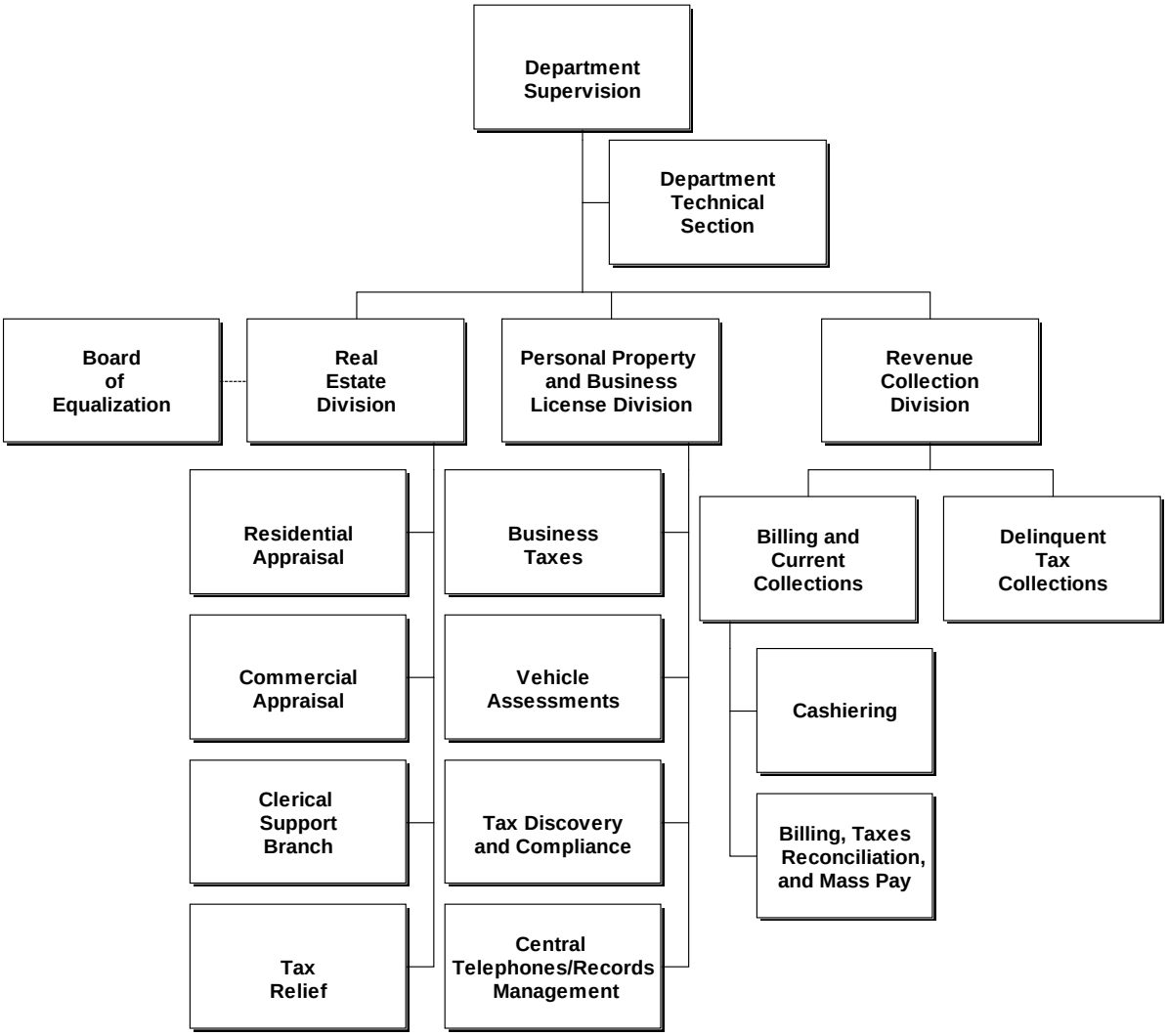
Department of Tax Administration



Mission

To uniformly and efficiently assess and collect County revenue, provide high quality customer service and promote an empowered, well-informed community.

Focus

The Department of Tax Administration (DTA) assesses and collects taxes fairly and in accordance with relevant County and state codes. The department is comprised of four main divisions: Department Supervision; Real Estate; Personal Property and Business Licenses; and Revenue Collection.

The Supervision Division oversees all DTA operations and takes the lead in the department's strategic planning and implementation process. As necessary, resources are reallocated across division boundaries to ensure that taxes are properly billed, collection rates remain strong and taxpayers receive responsive customer service. Increased automation and streamlining of operations have been implemented wherever possible to address the needs of County residents with fewer staff and budgetary resources. In FY 2008, the department was the winner of a Virginia Association of Counties (VACo) Achievement Award. The award was received for the department's Tax Relief Outreach Program. The Board of Supervisors (BOS) was instrumental in DTA's development of this program, which provides County residents with on-site assistance and eligibility information regarding tax relief. DTA is committed to outstanding communication and promoting an empowered and well-informed community. The FY 2009 DTA diversity report showed for the 13th year in a row an increase in workforce diversity. DTA's workforce is greater than 58 percent diverse.

