



Pierce County

Office of the Assessor-Treasurer

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DALE WASHAM
Assessor-Treasurer

Mr. Brad Flaherty
Assistant Director
Property Tax Division
P O Box 47471
Olympia, Washington 98504-7471

RECEIVED

JUL 13 2010

PROPERTY TAX
DIVISION

Jennifer Lundin
8:10 a.m.

Mr. Flaherty,

This letter is in response to your letter dated July 9, 2010, which was in response to my Formal Notice to the state Department of Revenue dated July 7, 2010. In your said letter you state: "Therefore, it is clear that signing of the certificate and the preparation of the assessment roll are separate processes and an incomplete or unsigned certificate does not invalidate the assessment." Mr. Flaherty, would you please send me the Department of Revenue's approved form to send to the County Board of Equalization for the preparation of the assessment roll that you state is a 'separate process'.

Mr. Flaherty, you further state "I am surprised that you have chosen to notify the Department of Revenue that you would not sign the certificate this year when last year you did sign the certificate of assessment rolls, even though there were significantly larger number of inspections that had not been completed."

Sir, in July of 2009 I reluctantly signed said certificate because of a lack of a proper investigation by a county or state public law enforcement agency into the prima facie evidence I had presented to said agencies in early 2009, regarding alleged violations of law that took place in the Assessor-Treasurer's office during the years 2001 through 2008.

However, I have now acquired additional information. The reason I will not sign the 2010 certificate is based on the additional positive factual knowledge that I have gained, months after signing the 2009 certificate. Substantial new information came in part from the following sources: Pierce County Assessor-Treasurer Investigative Report dated 09-02-2009, attached hereto as **(Exhibit A)** and the Whistleblower Investigative Report dated 03-19-2010, attached hereto as **(Exhibit B)**.

Mr. Flaherty, in your said letter you state: "However we have not been made aware of any additional issues that have increased those concerns beyond those discussed during the past year." That is not true Sir. On July 7, 2010 you received a copy of a 20 page brief with 472 pages of exhibits. Please read said brief and the exhibits thereto.

Mr. Flaherty, in your said letter you state: "Therefore, if there is additional information that we should be aware of, I respectfully request that you provide us with that information and the steps you are taking to improve your processes so that you can become more confident in the work your office performs."

Not only am I confident in the work this office performs, but it appears the Department of Revenue is as well. In a letter dated 04-26-2010, attached hereto as **(Exhibit C)**, your office recognized the fact that the Pierce County Assessor-Treasurer's office on a daily basis tries to improve its processes to better serve the taxpayers by correcting the alleged falsifying of physical inspections in the Assessor-Treasurer's office taxpayer's records that took place in the years 2001 through 2008.

Mr. Flaherty, it might be a good idea for you to take a look at the Department of Revenue's processes to improve the process that failed the taxpayers in 2004 and 2005. After the Department of Revenue was made aware of public allegations that Ken Madsen the former Pierce County Assessor-Treasurer, had failed to follow the law and conduct physical inspections during the years 2001 through 2004, as mandated by law, the Department of Revenue chose to do nothing. I am attaching as **(Exhibit D)** hereto, 97 pages of e-mails that confirm the Department of Revenue knew of the said allegations against Ken Madsen, the former Pierce County Assessor-Treasurer. However, the Department of Revenue failed to do anything to protect the Pierce County property taxpayers in regards thereto.

The Department of Revenue clearly knows the importance of physical inspections, see **(Exhibit E)** hereto a Department of Revenue document entitled "Property Tax Review, June 2007, Volume 8, Issue 2, Page 2; 'Maximize Your Investment in PI'", that states therein ***"Physical inspection is so costly why must we systematically inspect property? Taxpayers have the right to expect accurate and equitable assessments. The most labor intensive and costly phase of a revaluation is the physical inspection process, but good records provide a foundation to achieve accurate and equitable assessments. The quality of the available data will have a greater effect than anything else on valuation accuracy." Mass Appraisal of Property, International Association of Assessing Officers, 1999, P 30. All land and improvement data must be accurate and based on consistent standards--a recurring mantra heard at mass appraisal modeling training and this statement reverberates through counties that are incorporating modeling in their mass appraisal practices.***

The quality of final values is very dependent on the quality of the data going into the data management system. Active records of individual parcels must be accurate. In addition, a separate fixed record of property sales, and the property characteristics as of the sale date, needs to be accurate. Missing data, incorrect square footage or inconsistent opinions of subjective features, may result in distorted values, poor ratio of market to assessed values, and negative impact on the assessment professional's credibility with property owners."

Said document clearly shows how important statutorily mandated physical inspections are for uniform taxation as required by the Washington State Constitution, Article 7, Section 1.

Mr. Flaherty I want you to know, I work for the taxpayer, and I believe it is my job to look out for the Pierce County taxpayer's best interest and I intend to do just that. I would hope you would do the same. As to my comment regarding the "presumption of correctness pursuant to RCW 84.40.0301" it was my personal opinion.

Due to the time elements, a prompt receipt of your Department's approved form would be appreciated.

Dated July 12, 2010

Respectfully,
IN GOD I TRUST,



Dale Washam

Cc:

The Honorable Christine Gregoire, Governor
The Honorable Rob McKenna, Attorney General
Cindi Holstrom, Director, Department of Revenue

Attachments:

- Exhibit A - Pierce County Assessor-Treasurer Investigative Report, dated 09-02-2009
- Exhibit B - Whistleblower Investigative Report, dated 03-19-2010
- Exhibit C - Department of Revenue, letter dated 04-26-2010
- Exhibit D - Department of Revenue, 97 emails
- Exhibit E - Department of Revenue document entitled "Property Tax Review, June 2007"