DATE: January 7th, 2020

FROM: Karl Weiland, Assessor

TO: Board of Supervisors, Sue Novasel, Chair
Don Ashton, Chief Administrative Officer

SUBJ: Property Tax Administration System Replacement Project (PTARP) Update

In early 2014, the County directed Information Technology and affected departments to transition off of the mainframe computer and to accomplish the transition by the end of 2019.

In January 2017, the County entered into agreements with Megabyte Property Tax Systems (MPTS) for the installation of a new property tax administration system (PTARP).

Several previous updates have reported on the status of the implementation. This report provides an update of activity since the October 2018 update and reports that the implementation is completed and all departments are operating in the new system.

The mainframe was decommissioned on July 31st, 2019.

The previous PTARP update on October 30th, 2018 reported that:

Tax Collector
1. All Tax Roll data has been successfully converted and validated.
2. CORTAC file programming and upload processes are complete.
3. Current Unsecured Tax Bill payments are being taken in the system - on-line, at the counter, and by phone.
4. Our new secured tax bill file format along with our secured tax bill data received back from the print vendor and approved
5. We are on track to mail Secured tax bills on or before November 1st. They are available on line now.
6. All back payments being held during the transition process have been entered into the system.
7. The web tax bill inquiry and payment module is available to the public for current unsecured and current secured bills.
8. The Tax Collector has been transitioned from implementation staff to support staff for issue resolution.

Auditor
1. The first extension of secured tax roll data to the Tax Collector was successfully completed.
2. Megabyte is continuing to assist us with calculation and configuration changes from improperly loaded resource table files.
3. The Auditor is configuring the automated apportionment resource tables.
4. The Auditor has been transitioned from implementation staff to support staff for issue resolution.

Assessor
1. Personal Property data is down to a few minor details on Megabyte's virtual server. Once they have our approval, a clean load of Personal Property/Business data will uploaded into our local system for final validation.
2. Training for online business property filings (OBPF), and for Personal Property will occur once we have Personal Property data.
3. We are down to a few remaining critical assessment roll data issues which should be resolved in the next two weeks.
4. The Assessor staff is participating in multiple hands on training sessions with our live data.
5. When the remaining issues are resolved, and training is completed, all users will be hands on working in the system.
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Clerk of the Assessment Appeals Board
1. MPTS has been notified that training needs to be scheduled for the Assessment Appeals staff in the Clerk of the Board's office.

IT
1. The Property Tax Legacy system is complete and available to all 3 departments for history inquiry.
2. The server and applications for all Megabyte web modules have been configured
3. A test environment is configured and ready to go. As soon as we have good personal property data, we will complete our first copy from production to test. The test environment will be used to validate procedural and processes prior to effecting changes on actual production data. It will also be useful to test program modifications implemented by the vendor
4. The interface for transfer of Recorders data has been validated and is up and running
5. The ACI credit card payment processor is implemented and now being used for tax payments on line, at the counter and by phone.

The following have been accomplished since the last update:

Tax Collector
1. 2019/2020 tax bills for both the secured and unsecured roll were successfully processed, printed and mailed on time.
2. Collection is proceeding with only minor issues.

Auditor
1. The 2019/2020 roll turned over by the Assessor was successfully extended and tax amount calculated properly.
2. Over 600,000 individual assessments for bonded indebtedness and special district charges were successfully added to the property tax bills.
3. The extended roll was successfully transmitted to the Tax Collector for billing and collection

Assessor
1. All data conversion is completed with relatively minor issues resolved as discovered.
2. The Assessor processed 2018 sales, changes in ownership and new construction activity in the new system.
3. The 2019/2020 assessment roll was successfully completed and turned over to the Auditor for extension.
4. All sections within the Assessor's office are currently processing 2019 events.

Assessment Appeals/ Clerk of the Board
1. The 2018 appeals were processed using the module purchased with the system. Although the module tracked the appeals and provided both the Assessor and the Clerk of the Assessment Appeals Board (AAB) with appeal inventory management, the program proved inadequate for processing letters, agendas and other hearing management requirements. The vendor was informed of the problems and provided assistance to correct the problems and eventually all issues relative to the 2018 appeals were resolved. The appeal hearings were conducted after a significant amount of effort on the part of the AAB clerk. The vendor acknowledged the problems with the module and has refunded the $15,500 cost of the module.
2. County IT is migrating the previous Lotus Approach AAB program to a newer platform that is under review by the Assessor and Clerk of the AAB.

Project Manager
1. The project manager provided excellent guidance and support for the project. All three departments benefitted immensely from the diligent management that this consultant, Carie Toeller, brought and contributed to the project.
2. Under the terms of the contract, Ms. Toeller ended her management duties and concluded her responsibilities at the end of October.

Information Technologies
1. IT continues to provide server backup and manage security for the system.
2. The vendor announced this past spring that the system would be brought into compliance with NIST security standards. We anticipate that this will occur with the forthcoming major update release. No date for the release has been provided.

Project finances

The original contract with Megabyte totaled $928,000 with 25% down and remaining payments to be made as five project milestones were achieved. The only remaining milestone is the final phase 5 "Go Live" payment of $69,600 which will be processed when invoiced by the vendor.

Next Steps

Although the transition from M204 to Megabyte is complete, there are still several steps to be taken before the new system is operated in an optimum configuration. Over the next two to three years, the property tax administration departments will need to be supported while taking the following actions:
1. Each office was organized to operate the old system as efficiently as possible. Megabyte handles many processes differently. In some cases, changes are minimal, in others; the organizational structure may need to be revamped to optimize workflow. This process will, and should take at least two complete operating cycles.
2. As noted above, there are several areas where the new system is less efficient or more labor intensive. This is a commonality among the three dozen or so user counties. We should, and will reach out to see what solutions for efficiency have been developed and what is in the "cafeteria" of enhancements already available. Implementing these may take a few years.
3. Where we see problems without solution, we will work with the vendor to identify and propose program modifications. This will take time as well because the vendor looks for a majority consensus from users in support of program changes.

In conclusion, the Property Tax Administration departments have completed one full business cycle using the new property tax system and the transition from the old system to the new system is complete and accomplished within the milestone dates established for the project. We are now entering the next phase of the transition, optimizing our ability to operate the system more effectively and efficiently.