



MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: 04/30/2025

Department: Assessor's Office

Title: FY 2025-26 County Assessment Function Funding Assistance

Management Update/Work Session Date: 04/22/2025 Audio/Visual aids []

Time Required: 10 min Contact: Rachael Estill, Administrative Services Manager Phone: (503) 588-5218

Requested Action: The Assessor's Office is requesting a resolution to approve the FY 25-26 County Assessment Function Funding Assistance (CAFFA) Grant. The total amount of expenditures for consideration are \$10,081,319. The Assessor's Office FY 25-26 requested annual budget as a part of the grant request is \$9,681,932. Approval of the grant obligates the County to appropriate funds based on 100% of the expenditures certified in the grant application, per ORS 294.178.

Issue, Description & Background: The grant application is submitted to the Oregon Department of Revenue annually, and is used to assist the County in funding the operations of the assessment and taxation program. The grant includes costs for personnel, materials and services, and a calculated percentage of administrative charges incurred by the Assessor's Office for the assessment, taxation, and collection of property taxes. Also included are costs associated with the Treasurer's Office for tax revenue distribution; the Clerk's Office for the administration of the Property Valuation Appeals Board program; Information Technology for support and maintenance of the Assessor's A&T software, GIS database, and Pictometry aerial imaging; Capital Outlay associated with the Assessor's Office, as well as grand funds awarded by the Oregon Department of Revenue for ORMAP cadastral database maintenance.

Financial Impacts: The current FY 24-25 projection for the receipt of grant revenues is \$1,083,607. Estimated revenues for the FT 25-26 are \$1,013,827.

Impacts to Department & External Agencies: CAFFA grant funds are deposited into the County General Fund. Grant funding is intended to offset the cost of maintaining an adequate assessment and taxation program. Funds received from the grant free up other General Fund resources that may be used by other county departments to maintain their programs.

List of attachments: Copy of the FY 25-26 CAFFA Grant application and County grant application resolution form for signatures.

Presenter: Tom Rohlifing, Assessor

Department Head Signature: [Handwritten Signature]

**FY 2025-26
Property Tax Program
CAFFA Grant Application**

Purpose

The 1989 Legislative Assembly enacted legislation which requires each county government to maintain an adequate assessment and taxation program. The legislation included all of the property tax statutes and rules in the definition of compliance. Each county is expected to develop and maintain a property tax system that sustains all identified activities at an adequate level. To assist the county in this endeavor, the legislature provided funding from the state by means of a grant.

Each county governing body is required to submit a summary of expenses, a staffing report, and a resolution as part of the Grant application. For counties not in compliance, a plan must either be on file with the department or be submitted for department approval. The plan should demonstrate that the county is using all available resources to achieve and maintain its assessment and taxation program at adequate levels. Any county with program activities not in compliance may need to incorporate funding for additional program resources. Counties are required to appropriate 100 percent of the approved expenditure level under ORS 294.456 in order to receive state grant funds.

Preparation of Grant Application

The property tax system is administered in several local government areas. Many individuals such as the Assessor, Tax Collector, Treasurer, Data Processing Manager and Clerk will need to participate in evaluating the current status of overall compliance. The county governing body should not attempt to determine compliance levels without input from these officials. The grant application forms must be submitted to the Department of Revenue by May 1, 2025. Amended applications must be submitted no later than June 1, 2025.

Five Year History in Marion County

	2021-22	2022-23	2023-24	2024-25	2025-26
Certified Grant Expenditures	\$7,276,672	\$8,027,018	\$8,998,323	\$8,872,539	10,081,319
Actual Grant Revenue	\$1,072,560	\$856,933	\$1,054,318	\$1,083,607†	\$1,013,827*
% of Revenue to Expenditures	14.74%	10.68%	11.72%	12.21%	10.06%

Certified Grant Expenditures include the materials and services and personnel budget for assessor and tax collection, as well as a calculated percentage of Information Technology Direct Charges to maintain the assessor’s office assessment and taxation system. Also included is a portion of the county clerk budget for the Board of Property Tax Appeals program expenditures, the allocation costs for the treasurer relating to tax distribution, and the cost of pay for IT staff in support of Assessment and Taxation.

