

# Department of Assessment and Taxation

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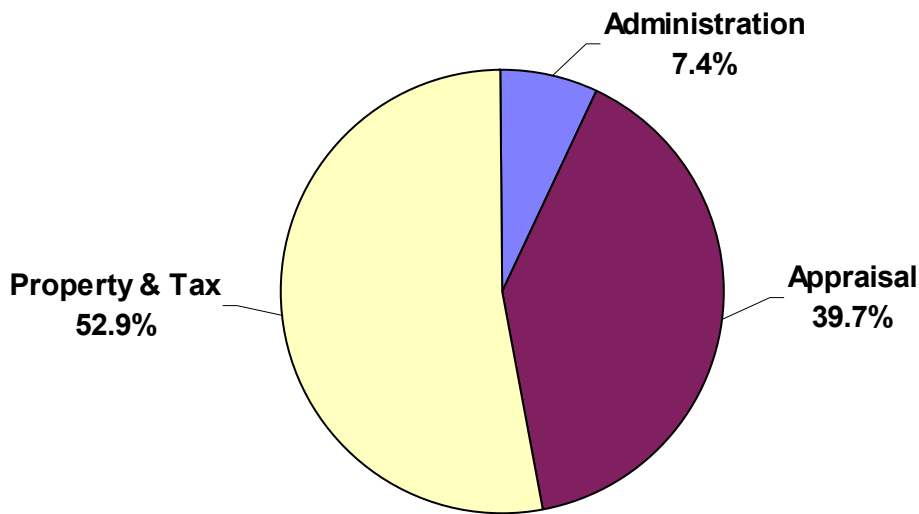
## Department Purpose

To appraise property, to calculate, collect and distribute taxes and to provide related information to the public, in a manner that merits the highest degree of confidence in our integrity, efficiency and fairness. We are a broad service organization, mandated by the Oregon Constitution and Oregon law, which collects revenue for approximately 82 local governments, schools and special districts that provide essential public services for the citizens of Lane County.

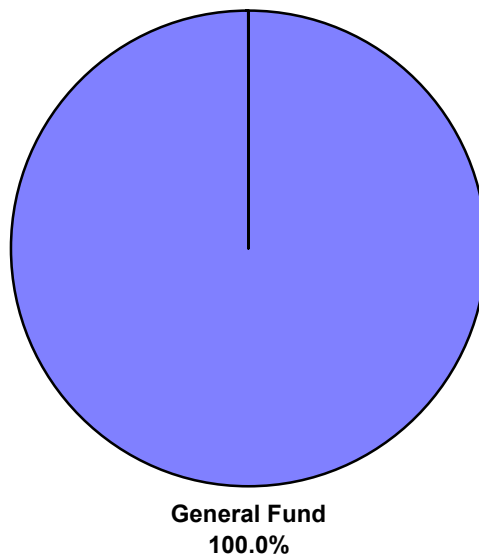
## Total Expenditures

\$6,776,547

### FY 09-10 Expenditures by Division



### FY 09-10 Budget by Fund



Anette Spickard  
Assessor  
682-6798

# Assessment and Taxation

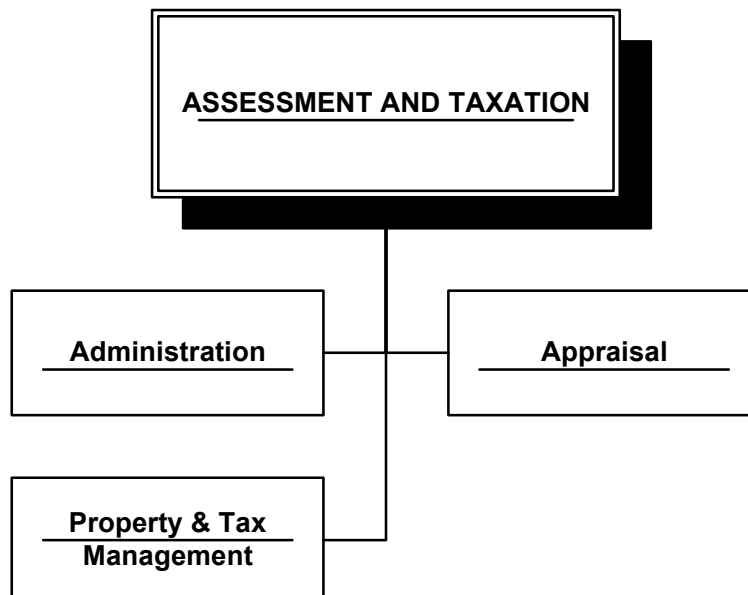
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## Department Overview

The Department of Assessment and Taxation administers the Oregon property tax system in Lane County. The department maintains an inventory of all real and personal property in Lane County; annually assesses all new construction values of real property; maintains the market value of real property through a sales analysis program; applies the appropriate tax exemptions or special assessments to property; and adds the reported value of personal property to the assessment and tax roll. There are approximately 172,000 taxable properties and in 2008 the grand total of property tax certified for collection on behalf of all local governments amounted to \$379.6 million. The department director is the Lane County Assessor who is elected to a four-year term by the voters of the county.

Property tax supports a wide range of services for Lane County citizens. The department is the collection agent for the tax levies of over 80 active taxing jurisdictions including cities, school districts, fire districts, urban renewal districts, and other special districts. Approximately 50 percent of tax collections are used for public education including K-12 and community colleges. About 32 percent goes to cities which provide services such as police, fire and recreation. About 4 percent is used by rural fire protection districts, and approximately 5 percent provides for services such as libraries, parks, water and lighting. Lane County receives approximately 9 percent of the revenue collected. Lane County uses most of its property tax monies to provide essential public safety services.

The Oregon property tax system is a result of several property tax limitation ballot measures approved by voters during the 1990's. Each tax district has a permanent authority rate that is applied against the assessed value of all property in its jurisdiction. The permanent authority rate cannot be increased. The combination of all rates a property is subject to cannot exceed \$5.00 per thousand of real market value for education and \$10.00 per thousand of real market value for general government purposes. Districts may go to voters for authorization of a local option levy. Additionally, the maximum assessed value of property is limited to the lesser of its real market value or its 1995 market value less 10% and then annually adjusted by 3%. There are numerous exceptions to these limitations, which have created a complex system to administer.



