

**OFFICE OF PROPERTY ASSESSMENT  
FISCAL YEAR 2024 BUDGET TESTIMONY  
MARCH 29, 2023**

**INTRODUCTION**

Good Morning, President Clarke and Members of City Council. I am James Aros Jr., Chief Assessment Officer. Joining me today are Monica Williams, Deputy Chief Assessment Officer; Drew Aldinger, Chief Deputy City Solicitor; and Maria Holmes, Administrative Services Director. I am pleased to provide testimony on the Office of Property Assessment's Fiscal Year 2024 Operating Budget.

**DEPARTMENT MISSION & PLANS**

**Mission:** The Office of Property Assessment (OPA) is responsible for determining the value of all real property in Philadelphia and is dedicated to doing so in a fair, accurate, and understandable way. OPA's primary goal, through ongoing assessments, is to improve the accuracy and uniformity of all property values and to instill confidence in Philadelphia taxpayers regarding the fairness of the property tax system, as well as the competency and professionalism of Philadelphia's assessment office.

**Plans for Fiscal Year 2024:**

For Tax Year 2023, OPA completed a revaluation of the entire city, which was the first comprehensive revaluation since Tax Year 2020 and the first revaluation utilizing the new CAMA (Computer Assisted Mass Appraisal) system. As part of the TY23 revaluation process, OPA retained the International Association of Assessing Officers (IAAO) to review and provide feedback on OPA's work. The independent IAAO report found that the TY23 revaluation of properties in Philadelphia met industry standards for key mass appraisal statistics. Specifically, the report found that both the Coefficient of Dispersion (COD), which measures the uniformity of assessments, and the Price Related Differential (PRD), which measures equity in high versus low valued properties, were within industry recommended ranges for the Tax Year 2023 revaluation. The full report is available here: <https://www.phila.gov/documents/practices-and-procedures-review-of-the-office-of-property-assessment/>

OPA is working on outstanding TY23 appeals and First Level Review (FLR) applications. OPA received approximately 20,000 FLR requests for Tax Year 2023 and is in the process of reviewing and deciding these requests. Working with Council, OPA agreed to extend the FLR application deadline to December 2022, which resulted in the overall FLR timeline being delayed. OPA is actively working to close out FLRs as efficiently and accurately as possible. Due to the time needed to review FLRs, OPA will not be doing a revaluation for Tax Year 2024.

For Fiscal Year 2024, OPA will continue to work on implementing the recommendations of the IAAO audit and will work towards achieving the IAAO's Certificate of Excellence in Assessment Administration (CEAA). The CEAA is awarded to jurisdictions that successfully integrate the best assessment practices in the workplace. The IAAO audit provides OPA with a roadmap towards achieving this designation and includes recommendations for internal business processes and data quality initiatives.

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OPA's CAMA system went live in February 2020, and all existing OPA and BRT operations are performed in the CAMA system. CAMA enables OPA to streamline its operations, increase efficiency, and track workflows throughout the department. OPA continues to work with the Finance Program Management Office (FPMO) to implement CAMA Phase II (Field Mobile), which will enhance the way OPA staff interacts with property data in the field, and Phase III (Assessment Connect), which includes advanced analytical and reporting tools. FPMO is on track to implement these phases by the end of calendar year 2023. The addition of these enhancements will increase efficiency at OPA and improve the assessment process.

In FY24, OPA will continue to work to maintain a staffing complement in accordance with industry recommendations and fill vacancies for evaluators and clerical staff with qualified applicants at both the entry and experienced levels as needed and will work to fill current and pending vacancies in senior staff positions caused by attrition in the department. As part of this effort, OPA will continue to work with OHR to increase the size of and ensure diversity in OPA's candidate pool for evaluation positions and will work with OHR on recruitment for specialized positions. OPA will continue to increase the number of training and professional development opportunities for employees to ensure that the Department can develop future leaders in the industry.

