

BOARD OF COMMISSIONERS OF UTAH COUNTY, UTAH
Public Budget Work Session – Assessor’s Office
October 13, 2020
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PUBLIC NOTICE IS HEREBY GIVEN THAT THE

BOARD OF COMMISSIONERS OF UTAH COUNTY, UTAH

WILL HOLD A PUBLIC WORK SESSION
IN THE COMMISSION CHAMBERS – ROOM 1400
OF THE UTAH COUNTY ADMINISTRATION BUILDING
100 East Center Street, Provo, Utah
October 13, 2020 – 9:00 A.M.

Members may participate electronically at will, with the anchor location as stated above.

In accordance with the Orange level guidelines instituted by the State Department of Health in the City of Provo, members of the public are strongly encouraged to participate electronically. Physical attendance will be limited to 20 people (including staff) at the anchor location. Once the room has reached capacity the doors will be locked, and additional attendees will be invited to participate online. All individuals in attendance must comply with Provo City Code 9.25 requiring face coverings in indoor spaces where social distancing is not possible with certain exemptions.

The public may participate electronically by joining via zoom at the following link: <https://zoom.us/j/9938818466> or calling (346) 248-7799 or (669) 900-6833, meeting ID: 9938818466. Comments will be limited to three (3) minutes per individual unless otherwise approved by the Board. Please state your name at the beginning of the comment. Please no foul or abusive language.

If a member of the public is unable to provide comment electronically then they may contact the commission clerk to submit written comments for the record by emailing commissionclerk@utahcounty.gov or by calling 801-851-8111

~BUDGET WORK SESSION MINUTES~

Commissioner Ainge (Chair), Commissioner Ivie and Commissioner Lee in Attendance
(Meeting began: 10:03 am)

WORK SESSION

1. WORK SESSION RELATED TO THE 2021 UTAH COUNTY BUDGET

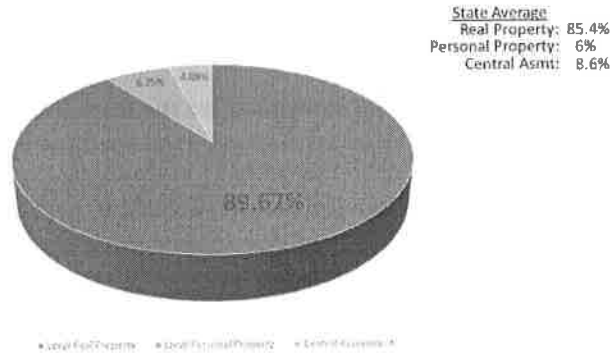
UTAH COUNTY ASSESSOR’S OFFICE

Kris Poulsen, Utah County Assessor – (Gave PowerPoint Presentation)

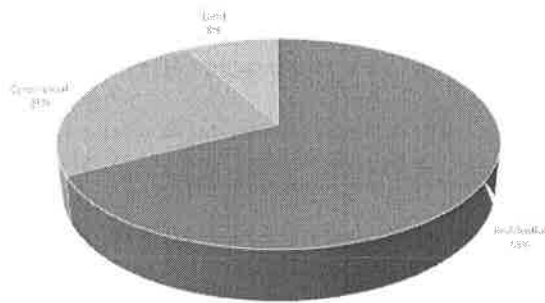
2021 Utah County Assessor Budget

October 13, 2020, 10 am

Utah County Property Taxes



Property Tax by Type

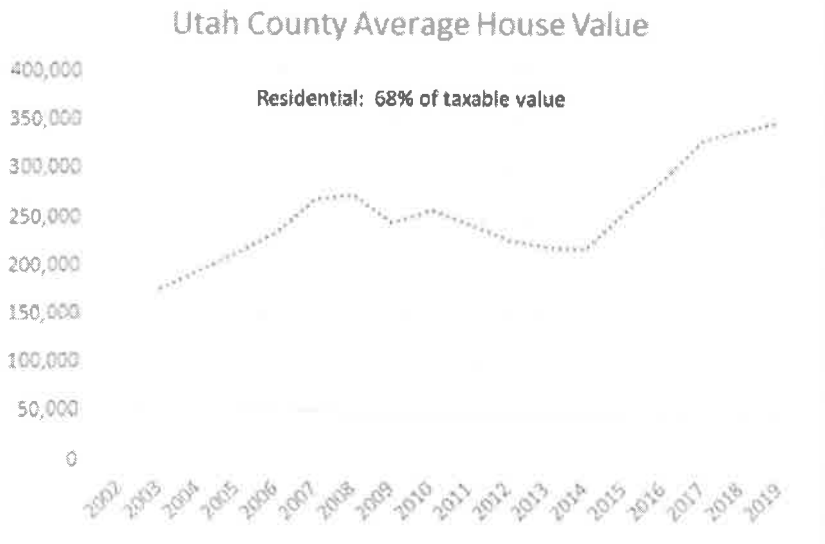
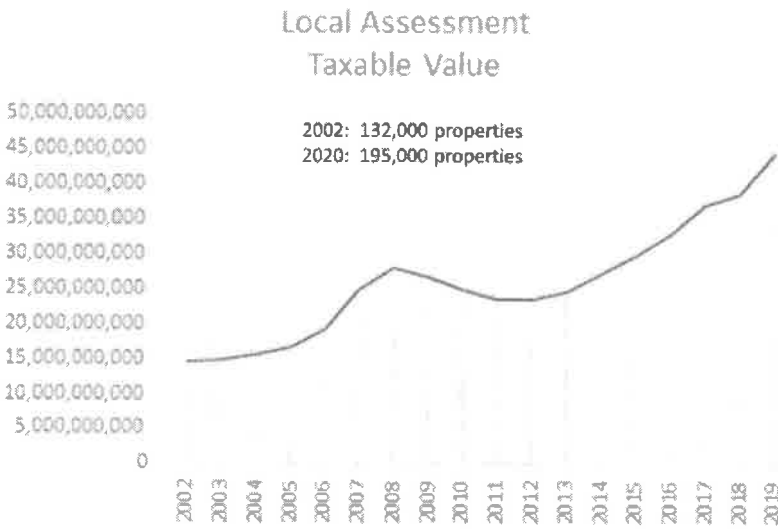


COMMISSIONER AINGE – OF THIS RESIDENTIAL, HOW MUCH DO WE THINK IS PRIMARY VERSUS RENTAL PROPERTIES OR SECOND BECAUSE EVEN LARGE APARTMENT BUILDINGS WOULD SHOW UP IN THIS RESIDENTIAL.