# Assessment and Taxation

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## Department Goals & Objectives

The department has an active 5 year strategic plan (2005-2010) that guides the department in decision-making for staff assignments, budgeting, and technology investments. We are hoping to update the plan in FY 2009-10 and develop goals through 2015, as many of the key objectives identified have been accomplished. Our department's strategic goals and objectives support and complement the Lane County Strategic Objectives that were adopted by the Board of Commissioners in 2008. Listed below are the current department goals and objectives for FY 2009-10.

### **Goal #1: 100% accurate tax roll by October certification date**

- Map, appraise, and tax all new & changed properties recorded with the county clerk's office through June 30 to ensure owners receive a correct tax statement in October.
- Improve accuracy of existing tax account information by correcting data & auditing accounts.
- Improve accuracy of property values by utilizing technology to improve appraisal methods.

### **Goal #2: Provide excellent customer service and increase availability of timely and accurate public information through key partnerships (Supports Board of Commissioners Goal #2)**

- Provide online property tax payment services to enable payment of property tax via credit card, debit card, or electronic check as part of the county's e-government services.
- Provide a full range of online property tax information.
- Enhance key partnerships with private sector customers and other governmental agencies.

### **Goal #3: Prioritize, review, and streamline all major business processes to make them more efficient and cost effective (Supports Board of Commissioners Goal #3)**

- Conduct a Business Process Review each year on one major function of the department.
- Evaluate the use of technology in new and innovative ways to increase public communication accuracy and production.
- Use performance measures as a tool for accountability and decision-making.

### **Goal#4: All employees are fully trained, fairly compensated, considered expert resources across the state, and provided a modern, safe working environment**

- Provide staff development, training, and promotional opportunities.
- Participate in the implementation of the county Diversity Action Plan.

## Key Accomplishments of FY 08-09

Progress towards the deficiencies identified in 2004 by the Oregon Department of Revenue (DOR) in a functional analysis report has and continues to occur. We completed a "realignment" of residential neighborhoods in the Florence, Siuslaw, Mapleton and Blachly area boundaries using Geographic Information Systems (GIS) technology and the most recent real estate market activity. Prior year realignment included: South Lane, Creswell, Pleasant Hill, Oakridge and Lowell. (Goal #1)

The Appraisal Division is in the process of physical reappraisal of Lane County rural apartments; implementing a new naming convention for commercial, multifamily and rural apartment accounts; and completed a rent and expense study of all multifamily properties for Eugene, Springfield and Florence boundaries. In FY 2008-09 more than 114,000 accounts were recalculated for increased uniformity and equity, while maintaining compliance with Measure 50 requirements. (Goal #1 and Goal #3)

In terms of tax collection, we continue to use the most efficient and cost effective means to process tax payments by utilizing the US Bank Lockbox service which results in quicker processing time for payments, checks being directly deposited into the county's bank account the same day, and faster transmission of money to the taxing districts. We implemented online tax payment functionality as part of the county's e-government services in April 2008 and it continues to grow in popularity as a payment option by Lane County taxpayers. (Goals #2 and #3)

## Assessment and Taxation

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We continually update our website and self-help customer service area with maps and property information. Our website is consistently one of the most visited county sites and we provide tax statements from 2003 forward online. Our cartography staff uses GIS mapping tools and data models that are considered leading-edge statewide. We are making substantial progress in our ORMAP project and continue to receive state grant funds to assist in our efforts to meet statewide mapping goals. The department had 16% turnover in FY 08-09, but our customer service and public information remain a strong component and goal of our operations. (Goals #2 and #4)

### **Changes, Challenges & Opportunities for FY 09-10**

For fiscal year 09-10, the department maintains a status quo staff level in order to meet the minimum standards required by the Department of Revenue and state property tax laws. By meeting these standards the county is eligible to apply for County Assessment Function Funding Assistance (CAFFA) grant that subsidizes the county's costs to administer the local tax system by approximately 22%. If the county were to cut A&T staffing to a level that prevented the tax system from functioning properly, the law requires the DOR to assume these responsibilities. To cover their expenses, the DOR will withhold the CAFFA funds as well as other state shared revenues such as cigarette and liquor taxes. If those two sources do not cover the cost, the DOR will bill the county for the balance due. Since the county is already deemed to be at the minimum staff level, the issue for the county becomes a discussion of whether to turn the property tax function back to the state. Additionally, the department's activities are considered highly leveraged because for every dollar the county spends on A&T, the county receives \$5+ back in property tax revenue.

Due to the decline in the real estate market and slowdown in new construction within the county, taxpayers may expect to see a drop in their tax, however assessed values will continue to rise 3% per the state constitution. We expect to see an increase in appeals filed in December 2009 as a result.

The tax collection rate after discounts were applied for the FY 2008-09 year fell a half percentage point to 96.8%. The next major tax collection occurs in November 2009 and we will be able to see if the economy continue to have an impact on collections. It is possible more taxpayers will choose to pay in thirds, instead of in full.

### **Performance Management**

Total Property Tax Certified is the amount of all property tax billed to property owners by October 25 for over 82 different local governments and special districts. Even though Oregon has several different tax limitations in its constitution, the total amount of tax revenues grew by 4.85% due to the amount of new construction added to the tax roll and a number of new tax levies put in place by voters. The total Property Tax Certified for FY 08-09 was \$379,587,731.15.

Total Property Tax Collected & Percent of Tax Collected is the amount that local governments and special districts can expect to receive. Oregon allows taxpayers to receive a 3% discount on taxes paid in full by November 15. Most taxpayers take advantage of this discount. In the past during economic recessions, the collection rate has dropped significantly. Tax districts use this rate to help them budget for tax revenues. We have seen only a slight drop in collections as a result of the national mortgage crisis. Our experience shows mortgage companies will keep taxes current even if the homeowner defaults on their mortgage in order to protect their investment from tax foreclosure. The total Property Tax Collected as of June 30, 2009 was \$356,777,121.

