

**BOARD OF COUNTY COMMISSIONERS  
WORKSESSION**

**Wednesday, August 26th**

**9:00 am – 11:00 am**

Goodson Room, Delta Hwy Complex Public Works

**AGENDA**

- 9:00 am**      **Call Meeting to Order** (BCC Chair)
- 9:05 am**      **Welcome & Overview** (Steve Mokrohisky, County Administrator)
- 9:15 am**      **Property Tax – Year in Review/Future Projections** (Mike Cowles, Assessor)
- 9:35 am**      **Benefits Update** (Mary Miller, Benefits Manager)
- 9:50 am**      **Break**
- 10:00 am**     **Initial Forecast Projections General Fund** (Christine Moody, Budget & Financial Planning Manager)
- 10:15 am**     **Initial Forecast Projections Road Fund** (Tanya Heaton, Public Works Budget & Finance Manager)
- 10:30 am**     **16-17 Proposed Budget Plan** (Steve Mokrohisky, County Administrator)  
Policy review, benefit costs, review of existing revenues
- 10:45 am**     **Final Thoughts/Discussion** (Board of Commissioners/Management Team)
- 11:00 am**     **Adjourn**

## Property Tax Overview

Budget Work Session  
8/26/2015

# Mike Cowles

## Lane County Assessor

- Value Trends / RMV 2015-16
- Real Market Value / Maximum Assessed Value
- Average and Median Sales Prices and Distressed Properties
- Taxes
- Summary

# Real Market Value 2015/16

## 2013 to 2015 Inventory

July 2015 Reporting Period

<b>Inventory in Months*</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>January</b>	6.8	7.0	5.5
<b>February</b>	5.7	5.7	5.9
<b>March</b>	4.6	4.9	3.7
<b>April</b>	4.5	4.9	3.4
<b>May</b>	4.2	4.9	3.3
<b>June</b>	4.3	4.3	2.6
<b>July</b>	4.7	4.6	2.7
<b>August</b>	4.3	5.0	
<b>September</b>	4.7	4.9	
<b>October</b>	5.2	3.8	
<b>November</b>	6.0	5.5	
<b>December</b>	4.4	4.1	

\*Inventory in Months is calculated by dividing the Active Residential Listings at the end of the month in question by the number of closed sales for that month. This number includes proposed and under construction homes.

## 2015/16 Tax Year

## Average and Median Sale Prices

### Percent Change of 12-Month Sale Price Compared With The Previous 12 Months

**Average Sale Price % Change:**

+4.5% (\$240,100 v. \$229,700)

**Median Sale Price % Change:**

+3.8% (\$216,900 v. \$209,000)

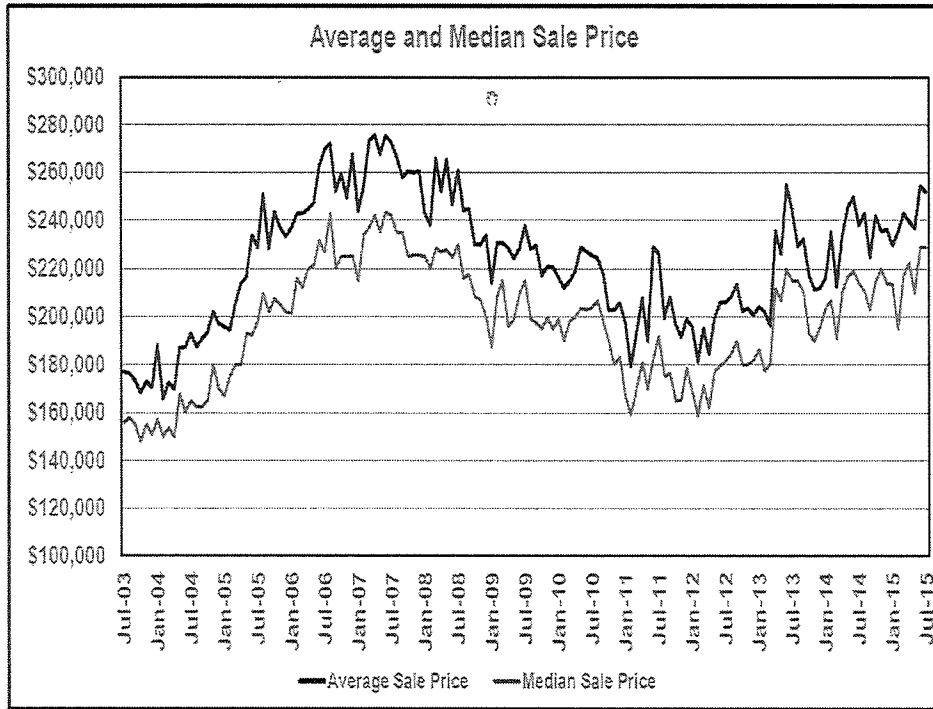
For further explanation of this measure, see the second footnote on page 3.

