

## QUESTIONS FOR MCLENNAN CAD RFP # 2016-2 Homestead Audit

1. Could you provide the 2016 Certified Totals Report for all entities?

Yes, will be provided in a PDF format on website.

2. In section 1.5.3 the ROI uses a fixed revenue as the basis for ROI. Using the fixed revenue and return, the total projected revenue is \$234,480.

The projected revenue stream is a key competitive discriminator, so why does MCAD require a fixed revenue stream, allowing for only price to determine ROI?

With this new technology/service it's difficult or impossible to compare the effectiveness of each company's ability to find errors, so MCAD is assuming that using a constant of 1.5% is a reasonable error rate that any vendor might find. Recapturing taxes for previous years would affect the overall ROI, but it would affect each vendor the same and for simplicity and comparability a single year will be used. The effect on revenue stream for previous and future years is a function of MCAD and Tax Office policy and is not unique to any one vendor.

Again, vendors may utilize any other scenarios, including longer revenue streams, that they deem relevant or necessary to highlight specific differences in proposals as long as the required scenario is included in the proposal.

3. How did MCAD arrive at average tax savings for HS exemptions and OV65 exemptions?

A spreadsheet will be included on the website. The estimated tax amount for every each property currently receiving a homestead was compared to the estimated tax at full market value, eliminating homestead caps and freezes.

4. Why aren't other ancillary exemptions like Disabled and 100% Vet also considered, since they are dependent on the HS exemption?

The other tax savings for the other exemptions are rolled into either HS or OV65. The spreadsheet took the estimated tax due to each entity including all exemptions versus estimated tax at full market.

5. In determining ROI, does MCAD account for staff costs associated with working the additional accounts, including responding to taxpayer questions and requests for more information, mailing notification letters, and researching the validity of the exemptions under review.

MCAD will analyze level of staff involvement and skillset required for each proposal independently. The effect on ROI of MCAD staff and supplies will be presented to MCAD BOD as part of staff recommendation.

6. Who do we submit the proposals to and how many copies should we submit?

Submit a minimum of one hardcopy proposal to Joe Don Bobbitt, Asst. Chief Appraiser. Seven additional copies may be provided for each board member and the district's attorney.