Total Measure 5 Real Market Value represents the real market value of all property in Lane County as of January 1 each year and is used to calculate the maximum combined tax amount that can be levied against any individual property for either general government purposes (\$10 per 1,000) or education purposes (\$5

## Assessment and Taxation

per 1,000). This is commonly referred to as the “cap”. When the combined tax rates applied to an individual property exceed one of these limitations it is considered to be “in compression”. In order to bring taxes down to fit under the “cap” the Assessor reduces, or compresses, the levies to fit within these limits. The total Measure 5 Real Market Value in FY 08-09 was \$50,761,973,710.

Total Taxable Value (Before UR) represents the Measure 50 taxable assessed value for all properties in Lane County after exemptions and special assessments are applied. Each year the Assessor compares the Measure 5 real market value of a property to its Measure 50 maximum assessed value. The lesser of these two values becomes the taxable value. This is the value that tax levies are actually multiplied against to create the tax bill for individual property owners. The difference between the taxable value and the real market value is commonly referred to as the “tax gap.” The amount of tax gap is important to tax districts because it indicates the amount of room available under the Measure 5 cap. The gap is also the amount that is taxed by Local Option Levies. The faster that real market values grow, the wider the gap becomes and less compression occurs. This calculation occurs before Urban Renewal (UR) division of tax occurs. The total Taxable Value before Urban Renewal for FY 08-09 was \$24,571,615,123.

<b>DEPARTMENT PERFORMANCE MEASURES</b>						
<b>Performance Measures</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>2008-09 Actual</b>	<b>2008-09 Target</b>	<b>Comment</b>	<b>2009-10 Target</b>
Property Tax Certified	\$350.8 m	\$361.2 m	\$379.6 m	\$372.0 m	Above Target	\$390.6 m
Property Tax Collected	\$332.5 m	\$338.8 m	\$356.8 m	\$350.0 m	Above Target	\$367.1 m
% of Tax Collected	95%	94%	94%	94%	On Target	94%
Measure 5 Real Mkt Value	\$42.5 b	\$48.5 b	\$50.7 b	\$50.8 b	On Target	\$45.7 b
Taxable Value (Before UR)	\$22.4 b	\$23.7 b	\$24.6 b	\$25.4 b	Below Target	\$24.9 b

## Assessment and Taxation

DEPARTMENT FINANCIAL SUMMARY						
	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Curr Bgt	FY 09-10 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
<b>RESOURCES:</b>						
Taxes and Assessments	243,518	268,580	220,000	225,000	5,000	2.27%
Fines, Forf, & Penalties	40,634	92,308	82,029	40,000	(42,029)	-51.24%
Property and Rentals	21,508	23,683	14,500	14,500	0	0.00%
State Revenues	126,973	125,040	122,500	123,000	500	0.41%
Fees and Charges	1,306	1,578	0	0	0	0.00%
<b>Total Revenue</b>	<b>433,939</b>	<b>511,189</b>	<b>439,029</b>	<b>402,500</b>	<b>(36,529)</b>	<b>-8.32%</b>
Resource Carryover	35,000	20,000	0	0	0	0.00%
<b>TOTAL RESOURCES</b>	<b>468,940</b>	<b>531,189</b>	<b>439,029</b>	<b>402,500</b>	<b>(36,529)</b>	<b>-8.32%</b>
<b>EXPENDITURES:</b>						
Personnel Services	4,110,134	3,997,353	4,698,320	4,891,757	193,437	4.12%
Materials and Services	1,714,144	1,723,449	1,768,269	1,884,790	116,521	6.59%
Capital Expenses	31,945	0	42,029	0	(42,029)	-100.00%
Fiscal Transactions	21,765	0	0	0	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>5,877,988</b>	<b>5,720,803</b>	<b>6,508,618</b>	<b>6,776,547</b>	<b>267,929</b>	<b>4.12%</b>
<b>Total FTE</b>	<b>61.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>0.00</b>	<b>0.00%</b>
<b>EXPENDITURES BY FUND</b>						
General Fund	5,877,987	5,720,803	6,508,618	6,776,547	267,929	4.12%
<b>TOTAL FUNDS</b>	<b>5,877,987</b>	<b>5,720,803</b>	<b>6,508,618</b>	<b>6,776,547</b>	<b>267,929</b>	<b>4.12%</b>

## Assessment and Taxation

### DEPARTMENT POSITION LISTING

#### Administration

1.00 Administrative Support Spec  
1.00 Assessment & Taxation Director  
1.00 Office Assistant 2  
**3.00 Division FTE Total**

#### Appraisal

1.00 Data Entry Operator  
1.00 Manager  
2.00 Office Assistant, Sr  
1.00 Prof/Tech Supervisor  
9.00 Property Appraiser 2  
7.00 Property Appraiser 3  
1.00 Property Appraiser 4  
1.00 Sales Data Analyst  
1.00 Sr. Sales Data Analyst  
**24.00 Division FTE Total**

#### Property & Tax

2.00 Accounting Clerk 2  
3.00 Accounting Clerk, Sr  
1.00 Administrative Support Supv  
1.00 Cartographer/GIS Specialist  
5.00 Cartographer/GIS Technician  
1.00 Manager  
6.00 Office Assistant 2  
14.00 Office Assistant, Sr  
**33.00 Division FTE Total**

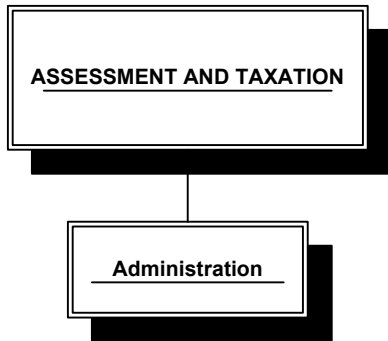
**60.00 Department FTE Total**

# Assessment and Taxation: Administration

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## Division Purpose Statement

*Administration oversees and directs the planning and organization of the department as mandated by Oregon law, the Lane County Strategic Plan, and departmental mission, vision, values and goals.*



