

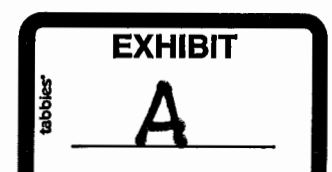
*4- YEAR*  
**REAPPRAISAL PLAN**

**DAVIDSON COUNTY**

*SUBMISSION DATE:*  
*19 April 2017*

*ASSESSOR OF PROPERTY*

***Vivian M. Wilhoite***



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### (Attachments)

#### County Parcel Distribution Report

Visual Inspection Cycle Quarters 3 through 12

Resolution of Metropolitan Nashville-Davidson County Council

**DAVIDSON COUNTY**  
**3 YEAR VISUAL INSPECTION CYCLE**

START DATE OF INSPECTION CYCLE: 1/1/2018

(Davidson County will not start visual inspections until the third quarter of the first year inspection cycle due to appeals from the 2017 county wide reappraisal, 2017 pro-rate and 1/1/2018 assessment roll.)

ASSESSOR: Vivian Wilhoite

URBAN 1'=50' & 100' MAPS	<u>226,646</u>	(Except C//Other)
RURAL 1'=400' MAPS	<u>11,842</u>	(Except C//Other)
COMMERCIAL/INDUST RIAL	<u>19,351</u>	
ALL OTHER	<u>          </u>	(Exempt/Multi-class parcels Included in above totals.)
TOTAL PARCELS	<u>257,839</u>	PROJECTION

TOTAL MAPS	1" = 50'	<u>11</u>
	1' = 100'	<u>1,372</u>
	1" = 400'	<u>190</u>

# 1ST INSPECTION YEAR

## PARCELS TO BE INSPECTED FOR 2018:

URBAN	RURAL	COMM/IND	OTHER	TOTAL	% TOTAL
44,039	128	7,523	N/A	51,690	100%

## MAPS TO BE INSPECTED FOR 2018

<b>1" = 400' Maps</b>	Davidson County does all reappraisal visual inspections by assigned appraisal zones which are subdivided into residential, commercial and rural neighborhoods. Visual inspections will be scheduled and assigned by zone and neighborhood type.
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<b>1" = 100' Maps</b>	See attached schedule for quarters 3 and 4. Exempt and Multi-class parcels are assigned to either a Rural, Residential, or a Commercial Neighborhood and will be listed at the time assigned for that neighborhood.
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<b>1" = 50' Maps</b>	
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<b>PERCENTAGE OF TOTAL PARCELS TO BE INSPECTED THIS YEAR:</b>	<b>20%</b>
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## % OF PARCELS CHECKED FOR QUALITY CONTROL

URBAN	RURAL	COMM/IND	OTHER	TOTAL %
10%	10%	10%	N/A	10%

## 2ND INSPECTION YEAR

### PARCELS TO BE INSPECTED FOR 2019:

URBAN	RURAL	COMM/IND	OTHER	TOTAL	% TOTAL
104,835	2,642	7,897	N/A	115,374	100%

### MAPS TO BE INSPECTED FOR 2019

<b>1" = 400' Maps</b>	Davidson County does all reappraisal visual inspections by assigned appraisal zones which are subdivided into residential, commercial and rural neighborhoods. Visual inspections will be scheduled and assigned by zone and neighborhood type.
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<b>1" = 100' Maps</b>	See attached schedule for quarters 5 thru 8. Exempt and Multi-class parcels are assigned to either a Rural, Residential, or a Commercial Neighborhood and will be listed at the time assigned for that neighborhood
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<b>1" = 50' Maps</b>	
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**PERCENTAGE OF TOTAL PARCELS TO BE INSPECTED THIS YEAR:**

**45%**

### % OF PARCELS CHECKED FOR QUALITY CONTROL

URBAN	RURAL	COMM/IND	OTHER	TOTAL %
10%	10%	10%	N/A	10%

# 3RD INSPECTION YEAR

## PARCELS TO BE INSPECTED FOR 2020:

URBAN	RURAL	COMM/IND	OTHER	TOTAL	% TOTAL
77,772	9,072	3,931	N/A	90,775	100%

## MAPS TO BE INSPECTED FOR 2020

<b>1" = 400' Maps</b>	Davidson County does all reappraisal visual inspections by assigned appraisal zones which are subdivided into residential, commercial and rural neighborhoods. Visual inspections will be scheduled and assigned by zone and neighborhood type.
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<b>1" = 100' Maps</b>	See attached schedule for quarters 9 thru 12. Exempt and Multi-class parcels are assigned to either a Rural, Residential, or a Commercial Neighborhood and will be listed at the time assigned for that neighborhood
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<b>1" = 50' Maps</b>	
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<b>PERCENTAGE OF TOTAL PARCELS TO BE INSPECTED THIS YEAR:</b>	<b>35%</b>
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## % OF PARCELS CHECKED FOR QUALITY CONTROL

URBAN	RURAL	COMM/IND	OTHER	TOTAL %
10%	10%	10%	N/A	10%

# 4TH YEAR REVALUATION

## 2021

URBAN	RURAL	COMM/IND	OTHER	TOTAL	% TOTAL
226,646	11,842	19,351	N/A	257,839	100%

### MAPS TO BE INSPECTED FOR 2021

<b>1" = 400' Maps</b>	All parcels will be revalued for the 2021 County Wide Reappraisal.
	All other parcels are included in the Urban, Rural and Commercial/Industrial property types.