\*RMLS Market Action 7/15

# Average and Median Sales prices Distressed Properties

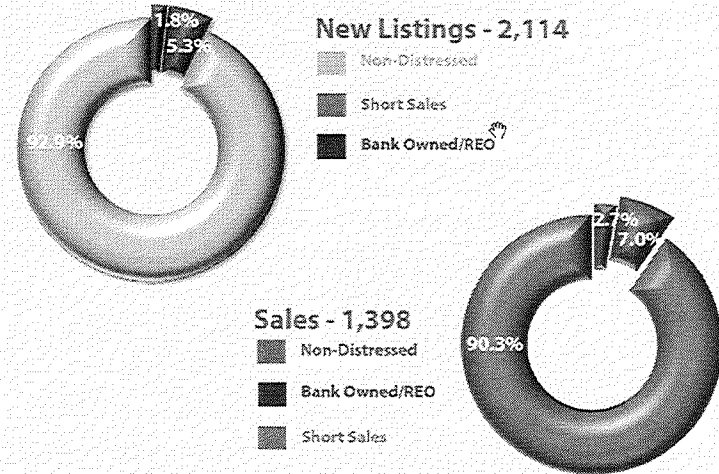
**SALE PRICE**  
**GREATER LANE  
COUNTY, OR**

*This graph represents the average and median sale price  
for all homes sold in Greater Lane County, Oregon.*

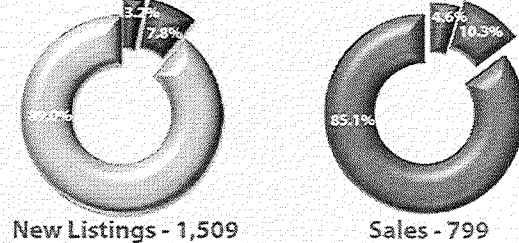


## Distressed Residential Properties Lane County

RMLS™ 2nd Quarter Stats (4/1/2015 - 6/30/2015)



1st Quarter Stats (1/1/2015 - 3/31/2015)



Source: RMLS™ Regional Multiple Listing Service, Portland, OR / RMLScentral.com

\*RMLS Market Action 7/15

# Maximum Assessed and Real Market Value

## MAV

- Eighty-six percent of residential properties in Lane County still have a Measure 50 maximum assessed value lower than their real market value. These properties will continue to see the three percent statutory increase in their maximum assessed value
- On average, residential property owners are paying tax on 81 percent of their home's real market value in 2014

## RMV

- Lane County's January 1, 2014 total real market value (RMV) increased to \$48.9 billion from \$45.6 billion the previous year
- For 1/1/2015 total real market value (RMV) expected to increase to over \$50 billion. The 2015/16 roll is still in progress.....Expected to be certified Oct 6<sup>th</sup>.

# Taxes

## Certified Tax 2014

## 2015 in Progress...

- The total property tax certified to collect for all tax levies combined in 2014 was \$464.4 million. The 2015 tax roll will be certified on 10/6
- Certified property tax for 2014 was approximately 5.6 percent more than in 2013.
- 2015 in progress...
- This trend is expected to be moderate for 2016
- The amount of taxes billed changes each year as a result of new, expired or renewed local option and bond levies approved by voters; the three percent statutory increase in maximum assessed values; the addition of new properties to the tax roll; the number of exemptions granted; and the number of properties being taxed on their lower market values instead of their Measure 50 maximum assessed values

## Building Permits / New Subdivisions

Eugene New Subdivisions since 1/1/2015 increasing

- The rise in activity is playing out in Eugene's Planning and Development Department. The city has granted final approval since Jan. 1 for 15 new subdivisions totaling **515 single-family home lots**, a review of land use records show, mostly along the River Road and Royal Avenue corridors near Eugene's north and west boundaries.\* (RG 8/16/2015)
- Supply of land is still very low for development
- In the previous five years, 22 subdivisions with a total of 331 lots received city approval.\* (RG 8/16/2015)

## Legislative Changes

See Supplement

### 78<sup>th</sup> Legislative Assembly

- One of the more active sessions in recent memory on the part of OSACA, OACTC and the DOR.
- Cooperation between counties and state was key to legislative successes.
- Special thanks to all who made time to submit written testimony or come to Salem to testify.

# Summary

- RMV increasing
  - “Flipping” of account values
  - Legislative changes
  - Large value account appeals
  - Low Inventory
  - More building permit activity
  - Subdivisions and partitions
  - Property tax revenues for most districts are expected to increase at 3.25-3.5% for 2016 (conservative)
  - Many properties will still hit the Measure 5 maximum of \$15 per 1,000 RMV as many market values are still below assessed.
  - Compression under Measure 5
- Property tax revenues are maximized under the current law absent an aggressive reappraisal effort to find property that is not on the tax roll
  - Prior year reductions in assessor staff makes any significant enhanced effort to increase tax revenues very difficult
  - The focus is on getting the current tax roll finished by state deadline and statements mailed out on time
  - Property tax will continue to provide relatively stable funding base to the General Fund