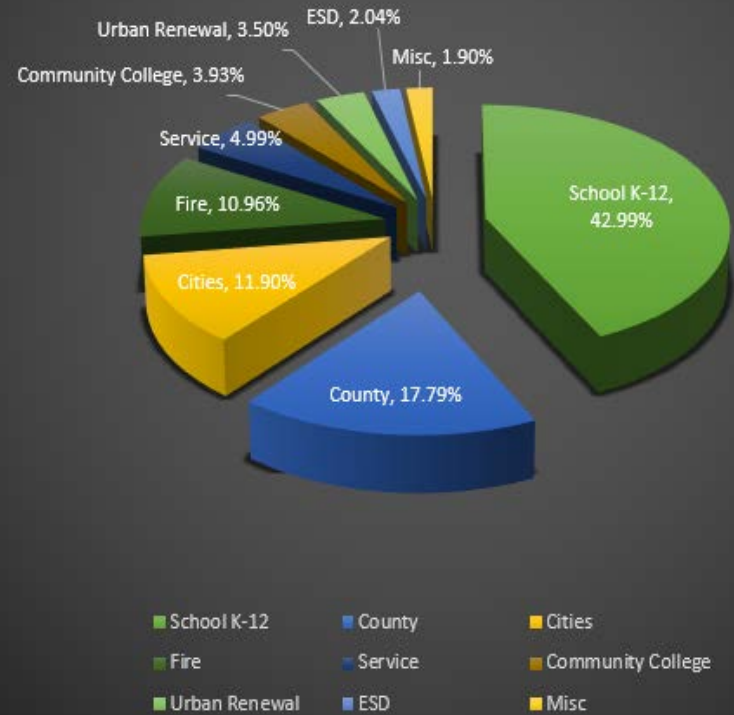




Property Taxes Support Local Services



Assessment & Taxation

2021-2022 BUDGET PRESENTATION



2020 Major Accomplishments

AREA	DESCRIPTION
Administration	The Assessor's office has been serving the public throughout the entire pandemic and re-opened our lobby to taxpayers in June 2020.
Administration	2020's \$962M tax roll certified with \$86B in Market Value and a taxable value increase of 5% during an unprecedented year of emergencies.
Administration	We continued to successfully administer Oregon's Property Tax system while transitioning to telework and creating new ways of doing business.
Administration	Our Lobby was reconfigured and remodeled to comply with COVID protocols and greatly increase the safety of our staff and customers.
Valuation	Managed two new software procurements that will further our integration of GIS with appraisal and also transform how appraisal captures new construction and inventory in the field.
Valuation	We play a key role in the eligibility determinations and monitoring of continuing qualifications for tax programs like the new Strategic Investment Program in Canby and over 50 new and existing Enterprise Zones that align with County's goal of Building a Strong Economy.
Valuation	The County continues to experience substantial growth; in 2020 our 10 field appraisers valued nearly 11,700 accounts including over 1,300 new homes.
Valuation	Implemented Electronic Inventory Filing for Business Personal Property owners that also allows an option to receive paperless tax statements.
Revenue & Records	Property tax collections for FY ending June 30, 2020 were 98% collected, slightly above prior year's collection rates.
Revenue & Records	Property taxes were billed to over 178,000 property owners and 89% of the \$962M was distributed to 130 local taxing districts by Dec 31, 2020.
Revenue & Records	Working with the Treasurer's Office, a successful implementation of a new mail-in tax payment processor was in place for November's tax season.
Revenue & Records	In 2020, our GIS team reached 85% completion to eliminate manual map drafting of more than 3,400 assessment maps. This is a multi year project following Statewide mapping guidelines to digitize maps throughout Oregon.

Performance Clackamas

Results Measures (Examples)

