

Pam Dubov, CFA, CAE

Pinellas County

Property Appraiser

2010-2011

Budget Presentation

Budget Summary by Category

PROPERTY APPRAISER'S SUMMARY OF THE 2010-11 BUDGET BY APPROPRIATION CATEGORY							
PINELLAS COUNTY						EXHIBIT A	
APPROPRIATION CATEGORY	ACTUAL EXPENDITURES 2008-09	APPROVED BUDGET 2009-10	ACTUAL EXPENDITURES 3/31/2010	REQUEST 2010-11	(INCREASE/(DECREASE))		AMOUNT APPROVED 2010-11
					AMOUNT	%	
(1)	(2)	(3)	(4)	(5)	(6)	(6a)	(7)
PERSONAL SERVICES (Sch. 1-1A)	10,130,776	10,042,442	4,944,975	9,976,742	(65,700)	(0.65)	0
OPERATING EXPENSES (Sch. II)	1,322,912	1,219,332	567,575	1,052,257	(167,075)	(13.70)	0
OPERATING CAPITAL OUTLAY (Sch. III)	110,928	8,950	0	0	(8,950)	(100.00)	0
NON-OPERATING (Sch. IV)		0		0	0	0.00	0
TOTAL EXPENDITURES	11,564,616	11,270,724	5,512,550	11,028,999	(241,725)	(2.14)	0
NUMBER OF POSITIONS	139	135	135	130	(5)	(3.70)	
					COL (5) - (3)	COL (6) / (3)	

BUDGET PROJECTIONS

- 2.14% reduction for 2010-2011 Budget

Elimination of 5 FTEs:

Sr Pers/Real Prop Spec
Sr Home Exempt Spec
Cart Cad I
Appraiser IV
Appraiser IV

Total Cost
Savings
Salary &
Benefits =
\$307,414

Reduction in Operating Expenses

→ **(\$167,075)**

Changes in Capital Outlay

\$9k decrease in vehicles

Net Reduction in Capital Outlay

→ **(\$8,950)**

Changes in Personal Services

\$964 per employee increase in Health Insurance

12.34% increase in Florida Retirement System

\$29k increase in Temp positions

\$23k decrease in Workers Comp

Net Reduction in Personal Services

→ **(\$65,700)**

Changes in Operating Expenses

\$58k increase in BTS allocation

\$4k increase in audit allocation

\$27k decrease in office equipment rentals

\$20k decrease in office equipment maintenance

\$20k decrease in office supplies

\$72k decrease in STI maintenance

\$50k decrease in mileage reimbursement

\$9k decrease in printing services

\$5k decrease in mapping services

TOTAL \$ BUDGET REDUCTIONS

(\$241,725)