<b>1" = 100' Maps</b>	

<b>1" = 50' Maps</b>	

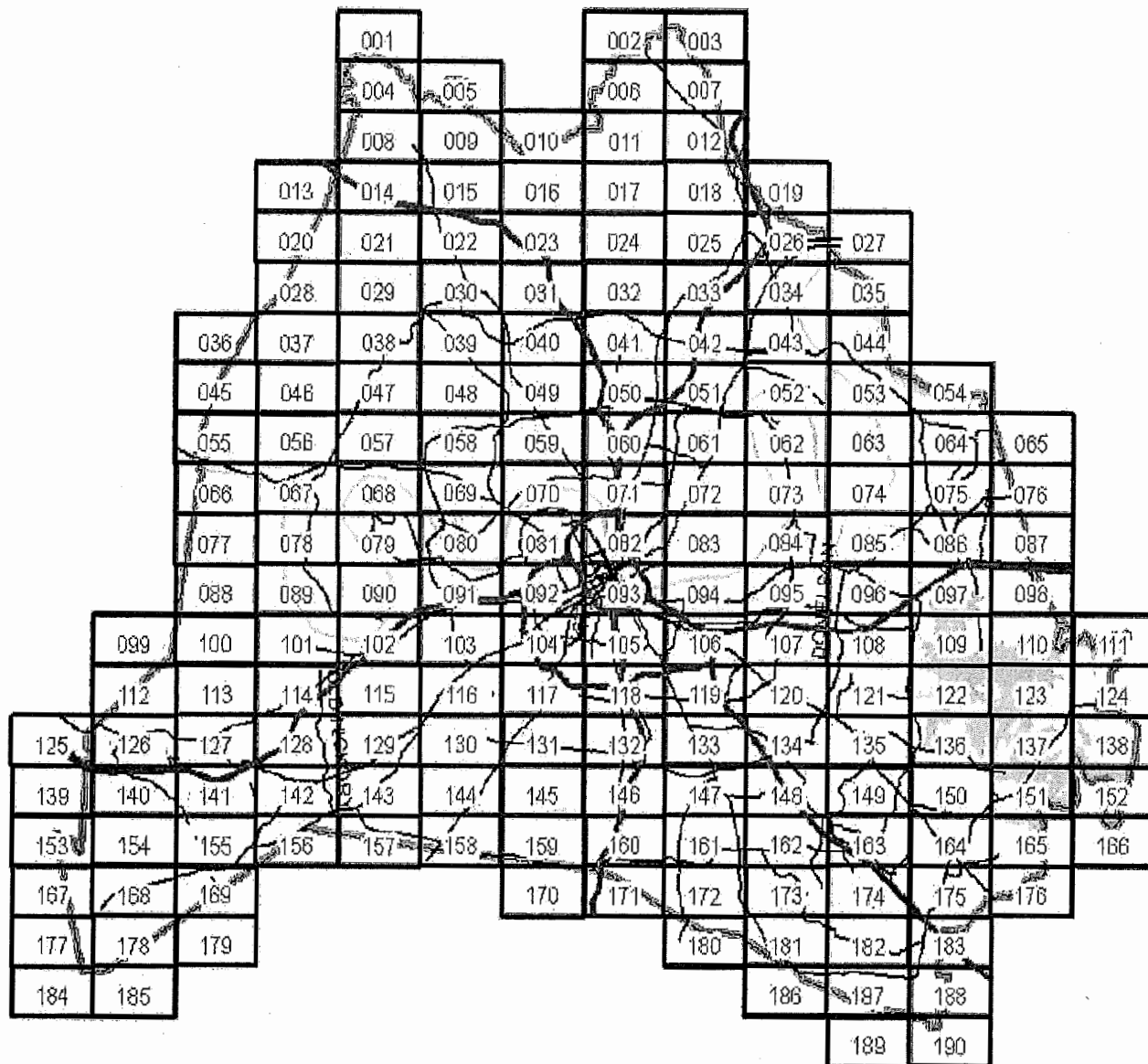
<b>PERCENTAGE OF TOTAL PARCELS TO BE REVALUED THIS YEAR:</b>	<b>100%</b>
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### % OF PARCELS CHECKED FOR QUALITY CONTROL

URBAN	RURAL	COMM/IND	OTHER	TOTAL %
100%	100%	100%	N/A	100%

# COUNTY INDEX MAP

## Davidson County Property Map Index



		001				002	003						
		004	005			006	007						
		008	009	010		011	012						
	013	014	015	016	017	018	019						
	020	021	022	023	024	025	026	027					
	028	029	030	031	032	033	034	035					
036	037	038	039	040	041	042	043	044					
045	046	047	048	049	050	051	052	053	054				
055	056	057	058	059	060	061	062	063	064	065			
066	067	068	069	070	071	072	073	074	075	076			
077	078	079	080	081	082	083	084	085	086	087			
088	089	090	091	092	093	094	095	096	097	098			
099	100	101	102	103	104	105	106	107	108	109	110	111	
	112	113	114	115	116	117	118	119	120	121	122	123	124
125	126	127	128	129	130	131	132	133	134	135	136	137	138
139	140	141	142	143	144	145	146	147	148	149	150	151	152
153	154	155	156	157	158	159	160	161	162	163	164	165	166
167	168	169				170	171	172	173	174	175	176	
177	178	179						180	181	182	183		
184	185								186	187	188		
										189	190		



## NARRATIVE INFORMATION --- VISUAL INSPECTION

- A. **Field Inspectors:** Completion of visual inspections for Davidson County will require twenty-one (21), Residential, Commercial and rural appraisers and five (5) support staff members. During the reappraisal cycle, the Assessor's Office will conduct visual inspections using digital oblique images and field inspections. This will result in increased efficiency and accuracy. In addition, field data collectors will enter data directly into the Assessor's records using field data tablets.
  
