



**Office of the Assessor-Recorder
FY2016-17 and FY2017-18
Proposed Budget**

**Carmen Chu, Assessor-Recorder
Budget and Finance Committee**

June 16, 2016



Major Accomplishments

- ❖ Launched new document management system
- ❖ Started converting 207,000 paper property files to digital records
- ❖ Provides better security and disaster recovery
- ❖ Frees up needed space in City Hall office

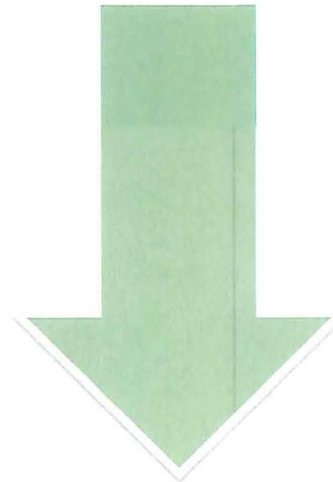




Major Accomplishments

- ❖ Initiated Transfer Tax Audits for Improved Tax Compliance
 - ❖ Property tax liens on two hotel sales with escaped taxes worth more than \$5.5M
- ❖ Reduced AAB Cases and City's Refund Exposure

\$489M – FY 13



\$140M – FY 16



FY2016-18 Budget Priorities

- ❖ Strategies for Long-Term Success
 - ❖ New management structure to implement business process improvements and recruit and retain talented leaders
 - ❖ Providing career ladders at all levels of the organization e.g. analysts, appraiser trainees.
 - ❖ Adding New Commercial Appraisers to Keep Pace with Real Estate New Construction
- ❖ Modernizing and Securing City's Property Assessment and Tax Systems in Collaboration with Treasurer/Tax Collector and Controller
- ❖ Capital Funds to Address Mechanical Deficiencies and Repurpose for Functional Office Space



Caseload Levels Continue to Outpace ASR's Capacity

Secured Real Property Outstanding Cases June 2014 – May 2016

	Change in Ownership	New Construction	Assessment Appeals	Total Cases
June 2014	4,555	7,966	5,645	18,166
June 2015	3,690	11,600	3,608	18,898
May 2016	2,424	12,179	1,506	16,109



Office Workload and Backlog

Recorder

- 200,000 documents processed annually



Transactions

- 26,454 outstanding cases



Real Property

- Multiple work streams;
- ~\$2.1B in revenue

New Construction Assessments

- 12,179 outstanding cases

Change in Ownership assessments

- 2,424 outstanding cases

Assessment Appeals

- 1,150 outstanding cases

Parcel Management

- 1,300 processed annually

Lien Date New Construction

- 1,177 completed in 2016

Informal Reviews

- 2,000 completed in 2016

Tax certs / Mills Act / Urban Agriculture

Business Personal Property

- 35,000 property statements processed annually
- ~\$138M in revenue

Business Personal Property Audits

- 303 mandatory audits/year, 246 completed in FY 15-16

Exemptions

- Confirm eligibility and processes tax exemptions for homeowners, non-profits, etc.



Property Assessment and Tax System Project

Inpact - RUMBA AS/400 Display

File Edit View Connection Transfer Options Tools Help

Auto Size Window Larger Master Displayed: 6/15/2015

Read Only Block Lot Roll 2014 RollCode 3 Secured

Vol 06 APN 0787 001 Year 2014 EvtDate 2/29/1969 Seq 001 VSD ENF 50

Location CITY HALL Typ REG 0 REG ROLL Date 6/30/2014

Bill Num Res# 40174

Owner CITY PROPERTY Not.Date Next

Care Of DIRECTOR OF PROPERTY

Address 25 VAN NESS AVE TransCode

CtyStZip SAN FRANCISCO CA 94102 Date 2/29/1969

- : 01 Ownership History
- : 02 Change of Ownership
- : 03 Enrollment History
- : 04 Sales History
- : 05 Value Screen
- : 06 Partial Interest
- : 07 Valuation Methods
- : 08 Notes Screen
- : 09 New Construction
- : 10 NewConstruction Summ
- : 11 Appeals Tracking
- : 12 Parcel Split/Combo
- : 13 Class Code/Situs Chg
- : 14 Chars. Summary
- : 15 Land Characteristics
- : 16 Office/Retail Chars

