

Department of Assessment and Taxation

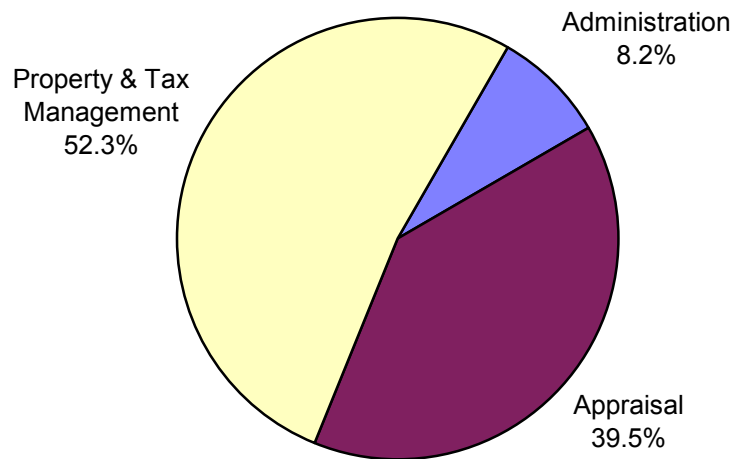
Department Purpose

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 eighty service districts that provide essential public services for the citizens of Lane County.

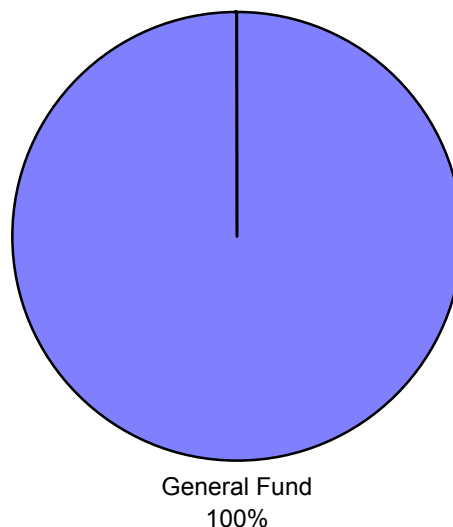
Total Expenditures

\$6,252,384

FY 07-08 Expenditures by Division



FY 07-08 Budget by Fund



Anette Spickard
Assessor
682-6798

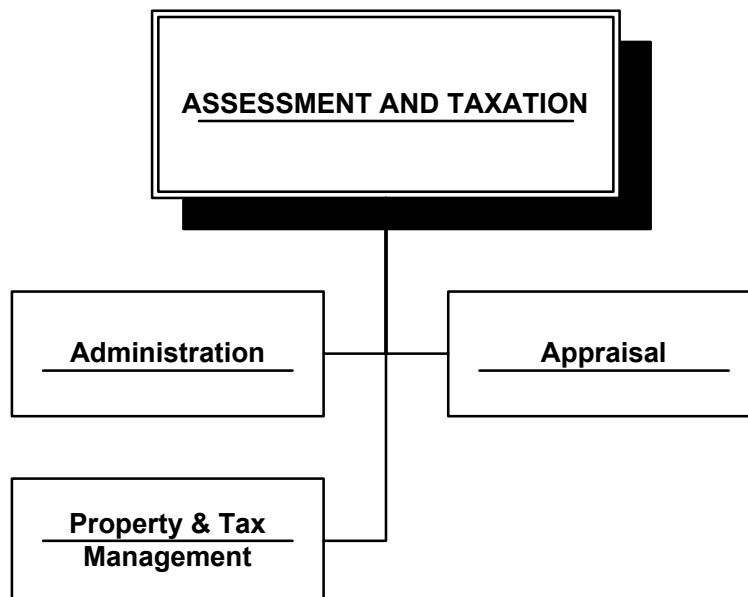
Assessment and Taxation

Department Overview

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 49 percent of tax collections are used for public education including K-12 and community colleges. About 34 percent goes to cities which provide services ranging from ambulance to zoning. About 3 percent is used by fire protection districts, and approximately 5 percent provides for miscellaneous services such as parks and recreation, 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 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.

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. The department director is the Lane County Assessor who is elected to a four-year term by the voters of the county.

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

Strategic Goals & Objectives

The department held a strategic goal setting session in November 2004 that included line staff, lead workers, supervisors, managers, and the Assessor to develop a set of five-year goals that will guide the department in decision-making for staff assignments, budgeting, and technology investments. Our department's strategic goals and objectives also support and complement the Lane County Strategic Objectives that were adopted by the Board of Commissioners on February 15, 2005.

To meet these goals investments have been made, and will continue to be made, in staff and technology resources that will achieve the associated objectives.

