

STATE ASSESSORS BOARD 2008 ANNUAL REPORT

Greetings from the SAB! Thank you very much for the opportunity to meet with you and deliver our annual report. We have had a busy and productive year.

The SAB is responsible for assessor training and education. Michigan Compiled Law 211.10c created the State Assessors Board in 1969. It provides for 5 members. The members are:

- Raman Patel, CMAE 4, SRA, CAE, Washtenaw County Equalization Director, SAB Vice-Chair who represents Equalization Directors**
- Maxine McClelland, CMAE 3, Big Rapids Township Supervisor, who represents Township Supervisors**
- Fred Morgan, CMAE 4, State Tax Commission Member, who represents the STC**
- Henry Allen, who represents Colleges and Universities, and**
- Lisa Hobart, CMAE 4, ASA, PPS, West Bloomfield Township Assessor and SAB Chair, representing Assessors.**

In 2007, David Lee accepted the position of Executive Secretary of the State Assessors Board. David joined the SAB with considerable assessment administration experience at the local, County, and State levels. The Board has had discussions with David about educational enhancements through technology, and expanding educational programs. Development and implementation of these initiatives has occurred. We are excited about continuing to expand our educational programs and make them readily available for all assessing officers.

Our staff members include Ms. Barb Duncanson and Ms. Nancy Armstrong. Ms. Duncanson manages all of our paperwork, including examinations, renewal fees, continuing education, etc. She has been with the SAB for many years and does an outstanding job. She is frequently the individual answering the phone, with the pleasant voice, and a wealth of knowledge.

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Ms. Armstrong recently joined our team. She has been employed by the State for approximately 8 years and worked in the Exemptions Programs area of Treasury. She is certified at level 2. The SAB is extremely fortunate to have someone with Ms. Armstrong's exceptional skills accept this position. Her position is technical in nature, specifically working with educational materials, etc.

Changes have been made to our Web page, making it more useful and easier for users to navigate. Our Web page has been updated to provide the most recent educational opportunities and certification information. The current six-hour renewal program is available on-line. While there is considerable value in attending training programs, occasionally individual circumstances may prevent that. Therefore, the program is on-line to assist in that effort. After reading the materials, the individual is directed to obtain a Scantron form from the SAB offices to complete the quiz. After completion of the quiz, the individual simply returns it to the SAB for grading.

The SAB also has implemented a program to record the educational achievements of individuals pursuing higher levels of certification. The information is available on our Web page and is accessible by certification number. The required courses that have been successfully completed to achieve level 3 and level 4 certification are identified, along with the courses that need to be completed. For those assessing officers already certified at level 3 or level 4, the information will reflect the current level of certification.

The updates to our Web page mean that assessing officers have access to on-line educational opportunities and information 24 hours a day, 7 days a week!

Education is a primary responsibility of the SAB. As background for the 2008 six-hour requirement, the SAB received input from assessors and equalization directors with suggestions about educational programs. The SAB formed a committee called the Assessment Administration Compliance Committee. In 2006, the committee recommended to the SAB a plan to study how we could be more effective in fulfilling our educational responsibilities. The SAB approved the plan which included sending a 50 question survey to each certified assessing officer in the state. Assessing officers were required to complete the survey and submit it along with their certification renewal.

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The survey results were tallied by certification level and geographic area. The committee identified three key areas for educational development. They were: 1) The use of the STC Manual, 2) New, Additions, Adjustment, Loss, and Losses, and 3) Land Values and Economic Condition Factors. Interestingly, those results mirror the overall results of the STC 14-point review. The Board approved a plan for a mandatory 2008 program that covers all three topics. Our goal was to improve the knowledge and skill sets of assessing officers and increase compliance with the requirements of the STC for the 14-point review. Knowledgeable volunteers were selected to contribute as authors of the material. The SAB provided multiple forums to “train the trainers” to ensure that the material was consistently delivered to participants by well prepared individuals.

To date, approximately 1,200 assessing officers have attended the mandatory six-hour renewal program. We have analyzed the participant evaluations for the programs. Overall, the instructors and program content have received highly positive ratings:

- For Section 1 *“Usage of the Assessor’s Manual”*: 84% rated the material as either good or excellent and 88% rated the instructors as either good or excellent.
- For Section 2 *“Land Values, Land Value Maps, and Economic Condition Factors”*: 80% rated the material as either good or excellent and 86% rated the instructors as either good or excellent.
- For Section 3 *“Application of New, Loss, Additions, Losses and Adjustment”*: 87% rated the material as either good or excellent and 91% rated the instructors as either good or excellent.

