

**OFFICE OF PROPERTY ASSESSMENT
FISCAL YEAR 2027 BUDGET TESTIMONY
APRIL 21, 2026**

INTRODUCTION

Good morning, Council President Johnson and Members of City Council. I am James Aros Jr., Chief Assessment Officer. Joining me today are Monica Williams, Deputy Chief Assessment Officer; Maria Holmes, Administrative Services Director; Drew Aldinger, Chief Deputy City Solicitor; and other members of our senior staff. I am pleased to provide testimony on the Office of Property Assessment’s Fiscal Year 2027 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 manner. OPA’s primary goal, through ongoing revaluations, 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, helping ensure Philadelphia has a City government that residents can see, touch, and feel.

Plans for Fiscal Year 2027:

For Tax Year 2027 (TY27), OPA completed a revaluation of the entire city. OPA expects to mail the notices of proposed valuation and publish the values online in May 2026. As part of the TY27 revaluation process, OPA will retain an outside firm to evaluate how the TY27 revaluation of properties in Philadelphia measures against industry standards for key mass appraisal statistics. Specifically, OPA will be evaluated using the Coefficient of Dispersion (COD), which measures the uniformity of assessments, the Price Related Differential (PRD), which measures equity between high- versus low-valued properties, and the Median Ratio, which measures how closely assessments compare to actual sale prices.

In addition to the external ratio study, the Office of the Director of Finance will retain an external firm to conduct an independent, comprehensive evaluation of OPA’s mass appraisal practices, procedures, and overall operations. The evaluation will include an analysis to assess whether modifications to the current valuation model could reduce disparate impacts without compromising accuracy or equity.

For last revaluation, conducted in TY25, OPA retained an external consulting firm to conduct a ratio study. The external report on the TY25 revaluation of properties in Philadelphia found that OPA continues to meet industry standards for each of these mass appraisal statistics, and that OPA’s performance improved across these key metrics compared to the TY23 revaluation. For Fiscal Year 2027 (FY27), OPA will focus on addressing TY27 First Level Reviews (FLRs) as efficiently and accurately as possible. Additionally, OPA will continue implementing recommendations from the 2022 International Association of Assessing Officers (IAAO) audit and continue working toward achieving the IAAO’s Certificate of Excellence in Assessment Administration (CEAA).

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In April 2024, Mayor Parker announced a partnership among the OPA, Community Legal Services (CLS), and the Reinvestment Fund to create the Philadelphia Residential Property Assessment Task Force. The Task Force, which also includes subject matter experts and representatives from City Council, convened monthly meetings to identify best practices, develop recommendations, and create implementation frameworks. A report containing these recommendations is being finalized. OPA will continue to collaborate with CLS and the Reinvestment Fund to lead Mayor Parker's Philadelphia Residential Property Assessment Task Force and to implement OPA-related recommendations from the report. OPA is committed to implementing recommendations from the Task Force report including regular reassessments, expanding and improving specific property-level data, such as property condition, and enhancing transparency as well as increasing public outreach and education regarding the assessment process. For FY27, OPA's budget includes funding to implement customer relationship management (CRM) software, which will streamline the public's ability to electronically obtain and submit OPA documentation; increased funding for the reassessment customer service call center, which handles inquiries related to reassessments as well as Real Estate Tax relief programs and exemptions; and additional funding for mailing services, all of which will strengthen public outreach and enhance customer experience.

For FY27, OPA will continue to maintain staffing levels 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 the Office of Human Resources (OHR) to ensure a large and diverse candidate pool for evaluation positions and will work with OHR on recruitment for specialized positions. OPA will continue to offer training and professional development opportunities for employees to ensure that the Department can develop future leaders in the industry.

During FY27, OPA will continue collaborating with several other large jurisdictions across the United States in requesting access to data contained in the federal government's Uniform Appraisal Database (UAD). The UAD contains parcel-level data on property characteristics on millions of U.S. homes that were appraised for mortgages. Currently, most of this data is inaccessible to assessment offices. Access to this data would allow the OPA to verify existing data and potentially add additional data points that OPA did not have access to, such as whether a basement has been finished.