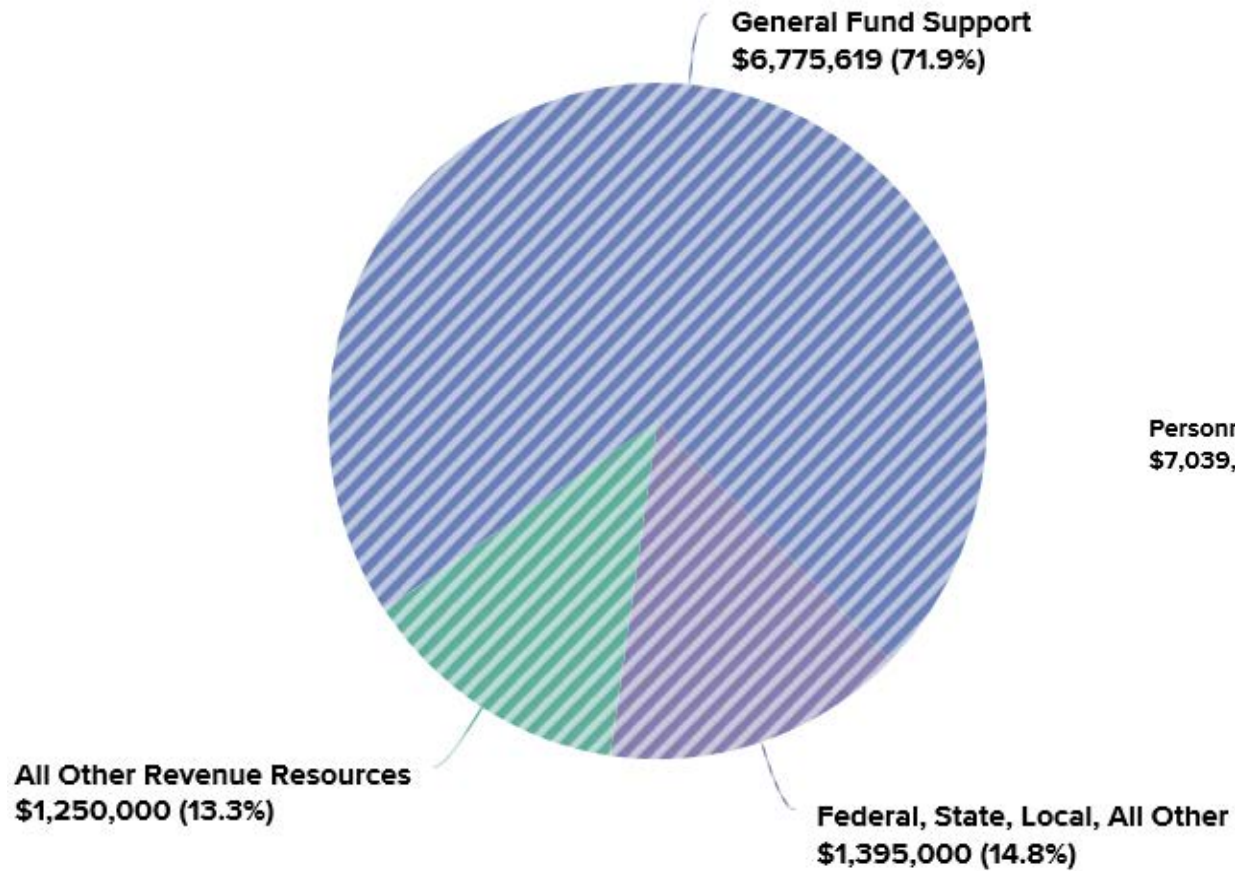
Line of Business/Program	Results Measure		FY 19-20 Actual	FY 20-21 Target	FY 20-21 Projected Performance	FY 21-22 Target
Administration	Total cost per account		\$48	\$46	\$49	\$52
Property Valuation	# of new construction/property change appraisals completed		7,639	9,851	11,682	11,000
Property Valuation	# of real properties not physically re-appraised in the past six years		152,000	152,381	152,381	150,000
Valuation Adjustment	# of real property accounts with tax roll corrections completed for omitted property		275	325	350	300
Tax Revenue	97% of tax dollars are collected by the end of the fiscal year		98%	97%	98%	97%
Tax Revenue	# of credit, debit and E-check online payment postings		12,033	13,200	14,400	16,000
Property Records	% of Assessor's tax maps digitized		75%	79%	85%	91%
Property Records	# of property record changes completed		16,962	16,965	18,728	19,102

Program Profiles: 2021-22 Summary

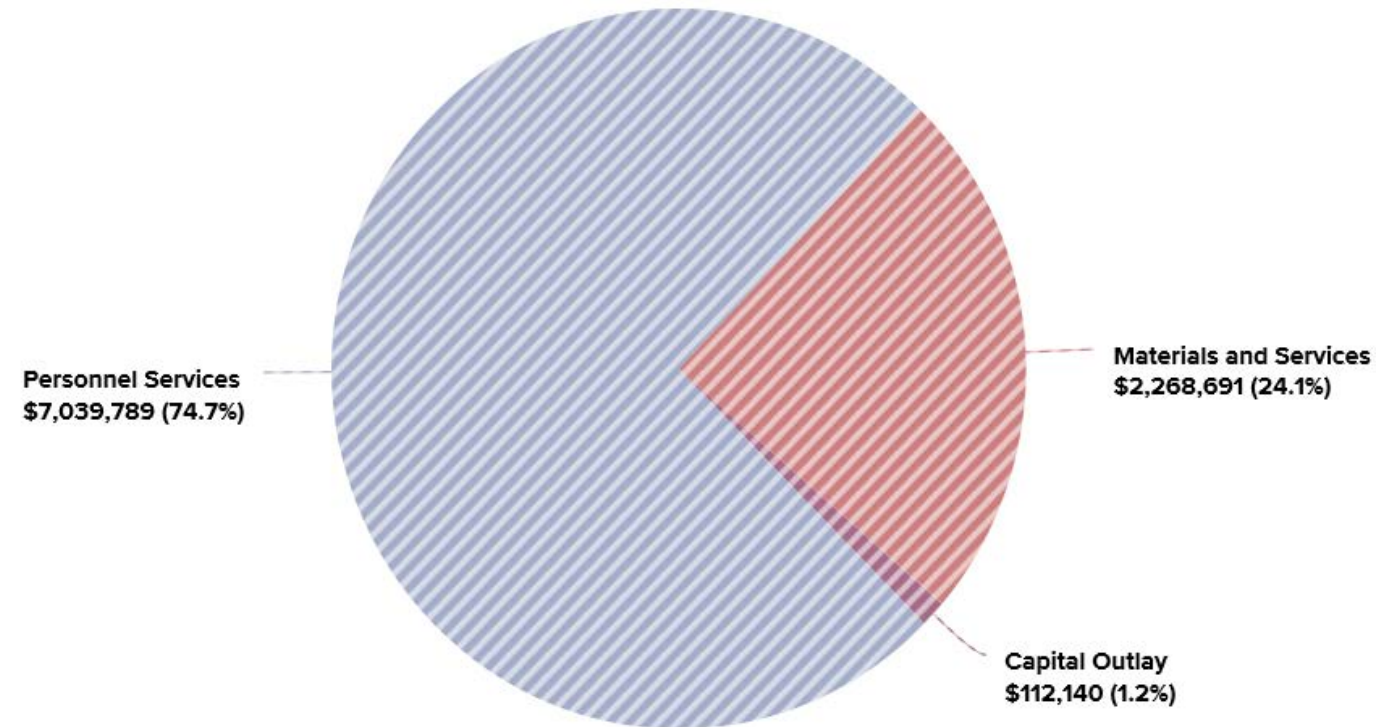
Line of Business	Program	Total Funds (\$ millions)	% County General Funds	% Restricted Funds	Mandate: Fed/State/Cty /IGA/None	% Program Operated by County	Metrics: % Target Meet/Exceed or Improve
Valuation	Annual Property Valuation	\$ 2,802,757	73%	27%	Mandate: State IGA: State of Oregon (Building Codes Division)	100%	67%
Valuation	Value Adjustment	\$ 2,411,162	60%	40%	Mandate: State IGA: State of Oregon (Building Codes Division)	100%	67%
Revenue and Records	Tax Certification, Collection, & Distribution	\$ 1,681,516	76%	24%	Mandate: State IGA: State of Oregon (DAS)	100%	100%
Revenue and Records	Property Records & Customer Service	\$ 2,157,460	80%	20%	Mandate: State IGA: State of Oregon (DAS)	100%	67%