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

- Eliminate the backlog of property divisions and assessor's map changes by the end of 07-08
- 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

- Improve public access to information through our self-help area and to non-English speaking customers
- Provide a full range of on-line property 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

- 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 accuracy and production
- Use performance measures as a tool for accountability and decision-making
- Increase revenue generating activities

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

Changes, Challenges & Opportunities

The main challenge of the department for FY 06-07 was continuing compliance with the Oregon Department of Revenue standards for county assessor functions. In 2004, the department was audited by the Oregon Department of Revenue due to a concern that the county was understaffing the assessment and taxation function, which has resulted in an inaccurate tax roll and the loss of tax revenue to the taxing districts. The overarching compliance problem is due to a backlog of citizen initiated real property changes dating back as far as 2001 that have not been completed.

In the FY 05-06 budget, the Commissioners invested in a three-year strategy with the Assessor to eliminate 100% of the backlog by June 30, 2008. The goal of FY 05-06 was to eliminate 20% of the backlog by June 30, 2006. The goal of FY 06-07 was to eliminate 40% of the backlog by June 30, 2007. Substantial progress on the backlog of property divisions occurred in FY 06-07 and continued compliance and the completion of the total property division backlog will occur in FY 2007-08. The state provides funding for assessment services to counties in the form of a County Assessment Function Funding Assistance (CAFFA) grant. The revenue received from the state goes directly into the General Fund.

When the flow of property divisions remain current (all initiations for property divisions being completed for the tax year for which it is submitted) the department will focus on the accuracy of all property values using statistical analysis to supplement our limited resources. The realignment of neighborhood segments

Assessment and Taxation

will continue, utilizing Geographic Information Systems (GIS) technology and dedicated project staff, which is also a recommendation in the compliance plan from the Department of Revenue.

The 2007 Legislature and the Governor made many changes to law affecting property tax. Impacts to local counties from the session include confidentiality laws, exemption modifications, elimination of the local Boundary commission and changes to special assessment programs. Workload impacts from the changes may not be fully known until implementation occurs in the fall of 2007 and early 2008. Other challenges include a potential Urban Renewal District in downtown Springfield and many changes to the tax levies voted in across the county. Another unknown is the valuation process for properties that are developed under Measure 37 and the resulting tax penalties.

As with other county departments, Assessment and Taxation is faced with the departure of long-term employees due to retirements. The challenges and opportunities the departure of staff will present to us will be an area of focus during FY 07-08.

Key Accomplishments

We implemented phase two of the 3-year backlog elimination plan in FY 06-07. As of July 1, 2007, we have eliminated 88% of the property division backlog and are on target to have all of the backlog current by July 1, 2008. The department is on target to have all property divisions current at the end of FY 07-08. (Goal #1)

We used a new approach to setting up appraisal market areas delineated by tax district boundaries using Geographic Information Systems (GIS) technology to integrate digital assessor maps with housing characteristic data from our appraisal software. This approach allows us to adjust groupings of like properties to more accurately reflect the trends in the real estate market which in turn gives us more accurate values for the tax roll. The first project was completed for the Cottage Grove urban area and work is currently occurring for the rural area. The next project defined will be for the area we refer to as Cycle 5; it includes most of Creswell, Pleasant Hill and Lowell. (Goal #1)

We continued from FY 05-06 the use of the collection of tax payments using a contract with US Bank. This resulted 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. As of June 30, 2007, we collected \$332,497,432 or 94.77% of the tax amounts billed. (Goal #2 and #3).

We updated our public information and self-help customer service area, to include updated maps and additional information. We are increasingly aware of the use of the Internet for assistance with tax questions and property locating needs, so we have updated our website and have posted tax statements online for the tax years 2004, 2005, 2006 and 2007. (Goal #2)

We continue to sponsor department-wide training opportunities for staff in the areas of diversity, harassment, team building, managing stress in the workplace, and customer service. We provided specialized training for appraisers to receive continuing education credits for their certifications. When changes occur in our software, we ensure training is provided and we allow for participation in user groups and committees. Our cartography staff is using GIS mapping tools and data models that will soon be used statewide. We are making substantial progress in our ORMAP project and for the third year have received a funding grant from the Department of Revenue to assist in Cartography efforts and in meeting statewide mapping goals. (Goal #4)

Performance Management

We participated in the countywide performance measure initiative and have designed our departmental measures and reporting hierarchy for full implementation in FY 2007-08. The measures below give an

Assessment and Taxation

overall view from “30,000 feet” of the local property tax system. The measurements are the same as reported on in FY 2006-07.

Total Property Tax Certified is the amount of all property tax billed to property owners on October 25 for over 80 different local governments and special districts. Even though Oregon has several different tax limitations in its constitution, the total amount of tax revenues has grown by 4.4% due to the amount of new construction added to the tax roll and a number of new tax levies put in place by voters.

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. Currently, the collection rate is high and stable due to low interest rates and increased home loan refinancing activities. In the past during economic recessions, the collection rate has dropped significantly. Tax districts use this rate to help them budget for tax revenues.

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 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.

Total Taxable Value (Before UR) represents the Measure 50 maximum assessed value for all properties in Lane County. 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.

