

JULY 25, 2023, MINUTES OF THE STATE BOARD OF EQUALIZATION WORKFORCE PLANNING BOARD WORK GROUP.

The Board Chairman convened the Workforce Planning Board Work Group at 450 N Street, Sacramento, at approximately 2:52 p.m., with Mr. Vazquez, Workforce Planning Work Group Co-Chair, Mr. Gaines, Work Group Co-Chair, Ms. Lieber, and Mr. Schaefer present, and Mr. Emran present on behalf of Ms. Cohen.

Purpose: Co-Chair Vazquez and Co-Chair Gaines presided, summarizing the overall purpose of the Work Group as continuing efforts with County Assessors to develop opportunities for recruitment, college training, compensation, classification, and related solutions in the development a statewide initiative to build a pipeline of skilled property tax talent, specifically appraisers and auditor-appraisers.

Speakers: Hon. Antonio Vazquez, Co-Chair, Member, Third District; Hon. Honorable Ted Gaines, Co-Chair, Member, First District; Hon. Kristine Lee, President, California Assessor's Association (CAA); Yvette Stowers, Executive Director, BOE; Lisa Renati, Chief Deputy Director, BOE; David Yeung, Deputy Director, Property Tax Department, BOE; Joseph Vicente, Chief Appraiser, Training Division, Los Angeles County Assessor's Office; Hon. Don H. Gaekle, Stanislaus County Assessor; Hon. Kristen DePaul, Modoc County Assessor-Recorder; Mr. and Mrs. Austin Tate, Marin County Property Owners.

Summary: All items on the agenda were addressed and two PowerPoint presentations were made: one by Lisa Renati, BOE, <https://www.boe.ca.gov/meetings/pdf/2023/0723-BWG-Workforce-Staff-Rprt-PP.pdf> and one by Joseph Vicente, Chief Appraiser, Training Division, Los Angeles County Assessor's Office, <https://www.boe.ca.gov/meetings/pdf/2023/0723-BWG-Workforce-Vicente.pdf>.

Recommendation and Findings: Executive Director agreed to research and further explore the educational requirements for appraisers/auditor appraisers and report back to the Work Group in August.

The Workforce Planning Board Work Group was adjourned at approximately 4:40pm.

REPORT ON THE JULY 25, 2023, STATE BOARD OF EQUALIZATION WORKFORCE PLANNING BOARD WORK GROUP.

1. IntroductionMr. Vazquez / Mr. Gaines

Hon. Antonio Vazquez, Co-Chair, Member, Third District

Work Group Board Members, the California Assessors' Association, and County Assessors from large, medium, and small counties will update and revise as needed continuing efforts to develop opportunities for recruitment and training solutions as a statewide effort to build a pipeline of skilled property tax talent. Upon the conclusion of all meetings, the Board Work Group (BWG) will report back to the Board with recommendations for possible actions.

Chair Vazquez made opening remarks regarding the need for well-trained appraisers and auditor appraisers to keep the state and local property tax system healthy and to protect the interests of all property owners with fairness and equity.

Honorable Ted Gaines, Co-Chair, Member, First District

Co-Chair Gaines provided opening remarks expressing his concerns that rural counties do not have the budget needed to offer generous pay and benefits that larger counties have. He would like the Work Group to investigate and develop some options for grants or special programs to help address this need.

Hon. Kristine Lee, President, California Assessor's Association (CAA); and Kings County Assessor-Recorder-Clerk

Assessor Lee stated her office staffing and recruitment challenges in 2021 and 2022. There were various reasons for staff turnover, but the primary reason was due to compensation and commute times.

2. Overview of 2020 Report.....Mr. Vazquez / Mr. Gaines

Report by the Executive Director and staff on the BOE efforts toward the four goals in the Comprehensive Outline for the Workforce Planning BWG Report.

