

# 002 - ASSESSOR

## Operational Summary

### Mission:

To serve the citizens of Orange County by valuing all legally assessable property with uniformity and impartiality, producing property tax assessment rolls in accordance with the laws of the State of California, and helping property owners to understand their property valuations.

### Strategic Goals:

- Identify and properly value all taxable property in Orange County.
- Make property valuation information more accessible and easier to understand.
- Enhance operational efficiency and productivity through the implementation of new technology, policies and procedures.
- Encourage employee development by providing access to relevant training opportunities.

### Key Outcome Indicators:

Performance Measure	2006 Business Plan	2007 Business Plan	How are we doing?
	Results	Target	
<b>VALUE ALL TAXABLE PROPERTY IN ORANGE COUNTY.</b> <b>What:</b> Fulfills the Assessor's Constitutional mandates. <b>Why:</b> Implements the provisions of Proposition 13 and other property tax laws.	Valued 880,000 real property parcels and 173,000 business/personal property accounts.	Continue to value all taxable property in the County, an estimated 885,000 real property parcels and 175,000 business and personal property accounts.	We continue to respond to market dynamics and real estate transactions that have increased significantly from year to year, as well as changes in property tax laws and a workload that is increasing and shifting continually.
<b>PUBLISH THE SECURED AND UNSECURED ASSESSMENT ROLLS OF VALUE EVERY JULY.</b> <b>What:</b> Fulfills the Assessor's Constitutional mandates. <b>Why:</b> Establishes the basis for property tax assessments that fund schools and local government services.	Published the secured and unsecured assessment rolls in July 2006.	Publish the secured and unsecured assessment rolls in July 2007.	We are in the process of valuing all taxable property in the County for the FY 2007-08 assessment rolls of value.
<b>IMPLEMENT HOMEOWNER, VETERAN &amp; INSTITUTIONAL EXEMPTIONS FOR ELIGIBLE INDIVIDUALS AND ORGANIZATIONS.</b> <b>What:</b> Limits or reduces taxable value, as mandated by the State Constitution. <b>Why:</b> Qualifying individuals and organizations receive the tax-saving benefits of these exemptions.	More than 495,700 Homeowners, Veterans and Institutional exemptions were enrolled.	Implement exemptions in accordance with property tax laws.	We process claims and application forms on a continuous basis.

### At a Glance:

Total FY 2006-2007 Actual Expenditure + Encumbrance:	32,557,010
Total Final FY 2007-2008	34,808,802
Percent of County General Fund:	1.1464%
Total Employees:	337.00



## Key Outcome Indicators: (Continued)

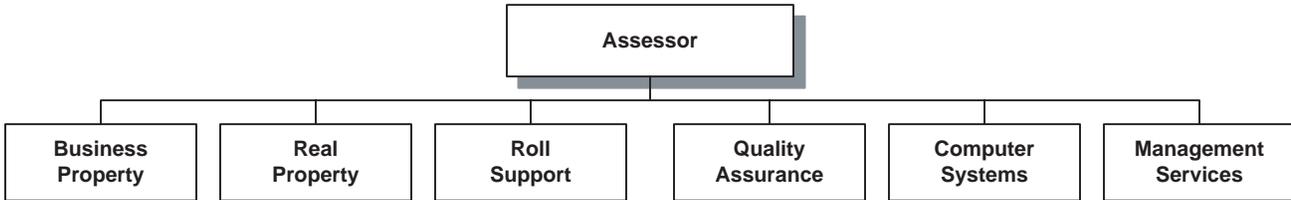
Performance Measure	2006 Business Plan	2007 Business Plan	How are we doing?
	Results	Target	
<p><b>APPLY TAXABLE VALUE RESTRICTIONS ADOPTED BY CALIFORNIA VOTERS.</b></p> <p><b>What:</b> Restricts taxable value based on qualifying events.</p> <p><b>Why:</b> Implements Prop. 13 and other property tax laws that restrict the taxable value of property.</p>	<p>Applied taxable value restrictions to eligible parcels in accordance with property tax laws. Value may be restricted if property declines in value, is transferred between parent and child, or is purchased as a replacement residence by a senior citizen or disabled property owner.</p>	<p>Continue to apply taxable value restrictions to eligible properties in accordance with property tax laws.</p>	<p>We process claims and application forms on a continuous basis, and evaluate Prop. 8 parcels annually.</p>
<p><b>CONTINUE TO PRODUCE LOCAL ASSESSMENT ROLLS THAT MEET LEGAL QUALITY STANDARDS.</b></p> <p><b>What:</b> The SBE conducts periodic surveys to determine if assessment rolls meet legal quality standards.</p> <p><b>Why:</b> Reduces appeals and related costs, provides uniformity statewide, builds confidence in the system.</p>	<p>In the most recent survey conducted by the State Board of Equalization (SBE), Orange County's local assessment rolls meet legal quality standards established by Government Code Sections 15640 and 15642. The minimum legal quality rating is 95.0%, and Orange County's rating is 98.6%.</p>	<p>Continue to produce assessment rolls in accordance with property tax laws and exceed the minimum legal quality rating of 95%.</p>	<p>The Orange County Assessor and staff continually monitor the status of property tax laws and state rules. Property assessment practice is modified to implement changes in the law.</p>

