

# The Office of the Property Assessor in Tennessee



## COMMISSION REPORT

The Tennessee Advisory Commission  
on Intergovernmental Relations

March 2003



# TACIR Publication Policy

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Staff Information Reports, Staff Briefs, Staff Technical Reports and Staff Working Papers and TACIR Fast Facts are issued to promote the mission and objectives of the Commission. These reports are intended to share information and research findings relevant to important public policy issues in an attempt to promote wider understanding.

Only reports clearly labeled as “Commission Reports” represent the official position of the Commission. Others are informational.

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# COMMISSION REPORT

## Office of the Property Assessor in Tennessee

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**March 2003**



## DEDICATION

This report is dedicated to the memory of our late colleague and friend, Mike Stein, whose professionalism, intelligence, and dedication made it possible. Mike will be missed.



MIKE STEIN

December 3, 1952 - July 21, 2002



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## PURPOSE

HJR 575 of 2000 directed the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) to study the duties and responsibilities of the office of the Assessor of Property and the resources necessary to the office. In order to properly study the roles, responsibilities and resources of the local offices of the assessor, TACIR also had to study the roles of the state assessor offices and their relationship with the local offices. In conducting this study, TACIR

- reviewed constitutional and statutory requirements related to property assessment in Tennessee;
- used operational standards from a professional assessor organization to develop a list of desirable traits for state and local assessment offices;
- compared Tennessee's property assessment structure to those operational standards using information from the review of the statutory roles of assessment officials, confidential interviews with local and state assessor officials, and a survey of local assessment officials; and
- reviewed initiatives from other states, and compared Tennessee's organization of its assessment offices to the organization in other southeastern states.

## CONSTITUTIONAL AND STATUTORY REQUIREMENTS

**Article VII, Section 1**, of the Tennessee Constitution addresses the election, term in office and election date for county assessors. **Article 2, Section 28**, of the Tennessee Constitution provides for a property tax, frames the types of property to be taxed, and sets the rates at which the enumerated property types will be assessed. All property is to be classified and appraised at 100 percent of market value.

*Article VII* requirements are simple enough to fulfill, while *Article 2* requirements are constantly being tested by different classes of taxpayers, through litigation and appeals to local and the state boards of equalization, claiming that their assessment is neither fair nor equitable by virtue of their appraised as opposed to full market value or in comparison to another property thought to be of equal market value. Court interpretations of this clause have led to the reclassification of certain public utility and transportation properties. To value public utility and transportation property at full market value and other types of property at less than full value is a violation of the equal protection clause of the 14<sup>th</sup> amendment of the United States Constitution, which states that no state shall “deny to any person within its jurisdiction the equal protection of the laws.”

Several entities and procedures have been established to protect against this violation and the ensuing loss of tax revenue that results from utilities seeking protection from property assessments that are found to be inequitable in relation to other properties of similar classification and market value. State and local boards of equalization together with the State's Division of Property Assessments (DPA) and the Office of State Assessed Property (OSAP) ensure that equity in property taxation is maintained through a regimented multi-level appeals process, auditing of local assessments and assessment procedures, and through the



valuation and assessment of utility and transportation property by a single state agency, the Comptroller's Office.

The Tennessee Code Annotated has fleshed out the very basic property tax and property assessor framework laid out in the state constitution:

- assessment rates for different types of property
- time between appraisals
- activities to be accomplished during assessment cycles
- oaths of office for the assessor and deputies
- the number of deputy assessors that can be appointed
- the salaries for the assessors based on population of the county

## **EXAMINATION OF PROFESSIONAL STANDARDS**

The International Association of Assessing Officers' (IAAO) *Standards on Assessment Administration, Standards on Facilities, Computers, Equipment, and Supplies for Assessment Agencies, Standard on Mass Appraisal of Real Property, and Assessment Practices Self-Evaluation Guide* provide the bulk of recommended operational guidelines for the administration of local offices of the assessor. In the absence of another authoritative body, IAAO, and its standards and guides provide the best yardstick against which to compare current state and county practices. Using guidelines from IAAO's *Standards on Assessment Administration*, TACIR compiled a list of desired organizational traits for local offices of property assessment, and the roles of the state in assisting the local offices:

### **DESIRED TRAITS OF LOCAL OFFICES:**

1. Professional, equitable, and open administration
2. Adequate budget
3. Well-organized staff
4. Well-trained staff
5. Sufficient computing resources
6. Effective and accessible appeals programs

### **ROLES OF THE STATE AGENCIES:**

1. Provide guidance to local offices
  - Rules and regulations
  - Procedures
  - Manuals
  - Technical assistance
2. Provide support or financial assistance to local offices
  - Adequate, well-trained staff
  - Accurate maps and records
  - Greatest feasible degree of computerization
3. Conduct valuation of highly complex and multijurisdictional property
4. Provide or coordinate appraisal and administrative training for local offices



## ASSESSMENT ROLES

As currently written, the Tennessee Code Annotated (TCA), under *Title 67, Chapter 5*, places specific property assessment burdens on both the state and individual county assessors. The state is charged with performing appraisal ratio studies at specified intervals together with other specific oversight and monitoring duties. The state's role is shared across three organizations, the State Board of Equalization, the Division of Property Assessments, and the Office of State Assessed Property. The latter two agencies are both part of the Office of the Comptroller.