* Estimated figure using the most current information available from the Oregon Department of Revenue. Derived by multiplying the FY25-26 County Assessment & Taxation Fund statewide forecasted revenue distribution total of \$16,783,542 by the FY24-25 distribution percentage for Marion County (0.060406). Grant revenue total divided by four indicates an estimated quarterly payment amount of \$253,457.

† FY24-25 Actual Grant Revenue and percentage includes a forecasted amount for the 3rd and 4th quarter payment and is subject to change.



Form 1 Grant Application Staffing

2025-2026

	Column 1	Column 2	Column 3
County <u>MARION</u>	Approved FTE current year (2024-25)	Budgeted FTE coming year (2025-26)	Change (Column 2 less Column 1)
A. Assessment administration			
Assessor, deputy, etc.	3.00	3.00	0.00
Assmt. support staff, deed clerks and data entry staff	10.00	10.00	0.00
Total assessment administration staff	13.00	13.00	0.00
B. Valuation and appraisal staff			
Chief appraisers/appraiser supervisor	3.00	3.00	0.00
Lead appraisers	5.00	5.00	0.00
Residential appraisers	4.00	5.00	1.00
Commercial/industrial appraisers	5.00	5.00	0.00
Farm/forest/rural appraisers.....	6.00	6.00	0.00
Manufactured structure/floating structure appraisers	1.00	0.00	(1.00)
Personal property appraisers.....	4.00	4.00	0.00
Personal property clerks.....	1.00	1.00	0.00
Sales data analyst.....	2.00	2.00	0.00
Data gatherers and appraisal techs.....	3.00	3.00	0.00
Total valuation and appraisal staff	34.00	34.00	0.00
C. Board of Property Tax Appeals (BoPTA)	0.25	0.25	0.00
D. Tax collection and distribution administration			
Administration, deputy, etc.....	1.00	1.00	0.00
Support and collection	4.00	4.00	0.00
Tax distribution	0.08	0.08	0.00
Foreclosure and garnishment.....	0.00	0.00	0.00
Total tax collection and distribution	5.08	5.08	0.00
E. Cartography and GIS administration			
Cartographic/GIS supervisor.....	0.00	0.00	0.00
Leadcartographers	1.00	1.00	0.00
Cartographers.....	2.00	2.00	0.00
GIS specialists.....	0.00	0.00	0.00
Total cartographic and GIS staff	3.00	3.00	0.00
F. Dedicated IT services for A&T	2.01	2.01	0.00
G. Total assessment and taxation staffing	57.34	57.34	0.00



Form 2 Explanation of Staffing Issues

2025-2026

County MARION

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.

Per Form 1:

The Manufactured Structure appraiser position is now a Lead Appraiser position to better serve the needs of the Residential Section in a project to clean up and better model manufactured home values in a changing market.

Per Form 5:

The Tax Collection office will hire two temporary staff to assist with processing property tax payments and returned mail. Each year, temporary staff are utilized from the third week in October when tax statements are generated and mailed, until approximately the third week in November.



Form 3 General Comments

2025-2026

County MARION

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.

The Tax Collection Office receives the property tax payments through in house remittance processing (18.7%), contractual lock box services (35.9%), and electronic data exchange with mortgage companies and real estate tax services (37.1%), and online via Paystation (8.3%).

