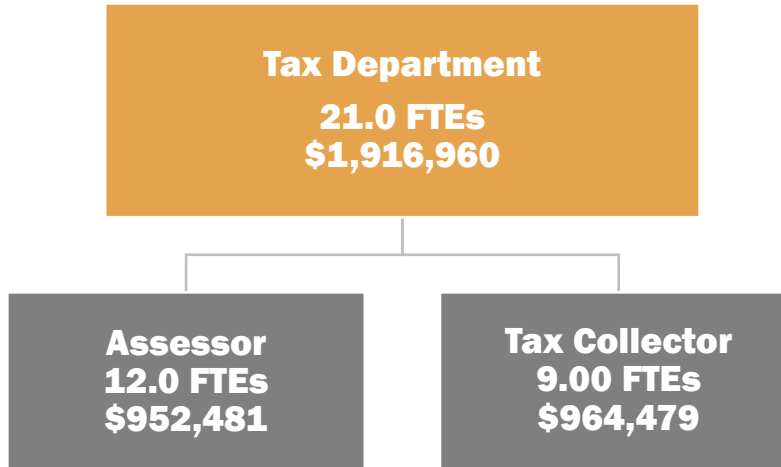


TAX

Key Function Organization Chart



Department Services

ASSESSOR

Ensure all real and personal property is listed annually to the owner of record as of January 1st of each year as mandated by the General Statutes of North Carolina.

COLLECTOR

To collect and account for all current, as well as delinquent, County and City Ad Valorem taxes charged to the Tax Collector, all County beer/wine retail licenses, issue all mobile home moving permits, collect all fire protection service district revenue, and collect all fees related to garnishment, attachment, levy, judgement, and returned checks as provided by North Carolina law.

Budget Highlights

TAX

Organizations: 130050 - 130100

	2015/16 Actual	2016/17 Current	2017/18 Requested	2017/18 Adopted	Percent Change
Revenues					
Property Tax	\$92,265,078	\$90,859,429	\$93,253,140	\$93,604,203	3.0%
Privilege License Tax	\$8,780	\$200	\$0	\$0	0%
Contribution to General Fund	(92,265,078)	(90,859,429)	(93,253,140)	(93,604,203)	3.0%
Charges & Fees	241,027	227,325	275,475	275,475	21.2%
Personnel Indirect Cost	0	0	0	0	0%
General Fund	1,449,396	1,636,451	1,640,256	1,641,485	0.3%
Total	\$1,699,203	\$1,863,976	\$1,915,731	\$1,916,960	2.8%
Expenses					
Personal Services	\$1,145,753	\$1,256,662	\$1,275,406	\$1,276,635	1.6%
Supplies & Operations	553,375	602,314	635,325	635,325	5.5%
Tax Refunds	75	5,000	5,000	5,000	0.0%
Capital	0	0	0	0	0%
Total	\$1,699,203	\$1,863,976	\$1,915,731	\$1,916,960	2.8%
Expenses by Division					
Assessor	\$882,983	\$950,651	\$951,779	\$952,481	0.2%
Collections	816,220	913,325	963,952	964,479	5.6%
Total	\$1,699,203	\$1,863,976	\$1,915,731	\$1,916,960	2.8%
Employees					
Permanent	21.00	21.00	21.00	21.00	0.0%
Hourly	0.00	0.00	0.00	0.00	0%
Total	21.00	21.00	21.00	21.00	0.0%

The requested budget increased (2.8 percent) primarily attributed to an estimated \$50,000 in fees associated with the Zacchaeus Legal Services mortgage-style foreclosure contract (which will be directly offset by the increased revenue) and planned changes in compensation/benefits.

PROPERTY TAX COLLECTIONS

As of May 8, 2017, only \$1.9 million of the current year's ad valorem property tax levy was outstanding, which is 97.77 percent collection rate year-to-date and 0.15 percent ahead of last year.

Performance Measures

FISCAL YEAR 2017/18

The Tax Office's outcomes for Fiscal Year 2017/18 continue to focus on improving the County's tax collection rate and providing high quality customer service. The Tax Assessor will ensure citizens receive prompt notification of taxes owed, which will require that all new construction is listed, appraised, and recorded in a timely manner. In addition, the Tax Assessor has added a new outcome related to accuracy that emphasizes the collaboration that occurs between Tax and IT in producing precise tax mailings. The Collector's Office will continue to increase the County's tax collection rate to match the statewide average by implementing techniques including

adaptations to the collection process to evaluate technique effectiveness and outsourcing tax foreclosure.

MID-YEAR FISCAL YEAR 2016/17

At mid-year, the Tax Department was on target or had already achieved all but one of its Fiscal Year 2016-17 outcomes. Due to increasing transaction volume, personnel turnover and training lead time, the target of providing current real property ownership information 85 percent of the time within 7 business days of receipt from the Register of Deeds has fallen to an average of 11.24 business days. The Tax Department has hired a temporary Land Records mapper to help address the backlog. The department mailed real and personal tax bills on July 13, 2016, three weeks ahead of its outcome and seven weeks ahead of the General Statute requirement of September 1. Early billing was a result of having all new construction listed, appraised, and keyed by June 17, 2016, well ahead of its deadline of July 15. The Tax Collector Office continues to make strides in increasing the County's property collection rate. The office continues to provide quality customer service by responding to all taxpayer inquiries within 24 hours of receipt.

