



PERFORMANCE CLACKAMAS

Strategic Business Plan

DEPARTMENT OF ASSESSMENT & TAXATION
Tami Little, Assessor

INTRODUCTION

For decades the Department of Assessment & Taxation has embraced the commitment to achieving positive results for our customers and in 2015 we volunteered as the first Elected Official's office to participate in Performance Clackamas. The process was challenging but something we believed would help our efforts to make a difference for our customers and build trust through good government. Our management team along with nearly every staff member provided input during our first retreat and work sessions. The process of determining key issues and strategic results along with prioritizing programs and services was intense and demanding. Our original plan was given minor updates in 2017 and the 2020 revision tightened the plan to more specifically focus on a future direction vital to navigate growth and change. We continue to have many of the same issues and some new challenges. With change being inevitable, our revised plan was completed by a new management team because 86% of our managers retired in the last four years. We added one new position since 2015 and 33% of our staff are new to the department or new in their role. There was less opportunity to involve as many in this update but we will continue to communicate with everyone regularly about where we are going, how we will get there, and how their role fits in our strategic plan.

We have 60 full time positions and are organized around three areas of responsibility – valuation, property records, and tax revenue. Our office is responsible for the equitable valuation of all property in the county for use in calculating property taxes for 131 local taxing districts that provide vital services. For the 2019-2020 tax year, this included tax billing and collection of a \$921 million dollar tax roll. The total real market value of all taxable property was \$81.9 billion and the taxable assessed value was \$53.1 billion for the current year. We have over 177,000 accounts, including real property, business personal property, manufactured homes, and property appraised by the Oregon Department of Revenue.

The Department of Assessment & Taxation has a long standing history committed to providing excellent customer service, a commitment entrenched in our culture and throughout our Performance Clackamas Plan.

This plan provides a brief overview of our primary functions and statutory responsibilities. Our most significant challenges are presented in our strategic results and issue statements. If these challenges are not addressed, the integrity of our property tax records and our ability to meet statutory requirements will be compromised, resulting in negative financial impacts to our stakeholders.

Department of Assessment & Taxation

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Department of Assessment & Taxation

MISSION STATEMENT

The Mission of the Assessment & Taxation Department is to provide administration of the State property tax laws, including Appraisal, Assessment, Tax Collection and Mapping services to property taxpayers, county residents 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.

ISSUE STATEMENTS

1. The Assessment & Taxation Department has an aging legacy software system which, if not addressed, may result in:

- The inability to fully implement modern appraisal technologies such as Geographic Information System (GIS) software and aerial imagery causing inaccurate property inventory records, valuations, and increased tax roll corrections.
- An increase in errors and the need for tax roll corrections caused by additional manual work flow processes and workaround solutions.
- Lost tax revenue and value not at 100% of real market value.
- The inability to produce a timely tax roll.
- Lack of resources and support by the software vendor due to recent acquisition.
- Increased reliance on antiquated systems and work flows.

2. Property not included on the tax roll (omitted property), a growing issue, if not addressed, may result in:

- The inability to meet the statutory requirement to value all property at 100% of real market value.
- Loss of revenue to districts.
- Increased inequities in valuation and corresponding taxes.
- Decreased customer confidence in fair and equitable valuations.

3. Commercial and Industrial Property inventory and appraisals are not captured electronically in the Assessment & Taxation system, which, if not addressed, may result in:

- Delayed response time to customer inquiries and lack of ability to meet customer expectations.
- The inability to adequately and completely identify property types, provide information, and timely assist customers.
- Cumbersome and lengthy manual work processing and potential errors that adversely impact the customer experience.
- Customer confidence is undermined by the inability to access and understand Assessment and Taxation valuations.

- The inability to identify property by use creates inaccurate real market value adjustments potentially leading to valuation errors or appeals.

4. Increasing customer expectations for online access to additional data, if not addressed, may result in:

- A decline in customer satisfaction based on numerous requests for additional information and expectations to be able to manage their account online.
- A lack of data directly available to consumers and inefficient use of staff resources, which are needed on projects furthering our strategic results.

