

2015 Biennium (Fiscal Year 2014 and 2015)

Property Assessment Division – Department of Revenue
Pilot Project for Review of Active Exempt Property Records

	FY2014	FY2015
FTE Needed	2.00	2.00
Personal Services Budget (OTO)	\$85,406	\$85,406
Operating Expense Budget (OTO)	\$60,512	\$38,804
Equipment Budget (OTO)	\$0	\$0
Funding Source (i.e., general fund)	General Fund	General Fund

What types of FTE are needed (include title, job code, and pay band):

2.00 FTE – PVSIII (Property Valuation Specialist) - \$42,703 (salary and benefits)

DP Description:

The Department of Revenue, Property Assessment Division is appropriated a one-time-only (OTO) biennial appropriation for 2.00 FTE and \$270,128 in general fund for the 2015 biennium in order to complete a Pilot Project for Review of Active Exempt Property Records.

The department will complete a comprehensive review of existing historical property exemption records and associated documentation; develop a public listing of all active exemptions in selected counties; create a color-coded map in the selected counties of all active exemptions listed by exemption type; and develop a plan that includes recommendations the requisite legislation together with the number of FTE and associated costs for development of an exempt property reapplication, physical review, and valuation process of all exempt properties in all counties (excluding government-exempt properties) for the 2015 legislative session.

This request includes OTO funding for additional FTE, temporary staff, travel costs, and operating expenses (including computer system enhancements) specifically for this pilot project that will identify all exempt properties in a select group of counties that are representative of both rural and urban exemptions. The temporary staff will scan the hard copy documentation, develop a database of all documents associated with each exemption, cross check records in the county offices and the central office in Helena, and categorize and file all hard copies of documentation. Improving the current data on exempt properties is critical in identifying public lists and designing a process for requiring the periodic reapplication of exempt property owners. To ensure that there is a mixture of urban and rural exempt properties the department will select the appropriate counties accordingly. Central administration and technical support of the selected counties ensure standardized methods, controls, and business practices are used.

Wodnik, Loraine

From: Wodnik, Loraine
Sent: Wednesday, January 16, 2013 4:54 PM
To: Duncan, Catherine
Cc: Peura, Alan
Subject: Pilot Project

Hi Cathy,

In calculating costs for the Pilot Project that we discussed, we used the following numbers:

Personal Services:

Entry-level pay for 2 Property Valuation Specialists @ \$13.932692 per hour plus benefits and insurance

Operating Expenses:

Standard Operating Expenses - \$6,647 per person per year – includes items such as phone, computer access, rent, supplies, etc.

Funding for travel costs (vehicle, hotel, per diem) - \$10,000 per person per year

Temporary Services to assist with lower level activities (copying, scanning) - \$11,020 in the first year; \$5,510 in the second year

Setup costs - \$3,269 per person in the first year – includes items such as computer, office furniture, start-up supplies, etc.

Computer System Enhancement costs - \$9,660 in the first year

I hope this helps.

Thanks,

Loraine Wodnik
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Montana Department of Revenue
(406) 444-6739
lowodnik@mt.gov

Wodnik, Loraine

From: Duncan, Catherine
Sent: Tuesday, January 29, 2013 9:08 AM
To: Wodnik, Loraine
Subject: Pilot Project for Review of Active Exempt Property Records

Loraine:

Here is what I plan to send to Merwin. Wanted to make sure I was stating the proposal correctly. Let me know if I am out of line on anything stated below. THANKS

Merwin:

I am sorry it has taken so long to get back to you with my appraisal of the proposal for the Review of Active Exempt Property Records. I have spoken with the staff at DOR and reviewed aspects of the budget on this proposal. In short, my review shows that this proposal at a total cost of \$270,128 appears to be in line with the anticipated project costs.

Functionally, this proposal requires individuals to travel across the state to county offices to survey exempt property records. As a result, a substantial amount of travel expenditures are included in the proposal. The data will then be entered into a new data base, which will have to be developed, and the survey results will be extrapolated into a full state estimate of exempt properties. Additional specifics of the proposal include:

- 2 Property Valuation Specialists @ \$13,932,692, entry pay, per hour plus benefits and insurance
- Temporary Services to assist with lower level activities (copying, scanning) - \$11,020 in the first year; \$5,510 in the second year
- Standard Operating Expenses - \$6,647 per person per year – includes items such as phone, computer access, rent, supplies, etc.
- Setup costs - \$3,269 per person in the first year – includes items such as computer, office furniture, start-up supplies, etc.
- Funding for travel costs (vehicle, hotel, per diem) - \$10,000 per person per year
- Computer System Enhancement costs - \$9,660 in the first year

Again, I did research the costs shown above and agree that these costs are appropriate. If there is a desire to include this proposal as a decision package in HB 2 and if there are concerns that the total proposal cost is too great, the proposal could be restricted to be used only for the purpose of the review. If you would like to discuss other options for completing this project, please feel free to contact me. Again, sorry for the delay in responding to your question.

Cathy Duncan
Senior Analyst, LFD

*Cathy Duncan
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