

ASSESSMENT COORDINATION DEPARTMENT

Enabling Laws

Act 124 of 2010
A.C.A. §25-28-101 et seq.

History and Organization

MISSION STATEMENT

The Assessment Coordination Department (ACD) exercises general and complete supervision over the valuation, assessment and equalization of all locally assessed ad valorem taxes in Arkansas, and the local officials and employees administering them in all 75 counties. The Department confers with, advises, trains and directs, as needed, these officials regarding their duties and responsibilities for proper and equitable assessment of property.

COMMENTARY

Property taxes constitute a significant source of revenue for local governments and school districts in Arkansas. The level of equalization funding provided to each school district is based on the average assessed wealth per student in the district. School districts which have a high average assessed property value per student, receive less in equalization funds per pupil than those school districts which have a relatively low average assessed property value per student. The relative wealth of a district is based on the total assessed value of all tangible real and personal property in the county as measured by the county assessor.

The Department performs the following tasks to fulfill that mission: conducts appraisal schools and seminars for county employees; prepares valuation manuals to be used as suggested guidelines by county assessors for the appraisal of real and personal property; performs assessment ratio studies to measure the level and uniformity of assessments; conducts performance audits to ensure accuracy of reappraisals and to help counties identify problems before they become a permanent part of the local tax records; and provides pertinent data necessary for the upkeep of appraisals.

ENABLING LEGISLATION

Act 436 of 1997 created the Assessment Coordination Department and transferred the Assessment Coordination Division of the Public Service

Commission to it by a Type Two transfer. The Director of the Department is appointed by the Governor and serves at the pleasure of the Governor.

Act 903 of 1995 established an Assessment Personnel Educational Incentive Program for local assessment employees paid from the Assessment Coordination Department's budget.

Act 949 of 1991 established the continuing education fund for county assessors to be used to maintain and operate a continuing education program for county assessors and their staffs. Act 342 of 1999, as amended, increased the funds payable from each county assessor's office to the amount of \$600 per year.

Act 1185 of 1999 was to establish a uniform system of assessments and to prevent large increases in property taxes in Arkansas. It places the State on a three year revaluation cycle in which approximately one-third of the counties in the State will be completing reappraisals each year beginning in 2002. It mandated that the reappraisal be professionally run; the ACD audit performance of reappraisal projects on an ongoing basis; the ACD stop reappraisal projects should a county fail to meet, or plan for, professional standards; authorized ACD to employ appraisal contractors should a county fail to meet, or plan for, professional standards. It created the Arkansas Real Property Reappraisal Fund to reimburse counties for the cost of said reappraisals.

Act 1058 of 2001 amended Act 1185, providing that slower growth counties will complete their next reappraisal cycle over five years, instead of the three years provided in Act 1185. High growth counties, measured by total market value increase resulting from reappraisal, will remain on a three year reappraisal cycle. The ACD measures the growth resulting from reappraisal, and if 15% or more, the county will remain on a three year reappraisal cycle, if less, the county will be placed on a five year cycle.

Act 1131 of 2001 altered the ratio study conducted by the ACD. It provided that real estate ratio studies will only be conducted when counties complete reappraisal cycles, or if the Department determines that a county has engaged in inappropriate assessment roll changes or manipulations. It further provided that all counties were to electronically transfer previous year real estate sales data to the Department annually before January 31. The penalty for failing a ratio study was changed to indicate that counties would lose state aid only if they failed to take corrective actions indicated by the sales ratio study results.

ORGANIZATION AND RESPONSIBILITIES

The Assessment Coordination Department is staffed by a Director, Deputy Director, Legal Counsel, three managers, twenty-one assessment auditors, one research/technical specialist, one data processing person, and three administrative/clerical personnel; and is divided into four major sections:

The Office Administration Section consists of the Director, Deputy Director, Legal Counsel, two managers, two assessment auditors, one research/technical specialist, one data processing person, and three administrative/clerical persons.

The duties of the Director include: (1) management of the Department; (2) visiting, conferring with, and advising County Assessors and Equalization Boards; (3) certifying the percentage of the assessed value of each county of the total state value to each County Judge each year, for the disbursement of state aid and turn back funds; (4) recertifying any taxing unit which was originally below the accepted amount, within the legal time period for unit's compliance; (5) reviewing reappraisal plans of counties mandated to perform such and approve/disapprove as necessary; (6) managing distribution of reappraisal funds to those counties; (7) performing other duties and furnishing assistance to the counties as deemed necessary for the purpose of proper performance of the laws administered by the Department.