FY11 % BUDGET REDUCTION

-2.14%

FY10 Budget \$11,270,724

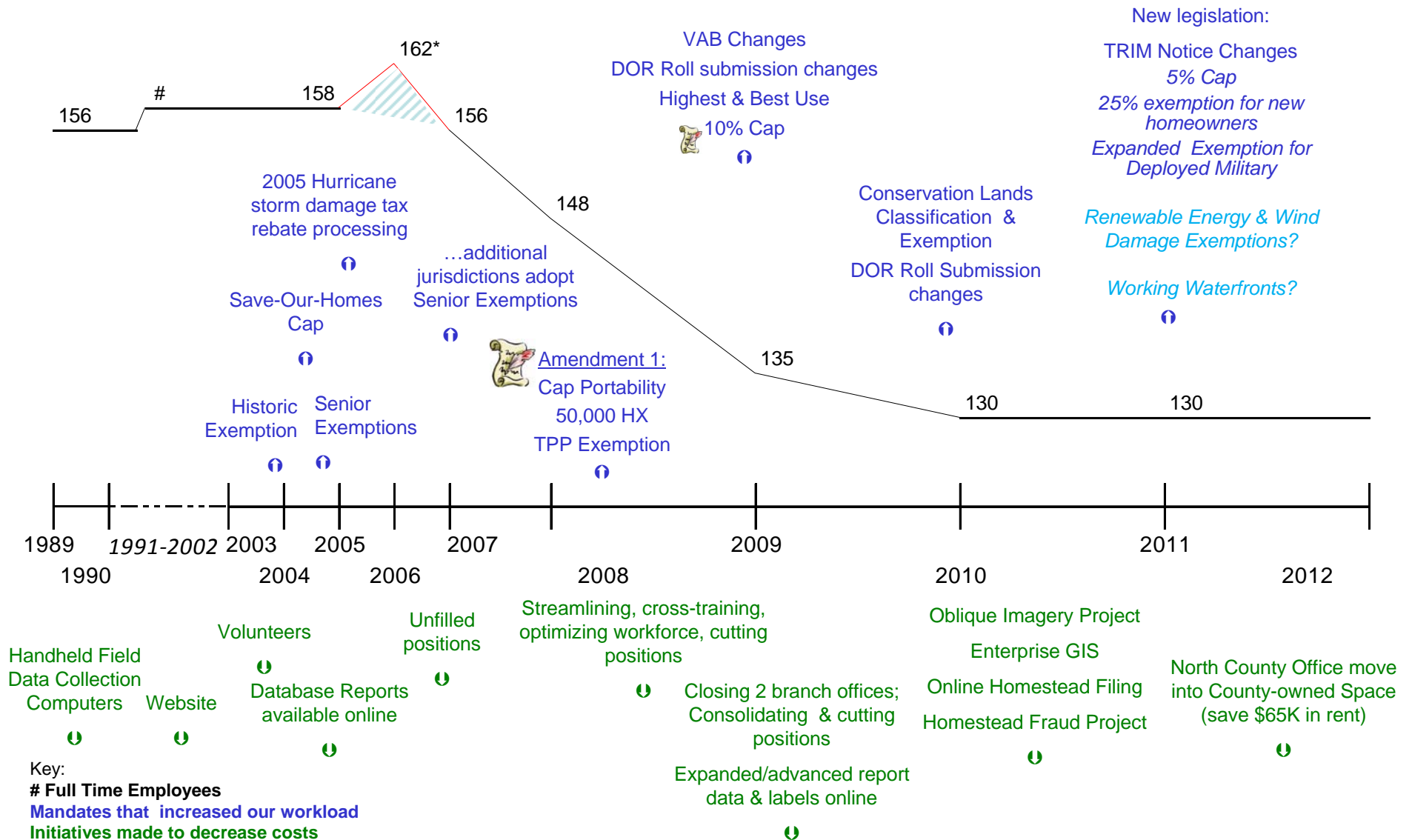
FY11 Budget \$11,028,999

PAO Budget By Year



Budget Fiscal Year	Approved Budget Amount (D.O.R.)	% Rate Difference from Prior Year	\$ Returned to Taxing Auth.
89/90	\$6,610,746	2.03%	\$879,902
90/91	\$6,775,661	2.49%	\$396,957
91/92	\$6,958,920	2.70%	\$331,439
92/93	\$6,950,257	-0.12%	\$252,580
93/94	\$7,197,614	3.56%	\$266,283
94/95	\$7,740,686	7.55%	\$297,384
95/96	\$8,188,923	5.79%	\$473,723
96/97	\$8,241,154	0.64%	\$251,308
97/98	\$8,734,860	5.99%	\$348,564
98/99	\$8,898,401	1.87%	\$467,840
99/00	\$8,856,533	-0.47%	\$348,804
00/01	\$9,121,589	2.99%	\$373,063
01/02	\$9,462,645	3.74%	\$243,304
02/03	\$10,042,198	6.12%	\$312,571
03/04	\$10,489,428	4.45%	\$182,729
04/05	\$11,228,985	7.05%	\$232,207
05/06	\$12,311,699	9.64%	\$604,341
06/07	\$13,554,828	10.10%	\$275,343
07/08	\$12,703,141	-6.28%	\$398,181
08/09	\$11,937,192	-6.03%	\$410,184
09/10	\$11,270,724	-5.58%	\$281,768*
10/11	\$11,028,999	-2.14%	
AVERAGE/YR:		2.47%	*Estimated

