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## Reflections of the Year

By Peri Maxey, Assistant Director

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Well it goes without saying...I can't believe another year has come and gone but the holiday decorations and parties tell me it is so. This is the time to reflect on the important work that was done this year and think about what may come our way in the very near future. For sure there is never a lack of ideas for improving the property tax system. It's just so darn complex it is difficult to know if the changes are really for the better.

We have many things to be thankful for this year. We have our staff that are dedicated and work hard to provide our products and services in a timely and professional way. They are some of the best! Like other government offices, we are facing the loss of good, talented people as retirements come along or they are lured to the private side where salaries are generally higher. On the

other hand, we're fortunate to be getting some new, young talented people to the Department that bring new ideas and new energy. It is fun watching people grow and expand their world.

This year can't go by without us saying thanks to the many good people we work with on a regular basis — the county

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assessors and their staff, the county treasurers and their staff, the Boards of Equalization and their clerks, the Board of Tax Appeals, our Assistant Attorneys General, and the other Divisions within Revenue. We also say thanks to the various tax representatives and companies

who do business with us and challenge us regularly. It always stimulates our brains and challenges our thinking. And, we appreciate the relationships we have built with legislators and their staff — we have some interesting discussions from time to time.

What really impresses me the most is the outpouring of generosity of people. We've seen time and again when a major disaster happens, people find ways to help. And they keep giving each time something different happens. Now it is the holiday season and everywhere throughout our agency people are finding new and fun ways to raise money for those less fortunate. I couldn't ask to work in a better place. ♦

Special points of interest:

- Quarterly Reminders (see pages 5-6)
- Upcoming Training (see page 7)



**Happy Holidays and  
Happy New Year  
to you!**



## Sharing the Holiday Spirit

The Department of Revenue's Property Tax Division staff located in the Olympia headquarters office have a yearly holiday tradition — they adopt a family that is less fortunate and share the Holiday Spirit with them. This year our adopted family consisted of a single mother with three young children (7 years old, 9 months old, and a newborn).

Staff held our second annual BBB&B (aka *Bake, Book, B-Movie, and Botany*) Sale to raise money to purchase family needs and wishes. Other Department staff were invited to our sale, which raised \$444.90! It feels good to Share the Holiday Spirit!

## Staff Changes at Property Tax

**Sindy Parshall** joined the Property Tax Division on November 7<sup>th</sup>. She will be administering the new program providing assistance to widows and widowers of disabled veterans. Sindy will also work with Tribal exemptions, nonprofit exemptions, and senior citizen/disabled person deferrals. Boy, is she going to be busy!

Sindy comes to us from the private sector where she gained experience in real property valuation, market analysis, and experience in accounting functions. She has a great sense of humor and is enthusiastic about shaping the new program for widows and widowers. Sindy can be reached at (360) 570-5873 and by e-mail at [SindyP@dor.wa.gov](mailto:SindyP@dor.wa.gov).



**Sindy Parshall**



**Rob Bricel**

Many of you may have worked with **Rob Bricel** in the Ratio Program. Rob has now promoted into an auditor position with the Technical Programs Section. He will be auditing nonprofit organizations in King County that have applied for property tax exemption. Rob replaces Craig Stevenson, who left the agency to take a position in the private sector.

Rob has been with the Department of Revenue for more than six years, gaining much knowledge along the way. We're excited to have Rob joining the exemption team! His phone number is now (360) 570-5892 and his e-mail address remains [RobB@dor.wa.gov](mailto:RobB@dor.wa.gov).

**Jessica Griffith** is the newest member to the Ratio Program, where she is located in the Olympia office and is responsible for personal property audits. Jessica most recently worked in our Utility Section, where she assisted with appraisals of private rail cars and airlines by examining various financial statements. Prior to working for the Department, Jessica was a supervisor of bookkeeping in the private sector, auditing and ensuring compliance of internal control procedures. She brings a strong work ethic to the Ratio team, as well as great customer services skills that will benefit her in her new position. Jessica can be reached at (360) 570-5898 and by e-mail at [JessicaG@dor.wa.gov](mailto:JessicaG@dor.wa.gov). ♦



