FY 2023-24 & 2024-25 Budget
Public Presentation at the Ingleside Branch Library and via Zoom
February 10, 2023
Meeting Agenda

✓ What we do
✓ Who we are
✓ Our success
✓ Our impact
✓ Our budget
What we do
Office of the Assessor-Recorder

- 58 Elected Assessors in California performing State function
- Collection of transfer tax is a local function
- Major Office Responsibilities
  - Assess property
  - Record documents
  - Grant exemptions
How we are structured

PUBLIC SERVICE
- Internal mail intake and distribution
- Update mailing addresses
- Front counter operations
- Triage customer requests
- Issue Marriage Certificates

RECORDER
- 200,000 documents processed annually
- Collect transfer tax upon change in ownership
- Collect fees related to Recorder functions and maintain recorded documents

TRANSACTIONS
- Review sales transactions for assessability
- Ensure fair taxation of transfers between legal entities
- Update and maintain current mailing addresses of property owners

EXEMPTIONS
- Grant annual exemptions to homeowner’s, non-profits, hospitals, schools and other educational organizations
- Process other applications for tax exemption

REAL PROPERTY
- Locate taxable real property, identify ownership and apply taxable value.
- Assess new construction, changes in ownership, defend valuations being appealed, complete lien date new construction assessments, grant informal reductions in value, manage

PERSONAL PROPERTY
- Locate taxable business personal property such as machinery, equipment vessels and leasehold improvements.
- Identify ownership and apply taxable value.
- Annually audit 303 business personal property accounts as required by the State.

STANDARDS, MAPPING & ANALYSIS
- Workload management and reporting
- Quality assurance and data clean up
- Data reporting and visualization
- Process development and improvement
Who we are &
What we care about
Mission

Our Mission is to fairly and accurately identify and assess all taxable property in San Francisco, and record, secure, and provide access to property, marriage and other records.

Vision

Together, we work to ensure the financial stability of San Francisco. We seek to advance the principles of antiracism, equity, integrity and excellence, in service to our diverse constituents and communities.

Values

**Fairness in our decisions:** Work to advance transparency, accessibility, and integrity in all that we do

**Care in customer service:** Create a connected customer service experience and collaborate with partner departments and community resources to enable seamless service for constituents

**Equitable in policy and practice:** Prioritize equity and inclusion and develop an atmosphere of belonging where ASR staff can be their authentic selves and pursue pathways for career advancement and growth

**Pride in our work:** Commit to excellence, pay rigorous attention to detail, and believe in the benefit we provide to our constituents and the City
Strategic Goals

1. Build and maintain an organization that attracts, develops, supports, and retains great **people**

2. Build and maintain secure, effective, efficient and accessible managerial and technological **systems**

3. For all vital functions, and with customers, achieve consistent, superior **service**

4. Foster communication, coordination and collaboration of our work, values and core vision to provide internal and external stakeholders with meaningful opportunities for **engagement**
Our success
People

Build and maintain an organization that attracts, develops, supports, and retains great people

- Creating entry and promotional pathways
- Racial Equity Core Team and the Inclusion and Belonging Sub-Committee
- Finding new opportunities to recruit talent
Build and maintain secure, effective, efficient and accessible managerial and technological systems.

- Recorder Modernization System successful go-live in August 2020
- Property Assessment System Phase I successful go-live in January 2021, Phase II expected in December 2023
- Strategic Planning
Services

For all vital functions, and with customers, achieve consistent, superior service

- Prioritize timely roll close
- Making recorded documents more transparent and accessible
- Restrictive Covenant Program (AB 1466)
- Appeals Management
- $551 million generated over transfer tax/recording fee expectations
- $60.2 million in under-reported transfer tax collected through audits
Engagement

Foster communication, coordination and collaboration of our work, values and core vision to provide internal and external stakeholders with meaningful opportunities for engagement.

- Family Wealth Series
- Property Tax Education
- Assessor in the Neighborhood
- Advance racial equity through programming and advocacy forums, such as our Estate Planning Program and our SPUR forums.
Our impact
Assessor’s Revenue Contribution

• $330 billion Assessment Roll
• $21 billion Exemptions
• $3.9 billion total property tax revenue of which $2.4 billion supports City Services
• Property Taxes are the largest single source of revenue for the General Fund

Source: SF Controller’s Office Budget and Appropriations Ordinance FY2022-23 and FY2023-24
Economic Outlook

• The City’s Five-Year financial forecast projects $200.8 million General Fund deficit for FY 2023-24 and a $527.5 million deficit for FY 2024-25, a combined two-year deficit of $728.3 million.
  ○ Cutting ASR’s budget would further impact this projected deficit.

• The number of taxpayers appealing their property value has increased by 82% from pre-pandemic levels.
  ○ ASR needs resources to support timely resolution of appeals.
Our budget
# Five Year Comparison

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* ASR Budget includes expenses for two systems projects: the Property Assessment System project for the Assessor’s Office and the Property Tax System for the Treasurer & Tax Collector’s Office and Controller’s Office.
FY2023-24 Department Baseline Budget

- Salaries & Fringe: $28,765,897
- Non-Personnel Services: $997,936
- Materials & Supplies: $255,868
- Interdepartmental Services: $3,523,946
- Indirect Costs: $114,021

Total Budget: $33.7M
Budget Priorities

1. Resources to resolve Assessment Appeals
   • Seeing economic impacts due to COVID-19 and related market changes, which has led to significant increases in assessment appeals and revenue-at-risk

2. Complete the Property Assessment System Replacement Project
   • Go live with Property Assessment System Phase II for ownership, real property, and possessory interest

   • Secure funding for ongoing support and maintenance of the new property assessment system after go-live
Next Steps

• February 21 - Submission to Controller and Mayor

• June 1 – Mayor’s Proposed Budget

• June to July – Board Review of Budget

• By August 1 – Adoption of the Final Budget
Adding Your Voice

- Public comment can be given today by raising your hand or using Zoom.
  - If you are using the Zoom application, click on “Reactions” then “Raise Hand.”
  - If you are using your phone, dial *9.
  - Our staff will unmute you when it's your turn.
- Our team will call on you when it is your turn to give your public comment.
- Please make sure to state your name clearly.
- Comments will be limited to two minutes.
- Written comment can be submitted on our website at sfassessor.org/budget
Thank you!