The duties of the Section include: (1) promulgating rules and regulations; (2) rendering interpretations of law; (3) preparing and managing budgets and fiscal operations; (4) preparing and promulgating Real Estate Manuals and Personal Property Manuals for the use and guidance of County Assessors and Equalization Boards; (5) preparing a ratio study for the purpose of determining the average ratio of assessed value to the true or actual market value of real property, by classification, and personal property in each of the taxing units of the State; (6) comparing the Equalization Board's Abstract with the Assessor's Abstract to determine if such Board has complied with the less than 5% deviation; (7) assisting counties in administering millage rollbacks and utility tax adjustments; (8) holding and conducting such schools and institutional meetings as deemed necessary for county officials, their employees, and Equalization Boards, dealing with assessment problems, regulations, and new methods for record keeping and appraising; (9) conducting impact studies on various proposed changes in the ad valorem system in Arkansas; (10) performing other duties and furnishing assistance as necessary.

The Field Operations Section consists of one Manager and nineteen property assessment auditors. This section (1) performs compliance audits as required by Act 1185 of 1999; (2) provides special assistance to county officials on new or unusual appraisal situations, and provides a source with which an assessor can verify or compare county appraisals; (3) prescribes uniform appraisal, assessment, and record forms for the use of County Assessors throughout the State; (4) develops, tests, and implements systems for appraising rural land and improvements to be used by assessors, appraisal companies, and the ACD appraisal group; (5) maintains a sales data bank for each county for use by assessors, and the ACD in making market value appraisals for assessment purposes; (6) develops and maintains other appraisal aids such as maps, plats, and land value analysis for use in appraisal work; (7) does field research for the development and/or improvement of real estate appraisal methods.

The Assessor's Education function was created for budget purposes to separate operating funds of the Department and the funds appropriated for the expenses of county personnel attending schools conducted by the Department. It also supports an annual seminar to further inform county assessors and their employees of assessment problems, ways of solving them, and new laws and regulations.

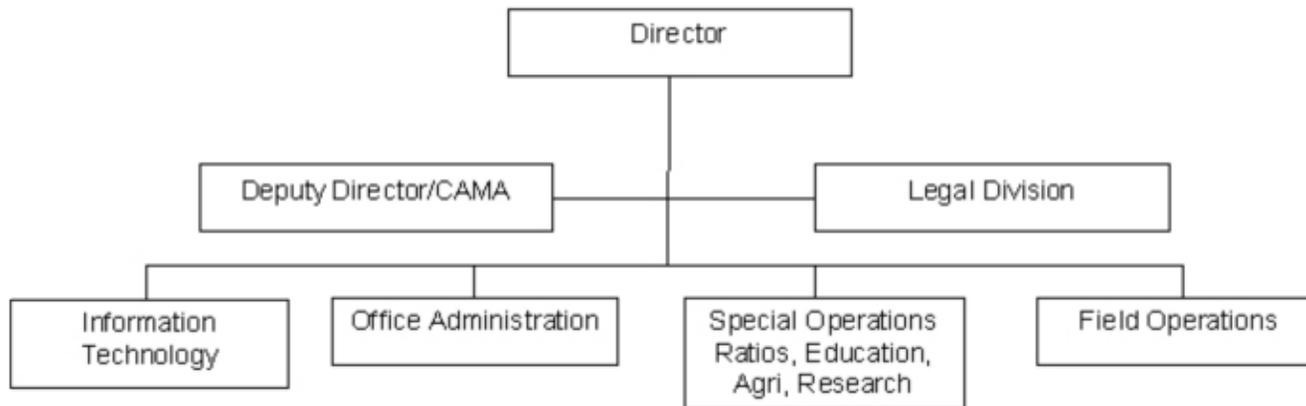
The Cash Operations function was created for budget purposes to separate operating funds of the Department from cash funds created from the sale of manuals and educational materials that are used to replenish such and to fund participation in educational programs.

