



Department of Finance

Public Services Building
2051 Kaen Road, Suite 490 | Oregon City, OR 97045

April 13, 2021

Board of County Commissioners
Clackamas County

Members of the Board:

A Resolution Approving the Submission of
The Assessor's CAFFA Grant Application for FY 2021-2022

Purpose/Outcome	This resolution is an annual requirement to accompany the application for a grant from the State of Oregon Department of Revenue to the Clackamas County Assessor's Office.
Dollar Amount and Fiscal Impact	The grant provides approximately 15% of the revenue for the Assessor's Office.
Funding Source	The State of Oregon
Duration	Effective July 1, 2021 to June 30, 2022
Previous Board Action	None
Strategic Plan Alignment	<ol style="list-style-type: none">1. The CAFFA Grant Request provides essential funding to help us meet statutory requirements and moves forward our day to day business operations, which aligns with each of our department strategic business plan goals.2. The CAFFA Grant Request aligns with the County Performance Clackamas goal to Build Public Trust through Good Government by providing funding for the Clackamas County Assessment and Taxation Department to administer the property tax system fairly and equitably.
County Counsel Review	Reviewed and approved by County Counsel on 4/13/2021.
Contact Person	Tami Little, County Assessor 503-655-8302 Jian Zhang, Finance Department 503-742-5434

BACKGROUND:

County Assessment Function Funding Assistance (CAFFA) is a grant from the State of Oregon to Clackamas County Assessor's Office. The grant provides approximately 15% of the revenue for the Assessor's Office. All documents required to be included in the grant application are attached. They include a summary of expense, two staffing reports, two narrative reports, and two work activity forms, Grant Application Resolution.



Elizabeth Comfort
Finance Director

Department of Finance

Public Services Building
2051 Kaen Road, Suite 490 | Oregon City, OR 97045

The application and accompanying documents must be received in the State Department of Revenue by May 1, 2021, and this material has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff respectfully recommends that the Board of Commissioners approve this resolution, so that this grant application may be submitted to the state.

Respectfully submitted,

Sandra Montoya

Sandra Montoya
Budget Manager, Finance Department



Form 1 Grant Application Staffing

2021-2022

	Column 1 Approved FTE current year (2020-21)	Column 2 Budgeted FTE coming year (2021-22)	Column 3 Change (Column 2 less Column 1)
County <u>CLACKAMAS</u>			
A. Assessment administration			
Assessor, deputy, etc.	2.00	2.00	0.00
Assmt. support staff, deed clerks and data entry staff	18.80	18.80	0.00
Total assessment administration staff	20.80	20.80	0.00
B. Valuation and appraisal staff			
Chief appraisers/appraiser supervisor	3.00	3.00	0.00
Lead appraisers	6.00	6.00	0.00
Residential appraisers	5.50	5.50	0.00
Commercial/industrial appraisers	3.50	3.50	0.00
Farm/forest/rural appraisers.....	2.00	2.00	0.00
Manufactured structure/floating structure appraisers	0.50	0.50	0.00
Personal property appraisers.....	0.50	0.50	0.00
Personal property clerks.....	2.00	2.00	0.00
Sales data analyst.....	2.00	2.00	0.00
Data gatherers and appraisal techs.....	0.00	0.00	0.00
Total valuation and appraisal staff	25.00	25.00	0.00
C. Board of Property Tax Appeals (BoPTA)	1.00	1.00	0.00
D. Tax collection and distribution administration			
Administration, deputy, etc.....	1.00	1.00	0.00
Support and collection	5.50	5.50	0.00
Tax distribution	1.25	1.25	0.00
Foreclosure and garnishment.....	0.75	0.75	0.00
Total tax collection and distribution	8.50	8.50	0.00
E. Cartography and GIS administration			
Cartographic/GIS supervisor.....	0.00	0.00	0.00
Leadcartographers	1.00	1.00	0.00
Cartographers.....	5.00	5.00	0.00
GIS specialists.....	1.40	0.50	(0.90)
Total cartographic and GIS staff	7.40	6.50	(0.90)
F. Dedicated IT services for A&T	2.00	2.00	0.00
G. Total assessment and taxation staffing	64.70	63.80	(0.90)

County CLACKAMAS

In this section, explain any difference between approved staffing for the current year and staffing for the budgeted year. Explain why any funded positions were unfilled for the current year. Use this form to describe the intended use of nonpermanent workers (temporary help, project temporaries, and contractors) by A&T function, along with their cost. Note any special or unique aspects regarding who accomplishes the work and how they accomplish it related to Forms 4, 5, and 6. For example, if you use staff to perform personal property functions, other than those reported on Form 1, Section B, note that here and include the FTE.