5. A continued lack of collaboration, system sharing and data distribution with internal and external stakeholders, if not addressed, may result in:

- Loss of revenue to taxing districts.
- Duplication of workload and unnecessary drain on resources.
- Failure to discover and accurately reflect new construction and other property improvements.
- Increased property tax appeals and tax roll corrections.
- Customer frustration and a lack of confidence in the accuracy, consistency, and completeness of County records. The lack of a streamlined customer experience.

6. A lack of stakeholder understanding of Oregon's complex property tax system if not addressed, may result in:

- Taxpayers' difficulty to understand their values and the resulting taxes they pay.
- The erosion of customer confidence in local government and the delivery of services.
- An adverse impact to customer understanding of local ballot measures and informed legislative decisions made by local officials and State lawmakers.
- Decisions that have adverse impacts to services provided by taxing districts.

STRATEGIC RESULTS

- 1. Assessment & Taxation customers will have confidence in the County's Property Tax Administration through the use of up to date software that is efficient and effective as evidenced by:**
 - By 2021 a funding plan will be in place for acquisition of new property tax software to replace an aging system that is nearing the end of its useful life.
 - By 2022 a property tax software vendor selected.
 - By 2025 new property tax software implemented and live.

- 2. Assessment & Taxation customers will be able to conduct business online as evidenced by:**
 - By 2022 customers will have the improved ability to manage their account online and obtain enhancements to our online payment processing.
 - By 2023 100% customers will be able to file business personal property tax returns online.
 - By 2024 customers will have the option to receive tax statements electronically.

- 3. Assessment & Taxation customers will have electronic access to Commercial, Industrial, and Multi-family property information and appraisals, as evidenced by:**
 - By 2021 100% of industrial property data will be available online.
 - By 2022 100% of multi-family property data will be available online.
 - By 2023 100% of commercial property data will be available online.

- 4. By 2025 Assessment & Taxation customers will have increased confidence that property value accurately reflect their property characteristics and inventory as evidenced by:**
 - Less than 5% of real property accounts found annually with undiscovered value.
 - Yearly flyovers capturing aerial imagery to maintain inventory accuracy.
 - All accounts reappraised on a six year cycle.

ADMINISTRATION

Line of Business

- Office of the Assessor and Tax Collector

DEPARTMENT OF ASSESSMENT & TAXATION

Property Tax Revenue & Records

Line of Business

- Tax Certification, Collection, & Distribution Program
- Property Records & Customer Service Program

VALUATION

Line of Business

- Annual Property Valuation Program
- Value Adjustment Program

ADMINISTRATION LINE OF BUSINESS

PURPOSE STATEMENT

The purpose of the Administration Line of Business is to provide leadership, strategic planning, decision making, and education, to maintain and foster a positive, productive, and respectful organizational culture, and to focus on delivering excellent customer service, to the public, property owners, Board of County Commissioners, County Departments, taxing districts and other agencies, so they can receive a high quality customer experience.

KEY RESULTS

As a result of the Administration Line of Business, customers of the Department of Assessment & Taxation will have confidence that the County's administration of Oregon's Property Tax System is efficient and effective as evidenced by:

- By 2021 a funding plan will be in place for acquisition of new property tax software to replace an aging system that is nearing the end of its useful life
- By 2022 customers will have the improved ability to manage their account online and obtain enhancements to our online payment processing

ADMINISTRATION PROGRAMS

1. OFFICE OF THE ASSESSOR AND TAX COLLECTOR

OFFICE OF THE ASSESSOR AND TAX COLLECTOR PROGRAM

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 MEASURES

RESULTS

- By 2021 a funding plan will be in place for acquisition of new property tax software to replace an aging system that is nearing the end of its useful life. (Strategic Result #1)
- By 2022 customers will have the improved ability to manage their account online and obtain enhancements to our online payment processing. (Strategic Result #2)
- By 2023 full integration of our appraisal software with GIS will be in place to improve the accuracy of property inventory, reduce property omitted from the tax roll and achieve more fair and equitable valuations.
- By 2023 a partnership funding agreement will be in place to achieve annual flights of oblique aerial imagery.
- By 2025 yearly flyovers capturing aerial imagery to maintain inventory accuracy. (Strategic Result #4)

