

Changes directed by Budget Committee between Proposed and Approved Budget:

1) Changed Internal Services Non-Departmental Operating Contingency from \$175,980 to \$120,000. Moved \$55,980 to Reserve for Future Expenditures.

2) Removed Assistant County Counsel position and increased Legal – Attorney M&S account by \$30,000. These changes resulted in a decrease contribution from the Non-Departmental fund of \$87,760. Reduced Risk Management Contribution of \$406 in Unemployment and \$1,420 in Workmans Compensation.

3) DD Services – Reduced Copier Maintenance & Supplies by \$20,000 and increased Travel & Training by \$20,000.

4) Library Service District – Increased Property Taxes –current by \$92,000 to more accurately reflect 2018-19 revenues. Increased Unappropriated fund balance by \$92,000.

5) Moved \$50,000 Dues Expense from the General Fund Non-Dept to the Risk Management fund. AOC dues are part of the fire, casualty and insurance line because without AOC, we cannot insure through CIS.

6) Tax Collector, Property Sales – increased FICA line by \$1,158 due to data entry error on proposed budget. Medicare was not included with FICA. Increased Intradepartmental Service Charge by \$1,158. Also - change FTE by .3 and move to Property Sales. Results in a \$22,789 decrease in Personnel in the General fund, decrease in CAFFA revenue of approximately \$3,000 for a net change of approximately \$19,789.

7) Clerk – Reduced Book Restoration Expense in Recording by \$10,000. Decreased the General Fund Non-departmental transfer by \$10,000.

8) Assessor – Reduced Equipment Reserve by \$10,000 and Hardware Maintenance by \$5,000. Decreased General fund non-dept transfer by \$15,000.

9) Community Development Building Division and Code Enforcement – Increased .5 position (sharing 1 FTE with Code Enforcement). Bldg Division increased personnel by \$24,357, decreased operating contingency \$24,357. Code Enforcement – increase personnel by \$24,357 and increase beginning fund balance by \$24,357. Increased Risk Management Contribution of \$134.00 for Unemployment and \$468.00 in Workmans Comp.

10) Tourism Competitive Grants – Correct error by increasing \$287,825 in Beginning Fund balance and reducing Trans – Transient Room Tax by \$287.825.

11) General Fund Non-Departmental – Increase Beginning fund Balance by \$1,000,000 to account for the likelihood of increased 2017-18 PILT payment. Increase Reserve for Future Expenditures by the same amount.

12) Public Works – Transfer \$1,665,000 from Federal Road Reserve to Sheriff – Patrol. Reduce General Fund contribution to the Sheriff's Office and reduce Road Reserve Future Expenditure line item.

13) Eliminated Human Resources vacant position. Change in Internal Services - \$26,302.44, change in Risk Management \$26,302.44.

15) Close PERS Reserve Account (\$212,043). Increased the following funds:

General Fund Non-Departmental = \$189,570.00

Sheriff – Marine = \$8,458.00

Sheriff – S&R Operations = \$1,627.00

Sheriff – Court Security = \$5,126.00

Community Corrections = \$7,262.00

16) Added 3 positions in Personnel for \$212,513. Added revenue from MH Admin for \$119,929 and from Veterans for \$77,487.

17) Increased the Juvenile General Fund Contribution by \$30,000, increased their personnel \$28,442 and increased M&S by \$1,558.00.

18) Increased General Fund Non-Dept Beginning Fund Balance by \$350,000 which is predicted as carryover from the Sheriff's Office from 2017-18 fiscal year.

19) Removed Equipment Reserve transfers from the Sheriff's Office in the amount of \$190,000 and from the Assessor's Office in the amount of \$25,000.



BUDGET COMMITTEE
Agenda Item Summary

Agenda Category:	BUDGET RESOLUTION	Item No:
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Date: April 24, 2018

ISSUE: Approve resolution for application to participate in the Assessment and Taxation Grant with the Oregon Department of Revenue

BACKGROUND & CONCLUSIONS: This state grant provides funding to counties to help them come into compliance or remain in compliance with ORS 308.232, 308.234, Chapter 309, 310, 311, 312, and other laws requiring equity and uniformity in the system of property taxation. Klamath County has undertaken a self-assessment of its compliance with the laws and rules which govern the Oregon property tax system and is generally in compliance.