There are no differences between current year approved staffing and our budgeted year 2021-2022, except as noted in Section E ahead.

Vacancies continued to be filled throughout the year and lag time due to the recruitment process sometimes impacts specific workloads during annual cycles. We completed 1 FTE recruitment in FY 2020-21, with two FTE in open recruitment status, which is the equivalent of 5% of our 60 FTE count. We currently have 1 vacant position for an A & T Specialist 1 in section A. We have been waiting to fill this position until more certainty is known surrounding the COVID pandemic. We have decreased our open to the public hours, which has enabled us to dedicate more staff time to core work and absorb the workload created by the vacancy. When more is known about what normalization means post pandemic, we will hire this position or repurpose it based on post pandemic process changes. Temporary help is budgeted at \$60,000 and is largely used to support our CIM (Commercial, Industrial, and Multi-family) project. The CIM project will make property data available online for commercial properties. A small portion of the temporary help's time will be spent on personal property processing, document scanning, appraisal data entry, and entering diagrams, and photos into our appraisal system, and Assessment & Tax customer support.

A. Assessment & Administration: No changes, as noted above our only vacant position not in an active recruitment is in this category and will be addressed in the future as noted above.

B. Valuation – Appraisal Staff: No changes, residential appraisal staff continued to have a high volume of work due to real estate sales activity, new construction and other exception events that continue to show significant increases. We also have an increase in permits and anticipate a significant increase in appeals.

To date, we have not needed to contract with a fee appraiser since the fiscal year 19-20. During that fiscal year, when we decided to no longer contract work with a Fee Appraiser to handle major commercial/industrial appeals and instead conducted the appeal work ourselves. If we are unable to address appeals due to complexity or volume, we will contract with Fee Appraisers using County Procurement which has existing contracts in place for this type of work.

C. Clerk / BOPTA staff: No change, the projected 1 FTE are .5 from the Assessor's office and .5 from the Clerk.

D. Tax Collection & Distribution Administration: No Changes

E. Cartography & GIS Admin: No changes to A & T positions. TS decreased their resources to account for completing their portion of the ORMAP Goals. In total, 0.5 GIS Specialists listed are fully funded by Technical Services and provide support to our Cartography section.

A & T received approval of 1 additional ORMAP Grant for \$35,000 for tax map annotation work for the Assessor's part of the project converting Mylar maps to final digital maps. We will continue to employ 2 temporary GIS Cartographers to utilize those funds. We are in the process of submitting an Spring

2021 ORMAP Grant application and we anticipate that we will request additional ORMAP funding for the Fall 2022 ORMAP Grant process. We have 255 maps that need final annotation and 247 that need final review before being retired.

GIS/ORMAP: The County continues to provide support and resources to progress toward ORMAP goals. To date we have retired 2,896 Mylar Maps out of a total of 3,412. Additional in-kind support for the GIS data creation part of the project includes TS and other County Support at \$40,000.

F. A&T Data Processing Staff: This is support from County Technical Services Department for Database support, maintenance, programming, and web services.

Form 4

#7 Other Valuation Appraiser Activity: 1.5 FTE is attributed to appraisal time directed to the ProVal CAMA system upgrade testing and development, neighborhood boundary maintenance, special projects and outlier analysis. Resource limitations and strong real estate sale activity have impacted the ability to direct additional resources to populate our CAMA system with the commercial/industrial property characteristic data and build income property valuation models to enable valuation and recalculation of these types of property within our system. This remains a strategic goal. Despite the resource limitations, we have made good progress this year on our CIM project.

Form 5

#15 Assessment and Taxation is combined under the Assessor.



Form 3 General Comments

2021-2022

County CLACKAMAS

Use this form to describe any issue in your budget that needs further clarification. Examples include significant changes on Form 7, purchase of a new data processing system, salary increases, new car purchases, personnel services, costs for mapping, etc. You can also use this form to document any miscellaneous comments about this grant application.

Our 2021-22 budget increase is 7.01% over the prior year, or approximately \$616,776. The increase is primarily due to EagleView imagery (\$245,000), a new annual maintenance cost for Data Cloud Solution, dba Woolpert (\$52,000), and an increase in personnel expenses, costs in allocations per employee, fringe benefits, and PERS (\$236,000).

