

Assessor

Steve Duckels – Assessor

	FY 20/21 Adopted Budget	FY 21/22 CAO Recommended	Change
101-0600			
EXPENDITURES			
Salaries and Benefits	\$1,610,935	\$1,667,047	\$56,112
Services and Supplies	\$244,745	\$231,050	(\$13,695)
Other Charges	\$0	\$0	\$0
Fixed Assets			\$0
TOTAL EXPENDITURES	\$1,855,680	\$1,898,097	\$42,417
REVENUE			
Fed/State			\$0
Grant			\$0
Realignment			\$0
Fees/Misc	\$369,000	\$369,000	\$0
TOTAL REVENUE	\$369,000	\$369,000	\$0
FUND BALANCE	\$0	\$0	\$0
NET COUNTY COST	\$1,486,680	\$1,529,097	\$42,417

Program Description

The county Assessor is a constitutionally elected officer and is responsible, under state law, for the discovery, valuation, and assessment of all taxable property located in the county. The fair and equitable valuation and assessment of all taxable property by the Assessor's staff supports the delivery of essential public services provided to all residents and property owners.

The duties of the Assessor's Office include:

- Annually produce the county assessment roll and supplemental assessment roll
- Locate all taxable property in the county and identify the ownership
- Establish a value for all property subject to property taxation
- Apply all legal exemptions and exclusions
- Maintain and update Assessor's Parcel Maps and records
- Perform business property audits to ensure compliance and equalization of business property assessments
- Defend assessment appeals through the local assessment appeals board
- Identify and adjust the assessment of properties experiencing a decline in value below their factored base year value (otherwise known as Proposition 8 adjustments)
- Provide calamity adjustments on assessments of property that have undergone destruction or damage due to a calamity or Governor-declared disaster

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Office Divisions: 16 allocated positions including the Assessor

- **Administrative** – Assessor, Assistant Assessor, Assessment Supervisor

Oversee the preparation of all property assessments, administer welfare exemptions, develop and implement procedures based upon new legislation, process roll corrections, prepare internal and state mandated reports, process and track all assessment appeals, coordinate office operations, manage human resource functions and issues, oversee training for staff, coordinate accounts payable and payroll, and develop and monitor the department's budget.

- **Valuation** – Assessor, Assistant Assessor, 4 Real Property Appraisers, 1 Auditor Appraiser

Review and assess the value of secured real property (land and buildings) when there is a change in ownership, new construction, decline in market value, disaster relief and other appraisal events. Review, audit, and assess the value of all business property (business equipment, boats, aircraft, etc.). Review, resolve, and defend when warranted all assessment appeals submitted by property owners. Answer questions from the public regarding the valuation of assessable property.

- **Assessment Discovery and Mapping** – 2 Real Property Transfer Analysts, 1 Cadastral Drafting Technician

Research and analyze various legal documents to determine assessable changes of ownership in accordance with state law, process claims for transfers that are exempt or excludable from reassessment, create and maintain Assessor's parcel maps, and answer questions from the public regarding changes of ownership, recorded maps, and lot line adjustments/splits.

- **Assessment Support** – Assessment Supervisor, 2 Assessment Specialists, 3 Assessment Assistants

Update and maintain property assessment records. This includes processing exemptions for homeowners and disabled veterans, updating property ownership information, processing building permits, running supplemental value notices, creating supplemental worksheets, assisting Auditor Appraiser with boats and aircraft, updating property physical characteristics, inputting valuation data, filing appraisal records, answering phones, assisting taxpayers at the counter, processing mail and other clerical functions.

Accomplishments

FY 2020-2021

- Completed the FY 2020/2021 assessment roll with a net value of over \$6.9 billion (increase of 6.67% over FY 2019/2020).
- Restored to factored base year value 314 properties that had been in a decline in value status since the Great Recession (Proposition 8 adjustments).
- Provided quality customer service to the public in spite of difficult conditions brought on by the COVID-19 pandemic.
- Successfully implemented a telework policy in response to the COVID-19 pandemic.

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- Partnered with 45 California County Assessor’s by joining Cal Assessor E-Forms, enabling the Office to automate annual changes to 91 Assessor forms and provide the public with online access to forms.
- Restructured our ownership update process within our Assessment Support division. This was the first step in our strategy to process changes in ownership timelier.