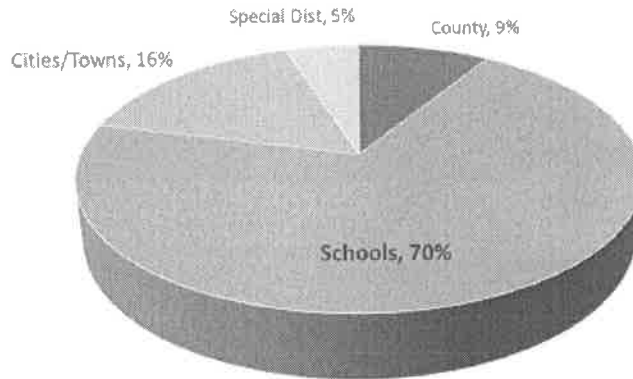
KRIS POULSEN - IS DOES AND THE REASON FOR THAT IS THE LARGE APARTMENT COMPLEXES ACTUALLY GET THE RESIDENTIAL EXEMPTION EVEN THOUGH THEY'RE INVESTMENT PROPERTIES AND SO THEY ARE ONLY TAXED AT 55% OF VALUE.

COMMISSIONER AINGE - THAT’S ONLY THE SECOND HOMES THAT ARE NOT A PRIMARY RESIDENCE?

KRIS POULSEN – THAT’S CORRECT. LATER WE’LL TALK A LITTLE BIT ABOUT UNITS VERSUS PARCELS. YOU HAVE THE SAME DYNAMIC BECAUSE YOU HAVE MULTIPLE UNITS ON ANY PARCEL.



Utah County Property Tax Distribution



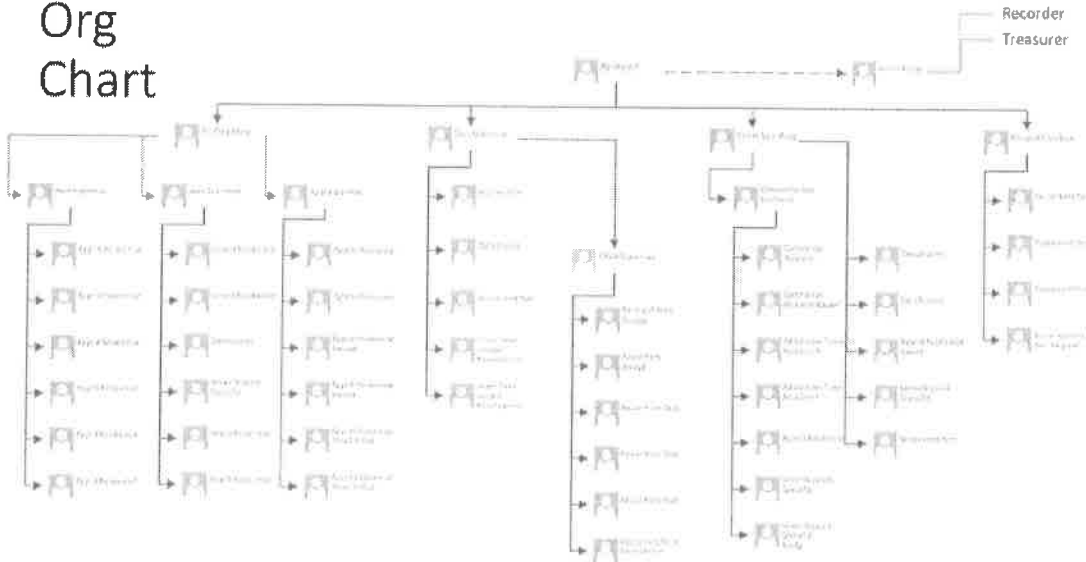
Overview

- Revenue
 - County Assessing & Collecting levy
- Expenses
 - Annually update all property values in the county
 - Real Property
 - Personal Property
 - Property Review requirement
 - Exemption
 - Residential Exemption
 - Greenbelt Exemption

Budget

- 2020 Budget Expenses **\$6,082,635**
 - Personnel 82%
 - Internal Services 9%
 - Contracts 5%
 - Other 4%
- 2021 Proposed Budget Expenses **\$6,075,545**
 - Personnel 82%
 - Internal Services 9.5%
 - Contracts 5.5%
 - Other 3%

Org Chart



Permits Issued 2019

Commercial	800
Apartments	213
High Density	1,817
Residential	6,373

City	Permit Total
Fairfield	3
Goshen	9
Woodland Hills	9
Cedar Fort	25
Genola	27
Cedar Hills	41
Draper	82
London	97
Alpine	100
Elk Ridge	115
Utah County	137
Salem	169
Highland	270
Mapleton	274
Springville	277
Pleasant Grove	294
Santaquin	313
Payson	374
Orem	407
Provo	442
Vineyard	481
Spanish Fork	537
American Fork	597
Saratoga Springs	888
Eagle Mountain	1054
Lehi	1836

Permits

	2019	Q1 - Q3 2020	Difference
Commercial	800	500	62.8%
Apartments	213	97	46%
High Density	1,817	1,864	102.6%
Residential	6,373	4,911	77%

High Density and Res 2019 8190 permits /9 appraisers = 910
 High Density and Res 2020 6775 permits /9 appraisers = 752 (Q1 - Q3)

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Personnel: 82% of Budget

	<u>2020</u>	<u>2021</u>
• Staffing		
• Full Time Employees	\$4.87M	\$4.84M
• Time Limited	\$66,000	\$115,000
• Career Ladder	\$44,000	\$27,000
• Other	\$23,676	\$ 5,402

Two positions approved for 2020 not in 2021 staffing plan
Add one Personal Property Specialist 2021: \$50,500
Time Limited increased for two analysts (20 hrs per week)
Other: Anticipate additional adjustments for Insurance Waver

COMMISSIONER AINGE – I THINK THAT'S WORK NOTING. THIS IS YOUR BUDGETED NUMBER FOR 2020. BUT ESSENTIALLY WHAT YOU'RE SAYING IS YOU'RE GOING TO END UP COMING IN UNDERNEATH YOUR BUDGETED NUMBER IN 2020 BECAUSE YOU HAD THOSE POSITIONS APPROVED AND YOU WEREN'T ABLE TO HIRE THEM DURING THIS YEAR.

