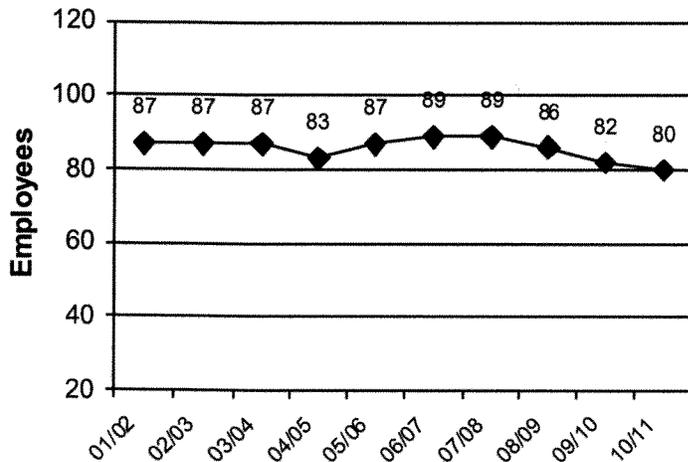


MISSION STATEMENT

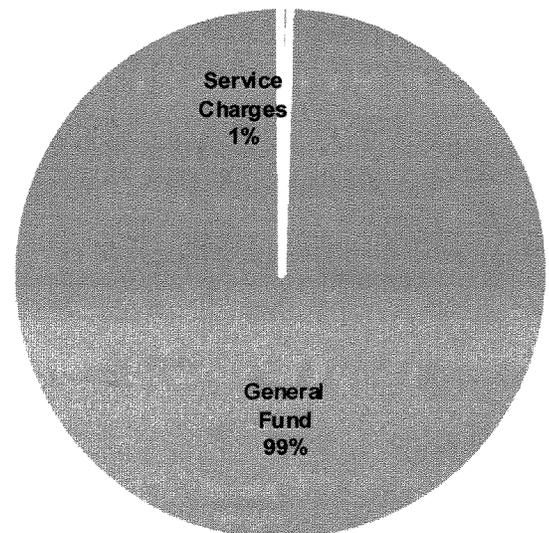
The Assessor and staff seek excellence in providing information, services, and accurate property assessments through our personal commitment to integrity, mutual respect, and teamwork.

	2008-09	2009-10	2010-11	2010-11	2010-11
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Intergovernmental Revenue	\$ 60,000	\$ 427	\$ 0	\$ 0	\$ 0
Charges for Current Services	51,008	39,384	31,000	31,000	31,000
Other Revenues	235	125	0	0	0
Interfund	0	500	0	0	0
**Total Revenue	\$ 111,243	\$ 40,436	\$ 31,000	\$ 31,000	\$ 31,000
Salary and Benefits	7,816,494	7,649,166	8,009,579	7,770,364	7,776,002
Services and Supplies	841,182	723,353	792,650	737,572	737,572
**Gross Expenditures	\$ 8,657,676	\$ 8,372,519	\$ 8,802,229	\$ 8,507,936	\$ 8,513,574
Less Intrafund Transfers	2,159	1,685	0	0	0
**Net Expenditures	\$ 8,655,517	\$ 8,370,834	\$ 8,802,229	\$ 8,507,936	\$ 8,513,574
General Fund Support (G.F.S.)	<u>\$ 8,544,274</u>	<u>\$ 8,330,398</u>	<u>\$ 8,771,229</u>	<u>\$ 8,476,936</u>	<u>\$ 8,482,574</u>