GOALS

The Department plans the following: (1) to perform annual ratio studies; (2) to implement and maintain the audit procedures established in Act 1185 of 1999, as amended; (3) to manage state funds used for reappraisals conducted according to the Act; (4) to provide valuation guidelines for Personal Property and Real Estate Property; (5) conduct and improve all existing appraisal courses, expand offerings as necessary, and maintain education records; (6) to provide outside training opportunities through professional organizations; (7) to improve professionalism of all levels of assessment personnel; (8) to develop a better system for handling assistance to counties; (9) to upgrade and improve the Department's computer skills and technology in order to function more efficiently and better communicate with the seventy-five counties, other state agencies and the public; and (10) to help counties take advantage of technological advancements that will improve data collection and records management.

CONCLUSION

By fulfilling its responsibilities, the Assessment Coordination Department will have an impact on every taxpayer in the State. The Department will help achieve equalization among all properties and ensure that each taxpayer pays only his or her legally mandated share of the tax burden. Therefore, the people of Arkansas will benefit greatly from these services.



Agency Commentary

The primary purposes of the Assessment Coordination Department are to assist counties in the equalization and appraisal of property for ad valorem tax purposes, conduct schools and educational seminars, prepare guidelines for valuation, measure assessments through ratio studies and performance audits, and provide pertinent data necessary for the upkeep of appraisals.

For 2011-2013, the Department is requesting Base Level for all its programs. It also requests that the special language clause that provides for transfer of funds to the Real Property Reappraisal Fund from its operating fund account be deleted, since the balance remaining after FY11 will no longer be sufficient to support any more transfers.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ASSESSMENT COORDINATION DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 2008

Findings

The Agency collects receipts from seminar registration fees, remittances by Arkansas Counties and appraisal contractors and miscellaneous sales and reimbursements. Agency management failed to establish strong internal controls regarding receipts as demonstrated by the following:

- The Agency failed to deposit receipts in a timely manner. Of the 266 receipts issued, 90 receipts were held more than 30 days before being deposited. These receipts amounted to \$45,362, or 42% of all receipts issued. The average length of time a receipt was held before deposit was 31 days.
- Two receipts were voided but were not properly retained for audit purposes.

Management was unable to provide adequate supporting documentation for purchases made with Agency credit cards. Supporting documentation provides evidence of the appropriate business purpose of disbursements. Credit card purchases totaling \$50,747 were reviewed, but the business purpose of \$23,635 of those purchases could not be verified.

Recommendations

Deposit receipts in a timely manner and retain the originals and copies of all voided receipts for audit purposes.

Retain adequate supporting documentation for purchases made with credit cards.

Employment Summary

| | Male | Female | Total | % |
|-------------------------|------------------|--------|-------|-------|
| White Employees | 18 | 8 | 26 | 84 % |
| Black Employees | 3 | 2 | 5 | 16 % |
| Other Racial Minorities | 0 | 0 | 0 | 0 % |
| | Total Minorities | | 5 | 16 % |
| | Total Employees | | 31 | 100 % |

Cash Fund Balance Description as of June 30, 2010

| Fund Account | Balance | Type | Location |
|--------------|----------|----------|--------------|
| 1180100 | \$62,418 | Checking | Regions Bank |

Statutory/Other Restrictions on use:

Created from the sale of manuals, publications, educational materials, and tuition, to be used as operating and training expenses and for the replacement of such items.

Statutory Provisions for Fees, Fines, Penalties:

N/A

Revenue Receipts Cycle:

Funds are collected on an irregular basis. They are used to replenish publications and to participate in educational programs.

Fund Balance Utilization:

Used to pay for printing of additional publications for resale, to provide educational materials, and for some tuition costs.

Publications

A.C.A. 25-1-204

| Name | Statutory Authorization | Required for | | # of Copies | Reason(s) for Continued Publication and Distribution |
|--|-------------------------|--------------|------------------|-------------|---|
| | | Governor | General Assembly | | |
| Agri Land Values | A.C.A. 26-4-407 | N | N | 25 | Statute requires every county and appraisal company to be provided with listing of agri land values. Also provided electronically. |
| AR Property Tax Equalization and Appeals System - A Synopsis | None | N | N | 250 | Biennial update of the property tax system intended to aid public understanding and used as a guide by county equalization boards. |
| Millage Report | None | N | N | 10 | Provided upon request to be used as a source to identify all taxing units and their millage rates. Also provided on the Agency website. |
| Real Estate Manual | None | N | N | 10 | Provided upon request as a guide in counties for assessment of real property. |