- B. **Training Recommended:** The Assessor's Office continues to have staff attend appropriate training, including: IAAO courses and seminars, DPA courses, and training on specific software including Pictometry. In addition to this training, the Office will continue to provide applicable in-house training, including: analysis database training, land valuation training, and statistics training.
  
- C. **Quarterly Progress Reports:** Each quarter, the Assessor will return a report to the Division of Property Assessments that shows progress that has been made on a quarterly basis. This report will show the number of parcels reviewed and keypunched along with the maps that have been completed.
  
- D. **Accuracy of All Attributes:** Land and Improvements must be reviewed on every parcel during the review phase for accuracy and completeness. This includes the physical attributes of the land, such as topography, and tree-lines that may have changed since the last inspection cycle.
  
- E. **Changes to Parcels:** Any new structures, additions, and remodeling should be keyed in the current file to maintain fairness and equity among all property owners. Changes held until reappraisal or future years, must only be nominal in nature. Review will be considered complete when changes have been keypunched in the CAMA system
  
- F. **Geographic Areas Assigned:** Davidson County is divided into nine (9) appraisal zones, which are subdivided into 784 residential, 16 rural, and 82 commercial neighborhoods. Visual inspections will be scheduled and assigned by zone and neighborhood type.

Residential properties, including rural and condominium properties, are assigned by zone and neighborhoods to four (4) Sections (groups of appraisers) as follows: Section 1 - Zone 2, Section 2 - Zones 3, 4, and 7, Section 3 - Zones 5, 6, and 9, and Section 4 - Zones 1 and 8. A detailed schedule for the visual inspection of residential properties is attached.

Commercial properties will be visually inspected by the office's Commercial Real Property Section. Commercial properties are assigned quarterly by zone, neighborhood, and parcel count. Multi-class and exempt properties will be reviewed by the commercial Section Leader and an assigned staff member. A detailed schedule for the visual inspection of commercial properties is attached.

- G. **Map Maintenance Schedule and Explanations:** Map maintenance in Davidson County is the responsibility of the Metropolitan Planning Commission. The maintenance of ownership records resulting from land transfers, including: owner name(s), address, legal description, and map and parcel information is maintained daily by seven (7) members of the office's Deeds Division.
  
- H. **Use of Aerial Photography for Review:** The Assessor's Office will conduct visual inspections using digital oblique images and field inspections. This will result in increased efficiency and accuracy. In addition, field data collectors will enter data directly into the Assessor's records using field data tablets
  
- I. **Quality Assurance Efforts Planned:** Section Leaders will review the work of visual inspection work of their section members daily and will also review each neighborhood upon completion. In addition, 5% of all visual inspections will be field audited by the office's Quality Control Section to ensure the consistency and accuracy of the visual inspection

## NARRATIVE INFORMATION – REVALUATION YEAR

- A. **Personnel Needs:** The Assessor's Office estimates that approximately 90% of its staff will participate in the work necessary during the revaluation year. During the fourth year of the cycle, staff will perform all necessary work, including: administrative, valuation analysis and the production of the assessment roll, quality control, appeals management, customer service, and information technology services to assign final 01/01 values and initiate the local appeals sessions.
- B. **Office Space and Equipment Needs:** The office's existing space located at 700 2<sup>nd</sup> Avenue South, Suite 210 is adequate to house its entire staff. There is no foreseeable need for State personnel; however, if the need arises, appropriate space will be provided.
- C. **Use of Aerial Photographs:** Aerial photography will be utilized to check location, access, land grades, improvements, tree-lines, acreage, etc. They will also be used to check consistency of improvement types, land tables, and consistency when Mapviewer is available
- D. **Assistance of Division of Property Assessments:** The DPA will evaluate procedures through quarterly monitoring and suggest any improvements that might be implemented.
- E. **Development of Sales File:** The office uses the same procedures for collecting and verifying sales data that are used by the DPA. Warranty deeds that are "same-as" are received daily. Office staff confirms the information contained on the deeds with information in the Assessor's records and enters a sale code and price paid and any appropriate changes. A "Q" is entered for residential transactions that are qualified or another code is entered for disqualified transfers. A sales verification form is mailed regarding all non-arms-length transactions. An "L" is entered into the record for all commercial, industrial, and farm sales until a determination is made based on communication with the grantee, grantor, and/or agent at which point a "Q" is entered for qualified sales or another code is entered for disqualified transfers. The office also uses the Multiple Listing Service (MLS) to assist in the verification of sales.

F. **Neighborhood Codes:** Neighborhood Codes have been established within the nine (9) appraisal zones by property type (Residential, Condo, Res. PUD, Rural, Commercial, Comm. Condo., and Industrial) and are maintained on a daily basis by the appraisal staff.

G. **Improvement Valuation:**

1. **Base House Development:** Base rates are developed using data from the Marshall & Swift building cost data. The base rates are adjusted to local cost and calibrated by market data to each neighborhood by appraisal staff.

2. **Out Building and Yard Items:** The office will use base rates developed by the DPA's State Valuation Coordinator that it will adjust to Davidson County market using multipliers. In addition, the office develop and consider base rates for the valuation of special features and yard items using the Marshall & Swift building cost data.

