

**BOARD OF REVISION OF TAXES  
FISCAL YEAR 2018 BUDGET TESTIMONY  
MAY 9, 2017 @ 11:00 a.m.**

Good Morning Council President and members of Council, I am, Carla Pagan, Executive Director of the Board of Revision of Taxes (BRT), here this morning to testify and address questions regarding the 2018 fiscal year operating budget.

**EXECUTIVE SUMMARY**

**DEPARTMENT MISSION AND FUNCTION**

**Mission:** The Board of Revision of Taxes is charged with the function of hearing appeals on real property valuations and addressing exceptions and inequities in those values.

**Description of Major Services:** The Board of Revision of Taxes is an independent, seven-member board appointed by the Board of Judges of the Philadelphia Common Pleas Court. The Board is required to hear assessment appeals. The Board only determines the value for a property when there is an appeal. The Appeals Board hears and renders decisions for real property assessment appeals, and unique non-profit applications, Homestead Exemption appeals and nunc pro tunc petitions ('nunc pro tunc' means 'now for then' which allows property owners to file a petition at the present time for a previous deadline or tax year). The Board of View, an independent three member Board appointed by the Board of Judges, hears and renders decisions for condemnation (eminent domain) appeals.

**PROPOSED BUDGET HIGHLIGHTS/FUNDING REQUEST**

**Budget Highlights:** The Board of Revision of Taxes General Fund appropriations from FY15 to the FY18 Current Projection has remained fairly consistent since the completion of AVI market value appeals. The FY18 Proposed Budget is \$80,214 above FY17 Current Projection.

Fund	Class	FY15 Actual	FY16 Actual	FY17 Current Projection	FY18 Proposed Budget	FY17-FY18 Change	FY17-FY18 Percent Change
General	100	985,057	890,697	832,785	942,999	110,214	13.2%
	200	35,200	18,953	120,200	90,200	(30,000)	-25%
	300/400	15,720	14,075	15,727	15,727	0	0.0%
	Total	1,035,977	923,725	968,712	1,048,926	80,214	8.3%
	Positions	14	14	14	16	0	0.0%
Other*	200	0	0	0	0	0	0.0%
	Total	0	0	0	0	0	0.0%
	Positions	14	14	14	16	2	14.2%
All	100	985,057	890,697	832,785	942,999	110,214	13.2%
	200	35,200	18,953	120,200	90,200	(30,000)	-25%
	300/400	15,720	14,075	15,727	15,727	0	0.0%
	Total	1,035,977	923,725	968,712	1,048,926	(80,214)	8.3%
	Positions	14	14	14	16	2	14.2%

\* Other Funds includes County Liquid Fuels Tax Fund, Special Gasoline Tax Fund, Healthchoices Behavioral Health Fund, Hotel Room Rental Tax Fund, Grants Revenue Fund, Community Development Fund, Car Rental Tax Fund, Housing Trust Fund, Water Fund, Water Residual Fund, Aviation Fund, and Acute Care Hospital Assessment Fund.

## PERFORMANCE, CHALLENGES AND INITIATIVES

---

### DEPARTMENT PERFORMANCE (OPERATIONS)

Since the 2014 city-wide assessment, the volume of market value appeals has returned to normal levels. Approximately 4500 appeals were filed for tax year 2017. Non-oral appeal hearings began soon after the October 2016 filing deadline and oral appeal hearings began in January 2017. All 2017 real estate market values appeals have been scheduled for a hearing date by December 31, 2017 with the exception of two real estate investors that own and file appeals for hundreds of parcels.

Please see real estate market value appeal data below, for tax years 2014-2017:

	Tax Year			
	2014	2015	2016	2017
<b>TOTAL Appeals Filed</b>	<b>24,371</b>	<b>4801</b>	<b>3664</b>	<b>4566</b>
# of Appeals Denied by the Board	6572	1109	1087	966
# of Appeals Revised by the Board	5540	893	549	568
# of Appeals w/OPA Settlements	7077	1920	1315	425
# of Appeals Withdrawn by Owner	5173	872	707	356
# of Pending Appeals	9	7	6	2251

### DEPARTMENT CHALLENGES

The departments' two biggest challenges have been recruiting qualified staff and managing appeal volume with an antiquated computer system. I am hopeful that two of our temporary staff will be scheduled for a civil service exam this month, so they can become permanent employees. The BRT is also supporting the efforts of the Office of Property Assessment's install of a new CAMA system. The new system will dramatically reduce the amount of processing time per appeal and improve the way we share information with the OPA and property owners.

### ACCOMPLISHMENTS & INITIATIVES

Preparations for tax year 2018 are well under way. We are forecasting an increase of appeals due to the city-wide reassessment of commercial, industrial, mixed use and institutional buildings. Normally, these types of appeals are usually 30% of the appeal volume but we're expecting closer to 70% of the appeal volume for 2018 and a longer than usual hearing season since many accounts will require appraisal reports and additional testimony to support reductions in market value.

Thank you for the opportunity to testify today. If you have any questions or concerns, I am happy to answer them at this time.