



2022-23 & 2023-24 Proposed Budget



Presented to the Budget and Appropriations Committee
Assessor-Recorder Joaquín Torres
June 15, 2022

Our impact

- ❑ \$4 billion in revenue generated annually:
 - \$3.7 billion in property tax revenue
 - Stable source of revenue that supports credit rating & bonding capacity
 - \$352 million in average transfer tax revenue
 - Exceeding annual budget projections by an average of \$113 million each year
 - \$72 million in additional revenue from our proactive transfer tax audit program



Source: Office of the Controller, City and County of San Francisco

Access & engagement

- ❑ Participating in community events
 - Public affairs team participated in over **165 events** engaging with **thousands of community members**, especially immigrant and underserved communities to raise awareness of our services.
- ❑ Hosting workshops to educate and assist property owners and residents
 - Assessor-Recorder 101 & Property Tax Education - Prop 13, Supplemental Tax, Tax Savings, New Property Tax Laws: Prop 19
 - Family Wealth Series – Asset Building - Personal Finance for 1st time Homeowners, Building Intergenerational Wealth, Estate Planning 101
 - Estate Planning Program - 1:1 legal counseling; workshops; 100 free/low-cost estate plans
- ❑ Ensuring collaboration and language access
 - Provided multi-lingual translation
 - Ensured in-person and online options
 - Collaborated with community-based organizations that are working within communities in the city

SAN FRANCISCO ASSESSOR
JOAQUÍN TORRES
PRESENTS:

*Financial
Foundations for
Homeowners*
DIGITAL FAMILY WEALTH SERIES

TUESDAYS, JULY 2021
1 PM - 2 PM on Zoom

JULY 6 - PROP 19 PROPERTY TAX BENEFITS
JULY 13 - PERSONAL FINANCE for FIRST-TIME BUYERS
JULY 20 - PROPERTY TAX 101
JULY 27 - ESTATE PLANNING 101

ASSESSOR
San Francisco
Public Library

PLAN YOUR FUTURE TODAY
FREE to very low-cost Estate Plans for San Francisco
Southeast and Western Addition Households*

Estate Plan Services

- Includes 1-1 legal counseling
- Financial workshops
- Complete estate plan:
documents include a will,
living trust, healthcare
directive, and power of
attorney.

Presented by
HERA
Housing and
Economic
Rights Advocates

&
San Francisco
Assessor-Recorder
Joaquin Torres

*Estate plans: Free for low-income households,
\$400 for moderate-income households located in
Southeast neighborhoods and the Western Addition

Sign up today! (510) 271-8443, ext. 300
inquiries@heraca.org

www.heraca.org

Access & engagement

□ In Person

- Community events
- Office Hours (in community and City Hall), Email, Phone, Mail
 - Our public service team fields 25k customer service requests annually. We serve 2,260 customers with limited English proficiency.
 - Provide information in multiple languages through our own staff and language line and document translation.

□ Website, social and traditional media, monthly e-newsletters, videos

- We leverage multi-media platforms to share property assessment data, job and contract opportunities, recorded document images, exemption and exclusion resources/FAQs/forms, and educational presentations.

□ Community Portal

- With the launch of our new property assessment system, taxpayers may login to request customer service, submit statements, make updates to their contact information, and more.



The flyer features a photograph of Assessor Joaquin Torres interacting with community members at an event. The text is in both English and Chinese. It lists community events at three public libraries: Linda Brooks-Burton, Bernal Heights, and Excelsior. The events are scheduled for December 1st, January 4th, and February 2nd, with specific times and locations provided for each. Contact information for the assessor's office is also included.

