



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of June 13, 2009**

DATE: June 2, 2009

SUBJECT: Request to Advertise an Ordinance to Amend Chapter 20-2 (Board of Equalization of Real Estate Assessments Established; Powers; Compensation) of the Code of Arlington County, Virginia (“Code”).

C. M. RECOMMENDATION:

1. Authorize advertisement for a public hearing at the July 11, 2009, County Board meeting, an ordinance to amend Chapter 20-2 (Board of equalization of real estate assessments established; powers; compensation) of the Code of Arlington County, Virginia (“Code”) to increase compensation for the Board of Equalization from \$70 per day to \$200 per meeting (see Attachment I).
2. Allocate \$78,500 from the FY 2009 General Fund general contingent (101.91102) to the FY 2009 Department of Management & Finance expenses (101.10352) for the proposed Board of Equalization compensation adjustments and temporary staffing.

ISSUES: Should the compensation for the Board of Equalization of Real Estate Assessments, unchanged since 1993, be increased to a level commensurate with surrounding jurisdictions?

SUMMARY: The Board of Equalization (BOE) received a record number of assessment appeals in CY 2009 and the workload for the Board and the County staff supporting it far exceeds existing resources. It is recommended that the compensation to the BOE be adjusted to reflect the increased workload and reflect an amount commensurate with other jurisdictions. If the proposed advertisement is agreed to, additional funding will be needed to implement the proposed ordinance change and fund the increase in hearings dates associated with the record number of assessment appeals. In addition, due to the record volume of assessment appeals, additional one-time funding is needed to support the BOE and to backfill temporarily for data collection staff reassigned to work on the annual assessment program while other staff are dedicated to assessment appeals.

BACKGROUND: The BOE is required by Virginia law. The board, which is appointed annually by the Arlington County Board, is constituted as a quasi-judicial entity charged to hear complaints and equalize real estate assessments brought before it. The Code of Virginia sets out the qualifications of members of the BOE and requires the local governing body to compensate

County Manager: _____

County Attorney: _____

Staff: Tommy Rice, Department of Real Estate Assessments

its members for their service. Compensation of Arlington County BOE members has not been adjusted since 1993.

The BOE is required by ordinance to hear all assessment appeals by October 31 of the tax year. During the past three years (2006-2008) an average of 480 appeals of assessments were filed, and an average of 384 cases were heard annually (about 20% of appeals were withdrawn prior to a schedule hearing). The BOE met one to two times a week from May through October and typically heard 6 to 8 appeals at each session.

DISCUSSION: In 2009, the 921 assessment appeals filed are almost double the average of the past three years. The increase in appeals will require the BOE to meet three (3) times a week through October 31 and to have longer meeting times in order to hear fifteen (15) cases per meeting to complete all hearings by the deadline. This schedule anticipates that 15% to 20% of the filed cases will be withdrawn. All five BOE members have agreed to the increased hearing schedule. However, this will require a substantial increased time commitment. In order to retain experienced board members, an increase in compensation is necessary and appropriate.

Arlington Code Chapter 20-2 establishes the compensation of members of the Board of Equalization of real estate assessments. The current compensation, last set in 1993, is seventy dollars (\$70.00) per day of service. The proposed compensation of two hundred dollars (\$200.00) per meeting is warranted based on the time commitment of the members, and it is comparable to compensation of board of equalization members in neighboring jurisdictions. (City of Alexandria currently provides \$150 per meeting and Fairfax County \$200 per meeting).

In addition to the workload burden on BOE members, significant staff time is required to support and process the BOE appeals filed. DREA staff review the subject case files, prepare analysis for review by the Board, and answer Board inquiries. To address the increased number of appeals, DREA will be redirecting two current data collection staff to annual assessment programs for the next six months so that appraisal staff may direct its efforts to the BOE appeals. To continue field reviews necessary for accurate assessments, additional one-time temporary resources will be necessary to backfill for those data collectors redirected to support the workload of the BOE.

FISCAL IMPACT: No new net tax support is required to implement these recommendations. \$78,500 available in the FY 2009 General Fund general contingent will be allocated to the Department of Management and Finance expenses as follows:

- \$20,000 for increased costs related BOE members' salaries in the remainder of the calendar year;
- \$21,000 for temporary clerical staff needed to handle the BOE case filings and scheduling for the remainder of the calendar year;
- \$37,500 to reassign the two current data collectors to support the BOE and then backfill those two positions for a six month period.

ATTACHMENT 1

BE IT ORDAINED by the County Board of Arlington, Virginia that Chapter 20-2, of the Arlington County Code is amended, reenacted and recodified to read in pertinent part as follows:

§ 20-2. Board of equalization of real estate assessments established; powers; compensation.

All duties imposed and all powers conferred by law in the review for equalization of assessments of real estate in the county shall be exercised by a board of equalization, herein called the “board of equalization of real estate assessments,” which shall also have the power to review all assessments and changes of assessments previously made by the director of real estate assessment, the general reassessment board or any other assessing officer, board, or authority in the county in accordance with ~~Section 58-895 to Section 58-915 of the Code of Virginia, 1950~~ applicable law. Such board of equalization of real estate assessments shall consist of (5) members who shall be freeholders in the county and appointed to such board annually by the county board. The board of equalization of real estate assessments shall have the authority, on its own motion or upon protest as herein provided, to change any assessment of real estate in the county, to add to the tax rolls any real estate erroneously omitted, to remove properties from the tax rolls when acquired by owners not subject to taxation, and to correct errors in tax assessment records, in accordance with the policies and procedures prescribed in this chapter. Effective June 1, 2009, the members of the board of equalization of real estate assessments shall receive as compensation the sum of ~~seventy dollars (\$70.00) per day for each day of service~~ two hundred dollars (\$200.00) per meeting or recessed meeting attended.

(12-18-76; Ord. No. 83-4, 1-10-83; Ord. No. 92-56, 1-1-93)