2021/22 Revenue and Expenses

Revenue



Expenditures



Summary of Revenue & Expenses

10 - Assessor - General Fund Summary of Revenue and Expense

	2018-19 Actual	2019-20 Actual	FY 20-21 Amended Budgeted	FY 20-21 Projected Year End	FY 21-22 Proposed Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
Federal, State, Local, All Other Gifts & Donations	1,344,547	1,708,856	1,391,650	1,508,229	1,395,000	3,350	0.2%
All Other Revenue Resources	1,267,579	1,028,577	875,000	1,435,000	1,250,000	375,000	42.9%
General Fund Support	5,073,337	5,558,199	6,533,860	5,700,401	6,775,619	241,759	3.7%
Operating Revenue	7,685,463	8,295,632	8,800,510	8,643,630	9,420,620	620,110	7.0%
Total Revenue	7,685,463	8,295,632	8,800,510	8,643,630	9,420,620	620,110	7.0%
Personnel Services	5,735,323	6,292,930	6,800,352	6,673,709	7,039,789	239,437	3.5%
Materials and Services	1,827,193	1,867,755	1,877,211	1,846,351	2,268,691	391,480	20.9%
Capital Outlay	122,947	134,947	122,947	123,570	112,140	-10,807	-8.8%
Operating Expenditure	7,685,463	8,295,632	8,800,510	8,643,630	9,420,620	620,110	7.0%
Total Expense	7,685,463	8,295,632	8,800,510	8,643,630	9,420,620	620,110	7.0%
Revenues Less Expenses	-	-	-	-	-	-	-
Full Time Equiv Positions (FTE) Budgeted	58.5	58.5	60.0	60.0	60.0	0.0	-

Department Summary by Fund



Department of Assessment & Taxation (10)

Department Budget Summary by Fund

<i>Line of Business</i>	FY 21/22	FY 21/22	FY 21/22	FY 21/22
<i>Program</i>	FTE	General Fund	Total Proposed Budget	General Fund Support Included in Proposed Budget**
Administration				
Office of the Assessor & Tax Collector	2.0	389,951	389,951	344,118
Property Tax Revenue & Records				
Property Records & Customer Service	16.5	2,216,362	2,216,362	1,781,237
Tax Certification, Collection & Distribution	11.5	1,740,428	1,740,428	1,331,886
Valuation				
Annual Property Valuation	14.5	2,603,905	2,603,905	1,897,813
Value Adjustment	15.5	2,469,973	2,469,973	1,420,565
TOTAL	60.0	9,420,619	9,420,619	6,775,619
FY 20-21 Budget	60.0	8,800,510	8,800,510	6,533,860
\$ Increase (Decrease)	0.0	620,109	620,109	241,759
% Increase (Decrease)	0.0	7.0%	7.0%	3.7%

