

ASSESSMENT COORDINATION DEPARTMENT (ACD)

Agency (0490)

2011-13 BIENNIUM

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 ACD for the 2011-13 biennium is \$18,846,126 for FY2012 and \$18,884,694 for FY2013.

FUNDING SOURCES

The appropriations for ACD are funded by general revenue, fund balances, cash funds, County Assessors Continuing Education Funding, Ad Valorem Taxes and fund transfers to the Real Property Reappraisal Fund from the Public School, Municipal Aid and County Aid Funds and from the Department's Miscellaneous Agencies Fund Account.

II) SIGNIFICANT CHANGES

REAL PROPERTY REAPPRAISAL PROGRAM (APPROPRIATION 1VC)

This appropriation is funded by fund transfers from the Public School Fund, Municipal Aid Fund, County Aid Fund, and the Miscellaneous Agencies Fund Account, and provides funding for the Real Property Reappraisal Program in which the market value of real property in all 75 counties is refigured every three to five years. ACD provides reimbursements to counties for their reappraisal costs up to \$7 per parcel.

The appropriation is \$15,750,000 each year which is an increase of \$750,000 for anticipated increases in reappraisal costs. Special language is continued which allows fund transfers from the Department's Miscellaneous Agencies Fund Account, to the Real Property Reappraisal Fund, and increases the maximum allowed fund transfer from \$750,000 to \$1,500,000.

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 \$2,981,126 for FY2012 and \$3,019,694 for FY2013, which is an increase of \$68,538 for FY2012 and \$107,106 for FY2013 for a cost of living adjustment for salaries and matching.

III) ADDITIONAL POSITIONS

Total Positions for 2011-13 Biennium: 36

Total Budgeted Positions for FY 2010-11: 36

Increase / (Decrease): 0

IV) SPECIAL LANGUAGE

FUND TRANSFER: Authorizes monthly fund transfers up to a total maximum of \$14,250,000 each year 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 \$1,500,000 each year from the ACD Miscellaneous Agencies Fund Account to the Real Property Reappraisal Fund after receiving Chief Fiscal Officer approval.

Revised April 2011