Property Appraiser's Office Timeline



Legislative Proposals

- Non-Homestead Cap reduced to 5% (2010 Ballot # 3)
- 25% Homestead Exemption for new homeowners, reduced annually for 5 years (2010 Ballot # 3)
- Defective Building Materials - \$0 Just/Value (HB 965 / Approved by Governor 6-1-10; Chapter No. 2010-170)
- Conservation Classification (F.S. 193.501) and Exemption (F.S. 196.011, 196.26)
- Exemptions/Assessment Classifications for wind resistance & renewable energy source devices (2008 Ballot # 3 – passed 11/4/2008)
- Working Waterfront Classification (2008 Ballot # 6 – passed 11/4/2008)

Increasing complexity of exemptions and valuation methods requires reprogramming, additional processing time, and continuing education of our staff and the public.

2010-2012 Initiatives

- To reduce our budget and make us more efficient, we have implemented or plan to implement the following programs and projects during 2010 - 2012:
 - Web Site Upgrades
 - Reorganizing Appraisal Functions (*contingent on acquisition of Oblique Imagery*)
 - Move of North County Office from Leased Space
 - Online Homestead Exemption Filing
 - Homestead Fraud Project with the Clerk of the Court's Office



Website

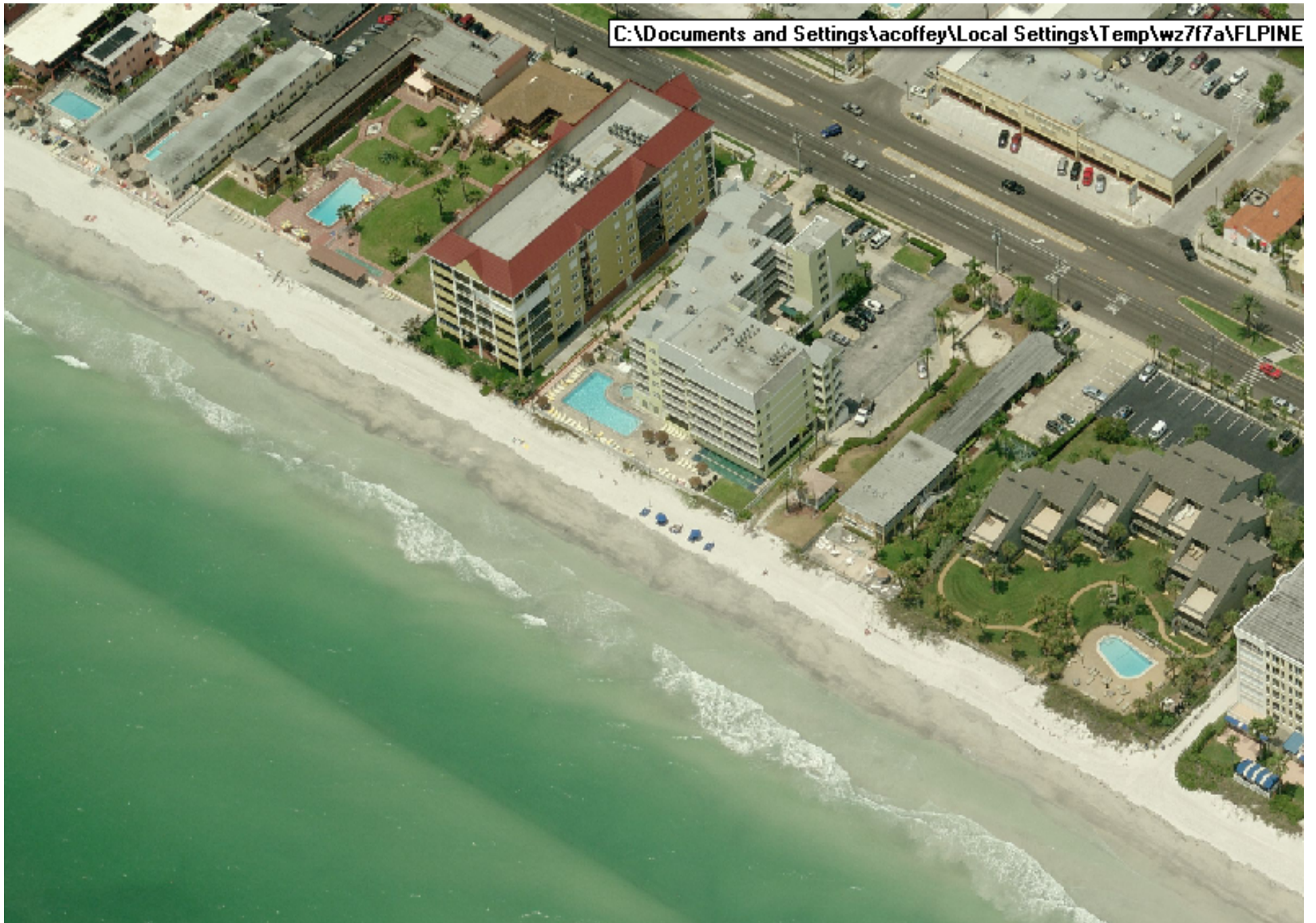
- The web site has improved customer service, allowed us to cut vacant positions, and saved postage. In the first 5 months of 2010:
 - **8,173** TRIM Notices copies were accessed
 - Over **4,560** advanced searches were performed
 - **5,129** label requests were printed.
 - **1,452** mortgage letters were printed
 - *In that same period our data processing department has done **8** outside requests.*