** General Fund Support is the subsidy, net of any other revenue received by the department.

Significant Policy and/or Financial Issues

DESCRIPTION	IMPACT
The pandemic expedited the need for improved technology and the reduction of paper centric work processes. Software purchases that will provide efficiencies also increase software maintenance costs and require time for implementation and training.	Implementation and staff training hours will be absorbed but it will impact workload
With a strong real estate market, we experienced a decline in residential property appeals; however, the percentage of Commercial and Industrial appeals increased 9% at BOPTA and have also increased dramatically at the Magistrate Division of the Tax Court. The legal complexity of today's appeals and the complexity of properties under appeal often continue to require participation by County Counsel for representation for Magistrate, Regular Division Tax Court and Supreme Court cases.	This will require a significant amount of resources; the full impact is not yet known.
Continuous and significant growth supports additional FTE in Valuation and moves us closer to DOR staffing guidelines. Resources are needed to capture all new construction to maintain a complete, fair, & accurate tax roll.	To be determined
Data Cloud Solutions software currently in implementation will add annual maintenance costs.	\$ 51,000
A contracted flight for oblique aerial imagery is scheduled for October 2021. Changing to annual flights will reduce costs by \$74,000 per flight and increase the number of properties where we can update inventory virtually, which will add value and tax by reducing the amount of omitted property. A cost sharing model to collaborate with internal County departments like the Sheriff and with Cities or Fire Districts is being reviewed.	\$ 246,000

End of Presentation

Thank you



PURPOSE STATEMENT: The mission of the Assessment & Taxation Department is to administer the State property tax laws; including Appraisal, Assessment, Tax Collection and Mapping services to property taxpayers, county citizens and taxing districts so they can have confidence in the tax system, districts are funded to deliver their services, and all stakeholders receive the highest quality customer experience.

Department of Assessment & Taxation (10)

T. Little, County Assessor

FTE 60

Total Proposed \$9,420,619

General Fund Support \$6,775,619

Administration T. Little FTE 2.0 Total Proposed \$389,951 <hr/> Gen Fund \$ 344,118	Property Tax Revenue & Records B. Rueda FTE 28 Total Proposed \$3,956,790 <hr/> Gen Fund \$ 3,113,123	Valuation L. Longfellow Total Proposed \$5,073,878 <hr/> Gen Fund \$ 3,318,378
Office of the Assessor & Tax Collector T. Little FTE 2.0 Total Proposed \$389,951 <hr/> Gen Fund \$ 344,118	Property Records & Customer Service M. Nava FTE 16.5 Total Proposed \$2,216,362 <hr/> Gen Fund \$ 1,781,237	Annual Property Valuation J. Bonnet FTE 14.5 Total Proposed \$2,603,905 <hr/> Gen Fund \$ 1,897,813
	Tax Certification, Collections, & Distribution M. Coy FTE 11.5 Total Proposed \$1,740,428 <hr/> Gen Fund \$ 1,331,886	Value Adjustment T. Cooper FTE 15.5 Total Proposed \$2,469,973 <hr/> Gen Fund \$ 1,420,565



Department of Assessment & Taxation (10)

Department Budget Summary by Fund

<i>Line of Business</i>		FY 21/22	FY 21/22	FY 21/22	FY 21/22
<i>Program</i>	<i>Prog #</i>	FTE	General Fund	Total Proposed Budget	General Fund Support Included in Proposed Budget**
Administration					
Office of the Assessor & Tax Collector	100101	2.0	389,951	389,951	344,118
Property Tax Revenue & Records					
Property Records & Customer Service	100202	16.5	2,216,362	2,216,362	1,781,237
Tax Certification, Collection & Distribution	100203	11.5	1,740,428	1,740,428	1,331,886
Valuation					
Annual Property Valuation	100302	14.5	2,603,905	2,603,905	1,897,813
Value Adjustment	100303	15.5	2,469,973	2,469,973	1,420,565
TOTAL		60.0	9,420,619	9,420,619	6,775,619
FY 20-21 Budget		60.0	8,800,510	8,800,510	6,533,860
\$ Increase (Decrease)		0.0	620,109	620,109	241,759
% Increase (Decrease)		0.0	7.0%	7.0%	3.7%

** General Fund Support is the subsidy, net of any other revenue received by the department.



Administration Line of Business

Office of the Assessor & Tax Collector

Purpose Statement

The purpose of the Office of the Assessor and Tax Collector Program is to provide leadership and support services to all A & T Programs so we can accurately, fairly, and equitably accomplish the administrative requirements of Oregon's Property Tax System.

Performance Narrative Statement

The Assessor's Office shares the commitment with the County Board of Commissioner's to achieve positive results for our customers through an enterprise-wide commitment to accountability, transparency, and credibility designed to build trust through good government. The Clackamas County Assessor's office has a long standing commitment to providing excellent customer service. We work to accomplish this through outstanding public service daily by our staff in the office, in the field, and on the phones. We are responsive to the needs of taxpayers, citizens, and taxing districts. We conduct outreach to the public and business community in the form of town hall meetings, training opportunities, public service videos, and online information. Annual legislative sessions bring changes to the requirements of Oregon's property tax system and it is a continual challenge to help Oregonians understand our complicated tax system and for us to administer it with limited resources. Since the passage of Measure 50 (over 20 years ago) our department has added only 2.5 FTE. They were added over the last five years and bring us to our current level of 60 FTE. Each year we fall well below the Department of Revenue recommended staffing guidelines estimated for Clackamas County, currently we are approximately 14% below their recommendations. Since 2000, the County has seen significant growth with over 20,000 new property tax accounts and a 197% increase in Real Market Value- from \$29 billion to \$86 billion in 2020. This growth supports additional FTE in Valuation and moves us closer to DOR guidelines. In past years we've been successful on an outcome based evaluation and qualified for the CAFFA Grant but maintaining that with the current demands is not sustainable. We remain diligent in our efforts to maintain a well-qualified, competent, and adequately staffed organization that has clear goals and direction for meeting their performance objectives. The Assessor remains committed to discovering future opportunities to collaborate with other departments and jurisdictions to provide more effective and efficient services. Our aerial imagery project is a good example of sharing resources which would help build public trust by cost sharing.