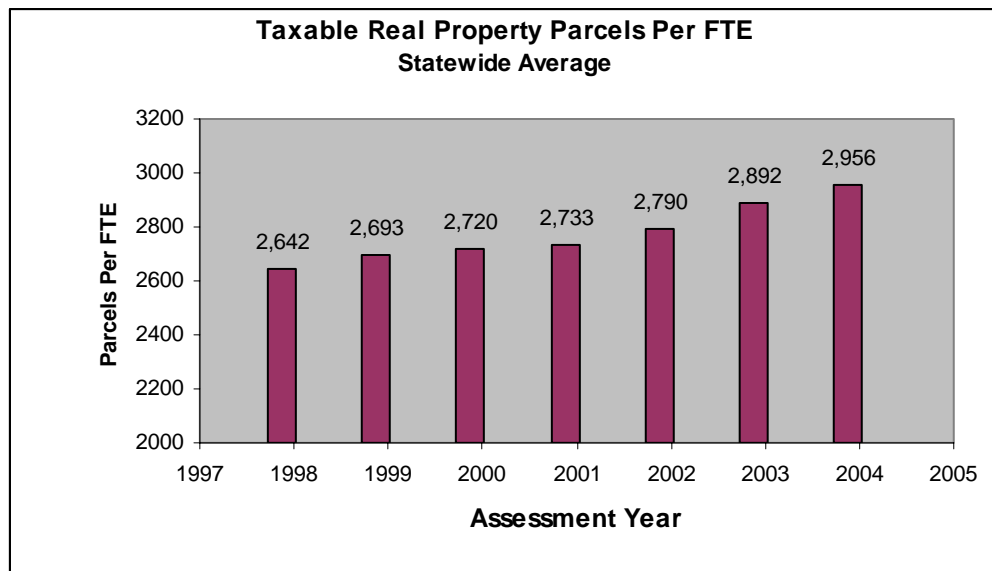
**Jessica Griffith**

## 2004 Assessor Statistics Released

By Cindy Boswell, Revaluation Specialist

Assessor's are revaluing more parcels and performing assessment functions with less staff--commendable effort has been expended by assessors to balance current workforce level against continued growth in new parcels, new construction and expanded exemption programs. Assessment year 2004 ended with an increase in statewide taxable parcels of 31,141 or a growth rate of 1.1 percent, while the statewide number of FTE's in 2004 was a slight drop from the FTE level for 2003.

The recently released *Comparison of County Assessor Statistics, 2004 County Comparison (Comparison Report)* provides property tax administrators with comparative statistics to assist in the evaluation of their operation. The *Comparison Report* statistics are based on locally assessed taxable parcels. Use of taxable parcels reflect much of the assessor's workload, however it should be noted that additional listed nontaxable/exempt and state assessed parcels also require use of county resources.



### Comparison Report Highlights

**Budgets**—Comparison of Assessors' budgets (less central services) from 2003 to 2004 reflects a change for individual counties in the range of -12.3 to 18.7 percent and an average of 2.84 percent growth. Assessor's budgets (less central services) for 2005 reflect a change for individual counties in the range of -5.8 to 18.1 percent. The average increase in 2005 budgets is 3.32 percent; however, there are 10 counties that are operating at a level near or less than their 2004 budget.

**Staffing**—Measured by FTE equivalents on a statewide basis, the level of staffing for 2004 dropped 0.4 percent with FTE positions reduced in 10 counties. Funded FTE's for 2005 is very close to the 2004 statewide level; however, 8 counties reported a decrease in funded FTE positions during 2005.

**Workload**—During 2004, the average number of parcels per appraiser was 5,441 in cyclical counties, and 5,794 parcels in annual counties. The average number of inspections per appraiser was 1,500 inspections in cyclical counties, and 938 inspections in annual counties. These levels will increase during 2005 based on a projected increase in parcels and reports of consistent staffing at the statewide level into 2005.

The current issue, and previous issues through 1998, of the Comparison Report is available through the DOR website. The internet address is: <http://dor.wa.gov/content/taxes/property/default.aspx> under the link "Statistics." ♦

## Benefit Assessment Districts – Mosquito Style

By Leslie Mullin, Levy Auditor

Benefit assessments are special charges that pay for services or improvements that have a direct benefit to lands and their owners. Unlike property taxes, this charge is not based on assessed value, but on a measure of benefit received from these services. These assessments may be calculated on a flat-fee per parcel basis or a dollar amount per acre, or any combination of similar characteristics. Since these charges are not based on the assessed value of a parcel, the district should create a classification system that allows them to determine the benefit received and fairly distribute the assessments throughout the district. For example, District Commissioners might determine where a mosquito

problem is the most severe within their district boundaries and then base the assessment on the proximity of the parcel to the problem areas.

When the district determines their budget needs and the assessments are calculated, they are placed on the tax rolls and usually appear on the property tax statement. Because the charges appear on the property tax statement they are sometimes confused with property tax levies. Benefit assessments are not property tax levies and therefore not restricted by the various levy limits.

