

Chapter 2

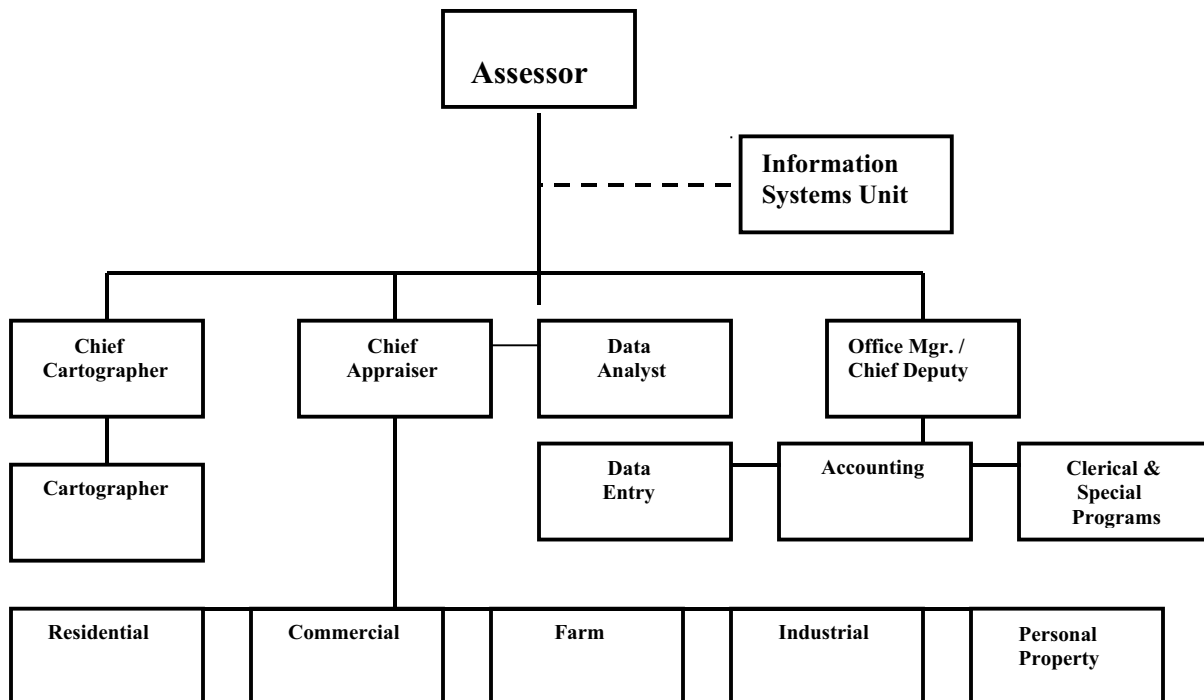
Organization and Administration

Organization

The organization of an assessor's office is determined by the type and volume of work that must be completed. The larger the staff, the greater the need for a formal organization plan. Small offices are organized less formally than large offices, but a division of responsibility still needs to be identified so the office runs smoothly.

The following chart outlines the organization generally found in an assessor's office. It can be modified to fit any county's requirements.

Assessor's office Organization Chart



To accomplish work objectives, the assessor establishes a line of authority. Each person should know his or her position description and supervisor. Each supervisor needs to know the employee(s) he or she supervises. No person should have more than one direct supervisor. This avoids conflicting instructions that could lower efficiency and morale. Responsibilities should not be delegated to a supervisor without the accompanying authority to carry out the necessary duties.

Positions commonly found in an assessor's office and the duties of those positions are:

Assessor—Establishes the procedures and manages an organization that complies with the provisions of the law relating to the assessment of property. As administrator, the assessor is responsible for all work performed by the staff. The assessor needs to know the statutory requirements and steps involved in the assessment process. The assessor plans, organizes, coordinates, and directs all the office functions.

Chief Deputy/Office Manager—Supervises office functions; helps develop office policy and programs; establishes and maintains the records system; and acts for the assessor in the assessor's absence.

Office Support—The amount and type of support needed varies with the size of the county. Common positions are file clerk, program support, and data entry clerk. Duties for these positions vary but most include assisting the public.

Chief Appraiser—Establishes appraisal objectives and directs the appraisal program; plans and develops appraisal policy; coordinates the various appraisal sections; and develops the staff training program.

Chief Cartographer—Supervises the maintenance of the cadastral mapping program.

Supervising Appraiser—Supervises a staff of appraisers; supervises preappraisal set-up studies; appraises the larger and more complex properties; conducts field reviews of completed appraisals for quality, uniformity, and equity; and monitors appraisal progress to meet the established appraisal objectives.