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

| Appropriation | 2009-2010 | | 2010-2011 | | 2010-2011 | | 2011-2012 | | | | | 2012-2013 | | | | | | |
|--|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|
| | Actual | Pos | Budget | Pos | Authorized | Pos | Base Level | Pos | Agency | Pos | Executive | Pos | Base Level | Pos | Agency | Pos | Executive | Pos |
| 1VC Real Property Reappraisal Program | 14,728,365 | 0 | 15,000,000 | 0 | 15,000,000 | 0 | 15,000,000 | 0 | 15,000,000 | 0 | 15,750,000 | 0 | 15,000,000 | 0 | 15,000,000 | 0 | 15,750,000 | 0 |
| 215 County Assessors Continuing Education | 33,662 | 0 | 60,000 | 0 | 60,000 | 0 | 60,000 | 0 | 60,000 | 0 | 60,000 | 0 | 60,000 | 0 | 60,000 | 0 | 60,000 | 0 |
| 258 Assessment Coordination-State Operations | 2,640,355 | 35 | 2,968,802 | 36 | 2,969,038 | 36 | 2,912,588 | 36 | 2,912,588 | 36 | 2,912,588 | 36 | 2,912,588 | 36 | 2,912,588 | 36 | 2,912,588 | 36 |
| C73 Assessment Coordination - Cash | 28,999 | 0 | 55,000 | 0 | 55,000 | 0 | 55,000 | 0 | 55,000 | 0 | 55,000 | 0 | 55,000 | 0 | 55,000 | 0 | 55,000 | 0 |
| Total | 17,431,381 | 35 | 18,083,802 | 36 | 18,084,038 | 36 | 18,027,588 | 36 | 18,027,588 | 36 | 18,777,588 | 36 | 18,027,588 | 36 | 18,027,588 | 36 | 18,777,588 | 36 |

| Funding Sources | | % | | % | | % | | % | | % | | % | | % | | % | | % |
|--------------------------------|---------|-------------------|--------------|-------------------|--------------|---|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|
| Fund Balance | 4000005 | 2,333,778 | 12.1 | 1,882,517 | 10.1 | | 565,713 | 3.3 | 565,713 | 3.3 | 565,713 | 2.9 | 61,605 | 0.4 | 61,605 | 0.4 | 555,125 | 2.9 |
| General Revenue | 4000010 | 405,000 | 2.1 | 450,000 | 2.4 | | 450,000 | 2.6 | 450,000 | 2.6 | 2,450,000 | 12.7 | 450,000 | 2.7 | 450,000 | 2.7 | 2,450,000 | 12.7 |
| Cash Fund | 4000045 | 32,089 | 0.2 | 35,000 | 0.2 | | 35,000 | 0.2 | 35,000 | 0.2 | 35,000 | 0.2 | 35,000 | 0.2 | 35,000 | 0.2 | 35,000 | 0.2 |
| Ad Valorem Tax | 4000060 | 2,248,896 | 11.6 | 1,987,000 | 10.7 | | 1,987,000 | 11.5 | 1,987,000 | 11.5 | 1,987,000 | 10.3 | 1,987,000 | 11.8 | 1,987,000 | 11.8 | 1,987,000 | 10.3 |
| County Assessors Cont Educ | 4000170 | 44,135 | 0.2 | 45,000 | 0.2 | | 45,000 | 0.3 | 45,000 | 0.3 | 45,000 | 0.2 | 45,000 | 0.3 | 45,000 | 0.3 | 45,000 | 0.2 |
| Intra-agency Fund Transfer | 4000317 | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Real Property Reappraisal | 4000405 | 14,250,000 | 73.8 | 14,249,998 | 76.4 | | 14,250,000 | 82.2 | 14,250,000 | 82.2 | 14,250,000 | 73.7 | 14,250,000 | 84.7 | 14,250,000 | 84.7 | 14,250,000 | 73.7 |
| Total Funds | | 19,313,898 | 100.0 | 18,649,515 | 100.0 | | 17,332,713 | 100.0 | 17,332,713 | 100.0 | 19,332,713 | 100.0 | 16,828,605 | 100.0 | 16,828,605 | 100.0 | 19,322,125 | 100.0 |
| Excess Appropriation/(Funding) | | (1,882,517) | | (565,713) | | | 694,875 | | 694,875 | | (555,125) | | 1,198,983 | | 1,198,983 | | (544,537) | |
| Grand Total | | 17,431,381 | | 18,083,802 | | | 18,027,588 | | 18,027,588 | | 18,777,588 | | 18,027,588 | | 18,027,588 | | 18,777,588 | |

Variances in fund balances are due to unfunded appropriation in the Real Property Reappraisal Program (1VC) and the State Operation Program (258).