Key Performance Measures

		FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Target	FY 20-21 Projected Performance	FY 21-22 Target
Result	Department will operate within 95% of its annual adopted budget	95%	95%	95%	95%	95%
Result	A partnership funding agreement will be in place to achieve annual flights of oblique aerial imagery by 2023	0%	0%	50%	50%	75%
Efficiency	Total cost per account	\$44	\$48	\$46	\$49	\$52
Efficiency	Tax revenue generated per \$ of budgeted expenditure	\$108	\$111	\$112	\$109	\$106

Program includes:

Mandated Services ☐ Yes

Shared Services ☐ Yes

Grant Funding ☐ Yes

Explain all "Yes" boxes below

For help with shared services, see AOC Shared State-County Services page on intranet
If grant funding, include length of grant and any match requirement (with funding source)

Explanation The Assessment & Taxation function is a State-mandated service and a shared-State-County service. The Department of Assessment & Taxation is partially funded by a State grant program. The County Assessment Function Funding Assistance (CAFFA) Grant Program was created in 1989 to reverse a disintegration taking place in the property tax system and to recognize a shared responsibility for statewide uniformity and accuracy in property assessment and taxation. This is generally defined to include:

1. Maintenance of constitutionally required real market value on all property
2. Creation of an Assessment Roll and a Tax Roll
3. Appraisal of all Measure 50 exceptions completed timely
4. Resolution of appeals in a timely manner
5. Calculation, collection, and distribution of taxes

The State reviews the adequacy of our program by looking at the following areas: 1. Assessment, 2. Cartography and GIS Administration, 3. Property Valuation, 4. Processing of the Board of Property Tax Appeals, Magistrate and Regular Division Tax Court Appeals, 5.A&T Data Processing

The County submits an annual grant application. The budgeted expenditures identify the resources necessary to maintain minimum A&T adequacy. If the department of Revenue determines a County's Assessment and Taxation budget is adequate, it certifies the County to participate in the grant. If the Department of Revenue finds the County's budget to be inadequate to meet program requirements, the County is denied the grant for that year.

There is no specific formula to determine program adequacy because the demographics of each County are different. Most recently, the Department of Revenue has focused on A&T outcomes more than process looking at the effectiveness of our County's operations by function.



Administration Line of Business

Office of the Assessor & Tax Collector

Budget Summary

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Amended Budget	FY 20-21 Projected Year End	FY 21-22 Proposed Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
Federal, State, Local, All Other Gifts & Donations	40,336	187,679	45,833	181,124	45,833	-	-
All Other Revenue Resources	8,139	-	-	-	-	-	-
General Fund Support	323,496	321,590	313,167	177,676	344,118	30,951	10%
Operating Revenue	371,971	509,269	359,000	358,800	389,951	30,951	9%
Total Revenue	371,971	509,269	359,000	358,800	389,951	30,951	9%
Personnel Services	316,030	447,593	308,018	309,268	314,969	6,951	2%
Materials & Services	55,941	61,675	50,982	49,532	74,982	24,000	47%
Operating Expense	371,971	509,268	359,000	358,800	389,951	30,951	9%
Total Expense	371,971	509,269	359,000	358,800	389,951	30,951	9%

Significant Issues and Changes

FY21-22: Presentation changes are the result of the new county-wide chart of account implementation.



Property Tax Revenue & Records Line of Business

Property Records & Customer Service

Purpose Statement

The purpose of the Property Records & Customer Service Program is to provide current and historical property information services to property owners, taxpayers, other jurisdictions, and the public so they can determine ownership, value, taxation, boundaries and history of property so they can make informed property decisions.

Performance Narrative Statement

This program processed just under 17,000 deeds in 2020 resulting in ownership, address, and/or boundary changes. On average, records were updated within 5 business days to accurately reflect owner names, mailing and situs address on the current assessment and tax rolls. The volume of real estate activity requires prioritization of staff in order to update and maintain GIS mapping data and assessment records accurately to meet the deadline of closing our annual tax roll. This continues to impact available resources for our ongoing digital map conversion project. Progress continues, having retired 2,910 out of 3,417 paper maps with digital maps. We continue to maintain a high response level for public records requests and customer inquiries.

