

**RULES AND REGULATIONS
OF THE
MINNESOTA COUNTIES COMPUTER COOPERATIVE
TAX USER GROUP**

(Amended June 13, 1985)
(Amended June 13, 1986)
(Amended February 26, 1987)
(Amended January 21, 1988)
(Amended June 10, 1988)
(Amended April 17, 1989)
(Amended June 10, 1992)
(Amended June 8, 1995)
(Amended June 6, 2002)
Amended June 7, 2006

In accordance with Article V., Section I. of the Minnesota Counties Computer Cooperative Bylaws, the following supplementary Rules and Regulations governing the business of the Tax User Group are promulgated.

Article I

Purpose

Section 1. The purposes of the Tax User Group are to provide direction to the MCCC Executive Committee regarding vendor selection and vendor contracts, to determine and approve changes, modifications, or enhancements to existing software applications, to identify the need for and requirements of new software applications, and to conduct business necessary to the operation of the User Group.

Article II

Definitions

Section 1. "MCCC Property Tax System or MCCC PTS" shall mean the property tax software system, including modifications and enhancements, to be furnished to MCCC by Affiliated Computer Services (ACS) under the Property Tax System Program and License Agreement between Affiliated Computer Services (ACS) and MCCC dated January 1, 2006, and the Property Tax System Maintenance and Support Agreement between ACS and MCCC dated January 1, 2006.

Section 2. "Property Tax System Program and License Agreement" shall mean the agreement between ACS and MCCC dated January 1, 2006, whereby ACS will furnish a property tax software system to MCCC.

Section 3. "Property Tax System Maintenance and Support Agreement" shall mean the agreement between ACS and MCCC dated January 1, 2006, whereby ACS will provide maintenance and support services relating to the MCCC PTS, as well as furnish modifications and enhancements to the MCCC PTS.

Section 4. "ACS" means "ACS" means Affiliated Computer Services" a corporation whose offices are located at Waite Park, Minnesota and which is engaged in the business of developing, marketing, maintaining and supporting computer programs.

Section 5. "New Tax Project" shall mean the new tax project in development with Manatron under the agreement between Manatron and MCCC dated January 1, 2006.

Section 6. "New Tax Project Counties" shall mean the MCCC counties that have ratified the Manatron Contract.

Article III

Organization of Tax User Group

Section 1. Chair. Chair and Chair Elect will be elected at the annual June Meeting. Chair shall be elected from a new tax project (Manatron) county and a Chair Elect for the 2006-2007 from the remainder of the user group. The Chair Elect will rotate to chair the following year.

Section 2. Advisory Committee. There shall be an Advisory Committee consisting of four representatives from the current new tax project (Manatron) (two from Regions I and II and two from Regions III and IV) and four from the remainder of the user group (two from Regions I and II and two from Regions III and IV). At its June meeting, the User Group shall elect from among its members a Recording Secretary to serve a one-year term. At the July Advisory Committee meeting, the Advisory Committee shall elect a Vice Chairperson

The Tax User Group Chairperson shall also have a vote on the Advisory Committee. Three members of the Tax Advisory Committee can send an issue to the full user group for a vote.

Section 3. Requirement of a Quorum. A quorum shall exist when two-thirds of the members of the User Group are present at a duly called meeting. A quorum is required before the User Group may act on any matter involving vendor selection, or a contract with a vendor.

Section 4. Mailed or Emailed Ballots. Upon the approval of the Tax Advisory Committee, the User Group may act by mailed or emailed ballot. A vote of two-thirds majority of the User Group members is required. The mailed or emailed ballot procedure shall not be used unless the User Group has had an opportunity to discuss at a regularly scheduled regional meeting the issue to be decided and the members knew 15 days in advance of that meeting that the issue would be discussed.

Section 5. Each county participating in the User Group is entitled to only one vote.

Section 6. The User Group representative or his/her alternate may vote only in the absence of the county's delegate.

Section 7. A simple majority of those present at a duly called meeting is required to pass an issue.

Section 8. The Tax User Group or Advisory Committee shall form "Working Committees" to address issues important to the Tax User Group. The Chair of all Working Committees must be appointed by the Tax Advisory Committee (TAC). Staff from any Tax User Group counties may participate on Working Committees; however, in order to determine quorums, counties must commit to participation on Working Committees and be recognized by the Tax Advisory Committee. Each Tax User Group recognized county participating on a Working Committee is entitled to one vote. The Tax User Group and/or Advisory Committee may delegate decision-making authority to a Working Committee. The Tax Advisory Committee shall adopt and prescribe procedures for the operation of the Working Committees.

There shall be at least four (4) standing Working Committees: Legislative Research Committee, Standards Committee, Beta Testing Committee and CamaUSA Committee. Membership of the Legislative Research Committee (LRC) and Standards Committee are defined in Appendix A and B.

Additional Working Committees may be formed to address issues important to the Tax User Group such as separate software products/modules, other business issues, and/or projects.