FISCAL YEAR 2015/16

The Tax Assessor's Office achieved all seven of its outcomes. The office ensured citizens received prompt tax notification by mailing real and personal property tax bills on July 10, 2015, well ahead of the September 1st statutory deadline. The office responded to 100 percent of taxpayer inquires within 24 hours. The Assessor provided the most current ownership information of real property to citizens by processing 85 percent of deed transfers in 4.77 business days, 5.23 days faster than its goal. Additionally, all new construction was listed, appraised, and keyed by June 19th, 2015, nearly three weeks prior to tax billing. For its fifth outcome, the office increased awareness of tax relief programs by distributing 798 tax relief pamphlets to 21 locations around the County, working one-on-one with numerous taxpayers over the phone and in-person, and giving public presentations on tax relief programs. As a result of this effort, 96.5 percent (194 out of 201) of applicants were appropriately enrolled in various tax relief programs. In regards to increasing Catawba County citizens' knowledge of the Farm and Food Sustainability plan's tax benefits and the present-use program, staff routinely conducted face-to-face interviews, made telephone calls, and sent emails regarding present-use program qualifications and tax implications. This effort resulted in 101 new applications submitted, of which 88 qualified for approval. There are 1,673 properties in the present-use program.

Fiscal Year	Total Outcomes	Achieved	Not Achieved	Success Rate
2015/16	13	12	1	92%
2014/15	14	13	1	93%
2013/14	13	10	3	77%

The Tax Collector Office achieved two of its three outcomes. The office continued to provide high quality customer service by responding to taxpayer inquiries within 24 hours and resolving outstanding issues within five business days. The achieved its multi-year outcome of increasing the tax collection rate to 97.94 percent, from 96.94 percent by implementing various collection strategies. The Fiscal Year 2015/16 tax collection rate was 98.02 percent, the highest collection rate since Fiscal Year 2006/07. Collector has made use of all delinquent collection strategies in its purview such as payment arrangements, wage garnishments, debt setoff, and foreclosure. The County received \$256,231 (47.7 percent more than the prior year) in delinquent tax collection as a result of starting foreclosure proceedings. The lone outcome not achieved was increasing the

10 years' delinquent taxes collected by two percentage points from the previous year, 34.73 percent. The office experienced a decrease in delinquent collection falling to 30.25 percent, a 4.48 percentage point reduction.

The Reappraisal Office achieved all three of its outcomes. Reappraisal defended the County's position on property value appeals to the North Carolina Property Tax Commission resulting from the 2015 Revaluation. There were only two appeals and both were settled prior to the going before the Commission. In preparation for the 2019 Countywide Revaluation, Reappraisal mailed 1,960 sales verification questionnaires, 47 percent were returned for evaluation purposes. This process helped the County maintain an accurate sales history on file. The office continued to provide high quality customer service by, similar to the other Tax Department divisions, responding to taxpayer inquiries within 24 hours and resolving outstanding issues within five business days.

Outcomes

ASSESSOR

1. To ensure citizens receive prompt notification of taxes owed, prepare and mail 100 percent of real and personal property tax bills by August 1, 2017. Statutorily, this must be done no later than September 1st, the date on which the bills lawfully become due and payable.
2. Provide most current ownership information of real property to citizens by processing 85 percent of deed transfers within 10 business days of receipt from the Register of Deeds.
3. Ensure all new construction is listed, appraised, and recorded in time for billing no later than July 15, 2017, by constant monitoring of outstanding new construction through building permits and field reviews.
4. Ensure accuracy of tax data contained in annual tax mailings such as tax bills, second notices, debt-set off, etc. by:
 - a. Identifying potential errors through data analytics in conjunction with IT.
 - b. Quality controlling data prior to each mailing.
5. Increase citizens' online access to applications and forms in collaboration with for data mailers, sales verification letters, address changes, elderly/disabled exemptions, present use value, and beer/wine retail licenses.
6. To promote appropriate farmland preservation and to ensure efficient administration of the present-use program, the Tax Office will:
 - a. Prepare and disseminate all present-use program information, to include qualifying program criteria and application process, via handouts, presentations, and website to the public.
 - b. Maintain an accurate database of participants in the present-use value program.

TAX COLLECTOR

1. The Collection division will work to increase the tax collection rate from the Fiscal Year 2015/16 collection rate of 98.02 percent to 98.50 over a 3-year period. To accomplish this goal staff will:
 - a. Use all lawful measures to collect delinquent taxes, including attachments, garnishments, payment arrangements, foreclosure, debt setoff, etc.
 - b. Prepare weekly and monthly status reports to track collections as compared to prior years.
 - c. Pursue collection of current fiscal year delinquent accounts by arranging all current fiscal year delinquent accounts into three tiers based on amount due and has staff focus collection efforts equally among all three tiers to evaluate effectiveness of collection efforts by tier.
2. Track the percent increase of collections for each of the prior 10 years' tax levies to show continued efforts of collection on prior years. Statutorily, the County may only pursue enforced collection measures for accounts that are 10 years old or less delinquent, so it is important to continue all lawful measures to collect these accounts before that time expires.
3. Identify and send annually 400 delinquent real estate properties to third party legal vendor to pursue collections through a mortgage-style foreclosure program. The department will, track revenue and expenditures generated from the mortgage-style foreclosure program to measure the return-on-investment.