Ms. Yvette Stowers, Executive Director, BOE

Ms. Stowers reported the Board has asked the Executive Director to report on the BOE's efforts toward the four goals in the Workgroups Comprehensive outline, specifically: (1) Recruitment and Retention Capacity and Needs; (2) Compensation and Classification Plans; (3) Appraiser and Auditor-Appraiser Certification and Training Plans; and (4) Community Colleges: Curriculum and Partnership Opportunities. She first provided a brief history of the Work Group, and explained that throughout the 2019/2020 Workgroup meetings, the possible passage of a split roll initiative (Proposition 15) brought forth many discussions regarding the significant increase in the number of staff which would be needed to implement the proposed initiative. Thus, there was an urgent need to anticipate and find solutions to protect California's property tax program. She explained that, after the November 2020 election, and the unsuccessful passage of Proposition 15, the magnitude of the workforce issues may not be as pressing, but the core issues remained regarding retention, recruitment challenges, and the augmentation of training programs.

Next, Ms. Stowers reported that staff had completed a summary report of the Workgroup's initial 2020 findings and identified actionable approaches and solutions to address the challenges regarding the breadth and depth of the need to recruit, retain, train, compensate, and develop a skilled workforce with the talent and expertise necessary to maintain the health of our state and local property tax systems. She explained that, although this workgroup discussed a skilled workforce for the entire State including the needs of the County Assessors, the written report solely looks at the findings and conclusions as applicable to the BOE as a state agency. She emphasized that under the Board's leadership, the agency has worked diligently, from 2019 to the present, to implement the suggested paths forward and is proud to highlight the successes and achievements of this important work. The full summary report was attached to the Work Group Agenda, at <https://www.boe.ca.gov/meetings/pdf/2023/0723-BWG-Workforce-Staff-Rprt.pdf> and can also be found at <https://www.boe.ca.gov/meetings/pdf/2023/0723-BWG-Workforce-Staff-Rprt.pdf>.

Ms. Stowers' then introduced Ms. Lisa Renati, Chief Deputy Director, to provide a complete overview of the report's findings and the work that BOE has done.

Ms. Lisa Renati, Chief Deputy Director, BOE

Ms. Renati provided a comprehensive written report and accompanying PowerPoint presentation regarding the BOE's efforts to address the agency's obsolete job classification system and the successful implementation of the agency's strategic workforce planning to reduce vacancies, improve retention, augment appraiser training courses, and succession planning to prepare the next generation of property tax experts. In addition, she presented the minimum education requirements required by statute, information regarding challenges, workable solutions, and accomplishments regarding compensation, recruitments, appraiser training, and current partnerships with local colleges to train and recruit appraisers. (<https://www.boe.ca.gov/meetings/pdf/2023/0723-BWG-Workforce-Staff-Rprt-PP.pdf>)

Mr. David Yeung, Deputy Director, Property Tax Department, BOE

Mr. Yeung fielded questions from Chair Vazquez regarding probated and undervalued properties, as well as efforts to partner with community colleges, including a possible option to fast-track appraiser training and certification as based on an emergency credentialing model program.

3. Updated Workforce Assessment – Recruitment, Retention Capacity and NeedsMr. Vazquez / Mr. Gaines

Update on current needs, recruitment efforts, successes, challenges, current and projected attrition rates, current efforts used to retain appraisers and auditor-appraisers, and opportunities for modernization of recruitment and retention.

Hon. Kristine Lee, President, California Assessors' Association and Kings County Assessor-Recorder-Clerk

Assessor Lee commented that her office is working with an outside consultant to survey compensation, but it will take two years to complete the study. She also entertained the idea of having classes with the community college but her only concern was that there might not be enough jobs in the area for appraisers in such a small county.