KRIS POULSEN - CORRECT

Personnel Adjustments

- Personal Property
 - Shifted resources to process mandated residential exemption applications
 - 23,000 exemption verification accounts in 2020
 - Approximately 10,000 verifications annually

Time Limited Increase: Project One

- 2020 Project: Statistical AI Modeling (Continuous Modeling)
 - Quote: \$720,000 for three years
 - Software (SAAS)
 - Software Expertise
 - Storage
 - Data
- 2021 Alternative (Proof of Concept - SPSS Modeler Module)
 - Software (\$500 per month lease)
 - Intern (20 hrs per week)
 - Internal Resources

COMMISSIONER LEE – WHAT ARE YOU MODELING?

KRIS POULSEN – THESE WILL BE RESIDENTIAL HOMES. THE RESIDENTIAL REPRESENTS 68% OF THE VALUE OUT THERE AND THEY ACTUALLY REPRESENT OVER 70% OF THE PROPERTIES.

Time Limited Increase: Project Two

- 2021 Project: Automated Comparable Algorithm

- Open source “R” language
- One Time Limited Resource

Objective: Algorithm selects best comparable properties. Estimates used to

- Identify outliers prior to final valuation
- Provide public and hearing officers comparable properties during BOE.

Outcome Objective:

- Reduce time to create comparable reports (Majority Properties Residential)
- Reduce dispersion in Multiple Regression value estimations (Residential)

Need: Should real estate values decline (2009), BOE appeals increase (volume).

Internal Services: 9.5% of Budget

- Programming Charges increased
 - New assessment program integration

Contracts: 5.5% of Budget

- Pictometry: renegotiated 6-year extension
 - Higher Resolution
 - Expanded Areas
- SPSS Modeler SaaS lease
- Property Characteristic Review
 - New Growth Sketch Conversion (Prior RFP)
 - ILookAbout: Exception analysis (Prior RFP)
 - Change Detection: New
 - Image to Perimeter Shape: New
 - Shape File Comparison: New

COMMISSIONER LEE – HOW MANY TIMES A YEAR DO THEY GO AROUND?

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KRIS POULSON – WE DO IT ONCE EVERY TWO YEARS. BECAUSE SALT LAKE IS A MUCH SMALL COUNTY GEOGRAPHICALLY, THEY FLY EVERY YEAR AND IT ACTUALLY COSTS THEM LESS TO FLY EVERY YEAR JUST BECAUSE OF THE FOOTPRINT.

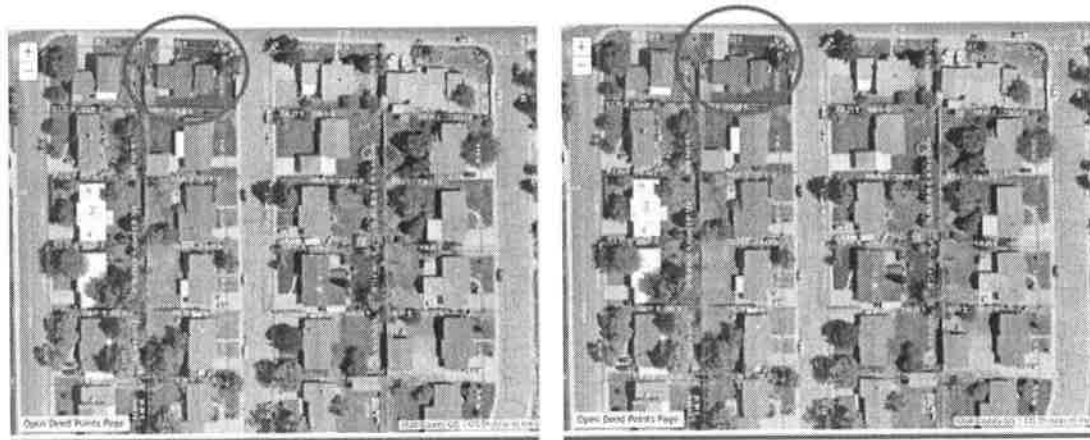
COMMISSIONER LEE - EVEN THOUGH WE ONLY DO IT EVERY TWO YEARS, IT STILL GOES UP THAT \$12,000 A YEAR?

KRIS POULSON - IT’S A HIGHER RESOLUTION THAT WE’RE GETTING AND IT’S ALSO NEW TECHNOLOGY THAT THEY’VE IMPLEMENTED SO THE PRICE HAS GONE UP SLIGHTLY BECAUSE OF THAT AND BECAUSE WE’RE GETTING MORE IMAGERY. BECAUSE IT’S A HIGHER RESOLUTION, WE’RE GETTING MORE SHOTS PER SQUARE MILE. WE LEVERAGE OFF OF THIS AND OTHER DEPARTMENTS LEVERAGE OFF THIS TOO BECAUSE THOUGH WE’RE PAYING FOR IT, WE MAKE IT AVAILABLE TO OTHER DEPARTMENTS.

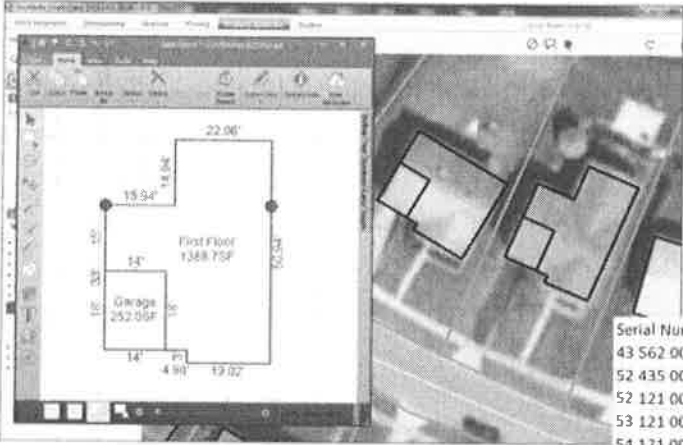
Property Characteristic Review

- Required per 59-2-303.1
- IAAO Benchmark (standard) for 200,000 properties
 - 7 - 8 appraisers plus support staff
 - Five-year cycle
- Objective
 - 2 appraisers plus support staff
 - Two-year cycle (aerial imagery delivery)
 - Reduce items not picked up through permits every 2 yrs instead of 5.

