

**Lead Agency:** Tax Supervising &

**Program Contact:** Tom Linhares

**Program Offer Type:** Existing Operating

**Related Programs:**

**Program Characteristics:**

### Executive Summary

The Tax Supervising and Conservation Commission (TSCC) reviews the budget and tax levying authority of all taxing districts that have more real market value in Multnomah County than in any other county. Starting in FY 11, districts with a population under 200,000 have the ability to opt out of the Commission's jurisdiction. By the January 1, 2010 deadline, nine districts had chosen that option. Perhaps the most important duties of the Commission are to: 1) act as a technical resource to budget staffs for both large and small taxing districts, and 2) publish a comprehensive annual report.

### Program Description

There are five commissioners, appointed by the Governor to four year terms. Administrative employees, currently 2.4 FTE are appointed by the Commission.

The Commission serves citizens by providing an extensive review of the budgets of the 30 local governments under its jurisdiction. The reviews are both procedural and substantive in nature. Procedural checks establish compliance with local budget law: ensuring that public notice requirements have been met, verifying that the tax levies were approved by the budget committee, and validating that financial information provides adequate detail. A substantive review of program content, the reasonableness of estimates and coordination of financial planning among various units of government is also performed. These types of review and the certification process distinguish TSCC from other regulatory bodies which do not receive copies of the budget document. TSCC's review also differs from the comprehensive audit in that our review is conducted prior to the adoption of the budget and can therefore prevent errors from occurring.

The commission conducts hearings on the largest taxing district's budget (population exceeding 200,000) and must certify any objections and/or recommendations for all districts prior to the district adopting its budget each year. The Commission also holds public hearings throughout the year on new local option levy or general obligation bond measure placed before the voters.

The Commission is required by law to publish an annual report of local governments' budgets, indebtedness, property taxes and other financial information. The report is often cited by citizen activists, news media and government officials as the most comprehensive source of budget and property tax information available in the entire state.

TSCC ensures that violations of local budget law are minimized, especially if the error results in a property tax levy that exceeds authority. TSCC works closely with the county assessor's office as a double check that property tax levies are entered and calculated accurately. TSCC's efforts seek to make the financial affairs of local governments at all levels more accountable to the citizens we serve.

### Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY08-09)	Current Year Purchased (FY09-10)	Current Year Estimate (FY09-10)	Next Year Offer (FY10-11)
Output	Provide training & technical assistance for districts' budget staff	17	15	16	18
Outcome	Reduce the number of objections & recommendations in TSCC certification letters	22	8	24	10
Output	Conduct public hearings on approved budgets & property tax measures	31	20	12	14

### Performance Measure - Description

By reducing the number of errors that are made taxing districts gain credibility with the citizens that they serve. The ideal result would be to have all taxing districts under TSCC's jurisdiction complete their budget process with no objections or recommendations included in the TSCC Certification Letter. Public hearings provide TSCC commissioners as well as citizens an opportunity to learn about and question the financial affairs of taxing districts.

## Legal/Contractual Obligation

TSCC is mandated by ORS 294.605 to 294.705. Counties with a tax supervising and conservation commission are required to establish an account in the general fund for purposes of funding the expenditures of the commission, "as submitted", up to a maximum of \$280,000 (ORS 294.630).

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2010	2010	2011	2011
Personnel	\$267,755	\$0	\$266,271	\$0
Contracts	\$1,500	\$0	\$1,500	\$0
Materials & Supplies	\$7,723	\$0	\$7,720	\$0
Internal Services	\$2,948	\$0	\$2,716	\$0
Total GF/non-GF:	<b>\$279,926</b>	<b>\$0</b>	<b>\$278,207</b>	<b>\$0</b>
Program Total:	<b>\$279,926</b>		<b>\$278,207</b>	
Program FTE	2.40	0.00	2.40	0.00
<b>Program Revenues</b>				
Total Revenue:	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Explanation of Revenues

This is a General Fund Program.

## Significant Program Changes

**Last year this program was:** #10006, Tax Supervising & Conservation Commission

TSCC, with considerable help from a number of stakeholders, was successful during the 2009 Legislative Session in securing passage of HB 2074 (Chapter 596, Oregon Laws 2009). For the first time taxing districts under TSCC's jurisdiction are required to cover, via a reimbursement methodology, one-half of the net operating costs of the Commission. Commissioner Kafoury was instrumental in having the bill effective for FY 2010, which resulted in \$94,169 of new revenue for the county this year. The amount for FY 2011 should be comparable.