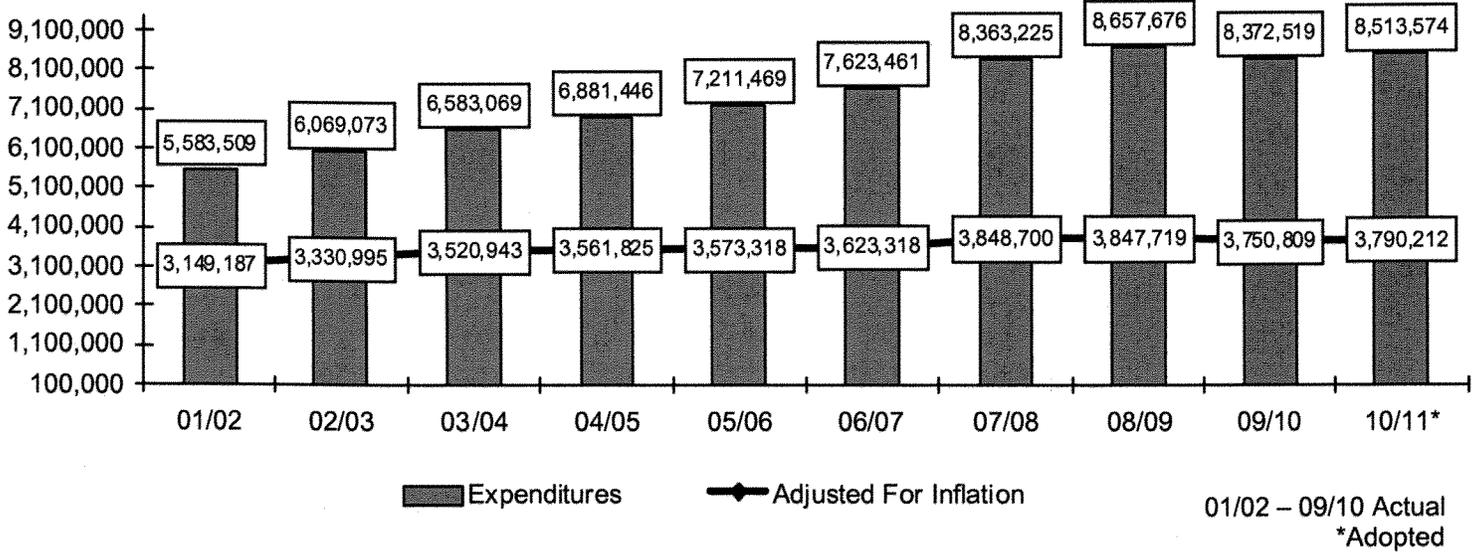
**Number of Employees
(Full Time Equivalent)**



Source of Funds



10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAMS

Administration

Oversee the preparation of all property assessments, manage human resource functions and issues, coordinate office operations, develop and monitor the department budget, coordinate accounts payable and payroll.

Total Expenditures: \$766,222 Total FTE: 6.00

Assessment Valuation, Reviews, and Appeals

Review and assess the value of secured real property (i.e. land and buildings) when there are changes in ownership, new construction, declines in market value, disaster relief, and other appraisal events; and update property attributes. Review, audit, and assess the value of unsecured business property (i.e. business equipment, boats, aircraft, etc.). Assessments appealed by property owners are reviewed, processed, tracked, and staff presents recommendations to the Assessment Appeals Board.

Total Expenditures: \$4,171,651 Total FTE: 33.00

Assessment Standards/Automation

Analyze and track legislation pertaining to property taxes; develop and implement procedures upon passage of new legislation; compile and deliver internal and state mandated reports to appropriate agencies; oversee training for staff; implement and monitor the automated systems within the Assessor's office.

Total Expenditures: \$766,222 Total FTE: 8.00

Public Service

Provide information to the public regarding property assessments and property tax laws in person, over the telephone, and by written communication including pamphlets, public service announcements, the Internet, and annual notifications, etc.

Total Expenditures: \$340,543 Total FTE: 6.00

Roll Preparation

Update and maintain the property assessment records. This includes creating and maintaining property parcel maps, verifying and updating ownership data when property ownership is altered, maintaining exemptions, updating valuation data, processing revised assessments, maintaining the supplemental tax records, and other functions.

Total Expenditures: \$2,468,936 Total FTE: 27.00

DEPARTMENT COMMENTS

The Assessor is constitutionally responsible for locating, identifying ownership, and determining the value of real and business personal property within the County of San Luis Obispo. In addition, the Assessor must complete an annual assessment roll reporting the assessed values for all properties. The Assessor and his staff remain committed to excellence in providing information, services, and accurate property assessments to the citizens of San Luis Obispo County. Over the last two budget cycles, staffing levels have been reduced significantly with the loss of seven positions, and expenditure accounts have been reduced to critically low levels; additional staffing reductions will prevent us from completing our legally mandated duties.