Performance Measures FY 2020-2021

PERFORMANCE MEASURES	RY 2017 Actual	RY 2018 Actual	RY 2019 Actual	RY 2020 Actual
Secured Roll Valuation (less exemptions)	\$5,161,312,457	\$5,484,407,821	\$5,895,382,209	\$6,282,295,822
Secured Roll Units	31,415	31,500	31,875	32,081
Unsecured Roll Valuation (less exemptions)	\$213,212,782	\$227,256,675	\$246,055,480	\$267,302,851
Unsecured Roll Units	1,896	1,891	2,001	2,082
Cost per Roll Unit	\$42.80	\$50.13	\$49.94	\$53.08
Recorded Documents Processed	4,020	4,139	3,929	4,399
Building Permits Processed	1,790	1,812	2,048	1,203
Transfer and New Construction Assessments	2,531	2,681	3,156	2682
Business Property Statements Processed	1,113	1,183	1,321	1408
Audits Completed	16	17	18	16
Net Escaped Valuation Discovered per Audit	\$567,200	\$64,741	\$359,347	(\$316,554)
Proposition 8 Properties Enrolled (decline in value)	4,692	3,892	3,190	2,876
% of Assessment Roll Enrolled on Proposition 8	14.08%	11.65%	9.41%	8.42%
Recorded Maps/Splits (newly created parcels)	56	125	460	336
Total Value All Exemptions	\$743,885,044	\$783,170,929	\$803,954,773	\$826,915,069
Total Number Enrolled Exemptions	11,797	11,706	11,801	11,935
% Increase in Net Roll Value	5.82%	6.27%	7.47%	6.67%

Goals and Objectives FY 2021-2022

- Begin scanning returned Preliminary Change In Ownership forms to enhance productivity through digital access and protect from loss due to fire or flood. This will be the initial step in a multiphase strategy to scan assessment records.
- Successfully administer new Intergenerational Transfer Exclusion and Base Year Value Transfer provisions resulting from Proposition 19’s approval by voters on November 3, 2020.
- Implement Automated Enrollment process and Electronic Appraiser Worksheets using new Megabyte tools to reduce data entry by our Assessment Support division.

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- Add a new Real Property Transfer Analyst I position effective July 2021. This position will, if approved, enable us to process changes in ownership in a timelier fashion, benefiting the public and Yuba County Government.
- Fill our vacant Auditor Appraiser position to avoid falling short of completing our statutory audit mandates and the potential loss of revenues generated through the audit program.
- Continue to examine and adjust the assessed value of approximately 2800 properties currently assessed under the provisions of Proposition 8.
- Monitor sectors of the commercial real estate market directly impacted by COVID-19 local restrictions for possible declines in value (Proposition 8 adjustments).
- Make temporary value reductions to personal property impacted by COVID-19 local restrictions in unison with the Sutter, Butte, and Colusa County Assessors' offices.
- Begin consolidating Tax Rate Area numbers and Assessor plat maps changes in a joint effort with the Auditors Office, Information Technology, and LAFCO to remain in compliance with the State Board of Equalization.
- Produce an accurate and timely assessment roll for Yuba County.

Pending Issues/Policy Considerations FY 2021-2022

On November 3, 2020, the voters of California approved Proposition 19, which added section 2.1 to article XIII A of the California Constitution to provide the following two types of property tax relief:

- Operative February 16, 2021, sections 2.1(c) and (d) replaced the former parent-child and grandparent-grandchild exclusions with a new intergenerational principal residence exclusion, if the property continues as the family home or family farm of the transferee, and requires the family home or family farm to meet a specified value test.
- Operative April 1, 2021, section 2.1(b) adds a new base year value transfer provision for homeowners who are over age 55, severely disabled, or victims of a wildfire or natural disaster to a replacement home in California, regardless of location or value.

Unfortunately, the text of Proposition 19 leaves a number of significant questions unanswered that are critical to Proposition 19's proper implementation and administration. While clarifying legislation was introduced on February 18, 2021 to add sections 63.2 and 69.6 to the Revenue and Taxation Code, as of the writing of this narrative it still has not become law. In an effort to administer Proposition 19 consistently across all counties, the California Assessors Association issued guidelines for all assessors to follow. Once clarifying legislation does pass, it is possible that some aspects of how Yuba County and other Assessors previously administered Proposition 19 could be subject to change.

From a fiscal standpoint, the California State Board of Equalization has determined that the fiscal impact of the intergenerational transfer exclusion is indeterminable, but that the new base year value transfer for persons at least age 55 or severely disabled will result in an average revenue loss of \$2,340 per replacement home at the basic 1-percent property tax rate. The loss could be substantially greater in small rural counties like Yuba. For example, a senior who has owned a home in San Francisco for decades could have a low base year value of \$100,000 but the market value of their home could be \$1 million. Under Proposition 19 they could sell the San Francisco home for \$1 million buy a replacement

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home in Yuba County for \$1 million and transfer their \$100,000 base year value. This would result in a \$9000 revenue loss to Yuba County at the basic 1-percent property tax rate. Since you can buy a lot more home for the money in small rural counties like Yuba compared to other portions of the state, this could become a popular option for seniors with low property tax bases in areas of the state with high housing prices. While Proposition 19 indicates that 15% of additional revenues and savings to the state resulting from the measure are to be used to reimburse counties experiencing a loss in property tax revenue due to Proposition 19, there are no guarantees the state will see a revenue increase or cost savings, and if so whether it would be enough to fully offset county losses.

Administering Proposition 19 will create a new workload for the Assessor's Office. Staff will now need to track more data, value more parcels, coordinate more with other counties and process more State Board of Equalization claim forms. Megabyte software costs may increase as well, since updates will be necessary to track additional data and create reports. As we begin to implement and administer Proposition 19, continued support for the Assessor's Office from the Board of Supervisors and County Administration is essential to maintaining an efficient and responsive property tax system.