Aerial Change Detection



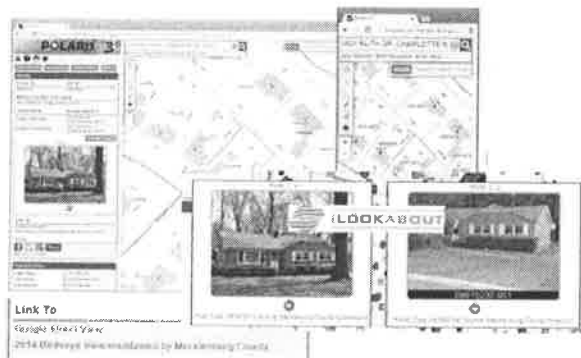
Phase 1: Sketch Shapes into GIS (completed)



Serial Number

Serial Number	Match	Notes
43 562 0012		60% Addition
52 435 0002		80% Concrete slab
52 121 0034		20% New Construction
53 121 0035		30% New Construction
54 121 0037		20% New Construction
55 121 0039		30% New Construction

Phase 2: Exception List (desktop review)



2021 Step 1: New Sketch Shapes into GIS

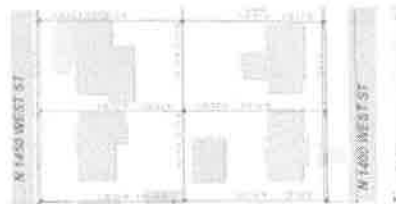
New Aerials
14,000 new and edited sketches
(system update date)



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2021 Step 2: Image to Shape Perimeter

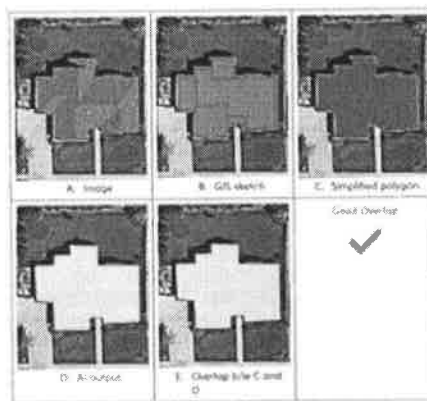
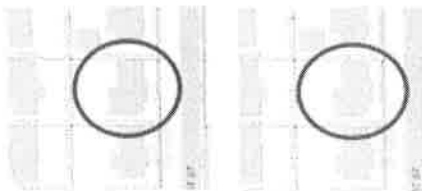
New Imagery



2021 Step 3: Algorithm Comparison (unproven)

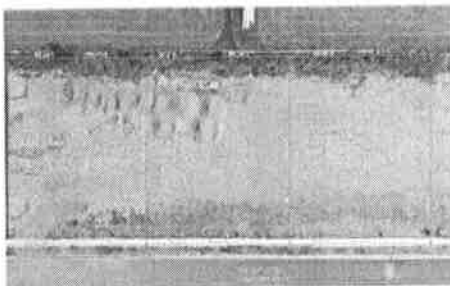
Sketch Image in GIS

Aerial Perimeter Image

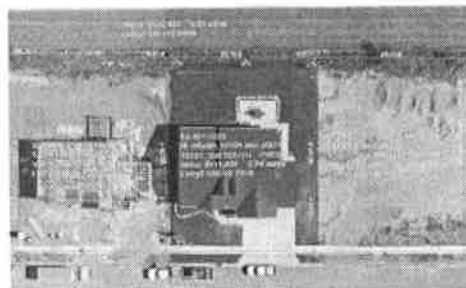


Change Detection

2019



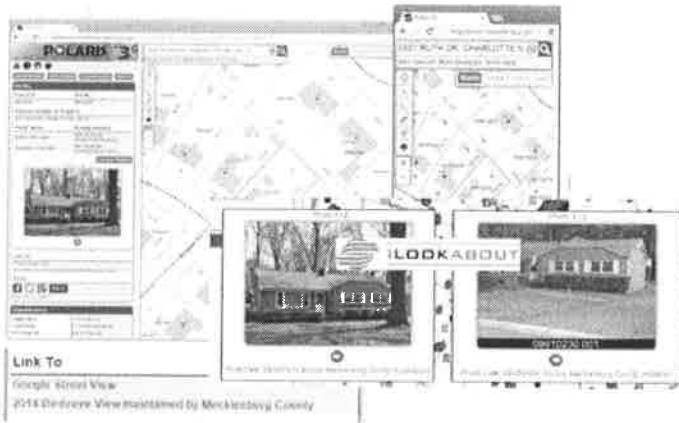
2021



Change Detection: Natural Disaster



2021-2023: Exception List (desktop review)



Budget Comparison

Conventional Method \$560K x 2 = \$1,120,000
Seven Appraisers for two years (of 5 yrs)

Proposed

- Two Appraisers for two years \$320,000
- ILookAbout Software (two years) \$ 40,000
- Update Sketch Layer \$ 12,000
- Aerial Image Change Detection \$ 40,000
- Perimeter Shapes from Aerials \$ 35,000
- AI Shape Comparison \$ 35,000*

* estimate

2020 Objectives

- New Computer System Implementation
- Implementation of Phase 1 of new review process
- Analysis of continuous valuation process

2021 Objectives (performance measures)

Primary Objective: 2021 valuations from new CAMA system
 Analysis Project: Continuous valuation and comp selection

Performance Measures

- State Tax Compliance Testing
 - Coefficients of Dispersion (COD): uniformity test
 - Level of assessment
- Maintain Growth (building permits increasing)
- Property Review Improvements (PT-062 Form)

Expectations

65% of primary tasks

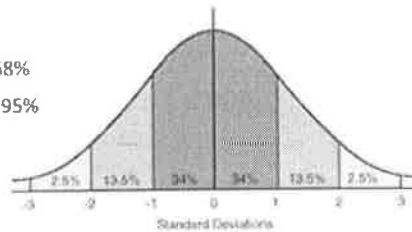
Trend

County Comparisons

Coefficient of Dispersion (COD)

In ratio studies, the coefficient of dispersion is reported as an average percentage difference from the median ratio.

