



# Auditor's Report

**By the Numbers 2017**

*and*

**Budget Request 2018**





# Overview

## How are we organized?

### Executive Team

- Elected County Auditor and Appointed

### Office Administration

- Administrative and Fiscal Manager, Office Coordinators

### Audit Services Division

- Audit Managers, Senior Auditors, Staff Auditors, Interns

### Property Tax Division

- Division Administrator, Assistant Division Administrator, Property Tax Supervisors, Property Tax Analysts, Tax Administration Assistants, Temporary Employees

Total FTE Count: 24





# Property Tax Division

## Mission Statement

Provide exceptional and professional property tax services to all local government entities within Salt Lake County, and to the public in an efficient, effective, accurate, and transparent manner.

## What We Do

### Certified Tax Rates

- The Auditor calculates the certified tax rates of all local government entities within the County, including cities, school districts, special service districts, and the County itself.
- The Auditor ensures that all taxing entities follow the “Truth-in-Tax” requirements for finalizing tax rates each year. (§59-2-924)
- The Auditor calculates the property taxes for all taxable property and then charges the County Treasurer to collect. (§§59-2-320 through 59-2-329)





# Property Tax Division

## What We Do (Continued)

### Notice of Valuation and Tax Changes (NOV)

- The Auditor notifies all property owners of the assessed value of their property and the proposed property taxes each year.

### Clerk of the Board of Equalization

- The Auditor acts as the *Clerk of the Board of Equalization* and administers the property tax appeals process each year.

### Charitable, Religious, and Educational Exemptions

- The Auditor administers exemptions for all property used for charitable, religious, and educational purposes. (§59-2-1102)

### Community Reinvestment Agencies (Formerly RDAs)

- The Auditor determines amounts payable by each taxing entity to Community Reinvestment Agencies through tax increment financing.



# Property Tax Division

## **What We Do** (Continued)

### **Delinquent Property Tax Sale**

- The Auditor prepares properties for tax sale and conducts the annual tax sale to collect delinquent property taxes. (§§59-2-1350 through 59-2-1351.3)

### **Final Settlement with the County Treasurer**

- The Auditor makes an annual final settlement with the Treasurer to account for all property taxes assessed, charged, and collected. (§59-2-1372)



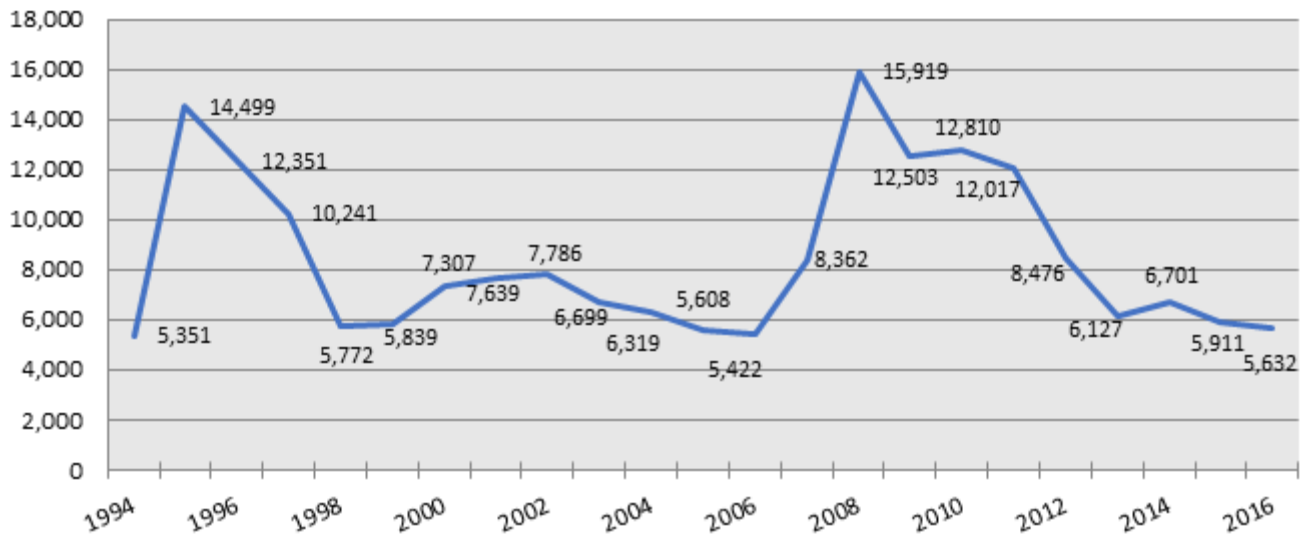
# Property Tax Division

## Accomplishments – 2017

### Clerk of the Board of Equalization - 2017

Number of Appeals	5,632 (Lowest since 2007)
Number of Appeals to STC	264
Net Change in Value	(\$728,700,000)

BOE Historical Appeal Volume





# Property Tax Division

## Accomplishments – 2017

Tax Year	Value Before BOE	Value After BOE	Change in Value	Percent Change
2016	\$10,533,348,260	\$9,804,691,660	(\$728,656,600)	-6.92%
2015	8,736,587,190	8,291,747,930	(444,839,260)	-5.09%
2014	9,043,925,540	8,395,177,570	(648,747,970)	-7.17%
2013	7,756,518,780	7,225,895,080	(530,623,700)	-6.84%
2012	6,323,109,260	5,723,715,730	(599,393,530)	-9.48%
2011	8,382,785,220	7,547,591,440	(835,193,780)	-9.96%

### Revised Weekly Board of Equalization Reports

- New format with graphics for better understanding and easier reading of information.
- Online dashboard for the Board of Equalization – *Coming Soon!*





# Property Tax Division

## Accomplishments – 2017

### Online Appeal Filing

- Developing an online questionnaire to guide taxpayers through the appeals process, and populate the correct fields on the appeal form.
- Making the appeals process more accessible and understandable for the taxpayer.
- Reduce County time and resources spent on paper appeal forms.