INTERNAL BUSINESS PROCESSING IMPROVEMENTS:

FY 2009/2010 Accomplishments:

- We further expanded the use of automation tools (i.e. Assessment Evaluation Services modules) to expedite the completion of the assessment roll.
- Procedures for processing *Application for "Decline-in-Value" Reassessment (Prop. 8)* requests were modified accelerating taxpayer notification and allowing appraisers to address their regular workload much earlier than last year.
- Despite the large number of assessment appeals filed in 2009/2010 (331) and 2008/2009 (325), staff has been proactive in addressing them and able to resolve 169 of them to date, retaining \$124,599,086 in assessed value.

FY 2010/2011 Challenges and Objectives:

Challenge:

- With the prospect of facing more staff reductions, it will be a challenge to address our regular workload, perform the mandated 40,000+ Prop. 8 reviews, timely process new requests for assessment reviews and address an increasing number of assessment appeals. Backlogs are beginning to develop which may delay the assessment of some properties and increase the costs for the Assessor, as well as the Auditor-Controller and the Tax Collector.
- Our staff committed to over 2,500 Voluntary Time Off (VTO) hours to save \$75,000 (approximately one full-time position) in 2009/2010; however, VTO time also equates to lost production and impairs completion of the assessment roll.

Objectives:

- We will continue to review our processes and procedures with the goal of discovering alternative methods for expediting the enrollment of values to the property tax roll and better serving the taxpayers.
- We will further expand our automation tools to include the enrollment of commercial property assessments. In addition, a commercial attribute module will be added to the Assessor's property attribute system (AIR) in 2010/2011. It is anticipated that other agencies such as the San Luis Obispo Council of Governments (SLOCOG) will benefit from the collection of the commercial attributes.
- Workloads and production will continue to be closely monitored to ensure accurate and timely assessments.

FINANCIAL HEALTH:

FY 2009/2010 Accomplishments:

- Our 2009 BOE Assessment Practices Survey rating was 99.99% resulting in the County being certified as eligible to receive annual recovery costs for the administration of supplemental assessments.
- Due to careful monitoring of our expenditures, we expect to return an estimated \$78,877 to the General Fund.

FY 2010/2011 Challenges and Objectives:

Challenge:

- Revenues have diminished, further eroding our budget and making it necessary to reduce the staff and resources available to produce an accurate and timely assessment roll and provide quality service to the public.
- Appropriation reductions over the last two years have impeded our ability to replace older equipment (computers, copiers, etc.) leaving the department vulnerable to costly equipment breakdowns and repairs.

Objectives:

- Continue to maintain the quality and accuracy of the assessment roll in order to receive the annual State reimbursement for the supplemental assessments which amounted to \$800,152 in 2008/2009.

CUSTOMER SERVICE

FY 2009/2010 Accomplishments:

- We are using every tool and resource available to meet the mandate to review properties for decline in value in a timely manner.
- More than 15,000 staff hours have been spent assisting the public at our front counter and on the telephone. In addition, our website has provided access to maps, forms, and assessment information.

FY 2010/2011 Challenges and Objectives:

Challenge:

- With public contacts increasing nearly 50 percent because of the declining real estate market, it will be a challenge to maintain the current level of customer service at our public counter and telephones while also addressing our growing workload in a timely manner.

Objectives:

- Customer service will remain a priority for our office despite mounting workloads and budget constraints.

LEARNING AND GROWTH

FY 2009/2010 Accomplishments:

- Supervisors/managers developed and presented seven training classes for our certified and non-certified staff to provide required training and further expand staff skills and knowledge of assessment practices.

FY 2010/2011 Challenges and Objectives:

Challenge:

- All staff certified by the Board of Equalization (BOE) must comply with the mandate to maintain their certification by completing the required number of hours of continuing education while travel and registration appropriations are being reduced.