- One Standard Deviation = 68%
- Two Standard Deviations = 95%



County	Residential	Commercial	Vacant Land
State Standard Compliance	< 15%	< 20%	< 20%
IAAO Standard Benchmark	10%	20%	20%

Coefficient of Dispersion (COD)

Property Mix

- Residential 79% (68% of value)
- Commercial 6.6% (24% of taxable value)
- Land 14.4% (8% of taxable value)

	Standard	2002	2006	2012	2016	2018	2020
Residential	< 15	11.35	9.71	9.75	6.72	5.94	5.44
Commercial	< 20	29.16	27.28	10.02	7.63	9.84	11.56
Vacant Land	< 20	18.01	13.29	8.03	6.73	4.88	6.29

Source: Utah State Tax Commission

COMMISSIONER AINGE – WHAT DATA DO THEY USE TO MEASURE THIS?

KRIS POULSON - THEY USE CELLS SO THEY WILL TAKE EVERY CELL THAT'S AVAILABLE TO YOU. IF YOU BUY A PROPERTY, YOU'LL RECEIVE SOMETHING IN THE MAIL THAT SAYS IT'S FROM THE STATE TAX COMMISSION ASKING YOU QUESTIONS ABOUT THAT TRANSACTION. THE RESIDENTIAL IS ACTUALLY PULLED FROM THE MLS SO THE MLS SELLS IN RESIDENTIAL IS WHAT THEY USE FOR THAT ANALYSIS.

COMMISSIONER AINGE - SO, IT'S MEASURING OUR COUNTY'S CURRENT ASSET VALUE VERSUS THE TRANSACTION VALUE?

KRIS POULSON - YES

COD Residential

	Property Type	5 YR					
		2016	2017	2018	2019	2020	Average
Salt Lake	Res	6.10	4.70	4.60	4.50	4.40	4.86
Utah	Res	6.72	6.52	5.94	5.20	5.44	5.96
Davis	Res	6.29	8.85	5.70	5.49	5.22	6.31
Weber	Res	6.63	6.64	6.68	6.01	5.85	6.36
Washington	Res	6.23	6.29	6.20	5.97	5.52	6.04

Source: Utah State Tax Commission

COD Commercial

	Property Type						5 YR
		2016	2017	2018	2019	2020	Average
Salt Lake	Com	12.60	10.50	8.10	9.00	9.40	9.92
Utah	Com	7.63	8.91	9.84	8.32	11.56	9.25
Davis	Com	15.69	21.99	10.55	12.58	12.07	14.58
Weber	Com	18.93	17.15	12.29	17.10	17.16	16.53
Washington	Com	5.38	7.95	9.40	8.55	7.00	7.66

Source: Utah State Tax Commission

COD Vacant Land

	Property Type						5 YR
		2016	2017	2018	2019	2020	Average
Salt Lake	Vacant	12.90	10.40	10.40	9.60	10.10	10.68
Utah	Vacant	6.73	6.19	4.88	4.98	6.29	5.81
Davis	Vacant	22.04	18.77	14.85	12.70	10.85	15.84
Weber	Vacant	12.17	12.15	8.07	6.73	6.75	9.17
Washington	Vacant	8.78	7.39	6.48	6.79	5.05	6.90

Source: Utah State Tax Commission

Compliance

- Administrative Rule R884-24P27
- Statutory Basis for Study – Utah Code, Section 59-2-704
- Statutory Basis for Standards – Utah Code, Section 59-2-704.5

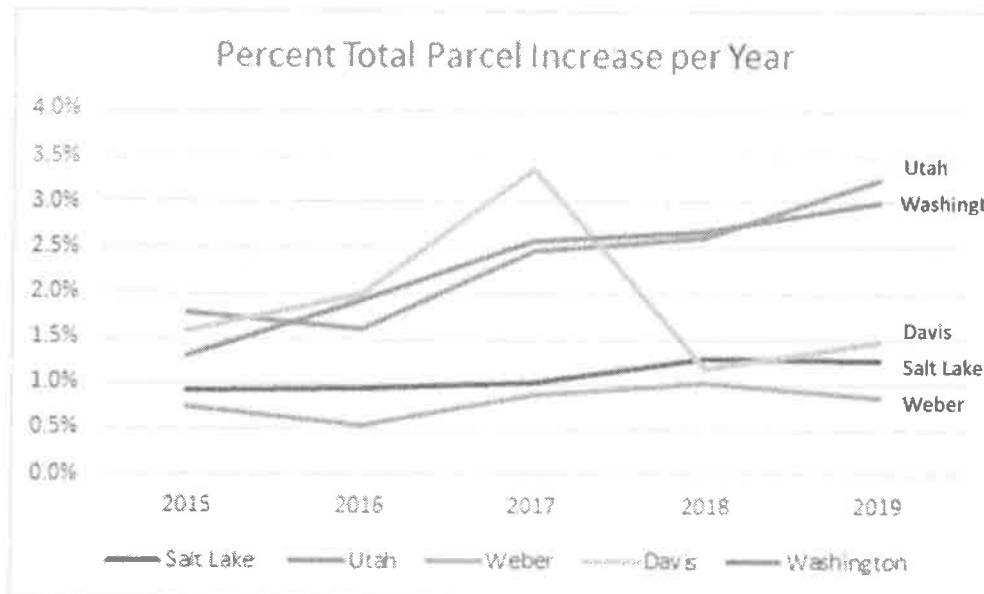
- State Tax completes final study immediately following tax roll
- Corrective Action Order issued within 5 days of completion of study
 - Assessment level adjustments
 - Factor orders

Property Review

From PT-062	2017	2019	2020
Parcel Count	177,562	188,158	194,855
Review Within			
12 months	43,096	142,747	31,029
24 months	44,687	26,112	132,864
36 months	59,920	5,510	25,019
48 months	17,848	9,866	3,253
60 months	5,280	3,923	2,690
< 60 months	6,731		