Section 9. The normal meeting of the Tax Advisory Committee shall be the third Thursday of each month. Notice of User Group or committee meetings must be provided to the county's delegate ten (10) days prior to the meeting. Notice of a meeting may be waived either before, at, or after such meeting, by a simple majority vote of those present.

Meetings shall be held at the call of the User Group Chairperson. All User Group correspondence shall be sent to the county's delegate.

Section 10. Support for meeting coordination, research, contracting, billing, vendor monitoring and other similar services shall be provided by MCCC staff.

Article IV

Membership in the Tax User Group

Section 1. Requirements of membership in the Tax User Group.

- a) Members must pay the dues established by the MCCC Board of Directors as provided for in Article X, Sections 2 and 4 of the MCCC Bylaws;
- b) Members must ratify the Property Tax System Maintenance and Support Agreement;
- c) Members must pay a software acquisition fee in the amount of \$31,000 paid to ACS and the Tax Enhancement Fund; and for Recap based on the Recap formula as set by the User Group.
- d) Members must abide by the provisions of the MCCC Joint Powers Agreement, Bylaws and Tax User Group Rules and Regulations.
- e) Members must not implement any changes, modifications or enhancements to the MCCC PTS, except insofar as such changes, modifications or enhancements are approved by the Tax Advisory Committee.
- f) Participation in the Tax User Group may include an obligation to test changes to the MCCC PTS from time to time.

Section 2. Benefits of membership in the Tax User Group.

- a) User Group members will receive the right to use the MCCC PTS and deliverables as defined in the Property Tax System Program and License Agreement under terms and conditions set forth in the Property Tax System Program and License Agreement;
- b) User Group members will receive maintenance and support services under the terms and conditions set forth in the Property Tax System Maintenance and Support Agreement;
- c) Tax User Group members have the right to participate in the decisions of MCCC and the User Group according to the procedures and provisions set forth in the MCCC Joint Powers Agreement, Bylaws, and Tax User Group Rules and Regulations.

Article V

MODIFICATIONS OF AND ENHANCEMENTS TO THE MCCC PTS

Section 1. Approval. The Tax Advisory Committee shall review and approve all Orders for Enhancement or Modification of the MCCC PTS.

Section 2. Enhancement Fund. All program development and license fee payments received by MCCC after April 14, 1988, less any amounts due to ACS by MCCC by virtue of any contracts between MCCC and ACS regarding the MCCC PTS, shall be deposited into a MCCC PTS Enhancement Fund. The Tax Advisory Committee may authorize disbursements from this fund to pay for the cost of enhancements to the MCCC PTS.

Section 3. Enhancement assessments. If the Enhancement Fund is insufficient to pay the cost of enhancements, the Tax Advisory Committee may assess each Tax User Group member no more than \$500 per year for the cost of enhancements to the MCCC PTS. The exception will be participatory enhancements due to the nature of participatory enhancements; there will be no maximum for these enhancements.

Article VI

EXPENSE REIMBURSEMENTS

Section 1. Meeting expenses incurred by Advisory Committee members for attending Advisory Committee meetings shall be reimbursed at actual cost to the county for travel, meal and lodging expenses. Advisory Committee members shall submit travel, lodging, and meal expense accounts for reimbursement by MCCC to the county. Advisory Committee members' expenses and meeting expenses of the User Group shall be shared equally by all members of the User Group.

Meeting expenses of members of subcommittees appointed by the Chair for attending subcommittee

meetings shall be reimbursed at actual cost to the county for travel, meal and lodging expenses. Subcommittee members shall submit travel, lodging and meal expense accounts for reimbursement by MCCC to the county. Subcommittee members' travel expenses and meeting expenses of the subcommittee shall be shared equally by all members of the User Group.

All expense reimbursement forms from the previous year must be filed by June 30th of the current year.

Article VII

Section 1. These rules may be amended by the full User Group as appropriate, subject to approval by the MCCC Executive Committee.

Appendix A: Legislative Research Committee (LRC)
(As Amended & Adopted by TAC on 3/21/02)

Purpose: To work with ACS to expedite the design and implementation of tax system changes due to new legislation. Primary tasks include:

1. Keeping track of legislative proposals that may impact the tax system;
2. Working with ACS on pre-design discussions about proposed legislation and the implications/challenges of those proposals;
3. Working with ACS in development and review of new program designs needed for implementation of newly enacted legislation;
4. Seeking input and feedback from other consortium members and DOR as appropriate to help ensure the viability and accuracy of new program designs;
5. Approving new program designs and implementation plans as needed to provide timely programming and implementation; and
6. Summarizing issues and recommendations for the TAC chair or TAC committee, as appropriate, when agreement cannot be reached with ACS on program design or implementation.

Membership: 5 members – 1 from each region, 1 at-large from the TAC committee
One member needs to be knowledgeable in property value assessment.
One member needs to be knowledgeable in tax calculations.
One member needs to be knowledgeable in tax collections & settlement.
At least one member from the metro area.
At least one member from Greater Minnesota.