In 2018, we hired EagleView and purchased a suite of imagery products to assist in our Assessment and Taxation work. The scope of work with Eagleview included a flyover of the county providing overhead and oblique imagery. The project was deemed a success and we have now made a goal of yearly county flyovers with the idea of sharing the imagery products, and the associated costs, with other county departments. However, we originally budgeted for a flight every three years and 1/3 payment every year. In the 2021-22 budget cycle, our department will pay for the entire flight and associated costs, which will be an additional \$245,000 more than last year's budget. The following year we plan on instituting a cost sharing model with other county departments.

This budget year, our department procured new software from Data Cloud Solutions. This new software will enable our appraisal and appraisal review processes to move from a paper platform to an electronic platform. With the use of iPads and cloud based software, our field appraisers will appraise property in the field while having electronic access to our appraisal files. This will eliminate the need to transport large amounts of paper files to and from the field. We have begun to train with the new software with full integration in the coming months. The yearly maintenance for this software is approximately \$52,000, which is included in the next budget cycle.

One known, unknown cost is what the impact of Oregon's Equal Pay Law will have on our budget in the next fiscal year. Clackamas County began analyzing and gathering data to implement the law, which will most likely be post June 30, 2021. This analysis includes a review of all county jobs in order to group jobs with work of comparable character and identify and correct potential wage disparities among employees performing work of comparable character. At this time we anticipate all salary increases will be absorbed within the proposed budget but still feel it is important to note there is a potential impact.

In the 2020-21 budget year, we also purchased a new software service from Masters Touch. This is the same service Yamhill County purchased a few years ago and it will provide two main items for us. The first item will give us an online platform for our Business Personal Property (BPP) customers to e-file their returns. The second, Masters Touch will mail our BPP tax statements. To date the project has been a success with a mix of customers signing up for e-filing and some opting to continue to paper file.

We continue to adjust to the constantly changing environment that COVID reveals. Approximately 60% of our staff continue to work remotely. Clackamas County has a 3 phase plan to "return to service". The vision is to return to pre-covid levels of in person customer service. We are currently in Phase 2, which calls for 40-50% of staff back in the office and we are already meeting that standard. The date to transition to Phase 3 is undetermined but it is anticipated to happen within the next three to six months.



Form 4 Valuation and Appraisal Resources

2021-2022

County <u>CLACKAMAS</u>	Number of accounts by activity		Number of FTE by activity	
	Actual (2020-21)	Estimated (2021-22)	Actual (2020-21)	Estimated (2021-22)
Activities				
1. Real property exceptions, special assessments and exemptions				
New construction.....	8,276	8,315	5.50	5.50
Zone changes.....	103	100	0.25	0.25
Subdivisions, segregations, and consolidations..	1,956	2,112	1.75	1.75
Omitted properties	491	500	1.50	1.50
Special assessment qualification and disqualification	430	375	2.00	2.00
Exemptions.....	167	182	0.50	0.50
Subtotal.....	<u>11,423</u>	<u>11,584</u>	<u>11.50</u>	<u>11.50</u>
2. Appeals and assessor review				
Assessor review and stipulations	0	10	0.25	0.25
BOPTA	247	700	2.50	2.50
Department of Revenue.....	3	3	0.25	0.25
Magistrate Division of the Oregon Tax Court.....	85	120	1.75	1.75
Regular Division of the Oregon Tax Court	6	6	0.25	0.25
Subtotal.....	<u>341</u>	<u>839</u>	<u>5.00</u>	<u>5.00</u>
3. Real property valuation				
Physical reappraisal.....	521	3,000	0.50	0.50
Recalculation only—no appraisal review	169,515	170,898	2.25	2.25
Subtotal.....	<u>170,036</u>	<u>173,898</u>	<u>2.75</u>	<u>2.75</u>
4. Business personal property (returns mailed)	<u>12,120</u>	<u>12,040</u>	<u>2.00</u>	<u>2.00</u>
5. Ratio			<u>2.00</u>	<u>2.00</u>
6. Continuing education			<u>0.50</u>	<u>0.50</u>
7. Other valuation—appraisal activity			<u>1.25</u>	<u>1.25</u>
8. Total valuation and appraisal staff (FTE)			<u>25.00</u>	<u>25.00</u>



Form 5 Tax Collection and Distribution Work Activity

2021-2022

County CLACKAMAS

Number of accounts by activity	
Actual (2020-21)	Estimated (2021-22)