Benefit assessments for mosquito districts were never intended to be based on assessed value. However, some districts have used assessed value when calculating

the benefit received by a particular parcel. Earlier this year, HB 1555 acknowledged that practice. When assessed value is used as a component for determining the district assessment, the *taxable value is to be used*. For parcels designated as forest land under chapter 84.33 RCW or classified as timber land, farm and agricultural land, or open space land under chapter 84.34 RCW, that means the value of the land determined under those chapters is used in determining the district assessment when value is a component. However, the Department of Revenue still encourages mosquito districts to determine their assessments based on the benefit received and not assessed value. ♦



## Property Tax Revaluation – Supreme Court Decision



On December 8th, the Washington Supreme Court issued a decision in [Advanced Silicon Materials v. Grant County](#), holding that when a taxpayer challenges a real property assessment during the middle of a multi-year revaluation cycle, the assessment must be measured with reference to the property's fair market value as of January 1 of the most recent revaluation year, and not January 1 of the year that is challenged. The Court, in a 5-4 ruling, concluded that the taxpayer's argument requiring counties to revalue real property every time a taxpayer alleges the value of its property had declined was

"unsupported by statute and would render meaningless the uniformity goals of cyclical revaluation programs."

A Kittitas County Superior Court judge had earlier ruled that Grant County must adjust the assessed value of the property between cycles to reflect the diminished value of the taxpayer's plant. The county appealed directly to the Supreme Court. The Department of Revenue filed a brief supporting the county's position that the taxable value of the plant could not be adjusted until its regularly scheduled revaluation year of 2003. The cyclical revaluation process must be systematic to meet the state constitution's uniformity clause, the Department argued, and mid-cycle challenges would disrupt uniformity by allowing businesses and other property owners to seek lower valuations when markets are weak while letting lower valuations stay on the books when business is booming.

Twenty-one of Washington's 39 counties revalue real property using a multi-year revaluation cycle. Justice Mary Fairhurst authored the majority opinion. Justice James Johnson wrote the dissent. The complete ruling is available at: <http://www.courts.wa.gov/opinions/?fa=opinions.opindisp&docid=756414MAJ> ♦



## This Quarter's Reminders

### January 1

Date real and personal property subject to taxation and valuation for assessment purposes. (RCW 84.36.005 and RCW 84.40.020) Taxes are payable on and after February 15 the following year. (RCW 84.56.020) Also first day to apply for open space assessment for January 1, 2006. (RCW 84.34.030)

### January 15

County assessor shall deliver tax roll to county treasurer and provide county auditor with abstract of the tax rolls showing total amount of taxes collectible in each taxing district. (RCW 84.52.080)

### February 1

2005 county timber assessed value (TAV) worksheets are due to the DOR Forest Tax Division.

### February 15

Property taxes can be paid on and after this date. These taxes are based on assessments made in previous year. There are certain exceptions relative to personal property as set forth in RCW 84.56.070. (RCW 84.56.020)

### March 1

Most taxing district boundaries must be established to permit levy for collection the following year. (RCW 84.09.030) For exceptions, see RCW 84.09.030 through 84.09.035. Also, changes in district boundaries must be submitted to the DOR in order to receive proper apportionment of values of state assessed properties. (WAC 458-50-130)

### March 15

Utility company annual returns on standard form must be filed with the DOR. Penalties prescribed (RCW 84.12.230 and 260)

### March 31

Applications for exemption from the property tax must be received by the DOR to avoid \$10 per month penalty. (RCW 84.36.815 and 825) Newly incorporated cities may establish boundaries. (RCW 84.09.030) ♦



Measuring what we do is vitally important. Performance measurement can assist in illustrating a number of things, such as, "Are we meeting stakeholder expectations?" or "Are we timely in completing a service?"