Data Analyst—Collects, confirms, and records market data of all types; develops the ratio study; maintains the sales database; and provides market analysis for the appraisal staff.

Field Appraiser—Establishes the RMV of the majority of the properties in the county. The success of most other functions of the assessor's office depends on the quality and quantity of the field appraiser's work.

Information Systems Unit Manager—Sometimes referred to as the information technology (IT) manager or data processing (DP) manager. Maintains, updates, and coordinates the computer programs and the assessment and taxation records through the use of a mainframe computer, local area network, and personal computer, or any combination of the three.

Administration

Assessment Time Line

The assessment year begins on January 1 and ends on December 31. The assessor must complete many tasks throughout the year according to a specified timeline. The following assessment calendar includes the most important deadlines that affect the assessor's workload. These dates are either required by statute or recommended by DOR.

January

- 1 Assessment date for most real and personal property (ORS 308.210).
- 1 Beginning of sales collection year (ORS 309.200).
- 31 Last day for nonprofit homes for the elderly to notify the assessor that war veterans have been given property tax credit (ORS 307.385).

February

- Board of Property Tax Appeals (BOPTA) convenes on or after the first Monday of month (ORS 309.026).
- 15 DOR mails application for County Assessment Function Funding Assistance (CAFFA) grant to assessor (DOR policy).

March

- 1 Last day to file industrial real and personal property returns (ORS 308.290).
- 1 Assessor sends income questionnaire to owners of non-exclusive farm use (EFU) farmland (OAR 150-308A.071).

- 31 Last day for taxing district to file boundary description and map changes with DOR (ORS 308.225).

April

- 1 Filing deadline for most exemptions and special assessments.
- 10 Assessor sends written notice of late filing to veterans or the surviving spouse (ORS 307.260).
- 15 BOPTA must adjourn (ORS 309.026).
- 15 Owner of land assessed as non-EFU farmland files for farm use assessment of land under farm use dwellings and wasteland (ORS 308A.253 and ORS 308A.074).
- 15 Last day to file a timely real or personal property return with the assessor when an extension has been granted by the assessor or DOR (OAR 150-308.290).

May

- 1 Last day certain veterans or the surviving spouse can file for exemption (must pay a late fee) (ORS 307.260).
- 1 CAFFA grant applications due to DOR (ORS 294.175).

June

- 1 Last day to file a personal property return with the assessor and receive a 5 percent penalty on the tax (ORS 308.296).
- 15 DOR issues CAFFA grant letters to assessors (ORS 294.175).
- 30 Deadline for owners to file applications with county tax collector for proration of taxes for property destroyed or damaged by fire or act of God (ORS 308.425).
- 30 End of the tax/fiscal year (ORS 308.007).
- 30 Last day for BOPTA to issue amended orders (ORS 309.110).

- 30 Last day for five or more taxpayers owning in the aggregate 5 percent or more of total forestland in a land market area to appeal specially assessed forestland values (ORS 321.219).

July

- 1 Start of tax/fiscal year (ORS 308.007).
- 1 DOR industrial values due to county.
- 1 Assessor's Certified Ratio Study due (OAR-150 309.200-(C)).
- 1 Lien date for real and personal property (ORS 311.405).
- 1 Assessment date for damaged or destroyed property if application filed by August 1 (ORS 308.146(6)).
- 1 Prepayment of taxes on subdivisions and condominiums (ORS 92.095 and ORS 100.110).

August

- 1 Last day for owners of land disqualified from special assessment as farm, forestland, or wildlife habitat to file for a different special assessment if disqualification occurs on or after January 1 and before July 1 (ORS 308A.724).
- 1 Last day to file a personal property return with the assessor and receive a 25 percent penalty on the tax (ORS 308.296).
- 2 Penalty for failure to file personal property return becomes 50 percent of the tax (ORS 308.296).
- 14 Last day assessor mails notice of disqualification for "no longer in use" farm or forestland (ORS 308A.113; ORS 308A.116; ORS 321.822). Owner has 30 days from date of disqualification notice to file for a different special assessment (ORS 308A.724).

- 15 Last day for DOR to issue Assessor's Certified Ratio Study findings and recommendations.
- 31 Last day for DOR to issue orders to adjust roll by class (ORS 309.203).

September

- 1 Last day for filing for tax deferral on farm use land in a disaster area (ORS 311.745).
- 25 Assessor's last day to change values on assessment roll except for allowed reductions (ORS 308.242).
- 25 Assessor certifies value or value estimate of joint taxing districts (ORS 310.110).

October

Assessor delivers roll and warrants to tax collector at such time as necessary to enable mailing of tax statements by October 25 (ORS 311.105 and ORS 311.115).