DEPARTMENT PERFORMANCE MEASURES						
Performance Measures	2004-05 Actual	2005-06 Actual	2006-07 Actual	2006-07 Target	2006-07 Perf. Index	2007-08 Target
Total Property Tax Certified	315,882,104	335,416,264	350,813,962	352,000,000	On Target	364,846,520
Total Property Tax Collected	297,397,813	317,435,295	332,497,432	330,880,000	On Target	342,955,730
% of Tax Collected	94%	94.6%	94.77%	94%	On Target	94%
Total Measure 5 Real Mkt Value	26,749,361,683	30,422,495,849	42,469,940,265	32,800,000,000	Above Target	46,716,934,291
Total Taxable Value (Before UR)	20,378,962,403	21,348,172,866	22,382,351,888	21,348,172,866	On Target	23,277,645,963

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DEPARTMENT FINANCIAL SUMMARY						
	FY 04-05	FY 05-06	FY 06-07	FY 07-08	\$ Chng	% Chng
	Actual	Actual	Curr Bgt	Adopted	Fr Curr	Fr Curr
RESOURCES:						
Taxes and Assessments	213,581	257,582	215,000	215,000	0	0.00%
Fines, Forf, and Penalties	55,539	39,050	37,500	40,000	2,500	6.67%
Property and Rentals	48,091	24,338	14,700	14,500	(200)	-1.36%
State Revenues	23,575	90,754	93,200	119,500	26,300	28.22%
Local Revenues	0	0	0	0	0	0.00%
Fees and Charges	1,340	1,620	1,000	0	(1,000)	-100.00%
Total Revenue	342,126	413,344	361,400	389,000	27,600	7.64%
Resource Carryover	0	10,750	35,000	20,000	(15,000)	-42.86%
Fund Transfers In	20,000	0	0	0	0	0.00%
TOTAL RESOURCES	362,126	424,093	396,400	409,000	12,600	3.18%
EXPENDITURES:						
Personnel Services	3,449,171	3,867,348	4,541,329	4,498,835	(42,494)	-0.94%
Materials and Services	1,394,775	1,494,441	1,693,987	1,753,549	59,562	3.52%
Capital Expenses	0	22,998	15,000	0	(15,000)	-100.00%
Fiscal Transactions	0	10,000	21,765	0	(21,765)	-100.00%
TOTAL EXPENDITURES	4,843,944	5,394,787	6,272,081	6,252,384	(19,697)	-0.31%
Total FTE	55.00	59.00	61.00	60.00	(1.00)	-1.64%
EXPENDITURES BY FUND						
General Fund	4,843,945	5,394,787	6,272,081	6,252,384	(19,697)	-0.31%
Funds Total	4,843,945	5,394,787	6,272,081	6,252,384	(19,697)	-0.31%

Assessment and Taxation

DEPARTMENT POSITION LISTING

Administration

- 1.00 Assessment & Taxation Director
- 1.00 Executive Assistant
- 1.00 Office Assistant 2
- 3.00 Division FTE Total**

Appraisal

- 1.00 Appraisal Manager
- 1.00 Appraisal Supervisor
- 1.00 Data Entry Operator
- 3.00 Property Appraiser 1
- 6.00 Property Appraiser 2
- 7.00 Property Appraiser 3
- 1.00 Property Appraiser 4
- 2.00 Sales Data Analyst
- 2.00 Sr Office Assistant
- 24.00 Division FTE Total**

Property and Tax Management

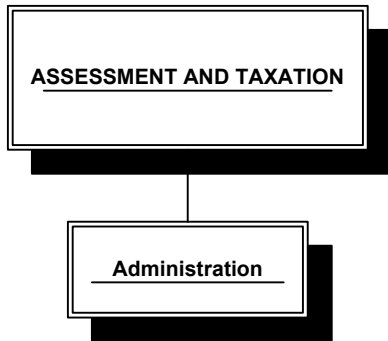
- 3.00 Accounting Clerk 2
- 1.00 Cartographer/GIS Specialist
- 5.00 Cartographer/GIS Technician
- 1.00 Clerical Supervisor
- 6.00 Office Assistant 2
- 1.00 Property & Tax Mgmt Manager
- 2.00 Sr Accounting Clerk
- 14.00 Sr Office Assistant
- 33.00 Division FTE Total**

60.00 Department FTE Total

Assessment and Taxation: Administration

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 04-05 Actual	FY 05-06 Actual	FY 06-07 Curr Bgt	FY 07-08 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
RESOURCES:						
Property and Rentals	19	67	0	0	0	0.00%
Total Revenue	19	67	0	0	0	0.00%
Resource Carryover	0	0	35,000	20,000	(15,000)	-42.86%
Fund Transfers In	20,000	0	0	0	0	0.00%
TOTAL RESOURCES	20,019	67	35,000	20,000	(15,000)	-42.86%
EXPENDITURES:						
Personnel Services	343,996	405,045	448,643	324,495	(124,148)	-27.67%
Materials and Services	184,018	120,742	169,543	188,516	18,973	11.19%
TOTAL EXPENDITURES	528,013	525,787	618,186	513,011	(105,175)	-17.01%
Total FTE	3.00	4.00	4.00	3.00	(1.00)	-25.00%
EXPENDITURES BY FUND						
General Fund	528,013	525,787	618,186	513,011	(105,175)	-17.01%
Funds Total	528,013	525,787	618,186	513,011	(105,175)	-17.01%

