

2024 VALUE ADJUSTMENT BOARD
Minutes of the September VAB Organizational Meeting

Thursday, September 12, 2024
11:30 AM, Council Chambers
1st Floor, City Hall (St. James)

Council Member Will Lahnen, Chair
Council Member Joe Carlucci
Council Member Rahman Johnson, Alternate, **Excused**
School Board Member Darryl Willie
Council Appointed Citizen Member Shirley Dasher
School Board Appointed Citizen Member Dominic Cummings

In Attendance:

Margaret M. “Peggy” Sidman, Value Adjustment Board Clerk
Merriane Lahmeur, Chief of Legislative Services
Heather Pelegrin, Assistant Chief Legislative Services - VAB
Jonathan Griffis, Value Adjustment Board Staff
Andrew Cable, Value Adjustment Board Staff
Aaron Thalwitzer, 2024 Value Adjustment Board Attorney
Jamey Crozier, Executive Council Assistant, Council Member Lahnen
George Foote, Executive Council Assistant, Council Member Carlucci
Joyce Morgan, Property Appraiser
Tiffany Pinkstaff, Counsel to the Property Appraiser
Keith Hicks, Chief Appraiser, PAO
Harry Guetherman, Commercial Division Chief, PAO
Jim Ogburn, Residential Division Chief, PAO
Sage Sullivan, TPP Division Chief, PAO
Laura Winter, Customer Service Division Chief, PAO
Maricrist Chang, Administrative Specialist, PAO
Jeff Clements, Chief of Research

Chair Lahnen called the meeting to order at 11:31 AM.

1. Chair Lahnen introduced the Board and staff.
2. Appoint or ratify the 2024 private Board Legal Counsel.

Chair Lahnen announced the next item on the agenda was to appoint legal counsel for the 2024 Value Adjustment Board and turned the discussion over to Peggy Sidman, Value Adjustment Board Clerk. Ms. Sidman stated that the position was advertised on several sites since the last VAB Organizational Meeting. Ms. Sidman listed the following locations where the VAB Attorney position was posted: Florida Bar, Florida Association of County Managers, Florida College Alumni Association (Handshake), Jacksonville Bar, Perkins Bar, Hispanic Bar, City of Jacksonville Web page, Indeed, and sent an email to VAB Attorneys of record for the state of Florida (66 counties; excluding Duval County). Ms. Sidman explained the process rendered eight applicants, resulting in four interviews. They were interviewed by Chair Lahnen, Merriane Lahmeur, Chief of Legislative Services, Heather Pelegrin, Assistant Chief of

Legislative Services – VAB, as well as Ms. Sidman herself. The recommendation by the VAB Chair, VAB staff, and Ms. Sidman, was to retain Aaron Thalwitzer.

Staff Recommendation – Based on the interviews conducted, it is recommended that the Board hire Aaron Thalwitzer as the 2024 VAB Attorney. The 2024 VAB Attorney will be paid an hourly rate of \$225, with a not to exceed amount of \$60,000 annually. The not to exceed amount will be inclusive of all legal services (including litigation), and mileage. There will be no cost for travel time.

Chair Lahnen clarified that he was part of the hiring process and explained there was a thorough interviewing process. Board Member Darryl Willie asked how capable Mr. Thalwitzer was for handling the large volume of petitions in Duval. Mr. Thalwitzer was called to the podium by Ms. Sidman to respond. Mr. Thalwitzer stated that he would be able to handle the volume of petitions from Duval County because he decreased other areas of his legal practice. Mr. Thalwitzer explained that approximately 3/4 of his work is now dedicated to VAB. He stated he was confident in his ability to handle the volume due to his years of experience and improved efficiency.

Board Member Dasher made a motion to Approve the staff recommendation to hire Aaron Thalwitzer as the 2024 private Board Legal Counsel. The motion was seconded by Board Member Cummings. The Board Approved the motion 5-0.

Chair Lahnen welcomed Aaron Thalwitzer as the 2024 Value Adjustment Board Attorney and invited him to take a seat on the dais.

3. Appoint or ratify Board designee to approve/deny late filed petitions, Good Cause reschedule requests, etc.

Chair Lahnen called on Ms. Pelegrin to explain the Board designee for approving and denying Good Cause requests. Heather Pelegrin, Assistant Chief Legislative Services - VAB, stated all future petitions filed after the September 10, 2024, filing deadline would be considered late per Florida Administrative Code 12D-9.015 and must show Good Cause prior to being approved and scheduled for hearing. Ms. Pelegrin requested to be the Board designee to review and either approve or deny Good Cause late filed petitions as well as Good Cause Reschedule Requests.

Board Member Cummings made a motion to appoint Heather Pelegrin as the designee to approve or deny late filed petitions as well as Good Cause reschedule requests. The motion was seconded by Board Member Dasher. The Board Approved the motion 5-0.

