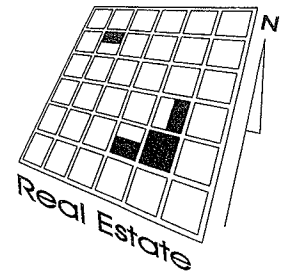


# Associated Appraisal Consultants, Inc.

Appleton ■ Hurley ■ Lake Geneva



November 8, 2012

Mr. Mo Hansen, Clerk/Treasurer  
City of Waterloo  
136 North Monroe Street  
Waterloo, WI 53594

Dear Mr. Hansen:

I am very pleased to provide the City of Waterloo with a proposal for assessment services with our firm. I would like to take this opportunity to share with you some background about Associated Appraisal Consultants, Inc.

Associated Appraisal Consultants, Inc. has been in the mass appraisal business since 1959. Our primary focus is municipal assessment through annual maintenance and revaluation programs. We currently serve many municipalities with a diverse variety of property types, ranging from the mansions of Lake Geneva to the unique properties of Wisconsin Dells as well as Lake Superior communities and everything in between.

Unparalleled service is our strength. While our assessors are in the field, our administrative staff is in the office, Monday through Friday, to assist our clients, property owners, and businesses. We provide a toll-free phone number and every caller receives personalized, immediate service, not a voice mailbox or a recorded message. In these times of increasingly automated communication technology, we pride ourselves on offering immediate, friendly, personal contact for anyone calling our office. We also offer email access as a way to service those who cannot call during normal business hours.

We provide an optional service to our clients to have their municipal assessment records posted on our website. The website offers easy-to-use search criteria and shows land and improvement data, including digital photos of all properties within the municipality. Please visit our website at [www.apraz.com](http://www.apraz.com) and click on "Property Search".

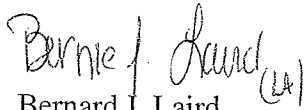
Our image also sets us apart from other assessment firms. When fieldwork begins, your residents can readily identify the Associated Appraisal Consultants team by our fleet of red trucks clearly displaying our company name and logo. In addition, field appraisers wear company clothing and carry photo ID tags and letters of introduction. We understand that residents can be reluctant to let anyone photograph their property, much less perform an interior inspection. Therefore, before even beginning our fieldwork, we inform property owners of who we are, why we are there, and what we'll be doing. By doing so, we help to educate the public and alleviate anxiety.

Associated Appraisal Consultants, Inc. uses cutting-edge computer aided appraisal software to create modern computerized assessment records. Our records include digital photographs, computerized sketches of buildings, a map indicating location of property, sales data, permitting information and all owner correspondence. Global Positioning Systems can also be integrated. We are a fully computerized and networked organization.

This is our business. We are proud of the reputation we have in the industry, from both our clients and state equalization officials. We put our best foot forward with every opportunity.

Please consider working with us. We welcome with great enthusiasm the prospect of working for you!

Respectfully,



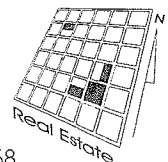
Bernard J. Laird  
Chief Executive Officer

BJL/lma

***Associated Appraisal Consultants, Inc.***

Appleton ■ Hurley ■ Lake Geneva

1314 W. College Ave. ■ PO. Box 2111 ■ Appleton, WI 54912-2111 ■ (920) 749-1995 ■ FAX: (920) 731-4158



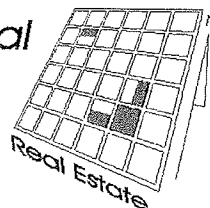
# City of Waterloo Jefferson County

## PROPOSAL FOR ASSESSMENT SERVICES



*Associated Appraisal*  
Consultants, Inc.

Appleton ■ Hurley ■ Lake Geneva



**Associated Appraisal Consultants, Inc.**  
**City of Waterloo, Jefferson County**  
**Municipal Assessor RFP Summary**

**Alternative 1: 3 year Computer Assisted/Statistical Revaluation (Years 2 & 5)**

**Maintenance 2013** – Eight Thousand Five Hundred Dollars (**\$8,500.00**)  
**Statistical Revaluation 2014** – Fourteen Thousand Two Hundred Dollars (**\$14,200.00**)  
**Maintenance 2015** – Eight Thousand Six Hundred Dollars (**\$8,600.00**)  
**Maintenance 2016** – Eight Thousand Six Hundred Fifty Dollars (**\$8,650.00**)  
**Statistical Revaluation 2017** – Fifteen Thousand Two Hundred Dollars (**\$15,200.00**)  
**Maintenance 2018** – Eight Thousand Seven Hundred Fifty Dollars (**\$8,750.00**)