3. **Collection & Use of Income & Expense Information:** Income and expense data is collected through interviews with property owners and during the appeals process. This information is entered into a database and maintained for each year. The information is used in conjunction with published sources to develop income and expense models for major commercial/industrial properties. The data is also stored at the parcel level on the office's CAMA system. In addition to the above, the office may contract with an outside firm to produce all attributes of an income approach for particular major improvement types.

4. **Quality Assurance Efforts:** Audits are performed during the visual inspection cycle, the revaluation phase will be analyzed using sales ratio reports, before/after value compare reports, monthly audit reports and performance edits. This will be conducted in conjunction with other error and edit reports produced by the technical support division to ensure a quality product for the 2021 reappraisal.

H. **Land Valuation:**

1. Rural Land & Use Value: Rural land schedules will be developed from market data for each rural neighborhood. Use values will be obtained from the DPA.

2. UOM Tables: UOM tables will be used to value all residential land.

3. Commercial & Industrial: Commercial land will be valued on per square foot basis and larger commercial tracts will be valued per acre. Small industrial parcels will also be valued on a per square foot basis and larger industrial tracts will be value per acre.

4. **Quality Control:** As each neighborhood is completed it will be monitored by the QC staff to ensure that all items on the neighborhood key sheet are accurate. Statistical analysis, including sales ratio studies, will be performed for each neighborhood and zone to insure statistical reliability. In addition standard audit and edit reports will also be done.
- I. **Mineral and/or Leaseholds:** Leasehold appraisals will be conducted in accordance with DPA guidelines. No mineral interest values have been discovered within the county.
- J. **Valuation Analysis:** Detailed Analysis: The office runs various programs and reports using its CAMA system to determine the level of appraisal and equity between appraisals. These reports are incorporated in the office's appraisal software. In addition, staff programmers produce special needs reports to analyze the values on a neighborhood basis.
- K. **Mapping and Ownership:** Ownership data is updated by the office's Deeds Section for same-as transfers of ownership. Split-transfers are the responsibility of the Mapping Division of the Metropolitan Planning Commission. The Mapping Division updates the Land Information System and data is transferred daily via FTP (File Transfer Protocol) to the Assessor's CAMA system. After the data is transferred, it is audited by the Assessor's staff for accuracy.
- L. **New Construction:** Building permit data is received weekly from the Metro Codes Department and will be reviewed by neighborhood, within each appraisal zone. New construction and demolition that occurs from 2017 thru 2020 will be worked by field appraisers annually to ensure the annual assessment roll is complete
- M. **Final Value Meeting:** Upon completion of the valuation analysis by the appraisal staff, a sales file will be provided electronically to the DPA for review. If the DPA requests additional data, it will be provided per its request. A meeting will be scheduled with the Regional Appraisal Supervisor and Area Appraisal Manager to ensure all applicable standards have been met. This meeting will be conducted prior to the mailing of appraisal notices.

N. **Hearings** (Formal and Informal): Upon completion of the valuation phase of the program, 01/01 notices will be mailed and informal reviews will be conducted by Assessor's staff for a period of four to five weeks. Informal reviews will be filed on-line by the property owner via the internet or by telephone and in-person with the assistance of a member of the office's staff. Regardless of the method of filing, all informal reviews will be maintained in a database and routed to appraisers who calibrated the neighborhood models. The reviews will be worked daily until completed. Once the reviews are concluded, informal review result notices will be mailed and recipients will be made aware of their appeal rights to the Metropolitan Board of Equalization. The Board will appoint hearing officers to assist with appeals.

Is your county currently on the IMPACT system?      Yes \_\_\_\_\_ No   X  

Do you plan to change to another system?      Yes   X   No \_\_\_\_\_

If so, list the name and the date: Will go out for RFP. Should be installed for the 1/1/2020 assessment roll.

## ASSESSOR'S PERSONNEL ASSIGNMENT

Name	Years Service	Title	Assessment Level	Phase Responsibility
Wilhoite, Vivian M.	20	Assessor of Property		All phases of Reappraisal Program
Clary Jr., James E.	40	Operations Manager	AAS, TMA	All phases of Reappraisal Program
Scott, Cristi E.	0.7	Administration Manager		Administration
Pigue, John B.	26.6	Info Systems Manager		All phases of Reappraisal Program
Hammond, Derrick T.	9.7	Admin Svcs Mgr	AAS, TMA	Commercial Manager
Ward, Randy W.	16.7	Admin Svcs Mgr	AAS, TMA	Residential Manager
Williams, Tamela D.	0.7	Admin Svcs Mgr		Administration
Hayes, Brittany N.	3.5	Admin Svcs Officer 4	Assmt. Level 1	Deeds Manager
Ruben, Herman A.	7	Admin Svcs Officer 4	Assmt. Level 2	C.S. Manager, M.B.O.E
Gordon, Tomiko	14	Admin Svcs Officer 4		Deeds Department
Ridgway, Jacqueline R.	27.5	Admin Svcs Officer 3		Deeds Section Leader
Ishie, Pamela W.	6.3	Appraiser Analyst 4	TMA, CG	Appeals, Modeling Manager
Purcell, Claire	25.9	Appraiser 4	TMA	Com. Section Leader
Gwinn, Mark E.	17	Appraiser 4	AAS, TMA	Res. Section Leader
Heathcock, Elizabeth	35	Appraiser 4	Assmt. Level 4	Res. Section Leader
Anderson, Johnny L.	26.9	Appraiser 4	TMA	Res. Section Leader
Traczek, Antonette M.	9	Appraiser 4	TMA, RES	Res. Section Leader
Richards, Jr., Vincent J.	26.9	Appraiser 4	Assmt. Level 2	QC Section Leader
Roberson, Thomas E	35	Appraiser Analyst 3	TMA, RES	Condominiums Listing, Appraising
Black, Donald N.	18	Appraiser 3	TMA	Res.& Rural Valuations
Eadie, Jackie E.	18.9	Appraiser 3	Assmt. Level 2	Res. Valuations
Ford, Davy M.	25.7	Appraiser 3	TMA, CMS	Res. Valuations
Harper II, Ronald D.	9	Appraiser 3	TMA	Appeals, Modeling, CTR
Norris, Clare B.	4.2	Appraiser 3	TMA, AAS, CR	Res.Listing&Valuation
Poling, Jason L.	11	Appraiser 3	TMA	Res.Listing&Valuation
Thomas Jr., George W.	5	Appraiser 3		Appeals, Modeling
Cantrell, John P.	13	Appraiser 2	Assmt. Level 2	Exemptions
Dauscha, Crystal M.	8.5	Appraiser 2	TMA, RES	Res.Listing&Valuation
Harris, Nesbit	3.7	Appraiser 2	Assmt.Level 2,CR	Com.Listing&Valuation

