



Tax Administration

in North Carolina Course



North Carolina Department of Revenue



Budgeting for the assessor

The Assessor role in budgeting

- Department Head (Assessor)
- (Administrator) plays an important role in the budget process and will be expected to provide the following:
 - Value Projections
 - Revenue Projections
 - Departmental Budget Request

VALUE PROJECTIONS

- Property Taxes are a major source of revenue for counties.
- Providing estimates of projected value is critical in the beginning phase of the budget process
 - Real Property
 - Personal Property
 - Value Projections should also be provided to Municipalities, fire districts, etc

VALUE PROJECTIONS

- Real Property Non-Reappraisal- Estimate changes in real property values such as New Construction, Appeals, Exemptions, Present Use, Etc.
- Real Property- Re-appraisal year- Sales Analysis, Study Market , New Construction, Appeals, Exemptions, Present Use, Etc
- Personal Property- Estimate changes in personal property due to depreciation, new businesses, businesses that have closed, exemptions.
- Legislative changes Real or Personal
- Public Service Companies (1st, actual 5th and 8th year)

Value projections

- Talk with your Budget Officer be clear of what they expect or require
- Budget Officer, Finance Officer, County Manager all should be informed of any significant changes in the tax base

REVENUE ESTIMATES

- Each Department Head is responsible for providing revenue estimates of all revenue to be realized by the departments operations.
- In addition to property taxes this may include EMS, solid waste, beer and wine, dog fees, etc.

Departmental budget

- The Assessor/Administrator is responsible for determining the budget needs for the Tax Department
- The budget request is an estimate of the financial requirements for the department

Be prepared

- State Impacts- anticipate effects as much as possible (New Legislation)
- Commissioners' Goals
- Key Deadlines from Budget Officer
- Identify key elements for budget request
- New (Expansion) Request

Consider the following (JUSTIFICATION)

- Goals & Objectives- Commissioners' Goals
- Safety
- Mandate- Is it state or federally mandated
- Timing- Is it related to something already approved/deadline must be met
- Economic Impact- Contributes to the tax base
- Efficiencies-saves money
- Maintain Current service levels-necessary to continue doing what you currently do

Consider the following:

- Improve Access- information or services will be available to more people
- Service Improvement- improving the quality of services provided
- Service addition-adding quantity of service or people
- Consistency- helps achieve long term plan
- Financing-what is needed or available to support request

Work Plan

- DEVELOP PERFORMANCE MEASURES
 - Department Mission
 - Goals (Departmental Goals)
 - Performance Measures
 - Objective

HOW TO PREPARE A BUDGET

- Different types of Budgeting
- Line Item & Performance Budgeting are most common in Local Government
- Budget of Local Government covers a fiscal year July 1- June 30

KEY ROLES IN THE BUDGET PROCESS

- Consider all issues such as salary & wages, equipment and operating expenses
- Identify Current needs (legislative mandates, challenges, etc)
- Budget Request- provide supporting documentation and justification

Major issues

- Identify Major Issues that may affect your budget for the upcoming Fiscal year
- Provide a “Heads Up Document” detailing the major issues, possible impact and action needed
- This may be used as part of your justification for your budget request

Departmental budget request

- Personal Services
 - Salaries, Wages, Benefits, Etc
- Operations
 - Supplies
 - Repairs (Equipment)
 - Travel
 - Training
 - Contracted Services
 - Fuel
 - Postage & Printing
 - Computers

Personal Services

- Salaries & Wages

- Review that all positions are listed
- Check current salaries
- Review time status of all positions (full time/part-time, etc)

- New Positions Request

- Example--New Appraiser-include all cost such as salary, benefits, computer, vehicle, education requirements for certification, etc

Operations-

- Supplies- Office supplies such as paper, envelopes, sticky note pads, paper clips, etc
- Fuel- vehicles assigned to department
- Repair- Cost of repairs for copier, vehicles, printers, etc
- Travel- required travel due to training, conferences, etc
- Training- workshops, courses for certification

Operations Cont-

- Postage & Printing- Estimate postage and printing for listing forms, tax bills, response letters, BOER decisions, etc
- Computers- new computers and/or replacements
- Software-maintenance, upgrades, replacement
- Contracted Services- Business audits, printing and mailing, reappraisal, etc
- Temp Employees
- Board of E&R- salary, etc
- Legal- Cost of Attorney for appeals, etc

Operations cont-

- Advertising- required notices
 - Advertisement of Listing Period
 - Notice of Board of E&R Meetings
 - Schedule of Values
 - Collections-Unpaid Taxes
- Dues & Subscriptions
 - Membership
 - Marshall & Swift and Business Personal Property Pricing Guides
 - NADA

Develop a budget-non-reappraisal case study

- First Step- Identify Major issues
- Second Step-Develop “Heads Up Document”
- Incorporate Work Plan/Performance Measures
- Estimate Budget Financial Needs
- Justification- Identify key elements
- Discuss Budget

Develop a budget:

Reappraisal case study

- What differences might you anticipate during a reappraisal year
- First Step- Identify Major issues
- Second Step-Develop “Heads Up Document”
- Incorporate Work plan/performance measures
- Estimate Budget Financial Needs
- Justification- Identify Key Elements
- Discuss Budget