**估值官郭華健
來到你的社區**

估值官辦公室誠意邀請您來到你社區的公共圖書館與估值官郭華健會面，一起討論十九號提案對您的物業稅和家庭財務狀況的影響。

12月1日，上午10點-上午11點
灣景區 Linda Brooks-Burton 公共圖書館
5075 3rd St, San Francisco, CA 94124

12月1日，上午10點-上午11點
1月4日，上午11點-下午12點
2月2日，時間待定

• 灣景區公共圖書館
• BERNAL HEIGHTS 公共圖書館
• EXCELSIOR 公共圖書館

1月4日，上午11點-下午12點
Bernal Heights 公共圖書館
500 Cortland Ave, San Francisco, CA 94110

2月2日，時間待定
Excelsior 公共圖書館
4400 Mission St, San Francisco, CA 94112

聯絡: assessor@sfgov.org 回復: www.sfassessor.org/events

Focus on racial equity

- ❑ Focus on **estate planning services** and other public programming as part of office outreach and community engagement strategy
- ❑ **AB1466 implementation**
 - 1.5 FTE to support the identification and redaction of racially offensive language from recorded documents
 - Raising awareness and action through art and civic discourse programming



Focus on racial equity

- ❑ Implementing Racial Equity Action Plan
- ❑ New racial equity consultant shared with TTX and CON
- ❑ Promoting staff diversity:
 - New participation in job fairs to facilitate diverse recruitment
 - Increasing internship opportunities for diverse candidates
 - Appraiser trainee program to create new pipeline and opportunities: 6 trainees currently in program
 - Equity professional development program to prioritize opportunities for staff of color



Driving through workload challenges

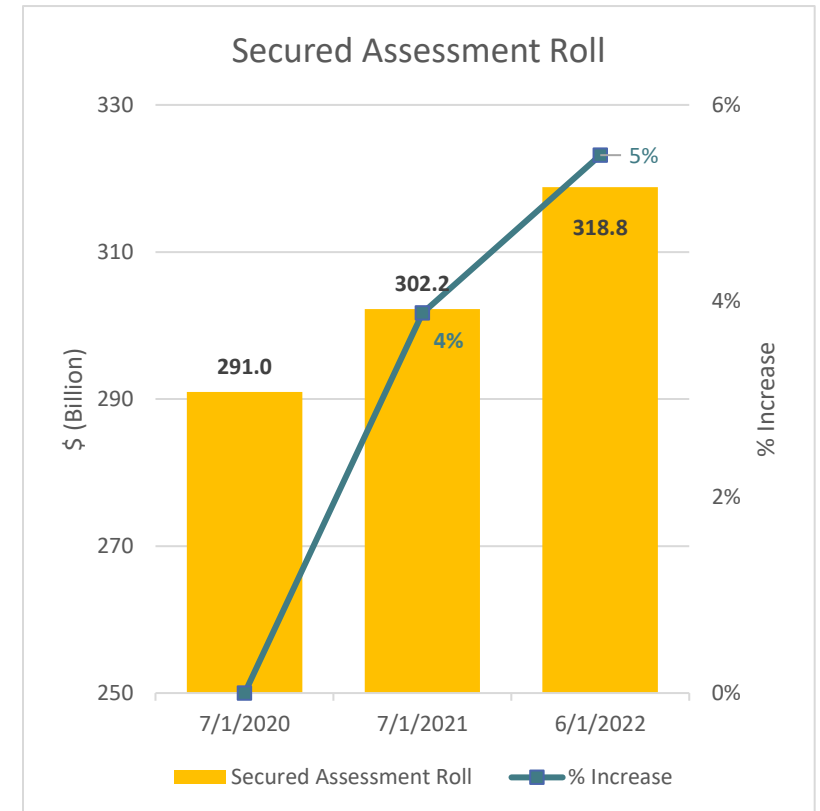
In the coming year, our staff will process thousands of cases...

... while defending City revenues on large increases in assessment appeals

- Appeals filed with the AAB increased by 69% in 20-21 and 4% in 21-22 thus far
- Cases represent \$558 million in revenue at risk to City

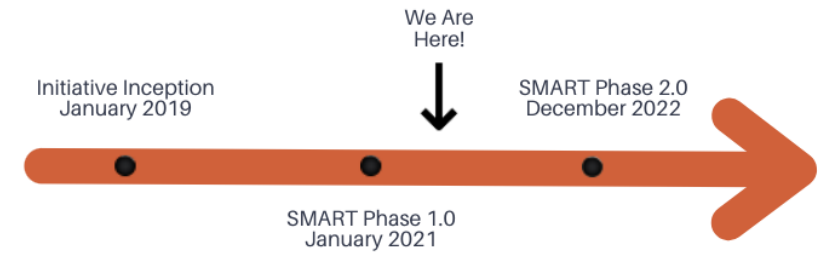
... implementing new systems, policy, and legislation.

