

OFFICE OF JOE G. TEDDER, CFC

Tax Collector for Polk County, Florida



ANNUAL REPORT

For Year Ended September 30, 2008

OUR MISSION

“We are working to earn the public’s trust and confidence by providing the best in customer services through assured quality and the efficient use of public funds.”

OUR VISION

“To treat our customers with such professionalism and concern that we change their perception of government.”

Cover Image



A NASA Picture of Florida From Space

JOE G. TEDDER BECOMES PRESIDENT OF FLORIDA TAX COLLECTORS

On the evening of Wednesday, October 8 2008, Joe G. Tedder, Tax Collector for Polk County, was installed as 63rd President of The Florida Tax Collectors, Inc., a professional association representing 67 tax collectors throughout the State of Florida. Tedder previously served as First Vice-President and Legislative Chair for the association.



Ken van Assenderp, General Counsel to the FTCA, performed the swearing-in ceremony for Tedder at the organization's annual meeting



Joe G. Tedder, CFC, Tax Collector
Imperial Polk County & The State of Florida

February 18, 2009

To the Citizens and Taxpayers of Polk County:

Florida's Constitution authorizes the position of Tax Collector as an independent unit of its political subdivisions, which are otherwise known as counties.

The Tax Collector's responsibilities involve the collection of revenue and public funding for a variety of state, regional, and local governmental agencies and taxing authorities; the enforcement against delinquency in payment of such revenues and funds; the distribution of such revenues and funds in a timely manner to various state and local agencies and taxing authorities involved; the investment of public funds pending distribution; the vigilant adherence to procedures designed to promote fairness to the taxpayer and governmental efficiency and accountability in the collection, enforcement, distribution, and investment of funds; and, serve as the most likely contact on a daily basis with and between citizens and taxpayers and the various state, regional, and local governmental agencies and taxing authorities.

As a position established by Florida's Constitution to complete a system of checks and balances the Tax Collector for Polk County serves the people of Polk County. Therefore, the Tax Collector does not serve as an employee of the state, a state agency, a regional governmental agency, or local government. Additionally, while the Tax Collector does act as an agent for the state, this position does not serve as an agent of any regional or local governing authority.

The Tax Collector serves the people of Polk County and is elected by its voters to serve a four-year term, with no limit on the number of terms served.

The Tax Collector's Office is responsible for providing a wide range of services to the citizens and taxpayers of Polk County on behalf of other governmental units. These services consist primarily of the collection and administration of ad Valorem taxes, non-ad Valorem assessments, motor vehicle and vessel registration and title fees, county local business taxes, tourist development taxes and hunting and fishing license fees. These services are performed on behalf of 39 various local governments and agencies of the State of Florida.

Services are provided at the Tax Collector's Branch Offices, which are located in Bartow, Lakeland, Haines City, and Lake Wales. Tag and title transactions are also authorized

to be conducted in Winter Haven by the American Legion Post No. 8.

Ad Valorem Taxes and Non-Ad Valorem Assessments - The Tax Collector's Office is responsible for collecting and remitting the taxes and assessments provided on the annual tax roll provided by the Property Appraiser's Office and independent taxing authorities.

The Tax Collector's Office is not responsible for determining assessed values, exemptions, taxable values or the tax rates. The tax roll includes real estate taxes, tangible taxes and non-ad Valorem assessments. Non-ad Valorem assessments consist primarily of assessments for fire services, solid waste and yard trash collection and disposal services and lighting districts.

The collections of these taxes and assessments are administered in accordance with Florida Statutes and the rules and regulations of the Florida Department of Revenue. These services are provided on behalf of taxpayers, the Polk County Board of County Commissioners, the Polk County School Board, seventeen municipalities and eighteen special taxing and assessment districts.

The 2007 tax roll was provided to the Tax Collector's Office in October of 2007 and the tax bills were mailed in time to start collections on November 1, 2007. Unpaid taxes became delinquent on April 1, 2008. Tax certificates were offered for sale in May 2008 on delinquent real estate taxes and warrants were ratified by the court in August 2008 for delinquent tangible taxes.