Agency Position Usage Report

| FY2008 - 2009 | | | | | | FY2009 - 2010 | | | | | | FY2010 - 2011 | | | | | |
|-------------------------|----------|----------|-------|------------|------------------------------|-------------------------|----------|----------|-------|------------|------------------------------|-------------------------|----------|----------|-------|------------|------------------------------|
| Authorized in Act | Budgeted | | | Unbudgeted | % of Authorized Unused | Authorized in Act | Budgeted | | | Unbudgeted | % of Authorized Unused | Authorized in Act | Budgeted | | | Unbudgeted | % of Authorized Unused |
| | Filled | Unfilled | Total | Total | | | Filled | Unfilled | Total | Total | | | Filled | Unfilled | Total | Total | |
| 36 | 30 | 6 | 36 | 0 | 16.67 % | 36 | 31 | 5 | 36 | 0 | 13.89 % | 36 | 31 | 5 | 36 | 0 | 13.89 % |

Analysis of Budget Request

Appropriation: 1VC - Real Property Reappraisal Program

Funding Sources: GPR - Real Property Reappraisal Fund

The Assessment Coordination Department administers the Real Property Reappraisal Program in which the market value of real property in all of the State's 75 counties is refigured every three to five years for taxation purposes, as mandated by Act 1185 of 1999 (A.C.A. §26-26-1902 et seq.). Current special language provides for funding of this program by proportional transfers from the Public School Fund (76%), the County Aid Fund (16%), and the Municipal Aid Fund (8%) up to a total of \$14,250,000.

The appropriated Base Level is \$15,000,000 each year and is the Agency Request. In addition, the Agency is requesting deletion of another special language clause that provides for intra-agency fund transfers up to \$750,000 each year from the Department's operating fund to the Real Property Reappraisal Fund.

The Executive Recommendation provides for Base Level and the following:

Additional appropriation of \$750,000 each year.

Continuation of special language for intra-agency fund transfers from the Department's operating fund to the Real Property Reappraisal Fund, with the maximum transfer amount increased to \$1,500,000 each year as an addition to funds received from the Public School, County Aid, and Municipal Aid funds.

Appropriation Summary

Appropriation: 1VC - Real Property Reappraisal Program

Funding Sources: GPR - Real Property Reappraisal Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | Historical Data | | | 2011-2012 | | | 2012-2013 | | |
|------------------------------------|---------------------|---------------------|-------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Real Property Reappraisal 5900046 | 14,728,365 | 15,000,000 | 15,000,000 | 15,000,000 | 15,000,000 | 15,750,000 | 15,000,000 | 15,000,000 | 15,750,000 |
| Total | 14,728,365 | 15,000,000 | 15,000,000 | 15,000,000 | 15,000,000 | 15,750,000 | 15,000,000 | 15,000,000 | 15,750,000 |
| Funding Sources | | | | | | | | | |
| Fund Balance 4000005 | 127 | 2 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Intra-agency Fund Transfer 4000317 | 478,240 | 750,000 | | 0 | 0 | 1,500,000 | 0 | 0 | 1,500,000 |
| Real Property Reappraisal 4000405 | 14,250,000 | 14,249,998 | | 14,250,000 | 14,250,000 | 14,250,000 | 14,250,000 | 14,250,000 | 14,250,000 |
| Total Funding | 14,728,367 | 15,000,000 | | 14,250,000 | 14,250,000 | 15,750,000 | 14,250,000 | 14,250,000 | 15,750,000 |
| Excess Appropriation/(Funding) | (2) | 0 | | 750,000 | 750,000 | 0 | 750,000 | 750,000 | 0 |
| Grand Total | 14,728,365 | 15,000,000 | | 15,000,000 | 15,000,000 | 15,750,000 | 15,000,000 | 15,000,000 | 15,750,000 |