- Proposition 19: implement new rules for parent-to-child & intercounty transfers
- Phase 2 of SMART project scheduled to go live in December 2022



Property assessment system

- ❑ Allow for more efficient, accurate, & secure collection and processing of annual property tax revenues
- ❑ **Phase 2** for real property, change in ownership, and possessory interest will go live in **late 2022** and requires resources to:
 - Secure project staff to ensure timely go-live
 - Ensure proper data transfer between legacy system and new system
 - Plan and execute large, complex user acceptance testing process
 - Train and communicate system updates to internal, departmental, and public users
- ❑ **Phase 1** for business personal property went live in **January 2021**
- ❑ ASR continues to partner with TTX/CON to integrate with their billing/collections system
- ❑ Our 22-23 budget includes the final year of funding (\$2.08 million) for project implementation
 - Ongoing staffing, licensing, & maintenance costs not yet reflected in 23-24 budget



Total Proposed Budget and FTE

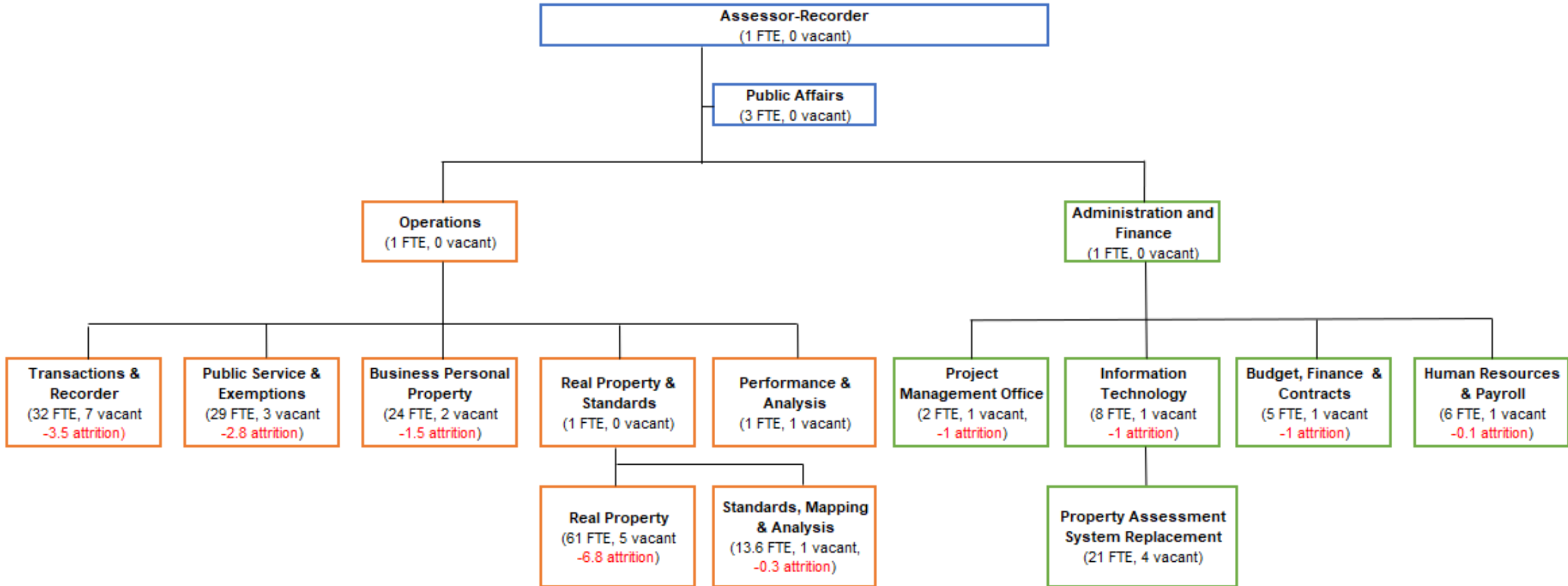
	2021-22 Approved	2022-23 Mayor	2023-24 Mayor	Change from FY22	Change from FY23
Total Budget (\$ in millions)	\$36.2	\$36.2	\$34.2	(\$0.0)	(\$2.0)
Operating Positions	187.0	188.6	189.0	1.6	0.4
Non-Operating Positions	21.0	21.0	17.0	-	(4.0)
Temporary - Miscellaneous	0.6	0.7	0.7	0.1	(0.0)
Unfunded Positions (Attrition Savings)	(23.5)	(18.0)	(18.5)	5.5	(0.6)
Total FTE	185.2	192.3	188.1	7.1	(4.1)