Such diversity allows the department to address the concerns and language needs of the varied population of Fairfax County, both now and in the future.

In FY 2009 and FY 2010, the division will continue to focus on efforts to increase secure access to pertinent tax information. Such efforts will include public access to the Personal Property and Accounts Receivable databases online. These initiatives will better empower residents to conduct business in a 24/7 environment and enable DTA to continue to do more with less. Additionally, the Department of Information Technology (DIT) and DTA will launch an e-commerce Web portal pilot program in FY 2010 that will permit citizens to establish a secure online account with DTA. This account will enable them to make tax payments; research accounts receivable information for current and past year taxes; and register new properties for taxation. Once an account is established, citizens may manage their tax information online, thereby decreasing the need to visit the Government Center or telephone the department for assistance.

The Real Estate Division handles the assessment of all real estate taxes due to annual property value changes associated with appreciation/depreciation and value increases due to normal "growth" or construction. DTA appraisers handle residential and commercial properties, the real estate taxes for which account for over 60 percent of all General Fund revenue. Like the rest of Northern Virginia, Fairfax County has experienced a continued softening of residential real estate market over the past couple of years. From FY 2002 through FY 2007, robust value increases, along with numerous property sales, translated into significant workload. Refinancing, remodeling and construction work also presented a significant challenge to staff in that a visit to the property is often necessary to ensure accurate property descriptions and assessment. Similar to the workload created during a hot real estate market, a downturn in the market also proves challenging for staff. Residential values went from double digit appreciation to a flat market in FY 2008 and a declining market in FY 2009. FY 2010 values will fall below FY 2009 levels by more than 12 percent on average. When the market shifts in such dramatic ways, it is of utmost importance that the County has the best and most up-to-date information to base real estate assessments. To enhance data accuracy of property characteristics, all residential properties in the County will be reviewed through a combination of physical visits and through the expanded use of pictometry. Pictometry is a geo-referenced aerial imagery and measuring software which enables users to quickly and easily access imagery and measuring tools. This technology helps locate, display, and extract the image or portion of the image that is most relevant to them with respect to real estate structures.

Over recent years, the Real Estate Tax Relief Program for seniors and people with disabilities has expanded. Staff has intensified its efforts to educate eligible residents about the program through public outreach initiatives, such as sending staff to speak at community meetings, senior centers and places of worship throughout the County. As previously noted, this program was awarded a VACo Achievement Award. With the increased outreach efforts, program recognition, and trying economic times, DTA anticipates additional applicants to file for Real Estate Tax Relief in FY 2010. Staff will work to accommodate all additional requests for information and process all applications without an increase to the level of permanent staffing and will continue to absorb all additional work and costs associated with the expansion of the program parameters.

The Personal Property and Business License Division assesses all vehicle and business personal property taxes and administers the Business, Professional and Occupational License (BPOL) tax. In early FY 2008, credit card and e-check payment options were made available online for Fairfax County businesses. More efficiency will prevail as this new payment option for businesses becomes the recognized standard way of doing business. Workload in this division is driven predominantly by continued population increases over the past decade, as well as the condition of the automobile sales market. The transient nature of Northern Virginia also impacts workload, as all vehicle changes (i.e., moves, sales, purchases) must be recorded to ensure an accurate vehicle tax file. Greater use of Department of Motor Vehicles (DMV) record matching provides some help in quality control over the vehicle tax file. Quality control efforts concerning the vehicle database will continue to be a high priority in FY 2010, along with efforts required by state law under the Personal Property Tax Relief Act (PPTRA), commonly referred to as the state "Car Tax" legislation. The Personal Property and Business License Division will continue efforts to ensure all vehicles are properly registered with the County. This includes an aggressive effort to research and identify potential tax evaders with out-of-state license plates. The Board has adopted a new annual $100 license plate tax for FY 2010 that will generate additional revenue from certain vehicles under this program.

While much of the valuation process is automated, and records are matched to the Virginia DMV, this division still has an enormous volume of customer contacts. The division also staffs DTA's main telephone call center, which receives approximately 370,000 phone calls a year. In FY 2009, the Avaya phone system was implemented, which enabled DTA's call center to better track the call volume, wait time and staff performance. This helps supervisors make quicker and better decisions on work flow matters. Additionally, with the new Avaya Call Management System (CMS), DTA has a better reporting system which provides detailed statistics on staff performance. This information acts as a catalyst to encourage staff to stay focused and provide the best possible service, which is reflected in short wait times and a high call answer rate. It should also be noted that calls coming into the call center cross internal division boundaries. Overlap in customer service also extends to a certain amount of taxpayer correspondence, although DTA has been promoting an increasing shift to e-mail contact, which is handled more proportionately by each appropriate division.

In FY 2009, the division worked in conjunction with the Department of Information Technology to update the dog licensing system. Through software customization, this updated system permits the tracking of rabies vaccinations administered by veterinarians and produces the required notices (certificates/licenses). Principal benefits include: an increase in the number of dogs licensed in Fairfax County, increased revenue, an ability to return lost dogs to their owners, and enhanced safety for Animal Control officers in the community.