**Total Six Year Cost Not to Exceed:** Sixty-Three Thousand Nine Hundred Dollars (**\$63,900.00**)

**Alternative 2: Full Revaluation (Year 2)/Statistical Revaluation (Year 5)**

**Maintenance 2013** – Eight Thousand Five Hundred Dollars (**\$8,500.00**)  
**Full Revaluation 2014** – Forty-Nine Thousand Five Hundred Dollars (**\$49,500.00**)  
**Maintenance 2015** - Eight Thousand Six Hundred Dollars (**\$8,600.00**)  
**Maintenance 2016** – Eight Thousand Six Hundred Fifty Dollars (**\$8,650.00**)  
**Statistical Revaluation 2017** – Twelve Thousand Two Hundred Dollars (**\$12,200.00**)  
**Maintenance 2018** – Eight Thousand Seven Hundred Fifty Dollars (**\$8,750.00**)

**Total Six Year Cost Not to Exceed:** Ninety-Six Thousand Two Hundred Dollars (**\$96,200.00**)

**Alternative 3: Full Value Assessment**

**2013** – Seventeen Thousand Dollars (**\$17,000.00**)  
**2014** – Seventeen Thousand Dollars (**\$17,000.00**)  
**2015** – Seventeen Thousand Dollars (**\$17,000.00**)  
**2016** – Seventeen Thousand Dollars (**\$17,000.00**)  
**2017** – Seventeen Thousand Dollars (**\$17,000.00**)  
**2018** – Seventeen Thousand Dollars (**\$17,000.00**)

**Total Six Year Cost Not to Exceed:** One Hundred Two Thousand Dollars (**\$102,000.00**)

**Alternative 4: Maintenance with Data Conversion**

**2013** - Eight Thousand Five Hundred Dollars (**\$8,500.00**)  
**2014** – Eight Thousand Five Hundred Fifty Dollars (**\$8,550.00**)  
**2014 - Data Conversion:** Three Thousand Eight Hundred Dollars (**\$3,800.00**)  
**2015** - Eight Thousand Six Hundred Dollars (**\$8,600.00**)  
**2016** – Eight Thousand Six Hundred Fifty Dollars (**\$8,650.00**)  
**2017** – Eight Thousand Seven Hundred Dollars (**\$8,700.00**)  
**2018** – Eight Thousand Seven Hundred Fifty Dollars (**\$8,750.00**)

**Total Six Year Cost Not to Exceed:** Fifty-Five Thousand Five Hundred Dollars (**\$55,500.00**)

### ANNUAL ASSESSOR REQUIREMENTS BY ASSESSMENT TYPE

	Full Revaluations	Exterior Revaluation	Interim Market Update	Annual Review/Maintenance
Appropriate when	PRC is outdated or inaccurate or assessment uniformity is poor or full revaluation hasn't been done in 10 years or assessment uniformity is poor or reassessment is required per statute 70.75.	Most PRC information can be verified by exterior inspection <u>and</u> full revaluation completed within past 6-9 years	PRC is deemed reliable <u>and</u> full revaluation completed within past 5 years <u>and</u> assessment level shows unacceptable degree of variance in some neighborhoods or classes	PRC is deemed reliable <u>and</u> revaluation was completed within past 5 years <u>and</u> assessment level during previous assessment year is within acceptable parameters
Real Property affected	All property	All property	Changes identified in column D <b>PLUS</b> Analysis of problem strata identified from previous assessment year	Annexed properties Change in exemption status Demolitions & fire damage New construction Change in classification Parcels with ongoing construction Change in legal description Change in zoning
Land Study	On-site Inspection	On-site Inspection	As necessary	As necessary
Inspect Exterior	All Buildings	All Buildings	Buildings w/changes	Buildings w/changes
Inspect Interior	All Buildings	Buildings w/changes	Buildings w/changes	Buildings w/changes
Building Measurements	Measure all buildings	Measure or verify as needed	Measure or verify as needed	Measure or verify as needed
Photos	All primary buildings	As necessary	As necessary	As necessary
Sketch	All primary buildings	As necessary	As necessary	As necessary
Analyze neighborhoods, property types, trends	Required	Required	Required. Results determine whether assessment is full value or aggregate assessment level	Optional
Property Record Card (PRC)	Create new	Update/create new as needed	Update/create new as needed	Update/create new as needed
Review classifications	Required	Required	Required	Required
Validate usability of sales	Required	Required	Required	Required
Verify sales attributes	Required	Required	Required	Required
Parcels to be valued	All Parcels	All Parcels	Parcels with changes	Parcels with changes
Review / revalue properties	All Parcels	All Parcels	Parcels with changes	Parcels with changes
Assessment level	Full Value	Full Value	Aggregate assessment level or full value as appropriate	Aggregate Assessment
Mail Notice of Change in Assessmt	Only if assessment changes	Only if assessment changes	Only if assessment changes	Only if assessment changes
Discovery & assessment of Personal Property	Required	Required	Required	Required