Key Performance Measures

		FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Target	FY 20-21 Projected Performance	FY 21-22 Target
Result	# of property record changes completed	18,115	16,962	16,965	18,728	19,102
Result	>95% of phone calls returned within one business day	>95%	>95%	>95%	>95%	>95%
Result	% of Assessor's tax maps digitized	67%	75%	79%	85%	91%

Program includes:

Mandated Services ☒ Yes

Shared Services ☒ Yes

Grant Funding ☒ Yes

Explain all "Yes" boxes below

For help with shared services, see AOC Shared State-County Services page on intranet

If grant funding, include length of grant and any match requirement (with funding source)

Explanation The County Assessment Function Funding Assistance (CAFFA) Grant Program was created in 1989 to reverse a disintegration taking place in the property tax system and to recognize a shared responsibility for statewide uniformity and accuracy in property assessment and taxation. This is generally defined to include

1. Maintenance of constitutionally required real market value on all property
2. Creation of an Assessment Roll and a Tax Roll
3. Appraisal of all Measure 50 exceptions completed timely
4. Resolution of appeals in a timely manner
5. Calculation, collection, and distribution of taxes

The State reviews the adequacy of our program by looking at the following areas: 1. Assessment, 2. Cartography and GIS Administration, 3. Property Valuation, 4. Processing of the Board of Property Tax Appeals, Magistrate and Regular Division Tax Court Appeals, 5.A&T Data Processing

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There is no specific formula to determine program adequacy because the demographics of each County are different. Most recently, the Department of Revenue has focused on A&T outcomes more than process looking at the effectiveness of our County's operations by function.



Property Tax Revenue & Records Line of Business

Property Records & Customer Service

Budget Summary

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Amended Budget	FY 20-21 Projected Year End	FY 21-22 Proposed Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
Federal, State, Local, All Other Gifts & Donations	389,919	485,932	394,775	401,105	398,125	3,350	1%
All Other Revenue Resources	45,295	33,892	25,000	25,000	37,000	12,000	48%
General Fund Support	1,218,355	1,279,661	1,712,524	1,658,918	1,781,237	68,713	4%
Operating Revenue	1,653,569	1,799,485	2,132,299	2,085,023	2,216,362	84,063	4%
Total Revenue	1,653,569	1,799,485	2,132,299	2,085,023	2,216,362	84,063	4%
Personnel Services	1,246,766	1,359,319	1,695,596	1,653,123	1,709,059	13,463	1%
Materials & Services	406,803	440,166	436,703	431,900	507,303	70,600	16%
Operating Expense	1,653,569	1,799,485	2,132,299	2,085,023	2,216,362	84,063	4%
Total Expense	1,653,569	1,799,485	2,132,299	2,085,023	2,216,362	84,063	4%

Significant Issues and Changes

FY21-22: Presentation changes are the result of the new county-wide chart of account implementation.



Property Tax Revenue & Records Line of Business

Tax Certification, Collection, & Distribution

Purpose Statement

The purpose of the Tax Revenue Program is to provide tax certification, value notification, billing, collection, distribution, reporting, and consulting services to property owners, taxpayers, and taxing districts so taxpayers know the amount of tax to pay and districts know the amount of revenue to be distributed.

Performance Narrative Statement

We had our first main collection period with our new mail-in payment provider, Retail Lockbox, and it was a success. The Assessor's office is currently in a procurement process for a vendor to print and mail our yearly property tax statements and also offer taxpayers the option to receive statements electronically by November 2021. Annexations and withdrawals were processed timely and accurately to be correctly reflected on the 2020-21 tax roll. The program successfully processed levy requirements for 130 taxing districts used to produce a total tax roll of \$962 million dollars. Tax notifications were mailed to 177,095 accounts by October 23, 2020. Collection and distribution was timely with taxing districts receiving funds equivalent to 87% of the total tax roll within 15 days of the November collection date. We are on target to be 97% collected by the end of the 2020-21 fiscal year.

Key Performance Measures

		FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Target	FY 20-21 Projected Performance	FY 21-22 Target
Result	87% of tax dollars distributed by November 30th each year	88%	88%	88%	88%	88%
Result	97% of tax dollars are collected by the end of the fiscal year	97%	97%	97%	97%	97%
Output	# of credit, debit and E-check online payment postings	10,513	12,033	13,200	14,400	16,000

Program includes:

Mandated Services ☒ Yes

Shared Services ☒ Yes

Grant Funding ☒ Yes

Explain all "Yes" boxes below

For help with shared services, see AOC Shared State-County Services page on intranet

If grant funding, include length of grant and any match requirement (with funding source)

Explanation The Assessment & Taxation function is a State-mandated service and a shared-State-County service. The Department of Assessment & Taxation is partially funded by a State grant program.

The County Assessment Function Funding Assistance (CAFFA) Grant Program was created in 1989 to reverse a disintegration taking place in the property tax system and to recognize a shared responsibility for statewide uniformity and accuracy in property assessment and taxation. This is generally defined to include:

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There is no specific formula to determine program adequacy because the demographics of each County are different. Most recently, the Department of Revenue has focused on A&T outcomes more than process looking at the effectiveness of our County's operations by function.



Property Tax Revenue & Records Line of Business

Tax Certification, Collection, & Distribution

Budget Summary

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Amended Budget	FY 20-21 Projected Year End	FY 21-22 Proposed Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
Federal, State, Local, All Other Gifts & Donations	242,019	274,036	263,542	259,000	263,542	-	-%
All Other Revenue Resources	174,228	169,393	100,000	110,000	145,000	45,000	45%
General Fund Support	1,049,768	1,170,735	1,288,611	1,268,196	1,331,886	43,275	3%
Operating Revenue	1,466,015	1,614,164	1,652,153	1,637,196	1,740,428	88,275	5%
Total Revenue	1,466,015	1,614,164	1,652,153	1,637,196	1,740,428	88,275	5%
Personnel Services	1,011,854	1,114,924	1,162,019	1,157,019	1,181,544	19,525	2%
Materials & Services	454,161	499,240	490,134	480,177	558,884	68,750	14%
Operating Expense	1,466,015	1,614,164	1,652,153	1,637,196	1,740,428	88,275	5%
Total Expense	1,466,015	1,614,164	1,652,153	1,637,196	1,740,428	88,275	5%

Significant Issues and Changes

FY21-22: Presentation changes are the result of the new county-wide chart of account implementation.