Prototype Test

Last Detailed Review Date Report	
Form PT-062	UCA 99-2-963.1
Rev. 03/2020	
Tax Roll Year: 2020	County: Utah
Date of this Report: 10/09/20	
Section 1 - Detailed Review Data by System	
<small>Instructions: This form looks at the data that is currently recorded as the "Last Property Review Date" in your county's computer system. It is the date when the last detailed review of a property's characteristics was completed for a parcel. NO OTHER information is reported. Please report only those parcel records that are taxable and assessed. Each parcel is reported only once on line A. Your total should fit one of the lines B through H. Line A represents the whole, and lines B through H represent a part. Line B through H must add up to line A. Please check your numbers before submitting.</small>	
A. Number of taxable parcels in the county? (No more over 4 to each-assessed. All correct entries only)	A 194,855
B. Number of taxable parcels on file A having a detailed review date of 1/1/19 or earlier?	B 31,029
C. Number of taxable parcels on file A having a detailed review date from 5/23/18 to 5/22/19?	C 132,864
D. Number of taxable parcels on file A having a detailed review date from 5/23/17 to 5/22/18?	D 25,019
E. Number of taxable parcels on file A having a detailed review date from 5/23/16 to 5/22/17?	E 3,253
F. Number of taxable parcels on file A having a detailed review date from 5/23/15 to 5/22/16?	F 2,690
G. Number of taxable parcels on file A having a detailed review date OLDER than 5/23/15?	G 0
H. Number of taxable parcels on file A having NO recorded detailed review date?	H 0



Source: Utah State Tax Commission

New Construction Permits Issued

- Ken Garner Institute

Utah County is number eight in the nation in new construction permits issued

Population projected to reach Salt Lake City in 40 years

Budget and Growth Comparison

County	2019 Parcel Count	2019 Approved Budget	Budget per Parcel	2019 Res Parcel Increase
Salt Lake	368,879	\$ 14,483,342	\$ 39.26	4,658
Utah	188,146	\$ 5,401,363	\$ 28.71	5,576
Weber	93,780	\$ 2,299,725	\$ 24.52	1,008
Davis	110,511	\$ 3,093,673	\$ 27.99	1,578
Washington	90,875	\$ 3,328,300	\$ 36.63	2,552
Utah 2020	194,855	6,083,000	\$ 31.22	
Utah 2021 Proposed	200,000	6,075,000	\$ 30.38	

COMMISSIONER AINGE – WHEN YOU LOOK AT THESE NUMBERS, AS YOU REACH A CERTAIN SCALE YOU HAVE TO INVEST IN TECHNOLOGY AND PEOPLE AND THEN OVER TIME IT BLENDS BACK DOWN. WE’RE GOING UP ON THE BUDGET PER PARCEL AND IS THAT MORE OF A STEADY STATE? WHAT DO YOU THINK THAT WEBER IS ABLE TO DO AS SMALLER THAN US TO HAVE LOWER?

KRIS POULSON - ON THAT LAST COLUMN YOU CAN SEE THE GROWTH. THESE ARE THE PARCEL INCREASES FROM ONE YEAR TO THE NEXT JUST IN RESIDENTIAL. EVEN THOUGH THEY’RE HALF OUR SIZE, THEY’RE ¼-1/5 THE WORKLOAD ON NEW CONSTRUCTION AND IT’S EVEN WORSE THAN THAT. I REMEMBER I DECIDED RECITED TO YOU THAT FOR EVERY 1 THAT WEBER DOES WE DO 10. THAT’S ACTUALLY BASED ON UNITS WHERE THIS IS BASED ON PARCELS. WHEN YOU TALK ABOUT APARTMENT BUILDINGS AND CONDOS AND ALL THAT, WE’RE JUST GROWING IN HIGH DENSITY AT SUCH A FAST RATE.

COMMISSIONER AINGE - THAT MIGHT BE INTERESTING TO LOOK AT THEN. I STILL DON’T NECESSARILY KNOW HOW TO ARTICULATE IT, BUT IF MORE OF THE WORKLOAD IS ON THE NEW PARCELS THEN HAVING A SEPARATE COLUMN HERE, THAT’S COST PER NEW PARCEL, IS ALSO HELP BECAUSE THEN THAT WOULD SHOW US PROBABLY SIGNIFICANTLY LOWER.

KRIS POULSON - MAYBE TO BETTER EXPLAIN WHAT WE’RE DOING THAT WEBER’S NOT - EARLIER IN THE CONVERSATION I SAID AS PERMITS GET HIGHER AND HIGHER, WE SHIFT PEOPLE AWAY FROM THEIR REVIEWS AND EVERYONE IS DOING NEW CONSTRUCTION. WEBER IS NOT DOING THAT. THEY HAVE PEOPLE THAT ARE MAINTAINING THE REVIEWS AND MAINTAINING THE NEW CONSTRUCTION. WE’RE SHIFTING OUR RESOURCES CONSTANTLY BASED ON AN UNKNOWN VARIABLE TO US AND THAT IS HOW MANY BUILDING PERMITS ARE ISSUED BY THE CITIES. WE CONSTANTLY ADJUST RESOURCES.

AS I SAID, IN 2008 WE PULLED IT OFF BECAUSE THE BUBBLE RESULTED IN FEWER PERMITS AFTER THAT SO WE THEN SHIFTED RESOURCES OUT OF NEW

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CONSTRUCTION WHEN THE DEMAND WAS NOT THERE AND PUT THEM INTO CATCHING UP THE REVIEWS THAT WERE IGNORED AND WERE ACTUALLY OUT OF COMPLIANCE. I THINK WHY WE'RE ABLE TO DO THINGS WITH LESS MONEY IS BECAUSE WE DO IGNORE THINGS WHEN WE PRIORITIZE, AND WE PRIORITIZE NEW CONSTRUCTION BECAUSE THAT IS NEW REVENUE TO EVERYONE. WE STILL REAPPRAISE EVERYTHING, BUT THE PROPERTY CHARACTERISTIC REVENUES DON'T DRIVE IN NEW REVENUE. SO, WE HAVE A TENDENCY TO IGNORE THAT WHEN DEMAND IS HIGHER IN OTHER AREAS, BUT WE'RE STILL STATUTORILY REQUIRED TO MAINTAIN A CERTAIN LEVEL OF IT.