- 1 Assessor notifies DOR of new principal and secondary industrial accounts (OAR 150-306.126).
- 15 Assessor files ratio study with BOPTA (ORS 309.200).
- 25 Last day to mail tax statements (ORS 311.250).

The day after tax statements are mailed, the county clerk begins to accept petitions for reduction in value (ORS 309.100).

November

- 1 Last day for assessor to submit appraisal plan to DOR (DOR policy).
- 4 Assessor delivers certified copy of roll summary (SAL Report) to DOR (ORS 309.330).

- 15 Property tax due (ORS 311.505).
- 30 Last day for assessor to mail notice of increase of current year values (ORS 311.208).

December

- 1 Enterprise zone report due from assessor to DOR (ORS 285B.695).
- 1 Assessor reports changes to approved ratio study (DOR policy).
- 15 Last day to file application for designation as forestland due to any increase in assessment (ORS 321.358).
- 30 Last day to mail personal and real property return forms (ORS 308.290).
- 31 Last day to file for exemption with a late filing fee (ORS 307.112, ORS 307.162, ORS 307.166).
- 31 Last day to apply for open space land assessment (ORS 398A.306).
- 31 Last day to file for riparian land exemption (ORS 308A.356).
- 31 Last day to file appeals to BOPTA (ORS 309.100).
- 31 End of sales collection year (ORS 309.200).
- 31 Last day for assessor to reduce value (ORS 308.242).
- 31 Last day to apply to assessor for correction of maximum assessed value (MAV) based on error in square footage (ORS 311.234).

Planning the Mass Appraisal Program

Supervisory Office Work

Review Field and Office Procedures

When planning the appraisal program, analyze the policies and procedures of the current appraisal program by reviewing:

- Office procedures such as:
 - Removal of appraisal records and field maps from the office;
 - Computer access and data entry;
 - Completion of appraisal work and posting progress charts; and
 - Filling out work reports.
- Field procedures including:
 - Appraiser identification;
 - Purpose of appraisal;
 - Filling out appraisal records and forms;
 - Property inspection;
 - Confirmation of building measurements;
 - Property photos; and
 - Recording data on field maps.
- Policies regarding:
 - Closed gates;
 - Dogs and other protective animals;
 - Property hazards;
 - Property visits when only minors are present; and
 - General trespass.

This review ensures that current office and appraisal policies and procedures are adequate to meet statutory compliance and program needs.

Ratio Analysis

A ratio study compares the RMV of property on the tax roll to current sales prices. The conclusions arrived at through the ratio study are used to adjust roll values to market value as of the assessment date. Ratio studies are also used to identify areas that may need reappraisal. The assessor is required to complete a ratio study each year. For an in-depth discussion on ratio analysis, see Chapter 7.

Reappraisal

Measure 50 eliminated reappraisal for many counties. Instead, most counties now conduct "hot-spot reappraisals." Hot spots are those areas that do not comply with current ratio standards, have changed dramatically since their last physical reappraisal, or in some other way indicate that reappraisal is needed. For example:

- Coefficients of Dispersion (COD) indicate a lack of uniformity.
- Sales indicate an increase in the number of accounts that are not the same as appraised.
- Appeal activity for any given neighborhood increases significantly.
- The last physical appraisal is 10 or more years old.

Appraisal Performance Review

Review appraisals for acceptable quality levels. The quality of the appraisals can be measured through field review and ratio analysis.

Develop, monitor, and summarize performance measures of the appraisal program. Such measurements may include:

- Appraisal production per day and by each appraiser.
- Ratios and coefficients of dispersion for the appraisal area and for each appraiser.
- Number of appeals for the program and for each appraiser.

Determine Workload

Next, determine the annual workload of the appraisal program. This analysis includes workload measures for activities such as reappraisal, appraisal maintenance, special assessments, appeals, miscellaneous time, and management and supervision. Establish geographic/physical areas with equal workloads so that each area will require approximately the same staff resources to appraise.

Consider the number of accounts and types of property in the county, distribution of each type, neighborhood boundaries, and relative difficulty of appraising the different property types.

Another factor is geographical distance. Allow for travel time to and from the appraisal areas and between properties within the area. Small tracts scattered throughout an area will require much more time per appraisal than an urban area with many similar properties located in a relatively small area.