Objectives:

- Continue efforts to assist certified staff to earn BOE approved training hours by providing onsite and on-line training opportunities, encouraging staff to utilize Tuition Reimbursement to take advantage of CAA, BOE, and other training opportunities.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

The recommended FY 2010-11 budget provides for a \$2,417 (less than 1%) decrease in General Fund support compared to the FY 2009-10 adopted budget. The overall decrease in General Fund support was achieved by reductions in various services and supplies accounts (\$25,276) and reductions in salary and benefit accounts (\$40,521) due to the use of voluntary time off and the elimination of two positions. The two positions recommended to be eliminated are one Assessment Technician II and one Appraiser II. The recommended budget reduces expenditures by \$65,797 (less than 1%) compared to the FY 2009-10 adopted budget.

The recommended cuts to the Assessor's Office FY 2010-11 budget may cause delays in the updating and completion of the property assessment roll, thus potentially delaying the receipt of property tax revenue. As stated in the department comments, the workload has increased due to approximately 40,000 Application for "Decline-in-Value" Reassessments, and continues to grow due to new assessment review requests and assessment appeal filings.

The requested budget augmentation for exchanging a Property Transfer Technician II position for a Property Transfer Technician III is recommended due to the minimal additional cost (\$5,638). This position will help to address the increasing number of highly complex work items.

BOARD ADOPTED CHANGES

Per the Supplemental Budget document, \$5,638 was added to expenditures in the salaries and benefits account. This amount was included in the County Administrator's recommendations but was omitted unintentionally during the budget preparation process.

GOALS/PERFORMANCE MEASURES

Department Goal: To levy fair and equitable assessments on taxable property in an accurate and timely manner by using accepted appraisal principles and prevailing assessment practices.

Communitywide Result Link: A well-governed community.

1. Performance Measure: Percentage of the assessment roll completed by June 30th of each year.

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
95%	97%	98%	98%	85%	96%	95%

What: Measures the assessments that are appraised before the June 30th deadline.

Why: Incomplete assessments will generate inaccurate tax bills. When assessments are completed after the year-end deadline, the Assessor, Auditor-Controller, and Tax Collector must process revised assessments and tax bills. These revisions increase the costs of preparing the assessment roll and the costs associated with property taxes. In addition, property owners are inconvenienced by revisions to their assessments and the associated delays.

How are we doing? Although the real estate market remained stagnant at best, the workload for the Assessor's office increased slightly last year and continued to be impacted by the legal mandate (Proposition 8) to review properties for potential reductions in assessed value. In FY 2009-10 this amounted to more than 44,000 additional work items.

Last year at this time we projected completing only 85% of the FY 2009-10 workload due to loss of staff, an increasing workload, the use of Voluntary Time Off (VTO), and the possible extension of the assessment roll. Our projection was revised to 93% completion in the third quarter of FY 2009-10 after making changes to our review procedures and staff assignments.

The State Board of Equalization granted our office an extension of the roll last year which left us with less time to complete our work this year; however, by once again utilizing the Assessment Evaluation Services (AES) system and the "nose to the grindstone" efforts of our staff, we succeeded in completing 96% of the assessment roll.

At this time, we do not anticipate significant changes to workload trends for FY 2010-11. To meet the FY 2010-11 target of 95% completion; we will continue to rely on the AES program, other automated processes, and the ongoing dedication of our staff. In addition, we will continue to monitor staffing assignments and work priorities to ensure the workload is distributed and processed in the most efficient manner so that deadlines are met and production numbers are maximized.

2. Performance Measure: The number of assessment appeals filed for every 1,000 assessments.

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
.50	.52	.78	1.8	1.5	1.8	2.4

What: When property owners disagree with their property's assessed value, they may file for an assessment appeal hearing before the Assessment Appeals Board. The number of real property appeals is used as an indicator of accuracy and equity among assessments. A low number of appeals is associated with a greater degree of accuracy and the property owner's satisfaction with their assessments.

Why: The Assessor strives to make accurate and thorough assessments when property is initially valued in an effort to control the costs associated with producing the assessment roll.

