5

CLACKAMAS
COUNTY

MARC GONZALES
DIRECTOR

DEPARTMENT OF FINANCE

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

March 25, 2015

Board of County Commissioners
Clackamas County

Members of the Board:

A Resolution Approving the Submission of
The Assessor's CAFFA Grant Application for FY 2015-2016

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 19% of the revenue for the Assessor's Office.
Funding Source	The State of Oregon
Safety Impact	None
Duration	Effective July 1, 2015 to June 30, 2016
Previous Board Action/Review	None
Contact Person	Bob Vroman, County Assessor 503-655-8302 Jian Zhang, Finance Department 503-742-5434
Contract No.	None

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 19% 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 work activity forms, two narrative reports of staff changes, Grant Application Resolution and Racial and Ethnic Impact Statement.

The application and accompanying documents must be received in Salem by May 1, 2015, 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,

Diane D. Padilla
Budget Manager

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON

In the matter of Approving the Submission of a Grant Document to the Oregon Department of Revenue	}	Resolution No.

Clackamas County is applying to the Department of Revenue in order to participate in the Assessment and Taxation grant, and

WHEREAS, 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, and

WHEREAS, 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 other laws requiring equity and uniformity in the system of property taxation, and

WHEREAS, Clackamas County agrees to appropriate the budgeted dollars based on 100 percent of the expenditures certified in the grant application in the amount of $7,957,305, the total expenditure amount for consideration in the grant. If 100 percent is not appropriated, no grant shall be made to the county for the quarter in which the county is out of compliance, and

WHEREAS, Clackamas County designates Marc S. Gonzales, Director of Finance, phone number (503)742-5405, as the County contact person for this grant document, and

WHEREAS, The Board finds it would be in the best interest of Clackamas County to adopt this resolution and submit the attached grant documents to the Oregon Department of Revenue.

NOW, THEREFORE, the Clackamas County Board of Commissioners do hereby resolve that this application be approved and the grant documents be submitted to the Oregon Department of Revenue.

Dated this 10th day of April, 2015

CLACKAMAS COUNTY BOARD OF COMMISSIONERS

_____

Chair

_____

Recording Secretary

OREGON DEPARTMENT OF REVENUE

Form 1
Grant Application Staffing

2015-16

County Clackamas

	COLUMN 1 Approved FTE Current Year (2014-15)	COLUMN 2 Budgeted FTE Coming Year (2015-16)	COLUMN 3 Change (Column 2 less Column 1)
A. Assessment Administration			
Assessor, Deputy, etc.	2.00	2.00	0.00
Assmt. Support Staff, Deed Clerks, & Data Entry Staff	17.50	17.50	0.00
Total Assessment Administration	19.50	19.50	0.00
B. Valuation–Appraisal Staff			
Chief Appraisers/Appraiser Supervisor	2.00	2.00	0.00
Lead Appraisers	5.00	5.00	0.00
Residential Appraisers	4.50	4.50	0.00
Commercial/Industrial Appraisers	4.00	5.00	1.00
Farm/Forest/Rural Appraisers	2.75	2.75	0.00
Manufactured Structure/Floating Structure Appraisers	1.00	1.00	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 & Appraisal Techs	0.00	0.00	0.00
Total Valuation–Appraisal Staff	23.75	24.75	1.00
C. Clerk/BOPTA Staff	1.00	1.00	0.00
D. Tax Collection & Distribution Administration			
Administration, Deputy, etc.	1.00	1.00	0.00
Support & Collection Staff	6.75	6.75	0.00
Tax Distribution	1.00	1.00	0.00
Foreclosure & Garnishment	0.75	0.75	0.00
Total Tax Collection & Distribution Staff	9.50	9.50	0.00
E. Cartography & GIS Administration			
Cartographic/GIS Supervisor	0.00	0.00	0.00
Lead Cartographer	1.00	1.00	0.00
Cartographers	4.50	4.50	0.00
GIS Specialist	2.00	2.00	0.00
Total Cartographic & GIS Staff	7.50	7.50	0.00
F. A&T Data Processing Staff	2.00	2.00	0.00
G. Total A&T Staffing (the sum of A–F above)	63.25	64.25	1.00

OREGON DEPARTMENT OF REVENUE

Form 2
Explanation of Staffing Issues

2015-16

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 reported on Form 1, Section B, note that here and include the FTE.

We continue to hire a contract Commercial/Industrial Appraiser to handle major appeals, assist with the valuation of more complex properties, and consult on market studies. His time is equivalent to .75 FTE and is budgeted at $70,000 for the 2015-16 year. This is included on Form 1, Section B, Commercial/Industrial Appraisers.

Vacancies continue to be filled but there is always a lag time due to the recruitment process.

Temporary help is budgeted at $50,000 and is used in the following ways: support for personal property processing, document scanning, appraisal data entry, entering diagrams and photos into our appraisal system.

GIS/ORMAP: We continue to provide support and resources to progress toward ORMAP goals. To date, we have retired 1,711 Mylar Maps out of a total of 3,364. Additional in kind support for the GIS data creation part of the project includes:

1. $134,000 for the Assessor's Office for plat and deed research, tax map conversion, and annotation.

