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Office of the Inspector General

Miami-Dade County

Final Report

To: George M. Burgess
County Manager

Joel W. Robbins
Property Appraiser

From: Christopher Mazzella
Inspector General

Date: January 6, 2005

Re: Incorrect Property Tax Valuation of Property Located at 6521 SW 100 Street,
Village of Pinecrest, Florida, For Tax Years 1988 to 2004

Received By _____

Date _____

This report was issued as a draft on December 14, 2004 to Joel W. Robbins, Miami-Dade County's Property Appraiser. A copy of Mr. Robbins' response is attached as Appendix A to this final report. The response indicates concurrence with the OIG's findings, albeit tempered in the context of all the statutory requirements placed upon the Property Appraiser's Office. One aspect, however, the three year physical inspection requirement, is not fully addressed. It is noted that in the Property Appraiser's response, it states: "Earlier this year, a new procedure was implemented to track field inspections within the real property valuation process."

Respectfully, the OIG requests that it is provided a status update in 90 days to address: 1) the new procedure to track field inspections; 2) procedures to ensure compliance with the state mandated three year inspection requirement; and 3) the implementation and the functionality of the CAMA system.

This matter is considered resolved-open, pending receipt of the 90-day update, which we are requesting to receive on or before April 8, 2005.

The OIG appreciates the cooperation of Property Appraiser's Office personnel during the course of this review.

I. SYNOPSIS

On August 31, 2004, the Office of the Inspector General (OIG) received information that a residential lot located at 6521 SW 100 Street, Village of Pinecrest, Florida, recorded as a 519 square foot building has been, since 1988, a two-story 5,591 square foot residence equipped with a tennis court and swimming pool.

Based on the OIG's notification to the Property Appraiser's Office, the six bedroom, four bathroom home was properly assessed at \$416,795, as opposed to the \$4,149 assessment it previously held. The re-assessment to its current value represents a ten thousand percent increase in taxable value to the County for this one property.

Due to state laws capping back assessments of property taxes to only three years from the current tax year, the Property Appraiser's Office will only be permitted to back collect for 2001, 2002 and 2003. Including tax year 2004, the property owner will be assessed an additional \$33,894 over what was previously assessed from 2001 through 2003. Because of the state law limits, property taxes on this 5,591 square foot home can not be back assessed for years 1988 through 2000, amounting to a loss of \$98,407.

II. BACKGROUND

Florida Statute Chapter 193 governs the "Duties of the property appraiser in making assessments." Fla. Stat. Section 193.023(2) states:

In making his or her assessment of the value of real property, the **property appraiser is required to inspect physically the property every 3 years** to ensure that the tax roll meets all the requirements of law. However, the property appraiser shall physically inspect any parcel of taxable real property upon the request of the taxpayer or owner. (Emphasis added).

Separate and apart from Chapter 193, site visits to re-assess property are necessitated when certain situations occur. According to the Assistant Property Appraiser, these situations may include the issuance of building permits that modify existing buildings or for new construction on the property, improvements to vacant land, a sale of the property when the sale price is out of line with the neighborhood values, filing of homestead exemptions on vacant land, resurveys of specific areas, etc.

According to the Property Appraiser's Office, when a building permit is received showing new construction, a new building jacket is created for that property. Inspections and subsequent follow-up inspections are scheduled to allow County property appraisers to collect information to assess the value of the new construction and improvements to the property.

III. SUMMARY FINDINGS

As a result of this inquiry, the OIG determined that the Property Appraiser's Office:

- failed to follow-up on the notification of the building permit for the construction of the new house on the property in question in 1986-87;
- failed to follow-up properly on the notification of additional permits issued in 1993 and 2000;
- failed to re-assess the tax valuation of the property at 6521 SW 100 Street, Village of Pinecrest, Florida, 33156, for a period of sixteen (16) years from tax year 1988 to tax year 2004 in spite of such notifications; and
- failed to adhere to Florida Statute Chapter 193.023(2) which requires that the Property Appraiser physically inspect the property every three (3) years.

IV. THE OIG's REVIEW

The on-line property tax records showed that for tax year 2004, the building's assessed value was \$4,149 (Exhibit A). The document also shows that the structure is a zero bedroom, zero bathroom 519 square foot unit on a 43,560 square foot lot. It shows that the property carries a homestead exemption and that the overall property is taxed significantly lower than its current market value, indicating application of the "Save Our Homes" cap. The aerial photograph shows a tennis court and swimming pool on the lot.

Originally, a 2,601 square foot, three bedroom, two bathroom house had been built on the property in 1959. In 1982, the property was sold to the current owners and the house was substantially demolished, leaving a 519 square foot structure on the property.

In 1986, new construction permit #1986025594 was issued for construction of the present house which is a 5,591 square foot, six bedroom, four bathroom two-story home complete with a tennis court and a swimming pool. This house was completed in 1988 and the owners filed for homestead exemption on the property at that time. (See Exhibits B and C for recent photos taken of the house).