The Revenue Collection Division is responsible for all billing, collection and account reconciliation activities. Staff is split between current year cashiering, deposit operations, and delinquent tax collection, and handles well over 1.5 million billing transactions per year. The workload in this division is also influenced significantly by population and economic conditions. Staff works to ensure that current year collection rates are maintained, as this provides necessary revenue and helps minimize the amount of unpaid receivables accumulated over time. Each year, outstanding receivables are collected as delinquent revenue. Collection work is a function of data accuracy (i.e., finding and contacting the property owner), as well as the economy. As the economy falters, collecting can become more difficult. For example, when bankruptcies occur, this makes collection work harder and impacts collection rates. Conversely, a strong real estate market, coupled with low interest rates, typically stimulates a wave of mortgage refinancing, helping to boost real estate collections. Along with other collection tools, some delinquent accounts are outsourced to private collection agents. Assistance has also been provided by the County Attorney's Office and the Office of the Sheriff. The County Attorney will outsource its legal assistance in FY 2010 as part of the reductions approved by the Board. DTA will coordinate closely with their collection agent. The Fairfax County Police Department also tows vehicles with outstanding parking tickets. In FY 2008, the department, in partnership with the Police, began utilizing a license plate reader system on a pilot basis. This process utilizes cameras to allow law enforcement and tax personnel to locate vehicles belonging to residents with delinquent parking tickets, real estate taxes, and personal property taxes. Scofflaw database files are entered into the cameras which read license plates, resulting in the detection, booting and/or towing of vehicles with outstanding tax obligations. This pilot was a success in FY 2008 and has been expanded for FY 2009 and FY 2010.

Additionally, the Revenue Collection Division staffs the full service cashiering counters at the Government Center. When customer traffic at the Government Center is extremely heavy, employees are redeployed to front-line cashiering service from other division sections in an effort to provide responsive customer service. Similar efforts are made to staff DTA telephones at peak times. Efforts to reduce walk-in traffic include the promotion of online registration of new vehicles and the elimination of vehicle decals. The Revenue Collection Division, in a further effort to enhance customer service, implemented in FY 2009 the use of Global Express Bill Payment Centers. Such centers are authorized walk-in bill payment locations which accept cash payments for personal property taxes. As a collection point for DTA, citizens may walk into certain retail locations, such as a specific Shoppers Food Warehouse, selected Safeway stores and other convenience-type stores, to pay Fairfax County personal property taxes. This wide variety of locations makes it more convenient for citizens to pay their personal property bills. Payments are credited the same business day and a nominal $1 fee is charged for the service. Fairfax County does not receive any portion of this fee.

Challenge of FY 2010 Budget Reductions

Preserving revenues and meeting statutory mandates are of utmost importance to DTA. All reduction decisions were made based on the premise that revenues and legal requirements must be maintained and customer service delivery must be protected where possible. In order to minimize the impact of the FY 2010 reductions, resources will be reallocated where possible to ensure the delivery of services. The most significant reductions are in the expansive outsourcing of delinquent collections and staff reductions in DTA's cashiering counter and telephone service center. Reductions were also made in the areas of information technology support, along with a consolidation of certain real estate functions.

The Department of Tax Administration serves over 1 million citizens of Fairfax County, collecting over 2.7 billion dollars in tax revenues. The department also provides staff support and programmatic analysis for the Board of Supervisors and Senior County Management. Program and staffing reductions for FY 2010 will result in longer wait times for citizens calling in for assistance and standing in line at cashiering payment counters. DTA will endeavor to minimize the impact of the reductions by using the flexibility of existing resources; implementation of the Web portal pilot; and by partnership with Global Express Payment Centers. DTA will work very closely with its collection agent in the effort to ensure collection rates remain on track. Outsourcing reduces DTA costs as the agent can recoup its costs directly from the delinquent taxpayers. The Board has also approved increased penalties for certain delinquent taxpayers in FY 2010.

Budget and Staff Resources

Agency Summary					
Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Advertised Budget Plan	FY 2010 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	320/ 320	320/ 320	320/ 320	279/ 279	279/ 279
Expenditures:					
Personnel Services	$17,919,135	$18,508,736	$17,924,915	$15,718,261	$15,718,261
Operating Expenses	6,281,872	6,058,285	6,495,506	5,954,769	5,954,769
Capital Equipment	30,750	0	0	0	0
Total Expenditures	**$24,231,757**	**$24,567,021**	**$24,420,421**	**$21,673,030**	**$21,673,030**
Income:					
Land Use Assessment Application Fees	$1,241	$600	$1,241	$1,241	$1,241
Administrative Collection Fees for Delinquent Taxes	1,376,226	1,176,745	1,390,477	1,390,477	1,390,477
State Shared DTA Expenses	2,207,777	2,198,204	2,176,222	2,176,222	2,176,222
State Shared Retirement - DTA	68,092	67,536	67,536	67,536	67,536
Total Income	**$3,653,336**	**$3,443,085**	**$3,635,476**	**$3,635,476**	**$3,635,476**
Net Cost to the County	**$20,578,421**	**$21,123,936**	**$20,784,945**	**$18,037,554**	**$18,037,554**

FY 2010 Funding Adjustments

The following funding adjustments from the FY 2009 Adopted Budget Plan are necessary to support the FY 2010 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on April 27, 2009.