PROPOSED BUDGET OVERVIEW & OTHER BUDGET DRIVERS

General Fund Financial Summary by Class						
	FY25 Original Appropriations	FY25 Actual Obligations	FY26 Original Appropriations	FY26 Estimated Obligations	FY27 Proposed Appropriations	Difference: FY27 Proposed-FY26 Estimated
Class 100 - Employee Compensation	\$16,021,562	\$14,623,282	\$16,618,749	\$17,276,959	\$17,477,200	\$200,241
Class 200 - Purchase of Services	\$1,926,020	\$1,836,194	\$2,986,020	\$2,986,020	\$4,086,020	\$1,100,000
Class 300/400 - Materials, Supplies & Equipment	\$362,600	\$300,951	\$362,600	\$362,600	\$362,600	\$0
	\$18,310,182	\$16,760,427	\$19,967,369	\$20,625,579	\$21,925,820	\$1,300,241

Contracts Summary (Professional Services only)						
	FY23	FY24	FY25	FY26	FY26 YTD (Q1 & Q2)	FY27 Projected
Total amount of contracts	\$1,451,761	\$1,266,000	\$1,847,142	\$1,800,830	\$595,144	\$3,548,020
Total amount to S/LBE	N/A	N/A	N/A	N/A	N/A	N/A
Total amount to M/W/DSBE	\$521,000	\$615,533	\$631,747	\$630,290	\$595,144	
S/LBE Participation Rate	N/A	N/A	N/A	N/A	N/A	N/A
M/W/DSBE Participation Rate	36%	49%	34%	35%	100%	

**S/LBE not yet available as the City works to build the S/LBE registry and begin setting small and local business participation goals.*

Total S/LBE Contract Participation Goal (Public Works; Services, Supplies & Equipment; and Professional Services combined)			
	FY25	FY26	FY27 Projected
S/LBE Contract Participation Goal	N/A	N/A	N/A

**S/LBE not yet available as the City works to build the S/LBE registry and begin setting small and local business participation goals.*

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Proposed Funding Request:

The proposed Fiscal Year 2027 General Fund budget totals \$21,925,820, an increase of \$1,300,241 over Fiscal Year 2026 estimated obligation levels. This increase is primarily due to the planned implementation of customer relationship management (CRM) software that would allow taxpayers to submit and obtain documents and applications on demand, including Notices of Valuation, First Level Review forms, and abatement documents.

The proposed budget includes:

- \$17,477,200 in Class 100, a \$200,241 increase over FY26 estimated obligation levels due to contracted increases for members of DC33 and DC47, in addition to raises for non-represented and exempt employees. This funding will support OPA's staffing levels and overtime costs.
- \$4,086,020 in Class 200, a \$1,100,000 increase over FY26 estimated obligation levels. This funding will primarily cover expenditure on professional services related to assessments and a third-party call center. Proposed new funding in FY27 will also cover expenditures associated with the implementation of customer relationship management (CRM) software.
- \$362,600 in Class 300/400, level with FY26. This funding will 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 226 budgeted positions for FY27, level with FY26.

Employment Levels (as of November 2025)			
	FY26 Budgeted	Filled as of November 2025	FY27 Proposed
Number of Full-Time Positions	226	183	226
Number of Exempt Positions	14	13	14
Number of Executive Positions (deputy level and above)		8	
Average Salary of All Full-Time Positions		\$79,758	
Median Salary of All Full-Time Positions		\$80,697	

NEW HIRES

**The department had no new hires through March 2026.*

VACANCY RATE AND ALLOWANCE

Vacancy Rate Summary (General Fund)						
	FY25 Actual Vacancy Rate	FY26 Budgeted Vacancy Allowance	FY26 Vacancy Rate	FY26 Budgeted Vacancy Allowance Rate	FY27 Budgeted Vacancy Allowance	FY27 Budgeted Vacancy Allowance Rate
Departmental Total	17.7%	(\$319,888)	19.0%	2.0%	(\$657,326)	3.8%

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

OPA is collaborating with several other large jurisdictions across the United States in requesting access to data contained in the federal government's Uniform Appraisal Database (UAD). The UAD contains parcel-level data on property characteristics on millions of U.S. homes that were appraised for mortgages. Currently, most of this data is inaccessible to assessment offices. Access to this data would allow the OPA to verify existing data and potentially add additional data points that OPA did not have access to, such as whether a basement has been finished.