Change Level by Appropriation

Appropriation: 1VC - Real Property Reappraisal Program
Funding Sources: GPR - Real Property Reappraisal Fund

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------|------------|-----|------------|---------|------------|-----|------------|---------|
| BL | Base Level | 15,000,000 | 0 | 15,000,000 | 100.0 | 15,000,000 | 0 | 15,000,000 | 100.0 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------|-----|------------|---------|------------|-----|------------|---------|
| BL | Base Level | 15,000,000 | 0 | 15,000,000 | 100.0 | 15,000,000 | 0 | 15,000,000 | 100.0 |
| C19 | Executive Changes | 750,000 | 0 | 15,750,000 | 105.0 | 750,000 | 0 | 15,750,000 | 105.0 |

Justification

| | |
|-----|---|
| C19 | Additional appropriation is recommended to employ funding to be received by transfer to the Real Property Reappraisal Fund from the Miscellaneous Agencies Fund account that supports the Assessment Coordination Department. |
|-----|---|

Analysis of Budget Request

Appropriation: 215 - County Assessors Continuing Education

Funding Sources: TCA - County Assessors Continuing Education Fund

The Assessment Coordination Department's County Assessors Continuing Education Program is funded by \$600 assessments collected annually from the counties, as authorized by Arkansas Code § 19-5-944. These proceeds are used to provide educational courses for local assessment personnel. The Department is requesting the Base Level of \$60,000 each year for the 2011-2013 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 215 - County Assessors Continuing Education

Funding Sources: TCA - County Assessors Continuing Education Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|---------------|---------------|---|---------------|---------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Operating Expenses | 5020002 | 33,662 | 51,600 | 51,600 | 51,600 | 51,600 | 51,600 | 51,600 | 51,600 | 51,600 |
| Conference & Travel Expenses | 5050009 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees | 5060010 | 0 | 8,400 | 8,400 | 8,400 | 8,400 | 8,400 | 8,400 | 8,400 | 8,400 |
| Data Processing | 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay | 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | 33,662 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Funding Sources | | | | | | | | | | |
| Fund Balance | 4000005 | 58,714 | 69,187 | | 54,187 | 54,187 | 54,187 | 39,187 | 39,187 | 39,187 |
| County Assessors Cont Educ | 4000170 | 44,135 | 45,000 | | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 |
| Total Funding | | 102,849 | 114,187 | | 99,187 | 99,187 | 99,187 | 84,187 | 84,187 | 84,187 |
| Excess Appropriation/(Funding) | | (69,187) | (54,187) | | (39,187) | (39,187) | (39,187) | (24,187) | (24,187) | (24,187) |
| Grand Total | | 33,662 | 60,000 | | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |

Analysis of Budget Request

Appropriation: 258 - Assessment Coordination-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Assessment Coordination Department's State Operations appropriation is funded by a mix of general revenues and Ad Valorem Taxes that are authorized by A.C.A. §19-5-906. Base Level for this appropriation is \$2,912,588 each year, with 36 positions authorized and budgeted.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum.

The Department is requesting continuation at Base Level, plus deletion of the special language clause that authorizes intra-agency transfers from the Department's operating fund to the Real Property Reappraisal Fund.

The Executive Recommendation provides for the following:

Appropriations recommended at Base Level as requested by the Agency.

Additional general revenue funding of \$2,000,000 each year.

Continuation of special language for intra-agency fund transfers from the Department's operating fund to the Real Property Reappraisal Fund, with the maximum transfer amount increased to \$1,500,000 each year, as an addition to other funds received for the Real Property Reappraisal Program from the Public School, County Aid, and Municipal Aid funds.