To establish valuation areas, consider:

- Total county workload:
 - Total accounts; and
 - Number of accounts of each property type.
- Division of workload:
 - Property class;
 - Code areas; and
 - Market area boundaries.
- Time required for:
 - Appraisal set-up, analysis of market data, and development of value indicators;
 - Appraisal production;
(Determine how long it takes to appraise one unit of each property type, then multiply by the number of each type of property.)
 - Supervisor's field review of appraisals;
 - Maintenance of appraisals due to new construction, segregation, damage and destruction, reviews, etc.;

- Preparation and presentation of value data at various levels of the appeal process;
- Establish dates throughout the coming year to periodically check the progress of the project to determine if work will be completed on schedule. This will allow for shifting of personnel as needed to complete the project on time.

After the supervisor gives the appraisal staff their assignments, the supervisor must monitor appraisal progress and keep a current work report. The report usually contains information on areas being appraised, date and time involved, miles traveled, type of property appraised, and the unit count of land and improvements. Without a current work report, it will be impossible to forecast and refine the timeline and number of personnel required. Work reports provide a means of assuring that the appraisals in an area will be completed within the allotted time. By tracking work reports, the supervisor can shift resources as needed to ensure timely completion of the appraisal area.

Estimate Staff Requirements

Apply the expected production to the project's workload to derive an estimate of time required. Convert the time required to the number of positions to determine staff needs.

For example: the project is the reappraisal of a hot-spot residential area. Based on information from prior work reports, determine the average time needed to appraise one unit of each property type. Then multiply the total number of units within each property type in the appraisal area by the average appraisal time required for one unit of that property type.

400 units, type 101 x 1.5 hours/unit = 600 hours, or 75 work days

The total time required for all property types (bare land, improved single family, duplex, triplex, and fourplex) will determine the time and staff necessary to complete the appraisal area.

Total time required for area = 1,575 work days

Time available to appraise area = 178 days

$1,575 \div 178 = 9$ appraisers required to appraise the area.

To estimate the staff required, consider miscellaneous time such as vacations, sick leave, training, and holidays.

The following worksheet can be used to determine:

- Staffing requirements for the year;

- Staff availability for reappraisal;
- If staffing is adequate;
- At what point additional staff may be required; or
- If part-time contract help is needed.

Appraisal Staffing Worksheet

Work Activity	Total Number of Accounts	Required Production	Estimated Workdays
1. Maintenance			
New Construction, Remodels, etc.	_____	_____	_____
Segregations, Lot Line Adjustments, etc.	_____	_____	_____
Other	_____	_____	_____
2. Reappraisal/Recalculation			
Appraisal Set-Up Studies			
Residential	_____	_____	_____
Commercial / Industrial	_____	_____	_____
Rural	_____	_____	_____
Manufactured Structure	_____	_____	_____
Field Appraisal	_____	_____	_____
3. Farm and Forest Use			
_____	_____	_____	_____
4. Personal Property			
_____	_____	_____	_____
5. Exemptions, Deferrals, Specially Assessed			
_____	_____	_____	_____
6. Appeals			
BOPTA	_____	_____	_____
Magistrate Division – Tax Court	_____	_____	_____
Regular Division – Tax Court	_____	_____	_____
7. Appraisal Review			
Residential	_____	_____	_____
Commercial/Industrial	_____	_____	_____
Other	_____	_____	_____
8. Miscellaneous Days			
Taxpayer Assistance			_____
Training and Tech Groups			_____
9. Administration			
Management and Supervision			_____
Office/Clerical Support			_____
Data Analyst			_____
TOTAL DAYS REQUIRED			_____
10. Non-work Days			
Holidays and Vacation			_____
Sick Leave and Other Leave			_____

Current staff _____ **x (260 days – Non-work days) = Available days** _____

If available days are equal to or greater than days required, then the proposed plan can be accomplished with current staff. If the available days are less than the days required, then either the plan or staffing will need to be altered.

Use a worksheet like the one below to estimate the total number of Full Time Equivalent (FTE) positions needed to perform each separate task. To calculate the FTE, divide the total number of hours required to perform the task by the total number of hours available during the time allocated to complete the task.

The following is an example of clerical support for processing BOPTA petitions:

Duties	Unit of Measurement	Volume per Period	Estimated Total
Petition	400 petitions	20 minutes each	133 hours
Misc. Records	Miscellaneous	50 hours	50 hours
Total hours			183 hours

Method to Calculate the Full-Time Equivalent Positions	
Total working hours per year 52 wk. x No. days per week worked x No. hours per day attendance	2,080
From total working hours per year, above, subtract the following:	
Holidays per year x Number hours worked per day	96
Vacation (use average number hours taken per person for prior year)	80
Sick leave (use average number hours taken per person for prior year)	40
Hours available to work in a year	1,864

$$\text{Total Hours} = 183 \quad 183 \div 1,864 = .10 \text{ (rounded) FTE}$$

$$\text{Hours Available in a Year} = 1,864$$

Supervisory Field Work

It is important for supervising appraisers to conduct a field review of a representative sample of each appraiser's work. The review ensures that accurate inventory and uniformity of value is achieved, and that county policy is followed.