Total FY 22-23 budget is \$36.2M, a \$0 change from FY 21-22.
The FY 23-24 budget decreases by \$2M.

Summary of FTE Changes

	Change from FY22	Change from FY23
New FTE	1.6	
Annualized FTE		0.4
Temp salaries	0.1	(0.0)
Attrition	5.5	(0.6)
Deleted positions		(4.0)
	<u>7.1</u>	<u>(4.1)</u>

Proposed Budget Organizational Chart

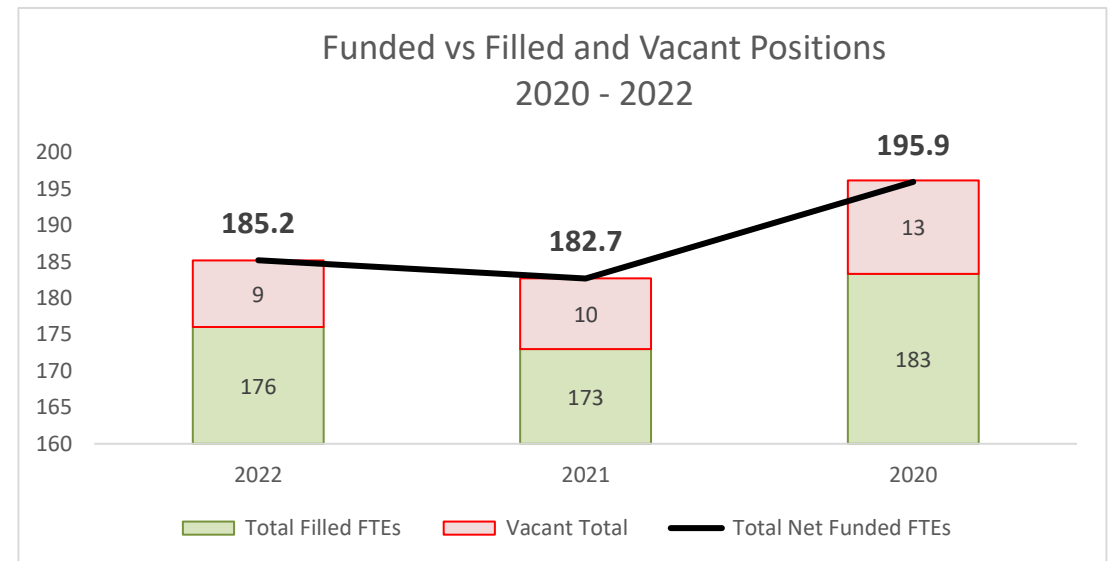


Includes proposed FY 22-23 Budgeted positions, vacancies and the number of FTE that must be held vacant for attrition savings.