The Tax Collector's Office is required by the state to report to the Board of County Commissioners the status of the current tax roll within sixty days of the tax certificate sale.

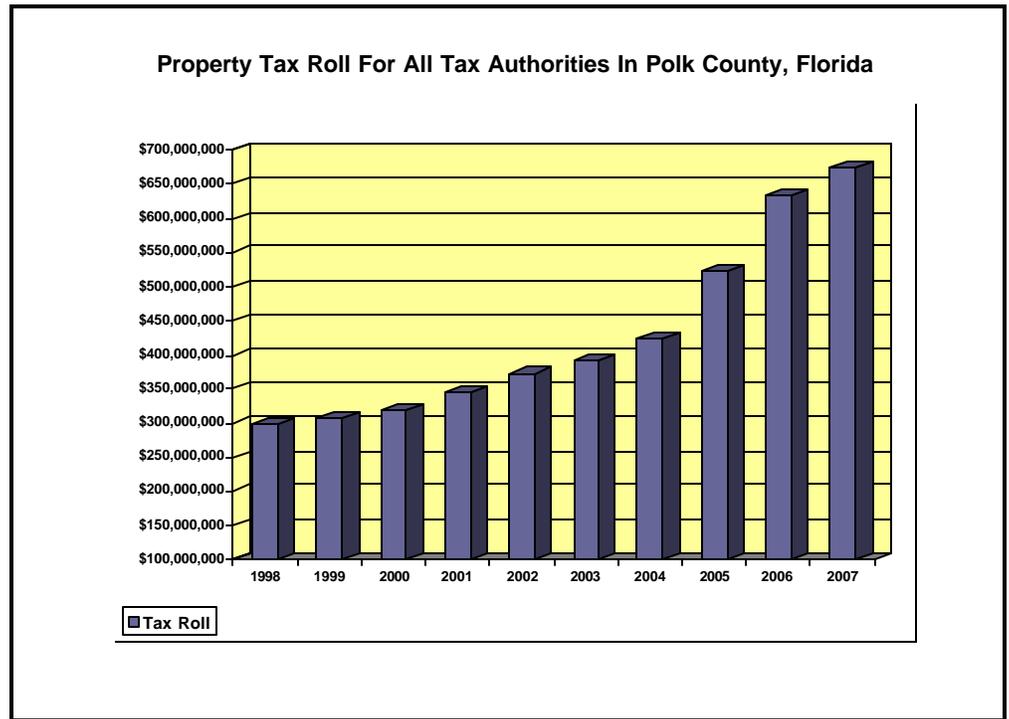
A summary of the Status of the Current Tax Roll Report, which was provided in July 2008:

SUMMARY OF 2007 TAX ROLL REPORT	Amount	Percent
Taxes collected including discounts taken	\$ 666,604,103	98.92%
Tax certificates not purchased at sale	5,091,890	.75%
Warrants issued on delinquent tangible taxes	938,272	.14%
Taxes in bankruptcy or litigation	1,157,908	.17%
Miscellaneous	124,096	.02%
Total 2007 Tax Roll	\$ 673,916,269	100.00%

The last ten tax rolls have consisted of the following amounts and accounts:

TAX ROLLS	Amount	Accounts
2007	\$ 673,916,269	416,082
2006	\$ 633,118,579	406,222
2005	\$ 522,391,800	393,057
2004	\$ 423,681,706	384,304
2003	\$ 391,914,946	375,474
2002	\$ 371,688,055	369,694
2001	\$ 345,375,175	364,653
2000	\$ 318,859,867	355,789
1999	\$ 306,179,628	356,600
1998	\$ 299,482,345	350,537

A graphic representation of property tax roll all tax authorities in Polk, County (1998 – 2007):



Tax Certificate Redemptions - On or before June 1 of each year, the Tax Collector's Office offers for sale tax certificates on properties with unpaid real estate taxes. A tax certificate represents a lien on the property. The purpose of the sale is to collect unpaid real estate taxes on behalf of the numerous taxing authorities.