4. General information on Florida's property tax system.

Chair Lahnen called on Ms. Sidman to explain the general information on Florida's property tax system. Ms. Sidman stated that approximately 60% of the City of Jacksonville's budget and 37% of the School Board's budget are generated by the ad valorem taxes. Ms. Sidman stated there are 386,000 parcels in Duval County. Last year VAB received 4,448 petitions and approximately 970 hearings which meant that roughly 3,475 petitions were either withdrawn or settled with the Property Appraiser's Office. Ms. Sidman explained that since the filing period has ended for VAB petitions, VAB staff will begin to schedule Special Magistrate hearings, which are set to begin in October. The Special Magistrates will preside over the hearings for the petitions. Mr. Thalwitzer explained that he is new to the Duval County VAB and explained the VAB petitioning process. Mr. Thalwitzer also stated the VAB is mostly a review Board, but some of its most important functions are appointing positions such as Special Magistrates. Mr.

Thalwitzer concluded by stating that he appreciates the Board's active role in the review process of the petitions.

Chair Lahnen thanked Mr. Thalwitzer and Ms. Sidman for providing the information. Chair Lahnen also asked for confirmation that the 2024 VAB was still on time to meet the DOR's (Department of Revenue) state requirements. Ms. Sidman confirmed that the VAB is still acting timely and that the VAB is holding the Special Magistrate Orientation on September 12, 2024, at 1:00 PM.

5. Other Business

Chair Lahnen asked Ms. Sidman to provide an update regarding the VAB resolution supporting an increase to the petition filing fee. Ms. Sidman stated the VAB resolution would update the not to exceed amount of the \$15 filing fee and shared that VAB staff worked on researching the history of the VAB filing fee. The research found a similar appellate filing fee started at \$20 dollars in 1982 and has been increased several times throughout the years, to the current amount of \$395. Meanwhile, the VAB filing fee has remained the same since 1983. Ms. Sidman stated VAB staff prepared a written resolution, and she would like to have the Board approve it to reach the Florida state legislature. Ms. Sidman affirmed House Representative Wyman Duggan and Senator Tracie Davis would support the resolution.

Chair Lahnen asked if the resolution required Board approval. Ms. Sidman confirmed that the resolution should have Board approval and welcomed discussion and recommendations regarding the contents of the resolution. Chair Lahnen asked for confirmation that the Board did not have to set an exact amount for the not to exceed filing fee. Ms. Sidman explained that the Board did not have to set the amount at that time. Board Member Cummings agreed, stating, there should not be a set amount on the resolution. Board Member Willie asked when the not to exceed amount would be determined. Ms. Sidman explained that the current law limits the filing fee to not exceed \$15 and that the resolution does not yet have any value added to it. Ms. Sidman stated that there would be a future meeting to determine what the amount of the filing fee could be.

Board Member Willie asked what the research process was like regarding the creation of the resolution. Ms. Sidman stated that the not to exceed amount of \$15 for the filing fee was applied to every county state-wide. The research for the resolution compared the VAB filing fee to other county petitioning filing fees. Board Member Willie asked if other counties have been interested in increasing the filing fee. Mr. Thalwitzer explained that a few Value Adjustment Board's have inquired to him about increasing the not to exceed amount for the filing fee. Mr. Thalwitzer believes that there may be a few counties who would also show interest in increasing the filing fee. Chair Lahnen explained that since the filing fees inception in 1983, costs of Special Magistrates have continued to increase, deteriorating the filing fee's ability to defray the VAB expenses.

Council Member Carlucci asked if VAB had any sort of surplus going into the 2024 VAB year due to the hiring of Mr. Thalwitzer at \$60,000 while the previous VAB Attorney had a salary of \$110,000. Ms. Sidman clarified the VAB Attorney salary was not part of the resolution and that all unused VAB funds would be returned to the general fund at the end of the year. Council Member Carlucci asked what the \$15 filing fee must be directed toward funding. Ms. Sidman stated that all filing fees are sent to the Duval County Tax Collector, which is then deposited into the general fund. Ms. Sidman stated that the prior year, the VAB filing fee generated approximately \$60,000. Board Member Willie added that he did not want to see the filing fee increased too much, to continue to allow the public access to the petitioning process. Mr. Thalwitzer stated that there are some cases in which the filing fee may be waived entirely.

Chair Lahnen added that the reason VAB went over budget in FY 23/24 was due to the increased number of petitions and hearings which required more billed hours from the VAB Special Magistrates. Chair Lahnen added that the notice of the resolution filing fee meeting will be sent to everyone on the VAB.

Board Member Willie made a motion to Approve the notice meeting for the resolution increasing the not to exceed amount of the VAB filing fee. The motion was seconded by Council Member Carlucci. The Board Approved the motion 5-0.

Ms. Pelegrin stated that there are approximately 1,850 petitions in the online filing system. Ms. Pelegrin also stated that Ryan, LLC submitted 2,768 petitions alone, an increase from the 976 petitions they submitted the prior year. Additionally, Ms. Pelegrin explained that there were another 600-700 petitions that were still being processed to be input into the filing system which would make the approximate petition count for the VAB 2024 year to be around 5,100 – 5,600 which was up from the roughly 4,500 in the previous year. Chair Lahnen asked if it was common for a single tax representative to submit that many petitions. Ms. Pelegrin stated that Ryan, LLC submitted a large amount the previous year but tripled that amount for this year.

Ms. Sidman explained that there are currently network issues causing difficulties to the streaming of the VAB meeting.

Board Member Cummings thanked the team for all their work in hiring the new VAB attorney.

Meeting was adjourned at 11:56 AM.