

**Skagit County Property Tax Administration Review Follow-up  
 Status of Work Completed  
 February 20, 2014**

NOTE: Refer to our original report issued in August 2011 for a complete explanation of each requirement and recommendation.

Requirement	Topic	Work Completed on Requirement	Completed / Pending Completion	Future Follow-up?
1	Required Physical Inspections	<p>The Assessor reported that:</p> <ul style="list-style-type: none"> <li>• They inspected 16,878 parcels during the 2013 Sedro Woolley physical inspection cycle.               <ul style="list-style-type: none"> <li>– Completed physical inspections the last week of October 2013 and would close the tax roll on November 7, 2013.</li> </ul> </li> <li>• The physical inspection/revaluation time-line had to be extended by four to five months due to a vacancy that was unfilled.               <ul style="list-style-type: none"> <li>– Fully-staffed in appraisal division as of November 2013.</li> </ul> </li> <li>• The plan for the upcoming physical inspection/revaluation is to be 100% complete by the end of July 2014. This goal is attainable goal for two reasons:               <ul style="list-style-type: none"> <li>(1) we are now fully staffed</li> <li>(2) the 2014 physical inspection/revaluation cycle has the least parcel count of all cycles.</li> </ul> </li> </ul> <p>Attachment:</p> <ul style="list-style-type: none"> <li>• PTA Reqt 1.pdf</li> </ul> <p>The Department reviewed the list of inspected properties submitted by the Assessor. The information included the date of inspection from the system to verify the requirement is completed. The Department reviewed print screens from the CAMA system for parcel numbers: 30316, 76366, 80681, 113853, and 124316.</p>	Completed	No.

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2	Listing and Assessment of Real Property (New Construction)	<p>The Assessor reports that two trainees were hired during our new construction phase to help list new construction. A total of 940-plus new construction permits were inspected which resulted in an additional \$240 million in new value on the assessment roll.</p> <p>The Assessor uses an Excel worksheet to record and track the progress for each new construction permit attachment. Information included on the spreadsheet includes:</p> <ul style="list-style-type: none"> <li>• Permit number</li> <li>• Percentage completed</li> <li>• Permit description (i.e., commercial or residential)</li> <li>• If not picked up (NPU).               <ul style="list-style-type: none"> <li>– Most of the NPU coded permits were either issued in July 2013 or residential (under \$10,000) and commercial (under \$25,000).</li> <li>– Permit cutoff values were determined after carefully reviewing these permits using "value added" criteria.</li> <li>– Cutoff values are \$10,000 for residential and \$25,000 for commercial.</li> </ul> </li> </ul> <p>Attachment:</p> <ul style="list-style-type: none"> <li>• Reqt 2 2013 permits sort comp.pdf</li> </ul> <p>The Department spot-checked permits by Parcel ID Number to verify parcels were inspected.</p>	Pending Completion	<p>Yes. The Assessor's procedure for reviewing building permits should focus on value added criteria rather than cutoffs based on dollar amounts.</p> <p>To determine if the Assessor has met the requirement, the Department expects the Assessor to provide:</p> <ul style="list-style-type: none"> <li>• Revised procedures for reviewing building permits that focuses on value added criteria.               <ul style="list-style-type: none"> <li>– Note: The Department will continue to monitor the permit review process in 2014, using "value added" criteria.</li> </ul> </li> </ul>

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3	Physical Appraisal within Twelve Months of Issued Permit	<p>The Assessor reported that physical inspections of the building(s) were performed within 12 months of the date the permit was issued, with the exception for residential permits under \$10,000 and commercial permits under \$25,000 after carefully reviewing permits on a "valued added" criteria. The Assessor notes:</p> <ul style="list-style-type: none"> <li>• Most residential permits under \$10,000 were for re-roofing, deck replacements, or out buildings that added minimal value.</li> <li>• Most of the commercial permits under \$25,000 were for mechanical, fire suppression, or tenant improvement work that added minimal value.</li> <li>• They did not inspect permits issued as of July 1, 2013.               <ul style="list-style-type: none"> <li>– Experience has shown that permits issued as of July 1 are not at a building stage where value can be added. These will be scheduled as a priority in 2014.</li> </ul> </li> </ul> <p>Attachment:</p> <ul style="list-style-type: none"> <li>• See Reqt 2 2013 permits sort comp.pdf</li> </ul> <p>The Department reviewed the list of 2012/2013 permits issued. The Department requested print screens from the CAMA system, for the following Parcel ID numbers: 17290, 35805, 40512, 49394, and 74013 – which included the date of inspection. This review showed that most parcels had met the requirement. One parcel, #49394, did not meet the requirement. It was inspected eight days after the one-year deadline; however, the parcel was listed for the appropriate year.</p>	Completed	<p>No.</p> <p>As with all counties, the Department will monitor 2014 new construction inspections.</p>