## FY 2006-07 Key Project Accomplishments:

- Strategic investment in technology and a strong commitment to staff development have significantly increased Department productivity by allowing staff to work more effectively. The number of real estate parcels has grown 87% since 1975, from 465,692 parcels to 872,439 parcels in 2006. During the same period, the Assessor's staffing level has increased only 15.8%, from 291 authorized positions to 337 in 2006. 2006-07 Local Assessment Roll Highlights:
- 171,542 unsecured assessments
- 872,439 parcels \$377.27 billion total assessed value
- 75,280 reassessable transfers 43,320 new construction events
- 234,150 recorded documents reviewed 13,320 new parcel created and mapped
- 495,700 exemptions enrolled 15,660 parcels are wholly exempt
- Staff productivity, as measured by the number of assessed parcels per authorized positions has increased 60% since 1975. If department had not realized the productivity gains, approximately 210 additional positions would have been required to keep pace with the workload.
- Businesses that operate in California are required by law to report business personal property holdings to the County Assessor in which the property is located. Property is reported annually on standard business property statement (BPS) forms approved by the State Board of Equalization. In 2001, the Orange County Assessor Department pioneered in the State and developed the first online BPS e-file system. Over the last 6 years, the Orange County BPS e-file has matured and has been widely accepted by the business filers. In 2006, 22,000 of the 60,000 eligible filers used the e-file system, which greatly enhanced the processing productivity and accuracy.
- In 2004, The Orange County Assessor was appointed by the California Assessors' Association to take the lead role in developing a centralized on-line system that businesses could use to file property statements statewide - Standard Data Record (SDR). SDR was developed and implemented in 2005 targeting large companies with multiple locations throughout the State. In 2007, an e-SDR component has been added to the SDR system to provide statewide electronic BPS filing capabil-

ities for small businesses and individual filers. For the e-SDR component, 16 counties have decided to participate starting in 2007 and overall 66% of all 58 counties now provide some automation through SDR and e-SDR to assist businesses to file their mandatory BPS. The SDR is a unique public-private cooperative effort.

## Organizational Summary



**Assessment Of Business Property** - Audits and appraises business personal property and assesses all trade fixtures, leased equipment, boats and aircraft with taxable situs in Orange County.

**Assessment Of Real Property** - Appraises real property, new construction and reassessable changes in ownership, and maintains records on all real property parcels including residential, commercial, rural, industrial and special use properties.

**Roll Support** - Reviews and maintains recorded documents evidencing a change in ownership of real property, prepares Assessor parcel maps and processes Homeowner, Veteran and Institutional exemptions.

**Quality Assurance** - Provides appraisal methodologies, procedures, training and quality control for roll production, audit and appraisal staff.

**Computer Systems** - Provides programming and data processing services, system security and technical services to support the development of the assessment rolls of value.