In 2007, there were 27,492 certificates offered for sale representing taxes of \$34,725,619. As a result of the May sale and subsequent sales, 20,233 certificates were sold accounting for \$33,000,438 in taxes. Unsold certificates are referred to as "County held" certificates and earn interest at 18% per year.

After the sale of tax certificates this office is responsible for handling the subsequent collections from the property owner and remitting the funds to the certificate holder. During the fiscal year 2007/08, 16,546 certificates were redeemed by property owners and \$27,502,137 was remitted to certificate holders.

When County held certificates are redeemed by the property owner the funds are remitted to the various taxing authorities. During the fiscal year 2007/08, 3,829 County held certificates were redeemed and \$802,737 was remitted to the taxing authorities.

Vehicle Transactions - The Tax Collector's Office processes motor vehicle and vessel transactions, involving titles and registration, as well as various other transactions on behalf of the Florida Department of Highway Safety and Motor Vehicles. The Tax Collector's Offices also collect sales taxes on sales of motor vehicles and vessels not involving licensed dealers on behalf of the Florida Department of Revenue.

During the 2007/08 fiscal year over 147,000 title transactions and over 637,000 registration transactions were processed. Registration, sales taxes and title and other fees totaling more than \$36 million were collected in our Branch Offices.

Local Business Tax Receipts (formerly Occupational License Taxes) - The Tax Collector's Office collects the local business tax imposed by the Board of County Commissioners. This tax is required of various individuals and enterprises doing business in Polk County. During 2007/08 taxes were collected on 34,157 receipts for a total of \$1,479,123, including a 15% commission retained by this office. Collections are remitted monthly to the BOCC and municipalities in the county, which share these taxes.

Tourist Development Taxes - The Tax Collector's Office collects the tourist development tax imposed by the Board of County Commissioners. This is a 5% tax on the transient or short-term rentals of accommodations. During 2007/08 this office administered 7,766 accounts from which \$7,691,560 was remitted, including a 3% commission retained by this office.

Hunting and Fishing Licenses - The Tax Collector's Office issues hunting and fishing licenses on behalf of the Florida Fish and Wildlife Conservation Commission. These licenses are issued at our Bartow Branch Office, Lakeland Branch Office, Lake Wales Branch Office and Haines City Branch Office. During 2007/08, 1,403 licenses were issued totaling \$91,185, including the fees retained by this office. Collections are remitted weekly to the Florida Fish and Wildlife Conservation Commission.

Total cash receipts collected by Tax Collector on behalf of other governmental agencies and tax certificate holders, during year ended September 30, 2008, were:

CASH RECEIPTS BY SOURCE	
Ad Valorem Taxes and Non-Ad Valorem Assessments	\$ 658,089,323
Tax Certificate Redemptions	28,179,023
Vehicle and Vessel Taxes	35,868,501
Local Business Taxes	1,257,254
Hunting and Fishing License Taxes	89,354
Tourist Development Taxes	7,460,765
Interest	845,098
Miscellaneous	5,057
Total	<u>\$ 731,794,375</u>

Total cash receipts distributed by Tax Collector to other governmental agencies and tax certificate holders, during year ended September 30, 2008, were:

CASH RECEIPTS FOR TAXING AUTHORITIES	
Polk County Board of County Commissioners	\$ 313,736,511
Polk County School Board	260,284,984
State of Florida	41,229,094
Municipalities in Polk County	58,860,051
Special Taxing Districts	29,504,712
Tax Certificate Holders	28,179,023
Total	<u>\$ 731,794,375</u>

Operating Revenues and Expenditures - The Tax Collector's Office for Polk County operates as a "fee office." This means the Tax Collector's Office earns fees and commissions for the services rendered. The fees and commissions are established primarily by the Florida Legislature and are contained in the Florida Statutes.

The annual budget of the office is approved by the Department of Revenue. Any subsequent increases in the budget must also be approved by the Department of Revenue.