Mr. Joseph Vicente, Chief Appraiser, Training Division, Los Angeles County Assessor's Office

Mr. Vicente provided an update on recruitment challenges and improvements. He presented via PowerPoint on the Los Angeles County Assessor's staffing levels and attrition rates for 2023, as well as historical data on the appraiser staff. He emphasized that attrition rates in the last two years were higher than normal over a ten-year period. He also discussed the Assessor's modernized *Appraiser Assistant Program* that is helping with recruitment and training. Recruiting appraisers through a multiprong approach using social media outlets and platforms, partnering with various county departments, and looking into partnerships with local colleges' job fairs have had positive results. He also discussed partnerships with the local college to certify appraiser coursework. (<https://www.boe.ca.gov/meetings/pdf/2023/0723-BWG-Workforce-Vicente.pdf>)

Hon. Don H. Gaekle, Stanislaus County Assessor

Mr. Gaekle discussed the improved turnover of staff in his office but emphasized that extreme challenges in finding qualified applicants continue due to the auditing and/or accounting degree requirements for new appraisers. Appraisers specializing in changes in

ownership, reviewing deeds, and exemptions have very high turnover rates—because of more lucrative jobs elsewhere. He expressed the view shared with some other assessors that the 18 units of accounting required at entry level is too high, more than what is needed for the work required at that level.

Hon. Kristen DePaul, Modoc County Assessor-Recorder

Ms. DePaul provided input on her county's efforts to incentivize staff by paying for the training and education if they attend a community college class towards an accounting degree. She also discussed staffing levels in her office.

4. Update and Discussion of Mandated Appraiser and Auditor-Appraiser Certification Training and Options.....Mr. Vazquez / Mr. Gaines

Discussion of assessors' office training methods, efforts, challenges and/or gaps; and opportunities for program modernization.

Mr. Joseph Vicente, Chief Appraiser, Training Division, Los Angeles County Assessor's Office

Mr. Vicente discussed the LA County Assessor's full immersion training program called the *Appraiser Trainee Certification Program* where the Assessor's office is in partnership with West Los Angeles College is to provide a portion of the courses needed. In addition, he discussed the need for additional BOE approved courses and resources to maintain certifications. In the future, the Assessor envisions implementing a shared file repository with BOE to streamline documents and information. They are also looking ahead to expand course instruction by training inhouse staff to teach, so that they can offer such courses online throughout the state. (<https://www.boe.ca.gov/meetings/pdf/2023/0723-BWG-Workforce-Vicente.pdf>)

Hon. Don H. Gaekle, Stanislaus County Assessor

Mr. Gaekle stated that most of their new hires are college graduates without appraisal experience. In the past, they attempted to provide extensive in-house training that included advanced topics but there was too much turnover and insufficient justification to maintain the additional workload. They do not have formal arrangements with any colleges but encourage staff to take continuing education to advance their careers. Appraisers are now able to meet training requirements through BOE online and in-person classes.

Hon. Kristen DePaul, Modoc County Assessor-Recorder

Ms. DePaul credits Zoom classes for helping with training and certification requirements. Zoom classes are convenient and budget-friendly and have enabled staff to cross-train. However, she does not believe that a similar type of instruction method for the auditor-appraiser certification would be successful. Rather, in-person coursework or a similar pathway is needed to successfully create an upcoming workforce—consistent with the parameters of an advanced certification program.

She expressed concerns (also shared by some other counties) about lowering standards for appraiser certification, citing that new appraisers will have difficulty in learning the job and comprehending complex property tax law without sufficient course background. She recommended that courses be offered to help candidates pass an advanced civil service test to move up to the auditor appraiser position.

5. Wrap up and Next StepsMr. Vazquez / Mr. Gaines

Identified issues for future BWG meetings and discussion, including, but not limited to compensation and classification, and community college partnerships.

Hon. Kristine Lee, President, California Assessors Association and Kings County Assessor-Recorder-Clerk

Hon. Ted Gaines, Co-Chair, Member, First District

Mr. Gaines recommended that the Board work with assessors to explore options for pathways for advancement from the appraiser position to the auditor appraiser certification. Ms. Stowers, Ms. Renati, Mr. Young, and Mr. Nanjo responded that such efforts could be initiated through the Board rulemaking process to clarify/change the education requirements for auditor appraisers, but cautioned that lowering educational requirements could adversely affect compensation levels. There was no motion on this item, except that Executive Director agreed to research and further explore the educational requirements for appraisers/auditor appraisers and report back to the Work Group or Board in August.

Chair Vazquez adjourned the Work Group at 4:43pm.