For indirect expenses on Form 7, Line 6A, Marion County has elected to use the percentage from its certified federal cost allocation plan and indirect cost rate proposal for fiscal year 2025-26 (the Plan), prepared in accordance with the provisions of 2 CFR 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

The Plan allows an indirect cost rate of 12.91% for the Assessor's Office as indicated in Schedule F on page 5 of the Plan. For this CAFFA grant application, the rate has been adjusted to 11.63% to reflect the fact that costs associated with the Department Apps cost pool have been included as direct costs under A&T Data Processing on Form 7, Column F of the CAFFA grant application. The adjusted rate was computed as follows [references to Plan schedules noted in brackets]:

Description and Indirect Cost Plan Page Reference	Original	Adjusted
Total indirect costs allocated to Assessor's Office [Schedule A, page 1]	\$924,050	\$924,050
Less Dept Apps costs allocated to Assessor's Office [Schedule 4.5, pg. 34]	0	-91,093
Total Indirect costs allocated to Assessor's Office	\$924,050	\$832,957
Indirect cost rate base for Assessor's Office [Schedule F, page 5]	\$7,159,315	\$7,159,315
Indirect cost rate for Assessor's Office (allocated costs/base)	12.91%	11.63%

Note: The Plan amount for Department Apps costs allocated to the Assessor's Office differs from the amount included for A&T Data Processing on the CAFFA grant application because the Plan is based on FY 2023-24 audited amounts, whereas the CAFFA grant application is based on FY 2025-26 budgeted amounts.



Form 4 Valuation and Appraisal Resources

2025-2026

County <u>MARION</u>	Number of accounts by activity		Number of FTE by activity	
	Actual (2024-25)	Estimated (2025-26)	Actual (2024-25)	Estimated (2025-26)
Activities				
1. Real property exceptions, special assessments and exemptions				
New construction.....	5,673	5,800	8.00	8.00
Zone changes.....	4	5	0.00	0.00
Subdivisions, segregations, and consolidations..	791	800	1.75	1.75
Omitted properties	7	10	0.25	0.25
Special assessment qualification and disqualification	181	200	2.00	2.00
Exemptions.....	248	300	1.00	1.00
Subtotal.....	6,904	7,115	13.00	13.00
2. Appeals and assessor review				
Assessor review and stipulations	99	100	0.75	0.75
BOPTA	41	45	0.75	0.75
Department of Revenue.....	1	1	0.00	0.00
Magistrate Division of the Oregon Tax Court.....	0	2	0.25	0.25
Regular Division of the Oregon Tax Court	1	2	0.00	0.00
Subtotal.....	142	150	1.75	1.75
3. Real property valuation				
Physical reappraisal.....	20,330	21,000	6.75	6.75
Recalculation only—no appraisal review	119,247	120,000	3.00	3.00
Subtotal.....	139,577	141,000	9.75	9.75
4. Business personal property (returns mailed)	3,184	3,300	4.50	4.50
5. Ratio			1.50	1.50
6. Continuing education			1.00	1.00
7. Other valuation—appraisal activity			2.50	2.50
8. Total valuation and appraisal staff (FTE)			34.00	34.00



Form 5 Tax Collection and Distribution Work Activity

2025-2026

County MARION

Number of accounts by activity	
Actual (2024-25)	Estimated (2025-26)

1. Number of accounts requiring roll corrections		
Business personal property	630	645
Personal property manufactured structures	91	180
Real property	261	422
2. Number of accounts requiring a refund		
Business personal property	64	104
Personal property manufactured structures	191	195
Real property	635	794
3. Number of delinquent tax notices sent		
Business personal property	450	509
Personal property manufactured structures	1,258	1,179
Real property	4,071	4,172
4. Number of foreclosure accounts processed		
Real property only	185	191
5. Number of accounts issued redemption notices		
Real property only	37	18
6. Number of warrants	992	977
7. Number of garnishments	0	0
8. Number of seizures	0	0
9. Number of bankruptcies	345	333
10. Number of accounts with an address change processed	18,596	20,000
11. How many second trimester statements do you mail?	5,031	
12. How many third trimester statements do you mail?	5,900	
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
15. Is tax collecting combined with another county function?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, describe that function on Form 2.		