Knox, Anthony D.	26.6	Appraiser 2		Com.Listing&Valuation
Miller, Charlotte M.	10	Appraiser 2	AAS, TMA	Res.& Rural Valuations
Shipman, Anthony D.	1.9	Appraiser 2		Res.Listing&Valuation
Shortsleeve, Paige T.	3	Appraiser 2	TCA	Com.Listing&Valuation
Terry, LaToya	4.2	Appraiser 2	TCA	Com.Listing&Valuation
Sullivan, Jessica R.	3.7	Appraiser Analyst 1	Assmt. Level 2	Res.Listing&Valuation
Bauernfeind, Rebecca	.4	Appraiser 1		Res.Listing&Valuation
Currier, Nicholas M.	2	Appraiser 1	Assmt. Level 2	Res.Listing&Valuation
Tate, Angelo D.	3.7	Appraiser 1	Assmt. Level 2	Res.Listing&Valuation
Thurman III, Morris W.	2.5	Appraiser 1		Res.Listing&Valuation
Wallace, Kenneth D.	2.3	Appraiser 1	Assmt. Level 1	Res.Listing&Valuation
Westbrook III, James H.	14	Appraiser 1		Res.Listing&Valuation
Crotzer, Terry P.	2	Public Info Rep		Res.Listing&Valuation
Booth, David M.	9.6	Info Systems App Analyst 3		Info System Services
Taylor, William L.	19	Info Systems App Analyst 3		Info System Services
McGowan, Daniel M.	23	Info Systems App Analyst 1		Info System Services
Moore, Leah N.	3.5	Info Systems App Tech 2	TCA	Info System Services
Overstreet, Theresa F.	26.7	Office Support Spec 2		Quality Control
Shelton, Pamela S.	17.3	Office Support Spec 2		Quality Control
Williams, Zakiyah A.	0.3	Office Support Spec 2		Sales Verification
Goodman, Freida L.	15	Office Support Spec 1		Quality Control
Rigby, Susan N.	26.7	Office Support Spec 1		Deeds Department
Bradshaw, Candace A.	1.9	Office Support Rep 3		Deeds Department
Reasonover, Christy L.	14.7	Office Support Rep 3		Deeds Department
Brooks, Briana L.	0.3	Office Support Rep 2		Deeds Department
Machado, Danniela	0.3	Office Support Rep 2		Deeds Department
Ratcliff, Kristina D.	10.3	Admin Asst	AAS, TMA	All phases of Reappraisal Program



Signature Page

*Vivian M. Wilhoite*

ASSESSOR OF PROPERTY (Signature)

*April 19, 2017*

DATE

\_\_\_\_\_  
COUNTY EXECUTIVE (Signature)

\_\_\_\_\_  
DATE

\_\_\_\_\_  
CHAIRMAN, COUNTY COMMISSION (Signature)

\_\_\_\_\_  
DATE

ATTACHED RESOLUTION FOR 4 OR 5 YEAR CYCLES?

YES  NO

DATE SUBMITTED TO STATE BOARD OF EQUALIZATION:

DATE \_\_\_\_\_

# MEMORANDUM OF UNDERSTANDING

between

Davidson County and The Division of Property Assessments

DATE: 4/19/2017

TO: Vivian M. Wilhoite, Assessor of Property

Megan Barry, County Mayor (or Executive)

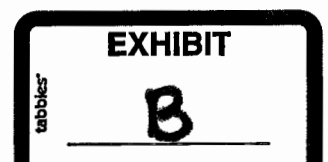
RE: Davidson County 2021 Year Reappraisal Program

FROM: State of Tennessee  
Division of Property Assessments  
Greg Moody, CAE, Assistant Director, Division of Property Assessments

The purpose of this Memorandum of Understanding is to clarify the areas of responsibility for all parties involved in the reappraisal of Davidson County. It is intended to express the requirements needed to successfully complete reappraisal and to define the extent of involvement expected of the State of Tennessee, Division of Property Assessments. A reappraisal program is defined as the updating of all values in the county by analyzing current information and establishing new tables, models, schedules, rates and depreciation.