FISCAL IMPACT: Expenditures of \$2,647,021.00

RECOMMENDED MOTION: Approve resolution for application to participate in the Assessment and Taxation Grant with the Oregon Department of Revenue, whereby Klamath County agrees to appropriate the budgeted dollars based on 100 percent of the expenditures certified in the draft grant application in the amount of \$2,647,021.00.

DEPARTMENT HEAD APPROVAL: _____

BUDGET OFFICER APPROVAL: _____

**BUDGET COMMITTEE
KLAMATH COUNTY, OREGON**

IN THE MATTER OF APPROVING A)
RESOLUTION FOR APPLICATION TO)
PARTICIPATE IN THE ASSESSMENT AND) BUDGET RESOLUTION NO. _____
TAXATION GRANT WITH THE OREGON)
DEPARTMENT OF REVENUE)

WHEREAS, Klamath County is applying to the Oregon Department of Revenue in order to participate in the Assessment and Taxation Grant. This state grant provides funding for counties to help them come into compliance or remain in compliance with ORS 308.232, 308.234, Chapter 309, 310, 311, 312, and other laws requiring equity and uniformity in the system of property taxation.

THEREFORE, BE IT RESOLVED, the Klamath County Budget Committee agrees to appropriate the budgeted dollars based on 100 percent of the expenditures certified in the draft grant application in the amount of \$2,647,021.00.

DONE AND DATED this _____ day of _____, 2018.

Chairman

Member

Commissioner

Member

Commissioner

Commissioner



Form 1 Grant Application Staffing

2018-19

	Column 1 Approved FTE current year (2017-18)	Column 2 Budgeted FTE coming year (2018-19)	Column 3 Change (Column 2 less Column 1)
County <u> KLAMATH </u>			
A. Assessment administration			
Assessor, deputy, etc.	1.00	0.70	(0.30)
Assmt. support staff, deed clerks and data entry staff	1.70	1.70	0
Total assessment administration staff	2.70	2.40	(0.30)
B. Valuation and appraisal staff			
Chief appraisers/appraiser supervisor	0.48	0.60	0.12
Lead appraisers	0	0	0
Residential appraisers	2.90	2.90	0
Commercial/industrial appraisers	1.49	1.50	0.01
Farm/forest/rural appraisers.....	0.80	1.00	0.20
Manufactured structure/floating structure appraisers	0.50	0.60	0.10
Personal property appraisers.....	0.07	0.15	0.08
Personal property clerks.....	0.80	0.80	0
Sales data analyst.....	0.70	0.50	(0.20)
Data gatherers and appraisal techs.....	0	0	0
Total valuation and appraisal staff	7.74	8.05	0.31
C. Board of Property Tax Appeals (BOPTA)	0.13	0.13	0
D. Tax collection and distribution administration			
Administration, deputy, etc.....	1.38	1.28	(0.10)
Support and collection	1.81	1.61	(0.20)
Tax distribution	1.37	1.37	0
Foreclosure and garnishment.....	1.36	1.36	0
Total tax collection and distribution staff	5.92	5.62	(0.30)
E. Cartography and GIS administration			
Cartographic/GIS supervisor.....	1.00	1.00	0
Lead cartographers	0	0	0
Cartographers.....	0.80	0.80	0
GIS specialists	0.50	0.50	0
Total cartographic and GIS staff	2.30	2.30	0
F. Dedicated IT services for A&T	1.17	1.22	0.05
G. Total assessment and taxation staffing	19.96	19.72	(0.24)



Form 2 Explanation of Staffing Issues

2018-19

County KLAMATH

In this section, explain any difference between approved staffing for the current year and staffing for the budgeted year. Explain why any funded positions were unfilled for the current year. Use this form to describe the intended use of nonpermanent workers (temporary help, project temporaries, and contractors) by A&T function, along with their cost. Note any special or unique aspects regarding who accomplishes the work and how they accomplish it related to Forms 4, 5, and 6. For example, if you use staff to perform personal property functions, other than those reported on Form 1, Section B, note that here and include the FTE.

The Assessor's office has undergone restructuring following a change in staffing of the Assessor position during FY 2017-18. Reorganization allowed for more accurate allocation of FTEs within the categories of Assessment Administration and Valuation and Appraisal Staff.

The balance of staffing changes is immaterial and reflects adaptations to work flow requirements within the departments.



