

2017 Supplemental Budget Decision Package

Agency: 142 Board of Tax Appeals
Decision Package Code/Title: L1 Retirement Buyout Funding
Budget Period: 2015-2017
Budget Level: ML

Agency Recommendation Summary Text:

The Board of Tax Appeals requests \$22,500 to offset sick leave and vacation leave buyout expenses for employees separating from service on or before June 30, 2017. The BTA is unable to absorb the leave buyout costs without staff furloughs.

Fiscal Summary:

Operating Expenditures	FY 2017	Total
General Fund	\$22,500	\$22,500
Total Cost	\$22,500	\$22,500

Package Description

One-time funding for sick leave and vacation leave buyout expenses for two Board Members retiring on or before June 30, 2017 and vacation leave buyout expenses for an employee separating from service effective December 31, 2016.

Position	Type of Benefit	Anticipated Separation Date	Cost
Board Member	Vacation & Sick Leave Buyout	3/31/2017	\$16,200
Board Member	Vacation & Sick Leave Buyout	5/31/2017*	\$16,500
Legal Secretary	Vacation Leave Buyout	12/31/2016	\$5,400
Total			\$38,100

* This Board Member is expected to retire shortly before or after May 31, 2017. The Member may, however, elect to retire after the close of FY 2017. Because the agency is unable to absorb the buyout costs of this retiree in FY 2017, funds to cover this potential buyout are requested in this package.

The agency does not expect a delay in filling the Legal Secretary position, but is expected to realize \$20,400 in savings from delays in replacing retiring Board Members:

Position	Delay period	Vacancy Savings
Board Member	Apr 1 – Apr 30	\$10,000
Board Member	June 1 – June 30	\$10,400
		\$20,400

However, an estimated \$4,800 of these savings are needed to cover increased costs of goods, services, and labor for FY17 (such as DES services, internet connection fees, building maintenance services, and annual salary adjustments). Therefore, the agency is requesting \$22,500, calculated as follows: \$38,100 – (\$20,400 - \$4,800) = \$22,500.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.

N/A

Decision Package expenditure, FTE and revenue assumptions, calculations and details:

The agency assumes a one month delay in filling each Board Member position. Cost details are per state sick/vacation leave system.

Decision Package Justification and Impacts

This package is necessary to maintain normal agency operations.

The BTA is the state’s independent administrative tax tribunal, formed by the legislature in 1967 to hear and decide excise tax and property valuation cases on appeal from either the Department of Revenue or a county Board of Equalization. The BTA’s purpose is to resolve appeals of taxpayers and taxing authorities to maintain public confidence in the state tax system. This impacts taxpayer confidence in the state tax system and their voluntary compliance.

Performance Measure detail:

N/A

What alternatives were explored by the agency and why was this option chosen?

The Board has no other alternative for funding this buyout. The amount cannot be absorbed by the agency’s small general operating budget and would require staff furloughs.

What are the consequences of not funding this request?

Staff furloughs will reduce or delay agency services during the furlough periods.

How has or can the agency address the issue or need in its current appropriation level?

The agency cannot address its need with its current appropriation.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

2017 Supplemental Budget Decision Package

Agency: 142 Board of Tax Appeals
 Decision Package Code/Title: U1 Unemployment Benefit Funding
 Budget Period: 2015-2017
 Budget Level: ML

Agency Recommendation Summary Text:

The Board of Tax Appeals requests \$26,300 to offset unemployment benefit obligations for employees terminated during FY 2017. The BTA cannot absorb the cost of the unemployment benefits within its current budget. If this decision package is not approved, the agency will be required to impose staff furloughs.

Fiscal Summary:

Operating Expenditures	FY 2017	Total
General Fund	\$26,300	\$26,300
Total Cost	\$26,300	\$26,300

Package Description

One-time funds to offset costs of unemployment obligations of two employees terminated in FY 2017. The agency is unable to absorb these costs because the agency does not have any discretionary funds to draw from.

Approval of this decision package is needed to avoid staff furloughs.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.

N/A

Decision Package expenditure, FTE and revenue assumptions, calculations and details:

Cost details are per the Employment Security Department: Position	Weekly Benefit	Eligible Weeks	Est Total FY17 benefits
Tax Referee*	\$681/wk	26	\$17,700
Legal Secretary	\$343/wk	25	\$8,600
Total			\$26,300

* The BTA is contesting this employee's claim for unemployment benefits. If it is determined the agency must pay this former employee's benefits, the agency will be unable to cover these costs. Therefore, funds to cover this potential obligation are requested in this package.

Decision Package Justification and Impacts

This package is necessary to maintain normal agency operations.

The BTA is the state's independent administrative tax tribunal, formed by the legislature in 1967 to hear and decide excise tax and property valuation cases on appeal from either the Department of Revenue of a county Board of Equalization. The BTA's purpose is to resolve appeals of taxpayers and taxing authorities to maintain public confidence in the state tax system. This impacts taxpayer confidence in the state tax system and their voluntary compliance.

Performance Measure detail:

N/A

What alternatives were explored by the agency and why was this option chosen?

The Board has no other alternative for funding these potential obligations. The amount cannot be absorbed by the agency's small general operating budget and would require staff furloughs.

What are the consequences of not funding this request?

Staff furloughs will reduce or delay agency services during the furlough periods.

How has or can the agency address the issue or need in its current appropriation level?

The agency cannot address its need with its current appropriation.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)