Valuation Line of Business

Annual Property Valuation

Purpose Statement

The purpose of the Annual Property Valuation Program is to provide appraisal, statistical, analytical and reporting services to property owners and taxpayers so they can have confidence that Clackamas County properties are valued at 100% of real market value.

Performance Narrative Statement

Our business efficiencies in Valuation continue to evolve offering more transparency and delivering more integrated and better services designed to build public trust that will result in the best allocation of resources. Our appraisers primarily complete field work, make and review value decisions and assist the public on valuation issues. Real estate sales activity, new construction and other exception events continue to show significant increases. Updates and enhancements to our automated appraisal database allow us to monitor our appraisal activity in real time and increase the efficiency of our business practices. While still impacted by resource limitations we have made progress in the conversion of paper records for commercial, industrial, and multi-family properties into our mass appraisal database. This data conversion will allow us to build income property valuation models to enable valuation and recalculation of these types of properties within our system. The Property Valuation Program is in the process of implementing three new software programs: Masters Touch allows for eFiling of Business Personal Property Returns; Mobile Assessor will allow for field entry of new construction that will then upload into our Computer Assisted Mass Appraisal system, and ESRI Insights to improve and enhance our annual valuation program. All three of these initiatives will allow us to enhance and improve efficiencies as we continue to struggle with limited resources and forward our goal of GIS/CAMA integration which will enhance valuations, reduce the need for physical inspections, improve the quality of our inventory, which aligns with the strategic goal of building public trust and so that taxpayers can have confidence in the property tax system. Our demand for reappraisal remains high and mostly unmet. Excluding new construction, 152,381 or 93% of real property accounts have not been physically reappraised within the last 6 years.

Key Performance Measures

		FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Target	FY 20-21 Projected Performance	FY 21-22 Target
Result	98% of neighborhood market areas valued at 100% of real market value and consistent with statutory requirement	97%	98%	98%	98%	98%
Output	# of new construction/property change appraisals completed	8,032	7,639	9,851	11,682	11,000
Demand	# of real properties not physically re-appraised in the past six years	153,463	152,000	152,381	152,381	150,000

Program includes:

Mandated Services ☒ Yes

Shared Services ☒ Yes

Grant Funding ☒ Yes

Explain all "Yes" boxes below

For help with shared services, see AOC Shared State-County Services page on intranet

If grant funding, include length of grant and any match requirement (w/funding source)

Explanation

The Assessment & Taxation function is a State-mandated service and a shared-State-County service. The Department of Assessment & Taxation is partially funded by a State grant program.

1. Maintenance of constitutionally required real market value on all property
2. Creation of an Assessment Roll and a Tax Roll
3. Appraisal of all Measure 50 exception completed timely
4. Resolution of appeals in a timely manner
5. Calculation, collection, and distribution of taxes

The State review the adequacy of our program by looking at the following areas: 1. Assessment, 2. Cartography and GIS Administration, 3. Property Valuation, 4. Processing of the Board of Property Tax Appeals, Magistrate and Regular Division Tax Court Appeals, 5. A&T Processing

The County submits an annual grant application. The budgeted expenditures identify the resources necessary to maintain minimum A&T adequacy. If the Department of Revenue determines a County's Assessment and Taxation budget is adequate, it certifies the County to participate in the grant. If the Department of Revenue finds the County's budget to be inadequate to meet program requirements, the County is denied the grant for that year.

There is no specific formula to determine program adequacy because the demographics of each County are different. Most recently, the Department of Revenue has focused on A&T outcomes more than process looking at the effectiveness of our County's operations by function.



Valuation Line of Business

Annual Property Valuation

Budget Summary

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Amended Budget	FY 20-21 Projected Year End	FY 21-22 Proposed Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
Federal, State, Local, All Other Gifts & Donations	336,137	380,605	355,208	345,000	332,292	(22,916)	-6%
All Other Revenue Resources	1,203	-	-	-	373,800	373,800	-
General Fund Support	1,918,722	2,071,371	2,150,384	2,160,188	1,897,813	(252,571)	-12%
Operating Revenue	2,256,062	2,451,976	2,505,592	2,505,188	2,603,905	98,313	4%
Total Revenue	2,256,062	2,451,976	2,505,592	2,505,188	2,603,905	98,313	4%
Personnel Services	1,676,242	1,851,104	1,905,299	1,911,299	1,904,875	(424)	0%
Materials & Services	456,874	465,926	477,346	470,319	586,890	109,544	23%
Capital Outlay	122,947	134,947	122,947	123,570	112,140	(10,807)	-9%
Operating Expense	2,256,063	2,451,977	2,505,592	2,505,188	2,603,905	98,313	4%
Total Expense	2,256,062	2,451,976	2,505,592	2,505,188	2,603,905	98,313	4%

Significant Issues and Changes

FY21-22: Presentation changes are the result of the new county-wide chart of account implementation.



