

Meeting Agenda/Minutes

Senate File 295 Implementation Advisory Panel

DATE: FRIDAY DECEMBER 12, 2014
 TIME: 10:00 A.M. – 12:45 P.M.

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

FACILITATORS	Lucas Beenken / Julie Roisen		
ATTENDEES	Mike Albers – Polk County Auditor’s Office - phone	Jeff Garrett – Washington County Treasurer	Julie Roisen – IDR Property Tax Division Administrator
	Kay Arvidson – IDR	Carrie Johnson – Local Government DOM	Rodney Ross – Cerro Gordo County Programmer
	Dave Bader – Thompson Reuters - phone	Ryan Lafrenz – Polk County Auditor’s Office	Frank Rottinghaus – Floyd County Treasurer - Phone
	Carla Becker – Delaware County Auditor	Dale McCrea - Muscatine County Assessor	Monica Sinclair - Solutions
	Lucas Beenken – Public Policy Specialist	Erin Mullenix – Iowa League of Cities	Solutions – Joel, Deb - phone
	Doug Benson – Thompson Reuters - phone	Dana Neuman – Mason City Assessor	Janine Sulzner – Jones County Auditor - phone
	Mark Castenson – Linn County Assessor’s Office - phone	Julie Riesselman – Tyler	Jeremy Thielen– Solutions
	Susan Chambers – IDR Property Tax	Randy Ripperger– Polk County Assessor	Jeanean Willems – Tyler - Phone
	Jennifer Channell – Thomson Reuters - phone		

Agenda topics	Notes:
Opening Remarks / Introductions	<ul style="list-style-type: none"> Meeting opened at 10 am with introductions of attendees.
Decision on Testing of Dual Class Files	<ul style="list-style-type: none"> It was decided to test during the third quarter of 2015. This will be a vendor test only.
Dual Class Valuation Notice Approvals	<ul style="list-style-type: none"> Only one notice has been approved to date. IDR will provide more direction on this if needed. It was decided that Board of Review notices should be modified as well. IDR will modify the existing notice and send to assessors. If assessors use their own form instead, these will need to be provided to IDR for approval.
Agland File – Input files	<ul style="list-style-type: none"> Reviewed diagram noting the three different perspectives needed for this file: The county addresses the assessment year in which the credit is applied (i.e. AY 14). DOM VALS system addresses the assessment year the values are used for calculation (i.e. AY 13). The DOM School system addresses the fiscal year where the rates originate for the calculation (i.e. FY 15).

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	<ul style="list-style-type: none"> • Consolidations are a timing issue for schools. When these do not match, there will be a “needs review” process online similar to Fix Levy Rate. The auditor will choose which school district applies. • Decision: Add school district name to Agland File. • DOM provides information on consolidation each year. This will become a translation table in the application. • There will be a comparison of the DOM taxable value and the taxable value provided by the county. If the county assessed value is greater than the DOM amount, the application will require a “needs review”. The application will use the lesser value unless directed by the county to do otherwise. • File clarifications: Line 5 = taxable value after rollback and less military; Line 6 = the full rate (IDR will subtract the \$5.40); Line 7 = County subtracts the \$5.40 to do the calculation. • DOM Input file – there will be two file inputs.
Agland Files – Reports	<ul style="list-style-type: none"> • Output file – Report #1 – Add the name of the school after the school code. Add “taxable value” to line 5, Add credit type on report #1. • Output file – Report #2 will calculate claim by school district than apportion it back to the tax district. This file will be downloadable. The total by school district will include dollars and cents.
Agland File Testing	<ul style="list-style-type: none"> • The goal for testing will be the 3rd quarter of 2015 using current year (2014) data. This will be vendor testing only. • We will plan to go live with Agland in January 2016. • The file will be named with one word “agland”.
County Statutory Responsibilities for Business Property Tax Credit Claims	<ul style="list-style-type: none"> • A handout was provided detailing the statutory responsibilities of the counties to receive and compile claims, recommend claims for allowance and disallowance of the credit, approve and disapprove credits, and notify taxpayers if a claim is disallowed. Taxpayers then have a district court appeal process and window of time to notify the county of an intent to appeal. • There is no statutory deadline for when a disallowance must be sent.
IDR Responsibilities under SF 295	<ul style="list-style-type: none"> • IDR responsibilities were then reviewed, which encompass two categories: Calculate the credit and assist local governments. • Two areas were defined in local government assistance: Ministerial Corrections for BPTC and Replacement Claim, and Administrative Changes for other changes.
Ministerial Corrections – Replacement Claim	<ul style="list-style-type: none"> • There are three kinds of Ministerial Corrections – Fix Levy Rate (for Replacement Claim only), Valuation changes is Replacement Claim or BPTC, and Tax District Changes in BPTC. • Counties can make these changes online through the LocalGovExchange portal. Valuation changes will be approved by IDR. • Timing of the changes and the impact on the BPTC amount was also discussed. Fix Levy Rate corrections made with the