**BUDGET SUMMARY & OTHER BUDGET DRIVERS**

<b>Staff Demographics Summary (as of December 2022)</b>				
	Total	Minority	White	Female
Number of Full-Time Staff	179	87	78	94
Number of Exempt Staff	11	7	4	8
Number of Executive Staff (deputy level and above)	5	4	1	4
Average Salary, Full-Time Staff	\$72,019	\$70,105	\$78,675	\$69,317
Average Salary, Exempt Staff	\$106,420	\$101,233	\$115,516	\$101,322
Average Salary, Executive Staff	\$133,272	\$98,114	\$114,062	\$126,469
Median Salary, Full-Time Staff	\$72,620	\$72,620	\$72,620	\$72,620
Median Salary, Exempt Staff	\$119,879	\$119,879	\$113,939	\$113,939
Median Salary, Executive Staff	\$119,879	\$119,879	\$108,000	\$129,764

<b>Employment Levels (as of December 2022)</b>		
	Budgeted	Filled
Number of Full-Time Positions	225	179
Number of Part-Time Positions	N/A	N/A
Number of Exempt Positions	14	11
Number of Executive Positions (deputy level and above)	5	5
Average Salary of All Full-Time Positions	\$72,019	\$72,019
Median Salary of All Full-Time Positions	\$72,620	\$72,620

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<b>General Fund Financial Summary by Class</b>						
	FY22 Original Appropriations	FY22 Actual Obligations	FY23 Original Appropriations	FY23 Estimated Obligations	FY24 Proposed Appropriations	Difference: FY24-FY23
Class 100 - Employee Compensation	\$14,395,213	\$13,638,652	\$15,569,756	\$15,578,357	\$16,021,562	\$443,205
Class 200 - Purchase of Services	\$2,026,020	\$1,238,456	\$1,926,000	\$1,926,020	\$1,926,020	\$0
Class 300/400 - Materials, Supplies & Equipment	\$362,600	\$75,938	\$362,600	\$362,600	\$362,600	\$0
	<b>\$16,783,833</b>	<b>\$14,953,046</b>	<b>\$17,858,356</b>	<b>\$17,866,977</b>	<b>\$18,310,182</b>	<b>\$443,205</b>

<b>Contracts Summary (Professional Services only)</b>						
	FY20	FY21	FY22	FY23	FY23 YTD (Q1 & Q2)	FY24 Projected
Total amount of contracts	\$1,949,500	\$569,500	\$1,688,020	\$1,847,142	\$985,888	\$1,926,020
Total amount to M/W/DSBE	\$99,000	\$160,540	\$337,604	\$631,787	\$416,665	\$631,787
Participation Rate	5%	28%	20%	34%	42%	33%

<b>Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies &amp; Equipment; and Professional Services combined)</b>			
	FY22	FY23	FY24 Projected
M/W/DSBE Contract Participation Goal	28%	35%	35%

**PROPOSED BUDGET OVERVIEW**

**Proposed Funding Request:**

The proposed Fiscal Year 2024 General Fund budget totals \$18,310,182, an increase of \$443,205 over Fiscal Year 2023 estimated obligation levels. This increase is due to an increase in Class 100 funding to support the achievement of the full staffing level of 225.

The proposed budget includes:

- \$16,021,562 in Class 100, a \$443,205 increase from FY23. This funding will support the achievement of the full staffing level of 225 and go towards salary increases for all positions, including for DC 33 & 47 employees.
- \$1,926,020 in Class 200, which is the same funding level as FY23. This funding will primarily cover expenditures for consulting work related to assessments and the third-party call center.
- \$362,600 in Class 300/400, which is the same funding level as FY23. This funding will primarily cover expenditures associated with printing and mailing notices to taxpayers, as well as the cost to maintain and replace current office equipment and furniture.

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**STAFFING LEVELS**








The department is requesting 225 budgeted positions for FY24, the same amount as FY23.

