

**BOARD OF REVISION OF TAXES
FISCAL YEAR 2023 BUDGET TESTIMONY
MAY 9, 2022**

INTRODUCTION

Good morning, President Clarke, and Members of City Council. I am Carla E. Pagan, Executive Director. Joining me today is Linda Tucci, Executive Assistant. I am pleased to provide testimony on the Board of Revision of Taxes' Fiscal Year 2023 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The Board of Revision of Taxes (BRT) hears appeals on real property valuations and addresses exceptions and inequities in those values. The BRT is an independent, seven-member board appointed by the Board of Judges of the Philadelphia Common Pleas Court. The BRT is required to hear assessment appeals and determine the market value for the tax year in question. The BRT hears and renders decisions for real property assessment appeals, unique non-profit applications, homestead exemption appeals, and nunc pro tunc ("now for then") petitions that allows property owners to file a petition now for a previous deadline or tax year. The Board of Viewers, an independent, three-member board appointed by the Board of Judges, hears and renders decisions for condemnation (eminent domain) appeals.

Plans for Fiscal Year 2023:

The Board of Revision of Taxes (BRT) will end fiscal year 2022 in a good position. The board and operations staff exceeded our expectations to recover from covid delays and staffing shortages to hear appeal balances from tax year 2020 and 2021 appeals. We're also pleased to be ahead of schedule with tax year 2022 appeals. Of the 1,186 appeals filed for tax year 2022, the board is 57% complete. The remaining appeals have been scheduled between now and September. The department will use a few hearing dates between October to December to hear the appeals of continued parties and the balance of those filed by the School District.

The department's focus for fiscal year 2023 will revolve around anticipated heavy appeal filing volume due to the 2023 citywide reassessment. We expect to process 15,000 – 18,000 appeals, a 100% increase from tax year 2020 appeals.

Since the implementation of CAMA and the shift to remote work, several BRT processes have changed. The department has updated appeal filing forms that are friendlier to on-screen users; we will improve our website, for ease of use and to simplify the appeal process; we are testing new methods to process e-mailed appeals and to shorten the time between filing and the first hearing date; and we are reconfiguring the hearing room, to easily accommodate hybrid hearing sessions.

Even though we faced new challenges and stress related to a COVID work environment, the BRT is also excited about the technological advances that have come from it. We were forced to think outside the box to find new methods for continued production and efficiency while serving the property owners of Philadelphia.

In first quarter FY23 we will sharpen and fine-tune those methods, to be at our best for the upcoming 2023 appeal season.

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BUDGET SUMMARY & OTHER BUDGET DRIVERS

Please refer to attached FY23 Budget Hearing Summary Charts in section 1: Staff Demographics Summary, section 2: Employment Levels, section 3: Financial Summary by Class, section 6: Participation Rate and Goal.

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PROPOSED BUDGET OVERVIEW

Proposed Funding Request:

The proposed Fiscal Year 2023 General Fund budget totals \$1,085,987, an increase of \$11,012 over Fiscal Year 2022 estimated obligation levels. This increase is due to class 100.

The proposed budget includes:

- \$1,030,360 in Class 100, a \$11,012 increase over FY22. This funding allows the department to hire a long-term temporary employee on a permanent part time basis and to accommodate union and exempt pay increases.
- \$37,900 in Class 200, level with FY22. This funding primarily covers the costs of court reporting but also repairs, equipment maintenance and parking.
- \$17,727 in Class 300/400, level with FY22. This funding supports our operation with critical office supplies and computer equipment.

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STAFFING LEVELS

The department is requesting 16 budgeted positions for FY23, the same level as FY22.

NEW HIRES

Please refer to attached FY23 Budget Hearing Summary Charts in section 8: New Hires Information.

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PERFORMANCE, CHALLENGES, AND INITIATIVES

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Performance Measure	CY21 Actual	CY22 Target	CY23 Target
Volume of appeals filed in the current year*	2,468	N/A	N/A
Percentage of appeals heard during the reporting period (current year) ¹	37.2%	100%	N/A
Percentage of appeals heard during the reporting period (upcoming year) ²	7.7%	45%	100%
Volume of appeals filed for the upcoming year*	984.0	N/A	N/A

*Appeals are due to the BRT in the October before the year being appealed. For example, appeals for tax year 2021 were due to the BRT in October 2020. The BRT begins hearing appeals on January 1 of the tax year being appealed. BRT does not project a target for this measure, as BRT does not control the volume of appeals.