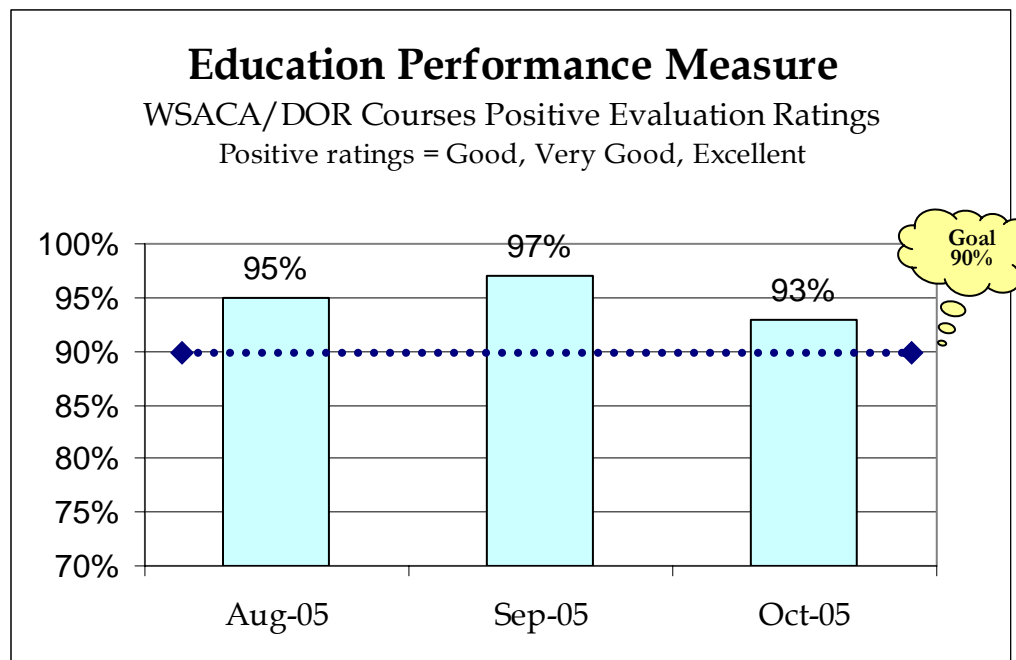
Routine measurement of data provides decision-makers with information regarding trends, where and when resources are needed, and if improvement strategies have produced desired outcomes.

The Department of Revenue's Property Tax Division staff have routinely tracked the performance of our programs for many years, with the information having been utilized and reported internally. As part of our ongoing effort to keep you informed, we will now be bringing this information forward, front-and-center! In each subsequent newsletter, we will highlight one of the Property Tax Division programs and some of its corresponding performance measurements.

### Property Tax Division Program: Education

We seek to provide, support, and co-sponsor with the Washington State Association of County Assessors' (WSACA) Education Committee high-quality educational offerings. In 2005, the Property Tax Division's Education Section (Velinda Brown & Patty Concepcion) worked to plan, budget, organize, prepare, and help instructors in the presentation of nearly 350 hours of educational courses to over 800 assessment staff and related personnel.

One of the instruments we utilize to determine if the quality of these educational offerings is first-rate is by asking for feedback from attendees through course evaluations. During the past three months, we presented or co-sponsored 11 courses with a total of 270 attendees. The following chart summarizes the ratings received for these courses. Each month the combined courses were consistently rated above our goal of 90 percent receiving positive ratings.

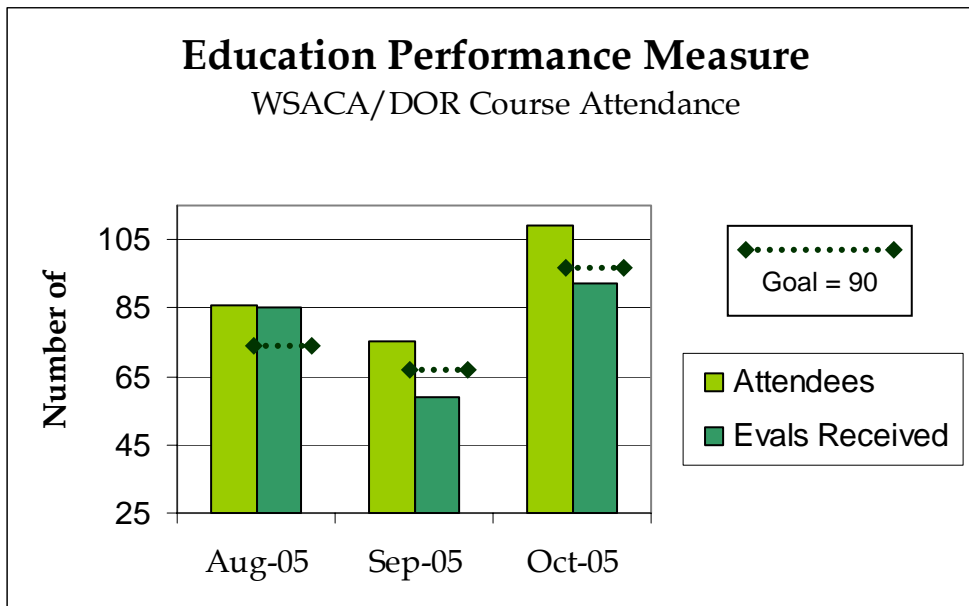


(Continued on page 6)

## Performance Measurement Corner (cont.)

(Continued from page 5)

To ensure we are capturing a sufficiently broad number of responses, we also track and review the number of evaluations returned for each course. We have established a goal that at least 90 percent of attendees complete and submit a course evaluation. As evidenced by the following chart, the number of evaluations returned for the courses offered in September and October did not meet our goal.