TCA 67-5-1601 provides for Assessors of Property to have the option to reappraise either on a 6-year cycle with an update of values in the third year or to reappraise on a 4 or 5 year cycle with no updates. TCA 67-5-1601 (d) requires the Division of Property Assessments to provide technical assistance to counties during the year of reappraisal. The resources available to the Division of Property Assessments enables them to provide technical assistance to counties during the reappraisal year, however, the amount of division involvement will be determined by the workload resulting from all counties that are scheduled for reappraisal during each year.

**The amount of Division of Property Assessments involvement must be determined and clearly understood prior to the county producing a plan for reappraisal. The Assessor of Property will prepare a Plan for Reappraisal that accomplishes reappraisal in accordance**



with standards and procedures prescribed by the Division of Property Assessments. The Plan for Reappraisal must include all specific items identified in this Memorandum of Understanding.

#### **I. County Responsibility**

(These items will be the county's responsibility unless specifically identified as being performed by the Division of Property Assessments.) The Assessor of Property will be responsible for ensuring that all phases of the reappraisal program are conducted in accordance with Division of Property Assessment's policies and procedures relating to **property valuation, sales verification, appeal defense and statistical standards**. The county must **resolve data quality reports, provide accurate property characteristics, provide adequate data entry, demonstrate its ability to organize and manage a program, provide adequate staffing and provide financial support**. The following is an overview of the process and can be used in conjunction with manuals developed by the Division of Property Assessments. The manuals should be used for more specific information on each of the topics identified.

##### **A. Property Valuation:** All types of property will be valued following standard procedures.

**1. Residential** - Residential properties will be valued by determining the proper base rate for each residential improvement type in the jurisdiction. The base rates will be developed using sale properties with recently constructed improvements whenever possible to reduce the difficulties of estimating depreciation and to increase the accuracy of the land values. The base rate analysis will consider the new depreciation that will automatically be calculated when the year of reappraisal changes. The Assessor of Property shall retain all base rate analyses for appeal purposes. Appropriate depreciation and/or effective age will be used to adjust groups of parcels identified as having unique market consideration. When additional depreciation or effective age changes are used to adjust values, market analysis must be retained to support the adjustments. Individual property characteristics will not be improperly altered to effect acceptable analysis results. Extra Features and Special Buildings will be valued using standard abbreviations and updated cost tables. The cost tables will be developed from the local market when possible, and the Assessor of Property will retain all necessary supporting documentation for review and appeal purposes. Residential land will be valued using accepted appraisal practices and available computer techniques. All residential market area delineation codes will be reviewed to

determine their accuracy, and the necessary action will be taken to correct any changes indicated by the market since the last reappraisal program.

**2. Rural Land** - Rural land will be valued using standard rural land valuation procedures. Rural sales will be located and verified to determine if they meet the requirements of a valid transaction. All rural sales will be reviewed by the Assessor of Property or a staff member with either the buyer, seller or agent to determine the conditions of the sale and if any adjustments are needed. A rural land sales verification form will be completed on all rural sales. These forms will be separated into Qualified and Disqualified sales and maintained in the Assessor of Property's office for review and use in appeals. All rural land will be valued using the rural land tables. Appropriate sales analysis must be conducted to produce a rural land schedule and also to determine all factors affecting value. Areas of the county that cannot be valued using the base rural land schedule will be valued using the rural land schedule adjusted to the appropriate level of value. Land grade maps will be used to determine the appropriate land grade for each parcel. The land grade maps, if not already available, will be constructed by using all available SCS soil survey information. All maps will be updated to reflect the most current base features such as wooded areas and areas that have been cleared since the last reappraisal program. It is appropriate to use home sites on all rural tracts where a home site exists. The Rural Land Procedures Manual published by the Division of Property Assessments will be followed in the valuation of all rural land. All rural market area delineation codes will be reviewed to insure they conform to current market conditions.

**3. Commercial/Industrial Property** - All commercial and industrial property shall be valued using standard valuation procedures. The listing of commercial and industrial properties will be reviewed for accuracy. All commercial property will be reviewed to determine if valuation by the income approach is the most appropriate method. In these instances, it will be necessary to gather sufficient income and expense data to calculate an indication of value by the income approach. All the completed income and expense forms will be retained for review and appeal purposes. All income data must be analyzed by making comparisons with like properties such as comparing offices to offices, warehouses to warehouses, and restaurants to restaurants. All commercial sales will be verified to determine if any special circumstances such as personal property or unusual financing are included. Commercial and industrial base rates will be developed for each type of commercial and industrial improvement in the jurisdiction. This is typically accomplished using a combination of local information and a professional cost service. All industrial

properties shall be revalued using the most appropriate method, typically the cost approach. All commercial and industrial land will be revalued using the most appropriate method such as front foot price, square foot price or unit, and all pertinent information such as zoning will be indicated on the land valuation maps. All analyses and sales information used to determine the commercial and industrial land values will be retained by the Assessor of Property for review and appeal purposes. All commercial and industrial market area delineation codes will be verified to determine if they need to be revised due to changes in the market. All commercial and industrial property will be valued following the Commercial and Industrial Valuation Manual prepared by the Division of Property Assessments.

**4. Small Tracts** - Land that does not qualify as a farm and is not part of an organized development is considered a small tract. It is typically valued as an individual unit and priced per unit or per acre. A total countywide small tract analysis must be accomplished in order to determine reasonable values. After the analysis has been accomplished and a pricing guide developed, the existing small tracts are to be reviewed to determine consistency. After making any needed adjustments to improve consistency, the small tracts will be revalued using accepted appraisal practices and any appropriate computer techniques. The Assessor of Property should maintain all analyses and sales information used in the valuation of small tracts for review and appeal purposes. All market area delineation codes that have an effect on the valuation of small tracts will be reviewed to determine accuracy, and any adjustments needed will be made.