(Data from Jan 1-Jun 2, 2010)

Oblique Imagery Option

- Oblique Imagery
 - The Property Appraiser now has the discretion to use oblique imagery in lieu of site inspections.
 - This option will decrease on site field reviews, and travel expenses. (*-\$50K for 2011*)
 - May result in reduction of appraisal staff over time (*2 positions were cut in this budget due to this project*).
 - During 2009 In-depth audit by DOR, our office had a 99% accuracy in listing property characteristics. This will likely decrease with fewer field reviews.

C:\Documents and Settings\acoffey\Local Settings\Temp\wz7f7a\FLPINE



Homestead Fraud

– Homestead Fraud Investigation Unit

- Annual cost: \$350,000
- \$481,604 collected 2010 through May 12
- \$1,092,483 liened (not yet paid) 2010 through May 12
- Unit reduced by one field investigator in 2010
- Implementing *Pinellas County Residential Real Estate Exemption Project* with the Clerk of Court's Division of Inspector General.

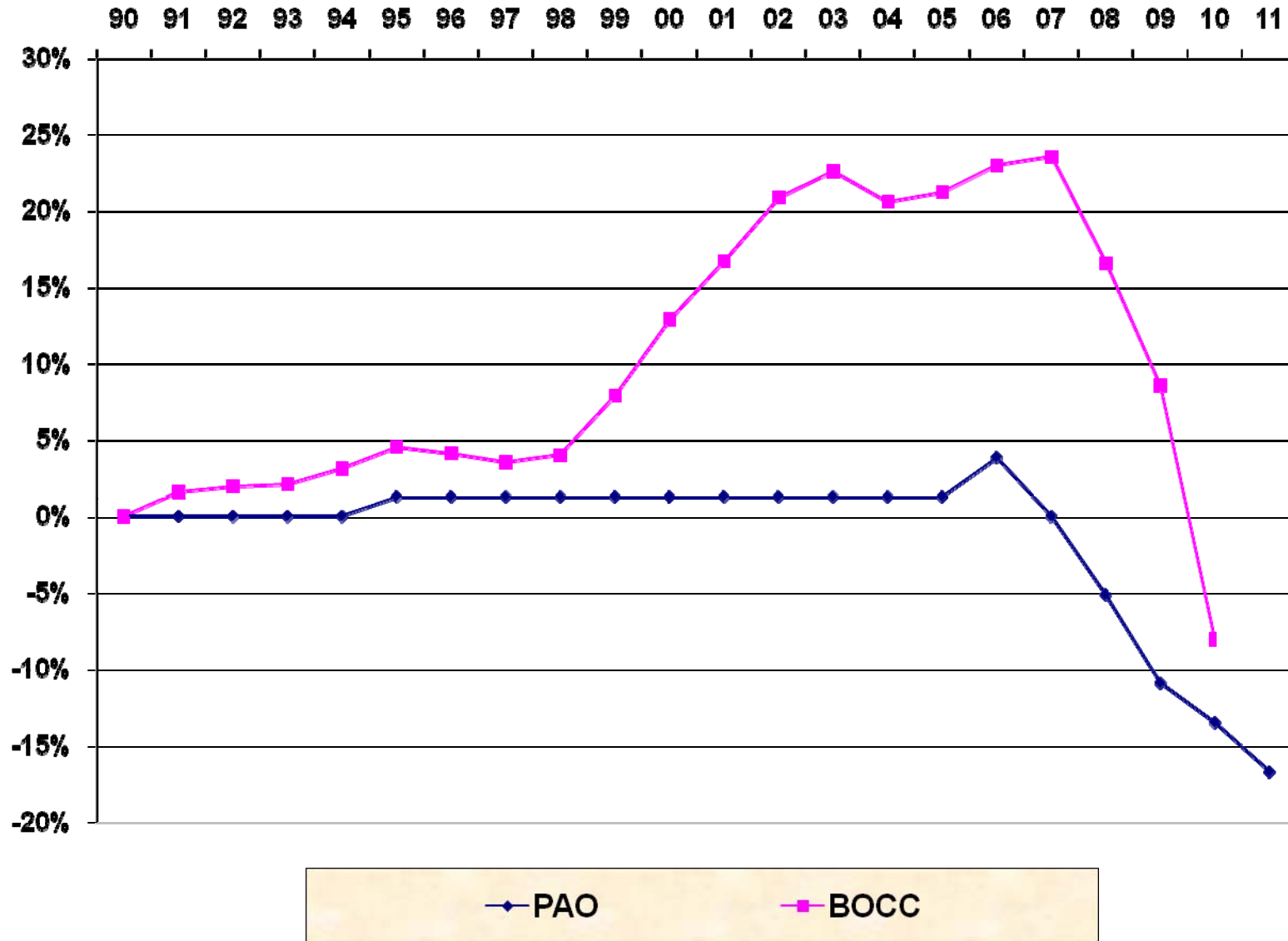
– Homestead Exemption Renewal Mailing

- Annual cost: \$110,000
- Retained this mailing to avoid HX fraud and educate the public
- **4,242** Homestead Renewal Cards returned in 2010
