



2020-21 & FY 21-22 Proposed Budget

Presented to the
Budget and Appropriations Committee
August 12, 2020

Major Accomplishments

Goal-to-Roll

Secured: \$290.9B (before exemptions)

7.8% growth from 2019

Unsecured: \$19.3B (before exemptions)

17.2% growth from 2019

\$1.8B to the General Fund (30% of GF sources)

Transfer Tax

\$334M

Exceeded budget by **\$38M**

Audit program recovered **\$4.8M**
in penalties & interest in 2020

\$46M recovered since 2015

Recorder Information System

System went live on August 3

On-time and on-budget!

Property Assessment & Tax System

TaxSys went live in July

ASR phase 1 go-live in Jan 2021

Reduced project budget by **\$5.8M**
to help general fund deficit

Total Budget and FTE

	2019-20 Approved	2020-21 Proposed	2021-22 Proposed	Change from FY20	Change from FY21
Total Budget (\$ in millions)	\$42.1	\$39.2	\$34.5	(\$2.9)	(\$4.8)
Operating Positions	187.77	187.00	187.00	(0.77)	0.00
Temporary - Miscellaneous	2.93	0.64	0.64	(2.29)	0.00
Unfunded Positions (Attrition Savings)	(19.77)	(25.95)	(25.92)	(6.18)	0.03
Total Authorized FTE	170.93	161.69	161.72	(9.24)	0.03

Summary of FTE Changes

	Change from FY20	Change from FY21
Annualized FTE	0.23	
Temp salaries	(2.29)	
Attrition	(6.18)	0.03
Deleted positions	(1.00)	
	(9.24)	0.03

Budget and FTE Comparison by Division

Division (\$ in Millions)	2019-20 Approved \$	2020-21 Proposed \$	2021-22 Proposed \$	2019-20 Approved FTE	2020-21 Proposed FTE	2020-21 Proposed FTE	FY 21 vs FY 20 \$ % chg	FY 22 vs FY 21 \$ % chg
Real Property	\$ 13.1	\$ 13.1	\$ 13.2	78.1	72.1	72.2	0%	1%
Business Personal Property	\$ 4.3	\$ 4.0	\$ 4.0	29.8	27.0	26.9	-7%	1%
Recorder	\$ 2.8	\$ 3.1	\$ 3.0	17.6	17.9	17.9	9%	0%
Transactions	\$ 1.7	\$ 1.3	\$ 1.2	13.5	10.3	10.0	-26%	-2%
Public Service	\$ 1.3	\$ 1.4	\$ 1.5	11.1	11.1	11.9	4%	8%
Exemptions	\$ 0.5	\$ 0.5	\$ 0.5	4.2	4.3	4.0	0%	-6%
Administration - HR, IT, Finance, Public Affairs	\$ 6.6	\$ 6.2	\$ 6.2	20.7	19.1	18.9	-7%	0%
Property Assessment and Tax System (ASR/TTX/CON)	\$ 11.7	\$ 9.8	\$ 4.8	21.0	21.0	21.0	-16%	-51%
Total	\$ 42.1	\$ 39.2	\$ 34.5	195.9	182.7	182.7	-7%	-12%

Mayor's Baseline Reduction Target

- FY 20-21, 10% target = **(\$2.4M)**, FY 21-22, 15% target = **(\$3.5M)**
- ASR's met reduction targets in both years.
- ASR's first looked to non-personnel costs (travel/training/contracts), materials and supplies, work orders, and office leases for savings. These changes only reduced our general fund budget by \$238K.
- 85% of the Assessor's budget is comprised of personnel costs with the vast remainder tied to work-order expenses requested of other City departments. Meeting target could only be achieved by reducing FTE, including proposing layoffs.
- The Mayor's budget does not include the layoffs.
- Even so, the Mayor's budget does not fund all our currently filled positions. We must keep all vacancies unfilled and will need to separate some temporary employees.

