

Managers Meeting/ Regional Property Assessing 6-26-08

Present: Mitch Berkowitz (chair), Neal Allen, Gordon Billington, Dave Morton, Vic Labrecque, Rosie Kulow, Deb Cabana, Scott Tilton, Jim Gailey, Nathan Poore, Gerre Bryant, Derrick Goodine, Mike McGovern, Ron Owens, Nat Tupper, Bob Finnegan (Consultant), Elizabeth Trice, Peter Crichton, Bill Whitten, Chris Stackpole (county intern), Valerie Landry (facilitator)

Summary:

Many questions were asked (answers provided below).

The question was asked about which regional assessing approach people thought made the most sense. One manager spoke about having GPCOG administer assessing regionally. Another manager expressed preference in municipalities getting together to share assessors. Several others felt strongly that Cumberland County should have an assessing department similar to other areas in the country.

In addition to assessing, several people offered comments that the county should also do tax billing and collection. Many spoke about the county becoming the legal entity and service provider based on the fact that assessing and tax collection are clearly a governmental and not quasi-governmental function.

A suggestion was made about having a “cafeteria” option whereby a given town could choose among a variety of services, such as assessing and billing, but not collection. It was also pointed out by one manager that if the goal is to have the county be the legal entity and service provider, having a contract model to start out with might be a feasible strategy, but there should be a clear long-term goal set from the beginning.

Some thought that some level of municipal oversight was important, while others seemed to think that shifting the responsibility of taxation completely away from municipalities would be better. The group generally agreed that moving towards a region-wide assessing office at the county, and with the potential to do tax billing and collection, was a good idea.

Charge: answer the questions (below), do preliminary investigation on billing & collection, then reconvene with managers and some elected officials.

Questions:

1. How many people would lose their jobs, how many would be employed by this proposal?

The report counted 50 FTEs currently working on assessing, plus the contractors that are used by ten towns. The proposed office is estimated to need 27 employees. It’s possible that some towns would choose to keep or reassign employees, especially if assessing is a minor part of their responsibilities. It’s likely that the new office would hire a number of employees who leave individual towns, and a preference to do so could be established by

the advisory/governing body of participating towns. A selection advisory committee would be established to recommend who should be hired as the county assessor.

2. What are the advantages and disadvantages of each model? How are they comparable to each other?

There are not just 2 or 3 models, but rather many choices that would need to be made along the way once communities decide to pursue joint assessing. The biggest choices are choosing a legal entity, service provider, and then choosing a transition model. Those choices are laid out on page 4 of the report, and the strengths and weaknesses of each choice on pages 5-8.

3. Is the recommendation of 27 people too conservative?

The staffing recommendation comes from a combination of sources. Based on a survey of Pennsylvania Counties, staff would be 20 based on parcels, 31 based on permits, and 18 based on population, for an average of 23. Based on the ratio of staff per population a City of Portland region-wide program would have 25-38 employees. In addition, we looked at the data from an IAAO study of all assessing offices nationally in 1986, which gave an estimate of 25-32 employees. The average of every data point we were able to come up with was 26.5. The resulting financial numbers fit analyses we have done of budgets of other assessing departments, as well as the number of each type of staff our consultant thought necessary. Excel spreadsheets with full data are available upon request.

4. With Building permits, sub-divisions etc, will towns be accountable for updates?

Towns would be responsible for alerting the assessing office of building permits. The full relationship between code enforcement and assessing will have to be worked out by the design team or a subcommittee that could include municipal assessors and code enforcement personnel.

5. Does \$1.1 Million include ongoing full data collection (field assessment)? IE, will there occasionally need to be more an expensive revaluations?

Ongoing data collection is going to be done in-house as properties are sold, subdivided, or improved. More expensive revaluations should not be necessary.

6. How much/how long would it take to study tax billing & collection? Our consultant

estimates that most of the information could be pulled together for about \$3,000 of his time. This would require a new contract between the county and the consultant.

Alternatively, this topic could be delayed or pursued by county staff and a subcommittee of managers, or a consultant with specialty in tax collection could be sought.

7. Was the methodology of the original report consistent per town, including fringe and overhead?

The consultant added 32.5% of salaries and wages to estimate the costs in towns that did not include fringe. The original report did not include facility or utility expenses, whereas the recent report included the costs of facility and utility for a new office only.

8. How many annual appeals do the County Commissioners currently hear?

The county has heard 50 appeals total in the last 3 years. The annual number ranged from 15-18. Almost 70% of those appeals were from Harpswell. Sebago, Frye Island, Pownal, Harrison, and Bridgton each had a few. None were heard from Casco, Naples, or New Gloucester although 250 as a group are expected from Casco in this year.

9. Elements that would need to be worked out in detail by the design team:

Personal Property

TIF districts

Interpretation of exempt properties

Whether to give municipalities a role in appeals

Choice of software