OUTPUT

- # of Accounts
- Total real market value
- Total annual new construction
- Total taxable value
- Total property tax dollars imposed for collection
- # of staff statutorily required to meet continuing education requirements
- # of educational community events

EFFICIENCY

- \$ total departmental budget expenditure per property tax account
- Total number of accounts per FTE

SERVICES:

- a) Departmental budgets
 - b) Grant applications
 - c) Departmental policies
 - d) Continuing education and training opportunities
 - e) Tax policy impact analysis
 - f) Legislative analysis
 - g) Board reports
 - h) Contract reviews and approvals
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i) Community education and training presentations

VALUATION LINE OF BUSINESS

PURPOSE STATEMENT

The Purpose of the Valuation Line of Business is to provide appraisal, statistical, analytical, special program eligibility, dispute resolution and correction services to property owners and taxpayers so they can have confidence that property is valued at 100% of real market value and they are paying the correct amount of tax.

KEY RESULTS

As a result of the Valuation Line of Business, customers of the Department of Assessment & Taxation will have confidence in the tax system as evidenced by:

- Each year 98% of neighborhood market areas will be valued at 100% of real market value, consistent with statutory requirements
- By 2025 less than 5% of real property accounts found annually with undiscovered value

VALUATION PROGRAMS

1. ANNUAL PROPERTY VALUATION PROGRAM
2. VALUE ADJUSTMENT PROGRAM

ANNUAL PROPERTY VALUATION PROGRAM

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 MEASURES

RESULTS

- Assessment & Taxation customers will have electronic access to property information and appraisals for the following property types:
 - By 2021 100% of industrial property data will be available online (Strategic Result #3)
 - By 2022 100% of multi-family property data will be available online (Strategic Result #3)
 - By 2023 100% of commercial property data will be available online (Strategic Result #3)
- By 2023 100% of customers will be able to file business personal property tax returns online (Strategic Result #2)
- Each year 98% of neighborhood market areas valued at 100% of real market value, consistent with statutory requirements
- By 2025 all accounts reappraised on a six year cycle (Strategic Result #4)

OUTPUT

- # of business personal property returns filed electronically
- # of property reappraisals completed
- # of property sales verifications completed for ratio study
- # of new construction/property change appraisals required
- # of segregations, mergers and subdivision valuations required

DEMAND

- # of real properties that have not been reappraised in the past six years

EFFICIENCY

- \$ program expenditures per \$1,000 of real market value added to the tax roll
 - \$ program expenditures per \$1,000 of assessed value added to the tax roll
 - \$ program expenditures per business personal property account
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SERVICES

- a) State appraised industrial and centrally assessed property allocations
- b) New construction & other property change valuations (recheck & all permits)
- c) Business personal property valuations
- d) Business personal property returns
- e) Property field checks & inventory verifications
- f) Reappraisals
- g) Segregation, merger, plat, & other land valuations
- h) special use property valuations
- i) Customer service responses and consultations
- j) Quality control & reviews
- k) Maximum assessed values
- l) Assessed & taxable values
- m) Appraisal plans
- n) Assessor's certified sales ratio studies
- o) Annual real market value adjustments & valuations
- p) Special studies
- q) Real property sales verifications

VALUE ADJUSTMENT PROGRAM

PURPOSE STATEMENT

The purpose of the Value Adjustment Program is to provide program eligibility determinations, correction and dispute resolution services to property owners and taxpayers so they can have confidence their property value is accurate and they are paying the correct amount of tax.

PERFORMANCE MEASURES

RESULTS

- Less than 5% of real property accounts found annually with undiscovered value (Strategic Result #4)
- 5 to 10% of Board of Property Tax Appeal (BoPTA) petitions will be resolved prior to hearing to minimize burden on the tax payer
- 95% of appeals will have final resolution at BoPTA

OUTPUT

- # of omitted property tax roll corrections completed
- # of BoPTA petitions filed (real and personal)
- # of special use program eligibility determinations
- # of exemption eligibility determinations

EFFICIENCY

- \$ program expenditures per \$1,000 of real market value added to the tax roll by tax roll correction
- \$ program expenditures per \$1,000 of assessed value added to the tax roll by tax roll correction