COMMISSIONER AINGE - THIS IS GREAT DATA. YOUR WHOLE PRESENTATION HAS HAD INCREDIBLE DATA WHICH IS VERY HELPFUL. I THINK IT'S HELPFUL FOR THE PUBLIC. WHAT DOES THE NEXT FIVE YEARS LOOK LIKE? AS THIS BUDGET GOES UP 31, DO YOU THINK THAT AS YOU SCALE IT GOES DOWN TO 30 OR DO YOU SEE IT CREEPING MORE TOWARD SALT LAKE?

KRIS POULSEN - I'VE BEEN THINKING ABOUT THIS BECAUSE SALT LAKE'S AT 39 BUT THEY ALLOCATE FUNDS IN PLACES THAT I PROBABLY WON'T. WE'RE MORE STREAMLINED AND THAT'S THE WAY IT'S ALWAYS BEEN.

SHORT STORY - WHEN I FIRST CAME INTO OFFICE, I WENT TO A MEETING WITH SALT LAKE, WEBER AND DAVIS. WE WERE ALL IN THE SAME SYSTEM AT THAT POINT. UTAH COUNTY WAS NOT ON THE AGENDA AT ALL. I MENTIONED IN THE MEETING THAT WE HAD A PROGRAM THAT WE WERE PLAYING WITH AND WOULD LIKE TO DEMO IT IN THE NEXT MEETING. THERE WERE SOME LAUGHS AND STUFF, BUT THEY PUT US ON THE AGENDA FOR THE NEXT MEETING. WE DEMOED WHAT ENDED UP BEING, IN SALT LAKE, THEIR PRIMARY BATCHING AND WORKLOAD PROJECT. AFTER WE DEMOED IT THE SUPERVISOR OVER THAT SECTION WOULDN'T LEAVE THE BUILDING UNTIL I PROMISED HER THAT WE WOULD SEND THEM THIS PROGRAM. THEN 6 MONTHS LATER UTAH COUNTY WAS THE AGENDA.

THERE'S A LOT OF THINGS THAT SALT LAKE HAS BENEFITED FROM US AND THERE'S THINGS THAT WE HAVE BENEFITTED FROM SALT LAKE BECAUSE WE HAVE THIS OPEN RELATIONSHIP WITH THEM. RIGHT NOW THEY ARE TRYING TO IMPLEMENT THE SAME SOFTWARE THAT WE ARE AND WHEN IT COMES TO COST, IT IS VERY DIFFERENT UP THERE BECAUSE THEY HAVE A PROJECT MANAGER THAT THEY HIRED FULL-TIME TO DO NOTHING BUT ENSURE THAT THE PRODUCT IS INSTALLED IN THE ASSESSOR'S OFFICE AND THE TREASURER'S OFFICE HAS A PROJECT MANAGER AT 100% FOR THAT PROJECT. THAT'S SOMETHING WE'VE NEVER DONE HERE. IT JUST GIVEN TO THE DEPARTMENT AND WISHED GOOD LUCK. YOU'RE SEEING SOME OF THE THAT IN THAT \$39 THINGS THAT THEY DO THAT WE'VE JUST HAVEN'T DONE.

COMMISSIONER LEE - I THINK THAT GOES TO THE POINT. WHENEVER I SEE BUDGET OR PARCEL AND SWINGS DIFFERENTLY AND WE ALWAYS LOOK AT THEM IN THE SENSE OF HOW MANY ARE IN THE COUNTY, I NORMALLY WILL GO TO SMALLER COUNTIES THAT STILL HAVE THE SAME STATUTORY REQUIREMENT TO DO AFTER IT TOO. I DON'T KNOW WHERE THEIR BUDGET TO PARCELS COME IN AT. I WOULD ASSUME THAT JUST BECAUSE YOU'RE A

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SMALLER COUNTY, YOU'RE STILL GOING TO HAVE TO PUT MANPOWER INTO GETTING THE PARCELS CORRECT. JUST BECAUSE YOU HAVE LESS PEOPLE IN THE COUNTY, DOESN'T MEAN THAT YOU HIRE A QUARTER OF A PERSON TO DO IT. THEY'RE STILL GOING TO HAVE TO HAVE ONE PERSON THERE AND PROBABLY A SECOND. IT'S HARD TO LOOK AT BUDGET PER PARCEL UNLESS WE KNOW EXACTLY WHAT THE BUDGETS ARE BECAUSE LIKE YOU MENTIONED, YOU DO THINGS DIFFERENT THAN THEY DO. YOU MAY ALLOCATE A LITTLE BIT DIFFERENTLY AND SO IT'S HARD TO COMPARE IF WE'RE ACTUALLY COMPARING STRAIGHT ACROSS.

KRIS POULSON - THAT'S REALLY A MANAGEMENT ISSUE BECAUSE WE ARE ALL UNDER THE SAME STATUTE AND WE WE'RE ALL REQUIRED TO DO THAT SAME THING. I COMPARE LARGER COUNTIES BECAUSE TYPICALLY WORKLOADS AND OTHER THINGS ARE SIMILAR WHEN YOU GET DOWN INTO A 4TH AND 5TH CLASS COUNTY AS YOU'RE POINTING OUT. IT IS VERY DIFFERENT BECAUSE THEY JUST RELY ON A COST APPROACH AND THAT'S ABOUT ALL THEY CAN DO. WE DON'T USE COST ON RESIDENTIAL BECAUSE WE'RE ACTUALLY USING SALES TRANSACTIONS TO DETERMINE WHAT THOSE VALUES SHOULD BE. OUR PROCESSES ARE DIFFERENT. THEY ARE ACTUALLY THE CODS THAT I SHOWED YOU. THEY HAVE A DIFFERENT STANDARD BECAUSE THEY'RE SMALLER TOO SO THEY CAN HAVE MORE DISPERSION THAN WHAT WE HAVE. SO, THESE COUNTIES ARE ALL REQUIRED TO MAINTAIN THE SAME LEVEL OF ASSESSMENT. SO, WE FALL IN BETWEEN SALT LAKE AND THE REST.

