that the budget regarding the transition will still be requisitioned through the County. The ending fund balance in the City Assessor's Office for FY 2021 was \$337,000; that will be available for allocation in 2022. She reiterated that there will also be salary savings from vacancies in the office that can be considered for use with the conversion.

Appointments to the Examining Board. Chairperson Haila noted that the appointees must be a resident of the taxing jurisdiction (Ames).

Moved by Haila, seconded by Beatty-Hansen, to appoint Dan Oh as the City Council's representative on the Examining Board.

Roll Call Vote: 3-0. Motion declared carried unanimously.

Moved by Faisal, seconded by Betcher, to appoint Julie Popken as the Story County Board of Supervisor's representative on the Examining Board.

Roll Call Vote: 3-0. Motion declared carried unanimously.

Moved by Acker, seconded by Junck, to appoint Lucas Deardorff as the School Districts' representative on the Examining Board.

Roll Call Vote: 3-0. Motion declared carried unanimously.

CONFERENCE BOARD COMMENTS:

Chairperson Haila wanted it stated that they never doubted the integrity of the Ames City Assessor's Office. He noted that the Report prepared by the DOR basically gave them a clear bill of health. The DOR was able to identify some efficiencies that will be highly beneficial to the Assessor's staff in the future. Also, additional assistance from Mr. Obbink and ongoing consultation from the DOR will help get the Office caught up and make the transition to the Vanguard software easier for the staff.

ADJOURNMENT: Moved by Junck to adjourn the meeting at 7:31 p.m.

John A. Haila, Chairperson

Diane R. Voss, City Clerk