Staffing – Current Year Vacancies

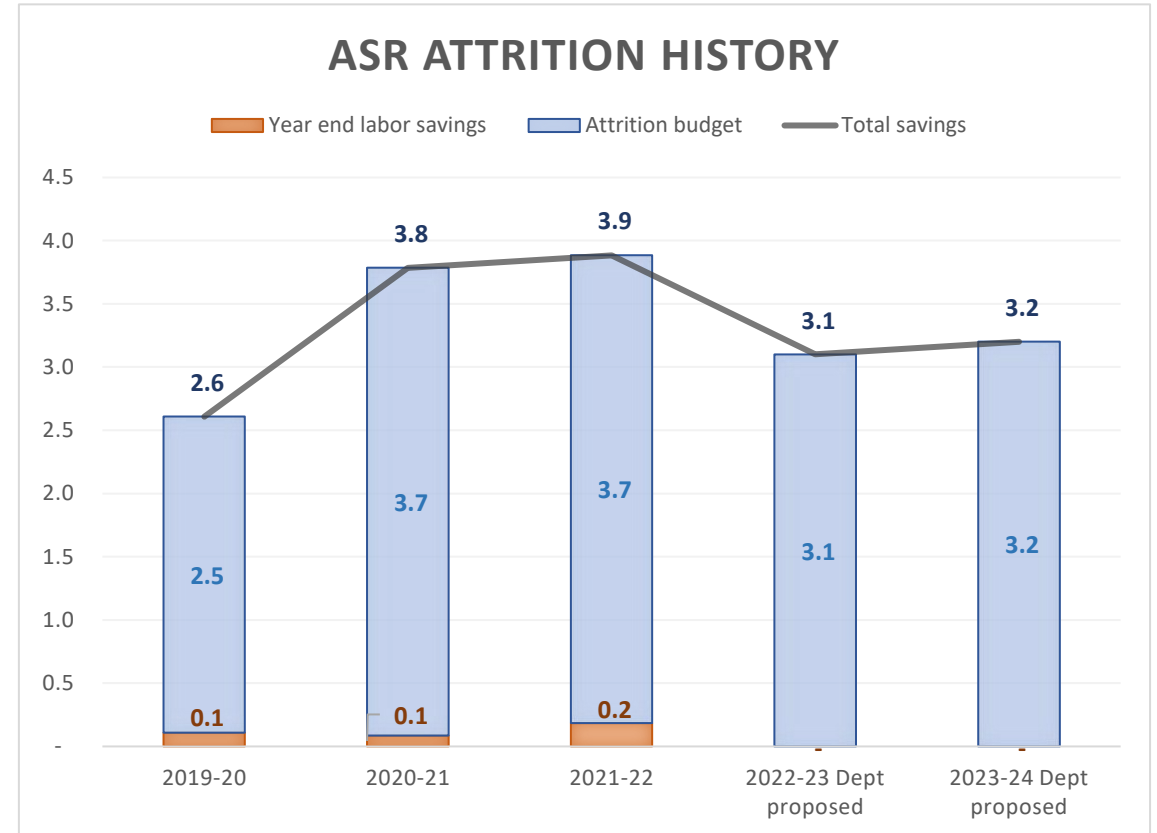
- ❑ ASR currently has 185 funded positions and 9 vacancies (4.9% vacancy rate)
- ❑ Why are positions vacant?
 - Some positions are held vacant for attrition savings.
 - Project positions - difficult to fill IT positions, need to hire based on project cycle
 - Operations positions - staff on leave to project, exam process
- ❑ When will they be filled?
 - 8 positions will be filled by June 30th

	2022	2021	2020
Total Budgeted Positions	208.6	208.6	215.7
Attrition Savings	(23.5)	(26.0)	(19.8)
<u>Total Funded FTEs</u>	<u>185.2</u>	<u>182.7</u>	<u>195.9</u>
Total Filled FTEs	176.0	173.0	183.3
Vacant Total	9.1	9.7	12.8



Staffing – Attrition Trends

- ❑ Current year general fund attrition budget is \$3.7 million, ~23.5 FTE
- ❑ Over the last 5 years, we have met our attrition target leaving very little salary surplus at year end.
- ❑ We have reduced budgeted attrition in FY 22-23 to:
 - Address impending workload challenges brought on by Prop 19 and the growing number of assessment appeals



Thank you!