

SUMMARY BUDGET INFORMATION
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ASSESSMENT COORDINATION DEPARTMENT

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	15	7	22	88 %
Black Employees	2	1	3	12 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	12 %
Total Employees			25	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Agri Land Values	A.C.A. 26-26-407	N	Y	25	Statute requires every county and appraisal company to be provided with listing of agri land values. Also provided electronically.	0	0.00
AR Property Tax Equalization and Appeals System - A Synopsis	None	N	N	75	Annual update of the property tax system intended to aid public understanding and used as a guide by county assessors and county equalization boards. Also provided on Agency website.	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
County Board of Equalization Model Uniform Hearing Procedures	A.C.A. 26-27-317	N	N	75	Provided upon request to County Clerks, Equalization Board Members and property owners. Also provided on Agency website.	0	0.00
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.	0	0.00
Real Estate Manual	A.C.A. 26-26-1904	N	N	10	Provided upon request as a guide in counties for assessment of real property.	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1VC Real Property Reappraisal Program	14,550,819	0	15,750,000	0	15,750,000	0	15,750,000	0	15,750,000	0	15,750,000	0	15,750,000	0
215 County Assessors Continuing Education	0	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0
258 Assessment Coordination-State Operations	3,257,167	33	3,527,608	36	3,456,684	36	3,525,042	36	3,525,042	36	3,528,119	36	3,528,119	36
99Z Cash Operations	113,650	0	55,000	0	55,000	0	55,000	0	55,000	0	55,000	0	55,000	0
Total	17,921,636	33	19,392,608	36	19,321,684	36	19,390,042	36	19,390,042	36	19,393,119	36	19,393,119	36

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	2,851,074	14.0	2,416,408	11.9			863,507	4.6	863,507	4.6	318,173	1.8
General Revenue	4000010	534,449	2.6	534,449	2.6			536,172	2.9	536,172	2.9	539,248	3.0
Cash Fund	4000045	40,019	0.2	30,000	0.1			30,000	0.2	30,000	0.2	30,000	0.2
Ad Valorem Tax	4000060	2,620,441	12.9	2,980,258	14.7			2,980,258	15.9	2,980,258	15.9	2,980,258	16.4
County Assessors Cont Educ	4000170	41,861	0.2	45,000	0.2			45,000	0.2	45,000	0.2	45,000	0.2
Intra-agency Fund Transfer	4000317	200	0.0	0	0.0			0	0.0	0	0.0	0	0.0
Real Property Reappraisal	4000405	14,250,000	70.1	14,250,000	70.3			14,250,000	76.2	14,250,000	76.2	14,250,000	78.5
Total Funds		20,338,044	100.0	20,256,115	100.0			18,704,937	100.0	18,704,937	100.0	18,162,679	100.0
Excess Appropriation/(Funding)		(2,416,408)		(863,507)				685,105		685,105		1,230,440	
Grand Total		17,921,636		19,392,608				19,390,042		19,390,042		19,393,119	

Budget exceeds authorized appropriation in State Operations (258) due to salary and matching rate adjustments during the 2017-2019 biennium. Variance in Fund Balance is due to unfunded appropriation in State Operations (258).

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 reappraised every three to five years for taxation purposes, as mandated by A.C.A. §26-26-1902 et seq. 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 agency requests the FY19 authorized appropriation level of \$15,750,000 for each year of the biennium.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1VC - Real Property Reappraisal Program

Funding Sources: GPR - Real Property Reappraisal Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Real Property Reappraisal 5900046	14,550,819	15,750,000	15,750,000	15,750,000	15,750,000	15,750,000	15,750,000
Total	14,550,819	15,750,000	15,750,000	15,750,000	15,750,000	15,750,000	15,750,000
Funding Sources							
Intra-agency Fund Transfer 4000317	300,819	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000
Real Property Reappraisal 4000405	14,250,000	14,250,000		14,250,000	14,250,000	14,250,000	14,250,000
Total Funding	14,550,819	15,750,000		15,750,000	15,750,000	15,750,000	15,750,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	14,550,819	15,750,000		15,750,000	15,750,000	15,750,000	15,750,000

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 FY19 Authorized appropriation level is \$60,000 for each year of the biennium.

The agency requests Operating Expenses and Professional Fees continue at the authorized appropriation levels of \$51,600 and \$8,400; respectively in the event other funding sources are not available or for unplanned/emergency training needs. The agency has historically funded assessor continuing education programs through the Assessor's School line item in the State Operations appropriation. This will preserve the trust fund and prevent counties from undue hardship in the event of need.

The agency requests the FY19 Authorized appropriation for each year.

There were no one time operating expenses requested in the previous 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		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Operating Expenses	5020002	0	51,600	51,600	51,600	51,600	51,600	51,600	
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	
Professional Fees	5060010	0	8,400	8,400	8,400	8,400	8,400	8,400	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		0	60,000	60,000	60,000	60,000	60,000	60,000	
Funding Sources									
Fund Balance	4000005	257,834	299,695		284,695	284,695	269,695	269,695	
County Assessors Cont Educ	4000170	41,861	45,000		45,000	45,000	45,000	45,000	
Total Funding		299,695	344,695		329,695	329,695	314,695	314,695	
Excess Appropriation/(Funding)		(299,695)	(284,695)		(269,695)	(269,695)	(254,695)	(254,695)	
Grand Total		0	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 general revenue and Ad Valorem Tax as authorized by A.C.A. §19-5-906.

