

Office of the Tax Commissioner 2014 Business Plan

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Overview

In 2012:

- **Directly served more than 950K customers**
- **Processed 1.4 million transactions**
- **Collected and disbursed nearly \$1 billion**

A close-up photograph of a person's hands working at a desk. The person is wearing a light-colored long-sleeved shirt. One hand holds a white receipt with some numbers visible, while the other hand holds a yellow pencil. In the foreground, a white calculator is partially visible. To the right, there is a white coffee cup. The background is slightly blurred, showing a desk surface and some papers.

Property taxes represented 81.7% of the total FY 2012 General Fund revenues.

2012 Statistics

Property Tax

- Served 138,000 customers and processed 312,000 transactions
- Collected \$868 million

Motor Vehicles

- Served 820,000 customers and processed more than 1.1 million transactions
- Collected \$104 million

2012 Statistics

- Individual delinquent collector activities have resulted in more than \$4.7 million
- Sales of Fi.Fa.s have resulted in \$2 million collected
- Tax sales have brought in \$8.8 million

2013 Summary

- 118 employees
- 2013 budget adopted in January: \$11,070,281
- Property tax bills mailed in August with October 3 due date

2013 Summary

Through July 31, 2013

- Individual delinquent collector activities have resulted in \$3.1 million collected
- Sales of Fi.Fa.s have resulted in \$1.2 million collected
- Tax sales have brought in \$9 million
- Achieved 99.16% collection rate in July 2013

2013 Legislative Changes

Title Ad Valorem Tax (TAVT)

- Significant impact on OTC operations
- Lengthens average title processing times by 5–10 minutes per transaction
- Corresponding increase in call center and email volume

2014 Service Enhancements

2014 Service Enhancements

- Delinquent tax collection staff and equipment: \$145,421
- New IT position: \$875
- Funding for Title Ad Valorem Tax Opt-in Extension: \$58,560

Addition of Three Full-Time Staff to Delinquent Collection Team

- In 2012, three delinquent collectors collected \$4.7 million through individual efforts
- Adding positions will increase delinquent collections by:
 - Enabling more efficient handling of tax liens and tax sales
 - Increasing the frequency of contact with delinquent taxpayers

2014 Service Enhancements

Addition of Three Full-Time Staff to Delinquent Collection Team

Potential Revenue	\$4.30M
Cost	\$.15M
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Net Gain	\$4.15M

2014 Service Enhancements

New I/T Associate II Position: \$875

- Long-term contract employee provides immediate IT support to all six locations
- Position will be used for additional property tax system support
- Reallocate existing \$60,000 from Professional Services plus \$875 to fund position