- **Employee Compensation** **$396,664**
  A net increase of $396,664 includes $361,664 for the full-year impact of salary adjustments awarded during FY 2009, and $35,000 for Living Wage adjustments implemented during FY 2009. It should be noted that no funding is included for pay for performance or merit awards in FY 2010.

- **Department of Vehicle Services Charges** **$53,000**
  An increase of $53,000 for Department of Vehicle Service Charges is based on anticipated charges for vehicle replacement, maintenance costs and fuel.

- **Reductions** **($3,343,655)**
  A decrease of $3,343,655 and 41/41.0 positions reflects agency reductions utilized to balance the FY 2010 budget. The following chart provides details on the specific reductions approved, including funding and associated positions:

LOB Reduction	Impact	Posn	SYE	Reduction
Eliminate Accountant III Position in Revenue Collection Division	The elimination of the Accountant position results in minimal impact on the operations of the Department of Tax Administration (DTA). This is possible due to a prior reorganization in the Revenue Collection Division. Workload will be absorbed by remaining staff.	1	1.0	$88,355
Outsource Collections of Delinquent Personal Property and Business, Professional and Occupational License (BPOL) Taxes	This reduction increases outsourcing of accounts to an outside collection vendor. The potential risk is reduced revenues if the collection agent does not maintain current collection rates. Each 1 percentage point change in the collection rate of delinquent taxes equals $100,000; each 1 percentage point change in the current local collection rate equals $2.8 million.	12	12.0	$1,165,772
Eliminate Administrative Assistant III Position in Personal Property	This reduction can be absorbed among remaining staff. It may make the telephone coverage for the agency's administration more difficult, as well as result in a minor reduction in the Central Telephone section back-up assistance.	1	1.0	$33,920
Eliminate IT Manager, Business Analyst III, and IT Technician Positions	The elimination of the IT Technician will be accommodated by better prioritization of call response and by reliance on the Department of Information Technology Help Desk for assistance. The elimination of the IT Manager will be accommodated via the reorganization of management and oversight duties with respect to the remaining Business Analysts and the personnel and purchasing/financial staff. Following the elimination of the IT Manager, the Business Analysts will report to other senior management or to the respective division director in the areas which they support. The personnel and purchasing/financial staff will report to other senior management. The Business Analyst III reduction represents the elimination of the agency's succession planning initiative. The elimination of this position will reduce the agency's ability to cross-train personnel and will make succession during times of vacancies more difficult.	3	3.0	$233,447
Outsource Collection of Delinquent Parking Tickets	This reduction expands the current use of the agency's parking ticket collection agent. The potential risk of this reduction is reduced collections. Each 10 percentage point change in "seizure" collection activity (i.e., the supplemental collection effort) for parking tickets equals $30,000 in revenue.	4	4.0	$282,900

LOB Reduction	Impact	Posn	SYE	Reduction
Reduce Telephone Customer Service Staffing by 37 Percent	The main impact of this reduction will be increased caller wait time on the telephone. The average wait time for residents will increase. This reduction will also have some productivity impact, as staff from other sections may need to be called upon more frequently to assist when call volume spikes. However, because of declining call volume associated with the elimination of decals, and efficiencies of the new Avaya phone system, this generally can be managed. The new Avaya phone system has additional reporting capabilities to help staff better manage call distribution and react to spikes in call volume. This will help in the overall efficiency of the telephone call center. Additionally, taped messages will continue to encourage taxpayers to visit Department of Tax Administration's website rather than call on the telephone.	13	13.0	$684,957
Eliminate Assistant Real Estate Director Position	Elimination of this position increases the management review workload for quality control purposes, but can be accommodated by existing senior management in the Real Estate Division.	1	1.0	$117,638
Reduce Cashier Counter Staffing by 40 Percent	Unless more residents use alternative means to register and pay, this reduction will increase wait time in lines. On average, only about 5 percent of residents wait more than 5 minutes for service today. This average is expected to increase to about 43 percent with the reduction. Only about 2 percent wait longer than 10 minutes today. This is expected to grow to about 22 percent with this reduction. Alternative payment options will be deployed where possible (kiosks, cashier agents). The use of other payment options may increase when the public realizes they will be waiting longer if paying in person.	6	6.0	$397,096
Reduce Limited Term Field Data Collectors for Real Estate Assessments by 50 Percent	Professional assessing guidelines call for the physical inspection of all properties about every 6 years. The limited term data collectors assist appraisers and enable the Department of Tax Administration to visit around 1/6th of all residential properties each year. Reducing this program is feasible given the decline in building permits, and with greater reliance on Pictometry, which provides geo-referenced images for accurate measurements of structures. The use of Pictometry is permitted by assessing standards. This will reduce the number of actual field visits, but properties will still get some level of physical inspection and review. The remaining 11 limited term data collectors will continue making actual site visits.	0	0.0	$339,570

Changes to FY 2009 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2009 Revised Budget Plan since passage of the FY 2009 Adopted Budget Plan. Included are all adjustments made as part of the FY 2008 Carryover Review, FY 2009 Third Quarter Review, and all other approved changes through April 20, 2009.