Although there are a number of other measures that are tracked and analyzed in the review of the Education Program’s overall performance, this type of data provides us with the opportunity to ask informed questions. Perhaps there were specific challenges in having the evaluations returned the last two months? What facilitated the better return rate in August? What efforts can we do to increase the return rate of evaluations? As you can see, the tracking of performance data not only provides an accounting of a project but, more importantly, can serve as a tool in ongoing improvement efforts.

Stay tuned. In the next newsletter, we will be reporting on the timeliness of property tax assistance payments under the Senior Citizen/Disabled Persons Property Tax Deferral Program and the Widow/Widowers’ Property Tax Grant Assistance Program. ♦

### What is GMAP?

*Government Management Accountability and Performance (GMAP)* was created by Governor Gregoire through [Executive Order 05-02](#) based on models used in New York City (“Compstat”) and Baltimore (“CitiStat”). Governor Gregoire holds performance review sessions, titled “GMAP forums,” to hold her agency directors personally and visibly accountable for delivering the results that are most important to citizens. In these forums, agency directors report regularly to the Governor on the most important management and policy challenges. The dialogue between the Governor and the agency directors is honest and direct, and decisions are based on thoughtful analysis of data and evidence about what strategies work best.

GMAP is about improving the results of state government and giving the public a clear, concise view of how government programs are working and whether citizens are receiving value for their dollars. It provides citizens a way to judge the effectiveness of government programs and allows agency leaders to shine a spotlight on problems and make decisions with greater clarity and accuracy. GMAP is also intended to give agency managers new tools to solve problems and improve services. ♦

**Efficiency is doing things right;  
effectiveness is doing the right things.**  
Peter Drucker (1909-2005)

## 2006 Upcoming Training

(State/County Personnel ONLY)

### February 14-15

Introduction to Personal Property  
Ellensburg — \$75

### February 16

Advanced Personal Property  
Ellensburg — \$30

### February 23

Advanced Personal Property  
Tacoma — \$30

### March 6-10

IAAO Course 311: Residential  
Modeling  
Tumwater — \$300

### March 14-15

USPAP  
Ellensburg — \$75

### March 16

USPAP Update  
Ellensburg — \$50

### March 20-23

Fundamentals of the Assessor's  
Office  
Tumwater — \$75

### For further information contact:

Patty Concepcion  
Education Coordinator  
Phone: (360) 570-5866  
E-mail: [PattyC@dor.wa.gov](mailto:PattyC@dor.wa.gov) ♦

## 2006 Training Calendar and Scholarship Applications Available

By Velinda Brown, Education Specialist

The 2006 Training Calendar was mailed to county assessor's offices last month, and is also available at <http://co.yakima.wa.us/assessor/wsaca/main.asp>.

Once again the Washington State Association of County Assessors (WSACA) will be offering up to \$5000 in scholarships to county personnel for courses offered in 2006. The scholarship applications must be returned to us by December 31<sup>st</sup>.

WSACA is also sponsoring an Instructor Scholarship that will allow the successful candidate the qualification to teach a specific International Association of Assessing Officers (IAAO) course either in-state or nationally. The training is generally offered for a specific IAAO course chosen by IAAO. The scholarship will be for tuition and travel to attend the annual IAAO Instructor Training Workshop normally held at the IAAO Annual Conference in the Fall. These scholarship applications are also now available.

All scholarship applications will be reviewed by the WSACA Education Committee in February 2006. Scholarship recipients will be notified by the end of February.

If you have any questions about education or accreditation, please contact:

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**WSACA Education Scholarship  
Applications must be returned to us by  
December 31st**

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<input type="checkbox"/> Code Area/Taxing District Boundary Changes & Maps	Jane Ely	(360) 570-5894	<a href="mailto:JaneE@dor.wa.gov">JaneE@dor.wa.gov</a>
<input type="checkbox"/> Public Utility Assessment	Chuck Boyce	(360) 570-5878	<a href="mailto:ChuckB@dor.wa.gov">ChuckB@dor.wa.gov</a>
<input type="checkbox"/> PUD Privilege Tax	Chuck Boyce	(360) 570-5878	<a href="mailto:ChuckB@dor.wa.gov">ChuckB@dor.wa.gov</a>