## Division Locator

### **Assessment and Taxation Administration** ↙

*Appraisal  
Property and Tax Management*

## Assessment and Taxation: Administration

DIVISION FINANCIAL SUMMARY						
	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Curr Bgt	FY 09-10 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
<b>RESOURCES:</b>						
Resource Carryover	35,000	20,000	0	0	0	0.00%
<b>TOTAL RESOURCES</b>	35,000	20,000	0	0	0	0.00%
<b>EXPENDITURES:</b>						
Personnel Services	381,693	312,781	333,407	341,736	8,329	2.50%
Materials and Services	174,442	151,596	171,705	162,101	(9,604)	-5.59%
Capital Expenses	0	0	42,029	0	(42,029)	-100.00%
<b>TOTAL EXPENDITURES</b>	556,135	464,377	547,141	503,837	(43,304)	-7.91%
<b>Total FTE</b>	4.00	3.00	3.00	3.00	0.00	0.00%
<b>EXPENDITURES BY FUND</b>						
General Fund	556,135	464,377	547,141	503,837	(43,304)	-7.91%
<b>TOTAL FUNDS</b>	556,135	464,377	547,141	503,837	(43,304)	-7.91%

DIVISION FINANCIAL SUMMARY BY PROGRAM						
	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Curr Bgt	FY 09-10 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
<b>PROGRAMS</b>						
A & T Administration	556,135	464,377	547,141	503,837	(43,304)	-7.91%
<b>TOTAL EXPENDITURES</b>	556,135	464,377	547,141	503,837	(43,304)	-7.91%

# Assessment and Taxation: Administration

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## **Division Overview**

Administration oversees and directs the strategic planning and long term initiatives of the department to provide excellent service to taxpayers and ensure activities are in compliance with the Oregon Constitution, Oregon law, and the Lane County Strategic Plan. The Assessor participates in a number of intergovernmental partnerships to provide the public with easy access to tax records, parcel maps, and real estate sales data via the Internet and commercial subscriber services.

## **Division Objectives for FY 09-10**

- Continue to implement recommendations from the Department of Revenue compliance audit, focusing on the areas of realignment and audits.
- Review business processes for efficiencies and implement changes resulting from new 2009 legislation.
- Provide public assistance via telephone, walk-ins, the Internet, and from other section or department referrals. Maintain or exceed current level of customer service.
- Work with other county departments to streamline overlapping services.
- Work with software vendors on major upgrades to programs for appraisal and taxation records.
- Maintain participation in the implementation of the Lane County Strategic Plan.
- Update department's five year Strategic Plan.
- Participate in the International Association of Assessing Officers (IAAO) program – Excellence in Assessment.

## **Key Accomplishments in FY 08-09**

- The department website was thoroughly reviewed and updated in January 2008.
- Numerous tax levy and taxing district statistical reports, including state mandated information, have been placed on the Internet. Information that can be used by taxpayers and taxing districts is continually reviewed for placement on the Assessment and Taxation website.
- Between July 1, 2008 and June 30, 2009, there were over 1,247,000 hits to the Assessor's website, averaging 104,000 hits per month. Usage peaked in October with 161,659 hits.
- The tax roll for the January 1, 2008 assessment date was certified on October 7, 2008, for
- \$379.6 million in taxes due on over 172,000 tax accounts.
- Online tax payments functionality was added in April 2008.
- Continued management and compilation of data for department performance measurements.

## **Changes, Challenges, & Opportunities for FY 09-10**

In FY 2008-09 department work processes and projects have changed since the property division backlog was brought current. Other areas defined by the Department of Revenue compliance audit are now the departments focus. Special assessment review and audits; neighborhood realignment projects; rent and expense studies; and audits on exemptions will be the focus as we enter the 2010 tax year.

Challenges we are facing include an anticipated increase in the number of appeals to the Board of Property Tax Appeals, Department of Revenue and Magistrate Court. With the downturn in the economy in 2009, many property owners will be expecting a decrease in their property taxes, yet Measure 50 allows for a 3% maximum annual increase in taxable value. Tax statements will reflect the property values as of January 1, 2009, so we are expecting additional public information and education will be necessary.

The department will continue to provide necessary training for employees pertaining to law and statute changes which occurred during the 2009 Legislative Session.

## Assessment and Taxation: Administration

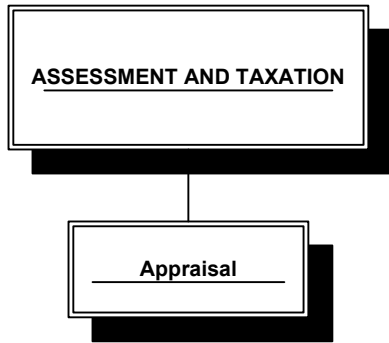
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### Performance Management

The measure listed here shows how our annual work plan and budget leverages funds given to the County by the State of Oregon.

The leverage amount received is based on our compliance with state law and department of revenue standards. It is also dependent on the amount of state money available to support Assessor functions in all 36 counties. As you can see in the measure below, the reimbursement rate is continuing to drop each year. The state funds that support this grant program are derived primarily from recording fees. In FY 08-09, the amount of recording fees dropped statewide due to the slowdown in the real estate economy. The County was notified by the state Department of Revenue that they anticipate the amount of money available to counties to support Assessor functions will continue to decline. We anticipate that by the close of the FY 09-10 grant cycle, the leverage amount will be just above the 20% level. Additionally, the 2009 state legislature eliminated the state general fund contribution to assist counties with A & T costs, a loss of \$188,000 to Lane County.

<b>DIVISION PERFORMANCE MEASURES</b>						
<b>Performance Measures</b>	<b>2005-06 Actual</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>2008-09 Actual</b>	<b>Comment</b>	<b>2009-10 Budget</b>
State reimbursement for A&T compliance	1,793,010	1,871,180	1,782,022	1,563,784	Lower due to Legislation	1,396,620
% of A&T budget reimbursed	30.3%	29.8%	25.93%	23.39%	2009 Session	21.91%



## Division Purpose Statement

*The purpose of the appraisal division is to ensure that all tangible properties are equitably assessed in order to provide valuation information to accurately calculate taxes for the citizens and service districts of Lane County, as mandated by Oregon law, the Lane County Strategic Plan, and departmental mission, vision, values and goals.*

## Division Locator

### **Assessment and Taxation**

*Administration*

### **Appraisal** ◀

*Property and Tax Management*

# Assessment and Taxation: Appraisal

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## **Division Overview**

The purpose of the appraisal division is to ensure that all residential, commercial, and industrial property is equitably assessed. This entails appraisal of new construction, reappraisal of properties that do not meet appraisal standards, processing property divisions, processing appeals, sales analysis, administering special assessment programs, deferral programs, and annual adjustment of property values.

