



2021-22 & FY 2022-23 Proposed Budget

Presented to the
Budget and Appropriations Committee
Assessor Joaquín Torres
June 14, 2021

Leading with Integrity

Ethics and Transparency

- **Mission Statement:** *“With integrity we work together to build a better San Francisco through superior customer service, fair property taxation and the preservation of public records.”*
- We follow California Property Tax Law to ensure that properties are discovered and assessed in accordance with the law
- We audit transfer tax documents to ensure fair taxation
- Assessed roll data posted on our website, shared with DataSF, and with City Planning’s Property Information Map
- Data sharing MOUs with other City Departments including DPW, DBI, MOHCD
- Internal policies for employee-owned property ensure no conflicts of interest

Leading with Integrity

Contracts

- All contracts are administered under Chapter 21 of the Administrative code, and we have a \$150K annual work order with the Office of Contract Administration to provide support for fair and transparent contract solicitation and award
- Contracts are deliverable based and performance is measured on service completion in accordance with the contract statement of work

Audits

- ASR's Operations are audited by the Board of Equalization every five years. The next audit is due this fall
- The Controller's Office conducts a financial audit each year

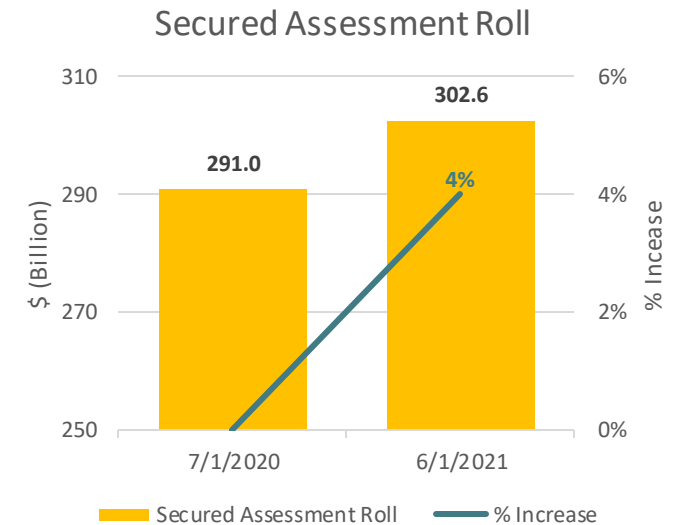
Temporary Positions

- The majority of our temporary positions are connected to our Property Assessment System implementation project

Rebuilding the City post - COVID

The Assessor's success is critical for the City's success.

- Goal-to-Roll: 4% YOY growth in secured assessed roll to \$302.6B (before exemptions)
- \$3.7B in total revenue (including \$377M in excess ERAF)
- Transfer Tax \$309M
- Transfer Tax Audit program \$27M recovered, \$69M recovered since 2015
- City Hall office successfully opened to the public on June 7



Increasing Impact to Affected Businesses

- Real Property Division proactively reducing assessments for certain commercial properties due to economic hardships brought on by COVID
- Personal Property Division providing assessment relief for small businesses impacted by COVID
- Exemptions workshops ensure property owners are aware of their eligible exemptions.

Innovation and Systems Changes

Technology Improvement: Recorder Information System

- New system for managing recorder information and fee collection went live in August 2020
- Innovations include self-service copy and marriage certificate requests which can be processed off-site for the first time in our office's history and at cost savings to the public

Technology Improvement: Property Assessment and Tax System

- Joint \$72M project with Assessor, Treasurer and Tax Collector and Controller to implement two Departmental systems to manage the City's Assessment and Tax functions
- The Treasurer and Tax Collector's, *TaxSys*, successfully went live in July 2020
- Phase 1 of ASR's *SMART* system went live in January 2021 and Phase 2 expected in 2022

Career Pathways: Appraiser Trainee Program

- Mayor's budget provides funding for up to six Appraiser Trainees who will train for one year to become certified real property appraisers
- Provide internal career pathway for employees
- Create a new pipeline to broaden recruitment in BIPOC communities and create awareness of Appraiser career opportunities

Planning for the Future

Assessment Appeals

- Defending our assessment values (i.e., property tax revenue) as the number of appeals increase. Property tax revenue at risk has more than doubled in the last year to \$373 million. ASR will need to shift significant resources to protect this revenue for the City.

Implementing Proposition 19

- New property tax law resulted in a 61% increase in recorded documents in Q3 of this fiscal year. This increase requires significant resources in the Recorder and Transactions Divisions to process these documents. The law will also increase workload for Real Property Appraisers without clear revenue implications.

Running a Lean Operation

- Further budget reductions may result in delays processing incoming assessments, putting property tax revenue at risk as property tax bills become unsecured and more difficult to collect.

Outreach & community engagement

Outreach on Prop 19 (2020)

- As the implementation dates for Prop 19 were quickly approaching, we worked hard to inform the public about the changes that would occur. Prop 19 resource page, presentations to neighborhoods and families, two-hour webinar - 30k+ views.

Family Wealth Series - Financial Wellness & Literacy

- Our goal with the family wealth series is to lower barriers and connect all San Franciscans, regardless of household income, with the resources they need to make the right financial choices to build a life of safety and security for themselves and their families. Estate Planning, tax savings.

Supporting Community Based Organizations

- We support our local community organizations through our tax exemption workshops. In 2021, we had 77 attendees representing 50 nonprofit organizations; *(right)* 140+ attendees from our Jan. 2020 workshop. Our office exempts ~\$12 billion in value for nonprofits.

Financial Foundations for Homeowners

DIGITAL FAMILY WEALTH SERIES



Impuestos de Propiedad Property Taxes for Homeowners



Presentado por/ Presented by



Total Budget and FTE

	2020-21 Approved	2021-22 Proposed	2022-23 Proposed	Change from FY21	Change from FY22
Total Budget (\$ in millions)	\$39.1	\$35.9	\$35.8	(\$3.2)	(\$0.1)
Operating Positions	187.00	187.00	187.00	0.00	0.00
Temporary - Miscellaneous	0.64	0.63	0.56	(0.01)	(0.07)
Unfunded Positions (Attrition Savings)	(25.95)	(23.26)	(20.27)	2.69	2.99
Total FTE	161.69	164.37	167.29	2.68	2.92

Summary of FTE Changes

	Change from FY21	Change from FY22
Annualized FTE		
Temp salaries	(0.01)	(0.07)
Attrition	2.69	2.99
Deleted positions		
	2.68	2.92

Thank you!