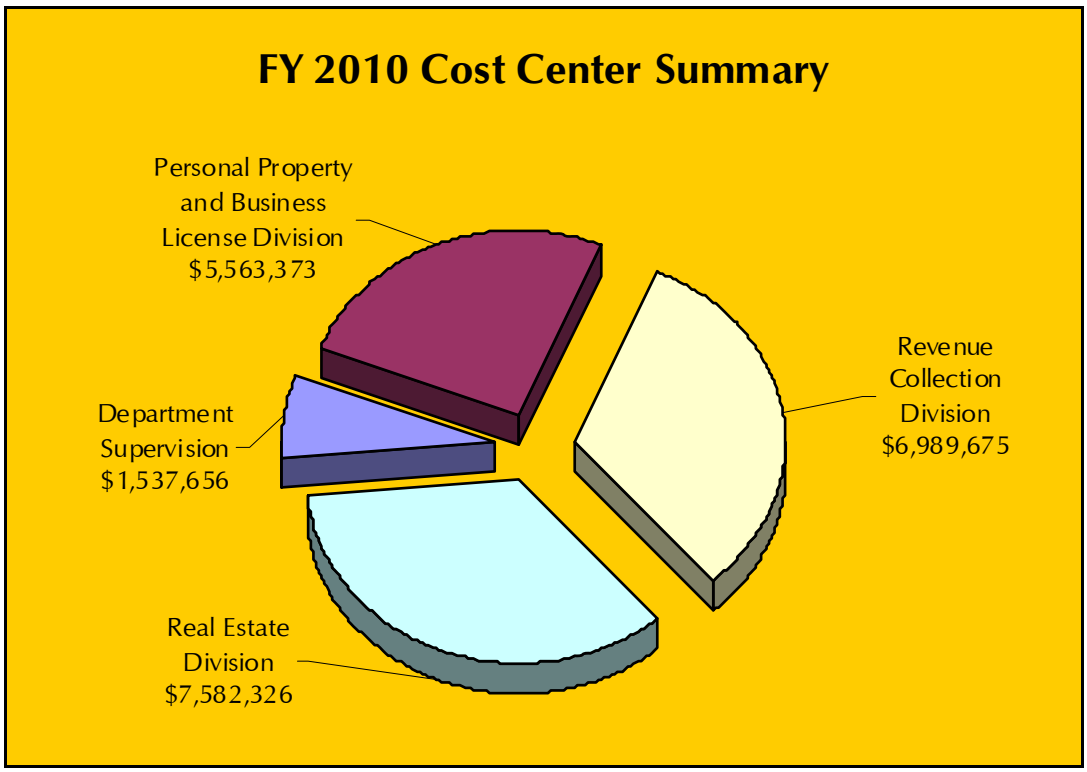
- **Carryover Adjustments** **$572,221**

  As part of the *FY 2008 Carryover Review*, the Board of Supervisors approved encumbered funding of $537,221 in Operating Expenses. In addition, $35,000 was approved as a Living Wage Adjustment in support of the Board's September 8, 2008 decision to extend the living wage to limited term employees who are scheduled to work 1,039 hours or more per year.

- **Third Quarter Adjustments** **($718,821)**
  As part of the *FY 2009 Third Quarter Review*, the Board of Supervisors approved a net reduction of $718,821, including $549,018 based on additional personnel services reductions, $69,803 based on the mandatory January 2, 2009 furlough day, and $100,000 based on the acceleration of FY 2010 reductions in order to address the FY 2009 revenue shortfall.

Cost Centers

The Department of Tax Administration is comprised of four costs centers: Department Supervision, Real Estate, Personal Property and Business License, and Revenue Collection. These four cost centers work together to fulfill the mission of the department and carry out its key initiatives for the fiscal year. The Personal Property Division includes the department's main call center that provides customer service support across divisional boundaries.



Department Supervision

Funding Summary					
Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Advertised Budget Plan	FY 2010 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	11/ 11	11/ 11	12/ 12	9/ 9	9/ 9
Total Expenditures	**$1,879,024**	**$1,894,694**	**$2,279,605**	**$1,537,656**	**$1,537,656**

Position Summary

Department Technical Section

1	Director of Tax Administration	1	Management Analyst IV (-1)	1	IT Technician II (-1)
2	Administrative Assistants IV	2	Business Analysts IV (-1)	1	Administrative Assistant III
		1	Business Analyst III		

TOTAL POSITIONS
9 Positions (-3) / 9.0 Staff Years (-3.0) **(-) Denotes Abolished Position due to Budget Reductions**

Key Performance Measures

Goal

To administer, supervise and adjudicate the assessment, levy, and collection of all taxes that are charged to residents and businesses of Fairfax County in order to ensure full compliance with the Virginia Constitution, State and County codes and to provide for the funding of the public need as established through the annual budget process.