- Recovered **\$68** Million in value (\$1.36 Million in taxes)

Personnel Changes

- We are eliminating 5 positions for a total of 130 positions in 2011.
- That is 22 fewer and 14% less than our 1988 staff level of 152 positions.
- That is 28 fewer and 18% less than our peak staff level of 158 positions (from 1995 to 2005).

Pinellas County Full Time Employee Changes from 1990, by Percentage



Increases To FRS & Insurance

FRS		
	<u>1990</u>	<u>2011</u>
FRS paid by PAO per Employee	\$3,904	\$6,658
Percentage Increase:		70.54%
Total Percentage of the 2010 Budget Devoted to FRS Costs:		7.85%

INSURANCE		
	<u>1990</u>	<u>2011</u>
Life and Health Insurance costs paid by PAO per Employee	\$2,290	\$10,332
Percentage Increase:		351.18%
Total Percentage of the 2010 Budget Devoted to Insurance Costs:		12.18%

Total Percentage of the 2010 Budget Devoted to FRS & Insurance Costs:		20.02%
---	--	--------

Increases due to County growth

	<u>1990 Roll</u>	<u>2010 Roll</u> (as of 5/11/10)	<u>% Change</u>
Parcels	379,064	433,989	14%
TPP Accounts	121,017	64,639	(Staffing in TPP office reduced by 4 people) -46%
Exemption Counts	281,728	(not including the 178,382 non-homestead capped parcels) 632,844	125%
# of Employees	156	130	-17%

