

Department of Revenue

Reimbursement Procedure for the Annual Revaluation Grant Program(Counties)

- Grant funding methods will be reviewed annually by the Department of Revenue (Department).
- Expenses will be reimbursed quarterly, within 30 days of the end of the quarter in which funds were requested.
- If sufficient funds are not available for complete reimbursement, expenses will carry over to the next quarter and subsequent quarters until the program ends. New counties requesting reimbursement for the first time will be placed in the pool of eligible recipients for funding beginning in the quarter they first submit a request.

Annual Counties

Annual counties are required to submit a Letter of Intent or Grant Agreement and documentation by December 31, 2010. Grant Agreements will be reviewed and reimbursement requests would be held in a file first in priority order within the annual county qualifications and then by date received.

Cyclical Counties

Cyclical counties are required to submit a Letter of Intent or Grant Agreement and documentation by December 31, 2010. Those counties with an approved Grant Agreement or those who have submitted a Letter of Intent will have an account dedicated to them for the first year of the funding as a 1st Priority county. Each quarter available funding would be dedicated as follows:

Reserve: 20%
1st Priority: 80%

First Year Funding

Only cyclical counties will be funded in the first year (July 1, 2010 – June 30, 2011). First year funds will be placed in an account and an equal amount would be reserved for each of the cyclical counties (or approved for Annual Revaluation as of January 1, 2010) who have submitted the Letter of Intent or Grant Agreement and documentation by the December 31, 2010 deadline and have been approved for funding.

The Fiscal Year 2011 estimate provided by the Department's Research Division is:

\$902,000
- \$180,400 (20% reserve)
= \$721,600 to be placed in account for each of the approved cyclical counties.

\$721,600
19 counties = \$38,000 per county in FY2011 (estimate)

Each county account will remain intact until funds are depleted by each of the targeted counties or until the last quarter of the grant. At this time, unused funds will be allocated to other counties based on priority ranking and by reimbursement submission date.

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Reserve account funds will be disbursed in the final quarter to counties who have not yet received full reimbursement, with priority being given to cyclical counties.

Estimate of Grant Funding Priorities:

1st Priority Counties

All cyclical counties or counties who began annual revaluation on January 1, 2010.

2rd Priority Counties

Annual and have lost commercial software vendor support after January 1, 2010.

3th Priority

Annual and do not have electronic property records.

Funding for FY2012 until the end of the program

The Department's Research Division estimate for FY2012 is:

\$1,080,000 - \$216,000 (20% reserve) = \$864,000

The Department's Research Division estimate for FY2013 is:

\$1,200,000 - \$240,000 (20% reserve) = \$960,000

(estimated January 2010)

80% of funds will be distributed on a proportional basis to counties who have submitted requests for reimbursement. As new requests are submitted those counties become part of the pool of counties that will receive proportional distribution of the funds that are available each quarter, with priority being given to cyclical counties.

20% reserve account will continue to be funded throughout the Grant Program until the final quarter.

Advantages to the funding method developed for the Annual Revaluation Grant

- Funds cyclical counties only in the first year which targets the intent of the legislation to aid cyclical counties in achieving annual revaluation.
- Proportional funding in subsequent years allows counties with higher costs to continue to remain in the reimbursement pool in order to recoup more expenses over the term of the Grant Program.
- Method of distribution of funds provides an incentive for counties to make early commitments to the Grant Program.

DISCLAIMER: Funding estimates provided are based on the Department's Research Division estimates provided in January 2010. These estimates are provided merely to serve as an example of the funding levels which MAY be available for this program, but funding will be based on the number of REET (Real Estate Excise Tax) transactions which occur during the program. The amount of funding available each quarter will be based on the \$5.00 fee which will be collected from each REET transaction from the previous quarter.