The SAB is always interested in working with individuals that would like to instruct, or participate in the instruction of the renewal programs. The SAB is able to pay a stipend for the class and I hope that you will consider participating. The Board specifically approved pay for instructors of this program of \$200 per program segment, or \$600 for the entire program. Please notify David Lee or any Board member if you would like to serve as a renewal instructor.

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The renewal period beginning October 1, 2008 will require 12 hours of continuing education. It is tentatively planned that 6 of the 12 hours will be a required program and the other 6 hours will be an elective educational program. The three subjects included in the 2008 program will be expanded into three separate 6-hour programs.

The STC and SAB continue to work together on tasks that are mutually beneficial to high quality assessment administration. It is planned that David Lee and Kelli Sobel, STC Executive Secretary, will work closely on a regular basis to share information, thoughts, plans, and ideas.

This year the Board also developed a plan to improve the level 4 process for the candidate. The changes that were implemented require graders to grade the demonstration appraisal within 60 days and to provide detailed written information and references for the candidate if the appraisal is not successful on its first submission. Approximately 11 demonstration appraisals are in progress. Our most recent level 4 is Mr. David VanderHeide, from the City of Holland. The Board congratulates him for his achievement.

The SAB sincerely appreciates the hard work and dedication of our committee members. These members provide their technical knowledge and their personal time and expense to assist each and every one of us. They selflessly spend numerous hours participating in committee meetings, writing educational materials, and editing materials to provide better, high quality assessor education. Our committees include: 1) the Education Committee, 2) the Narrative Appraisal Report Writing Committee, 3) the Test Committee, 4) the Narrative Grader Committee, and our newest, 5) the Assessment Administration Compliance Committee. The SAB offers our most sincere "Thank you" to each committee member for their outstanding contributions.

Another (temporary) committee has been formed to write an equalization course. It is intended to be a comprehensive program covering all aspects of equalization, from sales studies to state equalization. It is anticipated that the course will promote sound equalization practices in the state, and improve understanding of the equalization process among assessors, thereby improving assessor-equalization relations statewide. By initiating the development of this course, the Board has taken an important step forward for improved assessment administration in Michigan. After it is completed,

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the Board has discussed replacing the level 3 required Communications class with the equalization class.

The SAB has certified many individuals this past year at various certification levels. Currently there are:

Level 1	564
Level 2	928
Level 3	883
Level 4	147

There are a total of 2,522 certified assessing officers.

In October of 2007, the Board voted to pursue establishing two testing sites per year in the Upper Peninsula. The first testing site occurred in May this year. The testing site was in conjunction with the Upper Peninsula Assessors Association annual meeting. We provided the group with a SAB update and administered exams to eleven individuals. Our next visit is planned for fall of this year. In cooperation with the Michigan Assessors Association, testing sites have also been established before each of the MAA fall schools. Information regarding testing sites has been added to our Web page.

Also in October of 2007, the Board adopted a policy on over-certification of value by assessing officers. If the Board determines that an assessing officer has certified assessment rolls exceeding his or her certification level maximum value, the assessing officer is to be suspended until the assessing officer reduces his or her assessment administration commitments sufficiently to be in compliance. A letter of reprimand is to be placed in the assessing officer's certification file for a period of five years. Provisions have been adopted for any repeat offenses.

Part of the statutory responsibility of the SAB is to consider revocations of assessing officers. These matters are treated respectfully and fairly. I personally believe that in many situations, the allegation may be the result of a lack of education in a particular area, process, or procedure. While the Board must consider each case individually, the appropriate remedy in many situations is required educational programs.

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Beginning in January of 2008, certification at level 3 requires a demonstration appraisal record card for a commercial property and an industrial property. The value and size specifications for these appraisals were not changed. Additional information regarding this change is available on our Web page.

For the first time, the 2008 Property Tax CD includes SAB information. Additionally, we have established an mailbox (State-Assessors-Board@Michigan.gov) to provide greater access to those seeking assistance from the State Assessors Board.

Thank you for the opportunity to speak today. I will be happy to respond to any questions or concerns that you may have.

Respectfully submitted,

**Lisa A. Hobart, CMAE 4, ASA, PPS
SAB Chairperson**