Netshuttle - RUMBA Mainframe Display

File Edit View Connection Options Tools Help

1090 SECURED PROPERTY TAX 03-01-2016

VOL BLOCK LOT SEQ YEAR BILL CHANGE NUMBER DATE TYPE

18 2474 037 01 15-16 093069

ASSESSEE [REDACTED] SITUS [REDACTED] AV

ASSESSED VALUE

LAND 647,500

STRUCTURE 277,500

FIXTURE

CORTAC 5211 0086076

PERS PROP TAX RATE

GROSS TAX 925,000 1.1826 %

HO EXEMPT

OT EXEMPT TAX AMOUNT

SEE SUPPLEMENTAL ROLL NET TAXABLE 925,000 10,939.04

DELINQUENT DATE 12-10-2015 04-11-2016 29 RENT BOARD 37.00

TAXES DUE 5,686.66 5,686.66 79 DN CODE ENF 52.00

PENALTY DUE 89 SFUSD FACIL. 35.34

COST DUE 91 SFCCD TAX 79.00

NSF DUE 98 SF - TEACHER 230.94

TOTAL DUE 5,686.66 5,686.66

TOTAL PAID 5,686.66 0.00

BALANCE DUE 0.00 5,686.66 TOTAL TAX 11,373.32

DATE PAID 602100 12-04-2015

TDA54 32: INQUIRY COMPLETED: TAX AND SPECIAL ASSESSMENT DATA DISPLAYED



Project Update

- ❖ Committee on Information Technology (COIT) approved as next Major IT Project to move forward after completion of F\$P and Public Safety Radio Replacement

- ❖ Multi-year Project launched in FY15-16. Phase 1A underway
 - ❖ Focuses on development of business and technical requirements for the new system(s) and beginning data preparation/conversion

- ❖ \$1.96 Million in COIT Funding in FY16-17, Ramping Up in Year 2.
 - ❖ Complete Requirements and Readiness Assessment
 - ❖ Prepare for data mapping and start RFP process
 - ❖ System Implementation Beginning in Year 2.



FY 2016-18 Budget Summary

	Approved 15-16	Proposed FY16-17	Change from FY15-16	Proposed FY17-18	Change from FY16-17
Total Budget: (\$ in Millions)	\$24.1	\$31.7	\$7.5	\$38.1	\$6.5
FTE Total:	173.16	181.82	8.66	180.34	(1.48)

FTE Changes	FY16-17	FY17-18
New Positions	8.47	-
Deleted positions	(5.00)	(5.00)
Annualized FTE	2.76	2.53
Attrition/Temp salaries	2.43	0.99
Total	8.66	(1.48)



FY 2016-18 GFS Summary

	Approved <u>15-16</u>	Proposed <u>FY16-17</u>	<i>Change from FY15-16</i>	Proposed <u>FY17-18</u>	<i>Change from FY16-17</i>
Operating Expenditures	\$21.3	\$23.7	\$2.3	\$24.5	\$0.8
Project Expenditures	\$1.0	\$4.1	\$3.0	\$11.8	\$7.7
Total Expenditures	\$22.3	\$27.8	\$5.4	\$36.3	\$8.5
Revenues	(\$2.4)	(\$2.4)	-	(\$2.4)	-
Work Order Recoveries	(\$1.4)	(\$2.4)	\$1.1	(\$2.6)	(\$0.2)
<i>GFS Support</i>	\$18.5	\$22.9	\$4.4	\$31.2	\$8.3

\$4.4M GFS Increase Comprised of:

- 68% New Infrastructure and Information Technology investments
- 20% Cost of FY 2015-16 Positions & Citywide Wage & Benefit Increases
- 12% New Investments
 - 9% Non-labor changes including citywide work orders and equipment
 - 3% New FY 2016-17 staffing investments