The appraisal of property in Oregon is highly regulated. ORS 308.233 mandates that "All real or personal property within each county shall be valued and assessed at 100 percent of its real market value." The Oregon State Constitution, Article XI, section 11b defines Real Market Value; section 11g defines how the maximum assessed value was created and the allowable exceptions to maximum assessed values as a result of Ballot Measure 50. Oregon Revised Statutes 308.005-308.990 established the standard methods and procedures for appraising property. Oregon Department of Revenue standards exist for different classes and types of property. ORS 308.210 and administrative rules describe the manner in which new construction is to be assessed.

All property is to be assessed as of January 1 each year. Prior to 1996, the Assessor's office would physically reappraise all property every six years, ensuring an accurate inventory of all property and an accurate real market value. However, after the passage of Ballot Measure 50 in FY 1996-97, the county eliminated the entire physical reappraisal unit (15 FTE) in order to balance the budget. Since that time, very limited physical reappraisal has occurred due to a shortage of property appraisers.

The focus has shifted to neighborhood analysis, and in order to meet the mandates outlined above, the Appraisal division relies almost exclusively on statistical trending of the real estate market based on prior year property sales to calculate real market values of all properties. The market trends must stay within established Department of Revenue statistical standards to ensure that real market values are valid. Annual filing of the "ratio report" to the Department of Revenue (DOR) is the method by which to ensure compliance with the standards.

## **Division Objectives for FY 09-10**

- Continue to conduct neighborhood analysis projects within the county.
- Ensure all newly recorded property divisions are completed through June 30, 2010.
- Provide training to current staff to replace lost expertise due to retirements and turnover.
- Ensure that all appropriate properties are inspected and appraised; and that all data is recorded in the appraisal system; all new construction, exception value, and assessed value is calculated in compliance with Measure 50 requirements.
- Implement new laws and administrative rules timely.
- Provide accurate and timely taxpayer information.
- Ensure that property values are at 100% of Real Market Value by responding to appeals at Board of Property Tax Appeals, Magistrate, and Department of Revenue Appeals.

## **Key Accomplishments in FY 08-09**

- Achieved 100% of Real Market Value as required by ORS and OAR standards for all property in Lane County as reported in the ratio report filed with the Department Revenue on June 30, 2009.
- More than 99.5% of all residential improved neighborhoods are within DOR standards.
- Completed rent and expense study of all rural & Springfield multifamily properties within Lane County including a multifamily land study. This included recalculation
- using our current software and income models to establish uniform real market
- values within COD compliance per DOR standards.

## Assessment and Taxation: Appraisal

- Recalculated 131,000 accounts (77%) using current appraisal software ProVal. This effort has resulted in increased uniformity and equity.
- Completed the implementation of the new property classing system under OAR 150-308.215.
- All the property divisions were appraised through June 30, 2009.
- Ensured that all appropriate properties were inspected and appraised and that all data was recorded in the appraisal system; all new construction, exception value, and assessed value was calculated in compliance with Measure 50 requirements.
- As of the January 1, 2009 assessment year we will have completed the realignment of all residential properties located in the following school districts, resulting in full recalculation of values for 2009: South Lane, Creswell, Pleasant Hill, Lowell, Oakridge, Florence and Siuslaw.

### **Changes, Challenges, & Opportunities for FY 09-10**

- Conduct a rent and expense study of all multifamily properties including a multifamily land study for all properties located in the Eugene School District.
- Prepare for an increase in property tax appeals to the Board of Property Tax Appeals, Department of Revenue and Magistrate Court. Appraisers have been cross trained in this area in an anticipated increase of appeals for the 2009 tax year. Appeals are expected due to downward market conditions that, due to Measure 50, won't result in lower taxes for most property owners.
- Create a reappraisal plan for the review of properties receiving special use assessment.
- Implement new property tax laws passed by the 2009 Legislature.

### **Performance Management**

The Appraisal division computes values for all lots changed by subdivision, partition, lot line adjustment, consolidation, to update the annual tax roll. The appraisal staff inspects all properties with building permits, demolitions, sales, or as requested by owners. The appraisal staff also responds to all appeals. These measures are intended to be a snapshot highlighting three key areas of the workload generated by new real estate development and transactions. The appraisal year runs from September-August.

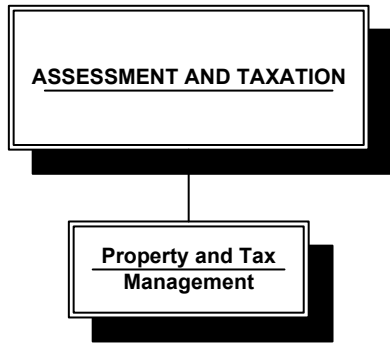
# of New Accounts Appraised –Completed appraisals for newly recorded property changes include, new real market values and exception value as applicable. Time period for completing appraisals involved in property divisions is March through August each year.

# of Existing Accounts Inspected –All existing accounts inspected for January 1 assessment date.

# of Accounts Appealed to BOPTA – Appeals filed by December 31, for the preceding October tax statement.

% of Assessed Value reduced – Percent of Assessed Value reduced due to appeal to Board of Property Tax Appeals (BOPTA).