1. Number of accounts requiring roll corrections		
Business personal property	112	107
Personal property manufactured structures	26	27
Real property	1,115	1,171
2. Number of accounts requiring a refund		
Business personal property	60	62
Personal property manufactured structures	72	74
Real property	1,488	1,533
3. Number of delinquent tax notices sent		
Business personal property	654	479
Personal property manufactured structures	2,318	2,016
Real property	6,122	5,974
4. Number of foreclosure accounts processed		
Real property only	393	423
5. Number of accounts issued redemption notices		
Real property only	54	45
6. Number of warrants	771	872
7. Number of garnishments	0	0
8. Number of seizures	0	0
9. Number of bankruptcies	416	450
10. Number of accounts with an address change processed	6,423	6,616
<hr/>		
11. How many second trimester statements do you mail?	18,000	
12. How many third trimester statements do you mail?	17,500	
13. Does the county contract for lock box service?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
14. Does the county use in-house remittance processing?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
15. Is tax collecting combined with another county function?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, describe that function on Form 2.		



Form 6
Assessment and Administrative
Support and Cartography
Work Activity

2021-2022

County CLACKAMAS

**Assessment and administrative support
work activity**

	Numbers by activity	
	Actual (2020-21)	Estimated (2021-22)
1. Number of deeds worked	18,728	19,102

Cartography work activity

	Numbers by activity	
	Actual (2020-21)	Estimated (2021-22)
1. Number of new tax lots	1,188	1,247
2. Number of lot line adjustments	146	176
3. Number of consolidations	214	200
4. Number of new maps	5	10
5. Number of tax code boundary changes	9,782	500



Form 7 Summary of Expenses

2021-2022

County CLACKAMAS

	A.	B.	C.	D.	E.	F.	
Current operating expenses	Assessment Administration	Valuation	BOPTA	Tax Collection & Distribution	Cartography*	Dedicated IT services for A&T	Totals
1. Personnel services	2,174,910	3,141,305	139,960	803,031	746,260	316,318	7,321,784
2. Materials and services	640,864	866,043	39,606	213,425	192,436	0	1,952,374
3. Transportation	0	9,000	0	0	0	0	9,000
4. Total current operating expenses (Total direct expenses)	2,815,774	4,016,348	179,566	1,016,456	938,696	316,318	9,283,158

* Include approved grant funding for ORMAP

Indirect expenses

5. Total direct expenses (line 4)	9,283,158
6. If you use the 5 percent method to calculate your indirect expenses, enter 0.05 in this box.	0.05
Total indirect expenses (line 5 multiplied by line 6)	464,158
6A. If you use a percent amount approved by a federal granting agency to calculate your indirect expenses, enter that percentage in this box.....	0.00000
Total indirect expenses (line 6A multiplied by the direct expense amount for the category/categories that your certificate allows)	0
7. Total indirect expenses	464,158

Capital outlay

	Assessment Administration	Valuation	BOPTA	Tax Collection & Distribution	Cartography	Data Processing Support (IT, AT)	
8. Enter the actual capital outlay without regard to limitation.	0	112,140	0	0	0	0	Total capital outlay without regard to limitation 112,140
9. Total direct and indirect expenses (sum of lines 4 and 7)							9,747,316
10. Direct and indirect expenses multiplied by 0.06							584,839
11. The greater of line 10 or \$50,000.....							584,839
12. Capital outlay (the lesser of line 8 or line 11)							112,140
13. Total expenditures for CAFFA consideration (sum of lines 4, 7, and 12).....							9,859,456

Form 8

Grant Application Resolution

CLACKAMAS County is applying to the Department of Revenue to participate in the County Assessment Function Funding Assessment Program.

This state grant provides funding for counties to help them come into compliance or remain in compliance with ORS 308.232, 308.234, Chapters 309, 310, 311, 312, and other laws requiring equity and uniformity in the system of property taxation.

CLACKAMAS County has undertaken a self-assessment of its compliance with the laws and rules that govern the Oregon property tax system. The County is generally in compliance with ORS 308.232, 308.234, Chapters 309, 310, 311, 312, and all requiring equity and uniformity in the system of property taxation.

CLACKAMAS County agrees to appropriate budgeted dollars based on 100 percent of the expenditures certified in the grant application. The total expenditure amount for consideration in the grant is \$9,859,456. If 100 percent isn't appropriated, no grant shall be made to the county for each quarter in which the county is out of compliance.