Major Changes

- FY 20-21 total budget decreases by \$2.9M
 - ↓ Decreased Salaries and Fringe by (\$1.1M)
 - 26 positions are unfunded including 20 vacancies and 6 that must be met through attrition or separation
 - Deleted 1 vacant position
 - Reduced temporary salaries by \$250K
 - ↓ Decreased funding for the property assessment system project by (\$1.9M)
 - ↓ Decreased travel, training and other non-personnel services by (\$200K)
 - ↑ Absorbed an increase in citywide indirect cost payment by \$200K
- FY 21-22 total budget decreases by \$4.8M
 - ↓ Decreased funding for the property assessment system project by (\$5M)

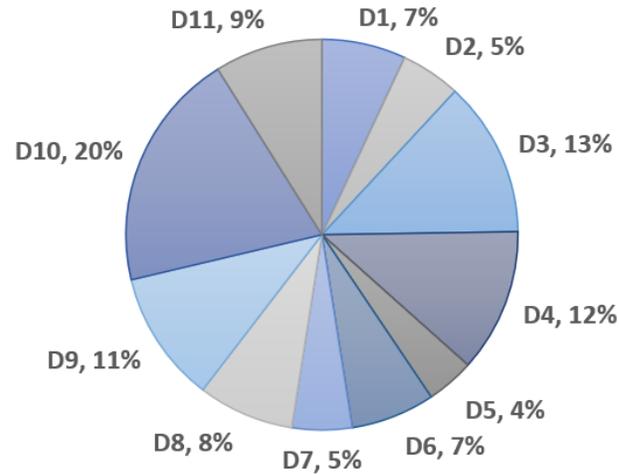
Challenges

- Over \$500 million in property tax revenue was at risk in the Great Recession. That number is likely to be larger soon and requires intensive staff time to defend.
- Backlogs meant delays in getting new assessments, and therefore revenue, on the roll. Delays also risk property tax bills becoming unsecured and more difficult to collect.
- Budget proposal means we will likely fail to meet state mandatory business audit requirement and be challenged processing business personal property statements for assessment.
- Managing a complex, multiyear technology project with fewer IT and operations resources.
- Leading through COVID-19 means managing differently in order to boost staff morale, maintain staff connection and purpose, and continue to provide high quality public service.
- Many unknowns: split roll and other pending legislation will require increased effort to implement.

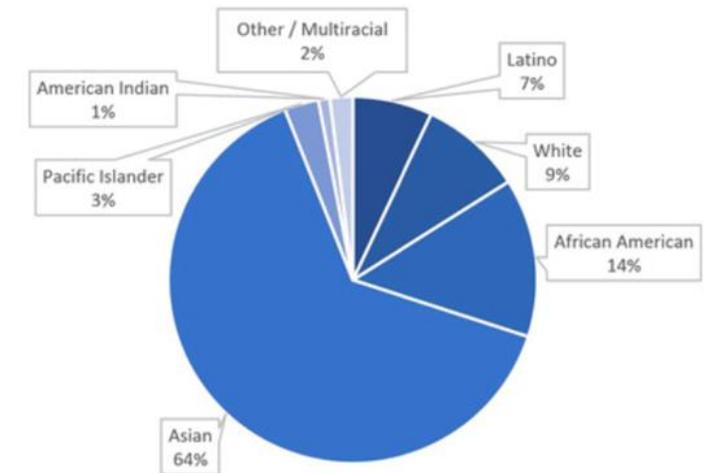
Advancing Racial Equity

- Providing equitable access to information and resources.
- 843 community events, 284 district-specific events.
- Hosted events and workshops:
 - ❑ Library Tax Savings Workshops in multiple districts
 - ❑ Welfare Exemption Workshop at the Main Library
 - ❑ 2019 Family Wealth Forum at the Southeast Community Center in D10 with over 300 attendees.
 - ❑ 2020 Digital Family Wealth Forum with 260 attendees attending through Zoom.

2018 – 2020 Events by District (count = 284)



2019 Family Wealth Forum Appointments by Race





FAMILY WEALTH FORUM

2019 Event Report Card

Office of Assessor Carmen Chu
Saturday, May 11, 2019
10:00 am - 1:00 pm
Southeast Community Facility

300

attendees from all
across the city



*"I received information
that I can trust and use
before making
important decisions for
my family."*

One-on-one counseling



140

families served by
26 attorneys & financial
experts

Trilingual workshops



Workshop attendance

- Estate Planning 101: **86**
- Keys to Homeownership: **76**
- Property Tax Savings for Families: **56**
- What to Know After Inheriting the Family Home: **44**
- Home Repair Basics: From Prevention to Financing: **36**

Appointments by language



14%

languages other
than English

Appointments by age



74%

50 and older