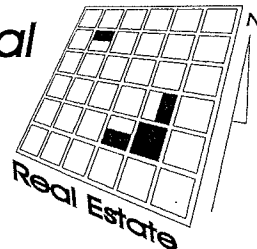
**AGREEMENT**  
**FOR**  
**ASSESSMENT SERVICES**

**Prepared for the City of Waterloo  
Jefferson County**

**By**  
**Associated Appraisal Consultants, Inc.**  
**1314 W. College Avenue**  
**P.O. Box 2111, Appleton, WI 54912-2111**  
**Phone (920) 749-1995**  
**Fax (920) 731-4158**

***Associated Appraisal  
Consultants, Inc.***

Appleton ■ Hurley ■ Lake Geneva



Lake Geneva Office  
Walworth County  
P.O. Box 1114  
Lake Geneva, WI 53147-1114

Ironwood, Michigan Office  
N10257 Lake Road  
Ironwood, MI 49938

Hurley Office  
Iron County  
P.O. Box 342  
Hurley, WI 54534-0342

**Associated Appraisal Consultants, Inc.**  
**Assessment Services Proposal January 1, 2013 – December 31, 2015**

**MAINTENANCE SCOPE OF SERVICES:**

1. Associated Appraisal shall perform all the work required to properly and professionally assess the real and personal property of the City in accordance with applicable Wisconsin State Statutes.
2. Associated will review and assess all properties that were under partial construction as of January 1<sup>st</sup> of the previous year.
3. Associated will review and assess new construction as of January 1<sup>st</sup> of the current year.
4. Associated will mail out state approved blotters to all holders of personal property in the City, audit the returned forms and place the new values in the assessment roll.
5. Associated Appraisal will account for all buildings destroyed and/or demolished.
6. Associated Appraisal will implement use value assessment of agricultural lands per specifications set forth by the Wisconsin Department of Revenue.
7. Associated Appraisal will process parcel subdivisions, lot-line adjustments new plats and any other land divisions.
8. Associated Appraisal will correct legal descriptions as appropriate.
9. Associated Appraisal will take digital photographs of new construction on or about January 1<sup>st</sup> annually, also on the review process if needed.
10. Associated Appraisal will maintain property owner lists, with current name and address changes, and mailing addresses if different. Said lists shall be kept at the City Hall.
11. Associated Appraisal will post assessments to real estate transfer returns and record sale information to an electronically stored and maintained database in accordance with Wisconsin Department of Revenue requirements.
12. Associated Appraisal will annually update all property owner record cards with new legal description labels.
13. Associated Appraisal will mail Notices of Increased Assessments to property owners and others as required.
14. Associated Appraisal will conduct Open Book sessions in accordance with Wisconsin State Statutes. Associated shall prepare a written statement regarding Open Book dates, times and instructions on how to set up an appointment for an Open Book session, at least one month prior to the first Open Book session.
15. Associated Appraisal shall be responsible for insuring that all procedures are properly completed for the Board of Review proceedings to be held according to State Statutes.
16. Associated Appraisal shall attend the Board of Review meeting to defend their valuations and work product. Associated Appraisal shall justify appraisals and represent the City at all meetings of the Board of Review and Department of Revenue.
17. In the event of an appeal of a Board of Review determination to the courts, or to the Wisconsin Department of Revenue, it is agreed that Associated Appraisal will be available to furnish expert testimony in defense of any of the assessed values.
18. Associated Appraisal shall report on every sale, after its occurrence to the State of Wisconsin Department of Revenue and the City Clerk/Treasurer. Associated Appraisal shall conduct a site visit contemporaneous with the sale, shall perform an interior and exterior inspection to verify property attributes, and shall take a digital color photograph of all inspections. Associated Appraisal shall make such investigation as it is reasonably necessary to determine if the sale constituted an arm's length transaction. If Associated Appraisal is, after reasonable inquiry, unable to determine if the sale constitutes and arm's length transaction, Associated Appraisal shall

presume it is an arm's length transaction. A copy of all information provided to the State by Associated Appraisal shall be provided to the City Clerk/Treasurer.