The appropriation authority is \$3,525,042 for FY20 and \$3,528,119 for FY21.

The agency requests FY19 appropriation levels as follows:

- Operating Expenses of \$622,240 due to the anticipated need to implement any changes to mineral valuation methodologies based upon a review/recommendations on mineral valuations performed in FY18. Additionally, a project from FY18 will be completed in FY19.
- Conference and Travel of \$49,869 for training future staff and maintaining the required continuing education of our auditors. Expenses cannot be projected due to variances in travel expenses, location of the training and number of staff required to attend. In addition, any changes to the mineral valuation methodologies will require new training for staff.
- Assessor's School of \$325,000 due to the increase in the number of classes from six (6) to ten (10) per year to meet the need for training county assessors and reappraisal contractors. The agency pays for class materials, registration, instructor fees and reimburses county employees for travel, lodging and meal expenses incurred for attendance. The personal property instruction manual will be revised during FY19 which will require additional training for county employees. Any changes to mineral valuations will require new training for county assessors. One (1) class held in June 2018 was not expensed in FY18. The cost was approximately \$40,000.
- Education Incentive of \$150,000 for professional development recognition payments to county assessors, full time employees of county assessors, and state employees who actively work in the ad valorem tax area. Annual payments range from \$500 - \$2,000 depending upon the certification level. Due to employee turnover and the success of eligible persons to attain higher certification cannot be predicted.

The agency requests the appropriation authority level of \$3,525,042 for FY20 and \$3,528,119 for FY21.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 258 - Assessment Coordination-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	1,625,060	1,777,968	1,711,782	1,774,582	1,774,582	1,777,082	1,777,082	
#Positions		33	36	36	36	36	36	36	
Extra Help	5010001	13,404	2,500	2,500	2,500	2,500	2,500	2,500	
#Extra Help		1	1	3	3	3	3	3	
Personal Services Matching	5010003	557,877	590,031	585,293	590,851	590,851	591,428	591,428	
Operating Expenses	5020002	505,362	622,240	622,240	622,240	622,240	622,240	622,240	
Conference & Travel Expenses	5050009	42,587	49,869	49,869	49,869	49,869	49,869	49,869	
Professional Fees	5060010	113,650	10,000	10,000	10,000	10,000	10,000	10,000	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Assessor's School	5900046	272,679	325,000	325,000	325,000	325,000	325,000	325,000	
Assessment Educ Incentive	5900047	126,548	150,000	150,000	150,000	150,000	150,000	150,000	
Total		3,257,167	3,527,608	3,456,684	3,525,042	3,525,042	3,528,119	3,528,119	
Funding Sources									
Fund Balance	4000005	2,421,131	2,018,235		505,334	505,334	0	0	
General Revenue	4000010	534,449	534,449		536,172	536,172	539,248	539,248	
Ad Valorem Tax	4000060	2,620,441	2,980,258		2,980,258	2,980,258	2,980,258	2,980,258	
Intra-agency Fund Transfer	4000317	(300,619)	(1,500,000)		(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	
Total Funding		5,275,402	4,032,942		2,521,764	2,521,764	2,019,506	2,019,506	
Excess Appropriation/(Funding)		(2,018,235)	(505,334)		1,003,278	1,003,278	1,508,613	1,508,613	
Grand Total		3,257,167	3,527,608		3,525,042	3,525,042	3,528,119	3,528,119	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 99Z - Cash Operations

Funding Sources: NCA - Assessment Coordination - Cash in Treasury

The Assessment Coordination Department's Cash in Treasury 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 FY19 Authorized appropriation level is \$55,000 for each year of the biennium.

In FY18, an unanticipated study of Arkansas' mineral assessment methodology by a professional consulting firm and partly paid from this appropriation. This cash fund consists of registration fees charged to contractors and other non-county organizations that have ad valorem educational needs through our classes and fall conference. Historically, the department does not use these funds except in the event other funding sources are not available. Having this cash fund available will help assist the department from asking for additional appropriation if all other fund appropriations are spent.

The agency requests the authorized appropriation level for each year in the event other funding sources are not available or for unplanned/emergency agency needs.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 99Z - Cash Operations

Funding Sources: NCA - Assessment Coordination - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Operating Expenses	5020002	0	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	
Professional Fees	5060010	113,650	17,000	17,000	17,000	17,000	17,000	17,000	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		113,650	55,000	55,000	55,000	55,000	55,000	55,000	
Funding Sources									
Fund Balance	4000005	172,109	98,478		73,478	73,478	48,478	48,478	
Cash Fund	4000045	40,019	30,000		30,000	30,000	30,000	30,000	
Total Funding		212,128	128,478		103,478	103,478	78,478	78,478	
Excess Appropriation/(Funding)		(98,478)	(73,478)		(48,478)	(48,478)	(23,478)	(23,478)	
Grand Total		113,650	55,000		55,000	55,000	55,000	55,000	