CONTRACTING EXPERIENCE

M/W/DSBE Participation on Large Professional Services Contracts											
Top Five Largest Contracts, FY26											
Vendor Name	Service Provided	Dollar Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE and SBE Participation Achieved	\$ Value of M/W/DSBE and SBE Participation	Total % Participation - All DSBES	Total \$ Value Participation - All DSBES	Local Business	Waiver for Living Wage Compliance?
Linebarger Goggan Blair & Sampson	Reassessment Customer Services	\$937,310	3/11/2021	7/1/2021	MBE: 20-25%	100%	\$937,310	100%	\$937,310	Yes	No
					WBE: 20-25%	0%	\$0				
					DSBE: BGFE	0%	\$0				
					S/LBE: BGFE	0%	\$0				
Vanguard Direct Inc.	Mailing of Property Assessment Notices	\$325,000	11/9/2021	1/3/2022	MBE: 20-25%	0%	\$0	3%	\$9,750	No	No
					WBE: 20-25%	3%	\$9,750				
					DSBE: BGFE	0%	\$0				
					S/LBE: BGFE	0%	\$0				
Penn Center Advisors	Reassessment Consultant Services	\$107,000	8/21/2020	10/5/2020	MBE: BGFE	0%	\$0	100%	\$107,000	Yes	No
					WBE: BGFE	0%	\$0				
					DSBE: BGFE	100%	\$107,000				
					S/LBE: BGFE	0%	\$0				
Vista Real Estate Solutions, LLC	Commercial Appraisal Consultant	\$126,900	9/22/2021	11/1/2021	MBE: 20-25%	100%	\$126,900	100%	\$126,900	Yes	No
					WBE: 20-25%	0%	\$0				
					DSBE: BGFE	0%	\$0				
					S/LBE: BGFE	100%	\$0				
Rittenhouse Appraisals, LLC	Chief Appraisal Consultant	\$100,000	10/30/2025	1/1/2026	MBE: BGFE	0%	\$0	0%	\$0	Yes	No
					WBE: BGFE	0%	\$0				
					DSBE: BGFE	0%	\$0				
					S/LBE: BGFE	100%	\$0				

**Non-Profit Vendor Demographics not applicable*

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PROGRAM BASED BUDGETING:

Program Name: Evaluation

Program Number: 01

FY27 Proposed General Fund: \$20,920,286

Program Description: The Evaluation program is responsible for ongoing, timely, fair, and accurate revaluations of the residential, commercial, industrial, institutional, and governmental properties in Philadelphia.

FY27 Strategic Goals:

- OPA will maintain compliance with industry standards for uniformity, appraisal level, and equity while improving current performance.
- After completion of the Tax Year 2027 revaluation in the spring of 2026, OPA will conduct an internal ratio study and obtain an outside firm to conduct an independent ratio study to measure the quality of residential real property assessments within the City of Philadelphia.
- OPA will work to complete the review of any First Level Review (FLR) applications filed for the Tax Year 2027 revaluation. As part of the revaluation process, OPA will continue implementing recommendations from the 2022 IAAO audit and continue working toward achieving the IAAO's CEAA.

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FY27 Performance Measures:

Measure	FY25 Actual	FY26 Target	FY27 Target
Coefficient of dispersion ¹	0.12	≤ 0.15	≤ 0.15
Overall single-family price-related differential (PRD) ²	1.02	0.98-1.03	0.98-1.03
Median ratio (single family residences) ³	0.99	0.95-1.02	0.95-1.02

¹ The Coefficient of Dispersion (COD) measures assessment uniformity by evaluating the consistency of property assessments relative to market value. It is based on average absolute deviation, expressed as a percentage, and provides an objective measure of uniformity that is independent of appraisal bias. A COD below 0.15 is considered excellent for a diverse housing market like Philadelphia’s, with lower CODs indicating more uniform assessments.

² This measures assessment progressivity or regressivity—assessments are progressive if high-value properties are overappraised and regressive if under-appraised. A PRD of 1 is ideal, though slight upward bias is common. A PRD between 0.98 and 1.03 is considered optimal.

³ The median ratio compares OPA market values to actual sales, with 1.00 indicating perfect alignment. While the industry standard ranges from 0.90 to 1.10, OPA targets 0.95 to 1.02 for greater accuracy.

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PROGRAM BASED BUDGETING:

Program Name: Administration

Program Number: 02

FY27 Proposed General Fund: \$1,005,534

Program Description: The Administration program is responsible for providing administrative support for OPA. These support functions include human resources, budgeting, training, payroll, labor relations, fiscal management, procurement, and contract administration.

FY27 Strategic Goals:

- OPA will continue to fill budgeted vacancies in the evaluation and clerical classes.
- OPA will fill current and pending vacancies in budgeted senior staff positions caused by attrition.
- The Administration program will increase training and professional development opportunities for employees to ensure that the office can continue to develop future leaders in the industry.

FY27 Performance Measures:

Measure	FY25 Actual	FY26 Target	FY27 Target
Percent of budgeted positions filled	82%	85%	85%