### eNotices Program

Notices of Valuation and Tax Changes (NOVs) – 2017	
Number of Taxing Entities	67
Paper NOVs Mailed	362,427
Paper NOVs Returned	5,737 (5,961 in 2016)
eNOVs Sent by e-mail	38,137
eNOVs Opened	27,394





# Property Tax Division

## Accomplishments – 2017

### eNotices Program (Continued)

- Partnership with the County Treasurer to encourage property owners to receive their NOVs and Tax Notices electronically.
- Reduce costs to the taxpayers of Salt Lake County.
  - Our single largest operational expense each year is the postage for the paper NOV. (Approx. \$170,000/year).
- Pilot program in 2017 with great results!
  - Go-Live for the NOV in 2018.
  - Let's get the word out!

Hello Mr. Cushing and Mr. Tingley,  
I just received your email with my annual Notice of Property Valuation and Tax Changes (NOPV). I love it! The link worked perfectly and I could read my statement online. If possible, I would prefer all county notices be sent via eNotice. Thank you and good job! – Anita T.

Dear Salt Lake County Team,  
Thank you so much for having developed this process for sending information on our taxes. It undoubtedly was a huge project but is so nice to have this all electronically. And it all seemed to work flawlessly on this end. So thank you. – Gwen and Wayne C.



# Audit Services Division

## Mission Statement

The mission of the Audit Services Division is to foster informed decision making, strengthen the internal control environment, and improve operational efficiency and effectiveness for Salt Lake County, through independent and objective audits, analysis, communication, and training.

## Accomplishments – 2017

### Findings/Issues Identified and Recommendations for Improvement

Findings & Recommendations	2017	2016	2015
Findings/Issues Identified	191	182	69
Recommendations	186	182	69

# Audit Services Division

## Accomplishments – 2017

### Audit Projects Completed

Audit Activity Type	2017	2016	2015
Performance Audits	0	2	3
Key Control Audits	20	19	46
Financial Compliance Audits	3	2	2
Capital Project Audits (New in 2017)	2	0	0
IT Audits	0	1	1
Integrity Services/Investigations	3	0	1
Special Projects	14	5	8
Totals	42	29	61



# Audit Services Division

## Accomplishments – 2017

### Purchasing Cards (P-Cards) Continuous Auditing

- The County spends roughly \$17.5 million each year using P-Cards
  - CWP 7021 *"Small Cost Purchasing Procedures"*
- Data analytics allows us to review 100% of P-Card transactions - Continuously
- What are we looking for?
  - Split Purchases > \$5,000
  - Prohibited Merchant Category Codes (MCCs)
  - Duplicate Transactions – Processing Errors or Intentional Double Charges
- One month of results (September 2017) – Changes weekly

Test Type	Issues	Rem.	Open	Findings
Split Transactions	282	194	88	0
Duplicate Transactions	283	217	66	0

# Auditor's Budget Overview

## Budget Comparison – 3 Years

General Fund/110	2017	2016	2015
Compensation & Benefits	\$1,730,787	\$1,793,585	\$1,770,179
Operations	185,675	185,675	160,050
<b>Totals</b>	<b>\$1,916,462</b>	<b>\$1,979,260</b>	<b>\$1,930,229</b>

Tax Fund/340	2017	2016	2015
Compensation & Benefits	\$1,132,448	\$996,207	\$1,027,317
Operations & Capital Purchases	293,770	304,475	288,455
Overhead/Indirect Costs	235,417	182,481	209,364
<b>Totals</b>	<b>\$1,661,635</b>	<b>\$1,483,163</b>	<b>\$1,525,136</b>



# Auditor's Budget Overview

## 2018 Budget Request

General Fund/110	2018	2017	2016	2015
Compensation & Benefits	\$1,730,128	\$1,730,787	\$1,793,585	\$1,770,179
Operations	185,675	185,675	185,675	160,050
<b>Totals</b>	<b>\$1,915,803</b>	<b>\$1,916,462</b>	<b>\$1,979,260</b>	<b>\$1,930,229</b>

Tax Fund/340	2018	2017	2016	2015
Compensation & Benefits	\$1,188,746	\$1,132,448	\$996,207	\$1,027,317
Operations & Capital Purchases	293,770	293,770	304,475	288,455
Overhead/Indirect Costs	235,417	235,417	182,481	209,364
<b>Totals</b>	<b>\$1,717,933</b>	<b>\$1,661,635</b>	<b>\$1,483,163</b>	<b>\$1,525,136</b>

Fund	2018	2017	Variance
General Fund/110	\$1,915,803	\$1,916,462	- \$659
Tax Fund/340	1,717,933	1,661,635	+ 56,298
<b>Totals</b>	<b>\$3,633,736</b>	<b>\$3,578,097</b>	<b>+ \$55,639</b>