**Management Services** - Provides fiscal management, process integration, contract administration, procurement and personnel services, general department administration and public service support to the public and other government agencies.

### Ten Year Staffing Trend:



### Ten Year Staffing Trend Highlights:

- Twenty-one (21) positions were deleted in FY 1995-96 due to the County bankruptcy. Extra help and overtime labor has been used as appropriate to complete the work.
- Ten (10) positions were added back in January 1999 to accommodate the increased workload base, and to help with the annual workload increases. The department still had a significant shortage in permanent labor hours.
- Five (5) unfunded limited-term positions were added in FY 2000-01 to manage vacancies and better accommodate recruitment timeframes and to meet a larger workload. One (1) full-time regular position was added mid-year FY 2000-01.
- Five (5) extra-help positions were converted to regular positions in FY 2002-03 to meet a growing workload and to get the department back to the 1994 staffing level. The department continues to use extra-help and overtime labor to manage seasonal workload fluctua-

tions and complete the significant workload increase that has occurred since 1994. The staffing level also allowed the department to apply for the State-County Property Tax Administration Grant Program (AB-589).

- In FY 2005-06, a significant number of senior and experienced staff retired from the Assessor Department. In 2006, 24 Assessor Department employees retired representing a loss of almost 600 years of work experience. The Assessor Department has been aggressively recruiting new staff, conducting training and promoting existing staff.
- In March 2004, the Assessor Department received a grant from the State of California, under the AB-589 program. Limited Term positions funded by the grant are budgeted in Agency 127. However, the Governor eliminated the funding for AB 589 Grant for FY 2005-06, and did not include funding in his FY 2006-07 bud-

get and the proposed 2007-08 budget. The carry-over funds in Fund 127 are expected to be exhausted by FY 2008-09.

## Budget Summary

### Plan for Support of the County's Strategic Priorities:

The Assessor Department recognizes the County's Strategic Priorities, and will continue to operate in concert with those priorities to the extent that they do not impact with the Department's Constitutional mandate to produce valuation rolls and provide valuation services to Orange County's property owners and businesses.

### Final Budget History:

Sources and Uses	FY 2005-2006	FY 2006-2007	FY 2006-2007	FY 2007-2008	Change from FY 2006-2007	
	Actual Exp/Rev	Budget As of 6/30/07	Actual Exp/Rev <sup>(1)</sup> As of 6/30/07	Final Budget	Actual Amount	Percent
Total Positions	337	337	337	337	0	0.00
Total Revenues	11,950,381	7,464,357	10,425,816	7,464,357	(2,961,459)	-28.41
Total Requirements	28,959,275	34,154,480	32,075,769	34,808,802	2,733,033	8.52
Net County Cost	17,008,894	26,690,123	21,649,954	27,344,445	5,694,491	26.30

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2006-07 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Assessor in the Appendix on page A10

### Budget Units Under Agency Control:

No.	Agency Name	Assessment Of Business Property	Assessment Of Real Property	Roll Support	Quality Assurance	Computer Systems	Management Services	Total
002	Assessor	4,865,417	8,835,756	8,832,683	868,967	2,107,648	9,298,331	34,808,802
127	Property Tax Admin State Grant	0	0	0	0	0	3,019,265	3,019,265
12P	Assessor Property Characteristics Revenue	0	0	0	0	0	142,500	142,500
	Total	4,865,417	8,835,756	8,832,683	868,967	2,107,648	12,460,096	37,970,567