<b>DIVISION PERFORMANCE MEASURES</b>						
<b>Performance Measures</b>	<b>2007-08 Appraisal Year</b>	<b>2008-09 Appraisal Year</b>	<b>2009-10 Appraisal Year</b>	<b>2009-10 Appraisal Estimate</b>	<b>Comment</b>	<b>2010-11 Appraisal Estimate</b>
# of New Accts Appraised	5583	4985	2725	2975	Below Estimate	3500
# of Existing Accts Inspected	7794	6302	4961	4961	On Target	4970
# of Accts Appealed to BOPTA	915	778	1450	2900	Doubled	2900
% of Assessed Value reduced	5.6%	4.8%	3.1%	4%	Better than Target	4%



## **Division Purpose Statement**

*The purpose of the appraisal division is to ensure that all tangible properties are equitably assessed in order to provide valuation information to accurately calculate taxes for the citizens and service districts of Lane County, as mandated by Oregon law, the Lane County Strategic Plan, and departmental mission, vision, values and goals.*

## **Division Locator**

### **Assessment and Taxation**

*Administration*

**Property and Tax Management** ←

## Assessment and Taxation – Property and Tax Management

<b>DIVISION FINANCIAL SUMMARY</b>						
	<b>FY 06-07 Actual</b>	<b>FY 07-08 Actual</b>	<b>FY 08-09 Curr Bgt</b>	<b>FY 09-10 Adopted</b>	<b>\$ Chng Fr Curr</b>	<b>% Chng Fr Curr</b>
<b>RESOURCES:</b>						
Taxes and Assessments	243,518	268,580	220,000	225,000	5,000	2.27%
Fines, Forf, and Penalties	40,634	92,308	82,029	40,000	(42,029)	-51.24%
Property and Rentals	18,828	20,602	12,000	12,000	0	0.00%
State Revenues	126,973	125,040	122,500	123,000	500	0.41%
Fees and Charges	1,228	1,515	0	0	0	0.00%
<b>Total Revenue</b>	<b>431,181</b>	<b>508,045</b>	<b>436,529</b>	<b>400,000</b>	<b>(36,529)</b>	<b>-8.37%</b>
<b>TOTAL RESOURCES</b>	<b>431,182</b>	<b>508,045</b>	<b>436,529</b>	<b>400,000</b>	<b>(36,529)</b>	<b>-8.37%</b>
<b>EXPENDITURES:</b>						
Personnel Services	2,039,009	2,082,631	2,392,651	2,468,877	76,226	3.19%
Materials and Services	995,551	1,015,510	1,042,039	1,085,862	43,823	4.21%
Capital Expenses	19,491	0	0	0	0	0.00%
Fiscal Transactions	21,765	0	0	0	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>3,075,816</b>	<b>3,098,141</b>	<b>3,434,690</b>	<b>3,554,739</b>	<b>120,049</b>	<b>3.50%</b>
<b>Total FTE</b>	<b>33.00</b>	<b>33.00</b>	<b>33.00</b>	<b>33.00</b>	<b>0.00</b>	<b>0.00%</b>
<b>EXPENDITURES BY FUND</b>						
General Fund	3,075,816	3,098,141	3,434,690	3,554,739	120,049	3.50%
<b>TOTAL FUNDS</b>	<b>3,075,816</b>	<b>3,098,141</b>	<b>3,434,690</b>	<b>3,554,739</b>	<b>120,049</b>	<b>3.50%</b>

<b>DIVISION FINANCIAL SUMMARY BY PROGRAM</b>						
	<b>FY 06-07 Actual</b>	<b>FY 07-08 Actual</b>	<b>FY 08-09 Curr Bgt</b>	<b>FY 09-10 Adopted</b>	<b>\$ Chng Fr Curr</b>	<b>% Chng Fr Curr</b>
<b>PROGRAMS</b>						
Property & Tax Management	3,075,816	3,098,141	3,434,690	3,554,739	120,049	3.50%
<b>TOTAL EXPENDITURES</b>	<b>3,075,816</b>	<b>3,098,141</b>	<b>3,434,690</b>	<b>3,554,739</b>	<b>120,049</b>	<b>3.50%</b>

# **Assessment and Taxation – Property and Tax Management**

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## **Division Overview**

The property and tax management division is responsible for maintaining the annual tax roll and for the collection and distribution of taxes. \$379.6 million was certified for FY 08-09 and on behalf of approximately 80 taxing districts. The division is also responsible for maintaining ownership records of all property tax accounts in Lane County (currently numbering 185,000), which includes mapping of tax parcels, maintaining property changes (such as divisions and lot line adjustments), managing exemption, deferral and special assessment programs and providing extensive public information. Those services are mandated by Oregon State Constitution, Oregon Revised Statutes, Oregon Department of Revenue Administrative Rules and Cadastral Map Standards.

## **Division Objectives for FY 09-10**

- Certify the tax roll and issue approximately 170,000 tax statements by October 25, 2009.
- By December 15, 2009 deposit all property tax payments postmarked by November 16, 2009.
- Complete all property changes by July 1st.
- Continue to process ownership transfers timely to maintain accurate files and real property rolls.
- Put bill consolidator service into place by October 2009.
- Process ownership transfers timely to maintain accurate files on real property rolls.
- Cross-train staff in the exemption and use assessment programs to prepare for upcoming retirements.
- Continue migration from a CAD to a GIS mapping system in accordance with statewide ORMAP guidelines to meet goal of completion by 2012.

## **Key Accomplishments in FY 08-09**

- Certified a \$379,587,731.15 tax roll on October 8, 2008.
- All timely (November 17) payments were processed by November 29, 2008.
- Provided public information to 38,500 customers via telephone and in person.
- Completed 13,236 name changes resulting from deeds and manufactured structure title transfers.
- Distributed collected tax monies to over 80 service districts in Lane County per ORS 311.385.
- Updated 1,737 original tax accounts with property divisions (partition plats, subdivisions, etc.)
- Audited religious and student housing exemption programs and disqualified accounts as a result.
- Sent out 4 times as many income questionnaires for property in farmland special assessment program resulting in the disqualification of 160 accounts for a total of \$430,000 in additional taxes.

