GOVERNMENT OF THE DISTRICT OF COLUMBIA REAL PROPERTY TAX APPEALS COMMISSION



April 08, 2016

Councilmember Jack Evans Chair, Committee on Finance and Revenue 1350 Pennsylvania Avenue, NW Washington, DC 20001

Dear Councilmember Evans:

I am writing to provide responses to the Real Property Tax Appeals Commission (RPTAC) FY 2017 Budget questions. Please see those responses below.

Question 1: Please list all <u>program enhancements</u>, technical adjustments, and <u>reductions</u> included within the FY 2017 budget. Please break down these costs by program. In addition, please provide a narrative description and rationale for each, along with associated dollar amounts and FTEs (if applicable). Be sure to include in your response the decrease in regular pay continuing full time of \$55,000, and the increase in Regular Pay –Other of \$116,000.

RPTAC Response 1: The FY 2017 decrease in Regular Pay -11 is attributed to the reclassification of one position (IT Specialist) from Regular Pay to Term Pay. This change resulted in a shift of salary in the amount of (\$68,295), which offset salary increases for other agency staff for \$13,420. The net change was a decrease of \$54,875 for the comp source group.

The FY 2017 increase in Term Pay-12 is the result of salary increases for FT Commission staff of \$41,829 and the reclassification of the salary of \$74,315 for the IT Specialist position. The net result is an increase of \$116,144 for the comp source group.

Question 2: Additionally the enhancement explanation (page B-69) references an increase in contractual services of \$66,657 for continued support of the agency's document management system. Is this correct? Why is there no increase shown in the comptroller source group for contractual services – other? Should there be?

RPTAC Response 2: RPTAC's original budget targets did not include \$66,657 for contractual services. RPTAC submitted an enhancement request for that amount in order to cover the costs of electronic filing. That enhancement request was approved.

- **Question 3:** Will the proposed FY 2017 budget allow the agency to meet all statutory mandates? If not, please explain.
- **RPTAC Response 3:** Yes, the FY 2017 budget will allow the agency to meet all of its statutory mandates.
- **Question 4:** What does the caseload look like thus far, and what are your predictions, if any, for the caseload?
- RPTAC Response 4: TY 2017 is underway at the 1st level which is with the Office of Tax and Revenue. The deadline for petitioners to file on 1st level was April 1st. OTR has indicated that they have received 10,024 appeals. Out of 10,024 received, OTR has indicated that 1,720 were received after 04/01/2016 so they might be denied a 1st level hearing. While there is no way of knowing how many appeals we will receive on the 2nd level; typically we receive 50% of the cases that were heard on 1st level. If this trend continues then RPTAC can expect to receive between 4,100 and 5,000 appeals.
- **Question 5:** How many full or part time commissioner positions are currently vacant? How many positions have an expiring term in the remainder of 2016 or during 2017?
- **RPTAC Response 5:** There is one part time Commission vacancy. There is one part time Commissioner whose term ends April 30, 2016. There is one full time and one part time Commissioner whose terms end April 30, 2017.
- **Question 6:** What is new for FY 2017? What, if anything, is being discontinued? Being revised?
- **RPTAC Response 6:** The Commission will continue all operations with an emphasis on increased usage of electronic filing and improved compliance with statutory deadlines pertaining to decision turn-around times.
- Question 7: Your performance oversight responses for FY 2015 and FY 2016 reference a proposed new initiative to address the definition of residential property. Would a subtitle in the Budget Support act to amend the amount of time provided to the Commission in reviewing assessments for apartment complexes with five or more units accomplish this initiative? If so, please also provide suggested language, including an effective date for this change.
- RPTAC Response 7: Thank you for your gracious proposal to enact legislation enabling us to address residential apartment complexes of five units or more as "commercial" in nature, thereby allowing us 80 days after the completion of the hearing in which to render our decisions. We suggest the following language:
- "The term 'Single-family residential property' shall not be deemed to include residential apartment complexes of five units or more, but, instead, such property shall be deemed to be 'commercial' for purposes of determining the period of time within which the Commission must render a decision."

Thank you for the opportunity to respond to questions pertaining to the FY 2014 budget. Please feel free to contact me if you should have any additional questions.

Sincerely,

Gregory Syphax

Chairperson