## 002 - Assessor

## Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2005-2006		FY 2006-2007		FY 2007-2008		Change from FY 2006-2007	
	Actual Exp/Rev	Budget As of 6/30/07	Actual Exp/Rev <sup>(1)</sup> As of 6/30/07	Final Budget	Actual Amount	Percent		
Intergovernmental Revenues	\$ 16,416	\$ 25,000	\$ 17,941	\$ 25,000	\$ 7,059	39.35%		
Charges For Services	11,886,483	7,439,357	10,405,367	7,439,357	(2,966,010)	-28.50		
Miscellaneous Revenues	47,482	0	2,508	0	(2,508)	-100.00		
<b>Total Revenues</b>	<b>11,950,381</b>	<b>7,464,357</b>	<b>10,425,816</b>	<b>7,464,357</b>	<b>(2,961,459)</b>	<b>-28.41</b>		
Salaries & Benefits	23,382,431	25,914,380	25,067,351	27,454,538	2,387,187	9.52		
Services & Supplies	5,562,728	8,180,100	7,077,449	7,194,264	116,815	1.65		
Services & Supplies Reimbursements	(5,523)	0	0	0	0	0.00		
Fixed Assets	19,638	60,000	12,727	160,000	147,273	1,157.17		
Intrafund Transfers	0	0	(81,757)	0	81,757	-100.00		
<b>Total Requirements</b>	<b>28,959,275</b>	<b>34,154,480</b>	<b>32,075,769</b>	<b>34,808,802</b>	<b>2,733,033</b>	<b>8.52</b>		
<b>Net County Cost</b>	<b>\$ 17,008,894</b>	<b>\$ 26,690,123</b>	<b>\$ 21,649,954</b>	<b>\$ 27,344,445</b>	<b>\$ 5,694,491</b>	<b>26.30%</b>		

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2006-07 Actual Expenditure + Encumbrance included in the "At a Glance" section.

## Final Budget Summary of Assessment Of Business Property:

Revenues/Appropriations	FY 2005-2006		FY 2006-2007		FY 2007-2008		Change from FY 2006-2007	
	Actual Exp/Rev	Budget As of 6/30/07	Actual Exp/Rev <sup>(1)</sup> As of 6/30/07	Final Budget	Actual Amount	Percent		
Salaries & Benefits	\$ 4,124,293	\$ 4,639,414	\$ 4,481,906	\$ 4,795,404	\$ 313,498	6.99%		
Services & Supplies	149,274	186,825	132,361	155,693	23,332	17.63		
<b>Total Requirements</b>	<b>4,273,567</b>	<b>4,826,239</b>	<b>4,614,267</b>	<b>4,951,097</b>	<b>336,830</b>	<b>7.30</b>		
<b>Net County Cost</b>	<b>\$ 4,273,567</b>	<b>\$ 4,826,239</b>	<b>\$ 4,614,267</b>	<b>\$ 4,951,097</b>	<b>\$ 336,830</b>	<b>7.30%</b>		

## Final Budget Summary of Assessment Of Real Property:

Revenues/Appropriations	FY 2005-2006		FY 2006-2007		FY 2007-2008		Change from FY 2006-2007	
	Actual Exp/Rev	Budget As of 6/30/07	Actual Exp/Rev <sup>(1)</sup> As of 6/30/07	Final Budget	Actual Amount	Percent		
Salaries & Benefits	\$ 8,003,463	\$ 7,819,372	\$ 7,925,080	\$ 8,771,155	\$ 846,075	10.68%		
Services & Supplies	112,101	85,940	118,432	148,853	30,421	25.69		
<b>Total Requirements</b>	<b>8,115,564</b>	<b>7,905,312</b>	<b>8,043,511</b>	<b>8,920,008</b>	<b>876,497</b>	<b>10.90</b>		
<b>Net County Cost</b>	<b>\$ 8,115,564</b>	<b>\$ 7,905,312</b>	<b>\$ 8,043,511</b>	<b>\$ 8,920,008</b>	<b>\$ 876,497</b>	<b>10.90%</b>		

### Final Budget Summary of Roll Support:

Revenues/Appropriations	FY 2005-2006	FY 2006-2007	FY 2006-2007	FY 2007-2008	Change from FY 2006-2007	
	Actual Exp/Rev	Budget As of 6/30/07	Actual Exp/Rev <sup>(1)</sup> As of 6/30/07	Final Budget	Actual Amount	Percent
Salaries & Benefits	\$ 7,527,352	\$ 8,244,365	\$ 8,466,738	\$ 8,761,161	\$ 294,423	3.48%
Services & Supplies	121,001	157,080	63,874	71,522	7,648	11.97
<b>Total Requirements</b>	7,648,354	8,401,445	8,530,611	8,832,683	302,072	3.54
<b>Net County Cost</b>	\$ 7,648,354	\$ 8,401,445	\$ 8,530,611	\$ 8,832,683	\$ 302,072	3.54%