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	<p>Replacement Claim (due August 31) automatically change the BPTC, which was submitted by June 30.</p> <ul style="list-style-type: none"> • If a county has a significant number of Fix Levy Rate corrections, and resulting changes in the BPTC claim amount, contact IDR for assistance making these adjustments. • A BPTC Correction Report was reviewed which details changes of this nature providing the original credit, recalculated credit, the adjustment, the correction date, and who made the correction. The most recent corrections are noted at the top of the report. • LocalGovExchange screen shots for Ministerial Corrections were reviewed. • IDR will change the verbiage or clarify the valuation difference to reflect the new total difference and the amount of valuation for the backfill claim. • Q: Is there a notification provided if there is a change in the BPTC because of a change in Fix Levy Rate? A: It was decided that the best notification would be one report sent after the overnight calculations including all of the changes made the previous day. This should only go to the Auditor. • Replacement Claim corrections that are made before the claim is filed require a new file. • Corrections cannot be made after March 1 of the payment year.
<p>Ministerial Corrections - BPTC</p>	<ul style="list-style-type: none"> • Two corrections can be made by the county – a change of value or a change of tax district. Changes can be made up to October 31 three years after the BPTC application. A change of value during the first year may also create a change in the Replacement Claim • The BPTC Correction Report details what is changed for reconciliation. It can be sorted by any of the column headings. The report is available to auditors and treasurers on the LocalGovExchange portal under the reports tab. It can be printed. • Decision: Add assessment year to the BPTC Correction Report. • Screen reviews stepped through the process of corrections that have a positive net adjustment and a negative net adjustment to the BPTC. • BPTC changes are reflected in the next installment paid. • The treasurer’s report should be listed by tax district, not by unit, to allocate the difference and reconcile the payment. • Q: Will a copy of the BPTC Correction Report and local correction to tax notice documentation be enough for Treasurers to address these changes? A: Yes
<p>Administrative Changes</p>	<ul style="list-style-type: none"> • Other changes relate to changes of name, contiguity, and other requested changes. These changes require documentation, and will be reviewed in more detail at a future date.
<p>GIS Representation</p>	<ul style="list-style-type: none"> • Several people were suggested for consideration to join the working group. • Roisen will compile the list and send it to the working group to collectively make a decision before the next group meeting. •

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Other Items for Consideration – Disabled Veteran Tax Credit Survey	<ul style="list-style-type: none"> • Posed the possibility of conducting a survey to identify the number and value of the Disabled Veteran Homestead Tax Credit in advance of the next legislative session. • It was decided that an Excel file of data would be more helpful – containing parcel, class, land, building, total value and acres. • IDR will work with Becker on this. • It was decided to also add the number of applications that were approved, and any that were received and not approved.
Other Items for Consideration – Central Assessments	<ul style="list-style-type: none"> • Requirements work is starting to move this work into the LocalGovExchange portal, with the exception of gas and electric. • IDR will work with this group for similar file layouts. • This will require businesses to report data by tax district. • The goal is to take this live in 2016. • It is anticipated there will be a process similar to Fix Levy Rate to adjust this process when there is a change in tax district. • There must also be the ability to add new tax districts (that will be on the DOM file the next year).
TIF Discussion	<ul style="list-style-type: none"> • Discussion was led by Becker regarding issues where payments are being applied to the base instead of the increment. • Corrections will have to be filed through the Replacement Claim valuation ministerial corrections process. It is best to make this correction in the second installment. • Q: Should IDR touch base with Lisa Oakley at DOM about this? A: Yes • If the increment districts received too much in the Replacement Claim, it has to be corrected by the county before the March Installment. Becker has had a conversation with the State Auditor's office. The Auditor intends to look to see if TIFs Replacement Claim dollars were received when they should not have.
Next Meeting Date and Location	<ul style="list-style-type: none"> • January 30, 2015 11 am – 2 pm ISAC Offices, West Des Moines. IA
Meeting adjourned at 12:45 pm	

#	ACTION ITEMS	RESPONSIBLE	DUE DATE
1.	IDR will review and modify the existing Board of Review notice and send to assessors.	Roisen/Chambers/ Arvidson	Prior to next meeting date.
2.	Add school district name to Agland File requirements.	Roisen/Chambers/ Arvidson	Immediately.
3.	IDR will change the verbiage or clarify the valuation difference to reflect the new total difference and the amount of valuation for the backfill claim.	Roisen/Chambers/ Arvidson	Before Ministerial Changes go live in January 2015.

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4.	For Ministerial Changes to the Replacement Claim – the auditor is the only one to make these changes, and notification will be provided after this is done.	Roisen/Chambers/ Arvidson	Before Ministerial Changes go live in January 2015.
5.	Add assessment year to BPTC Change report.	Roisen/Chambers/ Arvidson	Before Ministerial Changes go live in January 2015.
6.	Compile the list of recommendations for GIS representatives; send it to the working group to collectively make a decision.	Roisen	Before next meeting date.
7.	Collect a file of data documenting Disabled Veteran Homestead Tax Credit data to address legislative questions in the 2015 session.	Becker and Roisen/Chambers/ Arvidson	Before the 2015 session begins.
8.	Discuss TIF / Replacement Claim issue with Lisa Oakley at DOM.	Roisen	Before next meeting.