**5. Unique Properties** - Usually, unique properties will exist in a county that will require special treatment. These can be lake properties, mobile homes, large industrial complexes, mineral interest, leasehold interest, etc. The Plan for Reappraisal will address these properties and explain how they will be valued.

**B. Sales Verification:** A major element in the success of a reappraisal program is the completeness and accuracy of the sales file. The Division of Property Assessments has published the Property Assessor's Procedures for Sales Data Collection and Verification. These procedures will be followed to ensure the desired accuracy. Any attempt to influence the results of the analysis by inaccurate sales verification must be avoided. The quality of the analysis depends on the accuracy of the sales file and every effort should be made to ensure this accuracy. The Assessor of Property will maintain sufficient records on the verification of sales for review and appeal purposes.

**C. Appeal Defense:** Any reappraisal program must have the necessary data and information to defend the appraisals. The Assessor of Property and staff must have the ability to present the value-supporting data in a manner that provides the property owners and appeal boards with the information necessary to understand how and why the value conclusions were determined. The Assessor of Property and staff will resist making unnecessary changes just to satisfy the property owner when the appraisal is correct. All elements of the valuation process must consider the appeal process. An effort must be made to maintain sufficient data to defend the values, and this data includes the following: Base Rate Analysis; Sales Analysis; Cost Information; Land Valuation Information; Adjustments to Sales; Income and Expense Information; and any other information that will be useful in the appeal process.

**D. Statistical Standards for Reappraisal:** The Division of Property Assessments has developed statistical standards for evaluating the results of reappraisal programs. The reappraisal program should be completed with these standards as the goal. Failure to meet these standards provides indications that the reappraisal program may be flawed and unacceptable. The standards apply to property by its statutory classification such as residential, commercial, and industrial and farm. Within each classification, properties may be further stratified based on a detailed analysis of the information available. The data used to produce the analysis must be accurate and uninfluenced by personal desires to attain a certain goal. The discovery of inaccurate data that has an influence on the results of the statistical analysis will be considered in the overall evaluation of the program. If the results of the statistical analysis fail to meet the standards, said results will be reported to the State Board of Equalization for appropriate action.

**E. Data Quality Reports:** The Data Quality Reports include edits that enable the assessor to identify data problems. Since the success of a reappraisal program is determined by the accuracy of the data, each county must resolve all errors found on the Data Quality Reports. Typically, this information is produced from the Assessor of Property's computer file and analyzed locally. The ability to produce this information locally requires certain computer skills. Counties not on the State's Computer Assisted Appraisal System will develop similar capabilities and produce and use these types of reports to resolve all erroneous data.

**F. Data Entry:** A reappraisal increases the amount of data entry because of changes and adjustments to the file, especially where extensive field reviews are required. Any plan for

reappraisal must consider this additional data entry workload, identify detailed expected production levels, produce a completion schedule and provide for terminals and sufficiently trained personnel.

**G. Organization and Management:** The completion of a successful reappraisal program is dependent upon the ability of the Assessor of Property to organize the work activities and to manage the employees.

1. The initial indication of the Assessor of Property's ability is the Plan for Reappraisal. If the Assessor of Property can properly complete a Plan for Reappraisal that considers all aspects of the program, it is likely the Assessor has the necessary organization skills. In addition to the normal items of real property associated with reappraisal, the Assessor of Property's plan shall include a program of discovery, data collection, analysis and valuation for any assessable leasehold or mineral properties in the county. The Plan for Reappraisal shall include a detailed schedule showing the beginning and ending dates of each phase of the program, the personnel responsible for each phase and the man months necessary for the completion of each phase. The Plan for Reappraisal will contain a plan for notifying property owners of the new assessed values and providing them the opportunity to appeal such values.

2. The Assessor of Property will also need to consider the normal maintenance that is the daily occurrence in the assessor's office. New construction continues, deeds are recorded and the public continues to make inquiries. This work must proceed and the organization of the Assessor of Property's office must consider these items as well as the reappraisal. The plan for reappraisal must include a section on maintenance that provides specific information such as a completion schedule for all map and ownership maintenance and a completion schedule for collecting data and valuing all new construction. This information must also include the specific names of the employees that will perform these tasks.

3. After the Assessor of Property has properly organized the office and planned for all aspects of reappraisal while continuing to perform normal maintenance, the Assessor must manage the staff and resources. The management includes making personnel assignments and determining which phase of the program should be completed next, as well as overseeing and supervising the quality and quantity of the work being performed.

The Assessor of Property will develop and maintain production reports and quality control reports to ensure that the program is completed accurately and on time.

**H. Staffing:** The Plan for Reappraisal shall contain a staffing plan that provides for adequate reappraisal staff, sufficient review and clerical staff to accomplish the necessary work with regard to the on-site review. The Plan for Reappraisal must be specific in identifying the personnel necessary for each phase of the reappraisal as well as all other phases of the normal maintenance work accomplished by the Assessor of Property's office.

1. The Assessor of Property shall assume the responsibilities and duties of the reappraisal manager or employ a qualified reappraisal manager having previous experience in directly related programs. The qualifications of the reappraisal manager shall be included in the Plan for Reappraisal and submitted to the Division of Property Assessments for approval.