Form 3 General Comments

2018-19

County KLAMATH

Use this form to describe any issue in your budget that needs further clarification. Examples include significant changes on Form 7, purchase of a new data processing system, salary increases, new car purchases, personnel services costs for mapping, etc. You can also use this form to document any miscellaneous comments about this grant application.

FORM 5-Item 1, Real Property-accounts requiring roll corrections:
After the certification of the 2017-18 tax roll and printing of tax statements, the following error was discovered. The taxes levied for the bonded indebtedness for the Klamath Falls City Police Department was incorrectly entered. This will result in an increase in roll correction for the 2018-19 tax year, as reflected in the estimated data.



Form 4 Valuation and Appraisal Resources

2018-19

County <u>KLAMATH</u>	Number of accounts by activity		Number of FTE by activity	
	Actual 2017-18	Estimated 2018-19	Actual 2017-18	Estimated 2018-19
Activities				
1. Real property exceptions, special assessments and exemptions				
New construction.....	600	500	2.75	2.50
Zone changes.....	5	5	0.10	0.10
Subdivisions, segregations, and consolidations....	25	25	0.20	0.20
Omitted properties	2	10	0.10	0.35
Special assessment qualification and disqualification	125	60	0.40	0.20
Exemptions.....	25	10	0.20	0.10
Subtotal.....	782	610	3.75	3.45
2. Appeals and assessor review				
Assessor review and stipulations	25	15	0.20	0.20
BOPTA	35	90	0.30	0.50
Department of Revenue.....	0	0	0	0
Magistrate Division of the Oregon Tax Court	1	1	0.10	0.10
Regular Division of the Oregon Tax Court.....	0	0	0	0
Subtotal.....	61	106	0.60	0.80
3. Real property valuation				
Physical reappraisal.....	4,346	8,618	1.64	2.05
Recalculation only—no appraisal review.....	62,970	59,362	0.15	0.15
Subtotal.....	67,316	67,980	1.79	2.20
4. Business personal property (returns mailed)				
	2,420	2,510	0.80	0.80
5. Ratio				
			0.80	0.80
6. Continuing education				
			0	0
7. Other valuation—appraisal activity				
			0	0
8. Total valuation and appraisal staff (FTE)				
			7.74	8.05



Form 5 Tax Collection and Distribution Work Activity

2018-19

	Number of accounts by activity	
County <u> KLAMATH </u>	Actual 2017-18	Estimated 2018-19
1. Number of accounts requiring roll corrections		
Business personal property.....	72	80
Personal property manufactured structures	276	300
Real property	1800	9400
2. Number of accounts requiring a refund		
Business personal property.....	13	20
Personal property manufactured structures	80	100
Real property	450	500
3. Number of delinquent tax notices sent		
Business personal property.....	140	150
Personal property manufactured structures	968	1000
Real property	8768	9000
4. Number of foreclosure accounts processed		
Real property only.....	235	250
5. Number of accounts issued redemption notices		
Real property only.....	23	35
6. Number of warrants	0	400
7. Number of garnishments	0	0
8. Number of seizures	3	10
9. Number of bankruptcies	189	168
10. Number of accounts with an address change processed	8000	8500
<hr/>		
11. How many second trimester statements do you mail?.....	0	
12. How many third trimester statements do you mail?	0	
13. Does the county contract for lock box service?.....		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
14. Does the county use in-house remittance processing?.....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
15. Is tax collecting combined with another county function?.....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, describe that function on Form 2.		



Form 6
Assessment and Administrative
Support and Cartography
Work Activity

2018-19

County KLAMATH

Assessment and administrative support work activity	Numbers by activity	
	Actual 2017-18	Estimated 2018-19
	1. Number of deeds worked	6700

Cartography work activity	Numbers by activity	
	Actual 2017-18	Estimated 2018-19
1. Number of new tax lots.....	40	50
2. Number of lot line adjustments	100	150
3. Number of consolidations.....	20	20
4. Number of new maps.....	1	1
5. Number of tax code boundary changes	0	1



Form 7 Summary of Expenses

2018-19

County KLAMATH

	A. Assessment Administration	B. Valuation	C. BOPTA	D. Tax Collection & Distribution	E. Cartography*	F. Dedicated IT services for A&T	Totals
Current operating expenses							
1. Personnel services	188,976	631,643	12,225	419,932	205,759	124,682	1,583,217
2. Materials and services	51,549	167,098	8,120	546,094	132,749	12,422	918,032
3. Transportation		10,200					10,200
4. Total current operating expenses (Total direct expenses)	240,525	808,941	20,345	966,026	338,508	137,104	2,511,449

