

ASSESSMENT COORDINATION DEPARTMENT (ACD)

Agency (0490)

FISCAL YEAR 2011

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

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.

TOTAL APPROPRIATION

The total appropriation for the Department is \$18,084,038 in FY2011, and the total general revenue funding for the Department is \$450,000.

FUNDING SOURCES

The Department's appropriation is funded by General Revenues (2%), fund balances (7%), Cash and County Assessors Continuing Education Funding (less than 1%), Ad Valorem Taxes (12%) and Real Property Reappraisal Fund funded by the Public School, Municipal Aid and County Aid Funds (79%).

II) SIGNIFICANT CHANGES OVER FY2010

ASSESSMENT COORDINATION - STATE OPERATIONS (APPROPRIATION 258)

This appropriation is funded by General Revenue and Ad Valorem taxes and is used for ACD's personal services and operating expenses. The total appropriation is \$2,969,038 which includes an increase of \$6,400 for operating expenses for an anticipated increase in the cost of the yearly Marshall & Swift Commercial Pricing Guide which ACD distributes to counties.

III) ADDITIONAL POSITIONS

Total Authorized for FY 2011: 36

Total Authorized for FY 2010: 36

Increase / (Decrease): 0

IV) SPECIAL LANGUAGE

FUND TRANSFER: Authorizes monthly fund transfers up to a total maximum of \$14,250,000 each year of the biennium upon certification by ACD to the Chief Fiscal Officer of the State of the funding needed to pay for county reappraisals with 76% of the funding to be derived from the Public School Fund, 16% from the County Aid Fund, and 8% from the Municipal Aid Fund.

PARCELS: Requires ACD to reimburse counties and professional reappraisal companies monthly up to the maximum cost per parcel multiplied by the number of parcels in a county divided by the number of months in the county's reappraisal cycle, with ACD rules defining the term parcel.

MAXIMUM ANNUAL FUNDING FOR REAPPRAISALS/REVIEW: Establishes a maximum funding level for the cost of reappraisals at \$7 per parcel based on actual appraisal cost, and further provides that counties shall use other taxing unit sources of revenue for any reappraisal costs that exceed \$7 per parcel.

CONCERNING TAX COLLECTION DATA NECESSARY TO MEET ADEQUACY: Provides for the forfeiture of reappraisal funding if preparers of the tax books do not report all necessary information to comply with the ACD Rule 5.03 - Uniform Reporting Of County Tax Settlements.

FUND TRANSFERS: Authorizes the transfer of up to \$750,000 each year of the biennium from the ACD Miscellaneous Agencies Fund Account to the Real Property Reappraisal Fund after receiving Chief Fiscal Officer approval.

Revised June 2009