Budget Per Parcel

	# OF PARCELS FY10	TOTAL FTE FY10	BUDGET \$ PER PARCEL FY10 ↓	PARCELS PER POSITON FY10	FY10 APPROVED BUDGET	FY 07 to FY 08 BUDGET INCR/(DECR)	FY 08 to FY 09 BUDGET INCR/(DECR)	FY 09 to FY 10 BUDGET INCR/(DECR)	3-YEAR BUDGET INCR/(DECR)
PINELLAS	499,917	135	23.88	3,703	11,270,724	-6.28%	-6.03%	-5.58%	-16.85%
HILLSBOROUGH	537,211	142	24.40	3,783	12,450,224	0.88%	0.97%	-5.03%	-3.27%
BROWARD	830,587	225	24.90	3,691	17,318,558	10.12%	-9.57%	-16.27%	-16.62%
DUVAL	374,970	128	24.94	2,929	9,221,043	-1.81%	0.62%	-1.41%	-2.59%
ORANGE	490,429	138	25.22	3,554	11,745,503	-2.60%	4.56%	-5.02%	-3.27%
BREVARD	373,022	124	28.22	3,008	10,153,113	-4.65%	-5.45%	-3.56%	-13.05%
DADE	968,999	342	31.70	2,833	32,257,376	13.41%	21.78%	5.00%	45.01%
PALM BEACH	682,540	266	35.68	2,566	23,306,461	3.84%	1.37%	-4.29%	0.75%

*Lee and Polk Counties have been excluded from this list because: 1) part of Lee County's costs are funded by a separate county GIS budget source; and, 2) Both counties have significantly more vacant parcels that do not require building data collection and appraisal, or exemption administration. Thus, these Counties are not comparable to the urban character of Pinellas County.




Vacant Parcel Counts for 2009

Pinellas – 22,707

Lee - 188,857 (8.3%)

Polk – 102,904 (4.5%)

Legal Requirements for PAO Departments

Department	Duties	Authority
Appraisal: Real Property 	<ul style="list-style-type: none"> Value all real property as of January 1st each year Physically inspect all property every 5 years Discuss values informally with customers Present values at VAB Verify Sales/Permits 	<ul style="list-style-type: none"> Fla. Const. Art. VII Fla. Stat. §§ 192, 193, 194, 195, 197 Taxpayer "Bill of Rights" (Fla. Stat. § 192.0105) F.A.C. 12D
Appraisal: Tangible Personal Property	<ul style="list-style-type: none"> Process TPP Returns Assess TPP 	<ul style="list-style-type: none"> Fla. Const. Art. VII Fla. Stat. §§ 193.052,
Customer Service	<ul style="list-style-type: none"> Public Records Right to informal conference 	<ul style="list-style-type: none"> Fla. Const. Art. I Sec 24, 25 Fla. Stat. §§ 119.07, 192.0105
Deeds	<ul style="list-style-type: none"> Evaluate title for property ownership/exemption status Qualify sales for roll 	<ul style="list-style-type: none"> Fla. Stat. §§ 196.012, 196.041, 193.144
Exemptions 	Administer: <ul style="list-style-type: none"> Homestead Exemption Save Our Homes Cap & portability Disability Exemptions Senior Exemptions Veterans Exemptions Disability Exemptions Total & Permanent Exemptions Surviving Spouse Exemptions Exemption Denials Blind Exemptions Widow/Widower Exemptions Institutional/Govt Exemptions Exemption Petitions/VAB hearings <i>Online Homestead</i> 	<ul style="list-style-type: none"> Fla. Stat. § 196 Fla. Const. Art. VII F.A.C. 12D
Investigations 	<ul style="list-style-type: none"> Locate, investigate, and pursue homestead fraud Administer tax liens 	<ul style="list-style-type: none"> Fla. Stat. §§196, 196.011, 197.122
IT	<ul style="list-style-type: none"> Produce Property Tax Roll Calculate assessment caps, add caps, etc. Protect classified & exempt records Deliver public records 	<ul style="list-style-type: none"> Fla. Stat. § 193 Fla. Stat. §119 F.A.C. 12D
Mapping	<ul style="list-style-type: none"> Identify/List all Property Submit Roll to DOR 	<ul style="list-style-type: none"> Fla. Stat. §§ 193.085, 193.114

Legal Requirements -Examples . . .