COMMISSIONER LEE - WASHINGTON'S MANAGEMENT STYLE MUST BE SIMILAR TO SALT LAKE'S THEN FOR THAT TO BE THAT HIGH LIKE WHEN THEIR PARCELS ARE SIGNIFICANTLY LESS THAN SALT LAKE.

KRIS POULSON – OF THE ASSESSING AND COLLECTING LEVEES OF ALL OF THESE COUNTIES, WASHINGTON COUNTY HAS THE HIGHEST - SIGNIFICANTLY MORE THAN WHAT WE HAVE. THEY ARE PUTTING MORE MONEY INTO IT BECAUSE THEY ARE GROWING. I MEAN THEY'RE VERY SIMILAR TO HOW WE ARE GROWING WHEN YOU TAKE THEIR PARCEL COUNTY COMPARED TO THE NEW GROWTH THAT'S GOING ON DOWN THERE.

AS I STARTED IN 2002, I ENTIRELY EXPLAINED HOW WE GOT UP TO THE PRESENT. OUR MANAGEMENT STYLE HAS ALWAYS BEEN A KAIZEN APPROACH AND WE WE'RE CONSTANTLY TRYING TO IMPROVE. WE GET TO A POINT WHERE RIGHT NOW WE CAN'T REALLY IMPROVE THE CODS THAT MUCH BECAUSE WE'RE AT THE POINT THAT THEY REALLY CAN'T GO ANYWHERE. THAT DOESN'T MEAN WE CAN'T IMPROVE THE PROCESSES. THAT'S WHY COMMISSIONER IVIE AND I HAVE BEEN TALKING ABOUT HOW WE CAN IMPROVE THIS REVIEW PROCESS. NOT ONLY IS IT GOING TO SAVE US MONEY BUT IT'S GOING TO CREATE A PROCESS THAT WE CAN MAINTAIN IN THE FUTURE. I THINK PART OF WHAT COMMISSIONER AINGE IS ASKING IS, AS YOU KEEP GETTING CLOSER AND CLOSER TO SALT LAKE, WE ARE GOING TO BE \$39 AND I THINK WE'LL BE SOMEWHERE BETWEEN THE \$27-36.

COMMISSIONER AINGE - THE OTHER THING THAT I WAS TRYING TO HIGHLIGHT THERE THAT I THINK IS RELEVANT FOR LONG- TERM PLANNING IS JUST THAT

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SOMETIMES IT'S OKAY IF OUR BUDGETS ARE GOING UP AS IN A SCALING UP OPERATION BECAUSE OF NEW PROCESSES AND TECHNOLOGY THAT YOU'RE IMPLEMENTING. WHAT'S REALLY COMPELLING IS IF YOU CAN SHOW HOW FOR THE NEXT COUPLE OF YEARS THESE PROCESSES AND THIS TECHNOLOGY IS DRIVING THE BUDGET PER PARCEL UP BUT THAT IT'S ALLOWING AN OPERATION THAT IS SCALED AND CAN START LOWING THAT COST PER PARCEL DOWN IN THE OUT YEARS. THAT JUSTIFIES THIS INVESTMENT, TECHNOLOGY AND PROCESS.

KRIS POULSON - AS YOU'RE POINTING OUT ONLY TECHNOLOGY CAN DO THAT. I HAD AN INTERESTING CONVERSATION A FEW YEARS AGO WHERE THE SON OF A FORMER ASSESSOR OF UTAH COUNTY CAME IN MY OFFICE AND I SHOWED HIM AROUND BECAUSE HE REMEMBERS AS A KID RUNNING AROUND AND SEEING WHAT DAD WAS DOING AND THE BOTTOM LINE IS HE SAID, "YOU KNOW, DAD CAN NEVER PRODUCE WHAT YOU'RE PRODUCING RIGHT NOW." AND MY RESPONSE WAS, "YOUR DAD NEVER HAD THE TECHNOLOGY TO PRODUCE WHAT I'M PRODUCING RIGHT NOW". THAT'S THE BIG DIFFERENCE. THAT'S WHY WE'RE SWITCHING OVER TO A NEW COMPUTER SYSTEM. THAT'S WHY WE'RE INVESTING IN THESE NEW CONTRACTS OF US LEASING COMPUTER PROGRAMS FOR ANALYSIS. WE'RE GETTING MORE AND MORE INTO THE FRINGE OF WHAT CAN WE DO WITH ARTIFICIAL INTELLIGENCE IN AN ALGORITHM VERSUS SENDING SOMEBODY OUT. THERE WAS A TIME WHEN WE WERE SENDING DIFFERENT PEOPLE INTO THE SAME AREA. IT'S REALLY A TRAINING ISSUE BUT THE AREA WAS CREATING MORE DISPERSION BECAUSE THEY'RE COLLECTING DATA DIFFERENTLY AND SO I CAME BACK TO MY STAFF AND I'M LIKE WHY ARE WE DOING THIS BECAUSE AT THE END OF THE DAY WE'RE WORSE OFF THAN WHEN WE STARTED THIS. THAT'S WHEN WE STARTED PUTTING PEOPLE INTO AREAS INSTEAD OF HAVING THEM ALL GO INTO THE SAME AREA. EVEN IF THEY CREATE DISPERSION, IT'S THE SAME DISPERSION IN ONE AREA, IT'S NOT EVERYWHERE. THEN WE CAN ADJUST FOR THAT IN THE MODELS AND SO PART OF THIS IS TO GET AWAY FROM THAT SUBJECTIVENESS OF REPORTING WHAT'S THERE AND GET MORE INTO THE OBJECTIVE OF WHAT'S REALLY NECESSARY AND WHAT DO WE NEED.

PUBLIC COMMENTS

NO PUBLIC COMMENTS

(Meeting ended: 10:59 AM)

In compliance with the Americans With Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Alice Black at (801) 851-8111 at least three days prior to the meeting.

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DocuSigned by:

Tanner King

TANNER KING

Commission Chair

ATTEST:

DocuSigned by:

Alice Black

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Deputy Clerk/Auditor