The County designates the following individual as the contact for this grant application.

<u>TAMI LITTLE</u>	<u>(503) 655-8302</u>	<u>tamilit@clackamas.us</u>
Name	Phone	Email

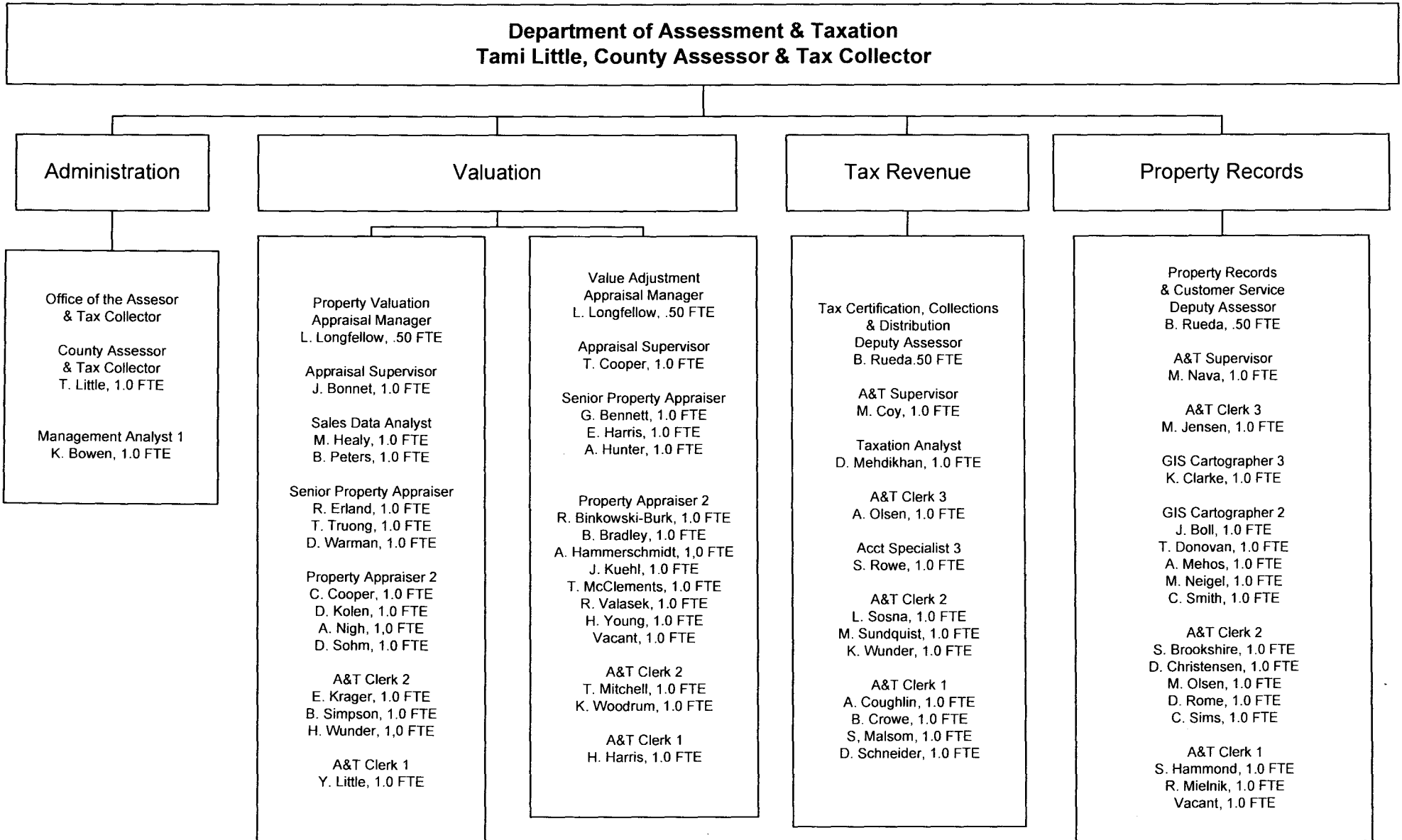
County Approval

By selecting the "I Accept" checkbox, you are signing this Resolution electronically and certifying the Resolution has been approved by the board. You agree your electronic signature is the legal equivalent of your manual signature.

I Accept

<hr/>	<hr/>	<hr/>
Chair/Judge or Appointee	Title	Sign Date

**DEPARTMENT OF ASSESSMENT & TAXATION
2021-2022**



Total FTE: 60