

**PVA Annual Budget Request Instructions and Report
For Fiscal Year
7/1/2009 to 6/30/2010**

The following instructions and forms are your guide to ensure that the needs of your office will be met for FY 2009-2010.

This 2009-2010 Annual Budget Request is similar in content to the booklets provided in the past. It should serve not only as a budget request but also as a short planning document. Therefore, it is important that you give careful consideration to your programs and expenditures for the FY 2009-2010. (Note: Amend your budget only if you exceed expenditures in the major account 100, 200, 300, 600 or 800.)

Please complete the 2009-2010 Annual Budget Request, Certificate of Completeness and Accuracy, and Annual PVA Office Vehicle Data Form and return to the PVA Administrative Support Branch, P.O. Box 1463, Frankfort, KY 40602-1463, **no later than June 1, 2009.**

PVA Administrative Support Branch
Finance and Administration Cabinet
Department of Revenue
Office of Property Valuation

NOTES:

1) The "Certification of Completeness and Accuracy" must accompany the returned budget report. If not, the budget report will be returned unapproved and funds cannot be expended until a final and approved budget has been received from the PVA Administrative Support Branch.

2) **An (unbalanced) cannot be approved and will be returned for correction(s).** Please cross-check Page 16 "Total Expenditures" and Page 17 "Total PVA Local Funds Available (Receipts)".

OBJECT CODES

Please use the following object codes as you complete your Annual 2008-2009 Budget Request report.

100 PERSONAL SERVICES

- 115 Overtime Compensation with Fringe Benefits
- 132 Unemployment Compensation Insurance
- 133 Educational Expenses - Educational and training expenses incurred by the office for courses approved by the Department of Property Valuation. (i.e. tuition expenses)
- 135 Bonds - PVA performance and surety bonds.
- 136 Uniforms-Rental or Purchase
- 138 Automobile Liability Insurance - Reimbursement of automobile liability insurance rider or the purchase of automobile insurance. The PVA Administrative Support Branch can advise you on the necessary procedures.
- 142 Auditing Services
- 149 Professional Contractual Services - Services of a professional appraiser or consultant.
- 199 Additional Deputy Expense- Deputy salaries paid from local funds.
- 199a Local Funded Deputy(ies) - Discretionary Local Office Budget Line Item.

200 OTHER OPERATING EXPENSES

Rentals

- 223 Rental of Equipment
- 224 Copy Machine Leasing and Rental
- 226 Car Leasing and Rental - Expenditures incurred by the PVA as a result of usage of state motor pool vehicles.
- 229 Rentals Not Otherwise Classified

Maintenance and Repairs

- 231 Maintenance of Buildings
- 232 Maintenance of Equipment
- 233 Copy Machine Maintenance
- 235 Maintenance of Vehicles
- 236 Repairs Not Otherwise Classified

Postage and Related Services

- 241 Postage and Postage Meters
- 242 Freight and Other Parcel Deliveries

Miscellaneous Services

- 252 Printing Paid to Vendor (i.e. Business Cards/Name Badges)
- 254 Insurance Premiums (i.e. Errors & Omissions)
- 255 Advertising
- 257 Services Not Otherwise Classified

300 COMMODITIES AND SUPPLIES

- 321 Office Supplies
- 323 Janitorial and Maintenance Supplies (if not paid by fiscal court)
- 330 Photographic and Related Supplies
- 331 Data Processing Supplies
- 333 Motor Vehicle Supplies and Parts
- 339 Other Supplies/Uniforms

Commodities

- 343 Motor Fuels and Lubricants
- 344 License Plates
- 346 Furniture, Fixtures, and Office Equipment (Unit Cost \$500 and under)
- 351 Books for Office Use

Travel Expenses

- 361 In State Travel
- 362 Out of State Travel - Expenditures for Out of State Travel requires the prior approval of the Department of Property Valuation.

Miscellaneous Commodities

- 381 Dues/Subscriptions - Dues and subscriptions approved by the Department of Property Valuation.
- 399 Other (i.e. water coolers)

600 CAPITAL EXPENDITURES

- 601 Furniture, Fixtures/Office Equipment **over \$5,000**
- 605 Motor Vehicles - Purchase of a motor vehicle through the Finance and Administration Cabinet.
- 607 Library Books (**Per unit or set cost over \$5000**)
- 609 Other Capital Outlay
- 611 Lease Purchase (Furniture, Fixtures and Equipment)
- 631 Personal Computer Hardware > \$5000
- 635 Printers & I/O Hardware > \$5000
- 636 Telephone System Hardware > \$5000

Note: In many instances, capital outlay (**600 Accounts**) will cost less than \$500 per unit. In those instances, the appropriate (300 or 800)account number should be used. As you complete your 2007-2008 budget request, those items costing less than \$500 (per unit) should also be itemized under the appropriate object code.