¹Percentage reflects appeals heard for Tax Year 2021.

²Percentage reflects appeals heard for Tax Year 2022.

Program FY23 Strategic Goals

- Hire one full-time service representative whose primary focus will be to prepare appeals, dockets and block reports for each assessment appeal hearing; to provide necessary technical support to board members; and assist appellants as they enter a hearing whether in-person or remotely.
- Update the Department’s forms, letters, rules, and procedures so they are fully integrated with the new Computer Assisted Mass Appraisal (CAMA) system, support hybrid hearings, and ensure a successful 2023 reassessment appeal year.

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OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

The BRT spent less than \$10,000 in unexpected Covid related expenses. The department's operating budget was unscathed during the pandemic and we do not expect any citywide fluctuations in federal or state funding to impact our department.

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CONTRACTING EXPERIENCE

Please refer to attached FY23 Budget Hearing Summary Charts in section 4: Contracts Summary.

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EMPLOYEE DATA

Please refer to attached FY23 Budget Hearing Summary Charts in section 7: Staff Demographics.

LANGUAGE ACCESS

- 1. Provide the name of your language access coordinator, the date of your last department training, and a link to the posting of your language access plan.**

Sarah O’Connell is the language access coordinator for the BRT. Her last training was in May 2021. <https://www.phila.gov/programs/language-access-philly/>

- 2. Breakdown new hires and existing staff by race and language. Breakdown how many front-line personnel are trained to provide language access services.**

All BRT staff members are front-line personnel and are trained to provide language access services. The staff and board all speak English as a primary language. One board member is fluent in Mandarin. BRT staff is currently 75% White and 25% Black or African American. BRT board members are 70% White and 30% Black or African American.

- 3. How many requests for language access services did your department receive in the past year? How many language access services were delivered by staff? Breakdown language access services provided, by language, including but not limited to the language line, translation of public notices and documents, website language services, and advertisement/publication services.**

The BRT received three to five requests for a translator within the past year and they were all delivered. Most of the requests were for Mandarin, Cantonese, or Spanish. All requests have been for translators during appeal hearings.

- 4. Explain what your department has done to improve language access services over the past year.**

The BRT established a new account with a language service provider this year. They have been an invaluable resource as the translator logs directly into our hearings via Zoom.

CLIMATE CHANGE

1. How has climate change affected your department's provision of services?

Currently, climate change has not affected the BRT's provision of services.

2. How might worsening climate change increase costs and demands for your department?

The department should not see increased costs due to climate change until climate change affects real estate values in our city.

3. How does your department intend to mitigate and adapt to climate change?

As city systems and software improve and modernize, adaptation to climate change becomes easier. The BRT will consume less and recycle more. Since the conversion to a modern CAMA system, less paper is required, and remote work is more viable. As costs associated with climate change may increase, they will be offset by the reduction in office space and maintenance.

1. Staff Demographics Summary

Staff Demographics Summary (as of December 2021)				
	Total	Minority	White	Female
Number of Full-Time Staff	3	1	2	3
Number of Exempt Staff	12	4	8	5
Number of Executive Staff (deputy level and above)	12	4	7	4
Average Salary, Full-Time Staff	\$41,580	\$41,295	\$41,723	\$41,580
Average Salary, Exempt Staff	\$87,883	\$78,824	\$63,987	\$73,453
Average Salary, Executive Staff	\$87,883	\$78,824	\$63,987	\$73,453
Median Salary, Full-Time Staff	\$43,241	\$41,295	\$41,723	\$43,241
Median Salary, Exempt Staff	\$70,000	\$70,000	\$70,000	\$70,000
Median Salary, Executive Staff	\$70,000	\$70,000	\$70,000	\$70,000

2. Employment Levels

Employment Levels (as of December 2021)		
	Budgeted	Filled
Number of Full-Time Positions	6	3
Number of Part-Time Positions	0	
Number of Exempt Positions	12	12
Number of Executive Positions (deputy level and above)	11	11
Average Salary of All Full-Time Positions	\$73,002	\$41,580
Median Salary of All Full-Time Positions	\$70,000	\$43,241

3. Financial Summary by Class

Some departments may also want to provide financial summary tables for other funds, such as the Grants Fund. Departments should delete any budget lines that have \$0 in every year (i.e. if a department has no Class 500 appropriations, actuals, or proposed appropriations, the Class 500 row should be deleted).

