

Meeting Agenda/Minutes

Senate File 295 Implementation Advisory Panel

DATE: FRIDAY AUGUST 8, 2014
TIME: 10:00 A.M. – 12:55 P.M.

LOCATION: ISAC CONFERENCE ROOM A, WEST DES MOINES, IA

FACILITATORS	Lucas Beenken / Julie Roisen		
ATTENDEES	Mike Albers – Polk County Auditor's Office	Jeff Garrett – Washington County Treasurer	Rodney Ross – Cerro Gordo County Programmer
	Kay Arvidson – IDR	Carrie Johnson – Local Government DOM	Ed Saunders Cedar Rapids Assessor's Office - phone
	Dave Bader – Thompson Reuters - phone	Dianne Kiefer – Wapello County Treasurer - phone	Sandy Shonka – Cerro Gordo County Auditor's Office
	Carla Becker – Delaware County Auditor	Ryan Lafrenz – Polk County Auditor's Office	Solutions - Monica Peterson, Greg & Deb - phone
	Lucas Beenken – Public Policy Specialist	Nicole Maakestad – Marshall County Programmer	Janine Sulzner – Jones County Auditor - phone
	Marsha Carter – Shelby County Auditor - phone	Mary Maloney – Polk County Treasurer	Julie Riesselman - Tyler
	Susan Chambers – IDR Property Tax	Dale McCrea - Muscatine County Assessor	Julie Roisen – IDR Property Tax Division Administrator
	Jennifer Channell – Thomson Reuters - phone	Deb McWhirter – Butler County Assessor - phone	Joel Rose - Solutions
	Max Elg – Solutions	Erin Mullenix – Iowa League of Cities	Jeanean Willems – Tyler
	Kathy Crocker – Buena Vista County Assessor - phone	Ted Nellesen – DOM Local Government	Kim Veeder – Blackhawk County - phone

Agenda topics	Notes:
Opening Remarks / Introductions	<ul style="list-style-type: none"> Meeting opened at 10:00 am with introductions of attendees.
Next Steps Overview	<ul style="list-style-type: none"> Roisen reviewed BPTC accomplishments and communications to date, and reviewed the BPTC credits processed in July for 93,075 parcels incorporating 70,288 units. She then outlined upcoming areas of work for the group including: <ul style="list-style-type: none"> BPTC Part 2: Dual Class & Multi-Res BPTC 2014 - \$100 million pool GIS Replacement Claim Proration Exchange of other local government files including Agland and Family Farm credit files
Enterprise A & A Login	<ul style="list-style-type: none"> This secure login to the LocalGovExchange web portal, under the context of IAC SS 426.3, certifies the data provided by the county for the BPTC Unit ID Generator file, Data Elements file, and any other data going forward that is provided to IDR by the counties. As many people as assessors, treasurers, and auditors determine can have usernames and passwords for the LocalGovExchange portal. IDR will work with Jeff Garrett, Diane Kiefer, and Mary Maloney to set up access for treasurers to view warrant information.
Standard Rounding Methods	<ul style="list-style-type: none"> Rounding was discussed for Replacement Claims and BPTC Warrants. In both cases standard rounding occurs for the first installment payment The second installment payment is then the amount of the total credit less the first installment paid. IDR will create a diagram detailing this process.

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Military Exemption	<ul style="list-style-type: none"> • Each county will decide how to handle this. If there is an excess amount, the county will need to do a correction. • There are five parcels in three counties affected by this issue. All have been addressed.
Replacement Claim Warrants	<ul style="list-style-type: none"> • This is the payment for commercial and industrial rollbacks. • Claims can be submitted between July 1 and September 1. • Payments will be made on September 15 and March 15 each year. • Six claims have been submitted as of 8/08/14
TIF	<ul style="list-style-type: none"> • Becker lead this discussion regarding giving a portion of the credit to the increment. This only occurs if the increment is affected by the credit, which occurs only if the rollback eats the frozen base completely away. • Becker will provide details on this subject for county auditors. • Questions on TIF should be directed to Becker.
Replacement Claim File Error and Correction	<ul style="list-style-type: none"> • There was some miscommunication about changes to consolidated rates. The Replacement Claim file submission will be changed this coming week to accommodate differences between the DOM published rate and the county submitted rate, should this situation exist • Any county files submitted will be reprocessed correctly. • Q: If the last day to submit a replacement claim has passed (Sept 1 each year), but the file needs to be corrected, what will happen? A: IDR will make the payment based on the initial file valuation. • Q: If there is a correction to a replacement claim prior to July 1 of the fiscal year, and IDR owes the county money, how will this be handled? A: There won't be any "corrections" to the Replacement Claim file prior to July 1st because no Replacement claim file can be submitted before August 1st. The rule requires submission between August 1st and September 1st.
BPTC Warrant Processing	<ul style="list-style-type: none"> • The process was discussed. It was decided it needs to be diagrammed for the next meeting
Corrections Process	<ul style="list-style-type: none"> • There is a corrections process for each warrant – the BPTC warrant and the Replacement Claim warrant. • The corrections process is set up under the portal's Auditor functions. • Scenarios for each correction possibility were discussed. • These will be detailed in videos for easy reference in the future. • IDR needs to create the ability to add a district for corrections to the Replacement Claim
Multi-Res File Layout	<ul style="list-style-type: none"> • The original file layout from the initial group meetings was reviewed in preparation for Multi-Res and Dual Classification. This data would be submitted in 2016 for AY 2015. For Dual Classification the file will be the same structure as for ag dwelling or ag land. There will be a credit on the appropriate portion, similar to ag dwelling or ag land. • The files submitted in 2015 will be the same format as the files submitted in 2014. The file sent in 2016 will include everything in the layout except GIS.
Correction of prior communication	<ul style="list-style-type: none"> • Based on Administrative Rules for Multi-Residential Classifications filed Aug 1, 2013 (available for the public Aug 20) IDR has corrected its previous response to questions regarding three or more dwelling units when there is also commercial or industrial use: • In determining whether a property should be dual classed the assessor must first determine how many dwelling units are on the property; property that includes 3 or more dwelling units the