In 1993, permit #1993177412 was issued for hurricane repairs to the subject property. Again in 1993, permits #1993155966 and #1994005134 were issued to re-roof the structure and to install a new fence.

In 2000, the Village of Pinecrest issued permit #2000-0104 for interior alterations, which included remodeling a bathroom. Village of Pinecrest personnel advised the OIG that copies of all such permits issued by the Village are sent to the Miami-Dade County Property Appraiser's Office on a routine basis.

When the OIG asked the Property Appraiser's Office about these various permits, they were unable to specifically determine what had happened to the permit notifications provided to them from the Miami-Dade County Building Department as well as the permit notifications provided to them from the Village of Pinecrest. They were also unable to specifically determine why the property in question had not been re-assessed from the time the new building had been completed in 1988 until 2004.

The OIG questioned the Assistant Property Appraiser about this state requirement and why sixteen (16) years had passed without the property being physically inspected as required by state law, Chapter 193. He replied that, due to staffing and budget constraints, they are unable to routinely meet this three year physical inspection requirement. He stated that they do resurvey specific areas of the County each year on a rotating basis but that they generally cannot get to every property within the three year state required timeframe.

Based upon the OIG's notification to the Property Appraiser's Office, the property was re-assessed. The proper assessment of the building was determined to be \$416,785, not the \$4,149 previously recorded.

The inclusion of the \$416,786 raises the total assessed property value for 2004 (land and building) to \$677,223. For the prior year 2003, the difference of \$409,014 in taxable value amounts to \$8,693 in back taxes to be collected. Because of state law limiting the collection of back taxes to three years from the current year, the County Property Appraiser's Office will only be able to back assess for years 2001, 2002 and 2003. For 2004, the corrected amount was billed. Based on the corrections in valuation, the County will have collected an additional \$33,894, however, due to the three year back tax limitation, the County is unable to pursue \$98,407 in lost tax revenue. (See Exhibit D for a spreadsheet of corrected values and payable back taxes).

V. CONCLUSION AND RECOMMENDATION

The Property Appraiser's Office needs to be more diligent in timely re-assessing properties when significant events, such as new construction, takes place to improve the property. Furthermore, the three year inspection requirement of Chapter 193 needs to be more systematically implemented to ensure that all segments of Miami-Dade County will be reviewed in the Office's rotational resurvey efforts.

cc: Honorable Joe A. Martinez, Chairman, Board of County Commissioners
Honorable Commissioner Dr. Barbara Carey-Shuler
Chair, Internal Management and Fiscal Responsibility Committee
Corinne Brody, Special Asst. for Strategic Mgmt. Initiatives
Clerk of the Board (copy filed)

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Property Information

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Summary Details:

Folio No.:	20-5001-003-0030
Property:	6521 SW 100 ST
Mailing Address:	KENNETH P ROSENTHAL & W JUDITH
	6521 SW 100 ST MIAMI FL 33156-3353

Property Information:

Primary Zone:	2300 ESTATE RESIDENTIAL
CLUC:	0001 RESIDENTIAL- SINGLE FAMILY
Beds/Baths:	0/0
Floors:	1
Living Units:	1
Adj Sq Footage:	519
Lot Size:	43,560 SQ FT
Year Built:	1959
Legal Description:	1 55 40 1 AC SALISBURY PARK PB 51-67 LOT 3 LOT SIZE 43521 SQ FT F/A/U 30-5001-003-0030

Sale Information:

Sale O/R:	
Sale Date:	0/0
Sale Amount:	\$0

Assessment Information:

Year:	2004	2003
Land Value:	\$784,080	\$622,908
Building Value:	\$4,149	\$6,315
Market Value:	\$788,229	\$629,223
Assessed Value:	\$285,438	\$280,116
Homestead Exemption:	\$25,000	\$25,000
Total Exemptions:	\$25,000	\$25,000
Taxable Value:	\$260,438	\$255,116



Digital Orthophotography - March 2001

0 — 131 ft

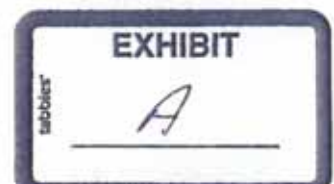
We appreciate your feedback, please take a minute to complete our survey.

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If you experience technical difficulties with the Property Information application, please [click here](#) to let us know.