DIVISION FINANCIAL SUMMARY BY PROGRAM						
	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Curr Bgt	FY 07-08 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
Programs						
A & T Administration	528,013	525,787	618,186	513,011	(105,175)	-17.01%
Total Expenditures	528,013	525,787	618,186	513,011	(105,175)	-17.01%

Assessment and Taxation: Administration

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 07-08

- Begin planning and design phase to implement on-line tax payments.
- Continue to implement recommendations from the Department of Revenue compliance audit.
- Continue development and refinement of departmental performance measures.
- Review business processes for efficiencies and implement changes resulting from new 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.

Changes, Challenges, & Opportunities

The major challenge for the Administration division will be to continue working with the Board of Commissioners to ensure county qualification for the state assistance funding for county assessors. Additionally, the Assessor will lead the department through the staffing and work process changes required by the Department of Revenue compliance audit. FY 07-08 will be the third full budget year in the three year plan to eliminate the backlog for property divisions within Lane County. As the department becomes current with property division processing, projects will be reevaluated for implementation as identified in the department's strategic plan.

Challenges on the horizon are defining a process for properties developed under Measure 37 and potential new state laws affecting the property tax system. Implementation of laws passed in the recent legislative session will occur within FY 07-08.

Key Accomplishments

- Successful transition of new Assessor after the May 2006 Election.
- 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 and December 31, 2006 there were over 432,000 hits to the Assessor's website, averaging 72,000 hits per month. Usage peaked in October with 110,000 hits.
- The tax roll for the January 1, 2006 assessment date was certified on October 5, 2006 for over \$350 million in taxes due on over 169,000 tax accounts.
- Continued management and compilation of data for department performance measurements.
- Participation in the 2007 State Legislative session, supporting both Lane County and Oregon State Association of County Assessor's (OSACA) and the Oregon Association of County Tax Collectors agenda.

Assessment and Taxation: Administration

Performance Management

Assessment and Taxation has identified the core function of Strategic Planning to measure our Administration performance. The measure listed here shows how our annual work plan and budget is leveraged by funds given to the county from the state of Oregon.

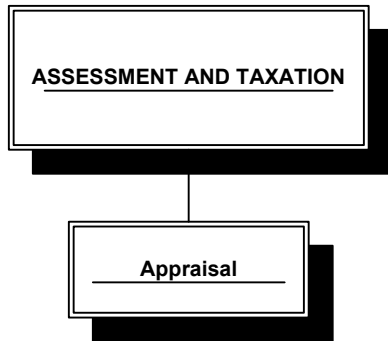
The leverage amount received is based on our compliance with state law and department of revenue standards. It is also dependent on the amount of state money available to support Assessor functions in all 36 counties. As you can see in the measure below, our current year reimbursement is below target. The county was notified by the state department of revenue that due to reductions in state spending for the current biennium (05-07), the amount of money available to counties to support Assessor functions would be held flat. We anticipate that by the close of the 06-07 FY, the leverage amount will be at the 30% level.

DIVISION PERFORMANCE MEASURES						
Performance Measures	2004-05 Actual	2005-06 Actual	2006-07 Actual	2006-07 Target	2006-07 Perf. Index	2007-08 Target
Amt of state reimbursement funds to County for A&T compliance	2,101,983	1,793,010	1,871,180	1,800,000	Above Target	1,782,022
% of A&T budget reimbursed	43.4%	30.3%	29.8%	30%	On Target	30.5%

Assessment and Taxation: Appraisal

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

DIVISION FINANCIAL SUMMARY						
	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Curr Bgt	FY 07-08 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
RESOURCES:						
Taxes and Assessments	0	255	0	0	0	0.00%
Property and Rentals	2,024	3,549	2,500	2,500	0	0.00%
Fees and Charges	0	48	0	0	0	0.00%
Total Revenue	2,024	3,852	2,500	2,500	0	0.00%
TOTAL RESOURCES	2,024	3,851	2,500	2,500	0	0.00%
EXPENDITURES:						
Personnel Services	1,319,902	1,513,593	1,882,651	1,898,985	16,334	0.87%
Materials and Services	438,507	346,632	618,287	572,906	(45,381)	-7.34%
Capital Expenses	0	22,998	0	0	0	0.00%
Fiscal Transactions	0	10,000	0	0	0	0.00%
TOTAL EXPENDITURES	1,758,408	1,893,223	2,500,938	2,471,891	(29,047)	-1.16%
Total FTE	21.00	22.00	24.00	24.00	0.00	0.00%
EXPENDITURES BY FUND						
General Fund	1,758,408	1,893,223	2,500,938	2,471,891	(29,047)	-1.16%
Funds Total	1,758,408	1,893,223	2,500,938	2,471,891	(29,047)	-1.16%

DIVISION FINANCIAL SUMMARY BY PROGRAM						
	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Curr Bgt	FY 07-08 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
Programs						
Appraisal	1,758,408	1,893,223	2,500,938	2,471,891	(29,047)	-1.16%
Total Expenditures	1,758,408	1,893,223	2,500,938	2,471,891	(29,047)	-1.16%

Assessment and Taxation: Appraisal

Division Overview

The purpose of the appraisal division is to ensure that all taxable 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 the 1996-97 FY, 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 is the method by which to ensure compliance with the standards.

