

Revaluation Reserve

Fund Summary

		FY 2003 Actual	FY 2004 Adopted Budget	FY 2004 Current Budget	FY 2005 Adopted Budget
Intergovernmental Revenue	\$	0	0	0	0
Fees & Other Revenues		1,016,380	975,000	975,000	975,000
Revenue Totals	\$	1,016,380	975,000	975,000	975,000
Personal Services	\$	0	0	0	0
Operating Expenses		1,253,640	975,000	975,000	975,000
Capital Outlay		0	0	0	0
Expenditure Totals	\$	1,253,640	975,000	975,000	975,000
Number of FTEs		0	0	0	0

Fund Description

Chapter 105, Section 286 of the North Carolina General Statutes requires counties to reappraise taxable real property at least every eight years. To assist counties in reserving funds to pay for such octennial revaluations, Chapter 153A, Section 150 requires the establishment of a revaluation reserve fund. This law requires an eight-year budget to be adopted immediately following the effective date of a revaluation in order to fund the next such revaluation. The budget includes the total projected amount needed for the revaluation and eight annual amounts that the County will set aside during the years of the octennium. These amounts should be as uniform in value as practicable.

State law further provides for the annual review of the budget to determine whether there is a material change in the cost projected for the

next revaluation, with amendments to the plan adopted by the Board of Commissioners as deemed appropriate. Amounts deposited into the revaluation reserve fund may not be used for any purpose other than the revaluation of real property.

Wake County's last revaluation was effective January 1, 2000 and the next revaluation will be effective January 1, 2008. The County has transferred \$975,000 into the fund annually since 2001, which will provide \$7.8 million for the revaluation. Additionally, these funds have earned over \$200,000 in interest to be applied toward the cost burden.

Priorities

- To provide adequate funding to meet the legal requirement to reappraise all taxable real property within the jurisdiction of the County
- To ensure a fair and equitable valuation of every parcel of taxable real property within the county

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Highlights

- Fund balance at June 2003 was \$2 million
- The Revenue Department partnered successfully with the North Carolina Association of County Commissioners to create a unified property tax software system in North Carolina. The department developed a comprehensive property tax administration, collection, billing and appraisal system for all types of property, including taxable and exempt, with the dual purpose of making the data more accessible.
- The department continues to work to refine the module that assists in the revaluation process, Computer-Aided Mass Appraisal (CAMA). The development of this module is being funded from the revaluation reserve fund and is scheduled for completion in time for the 2008 revaluation process.