The excess of revenues over expenditures are remitted to each governmental unit that paid fees to our office in the same proportion as the fees paid bear to the total revenues of the office.

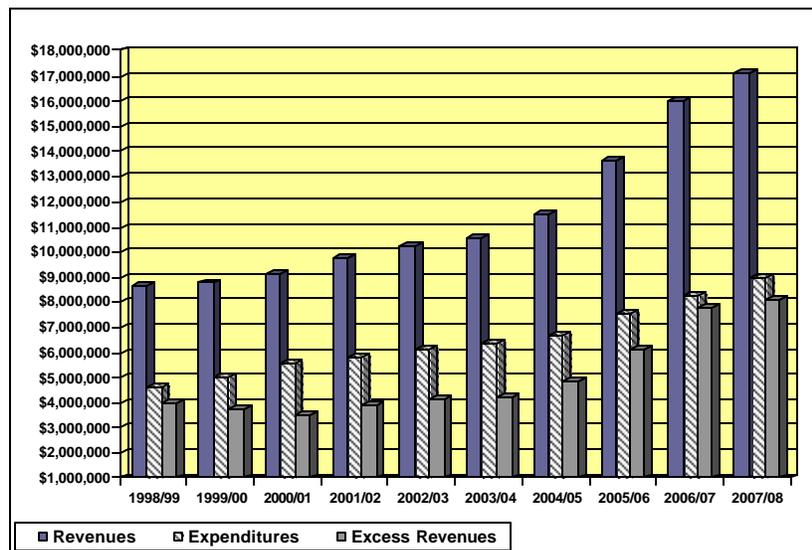
Revenues and expenditures for the past ten years were:

REVENUES AND EXPENDITURES

Fiscal Year	Revenues	Expenditures	Excess Revenues
2007/08	\$17,115,576	\$ 9,012,434	\$ 8,103,142
2006/07	\$16,063,117	\$ 8,293,835	\$ 7,769,342
2005/06	\$13,659,469	\$ 7,530,658	\$ 6,128,811
2004/05	\$11,497,429	\$ 6,673,498	\$ 4,823,931
2003/04	\$10,565,083	\$ 6,327,934	\$ 4,237,149
2002/03	\$10,256,002	\$ 6,117,802	\$ 4,138,200
2001/02	\$ 9,721,364	\$ 5,801,649	\$ 3,919,715
2000/01	\$ 9,112,306	\$ 5,568,789	\$ 3,543,517
1999/00	\$ 8,770,567	\$ 4,993,046	\$ 3,777,521
1998/99	\$ 8,660,197	\$ 4,645,278	\$ 4,014,919

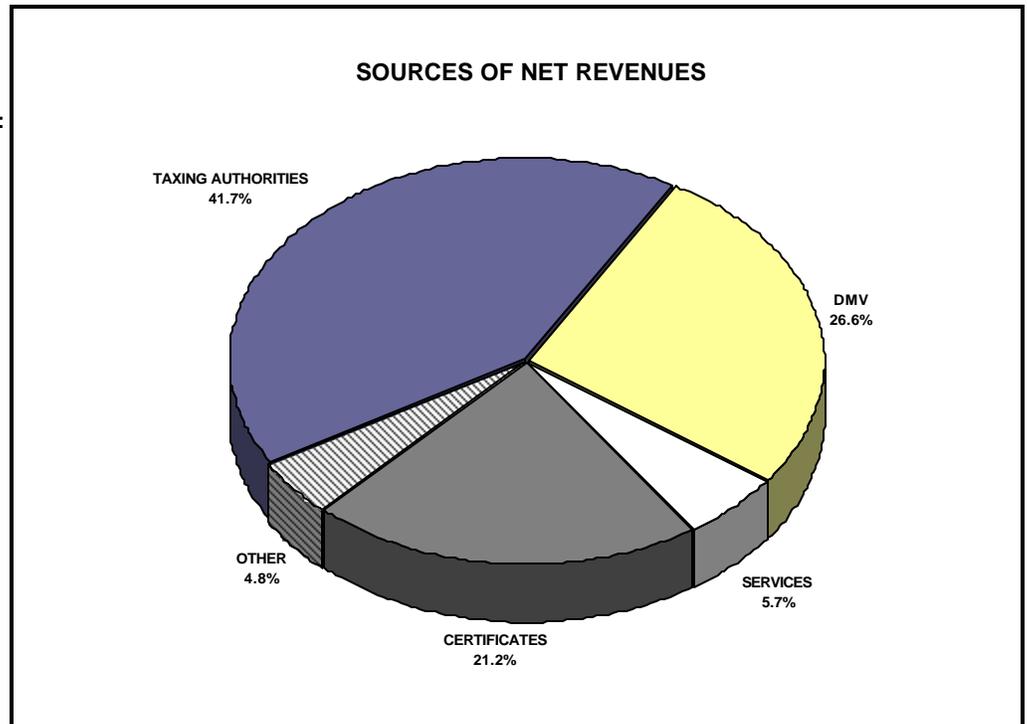
A graphic representation of operating revenues and expenditures (1998/99 – 2007/08):

