## TESTIMONY OF GIZACHEW ANDARGEH INTERIM EXECUTIVE DIRECTOR REAL PROPERTY TAX APPEALS COMMISSION



## ON THE PROPOSED FY 2022 BUDGET FOR THE REAL PROPERTY TAX APPEALS COMMISSION

## BEFORE THE COMMITTEE ON HOUSING AND EXECUTIVE ADMINISTRATION COUNCIL OF THE DISTRICT OF COLUMBIA THE HONORABLE ANITA BONDS, CHAIRPERSON

WEDNESDAY, JUNE 16, 2021

Good Morning Chairman Bonds, members of the Committee, and staff. I am Gizachew Andargeh, Interim Executive Director of the Real Property Tax Appeals Commission (RPTAC), and I am here today to present the proposed Fiscal Year (FY) 2022 operating budget for the Commission. Here with me is Vice Chairman, Richard Amato and Casandra Fields, the agency fiscal office from the Office of the Chief Financial Officer.

Mayor Muriel Bowser has adequately funded the Real Property Tax Appeals Commission with the FY 2022 proposed gross budget is \$1,775,875, which represents an overall 2.7 percent decrease over its FY 2021 approved gross budget of \$1,825,886. RPTAC's proposed Local funds budget reflects a net personnel services increase of \$182,297 across multiple programs to primarily support the conversion of part-time commissioners to full-time temporary hearing examiners, as well as salary steps and Fringe Benefit adjustments. The part-time commissioner conversion reduces the Non Personnel Services (CSG40) from \$232,307 in FY21 to \$0 in the current proposed budget since this position will no longer invoice RPTAC and will instead receive salary saving the Commission \$50,000.

The FY 2022 proposed operating budget for the RPTAC should allow it to meet its required statutory mandates. These mandates include the staffing of the Commission with a Chairman, Vice Chairman, four full-time Commissioners at an anticipated cost of \$957,887 for salaries and fringe benefits. In addition, the proposed budget will also fund the salaries and fringe benefits for two full-time temporary hearing examiners at an anticipated cost of \$149,031.

The Office of Tax & Revenue (OTR) began hearing first-level appeals in April, and RPTAC will likely begin to receive its second level appeals in August. Historically, RPTAC receives around 50% of OTR appeals. Based on the current

number of received OTR first level appeals of 13,000, RPTAC can expect to hear 6,500 cases.

As you are aware, the Commission is preparing to fill the vacant Chairperson position before the TY 2022 season begins. In addition, the Commission is preparing to fill the seat of a recently vacated full-time commissioner position before the TY 2022 season. Finally, if the proposed BSA subtitle is passed, part-time commissioners will convert to full-time temporary hearing examiners and the Commission will no longer have part-time commissioners invoicing as contract workers.

I appreciate this opportunity to testify before the Committee, and I would be happy to answer any questions you may have.