SERVICES

- a) Undiscovered (omitted) property tax roll corrections
- b) All Other Tax Roll Corrections
- c) Undiscovered (omitted) property Inspections
- d) Customer service responses and consultations
- e) Appeal inspections
- f) Expert testimony
- g) Narrative appraisal reports
- h) BoPTA recommendations
- i) Value adjustment eligibility determinations (I.E. Act of God, Square Foot Error)
- j) Special assessment program eligibility determinations
- k) Exemption eligibility determinations
- l) Farm/Forest inspections
- m) Farm/Forest disqualifications
- n) Declass estimates

PROPERTY TAX REVENUE & RECORDS LINE OF BUSINESS

PURPOSE STATEMENT

The purpose of the Property Tax Revenue & Records Line of Business is to provide tax and property information services to the public, property owners, taxpayers, and taxing districts so they can receive quality customer service and timely and accurate information for decision making purposes.

KEY RESULTS

As a result of the Property Tax Revenue & Records Line of Business, customers of the Department of Assessment & Taxation will have reason to have confidence in the tax system as evidenced by:

- Each year 85% of imposed taxes are collected by November 15th and ready for distribution by November 30th
- Each year 97% of imposed taxes will be collected by June 30th
- Each year greater than 95% of emails and voicemails returned within one business day

PROPERTY TAX REVENUE & RECORDS PROGRAMS

1. TAX REVENUE PROGRAM
2. PROPERTY RECORDS & CUSTOMER SERVICE PROGRAM

TAX REVENUE PROGRAM

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 MEASURES

RESULTS

- 100% of November tax statements mailed on time
- By 2024 customers will have the option to receive tax statements electronically (Strategic Result #2)
- 85% of imposed taxes are collected by November 15th and ready for distribution by November 30th
- 97% of imposed taxes will be collected by June 30th

OUTPUT

- # of taxing district annexations and withdrawals completed by account
- # of tax rates calculated and verified
- # of November tax statements mailed
- # of online payment postings

EFFICIENCY

- \$ program expenditure per taxable account

SERVICES

- a) District annexations and withdrawals
- b) Boundary changes
- c) Customer service responses and consultations
- d) Quality control and reviews
- e) Certification letters
- f) Monthly distribution and revenue balances
- g) Tax rate calculations and urban renewal adjustments
- h) Summary of Assessment and Levies (SAL reports)
- i) Tax Collection Distribution Summary reports
- j) Summary of Property Tax Collections Report (450b)
- k) Value forecasts
- l) Urban renewal certificates
- m) Annual value notice & tax statements
- n) Trimester reminder notices
- o) Delinquent tax notices
- p) Foreclosure notices
- q) Tax collections & receipts

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- r) Tax warrant notices
 - s) Advance tax collection credits
 - t) Bankruptcy claims
 - u) Delinquent tax payment plans
 - v) Refunds

PROPERTY RECORDS & CUSTOMER SERVICE PROGRAM

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 MEASURES

RESULTS

- On average, 100% of ownership transfers are posted in our records within 13 calendar days of recording
- 98% of Assessor's tax maps digitized by 2021
- Greater than 95% of emails and voicemails returned within one business day

Output

- # of ownership transfers posted
- # of mailing address changes completed
- # of digital map conversions completed
- # of property description changes completed and provided to Valuation
- # of phone calls answered

EFFICIENCY

- \$ program expenditure per account

SERVICES

- a) Digital map conversions
- b) GIS layer maintenance
- c) Manufactured home ownership changes and trip permit
- d) Property characteristic changes
- e) Property ownership & address changes
- f) Research requests
- g) Tax lot (deed) identifications
- h) Tax lot and district boundary changes
- i) Customer service responses
- j) Quality control and reviews
- k) Senior/Disabled Deferral application reviews
- l) Veteran's Property Tax Exemption application reviews
- m) Active Duty Military Property Tax Exemption application reviews