2014 Service Enhancements

Funding for Title Ad Valorem Tax Staffing: \$58,560

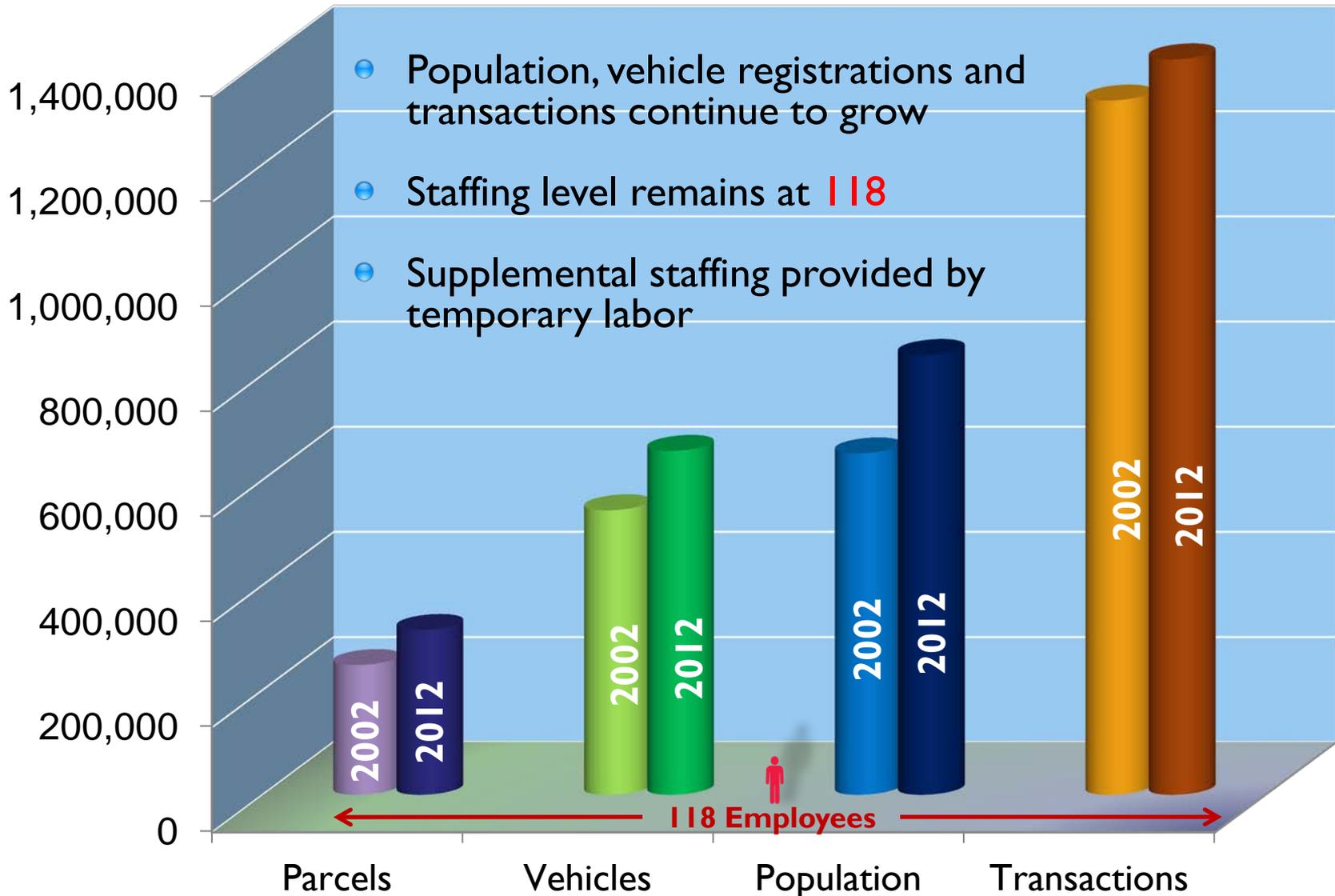
- 12 temporary employees for tag office front-line operations
- Additional resources needed through 2/28/2014 due to opt-in extension

2014 Service Enhancements

No Service Reductions Planned

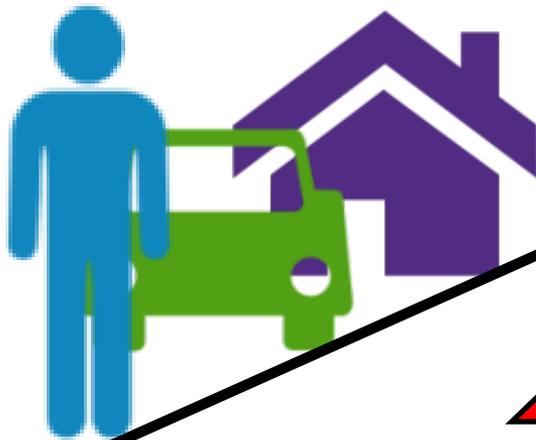
- Services generate revenue – reduction in services reduces collection efficiencies
- Some services cannot be cut due to mandates

Workload Trends 2002 – 2012



Population Effects on Operations

- One adult adds at least one vehicle renewal/registration yearly
- If they own a home, there is at least one tax transaction yearly
- In 2012, there were 11,000 transactions per employee



**1.4 Million
Transactions**

Technology and temporary employees/volunteers used where possible to assist customers

2013	DESCRIPTION	2014
\$6,718,390	Personal Svcs	\$6,750,140
\$2,143,442	GOE	\$2,244,373
\$2,208,449	Contributions	\$2,257,092
<u>\$11,070,281</u>	Total Base Budget	<u>\$11,251,605</u>
\$500,000	Decision Package	\$204,856
<u>\$11,570,281</u>	Total Budget Request	<u>\$11,456,461</u>

Budget Summary

Questions?