This is not a training position. Potential members need to understand the current Minnesota tax system, be comfortable reviewing legislation, and understand how the ACS tax system currently works. Members also need to be self-motivated and available for consultation or meetings on fairly short notice as needed during the legislative session.

Selection Process: One member elected from each region at the 2002 regional meetings. Initially, Region 1 – Property Value Assessment; Region 2 – Tax Calculations; Region 3 – Tax Collections & Settlement; & Region 4 – any. Once elections are complete the TAC committee will select one member, who will initially act as chair and call meetings until the subcommittee decides how best to continue operations. The TAC committee member must meet the requirement of being from the metro area or from Greater Minnesota if either of these requirements has not been met through the regional election process.

Terms: 2-year terms. Initially the Region 4 and TAC members will serve for 1 year to allow for staggering terms of the members.

Elections: Regions 1,2,3: Elections will be held in “even” years. Region 4 and TAC Elections will be held in “odd” years.

Appendix B: Standards Committee
(As Amended & Adopted by TAC on 4/15/2004)

Purpose: To determine the property tax administration standards by which all Counties must maintain data fields on the assessment and recap tax systems.

1. Survey all MCCC Counties to identify uses of data fields in the assessment and recap system;
2. Document and itemize all uses for each data field;
3. Establish the set of property tax administration data standards by which all users must adhere;
4. Based on established standards, summarize inappropriate uses of data fields and the alternative purposes for which those data fields are being used;
5. List alternative procedures that would allow users to accomplish tasks within the standards established;
6. Identify all potential enhancements or SPR's that may need to be made to the existing system, or a new system, for tasks to be achieved that have no other alternatives or where those alternatives are overly time-consuming, costly or cumbersome; and
7. Set up a process to keep MCCC Counties informed of proposed standards and to seek feedback on those proposals.

Membership: 5 members – 1 from each region, 1 at-large from the TAC committee
One member needs to be knowledgeable in property value assessment.
One member needs to be knowledgeable in tax calculations.
One member needs to be knowledgeable in tax collections & settlement.
At least one member from the metro area.
At least one member from Greater Minnesota.

This is not a training position. Potential members need to understand the current Minnesota tax system, be knowledgeable about existing state mandates and understand how the ACS tax system currently works. Members also need to be able to be committed to the project due to narrow timeline available for the standards to be established and for the Counties to complete the standardization maintenance in their own County.

Selection Process: One member elected from each region at the 2004 regional meetings. Initially, Region 1 – Property Value Assessment; Region 2 – Tax Calculations; Region 3 – Tax Collections & Settlement; & Region 4 – any. Once elections are complete the TAC committee will select one member, who will initially act as chair and call meetings until the subcommittee decides how best to continue operations. The TAC committee member must meet the requirement of being from the metro area or from Greater Minnesota if either of these requirements has not been met through the regional election process.

Terms: 2-year terms. Initially the Region 4 and TAC members will serve for 1 year to allow for staggering terms of the members.

Elections: Regions 1,2,3: Elections will be held in “even” years. Region 4 and TAC Elections will be held in “odd” years.

Appendix C: Enhancement/Issue Committee (EIC)
(Adopted by Tax User Group on June 7, 2006)

Purpose:

To review all issues and enhancements and work with ACS to determine the relevance and priority of the enhancements and issues. Primary tasks include:

1. Working with ACS on pre-design discussions about proposed enhancements and issues and the implications/challenges of those proposals
2. Working with ACS in development and review of program designs needed for implementation of approved enhancements and issues
3. Seeking input and feedback from other consortium members and DOR as appropriate to help ensure the viability and accuracy of program designs
4. Pre-Approving program designs and implementation plans
5. Summarizing issues and recommendations for approval of the Tax Advisory Committee

Membership:

5 members – 1 from each region, Chair to be a TAC member
One member needs to be knowledgeable in property value assessment.
One member needs to be knowledgeable in tax calculations.
One member needs to be knowledgeable in tax collections & settlement.
A maximum of one member from the metro area.
A maximum of 2 Manatron Counties

Potential members need to understand the current Minnesota tax system, be comfortable reviewing enhancements, and understand how the ACS tax system currently works.

Selection Process:

One member elected from each region at the 2006 MCCC Annual Conference in June.

Initially:

Region 1 – Knowledge in any of the areas
Region 2 – Property Value Assessment
Region 3 – Tax Calculations
Region 4 – Tax Collections & Settlement

Once elections are complete the Tax Advisory Committee will select one member to Chair the subcommittee. The TAC member must meet the requirement of being from the metro area or from Greater Minnesota if either of these requirements has not been met through the regional election process.

Terms:

Terms will be staggered 2 years.

Initially:

The Chair and Region 4 will serve for 1 year to allow for staggering terms.

Elections:

Regions 1, 2 & 3 elections will be held in “odd” years.
Region 4 election and Chair appointment will be held in “even” years.