Department	Rule	Issue
Appraisals	FS 192.011	Assessment of all properties
Appraisals	FS 192.042	"Substantially complete"
Appraisals	FS 193.011	Factors to consider in deriving just valuation
Appraisals	FS 193.023	Duty of the PAO to physically inspect every 5 years
Appraisals	FS 193.144(2)(n)	Sales qualification rule (3 months)
Appraisals	FS 193.155(4)(b)	Demolition of Property - Misfortune or calamity - SF 110% prior damage (see also .1555 and .1554)
Appraisals	FS 193.704 / FC Art. VII s. 4	Working Waterfront Assmt (Art. XII s. 30: Jan 1 2010 effective date) See Senate Report 2010-115 (nothing implemented yet)
Appraisals	FS 194.034(1)(d)	Income & Expense Requests
Appraisals	FS 194.171	Lawsuit Deadlines
Appraisals	FS 194.301(3)(b)	Remands - VAB
Appraisals	FS 195.073	Classification of Property (Ag, Cons, etc.)
Appraisals	FS 195.0995	Disqual Documentation req'd by DOR
Appraisals	FS 196.26	Conservation Easements EXEMPTION (perpetuity) App from 116.011
Appraisals	FS 197.122	Correction - material mistake & 1 Yr
Appraisals	FC Art VII Sec 3 & 4	Conservation Easements / Park Land Assmt
Appraisals	FS 193.501	Conservation Land ASSMT & Application by Mar. 1
Appraisals	FAC 12D-8.021	Procedures for Correcting Errors (Material Mistake of fact)
Appraisals	FS 192.0105	Taxpayer BILL OF RIGHTS (TRIM, right to conference, petition, etc.)
Appraisals	FAC 12D-10.0044	VAB Hearings/Info Exchange
Appraisals	FAC 12D-9	Proposed VAB rules 2009
Appraisals	FC Art. I sec. 25; FS 192.0105	Taxpayer BILL OF RIGHTS (TRIM, right to conference, petition, etc.)
Appraisals	FC Art VII	Assessment of all properties
Deeds	FS 196.012 (13)	Title must be recorded in order to qualify for homestead exemption
Deeds	FS 196.031	Homestead Exemption - Residency / Beneficial Interest
Deeds	FS 196.041	Contract to purchase, eligibility for homestead exemption. (See also TAO 94-0008)
Deeds	FS 196.041 / FAC 12D-7.001	Trust requirements (See also AGO 90-70, & 94-050, TAO 99-0015)
Deeds	FS 193.144(2)(n)	Sales qualification rule (3 months)

Legal Requirements -Examples 2...