### Final Budget Summary of Quality Assurance:

Revenues/Appropriations	FY 2005-2006	FY 2006-2007	FY 2006-2007	FY 2007-2008	Change from FY 2006-2007	
	Actual Exp/Rev	Budget As of 6/30/07	Actual Exp/Rev <sup>(1)</sup> As of 6/30/07	Final Budget	Actual Amount	Percent
Salaries & Benefits	\$ 562,748	\$ 724,175	\$ 688,441	\$ 861,880	\$ 173,439	25.19%
Services & Supplies	9,614	16,685	9,595	12,799	3,204	33.39
<b>Total Requirements</b>	572,362	740,860	698,037	874,679	176,642	25.31
<b>Net County Cost</b>	\$ 572,362	\$ 740,860	\$ 698,037	\$ 874,679	\$ 176,642	25.31%

### Final Budget Summary of Computer Systems:

Revenues/Appropriations	FY 2005-2006	FY 2006-2007	FY 2006-2007	FY 2007-2008	Change from FY 2006-2007	
	Actual Exp/Rev	Budget As of 6/30/07	Actual Exp/Rev <sup>(1)</sup> As of 6/30/07	Final Budget	Actual Amount	Percent
Salaries & Benefits	\$ 2,033,009	\$ 2,272,594	\$ 1,983,917	\$ 2,076,836	\$ 92,919	4.68%
Services & Supplies	18,192	33,200	26,386	32,240	5,854	22.19
<b>Total Requirements</b>	2,051,202	2,305,794	2,010,303	2,109,076	98,773	4.91
<b>Net County Cost</b>	\$ 2,051,202	\$ 2,305,794	\$ 2,010,303	\$ 2,109,076	\$ 98,773	4.91%

### Final Budget Summary of Management Services:

Revenues/Appropriations	FY 2005-2006	FY 2006-2007	FY 2006-2007	FY 2007-2008	Change from FY 2006-2007	
	Actual Exp/Rev	Budget As of 6/30/07	Actual Exp/Rev <sup>(1)</sup> As of 6/30/07	Final Budget	Actual Amount	Percent
Intergovernmental Revenues	\$ 16,416	\$ 25,000	\$ 17,941	\$ 25,000	\$ 7,059	39.35%
Charges For Services	11,886,483	7,439,357	10,405,367	7,439,357	(2,966,010)	-28.50
Miscellaneous Revenues	47,482	0	2,508	0	(2,508)	-100.00
<b>Total Revenues</b>	11,950,381	7,464,357	10,425,816	7,464,357	(2,961,459)	-28.41
Salaries & Benefits	1,131,566	2,214,460	1,521,270	2,188,102	666,832	43.83
Services & Supplies	5,152,545	7,700,370	6,726,801	6,773,157	46,356	0.69
Services & Supplies Reimbursements	(5,523)	0	0	0	0	0.00

## Final Budget Summary of Management Services:

Revenues/Appropriations	FY 2005-2006	FY 2006-2007	FY 2006-2007	FY 2007-2008	Change from FY 2006-2007	
	Actual Exp/Rev	Budget As of 6/30/07	Actual Exp/Rev <sup>(1)</sup> As of 6/30/07	Final Budget	Actual Amount	Percent
Fixed Assets	19,638	60,000	12,727	160,000	147,273	1,157.17
Intrafund Transfers	0	0	(81,757)	0	81,757	-100.00
<b>Total Requirements</b>	6,298,226	9,974,830	8,179,041	9,121,259	942,218	11.52
<b>Net County Cost</b>	\$ (5,652,155)	\$ 2,510,473	\$ (2,246,775)	\$ 1,656,902	\$ 3,903,677	-173.75%