**NEW HIRES**

New Hires (from 7/1/2022 to December 2022)	
	Total Number of New Hires
Black or African American	4
Asian	1
White	2
Total	7

**PERFORMANCE, CHALLENGES, AND INITIATIVES**






**EVALUATION**

Measure	 FY22 ACTUAL	 FY23 TARGET	 FY24 TARGET	 MAYORAL PRIORITY
Coefficient of Dispersion	0.13	≤ 0.15	≤ 0.15	
Overall single-family price-related differential	1.02	> .98 & < 1.03	> .98 & < 1.03	
Median Ratio (single family residences) <sup>3</sup>	Prior Year Data is Not Available	.90-1.10	.90-1.10	

**FY24 Strategic Goals**

- The Department has begun working with the Office of Diversity, Equity and Inclusion (ODEI) to implement the City of Philadelphia’s Racial Equity Strategy. The DPP cohort team is in the process of working on an implementation plan with ODEI. DPP will continue to look at hiring and retention through a racial lens.
- The Department will work to coordinate a Safety Fair to promote employee health and safety both in and outside of the workplace.
- The Department will centralize administrative functions which currently reside in each operational unit. This will streamline DPP’s administrative process and reduce duplicative work.

**ADMINISTRATION**

Measure	 FY21 ACTUAL	 FY22 TARGET	 FY23 TARGET	 MAYORAL PRIORITY
Percent of budgeted positions that are filled	82.4%	85%	85%	

**FY24 Strategic Goals**

- Maximize the efficient use of available funding.
- Training of all staff for project management skills.
- Continue expediting projects that are stalled in various parts of the capital process, while working with departments to complete the process.

**OTHER BUDGETARY IMPACTS**

**Federal and State (Where Applicable)**

OPA is collaborating with several other large jurisdictions across the United States in requesting that the Biden Administration grant access to data contained in the Uniform Appraisal Database. This database contains information on millions of U.S. homes that were appraised for mortgages. Access to this data would allow the OPA to verify existing data and potentially add additional data elements that OPA was unable to collect previously.



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CONTRACTING EXPERIENCE

M/W/DSBE Participation on Large Professional Services Contracts											
Top Five Largest Contracts, FY23											
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]
Linebarger Goggan Blair & Simpson	Reassessment of Customer Service	\$440,000	5/24/2016	7/1/2023				100%	\$440,000		
					MBE: 20-25%	100%	\$440,000				
					WBE: 20-25%	0%	\$0				
					DSBE: 0%	0%	\$0			Y	N
Vanguard Direct Inc.	Mailing for Property Assessment	\$325,000	11/29/2021	1/3/2022				5%	\$16,250		
					MBE: 20-25%	0%	\$0				
					WBE: 20-25%	5%	\$16,250				
					DSBE: 0%	0%	\$0			Y	N
Penn Center Advisors LLC	Commercial Appraisal Consultants	\$126,900	10/11/2021	10/5/2022				0%	\$0		
					MBE: 0%	0%	\$0				
					WBE: 0%	0%	\$0				
					DSBE: 0%	0%	\$0			Y	N
Vista Real Estate Solutions LLC	Commercial Appraisal Consultants	\$126,900	10/12/2021	11/1/2022				100%	\$126,900		
					MBE: 20-25%	100%	\$126,900				
					WBE: 20-25%	0%	\$0				
					DSBE: 0%	0%	\$0			Y	N
Colliers Engineering & Design	Data Collection Services	\$374,130	4/25/2022	5/30/2023				13%	\$48,637		
					MBE: 15-20%	13%	\$48,637				
					WBE: 15-20%	0%	\$0			Y	N

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					DSBE: 0%	0%	\$0
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**Non-Profit Vendor Demographics:**