## **Changes, Challenges, & Opportunities for FY 09-10**

- It is becoming increasingly difficult to secure ORMAP grants which have funded one cartography position since 2004. At our current staffing level, we are managing to convert maps to GIS at a rate consistent with meeting the 2012 deadline.
- In 2008, we put a part time resource on auditing exemption records. We found numerous accounts receiving exemptions to which they were not entitled and made corrections accordingly. The exemptions specialist is retiring in two years and ongoing training does not allow for additional auditing at this time.
- The personal property program relies on self-reporting and there are no resources currently to work on discovery of businesses which aren't filing.
- The more income questionnaires that are sent to owners of use assessed property to establish continued eligibility, the more property is disqualified. Managing these questionnaires is time intensive and we lack the resources to do as many as we should each year.
- Active tax collection efforts are minimal due to a lack of resources.

## Assessment and Taxation – Property and Tax Management

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- New laws were passed in the 2009 legislative session which impact our work. Procedural changes need to be put in place to implement them.

### **Performance Management**

The property and tax management division is mandated to keep cadastral records current so accurate values can be computed by the appraisal division. These measures represent the property and tax management division's activities related to processing ownership changes as well as property changes such as divisions, consolidations and lot line adjustments.

# of Ownership Changes - Total number of accounts whose ownership was changed via recorded deed or title transfer (in the case of manufactured structures).

# of Accounts Initiated - Total number of parent accounts involved in divisions initiated during the fiscal year. Includes new manufactured structure accounts, merges and unmerges and fire patrol account splits. Even though we lowered our targets anticipating the market slowdown, actuals came in even lower.

# of Accounts Set Up - Total number of parent accounts involved in divisions which were set up in the software system in preparation for appraisers to value the property change. Includes new manufactured structure accounts, merges and unmerges and fire patrol account splits. Even though we lowered our targets anticipating the market slowdown, actuals came in even lower.

% of Accounts Set Up – The number of parent accounts set up divided by the sum of the parent accounts initiated and in the backlog. Basically, of the work there was to do, how much was actually processed.

<b>DIVISION PERFORMANCE MEASURES</b>						
<b>Performance Measures</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>2008-09 Actual</b>	<b>2008-09 Target</b>	<b>Comment</b>	<b>2009-10 Target</b>
# of Ownership Changes	17,308	14,019	13,236	14,000	Below Target	13,750
# of Accounts Initiated	2,570	2,000	1,777	2,000	Below Target	1,800
# of Accounts Set Up	3,297	2,200	1,737	2,100	Below Target	1,750
% of Accounts Set Up	79%	94%	98%	91%	Above Target	97%

The farm deferral program has income requirements. When the property fails to meet the requirements, it is disqualified for up to 5 years back.

# of Taxlots in Program – Total number of taxlots in the farm deferral program.

# of Income Q's Sent – The number of taxlots included on income questionnaires sent out.

% of Taxlots Disqualified – Of the taxlots included on the income questionnaires, the number that were disqualified from the program.

\$ of Disqualifications – The amount of back taxes that were recovered due to the disqualifications based on income questionnaires.

## Assessment and Taxation – Property and Tax Management

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<b>DIVISION PERFORMANCE MEASURES</b>						
<b>Performance Measures</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>2008-09 Actual</b>	<b>2008-09 Target</b>	<b>Comment</b>	<b>2009-10 Target</b>
# of Taxlots in Program	1,719	1,716	1,739	1,720	Above Target	1,720
# of Income Q's Sent	36	56	218	200	Above Target	220
# of Taxlots Disqualified	14	24	110	90	Above Target	100
% of Taxlots Disqualified	39%	43%	50%	45%	Above Target	45%
\$ of Disqualifications	\$35.9K	\$32.3K	\$428.7K	\$200K	Above Target	\$350K

## Assessment and Taxation

DEPARTMENT REVENUE SUMMARY						
	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Curr Bgt	FY 09-10 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
<b>REVENUE ACCOUNTS</b>						
Miscellaneous Taxes	40	0	0	0	0	0.00%
Tax Penalties	231,511	268,530	220,000	225,000	5,000	2.27%
Other Tax Revenue	11,967	50	0	0	0	0.00%
<b>TAXES AND ASSESSMENTS</b>	<b>243,518</b>	<b>268,580</b>	<b>220,000</b>	<b>225,000</b>	<b>5,000</b>	<b>2.27%</b>
Foreclosure Penalty	27,236	34,724	30,000	30,000	0	0.00%
Late Filing Penalties	13,398	57,585	52,029	10,000	(42,029)	-80.78%
<b>FINES, FORF, AND PENALTIES</b>	<b>40,634</b>	<b>92,308</b>	<b>82,029</b>	<b>40,000</b>	<b>(42,029)</b>	<b>-51.24%</b>
Miscellaneous Sales	21,508	23,683	14,500	14,500	0	0.00%
<b>PROPERTY AND RENTALS</b>	<b>21,508</b>	<b>23,683</b>	<b>14,500</b>	<b>14,500</b>	<b>0</b>	<b>0.00%</b>
Local Staff	18,400	10,000	20,000	20,000	0	0.00%
<b>STATE GRANT REVENUES</b>	<b>18,400</b>	<b>10,000</b>	<b>20,000</b>	<b>20,000</b>	<b>0</b>	<b>0.00%</b>
Department of Revenue	70,653	72,000	70,000	70,000	0	0.00%
DCBS Fee Revenue	37,140	34,405	30,000	30,000	0	0.00%
DCBS Misc Revenue	780	8,635	2,500	3,000	500	20.00%
<b>OTHER STATE REVENUES</b>	<b>108,573</b>	<b>115,040</b>	<b>102,500</b>	<b>103,000</b>	<b>500</b>	<b>0.49%</b>
Miscellaneous Svc Charges	1,060	1,515	0	0	0	0.00%
Refunds & Reimbursements	247	63	0	0	0	0.00%
<b>FEES AND CHARGES</b>	<b>1,307</b>	<b>1,578</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
Fund Balance	35,000	20,000	0	0	0	0.00%
<b>FISCAL TRANSACTIONS</b>	<b>35,000</b>	<b>20,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>TOTAL RESOURCES</b>	<b>468,940</b>	<b>531,189</b>	<b>439,029</b>	<b>402,500</b>	<b>(36,529)</b>	<b>-8.32%</b>