2. $35,000 in County General Fund support to supplement the ORMAP funding contract work.

3. $15,000 from the County Surveyor's Office for collection of section corners and ground control points.

4. $84,000 from the County Technical Services Department for project management, quality control, data input, and survey and deed research.

Form 4
#7. Other Valuation Appraiser Activity: 1.5 FTE is attributed to appraisal time directed to ProVal CAMA system upgrade testing and development, neighborhood boundary maintenance, special projects, and outlier analysis. A priority project is capturing Commercial/Industrial inventory electronically and development of income property valuation models.

OREGON DEPARTMENT OF REVENUE

Form 3
General Comments

2015-16

County Clackamas

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

While our business process continues to focus support to the appraisal staff, we are engaged in a strategic planning process designed to provide more openness, transparency, and deliver more integrated and better services that build public trust and results in the best allocation of resources. Our appraisers primarily complete field work, make and review value decisions, and assist the public on valuation issues. The improving economic and real estate market conditions have resulted in declining levels of appeals at the Board of Property Tax Appeals. Significant resources remain directed toward appeal management. The increased complexity of appeals continues to require increased participation by County Counsel for representation for Magistrate, Regular Division Tax Court, and Supreme Court cases. An increasing level of sales activity is helpful but also requires significant appraisal resources to verify sales, research listings, and field inspect property to support appeals, general market analysis, and the ratio study.

Real Estate sales activity, new construction and other exception events are increasing. We continue to update and enhance our automated appraisal database for assigning and tracking appraisal work. Analysis of market areas and neighborhood maintenance continue as an ongoing process and we continue finalizing new or modifying some of our existing market areas for the 2015-16 year. This years' appraisal plan includes completion of the reappraisal for the City of Oregon City central business district. We have used CoStar capabilities to assist us in identifying and classifying all apartments in the County. We are prioritizing additional resources to populate our CAMA systems with the multi-family property data and are building income property valuation models to be able to value and recalculate this type of property on an annual basis. We are actively exploring the potential for developing collaborative projects with other jurisdictions that may contribute to efficient and effective administration of the assessment and tax function.

We have completed a project to electronically capture the historical appraisal, assessment, and tax data for all 148,000 residential and manufactured structure accounts. This allows more effective information access to Assessment & Taxation staff, other County departments and agencies, and the public while reducing the need for physical storage and minimizing the use of paper copies.

OREGON DEPARTMENT OF REVENUE

Form 4
Valuation–Appraisal Resources

2015-16

County Clackamas

Activities	Number of Accounts by Activity: Actual 2014-15	Number of Accounts by Activity: Estimated 2015-16	Number of FTE by Activity: Actual 2014-15	Number of FTE by Activity: Estimated 2015-16
1. Real Property Exceptions, Special Assessments, and Exemptions				
New Construction	4450	4673	4.25	4.75
Zone Changes	154	150	0.25	0.25
Subdivisions, Segregations, Consolidations	1946	1890	1.75	1.75
Omitted Properties	546	573	0.25	0.50
Special Assessment Qualification and Disqualification	365	365	2.00	2.00
Exemptions	160	200	0.50	0.50
Subtotal	7,621	7,851	9.00	9.75
2. Appeals and Assessor Review				
Assessor Review and Stipulations	56	60	0.50	0.50
BOPTA	441	450	3.50	3.50
Department of Revenue	2	5	0.25	0.25
Magistrate Division—Tax Court	55	60	1.75	1.75
Regular Division—Tax Court	7	10	0.25	0.25
Subtotal	561	585	6.25	6.25
3. Real Property Valuation				
Physical Reappraisal	692	180	0.75	0.50
Recalculation only—no appraisal review	162810	164121	2.25	2.25
Subtotal	163,502	164,301	3.00	2.75
4. Business Personal Property (returns mailed)	10031	10404	2.00	2.00
5. Ratio			2.00	2.00
6. Continuing Education			0.50	0.50
7. Other Valuation—Appraisal Activity			1.00	1.50
8. Total Valuation—Appraisal Staff (FTE)			23.75	24.75

OREGON DEPARTMENT OF REVENUE

Form 5
Tax Collection/Distribution Work Activity

2015-16

County Clackamas

	Number of Accounts by Activity	
	Actual 2014-15	Estimated 2015-16
1. Number of accounts requiring roll corrections		
Business Personal Property	164	172
Personal Property Manufactured Structures	16	17
Real Property	1471	1544
2. Number of accounts requiring a refund		
Business Personal Property	73	77
Personal Property Manufactured Structures	60	63
Real Property	1284	1348
3. Number of delinquent tax notices sent		
Business Personal Property	403	400
Personal Property Manufactured Structures	1488	1500
Real Property	8042	8000
4. Number of foreclosure accounts processed		
Real Property only	682	680
5. Number of accounts issued redemption notices		
Real Property only	80	80
6. Number of warrants	753	750
7. Number of garnishments	0	0
8. Number of seizures	0	0
9. Number of bankruptcies	325	300
10. Number of accounts with an address change processed	11010	11340

11. How many second trimester statements do you mail? 21875

12. How many third trimester statements do you mail? 21977

13. Does the county contract for lock box service? ☒ Yes ☐ No

14. Does the county use in-house remittance processing? ☐ Yes ☒ No

15. If tax collector is combined with another county function, please describe that function.

Assessment and Taxation is combined under the Assessor.