Form 6
Assessment and Administrative
Support and Cartography
Work Activity

2025-2026

County MARION

Assessment and administrative support work activity		
	<u>Numbers by activity</u>	
	Actual (2024-25)	Estimated (2025-26)
1. Number of deeds worked	<u>11,510</u>	<u>12,000</u>

Cartography work activity		
	<u>Numbers by activity</u>	
	Actual (2024-25)	Estimated (2025-26)
1. Number of new tax lots.....	<u>1,115</u>	<u>700</u>
2. Number of lot line adjustments	<u>144</u>	<u>125</u>
3. Number of consolidations.....	<u>125</u>	<u>110</u>
4. Number of new maps.....	<u>2</u>	<u>2</u>
5. Number of tax code boundary changes	<u>9</u>	<u>8</u>



Form 7 Summary of Expenses

2025-2026

County MARION

	A.	B.	C.	D.	E.	F.	
Current operating expenses	Assessment Administration	Valuation	BOPTA	Tax Collection & Distribution	Cartography*	Dedicated IT services for A&T	Totals
1. Personnel services	1,413,967	5,110,792	30,821	570,207	385,048	340,340	7,851,175
2. Materials and services	585,369	128,799	3,447	264,765	180,207	0	1,162,587
3. Transportation	1,000	15,000	0	1,000	250	0	17,250
4. Total current operating expenses (Total direct expenses)	2,000,336	5,254,591	34,268	835,972	565,505	340,340	9,031,012

* Include approved grant funding for ORMAP

Indirect expenses

5. Total direct expenses (line 4)	9,031,012
6. If you use the 5 percent method to calculate your indirect expenses, enter 0.05 in this box.	0
Total indirect expenses (line 5 multiplied by line 6)	0
6A. If you use a percent amount approved by a federal granting agency to calculate your indirect expenses, enter that percentage in this box.....	0.11630
Total indirect expenses (line 6A multiplied by the direct expense amount for the category/categories that your certificate allows)	1,050,307
7. Total indirect expenses	1,050,307

Capital outlay

	Assessment Administration	Valuation	BOPTA	Tax Collection & Distribution	Cartography	Data Processing Support (IT, AT)	Total capital outlay without regard to limitation
8. Enter the actual capital outlay without regard to limitation.	0	0	0	0	0	0	0
9. Total direct and indirect expenses (sum of lines 4 and 7)							10,081,319
10. Direct and indirect expenses multiplied by 0.06							604,879
11. The greater of line 10 or \$50,000.....							604,879
12. Capital outlay (the lesser of line 8 or line 11)							0
13. Total expenditures for CAFFA consideration (sum of lines 4, 7, and 12).....							10,081,319

BEFORE THE BOARD OF COMMISSIONERS
FOR MARION COUNTY, OREGON

In the matter of approving the Marion County)
Assessment and Taxation Grant Application.)

RESOLUTION No._____

This matter came before the Marion County Board of Commissioners at its regularly scheduled public meeting on April 30th, 2025 to consider approving the application to the Oregon Department of Revenue to participate in its Assessment and Taxation Grant;

WHEREAS, the state grant provides funding for counties to help them come into compliance or remain in compliance with ORS 308.027, 308.232, 308.234, Chapters 309, 310, 311, 312, and other laws requiring equity and uniformity in the system of property taxation; and

WHEREAS, Marion County has undertaken a self-assessment of its compliance with the laws and rules that govern the Oregon property tax system and found that the county is generally in compliance with ORS 308.027, 308.232, 308.234, Chapters 309, 310, 311, 312, and other laws requiring equity and uniformity in the system of property taxation; now, therefore,

IT IS HEREBY RESOLVED that Marion County agrees to appropriate the budgeted dollars based on 100 percent of the expenditures certified in the grant application in the amount of

\$10,081,319 and accepts that, if 100 percent is not appropriated, no grant shall be made to the county for the quarter in which the county is out of compliance; and

IT IS FURTHER RESOLVED that the county designates Rachael Estill as the county contact person for the grant application. Telephone: 503-588-5128, e-mail: restill@co.marion.or.us.

DATED at Salem, Oregon, this _____ day of April, 2025.

MARION COUNTY BOARD OF COMMISSIONERS

Chair

Commissioner

Commissioner

original: clerk
c: assessor