Appropriation Summary

Appropriation: 258 - Assessment Coordination-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------------|---------------------|---------------------|-------------------------|---|------------------|------------------|---|------------------|------------------|
| | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries 5010000 | 1,374,170 | 1,564,641 | 1,565,140 | 1,516,440 | 1,516,440 | 1,516,440 | 1,516,440 | 1,516,440 | 1,516,440 |
| #Positions | 35 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 |
| Extra Help 5010001 | 0 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| #Extra Help | 0 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Personal Services Matching 5010003 | 415,537 | 477,052 | 476,789 | 474,539 | 474,539 | 474,539 | 474,539 | 474,539 | 474,539 |
| Operating Expenses 5020002 | 551,833 | 622,240 | 622,240 | 622,240 | 622,240 | 622,240 | 622,240 | 622,240 | 622,240 |
| Conference & Travel Expenses 5050009 | 41,390 | 49,869 | 49,869 | 49,869 | 49,869 | 49,869 | 49,869 | 49,869 | 49,869 |
| Professional Fees 5060010 | 7,050 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Data Processing 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay 5120011 | 13,431 | 5,500 | 5,500 | 0 | 0 | 0 | 0 | 0 | 0 |
| Assessor's School 5900046 | 124,944 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 |
| Assessment Educ Incentive 5900047 | 112,000 | 112,000 | 112,000 | 112,000 | 112,000 | 112,000 | 112,000 | 112,000 | 112,000 |
| Total | 2,640,355 | 2,968,802 | 2,969,038 | 2,912,588 | 2,912,588 | 2,912,588 | 2,912,588 | 2,912,588 | 2,912,588 |
| Funding Sources | | | | | | | | | |
| Fund Balance 4000005 | 2,215,609 | 1,750,910 | | 469,108 | 469,108 | 469,108 | 0 | 0 | 493,520 |
| General Revenue 4000010 | 405,000 | 450,000 | | 450,000 | 450,000 | 2,450,000 | 450,000 | 450,000 | 2,450,000 |
| Ad Valorem Tax 4000060 | 2,248,896 | 1,987,000 | | 1,987,000 | 1,987,000 | 1,987,000 | 1,987,000 | 1,987,000 | 1,987,000 |
| Intra-agency Fund Transfer 4000317 | (478,240) | (750,000) | | 0 | 0 | (1,500,000) | 0 | 0 | (1,500,000) |
| Total Funding | 4,391,265 | 3,437,910 | | 2,906,108 | 2,906,108 | 3,406,108 | 2,437,000 | 2,437,000 | 3,430,520 |
| Excess Appropriation/(Funding) | (1,750,910) | (469,108) | | 6,480 | 6,480 | (493,520) | 475,588 | 475,588 | (517,932) |
| Grand Total | 2,640,355 | 2,968,802 | | 2,912,588 | 2,912,588 | 2,912,588 | 2,912,588 | 2,912,588 | 2,912,588 |

The FY11 Budget amount in Personal Services Matching exceeds the Authorized amount due to matching rate adjustments during the 2009-2011 biennium.

Analysis of Budget Request

Appropriation: C73 - Assessment Coordination - Cash

Funding Sources: 118 - Assessment Coordination Department - Cash in Bank

The Assessment Coordination Department's Cash in Bank appropriation is funded by proceeds from the sales of property assessment and appraisal publications to parties in the private sector. Tuition is also collected from private citizens who enroll in assessment and appraisal courses conducted by the Department. These resources are used to purchase educational materials, defray printing costs, and pay for evaluations of agency methods and procedures to determine their compliance with guidelines of the International Association of Assessing Officers.

The Department is requesting continuation of this program at Base Level of \$55,000 each year.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: C73 - Assessment Coordination - Cash

Funding Sources: 118 - Assessment Coordination Department - Cash in Bank

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|---------------------------------------|---------|---------------------|---------------------|-------------------------|---|-----------------|-----------------|---|----------------|----------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Operating Expenses | 5020002 | 18,499 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 |
| Conference & Travel Expenses | 5050009 | 0 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Professional Fees | 5060010 | 10,500 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 |
| Data Processing | 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay | 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | 28,999 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Funding Sources | | | | | | | | | | |
| Fund Balance | 4000005 | 59,328 | 62,418 | | 42,418 | 42,418 | 42,418 | 22,418 | 22,418 | 22,418 |
| Cash Fund | 4000045 | 32,089 | 35,000 | | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| Total Funding | | 91,417 | 97,418 | | 77,418 | 77,418 | 77,418 | 57,418 | 57,418 | 57,418 |
| Excess Appropriation/(Funding) | | (62,418) | (42,418) | | (22,418) | (22,418) | (22,418) | (2,418) | (2,418) | (2,418) |
| Grand Total | | 28,999 | 55,000 | | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |