



**FY 2023-24 & 2024-25 Budget**

Public Presentation at the Ingleside Branch Library and via Zoom

February 10, 2023

# Meeting Agenda

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- ✓ What we do
- ✓ Who we are
- ✓ Our success
- ✓ Our impact
- ✓ Our budget

# What we do

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# 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

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# Mission

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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

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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

People

Systems

Service

Engagement

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

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# 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



# Systems

*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

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

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# Our impact

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# 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



# Economic Outlook

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- 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

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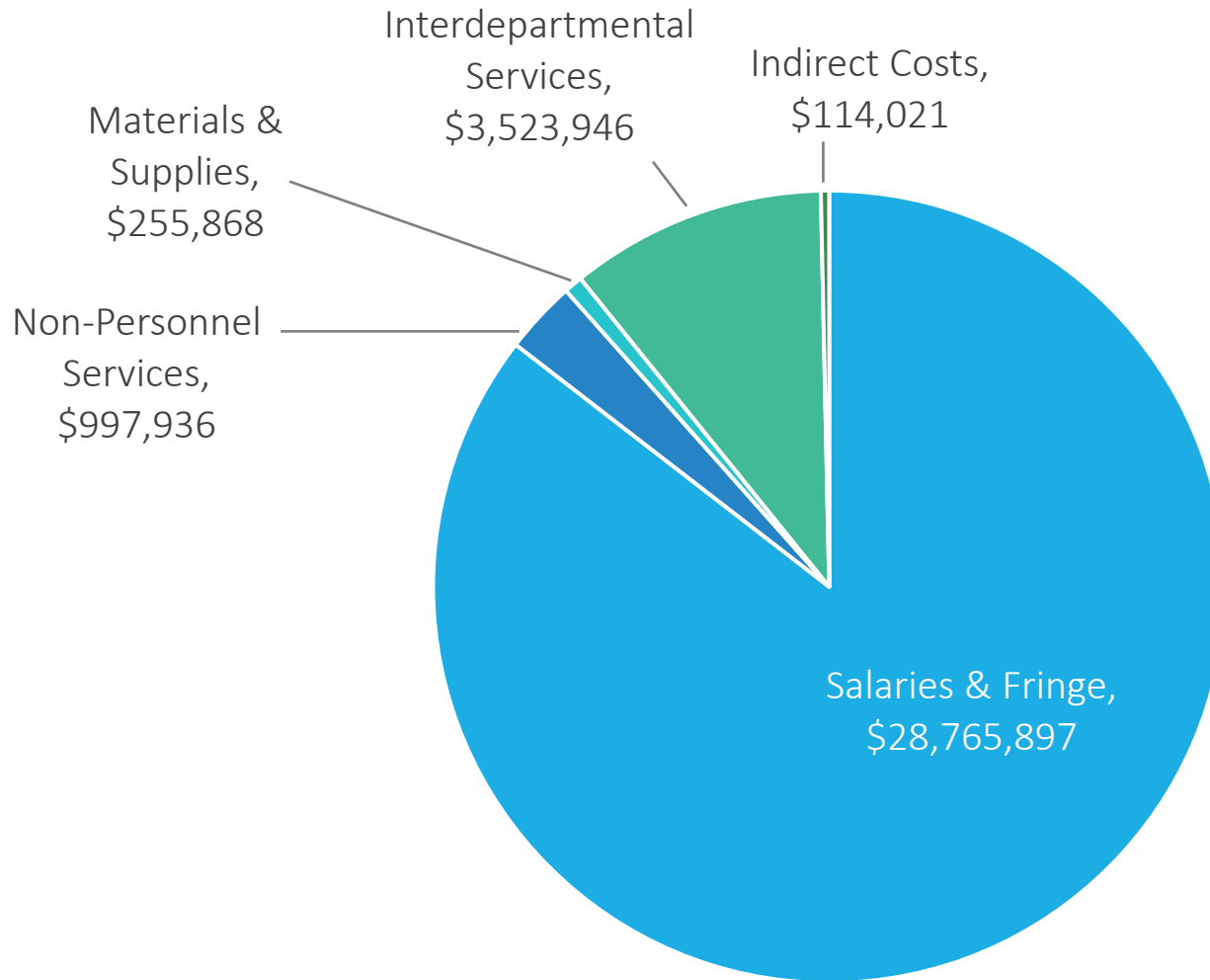
# Five Year Comparison

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	<i>FY 2023-24 Baseline</i>	<i>FY 2024-25 Baseline</i>
Revenue Contribution	\$3.3B	\$3.6B	\$3.7B	\$3.9B	<i>tbd</i>	<i>tbd</i>
Exemptions granted	\$16.4B	\$18.9B	\$20.0B	\$21.2B	<i>tbd</i>	<i>tbd</i>
ASR Budget*	\$42.1M	\$39.1M	\$36.2M	\$35.2M	\$33.7M	\$34.3M
General Fund Support*	\$35.0M	\$31.5M	\$28.3M	\$27.6M	\$28.4M	\$29.4M
Total Authorized FTE	196	183	185	192	185	184

\* 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

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Total Budget  
\$33.7M

# Budget Priorities

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## 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

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- 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

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- 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](https://sfassessor.org/budget)*

# Thank you!

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