OREGON DEPARTMENT OF REVENUE

Form 6
Assessment and Administrative Support and Cartography Work Activity

2015-16

County Clackamas

Assessment and Administrative Support Work Activity

	Numbers by Activity	
	Actual 2014-15	Estimated 2015-16
1. Number of Deeds Worked	15660	16060

Cartography Work Activity

	Numbers by Activity	
	Actual 2014-15	Estimated 2015-16
1. Number of new tax lots	940	960
2. Number of lot line adjustments	165	145
3. Number of consolidations	293	281
4. Number of new maps	5	5
5. Number of tax code boundary changes	472	500

OREGON DEPARTMENT OF REVENUE

Form 7
Summary of Expenses

2015-16

County Clackamas

Current Operating Expenses	**A.** Assessment Administration	**B.** Valuation	**C.** BOPTA	**D.** Tax Collection & Distribution	**E.** Cartography*	**F.** A&T Data Processing	**TOTALS**
1. Personal Services	1563475	2356416	55482	869553	559308	254995	$5,659,229
2. Materials & Services	478408	787540	23525	259816	199132	152736	$1,901,157
3. Transportation	0	18000	0	0	0	0	$18,000
4. Total Current Operating Expenses (Total Direct Expenses)	$2,041,883	$3,161,956	$79,007	$1,129,369	$758,440	$407,731	$7,578,386

* Include ORMAP-approved grant funding

Indirect Expenses

5. Total Direct Expenses (line 4)	$7,578,386
6. If you use the 5 percent method to calculate your indirect expenses, enter .05 in this box.	0.05000
Total Indirect Expenses (line 5 × line 6)	$378,919
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 × the direct expense amount for the category/categories that your certificate allows)	$0
7. **Total Indirect Expenses**	$378,919

Capital Outlay

	Assessment Administration	Valuation	BOPTA	Tax Collection & Distribution	Cartography	A&T Data Processing	**Total Capital Outlay Without Regard to Limitation**
8. Enter the actual capital outlay without regard to limitation.	0	0	0	0	0	0	$0

9. Total direct and indirect expenses (line 4 + line 7)	$7,957,305
10. Direct and indirect expenses × 0.06	$477,438
11. The greater of line 10 or $50,000	$477,438
12. Capital outlay (the lesser of line 8 or line 11)	$0
13. Total expenditures for CAFFA consideration (line 4 + line 7 + line 12)	$7,957,305

Grant Application Resolution

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County designates:

Marc Gonzales	(503) 742-5405	marcg@co.clackamas.or.us
Name	Telephone	E-mail Address

as the county contact person for this grant application.

_____

Signature of Chairperson or Judge of Governing Body

_____

Date Signed

RACIAL AND ETHNIC IMPACT STATEMENT

This form is used for informational purposes only and must be included with the grant application.

Chapter 600 of the 2013 Oregon Laws require applicants to include with each grant application a racial and ethnic impact statement. The statement provides information as to the disproportionate or unique impact the proposed policies or programs may have on minority persons[1] in the State of Oregon if the grant is awarded to a corporation or other legal entity other than natural persons.

1. ☐ The proposed grant project policies or programs could have a disproportionate or unique positive impact on the following minority persons:

   Indicate all that apply:

   _____ Women
   _____ Persons with Disabilities
   _____ African-Americans
   _____ Hispanics
   _____ Asians or Pacific Islanders
   _____ American Indians
   _____ Alaskan Natives

2. ☐ The proposed grant project policies or programs could have a disproportionate or unique negative impact on the following minority persons:

   Indicate all that apply:

   _____ Women
   _____ Persons with Disabilities
   _____ African-Americans
   _____ Hispanics
   _____ Asians or Pacific Islanders
   _____ American Indians
   _____ Alaskan Natives

3. ☐ The proposed grant project policies or programs will have no disproportionate or unique impact on minority persons.

If you checked numbers 1 or 2 above, on a separate sheet of paper, provide the rationale for the existence of policies or programs having a disproportionate or unique impact on minority persons in this state. Further provide evidence of consultation with representative(s) of the affected minority persons.

I HEREBY CERTIFY on this 25th day of March, 2015, the information contained on this form and any attachment is complete and accurate to the best of my knowledge.

Marc S. Gonzales

Signature
Printed Name: MARC S. GONZALES
Title: DIRECTOR, Department of Finance
Clackamas County, OR

[1] "Minority persons" are defined in SB 463 (2013 Regular Session) as women, persons with disabilities (as defined in ORS 174.107), African-Americans, Hispanics, Asians or Pacific Islanders, American Indians and Alaskan Natives.