

**Department:** County Management      **Program Contact:** Jeffrey Brown  
**Program Offer Type:** Existing Operating Program      **Program Offer Stage:** As Proposed  
**Related Programs:**  
**Program Characteristics:**

**Executive Summary**

Special Programs Group (SPG), 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. Additional tax roll responsibilities include creating new tax accounts, processing corrections and verifying correct assessed values. Special Programs maintains property information while providing direct customer service to interested parties.

**Program Summary**

SPG ensures that exempt and specially assessed property is valued in accordance with the law, which maximizes property tax revenues to fund County programs. Property taxes account for approximately 60% of the County's General Fund revenues. Failure to monitor this process will result in loss of taxable assessed value. Focus is on timely processing property descriptions, maintaining ownership and creating new accounts and 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.

The Special Programs Group (SPG) maintains and processes over 11,000 accounts with special assessments and/or exemptions. Specially assessed properties like historic while exempt accounts include property owned and/or occupied by organizations such as charitable, fraternal, and religious. Leasehold records are monitored to maintain accurate, taxable values on over 800 accounts where non-exempt tenants lease from exempt government agencies. SPG is responsible for approximately 4,000 property tax exemptions for the War Veteran & Surviving Spouse program and the Active Duty Military program. All of these special assessment and exemption programs are mandated by law. In addition, approximately 500 field inspections are performed as part of the program's compliance activities. Staff calculates and redistributes Maximum Assessed Values in accordance with Measure 50 tax limitation requirements for thousands of new properties created each year. SPG 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. This program ensures that exempt and specially assessed property is accurately assessed as required by the Oregon Revised Statutes (ORS). Maintaining accurate market values on all property relates to the bonding capacity and general obligation bond tax rates for taxing districts in the County.

**Performance Measures**

Measure Type	Primary Measure	FY17 Actual	FY18 Purchased	FY18 Estimate	FY19 Offer
Output	Accounts Reviewed and Processed for Current Tax Roll	8,248	10,100	10,100	10,100
Outcome	Taxable Market Value Re-established to the Tax Roll (in Millions of dollars)	\$1,104.5	\$650	\$600	\$650
Input	Total Exempt Accounts Monitored	34,308	35,000	34,450	34,500
Output	Total Number of Accounts Processed for Prior Tax Roll	1,565	2,200	2,000	2,000

**Performance Measures Descriptions**

Oregon Revised Statute (ORS) requires all property to be valued according to market as accurate market values directly relate to the bonding capacity and general obligation bond tax rates for taxing districts. Specific property tax exemptions are allowed by law. Measurements indicate exempt and specially assessed properties are accurately assessed and tax rolls properly maintained. FY 2016 Actual had more than typical number of properties with Historic special assessment expiring and taxable value returning to tax roll. The program was subject to a moratorium the following year.

## 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 Assistance" (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	2018	2018	2019	2019
Personnel	\$986,122	\$0	\$915,099	\$0
Contractual Services	\$1,000	\$0	\$1,000	\$0
Materials & Supplies	\$21,702	\$0	\$19,498	\$0
Internal Services	\$170,146	\$0	\$161,498	\$0
<b>Total GF/non-GF</b>	<b>\$1,178,970</b>	<b>\$0</b>	<b>\$1,097,095</b>	<b>\$0</b>
<b>Program Total:</b>	<b>\$1,178,970</b>		<b>\$1,097,095</b>	
<b>Program FTE</b>	8.40	0.00	8.25	0.00

Program Revenues				
Intergovernmental	\$324,715	\$0	\$260,478	\$0
<b>Total Revenue</b>	<b>\$324,715</b>	<b>\$0</b>	<b>\$260,478</b>	<b>\$0</b>

## Explanation of Revenues

Participation in the Oregon Department of Revenue County Assessment Function Funding Assistance (CAFFA) Grant provides reimbursement of approximately 21% of Assessment & Taxation program expenditures; Grant amounts vary depending upon the overall state-wide CAFFA pool and the allocated percentage to each participating county. Multnomah County's total annual share of CAFFA is estimated at \$3,808,154, with \$260,478 allocated to DART Property Assessment Special Programs. Remaining Program support is provided by General Fund revenues.

## Significant Program Changes

**Last Year this program was:** FY 2018: 72030 DART Property Assessment Special Programs

Reduced Temporary Staffing and interns; Changed allocated FTE of Chief Appraiser position.