Valuation Line of Business

Value Adjustment

Purpose Statement

The purpose of the Value Adjustment Program is to provide exemption and deferral eligibility determinations, value and tax correction services, and dispute resolution services to property owners and taxpayers so they can experience tax relief appropriate to their property use, have their dispute issues efficiently decided consistent with procedural fairness within the law, and have confidence that they are paying the correct amount of tax.

Performance Narrative Statement

The real estate market continues to be strong in Clackamas County and residential properties will again see double digit growth in many market areas. Commercial/Industrial properties have suffered more this last year with the pandemic but hold fairly steady. Value appeals to the Board of Property Tax Appeals was down however the percentage of Commercial/Industrial appeals increase from 25% of the total in 2019-20 to 34% in 2020-21 and we expect the percentage of Commercial/Industrial appeals to increase in 2021-22. While appeals to BOPTA were less than anticipated, appeals to the Magistrate Division of the Tax Court have increased dramatically. Typically we are able to resolve the majority of Commercial/Industrial appeals at BOPTA. However, due to an accelerated schedule of conducting BOPTA hearings, approximately 80% of these appeals filed at Tax Court. This will require a significant amount of resources; the full impact is not yet known. The legal complexity of today's appeals and the complexity of properties under appeal often continue to require participation by County Counsel for representation for Magistrate, Regular Division Tax Court and Supreme Court cases. An increasing level of sales activity is helpful but continues to require significant appraisal resources to verify sales, research listings and field inspect property to support appeals, general market analysis and the ratio study. In the previous year 1,734 new or continued exemption and deferral eligibility determinations were reviewed as well as maintenance on the existing approximate 24,000 accounts that have previously qualified so property owners can have confidence they are paying the correct tax consistent with the use of the property. We also continue to prioritize resources to outlier sales analysis and are utilizing the online services available to more thoroughly research construction and remodeling activity with the goal of maintaining the accuracy and integrity of our property characteristic inventory. Outlier sales review has resulted in the discovery of over 500 accounts with value not captured on the tax roll that will result in additional value and additional revenue to taxing districts.

Key Performance Measures

		FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Target	FY 20-21 Projected Performance	FY 21-22 Target
Result	Board of Property Tax Appeals will remain below 1% annually	<1%	<1%	<1%	<1%	<1%
Output	# of Board of Property Tax Appeals	301	397	399	243	400
Output	# of real property accounts with tax roll corrections completed for omitted property	200	275	325	350	300

Program includes:

Mandated Services ☒ Yes

Shared Services ☒ Yes

Grant Funding ☒ Yes

Explain all "Yes" boxes below

For help with shared services, see AOC Shared State-County Services page on intranet

If grant funding, include length of grant and any match requirement (with funding source)

Explanation The County Assessment Function Funding Assistance (CAFFA) Grant Program was created in 1989 to reverse a disintegration taking place in the property tax system and to recognize a shared responsibility for statewide uniformity and accuracy in property assessment and taxation. This is generally defined to include:

1. Maintenance of constitutionally required real market value on all property
2. Creation of an Assessment Roll and a Tax Roll
3. Appraisal of all Measure 50 exceptions completed timely
4. Resolution of appeals in a timely manner
5. Calculation, collection, and distribution of taxes

The State reviews the adequacy of our program by looking at the following areas: 1. Assessment, 2. Cartography and GIS Administration
3. Property Valuation, 4. Processing of the Board of Property Tax Appeals, Magistrate and Regular Division Tax Court Appeals, 5.A&T Data Processing

The County submits an annual grant application. The budgeted expenditures identify the resources necessary to maintain minimum A&T adequacy. If the department of Revenue determines a County's Assessment and Taxation budget is adequate, it certifies the County to participate in the grant. If the Department of Revenue finds the County's budget to be inadequate to meet program requirements, the County is denied the grant for that year.

There is no specific formula to determine program adequacy because the demographics of each County are different. Most recently, the Department of Revenue has focused on A&T outcomes more than process looking at the effectiveness of our County's operations by function.



Valuation Line of Business

Value Adjustment

Budget Summary

	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Amended Budget	FY 20-21 Projected Year End	FY 21-22 Proposed Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
Federal, State, Local, All Other Gifts & Donations	336,137	380,605	332,292	322,000	355,208	22,916	7%
All Other Revenue Resources	1,038,715	825,292	750,000	1,300,000	694,200	(55,800)	-7%
General Fund Support	562,994	714,841	1,069,174	435,423	1,420,565	351,391	33%
Operating Revenue	1,937,846	1,920,738	2,151,466	2,057,423	2,469,973	318,507	15%
Total Revenue	1,937,846	1,920,738	2,151,466	2,057,423	2,469,973	318,507	15%
Personnel Services	1,484,432	1,519,991	1,729,420	1,643,000	1,929,341	199,921	12%
Materials & Services	453,414	400,747	422,046	414,423	540,632	118,586	28%
Operating Expense	1,937,846	1,920,738	2,151,466	2,057,423	2,469,973	318,507	15%
Total Expense	1,937,846	1,920,738	2,151,466	2,057,423	2,469,973	318,507	15%

Significant Issues and Changes

FY21-22: Presentation changes are the result of the new county-wide chart of account implementation.