Example: If you wished to purchase four calculators for your office at an estimated cost of \$170 each, the appropriate object code to use would be 346 (Furniture, Fixtures, and Office Equipment - per unit cost less than \$500). The key to usage of the object code is that each item is less than \$500 on an individual basis.

800 TELECOMMUNICATIONS/COMPUTER SERVICES

- 809 Contracted Computer Services-Special computer services
such as programming
- 814 Telephone Charges-Wireless/Cell
- 815 Telephone Charges-Other
- 822 Office Software
- 829 Telephone System Software-Other
- 831 Personal Computer Hardware < \$5,000
- 837 Telephone System Hardware < \$5,000
- 851 Computer Hardware Maintenance

FUNDING SOURCES

Proper completion of this portion of the budget booklet is critical. Information contained herein is vital if the PVA Administrative Support Branch is to fairly allocate the available funding to each office.

Appropriation Funding: County and City

Line(1)County Appropriated Funding:

Enter the funding anticipated from the Fiscal Court in FY 2009-2010 on each line item provided.

Statutory Appropriations Breakdown:

- (a) Statutory Contribution - KRS 132.590 (9) (11) (12)
- (b) Inspection Period Advertisement - KRS 133.045 (2) (d)
- (c) Fall Conference - KRS 131.140 (4)
- (d) Telephone Appropriations (only if paid by PVA)

Line(2)City Appropriated Funding:

Complete the FY 2009-2010 City Appropriation Worksheet (page 18). There are two steps involved in the completion of this portion of the budget.

- (1) Enter the city and the anticipated assessment for the Fiscal Year 2009-2010. The assessment figures should also include those cities utilizing the ad valorem assessments on motor vehicles (**All cities are to be billed**). To determine the funding, multiply the assessment by .005 per \$100 of assessment. A minimum amount of \$250.00 should be charged to each city which elects to use the

assessment. Nevertheless, the maximum amounts to be charged shall not exceed \$40,000 for those cities with an assessment subject to city tax of less than two billion dollars. If the assessment exceeds two billion dollars, the maximum amount shall not exceed \$50,000 (See KRS 132.285(1) for additional clarification).

- (2) If your county contains a community using the assessment which pays your office in equal payments apportioned throughout the year (monthly, quarterly, etc.), the amounts should be listed below outlining the method of payment as well as the amount of payments.

Line 2: Enter the city receipts (including motax) anticipated in FY 2009-2010.

Line 3: Enter the funds derived from special districts using the tax roll.

Line 4: Enter the Total Local Funds provided in FY 2009-2010(Lines 1+2+3).

Line 5: Enter the amount of funding on hand June 30, 2009 in your county and city accounts.

Carry-Over Breakdown:

- (a) Estimated County and City on Hand as of June 30, 2009.
- (b) Estimated Miscellaneous Funds on Hand as of June 30, 2009 (not subject to Statutory Carry-Over limitation; printing of tax bills, fee schedule and interest income.)
- (c) Sub Total: Funds on Hand
- (d) Less: 2008-2009 Funds returned to County and City (only if (a) exceeds prior year Statutory Contribution County and City.)
- (e) Total: Carry-Over Funds on Hand

- Line 6: Enter amounts for all Other Income Not Reported, this includes any CD's, money markets, savings accounts and grants.
- Line 7: Enter the amount of the interest income anticipated from all sources in FY 2009-2010.
- Line 8: Enter the amount of income anticipated from Fee Schedule.
- Line 9: Enter income derived from the printing of tax bills.
- Line 10: The sum of Lines 6, 7, 8 and 9.
- Line 11: The total of lines 4, 5E, and 10 should be added together. The sum of these sub-totals will equal the estimated local funding the office is to receive for the FY 2009-2010.

Unbudgeted Funds

Funds not designated in the PVA annual budget are considered unbudgeted funds. These funds are reported on the final approved budget from the PVA Administrative Support Branch. Unbudgeted funds cannot be spent unless designated and/or reported on the PVA annual budget submitted to the PVA Administrative Support Branch.

Amended Budget Form

This document is required when moving funds from one series to another (from 200-Operating Expenses to 300-Commodities). The amended budget form must be submitted for approval before funds are used.

The estimates used in the budget request document should closely reflect the actual expenditures required by the office during the fiscal year. Any accounts where the actual expenditures exceed the budgeted expenditures should be amended. Also, funding accounts should be amended to reflect actual funding amounts. The budget information is not only a guide for the PVA as an office administrator, but is also used as an audit support document by the Office of the Auditor of Public Accounts.