* Include approved grant funding for ORMAP

Indirect expenses

5. Total direct expenses (line 4)	2,511,449
6. If you use the 5 percent method to calculate your indirect expenses, enter 0.05 in this box.05
Total indirect expenses (line 5 multiplied by line 6).....	125,572
6A. If you use a percent amount approved by a federal granting agency to calculate your indirect expenses, enter that percentage in this box.....	0
Total indirect expenses (line 6A multiplied by the direct expense amount for the category/categories that your certificate allows)	0
7. Total indirect expenses	125,572

Capital outlay

	Assessment Administration	Valuation	BOPTA	Tax Collection & Distribution	Cartography	Dedicated IT Services for A&T	Total capital outlay without regard to limitation
8. Enter the actual capital outlay without regard to limitation.						10,000	10,000
9. Total direct and indirect expenses (add line 4 and line 7)							2,637,021
10. Direct and indirect expenses multiplied by 0.06.....							158,221
11. The greater of line 10 or \$50,000.....							158,221
12. Capital outlay (the lesser of line 8 or line 11)							10,000
13. Total expenditures for CAFFA consideration (sum of lines 4,7, and 12)							2,647,021

Form 8

Grant Application Resolution

KLAMATH County is applying to the Department of Revenue in order to participate in the County Assessment Function Funding Assessment Program.

This state grant provides funding for counties to help them come into compliance or remain in compliance with ORS 308.232, 308.234, Chapters 309, 310, 311, 312, and other laws requiring equity and uniformity in the system of property taxation.

KLAMATH County has undertaken a self-assessment of its compliance with the laws and rules that govern the Oregon property tax system. The county is generally in compliance with ORS 308.232, 308.234, Chapters 309, 310, 311, 312, and all laws requiring equity and uniformity in the system of property taxation.

KLAMATH County agrees to appropriate budgeted dollars based on 100 percent of the expenditures certified in the grant application. The total expenditure amount for consideration in the grant is \$ 2,715,598. If 100 percent isn't appropriated, no grant shall be made to the county for each quarter in which the county is out of compliance.

The county designates the following individual as the contact for this grant application:

<u>SUE MURPHY</u>	<u>541-851-3653</u>	<u>smurphy@klamathcounty.org</u>
Name	Phone	Email

Signature of chairperson or judge of governing body

Date signed

RACIAL AND ETHNIC IMPACT STATEMENT

This form is used for informational purposes only and must be included with the grant application.

Chapter 600 of the 2013 Oregon Laws require applicants to include with each grant application a racial and ethnic impact statement. The statement provides information as to the disproportionate or unique impact the proposed policies or programs may have on minority persons¹ in the State of Oregon if the grant is awarded to a corporation or other legal entity other than natural persons.

- 1. The proposed grant project policies or programs could have a disproportionate or unique positive impact on the following minority persons:

Indicate all that apply:

- _____ Women
- _____ Persons with Disabilities
- _____ African-Americans
- _____ Hispanics
- _____ Asians or Pacific Islanders
- _____ American Indians
- _____ Alaskan Natives

- 2. The proposed grant project policies or programs could have a disproportionate or unique negative impact on the following minority persons:

Indicate all that apply:

- _____ Women
- _____ Persons with Disabilities
- _____ African-Americans
- _____ Hispanics
- _____ Asians or Pacific Islanders
- _____ American Indians
- _____ Alaskan Natives

- 3. The proposed grant project policies or programs will have no disproportionate or unique impact on minority persons.

If you checked numbers 1 or 2 above, on a separate sheet of paper, provide the rationale for the existence of policies or programs having a disproportionate or unique impact on minority persons in this state. Further provide evidence of consultation with representative(s) of the affected minority persons.

I HEREBY CERTIFY on this _____ day of _____, 2018, the information contained on this form and any attachment is complete and accurate to the best of my knowledge.

Signature
Printed Name: _____
Title: _____

¹ "Minority persons" are defined in SB 463 (2013 Regular Session) as women, persons with disabilities (as defined in ORS 174.107), African-Americans, Hispanics, Asians or Pacific Islanders, American Indians and Alaskan Natives.