



BREVARD COUNTY PROPERTY APPRAISER
FISCAL YEAR 2018-19 BUDGET
Executive Summary

MISSION STATEMENT:

The Brevard County Property Appraiser, an independently elected charter officer, determines the value of all real and tangible personal property within the County and maintains all records related to such valuations; administers and approves applications for homestead and other exemptions as well as agricultural classifications. The Property Appraiser also calculates the proposed taxes for the State of Florida's Truth in Millage notices after the tentative mileages have been set by the taxing authorities.

The Property Appraiser's duties are prescribed by State Statutes with oversight and budget approval by the Florida Department of Revenue.

Charges to support the Property Appraiser's budget, as provided by law, are based on a pro-rata basis for all authorities that levied a tax during the preceding fiscal year. The School Board and municipalities are excluded from this charge for services by Florida Statutes. The effect of the Florida Statutes is that the County, particularly the General Fund, provides a large portion of the charges for the Property Appraiser's Office that would otherwise be provided by the School Board and municipalities. The Property Appraiser also provides data sharing and services allowing for the uniform method of levying and collecting non-ad valorem assessments levied by the County for real property.

BUDGET ANALYSIS:

ACCOMPLISHMENTS, INITIATIVES, TRENDS AND ISSUES AND SERVICE LEVEL IMPACTS:

FINANCIAL REVIEW

Overview:

The budget request for FY2018-19 is for \$8,997,416, representing a 2.6% increase over the previous amended budget. In accomplishing this notable achievement, as we continue to adjust to a significant technology improvement, the budget also addresses the core goals of the Office:

- Provide quality service to the public
- Promote accuracy, taxpayer equity, accountability, transparency and professionalism
- Acknowledge the ongoing economic challenges in Brevard County and the State of Florida by thoroughly challenging personnel, operating and capital expenditures and focusing future needs
- Move the Office forward by embracing new best practices, process improvements, personnel development and investment in the technology and training necessary to perform the work with which the Office is tasked

Personnel Expenses:

Personnel expenses decrease by -0.1% (\$5,385). In addition, a contingency reserve representing a 2.5% increase (\$151,658) in payroll costs is included in this total budget request. This increase matches the current staff proposal for employees of the Brevard County Board of County Commissioners. Funded positions remain level at 101, following significant reductions in multiple prior years. The Office has pursued management consolidations in several departments as management vacancies occur and sought efficiencies wherever reasonable. The result is a “flatter” organization with lower personnel expense for a continued high level of service delivery. The overall reduction in personnel expenses is comprised of the following major components:

- (\$5,041) reduction in regular wages and benefits as positions are adjusted to and through our continuous process to optimize staff and organization structure.
- \$151,658 in contingency funding to mirror the County’s pay increase program, including salary and benefits, with no change in employer health insurance and workers compensation insurance costs, for the upcoming fiscal year.
- \$25,632 increase in Special Pay to fund leave payouts associated with scheduled retirements during the year.

The Office intends to mirror the total cost of any county pay improvement plan, should the Brevard County Board of County Commissioners adopt such a plan.

Operating Expenses:

Operating expenses increase by \$81,044 (6.2%). The overall change in operating expenses is comprised of the following major components:

- \$60,000 increase in Appraisal Services to fund the 1st year of a recurring change analysis service and workflow management platform that will dramatically improve productivity of field staff and appraisers.
- (\$24,186) reduction in budgeted legal expenses, continuing that trend. This represents a \$132,711 (63%) reduction in legal expenses for this current administration since FY2013.
- \$21,063 increase in education and \$38,050 increase in training, predominantly due to a plan to run most field and appraiser staff through IAAO331/332 courses on Mass Appraisal Practices and Procedures and Modeling Concepts. This is a one-time expense after staff receives the training.
- (\$36,340) reduction in postage expenses as the Office discontinues mailing a homestead exemption renewal notice, which is not required. This will be a recurring savings.

Capital Expenses:

Capital expenses are zero, representing a decrease of (\$40,460) versus FY2017-18 and by \$382,712 versus FY2015-16 now that the Office has finished the following projects:

- Funding multi-year CAMA system replacement, totaling \$1.6 million, with savings gains from organizational restructuring and contract administration
- Desktop computer replacement cycle and subsequent refresh of hard drives and monitors. A new replacement cycle is beginning shortly.
- Converting the Office's network servers to Virtual Machines, reducing 24 servers to 3. It is anticipated that replacement server hardware will be leased in future years to level hardware expenses over multiple years.

The Office anticipates an expense of approximately \$25,000 in the near future to acquire portable computing tablets to develop remote data entry and access capabilities for Field Operations and other field personnel.

Technology:

As new leadership arrived in January 2013, the major technology platforms in the Office were dangerously outdated, unstable, difficult to maintain, woefully inefficient to use, or some combination of all factors. Some major initiatives that have recently been completed include:

- Conversion of current CAMA (internally developed, circa 1982) to Patriot Properties AssessPRO V5.0 system, the first assessment roll has been successfully processed and submitted to Florida Department of Revenue, efforts continue to consolidate systems and improve processes within the new CAMA environment
- Deployment of new desktop computer systems, with double and triple monitor setups as needed by data- and mapping-intensive staff, this effort is completed, with an asset replacement cycle scheduled for future years to maintain technological strengths
- Deployment of new website and corresponding Internet and Mapping servers with redundancy, this is an effort that is continuing into FY2018-19 as an existing staff task with no new capital
- Complete review of full cycle of technology subscriptions and services to ensure compliance with Office purchasing policies and/or maximize use of State, Federal or other public entity negotiated agreements

Conclusion:

BCPAO presents a responsible, well-considered budget request that proposes minimal financial change over the current fiscal year, though our processes continue to improve and efficiencies continue to grow. This budget reflects major internal changes in personnel and systems to promote stability and quality in the Office's operation for many years to come.

This stable budget request recognizes the local funding pressures in Brevard County. BCPAO administration has made painful, but necessary, reductions in staffing and continues to challenge every contract or expense the Office bears.

The Office will be challenged in future budgets by continuing increases in health insurance and retirement expenses, as well as market pressure to fund an inflation-sensitive compensation plan as the employment market continues to strengthen.