

Sheriff's Auditors Another Example of Government Excess

June 24, 2010

Mary McCleary

As the saying goes, “It’s not what you know. It’s who you know.” This statement especially rings true when it comes the Franklin County Sheriff’s auditors. Only two of nine auditors are actually licensed appraisers, but all, surprisingly enough, are political supporters of the sheriff. Although the sheriff looks for real-estate experts, he can appoint whomever he wants. For example, when two auditors on the staff died, the sheriff filled their spots with the deceased’s family members. While one of the appointees was licensed, the other was not. The point is that employees are not hired based on merit, but instead through a system all too similar to that of the corrupt Tammany Hall.

Even more ridiculous than the hiring process is the compensation the sheriff’s appraisers receive. Appraisers “earn” \$101 for each property they assess. The highest paid auditor averaged 14 appraisals per workday and made \$442,410 in 2009. In the same year, the lowest paid auditor only averaged 3.2 appraisals per work day, yet still made \$108,155. Including driving time, the highest paid auditor only spent a little over half an hour on each property. How can each property appraisal be worth \$101 when the appraisal only takes a matter of minutes?

Contrast the Franklin County Sheriff’s appraisers to the Franklin County Auditor’s appraisers. The auditor’s appraisers earn between \$45,000 and \$55,000 annually, with each appraisal costing only \$24. Assuming an eight-hour workday, the auditor’s appraisers average between 7.21 and 8.81 appraisals per day. Including driving time, they spend between 55 and 67 minutes per appraisal. How does the county manage to keep costs so low? According to former Franklin County Auditor Joe Testa, Franklin County keeps costs in check by allowing private companies to bid on jobs. Costs are kept down by allowing market forces to work through private sector competition.

In other words, the auditor’s appraisers earn less than a quarter of what the sheriff’s auditors earn per parcel. Not only are all of the county auditor’s appraisers certified, unlike the sheriff’s appraisers, but they also spend nearly twice as long on each property as the sheriff’s appraisers. The county auditor’s appraisers are more qualified, produce more thorough appraisals, and are significantly less expensive.

Are the sheriff’s appraisals even necessary? According to a 2001 study by the Franklin County Auditor’s Office, probably not. The sheriff’s appraisers only appraise homes that have gone into foreclosure and need to be sold. The law requires that all foreclosed homes sell for at least two thirds of the appraised value. The 2001 study found that 85% of all foreclosed properties sold for two thirds or more of the county auditor’s appraised price. Thus, for 85% of properties, the sheriff’s auditors’ appraisals were redundant and unnecessary.

Regarding the other 15% of properties, the county auditor’s office could have reappraised each parcel for a fraction of the sheriff’s auditor’s cost. If a property could not be sold for two thirds

of the appraised value at the sheriff's sale, the county auditor's office could reassess the parcel for a mere \$24, as opposed to the sheriff's price of \$101. The savings are enormous!

Assume that 85% of the 2009 appraisals were unnecessary and that the county auditor's office could have handled the other 15% of the appraisals. If this were indeed the case, eliminating the sheriff's appraisers would have saved \$2,653,596 in Franklin County alone. The Franklin County Auditor's office could have performed the exact same task as the sheriff's auditors for only \$65,254, as opposed to the \$2,718,850 spent in 2009. The sheriff's system costs 41.67 times more than the amount required to fund the same work through the county auditor's office

Some might argue that there is nothing wrong with the sheriffs' auditors appraisal system since the taxpayers do not directly pay for the appraisals, as they are funded by the mortgage companies. While mortgage companies do foot the bill, they do not bear the full impact of the expense. Instead they pass along a portion of the appraisal costs to their other clients in the form of fees. In essence, the appraisal fee is really a tax on mortgage companies and their clients. The \$101 per parcel must come from somewhere, and that somewhere is still the private sector.

Even though the sheriff's auditors are technically contractors and not public employees, the end result is still the same: taxpayer dollars are wasted through frivolous government spending. The sheriff's auditor positions should be eliminated, and all government appraisals should be done through the county auditor's office.

Copyright © 2010, Buckeye Institute.