Department	Rule	Issue
Exemptions	FAC 12D-7.012	Joint ownership / Multiple claims for homestead exemption
Exemptions	FC Art VII Sec 6 (PTA-06-19)	Disability DISCOUNT (HX)
Exemptions	FC Art VII Sec 6(b)	Family Unit
Exemptions	FS 193.155	Save Our Homes Statute
Exemptions	FS 193.155(8)(h)(8)	PORT: This subsection does not authorize the consideration or adjustment of the just, assessed, or taxable value of the previous homestead property.
Exemptions	FS 193.461	Agricultural Classification
Exemptions	FS 196.011(1)(a)	March 1 st filing deadline
Exemptions	FS 196.011(9)(c)	Denial: Notice of intent to deny mailed after February 1 st , owner has 28 days from mailing of notice to reapply
Exemptions	FS 196.012 (11)	Disability: Totally and permanently disabled person, definition
Exemptions	FS 196.015	Permanent Residency: How the Property Appraiser determines
Exemptions	FS 196.031(6)	Residency based exemption in this or any other state
Exemptions	FS 196.041(1)	Leased property, 98 years or more gives beneficial title
Exemptions	FS 196.075	Additional homestead exemption for low income seniors
Exemptions	FS 196.075(3)	Senior Exemption (HX)
Exemptions	FS 196.081	Exemption for certain permanently and totally disabled veterans and for surviving spouses of veterans.
Exemptions	FS 196.081 FAC 12D-7.004	Veterans: Wheelchair use and specially adapted housing
Exemptions	FS 196.091	Exemption for disabled veterans confined to wheelchairs
Exemptions	FS 196.091 FAC 12D-7.005	Veterans: 100% Totally & Permanently disabled & surviving spouses
Exemptions	FS 196.101	Disability: 100 % total and permanent, non-service connected, qualifies with income limitations
Exemptions	FS 196.101(4)(b)	Total & Permanent (T&P) Exemption
Exemptions	FS 196.151	Denials must be mailed by July 1 st via registered mail
Exemptions	FS 196.202	Blind persons, above income limits (\$500) (<i>All property, not just HX</i>)
Exemptions	FS 196.202	Disability: 100 % total and permanent, above income limits (\$500) (<i>All property, not just HX</i>)
Exemptions	FS 196.202	Widow's Exemption (<i>All property, not just HX</i>)
Exemptions	FS 196.24	Disability Exemption: ex service member or surviving spouse
Exemptions	FS 196.24	Veterans: Disabled greater than 10% but less than 100% (\$ 5000)
Exemptions	FS 475.5018	Electronic Signatures for HX OK (see also AGO 2005-34)
Exemptions	FC Art. VII, s. 3(a); FS 196.192, .195, .196	Institutional

Legal Requirements –Examples 3 . . .



Department	Rule	Issue
Information	FS 119.07	Public Records - Required production / redaction / exemptions
Information	FS 119.07(1)	Disclosure Requirements / Public Records
Information	FS 119.071	Protected Address
Investigations	FS 196.011(9)(a) / 196.161	Lien authority for wrongfully received homestead exemption
Investigations	FS 196.061	Rental of homestead constitutes abandonment
Investigations	FS 196.131	Misdemeanor to give false information on a homestead application
Investigations	FS 196.161	Homestead Fraud - Liens
Investigations	FS 197.122	Lien of taxes
IT	FAC 12D-8.0062	RECAPTURE Rule
IT	FS 193.1554, 5, 6	10% Cap
IT	FS 193.114(5)	Confidential: Social Security Number (SSN) on HX APP
IT	FS 193.114	Roll - included elements (Ownership - (p))
Mapping	FS 193.085	Listing all property
PVR	FS 200.065(2)(b)	TRIM Requirement / Method of millages
PVR	FS 200.069	TRIM Notice layout & county expense
PVR	FS 200.185	Maximum Millage Calculation - Munis
TPP	FS 193.052	TPP Return - Filing Req'd
TPP	FS 196.183	TPP Return - Exemption (see (3) (5))
TPP	FS 689.071	TPP Interest (Land Trust)
TPP	FC Art VII	Assessment of TPP properties





Infrastructure Allocations

- BTS Department Allocation
- BTS provides necessary, general infrastructure support; it should not be allocated among budgets any more than the price of electricity, or other items essential to opening for business each day.
- The PAO uses BTS telephone communications systems, and BTS email, but no client-specific services.
- We do not charge for providing our database / aerials, etc. to other County Departments



Assets

The Property Appraiser Office Staff and Managers Do **Not** Use Office-owned:

- take-home vehicles,
- cell phones,
- blackberries, or
- take-home computers

Non-Mandatory Services

- Damage Assessment /Disaster Recovery software, programming, and support
 - Benefits County, Municipalities
- Non-Ad Valorem Assessment Administration
 - Benefit Taxing Authorities
 - Could charge to recover costs
- Enterprise GIS Initiative
 - Benefit Taxing Authorities

Thank you.