Glossary Items

- **Industrial Property** – Property designed for or used by companies or persons for manufacturing, warehousing, or assemblage of components.
- **Real Market Value (RMV)** (as defined by ORS 308.205) – Real market value of all property, real and personal, means the amount in cash that could reasonably be expected to be paid by an informed buyer to an informed seller, each acting without compulsion in an arm’s-length transaction occurring as of the assessment date for the tax year.
- **Real Property** (as defined by ORS 307.010) – Includes:
 - (A) The land itself, above or under water;
 - (B) All buildings, structures, improvements, machinery, equipment or fixtures erected upon, above or affixed to the land;
 - (C) All mines, minerals, quarries and trees in, under or upon the land;
 - (D) All water rights and water powers and all other rights and privileges in any way appertaining to the land; **or**
 - (E) Any estate, right, title or interest whatever in the land or real property, less than the fee simple.
- **Omitted property** – Any real or personal property that is assessable and has not been assessed on the assessment roll for the year in which the roll was last certified or on the roll for any prior year that does not exceed five years prior to the year for which the last roll was certified.
- **Neighborhood Market Area** – An area identified by boundaries, characteristics, and factors that affect value and marketability. Properties in a neighborhood market area typically share similar property value trends, supply & demand trends, and marketing times.
- **Ratio Study** (as defined by OAR 150-309-0230) – A statistical compilation of appraisal ratios selected on a property class basis to produce an indication of the ratio of the prior year's real market value to the current year's real market value for all taxable properties in a particular class of property within the county, in a particular class of property within an appraisal area, or in a particular class of property within a market area.
- **Segregation** – the process of splitting one tax parcel into two or more tax parcels.
- **Special use** (also known as Special Purpose Property) (as defined by OAR 150-308-0240) - Special purpose property is property specially designed, equipped, and used for a specific operation or use. This may occur because the special purpose property is part of a larger total operation or because of the specific nature of the operation or use. Examples include farm use, forestland use, and exemptions.

- **FTE** (Full-time equivalent) - A unit that indicates the workload of an employed person in a way that makes workloads or class loads comparable across various contexts.
- **Imposed Taxes** – In Oregon, imposed taxes means the amount of property tax extended to all property owners prior to any statutorily granted discount for paying early.
- **GIS** - A geographic information system (GIS) is a framework for gathering, managing, and analyzing data. Rooted in the science of geography, GIS integrates many types of data. It analyzes spatial location and organizes layers of information into visualizations using maps and 3D scenes. With this unique capability, GIS reveals deeper insights into data, such as patterns, relationships, and situations—helping users make smarter decisions.

MFR Glossary

To help participants and observers better understand this work program, definitions of a number of key words and phrases used throughout the process are listed below.

Customer: An individual or group of individuals whose best interests are served by, or who receives or uses, the services that the department delivers and who experiences the intended benefit.

Issues: A circumstance that will have a major impact on the customers served by the department.

Issue Statements: A statement that summarizes the issues and trends that will have a major impact on the customers served by the department over the next 2-5 years. The statement has two parts: 1) describes the issue or trend and how it is increasing, decreasing or continuing, and 2) describes how that trend, if the status quo continues unabated, is projected to impact customers and the department over the next 2-5 years.

Key Result Measures: A set of performance measures contained within each line of business comprised of one result measure from each of the programs in that line of business.

Lines of Business (LOB): A set of programs that have a common purpose or result. LOBs create the business profile of the department; they express in terms of broad result areas the particular mix of services that the organization is offering to the public in order to achieve its mission.

Managing for Results: An entire organization, its management system, its staff and the organizational culture (beliefs, behavior and language) are focused on achieving results for the customer.

Mission Statement: A clear, concise statement of purpose for the entire department, focused on the broad, yet distinct, results the department will achieve for its customers.

Performance Measures: A balanced "family of measures" that includes at least one of the following:

Result: measures the degree to which customers experience the expected benefit, as a consequence of having received the services that the department delivers.

Output: measures the amount of service provided or number of units produced or processed.

Demand: total units of a service expected to be demanded, requested or required by the customer.

Efficiency: expenditure/cost per output or result.

Program: A set of services that have a common purpose or result.

Program Purpose Statement: Clear, concise and results-oriented statement bringing together the name, the service provided the customer and the result customers are expected to experience.

Services: Tangible and intangible "things" or deliverables that the program provides to customers.

Strategic Result: The significant results the department must accomplish over the next 2-5 years to proactively respond to the critical trends, issues and challenges on the horizon.