PERSONNEL COSTS: 100 ACCOUNT

The 100 account is separated into the following categories:

1. Personnel Costs
 - a. PVA Salary and Related Fringe Benefits
 - b. Employee Salaries and Related Fringe Benefits
2. Other Personnel Costs
 - a. Bonds
 - b. Automobile Insurance
 - c. Educational Expenses
 - d. Professional Contractual Services
 - e. Auditor of Public Accounts

The funds for "Personnel Costs" are derived as follows:

- a. PVA Salary and Related Fringe Benefits - Legislative Appropriations(General Funds)
- b. Employees Salaries and Related Fringe Benefits - Legislative Appropriations, Deputy Hire and OX Additional Billings.

(Item 1) Only personnel cost included in this budget line item is the deputy hire payment provided on Page 16 and the Additional Expense (Deputy Hire 199 account and Local Funded Deputy(ies) 199a).

(Item 2) Funds for "Other Personnel Costs" are to be paid exclusively from funds appropriated to the PVA office from fiscal courts and cities.

Other Personnel Expenses: 100 Account

This segment of the 100 account is to be used for employee related expenses not directly attributable to salaries or fringe benefits incurred as a result of the salary. These costs include:

- a) PVA bond
- b) automobile insurance
- c) educational expenses
- d) professional contractual services

a) PVA Bond - This is the amount the PVA pays for his or her performance and surety bonds.

b) Automobile Insurance - Only for those PVA offices with a motor vehicle assigned to it. Expenses incurred in this account shall be for automobile insurance.

c) Educational Expenses - Special training, seminars, IAAO, or other courses. Costs for these expenses include tuition, fees, course materials, and books for those courses approved by the Department of Property Valuation. Travel costs associated with these courses should be included under object code 361 or 362 (in state/out of state travel).

d) Professional Contractual Services- There are instances in which you may need to engage the services of certain professionals. These services most likely fall under special appraisal services, certain consultant services, or Auditor of Public Accounts Agreed upon Procedures.

Enter the amount requested for the 100 account series on the page entitled "Summary of Requested Expenditures".

Other Operating Services: 200 Account

- STEP 1: As you complete your budget request, place the amount you plan to spend in each account in the appropriate space. Itemize expenses when possible.
- STEP 2: Obtain a subtotal for each object code by adding together the various items.
- STEP 3: Add each 200 account subtotal. The total of these expenses will be the total 200 account request.
- STEP 4: Enter amount for the 200 account in the appropriate space on the page entitled "Summary of Requested Expenditures."

Commodities and Other Expenses: 300 Account

- STEP 1: As you complete your budget request, place the amount you plan to spend in each account in the appropriate space. Itemize expenses when possible.
- STEP 2: As you complete object codes 346 and 351, enter the amount of the specific item as a subtotal. If you desire to make purchases, for example: Three (3) secretarial chairs @ \$142.00 each. Enter into the appropriate space 3 secretarial chairs \$426.00. Requests for other items falling within these categories should be treated in the same manner.
- STEP 3: In completing the object code 362 (out of state travel) list each planned out of state trip and the approximate cost of the trip. Enter amount of all trips on the appropriate line as a subtotal.
- STEP 4: For object code 381, list individual dues and subscriptions and the amount of the same. Enter all expenses as a subtotal on the appropriate line.
- STEP 5: Add subtotals together and enter into the "Grand Total" space.
- STEP 6: The amount entered into the "Grand Total" space should also be entered into the appropriate space (300 account) on the page entitled "Summary of Requested Expenditures."

**Capital Outlay: 600 Account
Expenditure Request**

With the passage of House Bill 719 by the 1988 Legislature, expenditures by PVA's will be governed by procurement procedures adopted by the fiscal court in your county administrative code required by KRS 68.005.

Even though you are no longer governed by the requirements of the State Model Procurement Code, the PVA Administrative Support Branch stands ready to assist you on major capital outlay items (computers, aerial photography, map cabinets, motor vehicles, etc.) upon your written request.

Please list all capital outlay items individually on the Capital Outlay Expenditure Request forms attached (page 26). **Several new object codes have been added to the budget document (i.e. 631, 635, and 636) to provide additional separation for items > \$5000.**

Telecommunications & Computer Services: 800 Account

Effective July 1, 2006, the new EMARS Accounting was implemented. New object codes separated Telecommunications and Computer Services into a new Account Series, 800. The following object codes have been added to model the EMARS system:

- 809 IT Contracted Computer Services-Special computer services such as programming.
- 814 Telephone Charges-Wireless/Cell
- 815 Telephone Charges-Other
- 822 Office Software
- 829 Telephone System Software-Other
- 831 Personal Computer Hardware < \$5,000
- 837 Telephone System Hardware < \$5,000
- 851 Personal Computer Hardware Maintenance

NOTE: Please verify that the 800 Account series total amount is entered on Line 10 on the "Summary of Requested Expenditures" and is included in the "Total Expenditures" for the FY 2009-2010 budget.

Please review your total budget report and make sure by cross-checking **page 16 "Total Expenditures"** to **page 17 "Total PVA Local Funds Available"** for a balanced budget document.