Tax Collector's Office Operating Revenues And Expenditures



The cost to Polk County's taxing authorities represents approximately 41.7% of the Tax Collector's net revenues (*total revenues less excess revenues*).

A graphic representation of sources of net revenues (2007/08):



We are proud to state that the results of our 2007/08 audit, which was performed by The NCT Group CPA's, LLP indicates that no material weaknesses were noted in our internal control structure nor were any other comments or recommendations made.

Accountability - The Tax Collector and his office are first and foremost accountable to the citizens and taxpayers of Polk County.

To insure that the Tax Collector remains primarily accountable to the people, the Tax Collector's Office has undertaken a mission, whereby it is "working to earn the public's trust and confidence by providing the best in customer services through assured quality and the efficient use of public funds."

To succeed in its mission, the Tax Collector's Office has adopted an "Outline For Success" (OFS), that seeks to measure operational performance, including meaningful public evaluations, so that administrative measures can be taken to improve and maintain efficiencies and/or address opportunities for improvement.

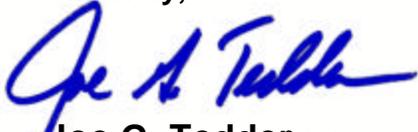
TAX COLLECTOR				
EXPECTATION MEASUREMENT	EXPECTATION	FY 2008	FY2007	FY2006
Answer customer service telephone calls within two minutes.	95%	95.8%	96.8%	97.0%
Process mail payment transactions in two days.	98%	99.8%	99.3%	99.2%
Customer service wait time is 10 minutes or less.	90%	98.6%	97.6%	93.3%
Customers perceive staff to be courteous and knowledgeable.	98%	99.7%	94.9%	98.7%
Real estate property tax roll amount collected.	98%	98.6%	99.4%	99.8%
Tourist development tax remitted from customer on time.	90%	88.5%	87.5%	86.9%
Collect \$1.6 million in occupational license taxes by October.	100%	108.4%	108.5%	*104.9%
Collect current roll delinquent tangible property taxes by October.	95%	96.2%	96.0%	97.0%
Remit tax dollars to appropriate taxing authority by deadlines.	99%	99.8%	99.8%	99.9%
Automobile dealer work is processed in two days or less.	98%	99.8%	99.9%	100.0%
Staffing efficiency <i>(based on DOR statistics)</i> .	Top 5 in State	#4	# 4	# 4
Spending efficiency <i>(based on DOR statistics)</i> .	Top 5 in State	#5**	# 3	# 3

*Prior year percentage is based on a collection target of \$1.5 million.

** Due to one time expenditure associated with office renovations.

I trust that these actions, including the performance of the Tax Collector's Office, as well as the accompanying document meet with your approval. However, if you have any questions or concerns regarding this correspondence or the accompanying information, please do not hesitate to contact your Tax Collector's Office. Your inquiries and comments are welcomed.

Sincerely,



Joe G. Tedder, cfc
Tax Collector