N/A

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**EMPLOYEE DATA**

Staff Demographics (as of December 2022)				
Full-Time Staff			Executive Staff	
	Male	Female	Male	Female
	African-American	African-American	African-American	African-American
<i>Total</i>	28	47	0	4
<i>% of Total</i>	16%	27%	0%	80%
<i>Average Salary</i>	\$70,851	\$68,854	\$0	\$113,474
<i>Median Salary</i>	\$72,620	\$72,620	\$0	\$119,879
	White	White	White	White
<i>Total</i>	43	35	1	0
<i>% of Total</i>	25%	20%	20%	0%
<i>Average Salary</i>	\$82,677	\$73,759	\$143,478	\$0
<i>Median Salary</i>	\$80,879	\$72,620	\$143,478	\$0
	Hispanic	Hispanic	Hispanic	Hispanic
<i>Total</i>	1	3	0	0
<i>% of Total</i>	1%	2%	0%	0%
<i>Average Salary</i>	\$72,620	\$74,030	\$0	\$0
<i>Median Salary</i>	\$72,620	\$72,620	\$0	\$0
	Asian	Asian	Asian	Asian
<i>Total</i>	4	3	0	0
<i>% of Total</i>	2%	2%	0%	0%
<i>Average Salary</i>	\$73,495	\$73,867	\$0	\$0
<i>Median Salary</i>	\$76,750	\$72,620	\$0	\$0
	Other	Other	Other	Other
<i>Total</i>	0	0	0	0
<i>% of Total</i>	0%	0%	0%	0%
<i>Average Salary</i>	\$0	\$0	\$0	\$0
<i>Median Salary</i>	\$0	\$0	\$0	\$0
	Bilingual	Bilingual	Bilingual	Bilingual
<i>Total</i>	0	0	0	0
<i>% of Total</i>	0%	0%	0%	0%
<i>Average Salary</i>	\$0	\$0	\$0	\$0
<i>Median Salary</i>	\$0	\$0	\$0	\$0
	Male	Female	Male	Female
<i>Total</i>	81	93	1	4
<i>% of Total</i>	47%	53%	20%	80%
<i>Average Salary</i>	\$76,894	\$69,316	\$143,478	\$113,474
<i>Median Salary</i>	\$72,620	\$72,620	\$143,478	\$119,879

**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.**

- OPA’s Language Access Coordinator is Salima Cunningham.
- The last department training was held in 2018. OPA will require all staff to complete “Language Access 101” on the City of Philadelphia Learning Management System by April 21, 2023.
- The department’s language access plan is available here: <https://www.phila.gov/documents/language-access-plans>

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

Please refer to FY24 Budget Hearing Summary Charts Section 7: Staff Demographics and Section 8: New Hire Information/Language Access. OPA does not have current staff language data but will work to collect it. All frontline staff have been trained or are in the process of being trained on how to provide language access services.

**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.**

OPA’s third-party call center received 183 calls in 2022 that required language access services. Those requests were:

<b>Language</b>	<b># of calls</b>
Spanish	137
Mandarin	37
Cantonese	7
Russian	1
Vietnamese	1
<b>Total language access calls</b>	<b>183</b>

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

As part of the Tax Year 2023 revaluation, OPA created documents explaining the mailed notices of valuation and cover letters. OPA had these documents translated into Spanish, Chinese, Vietnamese, Russian, French, Khmer, and Korean and posted on OPA’s website.

**CLIMATE CHANGE**

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

Climate change has not yet affected the OPA’s provision of services.

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

Climate change that causes extreme weather conditions would limit the OPA’s ability to have employees work in the field, which could impede the OPA’s ability to collect the most recent data on properties throughout the city. Severe weather events that cause extensive property damage in the city could increase the need for in-person property inspections and the number of Catastrophic Loss applications submitted to the OPA.

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

As technology has improved, OPA has increased the frequency of desktop inspections utilizing aerial and street-level photography. These images are updated yearly and exceed the minimum resolution required by industry standards. This could minimize the need for field work in the future and mitigate the risk of losing time in the field due to weather. OPA will continue to monitor the real estate market to see if climate change is affecting the demand or price of certain types of housing or features, such as those with solar panels.