Division Objectives for FY 07-08

- Continue to conduct neighborhood analysis projects within the county.
- Eliminate the property division backlog, working in conjunction with the Property and Tax Management Division.
- Provide the necessary training to current staff to replace lost expertise due to retirements and turnover.
- Continue to strive to meet mandates. 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. This includes reviewing the complaint, filing an answer, listening to the person appealing, responding to issues raised, and presenting an opinion of value.

Changes, Challenges, & Opportunities

- We are in the final year of the 2004 Department of Revenue audit and have addressed many of the findings noted in the report including: neighborhood realignment, refinement of the annual Assessor's certified Ratio Report, completion of a rural land base study, and validation of all new tax lots created by elimination of the backlog in property divisions in Property and Tax Management.

Assessment and Taxation: Appraisal

- The FY 06-07 proposed budget for the Appraisal division included the addition of two property appraisers to implement the final recommendations of the Department of Revenue compliance audit.
- Currently we are maintaining a minimal level of support for property tax appeals to the Board of Property Tax Appeals, Department of Revenue and Magistrate Court. Appraisers have little time to review appeals and prepare responses.
- Recruitment and training for an Appraisal Supervisor, Sales Data Analyst, and two support positions.
- Timely implementation of new laws and administrative rules.

Key Accomplishments

- Neighborhood realignment of City of Cottage Grove using new technology within the GIS module.
- Achieved 100% of Real Market Value as required by ORS or OAR standards for all property in Lane County as reported in the ratio report filed with the Department Revenue on June 30, 2006.
- With continued automation, the annual Ratio Report has been reduced to 1,600 pages (down from 10,000 in FY 2004-05), and is now available as a scanned document.
- New construction in the amount of \$993,639,199 was added to the 2006 tax roll for 4,846 accounts. This is an increase of \$535,383,014 and 1,346 accounts from FY 2006-07.
- “Other exception value” (allowed outside of Measure 50 limits) in the amount of \$344,108,591 was added to the 2006 tax roll for 3,877 accounts involved in a property division. This is an increase of \$71,339,365 and 1,757 accounts from FY 2006-07.
- An additional 955 accounts were involved in other property changes.
- 106,000 land and improvement accounts were valued through recalculation. This number increased by 56,264 or 53% in FY 2006-07.
- Provided minimal support to respond to all property tax appeals filed.

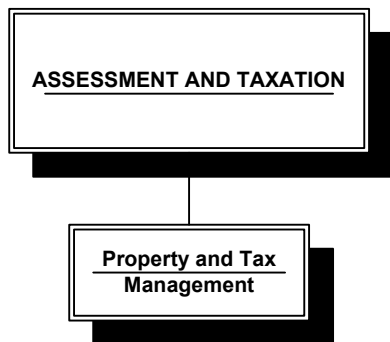
Performance Management

The Property and Taxation Management Division is mandated to create and maintain accurate and current cadastral records and maps of property and ownership so an accurate real market and assessed value can be computed by the Appraisal Division and tax statements can be sent to the appropriate parties. The performance measurements included in this budget document represent the Appraisal Division’s progress in processing the property divisions and to eliminate the backlog (includes subdivisions, lot lines, adjustments, consolidations, merges and unmerges of properties, fire patrol). The appraisal year runs from September-August.

of Accounts pending an Appraisal – for January 1, 2007, all property tax accounts that were pending a property division and were routed to the Appraisal Section. Accounts are routed to Appraisal after review by the Cartographic work unit and Property and Tax Management maintenance staff.

of Accounts w/completed Appraisal – for January 1, 2007, all property tax accounts that were pending a property division and were routed, were completed by the Appraisal Section. Completed appraisals 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.

DIVISION PERFORMANCE MEASURES						
Performance Measures	2004-05 Appraisal Year	2005-06 Appraisal Year	2006-07 Appraisal to Date	2006-07 Appraisal Target	2006-07 Appraisal Perf. Index	2007-08 Appraisal Target
# of Accts pending an Appr.	4,056	4,832	5,192	5,192	On Target	5,570
# of Accts w/completed Appr.	4,056	4,832	2,840	5,192	On Target	5,570



Division Purpose Statement

The purpose of the property and tax management division is to create and maintain accurate and current records of tangible property and associated ownership, to produce and update cadastral maps, apply special assessments, manage use assessments, administer state deferral and exemption programs, provide public information and bill, collect and distribute property tax monies 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 goal.