General Fund Financial Summary by Class						
	FY21 Original Appropriations	FY21 Actual Obligations	FY22 Original Appropriations	FY22 Estimated Obligations	FY22 Proposed Appropriations	Difference: FY23-FY22
Class 100 - Employee Compensation	\$997,835	\$1,002,561	\$1,019,348	\$1,019,348	\$1,030,360	\$11,012
Class 200 - Purchase of Services	\$37,900	\$33,630	\$37,900	\$37,900	\$37,900	\$0
Class 300/400 - Materials, Supplies & Equipment	\$17,727	\$13,458	\$17,727	\$17,727	\$17,727	\$0
	\$1,053,462	\$1,049,649	\$1,074,975	\$1,074,975	\$1,085,987	\$11,012

4. Contracts Summary

This table focuses on large professional services contracts with for-profit vendors.

"Large" is defined as meaning that an RFP was required.

Departments should focus on contracts that have been conformed to date.

Any departments that have large contracts with non-profit providers are encouraged to provide board makeup information in the optional "Non-Profit Vendor Demographics" table below.

M/W/DSBE Participation on Large Professional Services Contracts

Top Five Largest Contracts, FY22

Vendor Name	Service Provided	Dollar Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE Participation Achieved	\$ Value of M/W/DSBE Participation	Total % Participation - All DSBEs	Total \$ Value Participation - All DSBEs	Local Business (principal place of business located within City limits) [yes / no]	Waiver for Living Wage Compliance ? [yes / no]
NONE AVAILABLE	NO LARGE PROFESSIONAL SERVICES CONTRACTS				MBE:	0%	\$0	0%	\$0		
					WBE:	0%	\$0				
					DSBE:	0%	\$0				

Non-Profit Vendor Demographics

N/A

5. Performance Measures Table

Please refer to narrative of FY23 Budget testimony.

6. Participation Rate and Goal

The Contracts Summary table is for professional services contracts only.

The Contract Participation Goal table is for all contracts (Public Works, SS&E, and Professional Services, combined).

Contracts Summary (Professional Services only)

	FY19	FY20	FY21	FY22	FY23	FY22 YTD (Q1 & Q2)
Total amount of contracts	\$0	\$0	\$0	\$0	\$0	\$0
Total amount to M/W/DSBE	\$0	\$0	\$0	\$0	\$0	\$0
Participation Rate	0%	0%	0%	0%	0%	0%

Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies & Equipment; and Professional Services combined)

	FY21	FY22	FY23
M/W/DSBE Contract Participation Goal	0%	0%	0%

FY23 Budget Hearing Summary Charts - Board of Revision of Taxes

7. Staff Demographics

Totals in this table should tie out to numbers in tables 1 and 2 above.

Biracial employees should be included under "Other."

The number of employees who identify as non-binary (i.e. employees who do not identify as either female or male) should be included in the text box below the table, along with salary detail.

Staff Demographics (as of December 2021)					
Full-Time Staff			Executive Staff		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	0	1	<i>Total</i>	3	1
<i>% of Total</i>	0%	33%	<i>% of Total</i>	25%	8%
<i>Average Salary</i>	\$0	\$41,295	<i>Average Salary</i>	\$70,000	\$105,365
<i>Median Salary</i>	\$0	\$41,295	<i>Median Salary</i>	\$70,000	\$105,365
	White	White		White	White
<i>Total</i>	0	2	<i>Total</i>	4	4
<i>% of Total</i>	0%	67%	<i>% of Total</i>	33%	33%
<i>Average Salary</i>	\$0	\$41,723	<i>Average Salary</i>	\$62,500	\$63,833
<i>Median Salary</i>	\$0	\$41,723	<i>Median Salary</i>	\$61,750	\$70,000
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$0	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0	\$0
	Asian	Asian		Asian	Asian
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$0	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0	\$0
	Other	Other		Other	Other
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$0	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0	\$0
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$0	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0	\$0
	Male	Female		Male	Female
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$0	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0	\$0

Detail for non-binary employees, if applicable:

8. New Hire Information

Date range is 7/1/21 to December 2021 increment run. Detail for any hires since then can be added in the text box below the table.

New Hires (from 7/1/2021 to December 2021)		
	Total Number of New Hires	[language 1]
Black or African American		
Asian		
Hispanic or Latino		
White	1	ENGLISH
Other		
Total	1	0

Detail for new hires since December 2021, if applicable: N/A