

Item Title: Authorization of Additional Tax Administration Positions

Specific Action Requested:

That the Board of Commissioners authorizes 10.000 FTE in the Tax Administration Department in the County General Fund.

Item Summary:

Purpose: In accordance with the Wake County Position Authorization, Classification, and Compensation Ordinance, the Board of Commissioners must approve any changes to the full-time equivalent position amounts.

Background: Tax Administration has experienced significant workload increases related to the growth of Wake County over the past several years. 10.00 FTE were added to partially address the increased workload as part of the FY25 budget. An additional 10.00 FTE are needed to fully address the workload pressures.

Strategic Plan: This action supports routine County operations.

Fiscal Impact: Increases the authorized full-time equivalent positions by 10.000 FTE within the Tax Administration Department at a recurring annual cost of \$960,000. Partial-year recurring and non-recurring costs for FY 2025 total \$875,000. Funds will be transferred from the Non-Department Salary and Benefits Reserve to Tax Administration to support the costs of the new positions. The future ongoing costs will be included in future year budgets.

Additional Information:

Tax Administration is responsible for appraising, assessing, and listing all real estate and personal property within Wake County, its municipalities and related service districts. For a revaluation, real estate must be appraised at fair market value, which is the most probable price a property would bring in a competitive and open market. Property values for a revaluation are determined by comparing what similar properties are selling for, what it would cost to replace a property, the potential income or highest and best use of property, and many other factors.

The current revaluation is effective as of January 1, 2024. County-wide, the overall change in residential property value increased of 53 percent while commercial property value increased 45 percent. In January 2024, updated assessed values were provided to property owners; these owners had until March 1, 2024, to request an informal review of their assessed value. Property owners had until May 15, 2024, to formally appeal their assessed value to the Wake County Board of Equalization and Review (BOER). Of the County's 427,000+ parcels as of January 1, 2024, there were 3.7 percent (roughly 15,900) requests for an informal review and 2.1 percent (roughly 8,950) formal appeals

to the BOER. While the count of informal appeals was lower than the 2020 revaluation, formal appeals are 40 percent more (2,555 additional appeals) for the 2024 revaluation – primarily attributable to an increase in appeals from commercial properties.

These positions (one appraisal manager, two senior appraisers, four appraisers, and three tax agents) will address the workload of informal and formal appeals as well as appeals to the Property Tax Commission, statutorily required review of present use value and other exempt properties, additional data analysis for properties in neighborhoods experiencing rapid change, and software improvements. The FTEs will also respond to parcel growth which continues at a rapid pace, resulting in significant more transactions (14,000 + in past year), and an increase in phone and email volume to the Department.

Attachments:

1. Budget Memo – FY25 Personnel Ordinance