Objectives

- To enhance taxpayer convenience by promoting 24/7 e-commerce transactions.
- To accurately forecast current real estate, personal property, and Business, Professional and Occupational License taxes to achieve a variance of 0.5 percent or less between estimated and actual revenues.
- To provide high quality customer service as measured by an average maximum wait time of no more than 45 seconds on the phone and at least a 3.5 point satisfaction rating (on a 4-point scale) by DTA customers.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	FY 2009	FY 2010
Output:					
24/7 e-commerce transactions	350,017	264,033	277,270 / 274,603	280,000	280,000
Real Estate, Personal Property and BPOL Tax Revenues (in billions)	$2.379	$2.526	$2.608 / $2.633	$2.693	$2.739
Phone calls received	483,666	386,154	405,461 / 344,172	365,000	365,000
Efficiency:					
Cost per $1,000 collected	$9.19	$9.16	$8.87 / $9.20	$9.66	$7.91
Cost per phone call	$2.56	$2.77	$2.46 / $2.90	$2.79	$1.95
Service Quality:					
Average wait time on phone in minutes seconds	2.59	0.45	1.30 / 0.30	0.30	0.45
Average rating of DTA services by customers	3.5	3.5	3.5 / 3.5	3.5	3.5
Outcome:					
Percent change in 24/7 e-commerce transactions (1)	4.6%	(25.0%)	5.0% / 4.0%	2.0%	2.0%
Percent variance between estimated and actual revenues	0.1%	0.5%	0.1% / 0.1%	0.1%	0.1%
Percentage of phone calls answered	81.5%	95.8%	90.0% / 93.9%	94.0%	90.0%

(1) E-commerce transactions were down in FY 2007 primarily because of the change in the vehicle decal requirement.

Performance Measurement Results

In accordance with DTA's strategic plan to promote taxpayer empowerment and more convenient access to information, performance measures have been developed to assess e-commerce efforts. The tremendous growth in the use of technology has resulted in significant efficiencies for both the public and DTA staff. The 24/7 e-commerce transactions include e-mails to DTA, online vehicle registrations, automated tax evader tips, e-check payments, and online credit card payments. In FY 2008, the department processed approximately 275,000 e-commerce transactions totaling over $91 million dollars. In FY 2010, the new pilot Web portal

project noted previously should enhance the public's ability to conduct business via the computer and/or telephone interactive voice system. As time and technology continues to progress, it is anticipated that the amount of online, e-commerce transactions will continue to grow.

DTA continues to provide County management with timely and sound data with which to forecast County revenues. As a result, the FY 2008 variance between estimated and actual revenues for Real Estate, Personal Property and Business, Professional and Occupational License Taxes was less than 1 percent. The overall collection rate for these revenue categories was 99.51 percent for FY 2008. A near 100 percent collection rate is a reflection of an extremely dedicated and professional staff and aggressive collection tools. The department will continue to monitor these revenue categories closely and provide accurate estimates. This will be of utmost importance in light of the current economic climate and planned reductions.

To better assess customer service, data on telephone calls are an important DTA performance measure. It is estimated that call volume may increase from approximately 350,000 calls annually to somewhere in the range of 360,000 to 370,000 annual calls. Numerous variables affect the number of calls received by the department in any given year. The downturn in the real estate market and the overall decline in the economy lead to a reduction in business, purchases of homes and vehicles, and other luxury items. Subsequently, residents may find themselves in uncharted financial waters and require assistance from DTA pertaining to tax liabilities. This ever-changing environment makes it difficult to predict the exact number of calls to be received, but the department anticipates a slight increase for FY 2010. However, DTA's expanded Web site information and the availability to conduct business and pay fees online should mitigate any significant growth in telephone volume. In FY 2008, staff further reduced the average wait time for calls from 45 seconds to 30 seconds. However, with staffing reductions in the Central Telephone Section for FY 2010, wait time will increase from the current 30 second range. At peak times, citizens may be waiting several minutes for assistance. Even with staffing restraints, the objective is to answer all calls in as timely a manner as possible, with staff trained and poised to address the needs of the callers.

Real Estate Division

Funding Summary

Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Advertised Budget Plan	FY 2010 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	112/ 112	112/ 112	112/ 112	111/ 111	111/ 111
Total Expenditures	**$7,908,742**	**$7,797,041**	**$7,588,028**	**$7,582,326**	**$7,582,326**

Position Summary

1	Director of Real Estate		**Residential Appraisal**		**Clerical Support Branch**
2	Assistant Directors (-1)	9	Supervising Appraisers	1	Management Analyst III
2	Management Analysts III	16	Senior Appraisers	1	Management Analyst II
1	Administrative Assistant III	32	Appraisers	3	Administrative Assistants V
				3	Administrative Assistants IV
	Board of Real Estate		**Commercial Appraisal**	16	Administrative Assistant III
	Assessments Equalization	5	Supervising Appraisers	1	Administrative Assistant II
1	Administrative Assistant III	15	Senior Appraisers		
					Tax Relief
				1	Management Analyst III
				1	Business Tax Specialist II

TOTAL POSITIONS
111 Positions (-1) / 111.0 Staff Years (-1.0) **(-) Denotes Abolished Position due to Budget Reductions**

Key Performance Measures

Goal

To assess and update all real property in the County in a fair and equitable manner and to ensure that each taxpayer bears his or her fair share of the real property tax burden.