## Assessment and Taxation

<b>DEPARTMENT EXPENSE SUMMARY</b>						
	<b>FY 06-07</b>	<b>FY 07-08</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	<b>\$ Chng</b>	<b>% Chng</b>
	<b>Actual</b>	<b>Actual</b>	<b>Curr Bgt</b>	<b>Adopted</b>	<b>Fr Curr</b>	<b>Fr Curr</b>
<b>EXPENDITURE ACCOUNTS</b>						
Permanent Operating Salaries	2,338,793	2,296,845	2,601,909	2,699,260	97,351	3.74%
Extra Help	45,294	24,206	50,004	50,004	0	0.00%
Overtime	17,473	4,067	20,304	20,304	0	0.00%
Reduction Unfunded Vac Liab	38,634	22,279	37,073	30,001	(7,072)	-19.08%
Compensatory Time	3,257	929	6,000	6,000	0	0.00%
Employee Benefits	1,485,507	0	0	0	0	0.00%
Risk Management Benefits	20,303	11,975	10,619	8,577	(2,042)	-19.23%
Social Security Expense	0	144,317	168,108	173,808	5,700	3.39%
Medicare Insurance Expense	0	33,879	39,360	40,652	1,292	3.28%
Unemployment Insurance (State)	0	23,741	28,228	28,591	363	1.29%
Workers Comp	0	8,374	8,124	8,441	317	3.90%
Disability Insurance - Long-term	0	18,867	26,381	27,563	1,182	4.48%
PERS - OPSRP Employer rate	0	260,853	332,552	282,925	(49,627)	-14.92%
PERS Bond	160,871	153,501	134,698	206,667	71,969	53.43%
PERS - 6% Pickup	0	126,257	162,731	167,729	4,998	3.07%
Health Insurance	0	663,580	832,380	879,240	46,860	5.63%
Dental Insurance	0	62,625	72,360	76,988	4,628	6.40%
Vision Insurance	0	12,379	18,300	19,380	1,080	5.90%
EE Assistance Pgm - IBH	0	3,533	3,600	3,600	0	0.00%
Life Insurance	0	7,614	11,520	11,520	0	0.00%
Flexible Spending	0	512	720	708	(12)	-1.67%
Disability Insurance - Short Term	0	1,344	1,440	1,440	0	0.00%
Defer. Comp Employer Contrib.	0	6,673	4,176	10,111	5,935	142.12%
Retiree Medical	0	109,006	127,733	138,248	10,515	8.23%
<b>PERSONNEL SERVICES</b>	<b>4,110,134</b>	<b>3,997,353</b>	<b>4,698,320</b>	<b>4,891,757</b>	<b>193,437</b>	<b>4.12%</b>
Professional & Consulting	89,858	105,941	88,445	88,445	0	0.00%
Data Processing Services	0	0	20,000	0	(20,000)	-100.00%
Telephone Services	23,593	24,767	29,960	29,960	0	0.00%
Purchased Insurance	9,536	13,225	13,878	16,925	3,047	21.96%
Maintenance of Equipment	4,488	7,486	4,800	4,800	0	0.00%
Maintenance Agreements	117,302	7,039	15,260	15,260	0	0.00%
Fleet Services Rentals	30,721	34,158	40,327	40,279	(48)	-0.12%
Copier Charges	5,728	4,956	5,600	8,600	3,000	53.57%
Mail Room Charges	15,196	13,295	22,000	23,050	1,050	4.77%
Direct/Information Services	709,073	743,684	718,882	865,034	146,152	20.33%
County Overhead Charges	430,980	496,164	492,882	470,415	(22,467)	-4.56%
PC Replacement Services	29,709	39,680	37,860	39,090	1,230	3.25%
Office Supplies & Expense	32,651	36,553	40,440	40,440	0	0.00%
Membrshp/Professional Licenses	8,243	2,083	2,775	2,775	0	0.00%
Printing & Binding	12,817	43,265	55,500	55,500	0	0.00%
Advertising & Publicity	5,847	4,675	9,725	9,725	0	0.00%
Microfilm Imaging Services	5,140	5,782	3,000	3,000	0	0.00%

## Assessment and Taxation

<b>DEPARTMENT EXPENSE SUMMARY</b>						
	<b>FY 06-07</b>	<b>FY 07-08</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	<b>\$ Chng</b>	<b>% Chng</b>
	<b>Actual</b>	<b>Actual</b>	<b>Curr Bgt</b>	<b>Adopted</b>	<b>Fr Curr</b>	<b>Fr Curr</b>
<b>EXPENDITURE ACCOUNTS</b>						
Postage	88,974	91,565	90,200	94,757	4,557	5.05%
DP Supplies And Access	48,496	9,991	15,800	15,800	0	0.00%
Food	24	66	0	0	0	0.00%
Business Expense & Travel	4,762	16,650	15,760	15,760	0	0.00%
Awards & Recognition	4,829	1,732	3,075	3,075	0	0.00%
Outside Education & Travel	34,674	17,243	37,200	37,200	0	0.00%
County Training Classes	1,504	3,450	4,900	4,900	0	0.00%
<b>MATERIALS &amp; SERVICES</b>	<b>1,714,144</b>	<b>1,723,450</b>	<b>1,768,269</b>	<b>1,884,790</b>	<b>116,521</b>	<b>6.59%</b>
Vehicles	12,454	0	0	0	0	0.00%
Reproducing & Duplicating	13,645	0	0	0	0	0.00%
Data Processing Equipment	5,846	0	0	0	0	0.00%
<b>CAPITAL OUTLAY</b>	<b>31,945</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
Improvements	0	0	42,029	0	(42,029)	-100.00%
<b>CAPITAL PROJECTS</b>	<b>0</b>	<b>0</b>	<b>42,029</b>	<b>0</b>	<b>(42,029)</b>	<b>-100.00%</b>
Transfer To Capital Proj. Funds	21,765	0	0	0	0	0.00%
<b>FUND TRANSFERS</b>	<b>21,765</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>TOTAL EXPENDITURES</b>	<b>5,877,987</b>	<b>5,720,803</b>	<b>6,508,618</b>	<b>6,776,547</b>	<b>267,929</b>	<b>4.12%</b>