

Monmouth County Pilot Program

An Equitable Approach to the
Equalization Process

- The real property assessment demonstration program proposes a real property assessment system that will remain decentralized for the purpose of creating a more responsive and accurate assessment function that can annually adjust to the flow of the county's varied markets and submarkets.

- The central premise of the demonstration program is a collaborative effort between the county tax board and municipal assessors. The demonstration program relies on this working relationship to address the issues of cost effectiveness and the accurate process of assessment.

- The primary purpose of the program is to demonstrate a more cost effective and accurate process of property assessment administration for New Jersey.
- There are five primary (5) components of the proposed program that significantly modify the current assessment function. They are:

- This *Demonstration Program* proposes to modify the timing of the appeal season and filing requirements so that the vast majority of assessment disputes would be settled prior to the filing of the final assessment list with the County Board of Taxation. Modification of the calendar is intended to stabilize the current-year fiscal standing of the municipality and reduce the cost of collection shortfalls. (see calendar)
- Statewide the “anticipated but uncollected revenue due to loss in appeal” for the years 2009 and 2010 combined, is estimated to be \$119,090,263. When faced with such losses municipalities have to turn to their reserves and emergency bonding to meet their obligations to fund County, Schools and if possible, themselves. This bill contains a process that would have avoided that reality

- This *Demonstration Program* proposes changes that would provide the Assessor with both the authority and the requirement for the annual review and revision of all properties within the jurisdiction. Increased accuracy in assessments will greatly reduce the exposure to losses in appeals and build public confidence in the “fairness” of the system. Such requirements are also intended to reduce the frequency of the need for revaluation or reassessment.

- This *Demonstration Program* proposes changes that would provide the power to compel the implementation of revaluation, reassessment, compliance plan, and maintenance programs. By providing the ability to expedite the implementation of the revaluation process there will be greater precision in the timely assignment of individual tax liabilities putting an end to the protracted over/under payment of taxes.

- This *Demonstration Program* proposes changes that will provide enhanced uniformity by requiring that all municipalities within the County utilize the same property assessment software (MODIV/CAMA system).

- **Transparency–Centralization of public documents under the County’s OPRS website.**
<http://oprs.co.monmouth.nj.us>
- **Integration with Monmouth County GIS**
- **Incremental development of Microsystems functions**
- **Expansion of the Online Appeals Portal**
<https://secure.njappealonline.com>
- **Adopted procedures utilizing SPSS Statistical Analytics software**

#5 Education

- Underlying this *Demonstration Program* is a series of advancements in appraisal practices and procedures which necessitate additional educational requirements that, in fact, double the State's present requirements for Assessors and likewise apply to County Tax Board Commissioners and the Administrator within the *Demonstration County*.

- **IAAO Course 300 Fundamentals of Mass Appraisal**
 This course provides an introduction to mass appraisal and is a prerequisite for the 300 series of courses offered by the IAAO. Topics covered include single-property appraisal versus mass appraisal, components of a mass appraisal system, data requirements and analysis, introduction to statistics, use of assessment ratio studies in mass appraisal, modeling of the three approaches to value, and selection of a mass appraisal system. *AQB Approved: 33.50 CE with exam / 30 CE*
- **IAAO Course 311 Residential Modeling Concepts**
 Course 311 presents a detailed study of the mass appraisal process as applied to residential property. Topics covered include a comparison of single-property appraisal and mass appraisal, the major steps in the mass appraisal process, data requirements, market analysis, application of the approaches to value, use of sales ratio studies, and valuation review techniques. *30 hours CE*
- **IAAO Course 312 Commercial/Industrial Modeling Concepts**
 Course 312 presents a detailed study of the mass appraisal process as applied to income producing property. Topics include income property data, market analysis, sales comparison approach, cost approach, cost approach, gross and net income analysis, capitalization rate development, model specification and calibration, and value review and maintenance. *30 hours CE*
- **IAAO Course 112 –Income Approach to Valuation II**
- **IBM SPSS Statistical Analytic software course**
- **MS Excel –Advanced Management course**

Legislative Initiatives

- Establish 20% internal inspection maintenance
 - Reduce Printing and Mailing Requirements
 - Tax List
 - Chapter 75 Post Card Notices
 - Tax Bills (Servicers/Taxpayers)
- Maintain mail for non mortgage properties

Demonstration Program Summary

- Our collective target is to reduce the cost of the Assessment Function while enhancing service to the public.
- Over the next 5 years, it is our intention to incrementally employ technology and apply advanced assessment administration techniques to elevate the performance and the role of the Assessment Function within the State of New Jersey.

ASSESSMENT DEMONSTRATION PROGRAM

The Assessment Demonstration Program proposes the restructuring of the Assessment Calendar to position the appeal process before the budgetary process.

ASSESSMENT FUNCTION	CURRENT DATE	NEW DATE
Assessing Date	October 1 PTY	October 1 PTY
Revaluation Completion	Nov 1 PTY	1 week prior to November 1st
Preliminary Assessments Certified to County Board (all towns) CTB to post all PRC to County Website		Nov 1 PTY
Revaluation Assessment Notice Mailed (Revaluation Towns Only)	Not prior to November 10 PTY	Nov 1 PTY
Postcards Mailed (all non-revaluation towns)	1-Feb	Nov 15 PTY
Taxpayer Review Hearings completed (Revaluation Towns Only)	Not later than December 10 PTY	Not later than November 30
Postcards Mailed (includes all hearing revisions) (Revaluation Towns Only)	1-Feb	1-Dec
Added / Omitted Assessment Appeal Filed to CTB	On or before December 1	On or before December 1
Added / Omitted Assessment Appeal Judgment Rendered by CTB	On or before December 31st	On or before December 31st
Tax Appeals Filed	1-Apr	15-Jan
Appeal Judgments Mailed	30-Jun	30-Apr
Tax List Filed by Assessor	10-Jan	5-May
Town Adopts Budget	31-Mar	15-May
Tax List Finalized By Tax Board (Equalization)	10-Mar	25-May
Tax Rate Certified by Tax Board	20-May	31-May
Tax Bills Mailed	14-Jun	14-Jun