2. The Plan for Reappraisal shall include the training and experience levels of all employees that will be involved in the reappraisal program. The qualifications of the employees will be determined by the courses and seminars they have attended as well as the amount of their reappraisal experience.

**I. Approval for 4-Year and 5-Year Cycles:** The Assessor of Property in any county that plans a 4 or 5-year reappraisal program must have approval by resolution from the county legislative body. The Plan for Reappraisal prepared by the Assessor of Property must be submitted for review to the county executive and the county legislative body. The county legislative body must provide the funding to accomplish the reappraisal program as outlined in the Plan for Reappraisal. It shall also be understood that reappraisal on a 4 or 5-year cycle does not entitle the county to any additional state funds beyond those determined for a 6-year reappraisal cycle.

## **II. State Division of Property Assessments' Responsibility:**

TCA 67-5-1601 (d)(1)(B)(3) provides that all work (accomplished by the Assessor of Property) is subject to the supervision and approval of the director of the Division of Property Assessments. The Division of Property Assessments is required to supervise and direct all reappraisal and revaluation programs. The Division of Property Assessment's statutory responsibility is to (1) provide technical assistance and (2) ensure the accuracy of the reappraisal program. All counties conducting reappraisal programs accept the condition of limited involvement from the



Division of Property Assessments and also agree to maintain records and provide sufficient data and reports to enable the Division of Property Assessments to evaluate the quality of the reappraisal program.

**A. Technical Assistance:** Technical assistance is provided to a county by experienced staff members of the Division of Property Assessments. The technical assistance to be provided by the Division of Property Assessments will be determined considering available resources and existing workload of county reappraisal programs scheduled during each year.

**TECHNICAL ASSISTANCE TO THE ASSESSOR MAY INVOLVE THE FOLLOWING ACTIVITIES:**

- |  |  |
|--|--|
| <input type="checkbox"/> Residential Base Rate Development             | <input type="checkbox"/> Sales Adjustments Determination                     |
| <input type="checkbox"/> Residential Analysis (V & I)                  | <input type="checkbox"/> Sales Verification Instruction                      |
| <input type="checkbox"/> EFSB Cost Tables Development                  | <input type="checkbox"/> Unique Properties Appeal Preparation                |
| <input type="checkbox"/> Rural Land Schedule Development               | <input type="checkbox"/> Data Preparation for Appeals Defense                |
| <input type="checkbox"/> Home-Site Analysis                            | <input type="checkbox"/> Overall Statistical Results Review                  |
| <input type="checkbox"/> Commercial & Industrial Base Rate Development | <input type="checkbox"/> Data Quality Reports Production                     |
| <input type="checkbox"/> Income & Expense Analysis                     | <input type="checkbox"/> Assessable Mineral Interest Valuation               |
| <input type="checkbox"/> Commercial Market Analysis                    | <input type="checkbox"/> Assessable Leasehold Interest Valuation             |
| <input type="checkbox"/> Unique Industrial Properties Appraisal        | <input checked="" type="checkbox"/> On-The-Job Training for Assessor's Staff |
| <input type="checkbox"/> Small Tract Sales Analysis                    | <input type="checkbox"/> Market Area Delineation Codes Review                |
| <input type="checkbox"/> Small Tract Pricing Guide Development         |  |

**B. Modification of Responsibility**

Due to level of expertise, number of staff members and resources available to the Assessor of Property, there may be a need to modify areas of responsibility in the Memorandum of Understanding. The purpose of the modification of responsibility is to provide latitude between the assessor and the division regarding the identified areas of responsibility. The following are specific modifications to this agreement that will be mutually beneficial for both parties and allow for better utilization of resources during the revaluation program:

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### **III. Accuracy of Program**

The Assessor will prepare a Final Value Report that will give an overview of the reappraisal program and support the value indications. The accuracy of the reappraisal program shall be determined by a review of the supporting documentation for the following: base rate development; land valuation; the application of market adjustments; the market area delineation codes analysis; rural land sales analysis; small tract analysis; the identification and valuation of unique properties; the completeness of the sales file; the quality of records developed for appeal defense; the results of the statistical analysis; the resolution of the data quality reports; and the property characteristic data.

### **IV. Computer Appraisal System**

In the event the assessor of property chooses to change the current computer appraisal system, information regarding the new system and a detailed plan of implementation must be included with the reappraisal plan for approval by the State Board of Equalization.

### **V. Failure to Comply**

It is the expressed intent of this Memorandum of Understanding to provide the County and the Division of Property Assessments with a clear understanding of the responsibility of each party in regard to the completion of the next reappraisal program. It is the intent of the Division of Property Assessments to take whatever action necessary to ensure the accurate and timely completion of the reappraisal program. Failure on the part of the county on any of the items agreed to herein shall result in the reporting of said failure to the State Board of Equalization for appropriate action.

**It is with full understanding that we accept the conditions identified in this Memorandum of Understanding and accept responsibility to accomplish all items identified herein. We recognize that failure on the part of the county legislative body or the Assessor of Property to complete the agreed to requirements will result in the action identified herein.**

County Mayor (or Executive) \_\_\_\_\_  / /   
Signature Date

County Assessor of Property \_\_\_\_\_  / /   
Signature Date

Reg. Appraisal Supervisor \_\_\_\_\_  / /   
Div. of Property Assessments Signature Date

Area Appraisal Manager \_\_\_\_\_  / /   
Div. of Property Assessments Signature Date

Greg Moody, CAE, Asst. Dir. \_\_\_\_\_  / /   
Div. of Property Assessments Signature Date