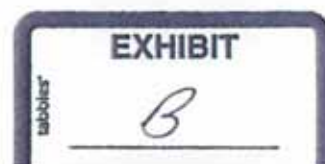
E-mail your comments, questions and suggestions to Webmaster

Web Site
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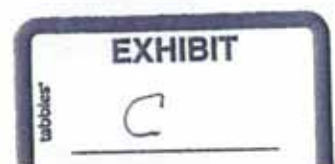


S.W. Corner of Property at
6521 S.W. 100 St.
9/30/04





S.E. Corner of Property at
6521 S.W. 100 St.
9/30/04



20-5001-003-0030

6521(FKA 6501) SW 100 ST

Asmt Year	Taxable Value	Corrected Taxable Value	Difference	Total Mill Rate	Additional Nov. Taxes Payable	
1988	\$104,625	\$410,332	\$305,707	0.0231415	\$6,792	
1989	\$124,625	\$430,332	\$305,707	0.0232540	\$6,825	
1990	\$167,625	\$473,332	\$305,707	0.0240160	\$7,048	
1991	\$223,813	\$533,332	\$309,519	0.0239840	\$7,127	
1992	\$224,059	\$546,053	\$321,994	0.0243900	\$7,539	\$98,407*
1993	\$223,796	\$545,371	\$321,575	0.0245250	\$7,571	
1994	\$223,796	\$545,371	\$321,575	0.0241350	\$7,451	
1995	\$224,309	\$560,771	\$336,462	0.0238070	\$7,690	
1996	\$224,309	\$568,842	\$344,533	0.0236800	\$7,832	
1997	\$225,215	\$582,908	\$357,693	0.0238850	\$8,202	
1998	\$225,521	\$591,320	\$365,799	0.0234790	\$8,245	
1999	\$229,529	\$601,181	\$371,652	0.0225300	\$8,038	
2000	\$236,401	\$618,088	\$381,687	0.0219610	\$8,047	
2001	\$244,243	\$637,381	\$393,138	0.0216795	\$8,182	
2002	\$248,551	\$647,979	\$399,428	0.0218135	\$8,364	Bk Asmt Amend 10 cap
2003	\$255,116	\$664,130	\$409,014	0.0221365	\$8,692	Bk Asmt Amend 10 cap
2004	\$260,438	\$677,223	\$416,785	0.0216337	\$8,656	Re-notice Amend 10 cap

Pine Crest

\$33,89

* CANNOT BE BACK-ASSESSED PER STATE LAW

** AMOUNT THAT WILL BE BACK-ASSESSED AND RE-ASSE





December 14, 2004

Christopher R. Mazzella
Inspector General

Alan Solowitz
Deputy Inspector General

Patra Liu
Assistant Inspector General
Legal Counsel

Mr. Joel W. Robbins, Director
Property Appraisal
111 NW 1 Street, Suite 710
Miami, Florida 33128

FILE COPY

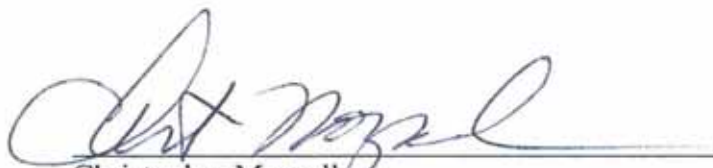
Dear Mr. Robbins:

Attached please find a copy of the Office of the Inspector General's (OIG) Draft Report regarding incorrect property tax valuation since 1988 for a property located at 6521 SW 100 Street, Pinecrest, Florida. We are providing this draft in accordance with the Board of County Commissioners' mandate of advance notification.

The OIG requests your response to this Draft Report. If you would like your response to be included in the final report, you must submit it to the OIG by close of business on January 3rd, 2005. If you wish, you may provide your response by fax to (305) 579-2656.

Please do not hesitate to call should you have any questions.

Yours truly,



Christopher Mazzella
Inspector General



Acknowledgment of Receipt or Proof of Service

12/14/04
Date



MEMORANDUM

TO: Christopher Mazzella
Inspector General

DATE: December 4, 2005

FROM: Joel W. Robbins *JWR*
Property Appraiser

SUBJECT: Response to OIG Report
Dated December 14, 2004

The Property Appraisal Department concurs with the findings of the OIG report, which found that the department had incorrectly assessed a residential building located at 6521 S.W. 100th Street, Pinecrest, Florida.

We would respectfully suggest that this error should be viewed within the context of all statutory responsibilities that this department is charged with. This department is required to annually re-value more than 860,000 parcels of property located within the County boundaries. This process includes: capturing information from 100,000 recorded deeds; conducting more than 100,000 property inspections; applying cost estimates to more than 300,000 buildings; comprehension and analysis of land use regulations in 35 taxing jurisdictions; analysis of more than 60,000 tax returns, attending 30,000 appeal hearings. This department also processes 45,000 homestead exemption applications and provides responses to more than 50,000 public service requests.

It is plain to see the volume of work necessary to produce an annual assessment roll is both massive and complex. In spite of the workload, this department has historically produced assessment rolls, which have been approved by the Florida Department of Revenue (DOR has statutory oversight responsibility) after procedural and statistical audits.

Having said that, the process controls in place at the various times permits were issued on the subject property have been revised. Subsequent to the completion of the 2001 assessment roll, a process was implemented to cross-reference permit final inspections with department permit and parcel files. Earlier this year, a new procedure was implemented to track field inspections within the real property valuation process. Finally, the department is also in the process of implementing a new CAMA (Computer Aided Mass Appraisal) system, which will enhance the department's ability to develop improvements in process controls.

Thank you for the opportunity to respond to your report.