Division Locator

Assessment and Taxation

*Administration
Appraisal*

Property and Tax Management ←

Assessment and Taxation: Property and Tax Management

DIVISION FINANCIAL SUMMARY						
	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Curr Bgt	FY 07-08 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
RESOURCES:						
Taxes and Assessments	213,581	257,327	215,000	215,000	0	0.00%
Fines, Forf, and Penalties	55,539	39,050	37,500	40,000	2,500	6.67%
Property and Rentals	46,048	20,722	12,200	12,000	(200)	-1.64%
State Revenues	23,575	90,754	93,200	119,500	26,300	28.22%
Local Revenues	0	0	0	0	0	0.00%
Fees and Charges	1,340	1,572	1,000	0	(1,000)	-100.00%
Total Revenue	340,083	409,425	358,900	386,500	27,600	7.69%
Resource Carryover	0	10,750	0	0	0	0.00%
TOTAL RESOURCES	340,083	420,175	358,900	386,500	27,600	7.69%
EXPENDITURES:						
Personnel Services	1,785,273	1,948,710	2,210,035	2,275,355	65,320	2.96%
Materials and Services	772,250	1,027,067	906,157	992,127	85,970	9.49%
Capital Expenses	0	0	15,000	0	(15,000)	-100.00%
Fiscal Transactions	0	0	21,765	0	(21,765)	-100.00%
TOTAL EXPENDITURES	2,557,523	2,975,777	3,152,957	3,267,482	114,525	3.63%
Total FTE	31.00	33.00	33.00	33.00	0.00	0.00%
EXPENDITURES BY FUND						
General Fund	2,557,523	2,975,777	3,152,957	3,267,482	114,525	3.63%
Funds Total	2,557,523	2,975,777	3,152,957	3,267,482	114,525	3.63%

DIVISION FINANCIAL SUMMARY BY PROGRAM						
	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Curr Bgt	FY 07-08 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
Property & Tax Management	2,557,523	2,975,777	3,152,957	3,267,482	114,525	3.63%
Total Expenditures	2,557,523	2,975,777	3,152,957	3,267,482	114,525	3.63%

Assessment and Taxation: Property and Tax Management

Division Overview

The property and tax management division is responsible for the collection and distribution of taxes. \$350.8 million was certified for FY 06-07 and on behalf of approximately 80 taxing districts. These services are mandated by Oregon law, the Oregon Constitution, the Lane County Strategic Plan, and departmental mission, vision, values and goals. The division is also responsible for maintaining all property tax accounts in Lane County (currently numbering 196,500), 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 07-08

- Certify the tax roll and issue approximately 169,000 tax statements by October 25, 2007.
- By December 15, 2007 deposit all property tax monies postmarked by November 15, 2007.
- Eliminate the division backlog by completing all property changes initiated by July 1, 2008.
- Process ownership transfers timely to maintain accurate files on real property rolls,
- Continue progress on the migration from a manual/CAD mapping system to a GIS mapping system in accordance with statewide ORMAP goals.
- Continue research regarding online tax payment options.

Changes, Challenges, & Opportunities

- Cartography is already able to stay current with property changes, which means that Lane County can comply with the timelines agreed upon for changes to the tax lot map layer by the regional partners.
- Due to the elimination of the backlog in Cartography, we expect to deliver more than we estimated under the ORMAP grant which funds one cartography position, although, if resources are cut in Public Works, which assists us in the map conversion project, the production rate will slow down.
- Exemption records are overdue for an audit. There are likely many accounts receiving exemptions to which they are not entitled. We have not had the resources to address this, but hope that, with the elimination of the backlog in property changes, some resources can be redirected to this audit.
- Due to lack of resources, staff relies almost exclusively on information voluntarily reported by taxpayers for personal property values. Many businesses with taxable personal property are not on the assessment roll and therefore have not paid taxes as required.
- Due to a lack of resources, the non-exclusive farm use deferral program is not being audited to ensure only those accounts entitled to that deferral are receiving the benefit.
- The abolishment of the Boundary Commission may have a significant impact on us in the area of annexations. Where we had dealt with a single entity, we may now have to work with each city and county individually. The hope is that the services of Lane Council of Governments will be utilized to continue to funnel boundary changes through one entity.
- The ability to pay property taxes electronically via credit cards needs to be explored more thoroughly over the next year. More and more counties are providing this service and the public's requests for it are increasing.
- Two long-term employees will be retiring by 12/31/08. We are working on transition plans to keep the impact to a minimum, but cross-training other employees takes needed time away from production.

Key Accomplishments

- We exceeded the expectations in the first two years of the three year plan with the Department of Revenue to eliminate the backlog in property divisions. The plan was to complete 20% of the

Assessment and Taxation: Property and Tax Management

backlog in year one, 40% in year two, and the balance in year three. We eliminated almost 40% in year one and 48% more in year two. We fully expect to eliminate backlog by June 30, 2008.