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	<p>assessor must determine the primary use – either commercial or for human habitation; if the use is primarily human habitation the entire property is to be classed multi-residential; if the primary use is commercial the property is to be dual classed; a portion as commercial or industrial and the remainder as multi-residential</p> <ul style="list-style-type: none"> • Add a follow-up on this issue in instructions to all vendors. The dual classed properties as the same as ad dwelling on the ag land parcels. Where each portion of the parcel receives a different equalization order and or different rollback amounts. • Add discussion of abstract review and the recon report to the next agenda.
For Future Discussion	<ul style="list-style-type: none"> • Vetting the abstract for 2013 • Diagrams based on today’s discussion • Update on video presentations about corrections process • How will Commercial and Multi Residential equalization work?
Questions	<ul style="list-style-type: none"> • Q: For the land portion of a multi res dual classification – is it required that the land be apportioned part to one classification and part to the other? A: Yes • Q: There would never be a case where the sub record is an ag parcel? A: Correct. The only dual classification allowed is commercial/multi-residential or industrial/multi-residential. • Q: Before SF 295, if a parcel had apartments with a bar below would it have been classified commercial if the bar was the primary purpose? A. Yes A: The code says “if not otherwise classed residential” meaning the assessor has determined if the parcel was or was not classified residential and had already determined that commercial classification was the primary use. • Q: How will Commercial and Multi Residential equalization work? A: Exactly like ag dwelling words for ag land. For commercial properties, the commercial order will affect the commercial portion only. • Q: When will IDR accept changes to the BPTC unit Generator Files and ID numbers? A: Technically anytime starting 8/8/14, however, it is recommended doing this once as of March 15 for additions. Retirements can be done anytime. You cannot get a new BPTC number for '13, but you can for '14. A: to retire a record, upload a file with a null aggregation indicator for 14. IDR – communication to the counties when the 2014 BPTC Unit Generator Database is available.
Agland Credit	<ul style="list-style-type: none"> • Timing for Agland Credit – when does it make sense for counties to come onboard for this?

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	<ul style="list-style-type: none"> • Structure file layout similar to Replacement Claim File, but by school district. • Discussing now so vendors have time to put this in place on or before March 2016. • Need to change prorate to 5 instead of 9 digits.
Next Meeting Date and Location	<ul style="list-style-type: none"> • September 19, 2014 10 am – 1 pm ISAC Offices, West Des Moines. IA
Meeting adjourned at 12:55 pm	

#	ACTION ITEMS	RESPONSIBLE	DUE DATE
1.	Work with county treasurers to set up access to LocalGovExchange web portal.	Roisen/Arvidson	When warrant information is available through the portal
2.	Create a diagram of the standard rounding process	Roisen/Arvidson	For upcoming presentations to Auditors and others as needed.
3.	Answer this question: If there is a correction to a replacement claim prior to July 1 of the fiscal year, and IDR owes the county money, how will this be handled?	Roisen/Chambers	There won't be a correction prior to July 1 st for replacement claim. The claim files cannot be submitted to the department until August 1 st through September 1 st .
4.	BPTC Warrant Processing Diagram	Roisen/Arvidson	For next Working Group meeting
5.	IDR needs to create the ability to add a district for corrections to the Replacement Claim	Roisen/Chambers	Working on that now. IDR has determined the file layout must include all of the taxing districts in the event a correction would require that a district be added to the file. There is no possible way for IDR to manage that type of correction so the solution becomes all tax districts are required to be submitted. Additionally the code requires all districts be submitted even if the claimed amount is zero.
6.	Provide information to all vendors regarding correction of prior communication on multi-residential properties also classified as commercial or industrial.	Roisen	Following discussion at next Working Group Meeting
7.	Communication to counties when the 2014 BPTC Unit Generator Database is available	Roisen/Chambers	As soon as available.