Objectives

- To assess property at fair market value as measured by an average assessment-to-sales ratio in the low 90s.
- To equitably assess properties by maintaining a maximum coefficient of dispersion of no more than 7.5.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	FY 2009	FY 2010
Output:					
Parcels assessed	349,995	354,830	359,000 / 351,598	354,000	354,000
Efficiency:					
Residential cost per parcel assessed	$22.78	$22.98	$23.29 / $23.45	$24.05	$24.05
Residential parcels per appraiser (1)	6,604	6,695	6,411 / 5,495	5,778	6,079
Service Quality:					
Assessment/Sales ratio	92.7%	91.5%	94.0% / 93.3%	94.0%	94.0%
Outcome:					
Coefficient of Dispersion	7.5	4.4	6.0 / 4.2	5.0	5.0

(1) Number of parcels per appraiser declined in FY 2008 due to the hiring of 10 new appraisers.

Performance Measurement Results

FY 2008 data indicate an assessment-to-sales ratio of 93.3 percent. This is well within the target of the low 90 percent range and reflects the department's assessment of real estate at fair market value. Further evidence of DTA's fair and equitable assessment practices is found in the low coefficient of dispersion of 4.2 in FY 2008. A low coefficient indicates that similar properties are assessed similarly and, hence, equitably. A coefficient of 15 is considered good, while a value in the 4 to 14 range indicates excellent uniformity.

Personal Property and Business License Division

Funding Summary					
Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Advertised Budget Plan	FY 2010 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	115/ 115	115/ 115	115/ 115	101/ 101	101/ 101
Total Expenditures	**$5,960,549**	**$6,324,299**	**$6,180,902**	**$5,563,373**	**$5,563,373**

Department of Tax Administration

Position Summary

1	Director		**Tax Discovery and Compliance**		**Central Telephones and Records Management**
1	Assistant Director	1	Management Analyst III	1	Management Analyst II
1	Management Analyst III	3	Management Analysts II	5	Administrative Assistants IV
1	Administrative Assistant III (-1)	6	Auditors III	18	Administrative Assistants III (-13)
		10	Business Tax Specialists II	6	Administrative Assistants I
	Vehicle Assessments	1	Administrative Assistant IV		
1	Management Analyst II	2	Administrative Assistants III		
3	Administrative Assistants IV				**Business Taxes**
16	Administrative Assistants III			1	Accountant II
4	Administrative Assistants II			2	Administrative Assistants V
				1	Administrative Assistant IV
				15	Administrative Assistants III
				1	Business Tax Specialist II

TOTAL POSITIONS
101 Positions (-14) / 101.0 Staff Years (-14.0) **(-) Denotes Abolished Position due to Budget Reductions**

Key Performance Measures

Goal

To establish and maintain an equitable and uniform basis for assessing County ad valorem taxes on personal property; and to administer County licenses, state income tax, and all other state and County programs assigned to the division in accordance with mandated statutes.

Objectives

- To maintain the cost per Personal Property and BPOL dollar levied at or below $0.01 with no degradation in accuracy as measured by exonerated assessments as a percent of total assessments.

- To achieve the highest degree of accuracy in personal property and business license assessment such that exonerations do not exceed 4.0 percent of annual levy.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	FY 2009	FY 2010
Output:					
Total tax levy for Personal Property and BPOL	$622,573,013	$648,478,065	$650,591,702 / $652,960,368	$646,899,581	$617,722,411
Value of Personal Property and BPOL tax bills adjusted	$26,271,704	$25,772,195	$23,706,076 / $22,444,618	$23,000,000	$23,000,000
Efficiency:					
Cost per tax dollar levied	$0.01	$0.01	$0.01 / $0.01	$0.01	$0.01
Outcome:					
Exonerations as a percent of total assessments	4.2%	4.0%	4.0% / 3.4%	3.6%	3.7%

Performance Measurement Results

In FY 2008, the cost per dollar of Personal Property and BPOL levy was $0.01, consistent with the target. For FY 2008, exonerations were 3.4 percent of the total tax levy. Exonerations occur after a record has been assessed and levied. Although some level of records will always change after the fact due to prorating, the objective is to bill records correctly the first time and minimize subsequent adjustments. Exonerations of no more than 5 percent indicate excellent billing practices. For FY 2009 and FY 2010, exonerations are projected to be below the 4.0 percent benchmark.