- Certified a \$350,813,962.58 tax roll on October 5, 2006.
- All November 15 payments were processed by November 29, 2006.
- Provided public information to 45,500 customers via telephone and in person.
- Completed approximately 16,000 name and address changes resulting from recorded deeds.
- Distributed collected tax monies to over 80 service districts in Lane County per ORS 311.385.
- Processed 3,000 parent accounts with divisions.
- Tax district boundaries are now current on assessor maps.

Performance Management

Due to years of inadequate resources to meet performance goals for property transfers and property divisions, a backlog in processing property divisions developed, which means that people who are initiating changes to their property (partitioning or subdividing, consolidating, moving lot lines) are often not seeing the actions reflected on the tax roll until years after the act. Many affected taxpayers are not aware that they are not paying the correct taxes on their property. The additional value created by these divisions is also not being placed on the tax roll in the year it should be, resulting in less revenue for the taxing districts. We have a three-year plan to eliminate the backlog: 20% by the end of 05-06, 40% by the end of 06-07 and the remainder by the end of 07-08. As of July 1, 2007, we have eliminated 88 percent of the backlog.

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.

We based our 2006-07 target on estimates assuming the recent high rate of new property division requests as had occurred in the previous two years. However, the market slowed in 2006-07 and we received fewer new requests which allowed us to focus on the oldest property divisions and eliminate our backlog. Everything that was recorded prior to January 1, 2007 is now complete and on the roll.

of Accounts in Backlog - Total number of parent accounts which are involved in divisions but which were not processed by the prior fiscal year end.

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.

% 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.

DIVISION PERFORMANCE MEASURES						
Performance Measures	2004-05 Actual	2005-06 Actual	2006-07 Actual	2006-07 Target	2006-07 Perf. Index	2007-08 Target
# of Accounts Initiated	3,314	2,400	2,570	3,400		2,500
# of Accounts in Backlog	2,427	2,615	1,578	2,090	Exceeded Goal	1,045
# of Accounts Set Up	3,222	3,035	3,297	4,000	Exceeded Goal	3,370
% of Accounts Set Up	56%	60%	79%	72%	Above Target	95%

Assessment and Taxation: Property and Tax Management

DEPARTMENT REVENUE SUMMARY						
Revenue Accounts	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Curr Bgt	FY 07-08 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
Prior Years Property Taxes	0	(1)	0	0	0	0.00%
Miscellaneous Taxes	0	30	0	0	0	0.00%
Tax Penalties	212,741	254,805	215,000	215,000	0	0.00%
Other Tax Revenue	840	2,749	0	0	0	0.00%
TAXES AND ASSESSMENTS	213,581	257,582	215,000	215,000	0	0.00%
Foreclosure Penalty	42,126	30,820	30,000	30,000	0	0.00%
Late Filing Penalties	13,413	8,230	7,500	10,000	2,500	33.33%
FINES, FORF, AND PENALTIES	55,539	39,050	37,500	40,000	2,500	6.67%
Map Sales	470	195	200	0	(200)	-100.00%
Miscellaneous Sales	47,620	24,143	14,500	14,500	0	0.00%
PROPERTY AND RENTALS	48,090	24,338	14,700	14,500	(200)	-1.36%
Local Staff	0	20,000	20,000	20,000	0	0.00%
STATE GRANT REVENUES	0	20,000	20,000	20,000	0	0.00%
Department of Revenue	19,735	39,159	50,000	68,500	18,500	37.00%
DCBS Fee Revenue	3,615	30,585	22,000	30,000	8,000	36.36%
DCBS Misc Revenue	225	1,010	1,200	1,000	(200)	-16.67%
OTHER STATE REVENUES	23,575	70,754	73,200	99,500	26,300	35.93%
Miscellaneous Svc Charges	1,340	1,350	1,000	0	(1,000)	-100.00%
Refunds & Reimbursements	0	270	0	0	0	0.00%
FEES AND CHARGES	1,340	1,620	1,000	0	(1,000)	-100.00%
Fund Balance	0	0	0	20,000	20,000	100.00%
Non Discretionary	0	10,750	35,000	0	(35,000)	-100.00%
Transfer Fr Int Svc Fnds (600)	20,000	0	0	0	0	0.00%
FISCAL TRANSACTIONS	20,000	10,750	35,000	20,000	(15,000)	-42.86%
TOTAL RESOURCES	362,126	424,094	396,400	409,000	12,600	3.18%

