

Priority: Accountability **Lead Agency:** County Management
Program Offer Type: Existing Operating **Program Contact:** Sally Brown
Related Programs: 72036, 72041, 72042, 72045, 72046, 72047, 72049, 72050

Program Characteristics:

Executive Summary

Special Programs, within the Division of Assessment Recording & Taxation (DART), is responsible for processing applications relating to property tax exemptions or special assessments. Exempt properties are monitored by the program for continued qualification. Special Programs processes new tax accounts and is responsible for corrections to the tax roll.

Program Description

Special Programs maintains over 5,300 property tax exemptions for both the Disabled War Veteran or Surviving Spouse program and the Oregon Active Duty Military Service Member's program. In addition, there are over 10,500 accounts with full or partial exemption status for various types of organizations, including, but not limited to charitable, fraternal, and religious organizations. Special Programs is responsible for specially assessed properties, which include farm, forest, historic, and numerous other specially assessed programs mandated by law. Questionnaires are mailed and when returned, reviewed to verify continued qualification for reduced assessment of farmland. Real property transfers initiated by the Ownership Section, assist in identifying exempt accounts sold to non-exempt owners. Leasehold records are monitored in order to maintain accurate, taxable values on over 500 accounts where non-exempt tenants lease from exempt government agencies. Five hundred to 1000 field inspections are performed as part of the program's compliance activities. Program staff calculates and redistributes Maximum Assessed Values in accordance with Measure 50 tax limitation requirements for thousands of new properties created each year by subdivisions, new condominiums and accounts that have been consolidated. Special Programs contributes to the process to arrive at the total taxable assessed value upon which taxes are calculated and levied for the benefit of all Multnomah County taxing districts.

Program Justification

This program ensures that exempt and specially assessed property is accurately and fairly assessed as required by the Oregon Revised Statutes (ORS). Maintaining accurate Real Market Values on all property relates to the bonding capacity and general obligation bond tax rates for all applicable taxing districts in the County. This program contributes to all other County priorities by ensuring that all exempt and specially assessed property is valued in accordance with the law, which maximizes property tax revenues to fund programs. Property taxes account for approximately 65% of the County's General Fund revenues. Failure to monitor this process will result in loss of taxable assessed value. Focus is on compliance monitoring of existing exemptions, careful review of new applications, and resolving appeals. Accurate values maximize the level of tax assessment allowed under Measure 5 and Measure 50 tax limitation measures.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY07-08)	Current Year Purchased (FY08-09)	Current Year Estimate (FY08-09)	Next Year Offer (FY09-10)
Output	Accounts Reviewed and Processed for Current Tax Roll	14,303	2,200	14,350	14,350
Outcome	Taxable Market Value Re-established to the Roll	274,142,513	250,000	250,000	275,000
Input	Total Accounts Monitored	27,435	33,500	28,000	28,000
Output	Total Number of Accounts Processed for Prior Tax Rolls	3,319	3,300	3,300	3,500

Performance Measure - Description

 **Measure Changed**

Current Year Purchased (FY08-09) represents exempt accounts only; SPG is now responsible for numerous processes requiring the review of thousands of accounts. Previous Year Actual (FY07-08) and Current Year Estimate (FY08-09) numbers accurately reflect all accounts presently within Program responsibility.

Legal/Contractual Obligation

Oregon Revised Statutes (ORS) Chapters 92,205,294,305,306,307,308,308A,309,310 and 321 and related Oregon Administrative Rules regulate virtually all aspects of the assessment and property tax calculation process. ORS 306.115 assigns statewide general supervision of the property tax system to the Oregon Dept. of Revenue (DOR). Through the "County Assessment Function Funding Account" (CAFFA) Grant process described in ORS 294.175 the DOR determines the acceptable level of assessment and taxation staffing. The DOR has determined that DART is already at the minimally acceptable staffing level to perform their functions. Any reduction to this program may jeopardize this grant revenue.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2009	2009	2010	2010
Personnel	\$587,943	\$0	\$755,710	\$0
Contracts	\$0	\$0	\$0	\$0
Materials & Supplies	\$5,155	\$0	\$8,826	\$0
Internal Services	\$86,750	\$0	\$102,517	\$0
Subtotal: Direct Exps:	\$679,848	\$0	\$867,053	\$0
Administration	\$61,805	\$92	\$79,786	\$0
Program Support	\$210,161	\$0	\$149,839	\$0
Subtotal: Other Exps:	\$271,966	\$92	\$229,625	\$0
Total GF/non-GF:	\$951,814	\$92	\$1,096,678	\$0
Program Total:	\$951,906		\$1,096,678	
Program FTE	7.30	0.00	9.30	0.00
Program Revenues				
Fees, Permits & Charges	\$0	\$0	\$0	\$0
Intergovernmental	\$226,800	\$0	\$183,300	\$0
Program Revenue for Admin	\$69,488	\$0	\$50,786	\$0
Total Revenue:	\$296,288	\$0	\$234,086	\$0

Explanation of Revenues

Through participation in the State funded County Assessment Function Funding Account (CAFFA) Grant, approximately 25% of actual expenditures are reimbursed with remaining support coming from General Fund revenues.

Significant Program Changes

✓ Significantly Changed

Last year this program was: #72037, DCM - A&T-Property Assessment-Special Programs

The Special Programs Supervisor was reclassified to Program Manager 1, and assigned responsibility for Special Programs (80%) and Data Operations Program (20%). Former Assessment Manager allocation of 30% in FY09 was transferred to Residential Appraisal program. Staffing changes included the addition of an A&T Tech 1 and two A&T Tech 2 positions to the program from former Central Appraisal Support & Customer Service Programs. One part time A&T Tech 2 position was transferred to Residential program and reclassified to Appraiser 1. The overall net increase for FY10 is 2.00 FTE. The reorganization provides necessary staffing to address the increased volume of processes for which the program is responsible.