Revenue Collection Division

Funding Summary					
Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Advertised Budget Plan	FY 2010 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	82/ 82	82/ 82	81/ 81	58/ 58	58/ 58
Total Expenditures	**$8,483,442**	**$8,550,987**	**$8,371,886**	**$6,989,675**	**$6,989,675**

Position Summary

1	Director	5	Administrative Assistants III (-16)		**Billing, Taxes Reconciliation, and Mass Pay**
1	Management Analyst IV	1	Administrative Assistant I	1	Accountant II
1	Administrative Assistant III			1	Management Analyst III
			Cashiering	2	Management Analysts II
		0	Accountants III (-1)	1	Management Analyst I
	Delinquent Tax Collections	1	Accountant II	4	Administrative Assistants V
1	Management Analyst III	3	Administrative Assistants IV	1	Administrative Assistant IV
1	Management Analyst II	6	Administrative Assistants III (-6)	13	Administrative Assistants III
5	Administrative Assistants V			1	Administrative Assistant II
8	Administrative Assistants IV				

TOTAL POSITIONS
58 Positions (-23) / 58.0 Staff Years (-23.0) **(-) Denotes Abolished Position due to Budget Reductions**

Key Performance Measures

Goal

To bill and collect taxes while providing quality customer service, in order to maximize General Fund revenue with accountability and minimize the overall tax burden by maintaining low delinquency rates.

Objectives

- To achieve a minimum collection rate of 99.61 percent in real estate tax collections, a 98.00 percent for current year personal property taxes; and 98.50 percent for Business, Professional, and Occupational License (BPOL) taxes.

- To collect a minimum of 35 percent of unpaid accounts receivable (i.e., unpaid taxes from prior years), while maintaining a cost per delinquent dollar collected of no more than $0.05.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	FY 2009	FY 2010
Output:					
Current year taxes collected: Real Estate (in millions)	$1,772.1	$1,884.7	$1,959.7 / $1,962.3	$2,035.0	$2,091.2
Current year taxes collected: Personal Property (in millions)	$481.7	$508.3	$509.4 / $509.7	$506.5	$482.9
Current year taxes collected: BPOL (in millions)	$125.2	$132.5	$138.9 / $138.3	$132.8	$130.1
Delinquent taxes collected: Real Estate	$11,715,456	$11,324,812	$11,898,024 / $12,823,358	$11,898,024	$11,898,024
Delinquent taxes collected: Personal Property (1)	$15,808,127	$14,033,619	$8,854,189 / $9,525,472	$7,769,588	$9,293,588
Delinquent taxes collected: BPOL	$2,009,588	$3,931,528	$421,618 / $677,150	($1,011,526)	$3,040,375

Indicator	Prior Year Actuals FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	Current Estimate FY 2009	Future Estimate FY 2010
Efficiency:					
Cost per current dollar collected	$0.004	$0.001	$0.001 / $0.001	$0.001	$0.001
Cost per delinquent dollar collected (2)	$0.10	$0.09	$0.13 / $0.13	$0.17	$0.05
Service Quality:					
Percent of bills deliverable	97.0%	97.0%	97.0% / 97.0%	97.0%	97.0%
Outcome:					
Percent of current year taxes collected: Real Estate	99.62%	99.64%	99.61% / 99.66%	99.61%	99.61%
Percent of current year taxes collected: Personal Property (3)	98.11%	98.26%	98.00% / 98.01%	98.00%	98.00%
Percent of current year taxes collected: BPOL	98.27%	98.45%	98.50% / 98.13%	98.50%	98.50%
Percent of unpaid accounts receivable collected (4)	41%	35%	35% / 35%	35%	35%

(1) With the downturn in the economy, it is difficult to project the amount of delinquent accounts which will be collected.

(2) Effective FY 2008, the cost per delinquent dollar collected was revised to include associated information technology charges.

(3) The percent of current year taxes collected: Personal Property reflects the local collection rate associated with the taxpayer's share of the Personal Property tax.

(4) The actual percent of unpaid accounts receivable collected in FY 2007 was revised to reflect the new methodology of estimating this indicator.

Performance Measurement Results

Collection rates remain especially strong in all tax categories, as well as the collection of unpaid parking tickets. The collection rate for real estate taxes was 99.66 percent in FY 2008, reflecting a superb collection effort by the Revenue Collection Division. The vehicle portion of the Personal Property Tax is comprised of two parts, that which is paid by citizens locally and that which is reimbursed by the Commonwealth of Virginia to the County as a result of the Personal Property Tax Relief Act (PPTRA). The local collection rate for personal property of 98.01 percent in FY 2008 was consistent with the target of 98.00 percent. A collection rate of 98.13 percent was achieved for Business, Professional and Occupational License taxes in FY 2008. With the continued negative economic outlook, it will be of paramount importance for DTA to continue to work diligently to maintain these high collection rates during FY 2009 and FY 2010.

The cost per delinquent dollar collected was $0.13 in FY 2008. This collection cost may increase slightly during FY 2009 because of the difficulty of collecting in a down market. Typically, as overall collection rates increase, the delinquent accounts that do exist are smaller in dollar value and generally more difficult to collect. Additionally, when the economic climate is poor, collections typically become more difficult and time consuming for staff. In FY 2010, due to the Board approved reductions, DTA will increase outsourcing of delinquent accounts to an outside collection vendor. As a result, the cost per delinquent dollar collected is expected to decrease significantly.