Appraisal Office Work

An appraisal is an opinion of value formed after considering many variables. In mass appraisal, variables are measured and standards are developed for application to individual properties.

This method promotes sound RMV estimates and equality between properties.

One important requirement for achieving an accurate RMV is a current and complete data file.

An effective program of data collection and recording will improve the quality and quantity of the appraisals and provide support for the final value conclusions.

The data file includes:

- Sales data records.
- Sales confirmation questionnaires.
- Sales data maps:
 - Sales entered on maps with color-coding;
 - Other appraisal data (land leases, listings, offerings, opinions, etc.) entered on map;
 - Boundary lines of market areas.
- Current construction cost data of structures and components.
- Income and expense information:
 - Income and expense questionnaires;
 - Gross income multiplier (GIM) studies;
 - Capitalization rate studies.
- Land data:
 - Rural soil maps, aerial photos, land production records, water rights, and climate and rainfall information;
 - Urban land–use maps, facilities, zoning and building restrictions;
 - Tabulations of confirmed sales of vacant parcels;
 - Tabulations of land rentals (urban and rural);
 - Tabulations of opinions of value, asking prices, etc.

- Building data:
 - Tabulations of confirmed sales of improved properties;
 - Tabulations of depreciation benchmark studies.

Valuation Studies

Preappraisal set-up studies provide the basis for the mass appraisal program. These studies include:

Time Trend—All data affected by inflationary or recessionary trends should be adjusted to the base appraisal date.

Land—Sales are analyzed to develop base unit values, market adjustments and benchmarks.

Quality Class Benchmarks—Properties are identified that are representative of each quality class. The properties do not have to be sold properties.

Local Cost Modifier (LCM) —Information from builders, sales of new homes, building supply houses, and government indexes are used to establish the LCM, which brings factor book costs in line with local market costs.

Depreciation—Sales, costs, and improvement residuals are analyzed to develop depreciation schedules and benchmarks for various types of improvements.

Income and expense data—Income property information is analyzed to establish economic rents and typical expenses.

Capitalization rates—Sales are analyzed to determine the overall rate applicable to income-producing properties. Recapture and tax rates are extracted from the sales.

Gross Income Multiplier (GIM) —Analyze the sale-to-income ratio to determine the GIMs to use on various properties.

Exception Calculation

Exceptions are changes to property that allow adjustments to maximum assessed value. After a changed property has been identified and physically inspected, calculate the RMV of the change and update the account. Computing the exception value is a separate procedure. For more information see Chapter 13 on “Exceptions.”

Appeals

Allocate appraisal and clerical staff time to respond to taxpayer inquiries and appeals. It is expected that any valuation program will produce a certain number of appeals. However, well-documented supporting data can reduce the time necessary to respond to the appeals.

Appraisers and clerical staff typically spend considerable time assisting taxpayers after the tax statements have been mailed. Diplomatic and helpful information at this stage of the taxpayer's inquiry into the accuracy of their value can greatly reduce the number of appeals.

Appraisal Field Work

Valuation Studies

Each of the previously listed studies also requires field verification. For instance, improvement quality and special site characteristics can be accurately determined by field inspection. In some cases, a personal interview provides the most complete sales data and income and expense data.

Maintenance Appraisal

This involves the annual appraisal of new property and changes to existing property after the January 1 assessment date.

Reappraisal

Once the preappraisal set-up studies are complete and base standards have been established, they are applied to each property separately, taking into consideration the individual characteristics each property may possess. By using this approach, the value indicators can be uniformly applied to a mass of properties by following accepted appraisal principles and procedures.

Properties are inspected and data from preappraisal set-up studies are applied through the three approaches to value to develop the final estimate of RMV for each property being appraised.

Appeals

In most counties, appeals of residential property will require a new appraisal, typically made using the market approach and supported by the cost approach. Income properties receive new appraisals using the most appropriate (income, market, cost) method.

Although more closely associated with office time, the appraiser must also be given adequate time for preparation and testimony at BOPTA hearings, Magistrate hearings, and Regular Division Tax Court hearings.

Summary

Proper administration requires that the assessor maintain a sufficient number of skilled staff to conduct the necessary functions of the assessor's office. In addition to maintaining adequate staff, the assessor is required to maintain current procedures and ensure that staff maintains its competency through annual training. By using the proper administrative procedures and a good organizational structure, a legal and equitable assessment roll can be achieved.