How are we doing? According to the State Board of Equalization (BOE) "Report on Budgets, Workloads, and Assessment Appeals Activities" San Luis Obispo County has historically had the lowest number of assessment appeals filed compared to 11 similar counties and this trend continues to the present. The most recent BOE report was published in January 2010 and reports data from FY 2008-09. This report again showed San Luis Obispo County to have the lowest number of assessment appeals filed per 1,000 assessments. This can be attributed in part to the quality of the work completed by our staff and the proactive approach the Assessor's office takes in working with assessees to resolve assessment appeals. With 326 appeals filed in FY 2009-10, we exceeded our projected goal with 1.8 appeals filed for every 1,000 assessments. The increase in filings in recent years is consistent with information received from other counties and can be directly attributed to the historic drop in home values over the past few years.

3. Performance Measure: The number of completed assessments per appraiser on staff.

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
1,977	2,183	2,561	3,044	2,500	3,072	3,000

What: This measurement compares the size of the workload per appraiser from year to year.

Why: This indicator tracks changes in production as new procedures or automated systems are introduced.

How are we doing? We exceeded our projected goal for FY 2009-10 and averaged 3,072 work items per appraiser by extensively utilizing the AES system to review over 33,000 residential assessments. For FY 2009-10 we once again continued the assignment of two Assessment Technicians to the appraisal section to assist with the more mundane appraisal tasks, and assigned appraisal supervisors and managers to review and complete the initial processing of applications for reduced assessment and assessment appeals. This allowed the appraisers to focus their attention primarily on the valuation of properties. Voluntary Time Off (VTO) has once again been adopted as a budget saving measure for FY 2010-11 which will impact the number of available production hours, although to a lesser degree. However, we believe that through the continued use of the AES program and strong oversight of our procedures, resources, and production goals we will be able to maintain our production levels at 3,000 work items per appraiser for FY 2010-11.

4. Performance Measure: Cost per assessment.

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
\$37.50	\$42.22	\$45.89	\$47.33	\$50.00	\$46.01	\$49.00

What: This measurement is the net county cost (General Fund support) divided by the total number of assessments.

Why: The Assessor's office strives to make the most effective use of all available resources in order to produce assessments at a reasonable cost.

Department Goal: To provide high quality services to the public and taxpayers.

Communitywide Result Link: A Well-Governed Community.

5. Performance Measure: The percentage of responses rating the Assessor's services as satisfactory or higher. *This measure is being deleted in FY 2010-11.*

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
Not Available	84%	67%	70%	80%	75%	Delete

What: This measures the favorable responses regarding the Assessor's services.

Why: To assure that the public and taxpayers receive high quality service from the Assessor's Office.

How are we doing? In FY 2009-10 we received only eight (8) completed Customer Satisfaction Surveys. Surveys (6) elicited from personal contact with our staff at the public counter or on the telephone were all rated as outstanding. The remaining surveys (2) were received from people who visited our website. Privacy laws preclude us from posting some property information on our website which many times results in negative survey responses from frustrated customers. Negative surveys have also been received from people who mistakenly visit our website in search of information that can only be provided by the Tax Collector or another government agency. We believe the small number of surveys received do not provide enough data to adequately measure the quality of our customer service. While we will continue to solicit feedback from our customers via the surveys available at our front counter and on our website, we do not receive enough completed forms to provide meaningful data to us. During the coming year, our management team will discuss alternative methods for better measuring the quality of our service, but until a better method is devised, we are deleting this performance measure.

How are we doing? The budget and workload data compiled from the State Board of Equalization's report published in January 2010 indicates the San Luis Obispo County Assessor's costs were within range of 11 similar counties. The report reflects data for FY 2008-09. During that time period, the cost per assessment for the 11 similar counties ranged from \$27 to \$63 per assessment; San Luis Obispo's cost was \$47.33. The State's data for FY 2009-10 will not be available until January 2011; however, internal calculations indicate our actual result to be \$46.01. This is slightly lower than our adopted projection which included a 3% COLA that was not implemented and maintaining fully staffed positions for the entire year.