

Property Assessing Reform (PA 660 of 2018) Implementation

New Process begins December 31, 2021

The State will continue conducting Audits of Minimum Assessing Requirements (AMAR). If local unit fails, they must submit a Corrective Action Plan. A follow up review will be conducted.

- 1) If a local unit fails their follow up review, they must submit a second Corrective Action Plan and choose from one of the following options:
 - a. Hire a new assessor who must be STC Certified at MAAO or MMAO level.
 - b. Move to Designated Assessor
 - c. Allow the State Tax Commission (STC) to assume jurisdiction of their roll.

- 2) If a local unit fails their second follow up review:
 - a. The Designated Assessor takes over the local unit's assessment administration functions for at least 5 years.

It is highly unlikely any local unit in Ottawa County will reach the third step. However, by December 31, 2020 we must have an interlocal agreement in place appointing a designated assessor, signed by Ottawa County and a majority of our local units. The agreement must also be approved by the STC.

Designated Assessor Contract Summary

Key Designated Assessor Provisions:

Term: 6-year contract - January 1, 2021 through December 31, 2026

Proposed Designated Assessor: Brian Busscher MMAO, Ottawa County Deputy Equalization Director

As I will likely be retiring in the next couple of years, Brian has volunteered to serve as our Designated Assessor. The contract will not then need to be redrawn when I retire.

Annual Costs: None

Cost if Local Unit reaches step 3:

\$30 per parcel for 2021 with 5% per year increases through the 5-year life of this contract. Parcel count will be determined each year as of the March Board of Review and will include all active parcels, Ad-Valorem, Special Acts and Exempt

In the unlikely event an immediate reappraisal of a class of property is required, there will be an additional charge of \$60 per parcel for 2021 with 5% per year increases through the 5-year life of this contract.

Two years after step three has been reached, there will be a review of costs to determine if cost per parcel can be lowered and still cover the County's costs.

Michael R Galligan, Director
Ottawa County Equalization Department