Assessment and Taxation: Property and Tax Management

DEPARTMENT EXPENSE SUMMARY						
Expenditure Accounts	FY 04-05	FY 05-06	FY 06-07	FY 07-08	\$ Chng	% Chng
	Actual	Actual	Curr Bgt	Adopted	Fr Curr	Fr Curr
Permanent Operating Salaries	2,148,203	2,264,102	2,528,150	2,502,800	(25,350)	-1.00%
Extra Help	31,480	57,512	50,004	32,620	(17,384)	-34.77%
Overtime	10,458	35,822	20,304	20,304	0	0.00%
Reduction Unfunded Vac Liab	20,115	29,473	52,068	47,932	(4,136)	-7.94%
Compensatory Time	2,328	2,308	6,000	6,000	0	0.00%
Employee Benefits	1,207,138	1,452,545	1,864,500	0	(1,864,500)	-100.00%
Risk Management Benefits	29,448	25,585	20,303	11,975	(8,328)	-41.02%
Social Security Expense	0	0	0	162,356	162,356	100.00%
Medicare Insurance Expense	0	0	0	38,084	38,084	100.00%
Unemployment Insurance (State)	0	0	0	26,206	26,206	100.00%
Workers Comp	0	0	0	13,173	13,173	100.00%
Disability Insurance - Long-term	0	0	0	25,687	25,687	100.00%
PERS - OPSRP Employer rate	0	0	0	306,814	306,814	100.00%
PERS Bond	0	0	0	153,501	153,501	100.00%
PERS - 6% Pickup	0	0	0	153,802	153,802	100.00%
Health Insurance	0	0	0	769,440	769,440	100.00%
Dental Insurance	0	0	0	71,868	71,868	100.00%
Vision Insurance	0	0	0	15,096	15,096	100.00%
EE Assistance Pgm - IBH	0	0	0	4,320	4,320	100.00%
Life Insurance	0	0	0	11,520	11,520	100.00%
Flexible Spending	0	0	0	720	720	100.00%
Disability Insurance - Short Term	0	0	0	1,440	1,440	100.00%
Deferred Comp Employer Contribution	0	0	0	4,046	4,046	100.00%
Retiree Medical	0	0	0	119,131	119,131	100.00%
PERSONNEL SERVICES	3,449,171	3,867,348	4,541,329	4,498,835	(42,494)	-0.94%
Professional & Consulting	36,151	72,736	86,445	88,445	2,000	2.31%
Data Processing Services	687	391	0	20,000	20,000	100.00%
Banking & Armored Car Svc	164	0	0	0	0	0.00%
Telephone Services	23,301	23,286	29,960	29,960	0	0.00%
Purchased Insurance	20,971	9,152	9,536	13,225	3,689	38.68%
Maintenance of Equipment	7,448	8,896	2,000	2,050	50	2.50%
Maintenance of Structures	163	0	0	0	0	0.00%
Maintenance Agreements	3,624	5,744	10,500	15,260	4,760	45.33%
Fleet Services Rentals	21,785	24,120	40,360	40,360	0	0.00%
Copier Charges	6,015	5,876	5,600	5,600	0	0.00%
Mail Room Charges	15,658	19,515	22,000	22,000	0	0.00%
Direct/Information Services	604,615	614,268	739,922	702,930	(36,992)	-5.00%
County Overhead Charges	385,424	415,803	430,980	496,164	65,184	15.12%
PC Replacement Services	36,870	29,076	29,709	39,680	9,971	33.56%
Office Supplies & Expense	22,029	40,107	49,540	40,440	(9,100)	-18.37%
Membrshp/Professional Licenses	971	1,904	2,775	2,775	0	0.00%
Printing & Binding	27,954	35,662	55,500	55,500	0	0.00%
Advertising & Publicity	15,319	13,112	9,725	9,725	0	0.00%

Assessment and Taxation: Property and Tax Management

DEPARTMENT EXPENSE SUMMARY						
Expenditure Accounts	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Curr Bgt	FY 07-08 Adopted	\$ Chng Fr Curr	% Chng Fr Curr
Microfilm Imaging Services	4,246	4,607	3,000	3,000	0	0.00%
Postage	82,017	78,892	90,200	90,200	0	0.00%
DP Supplies And Access	39,857	38,648	15,200	15,200	0	0.00%
DP Equipment	3,400	11,908	0	0	0	0.00%
Business Expense & Travel	7,445	7,904	15,260	15,260	0	0.00%
Awards & Recognition	1,171	2,881	3,075	3,075	0	0.00%
Outside Education & Travel	26,505	28,553	37,800	37,800	0	0.00%
County Training Classes	985	1,100	4,900	4,900	0	0.00%
Training Services & Materials	0	300	0	0	0	0.00%
MATERIALS & SERVICES	1,394,774	1,494,441	1,693,987	1,753,549	59,562	3.52%
Vehicles	0	22,998	0	0	0	0.00%
Reproducing & Duplicating	0	0	15,000	0	(15,000)	-100.00%
CAPITAL OUTLAY	0	22,998	15,000	0	(15,000)	-100.00%
Transfer To Capital Proj. Funds	0	10,000	21,765	0	(21,765)	-100.00%
FUND TRANSFERS	0	10,000	21,765	0	(21,765)	-100.00%
TOTAL EXPENDITURES	4,843,945	5,394,787	6,272,081	6,252,384	(19,697)	-0.31%