19. Associated Appraisal will be responsible for providing the Wisconsin Department of Revenue with final reports of assessed values after the Board of Review meeting date.
20. Associated Appraisal will supply to the City a complete set of computer property assessment records (including digital photographs of each property). Associated Appraisal will provide digital photographs with comparable properties in preparation for the Board of Review meeting(s) so that the Board and the petitioner have evidence of comparability. Additionally, Associated Appraisal shall update the City's assessment computer records within fourteen (14) days of the final adjournment of the Board of Review. Associated Appraisal will electronically export the completed assessment roll to the Grant County Tax Listing Offices in the format required.
21. Associated Appraisal shall assure that assessment records maintained at City Hall are the most current at all times.
22. Associated Appraisal shall communicate openly and in a timely fashion with the proper City personnel and the public in the handling of all appeals to ensure the Board of Review has all available information to render its decisions. Associated Appraisal is expected to present a positive, professional image in both dress and conduct while working with City staff and the public, especially during the appeals process. Associated Appraisal staff will carry proper photo identification to assure the public of their identity and purpose of gaining access to private property.
23. Associated Appraisal shall interact with the business and residential community and media to educate and provide greater clarity of the assessor's role in the property taxation process, the methodology of property tax assessment and its application in particular instances and to communicate assessment scheduling. On occasion, information materials shall be provided for the City website, newsletter and other similar publications.
24. Associated Appraisal shall be available to attend Common Council and other related meetings on an as needed basis.
25. Associated Appraisal shall be familiar with the responsibilities of complying with Wisconsin's open records law and proper administration of that law with respect to assessment records.
26. Associated Appraisal will provide a toll free phone number for City officials and residents to contact them during regular business hours Monday through Friday. Calls shall be returned within forty-eight (48) business hours. Associated Appraisal will attempt to make contact with property owners to arrange appointments for property inspections for records maintenance purposes. The City shall be advised by Associated Appraisal when they are in the community performing work.
27. Associated Appraisal will supply to the City a complete set of computer property assessment records (to include digital photographs of each property) that are compatible with the City's computer equipment and software. Additionally, Associated shall update the City's assessment computer records within fourteen (14) days of the final adjournment of the Board of Review.
28. Associated Appraisal Consultants, Inc., as the contract Assessor, shall be responsible to fulfill the duties of the statutory Assessor and all other duties incidental to the normal duties of the Assessor.

**APPROACH TO VALUE.** Assessor shall assess all taxable real estate according to market value, as established by professionally acceptable appraisal practices, except where otherwise provided by law. Assessor shall consider the sales comparison approach, the cost approach and the income approach in the valuation of all property.

- 1) **Sales Comparison Approach.** Assessor will collect, compile and analyze all available sales data for the municipality in order to become familiar with the prevailing market conditions and activity. A detailed analysis of sales data will be prepared, including a picture book of recent residential and agricultural sales. Vacant land sales will also be compiled and analyzed. In valuing property by the sales comparison approach, subject



properties will be appraised through a detailed comparison to similar properties that have recently sold, making careful consideration of similarities and differences between the subject and comparable sale properties.

- 2) **Cost Approach.** The cost approach to value will be considered for all taxable improved property. Replacement costs for residential and agricultural improvements will be calculated per Volume II of the *Wisconsin Property Assessment Manual*. Replacement costs for commercial improvements will be calculated using Marshall & Swift valuation service. All accrued depreciation, including physical deterioration, functional obsolescence, and economic obsolescence will be accurately documented and deducted from current replacement costs.
- 3) **Income Approach.** Consideration of the income approach to value will be made when the income or potential income generated by the real estate is deemed likely to affect the property's resale value. Data to be analyzed will include economic rents, typical vacancy rates and typical operation expense ratios. In the valuation of property by the income approach, adequate records will be prepared, showing a reconstruction of income and expenses, as well as all calculations used to arrive at market value, including formulas and capitalization rates as appropriate to the type of property being appraised.

## GENERAL REQUIREMENTS

A. **OATH OF OFFICE.** As the Assessor is a corporation, the person designated as responsible for the assessment shall take and subscribe to an oath or affirmation supporting the Constitution of the United States and to the State of Wisconsin and to faithfully perform the duties of Assessor. The oath shall conform to Section 19.01, Wis. Stats. and be filed with the Municipal Clerk prior to commencing duties. Assessor shall assume the appointed office of city assessor as per Wisconsin Statutes 70.05 (1) for the duration of this contract and shall perform all statutory duties appertaining to such office. As such the Municipality shall hold harmless the Assessor from all claims and liabilities relating to the assessment or taxation of property, including but not limited to claims made under Statutes 74.35, 74.37 and circuit court claims, unless otherwise specified in this agreement.

B. **QUALIFICATIONS AND CONDUCT OF PERSONNEL.** The Assessor shall provide at its own expense any personnel necessary and shall comply with the following:

- 1) All personnel providing services shall be currently certified in compliance with Sec. 70.05 and 73.09, Wis. Stats. and the administrative rules prescribed by the Wisconsin Department of Revenue.
- 2) Assessor's field representatives shall carry photo identification cards.
- 3) All employees, agents, or representatives of the Assessor shall conduct themselves in a safe, sober, and courteous manner while performing services within the Municipality.
- 4) The Assessor shall review any complaint relative to the conduct of the Assessor's employees and take appropriate corrective action. If the Municipality deems the performance of any of Assessor's employees unsatisfactory, the Assessor shall, for good cause, remove such employees from work upon written request by Municipality.