



Steven T. Weed, CMA
City Assessor

To: Mayor O'Connell & Members of the City Council
From: Steven Weed, Assessor
RE: Update on the status of the Assessing Department
Date: 3/29/2013

When I was hired by the city, the council assigned to me the task of developing a plan to increase the efficiency, transparency, and public access of the assessing department and assist the City in deploying GIS.

Over the past couple of months, I have worked with staff to identify where problems exist and develop a list of recommendations to accomplish these goals

The assessing department uses a combination of electronic and paper records to administer the assessment function. This system is antiquated and very inefficient requiring staff to enter the same information multiple times in different locations. There is also no single location where you can all of the information, requiring you to pull several records to collect all of the information for a property. The way the information is stored in these systems, particularly the electronic database, is also archaic and in a proprietary format which makes it difficult to extract and requires a significant amount of post processing to make it usable by other systems. Even the bi-annual transfer of information to the finance department for tax commitment, which the system is design to do, requires a large amount of manual input to ensure the data is transferred correctly. These limitations make it extremely difficult to utilize the existing assessing information for the purposes requested by the council.

To address these issues I recommend replacing the existing systems with a new, fully electronic assessing system. This allows the department to eliminate much of the redundant record keeping required by the current system and allows for the expansion of the service requested by the council.

Unfortunately because much of the existing data is in paper form and the electronic data is in a proprietary format, we can't just transfer the existing information into a new system, much of the information will need to be entered manually. In addition, a new more sophisticated system will require additional information about the properties to take advantage of features made available by a modern system. To accomplish this task in a reasonable time frame, I recommend utilizing the services the company that provides the software for the system to conduct the physical inspections, setup the pricing tables, and audit and update the existing property data as needed, to ensure that when the information is entered into the new system that resulting assessments are accurate. This will also

allow the city to establish new assessment baseline something that has not been done since the 1960s, rather than adapting the new system to accept the old formatting standard, allowing for the optimization of features available in a modern system.

Because of the significant changes that may occur as result of this upgrade the city should treat this process like a revaluation. This is not a revaluation in the traditional sense where the goal is to increase the assessments, usually significantly, to bring them in line with current market values. Our average assessment ratio for 2012 is 95%. However with a project this significant, it is likely that we will find things that need to be updated. Treating this like a revaluation will allow for an informal process to allow taxpayers the opportunity to review their assessments prior to commitment as well as promoting the council's goals of increased transparency and public access.

The estimated cost to complete the project is \$301,000.

The project, if approved, would take 12 to 18 months to complete, therefore, in order to have the new system online in time for the FY15 commitment (August 2014) we should begin the project as soon as possible.

This may appear on the surface to be a discretionary project, particularly given the Governor's proposed budget for the next biennium. In addition to the reasons already mentioned in this memo, the primary reason why it makes sense to start this project now rather than waiting has to do with the staffing levels in the department.

Until recently, the assessing department had four full-time staff. The fourth position has been reduced first to part time, then to seasonal and then eliminated altogether. Because of the inefficiencies inherent in the current system the staffing level in assessing department is not sufficient to maintain the existing system. As a result many necessary maintenance projects, such as replacing the paper card file, have been delayed but most cannot be put off any longer. This project will fulfill these obligations (or make them unnecessary as with the card file replacement) and improve the workflow of the office so the fourth position is no longer required to meet our obligations. If we differ the project there is no guarantee that things will better later and we increase the risk, of errors occurring in the assessment information because we do not enough staff to properly review the assessment data. Beginning the project now proactively prevents this from happening.

In terms of return on investment, the permanent elimination of the fourth position (\$35,000 per year plus benefits) means that the project pays for itself in less than 7 years from staffing reductions alone, but has a useful life of 20 to 50 years.

Respectfully submitted,

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