Among other duties, the State Board of Equalization is responsible for promulgating and publishing assessment manuals for the appraisal, classification and assessment of property for use by local tax assessors; ensuring that all property in the state is assessed in accordance with the Constitution of Tennessee and all statutory provisions; prescribing educational and training courses for state and local assessing officials and issuing certificates to such officials who successfully complete the training and requirements prescribed by the state board; and acting upon property valuation, classification, assessment, and exemption appeals. The Board also reviews assessments made by the Comptroller of the Treasury, and promulgates all necessary rules, regulations and procedures for implementation of tax relief to elderly low income taxpayers, homeowners totally and permanently disabled, and disabled veterans. The Board makes an annual summary of their findings available to members of the General Assembly upon request.

The Office of the Comptroller's Division of Property Assessments monitors local property assessors for compliance with assessment and appraisal procedures and acts as the first line of defense in matters of tax equity. The Office of State Assessed Property is responsible for the annual appraisal and assessment of all public utility and transportation properties.

The local assessor is charged with a broad range of activities that include the following:

1. Initial mapping and collection of data (size, construction, features of improvements) on property improvements and of the property itself (location, service by road, water and sewer availability, etc).
2. Classification of all property in his/her locality as residential, farm, commercial and industrial, public utility, or business property.
3. Verification of certain information on real estate sales with buyer or seller.
4. Updating of physical information on property, as it becomes known through on-site inspections during reappraisals, building permits information, and subdivision of property as reported by the Recorder's office.
5. Conducting periodic reappraisals of property under schedule established by the Division of Property Assessments (DPA).
6. Responding to requests for public information.



## **INTERVIEWS WITH LOCAL OFFICIALS**

Although there was no one issue that topped each of the interviewed county property assessors' lists of those things they would change, staffing and salaries was a frequently mentioned concern. It appeared to be more of a concern the smaller the county and the shorter the period of time the assessor was in office. It also appears that the relationship between the assessor and the county executive or board and the financial health of the county are important to the assessor's ability to acquire sufficient staffing resources.

The relatively short amount of time allowed for the distributions of various tax schedules and the mailing out and receipt of forms to businesses is a concern with local officials. Being able to spread the scheduled activities out over a longer period of time would allow for a less hectic pace of activities for both the assessors' offices and smaller businesses.

Local assessors are also concerned about the use by larger property owners and larger businesses of private assessment companies in the appeals process to reduce business taxes. Further study by the Comptroller of whether these appeals have indeed shifted the tax burden to the residential class may be warranted. Such a study could also examine the recent and frequent changes in the greenbelt law and how they have complicated the process of implementation and maintenance of those parcels.

## **INTERVIEWS WITH OTHER ASSESSOR PROFESSIONALS**

A common theme expressed by these professionals was the need to better determine the staffing and resources required by the assessors' offices and adequate funding for those resources. Another issue mentioned was the need for continuing education and training for assessors, their deputies, and their staffs. They also suggested that the state

- should concentrate on education, training, oversight, appeals, and only do the most technical or complex type of assessments;
- increase education related to the role of technology and information systems in property assessment;
- create more tiered or structured incentives for all assessors, their deputies and staffs to begin, continue, and advance their professional education—this could be done within the current certification structure;
- target state support for additional computers, training, staff and office resources to fastest growing counties in the Urban/Suburban and Suburban groups;
- consider the use of a staffing model, such as the Colorado model for all Assessors to use as a guide; and
- increase public understanding of the role of the local assessor in appraising property, as opposed to the setting of the tax rate.



## SURVEY RESULTS

The comparability of assessor budgets across the state is severely limited due to differences in budgeting techniques. If an accurate comparison of budget differences is desired, the state should encourage more consistent budgeting techniques across the state.

The adequacy of resources was usually a function of the county size category: the smaller the county, the less likely the assessor was to report that resources were adequate. Significant numbers of offices in the two smallest size groups reported inadequacies in nearly every category. Most pressing was access to other county records and available storage space.

Survey respondent support for various possible training initiatives was mixed. A majority of the big four urban counties did not support

- minimum qualifications in order to run for assessor;
- additional training requirements after an assessor has been elected; or
- tying additional training to a formula based on office size.

A majority of counties in each of the other three size categories indicated support for the first two measures. A majority of respondents in each of the categories opposed the third proposition.

Other findings from the survey included

- as a group, none of the four categories of counties were in favor of having an outside entity determine what resources they should receive;
- most assessors from larger counties felt that the state should not take over appraisal duties of certain types of property currently assessed by local assessors—a slight majority of assessors in smaller counties felt that the state should take over these appraisal duties;
- the majority of respondents felt that there should not be a single state assessment frequency schedule;
- most respondents did not feel that the state should play a greater role in appraisal/reappraisals; and
- generally the less populated the county, the more tasks the local assessor was willing to have the state perform.



## REVIEW OF OTHER STATES

In Florida, every property appraiser must, by June 1 of each year, submit its budget to the state's department of revenue. Section 195.087 (1)(a) of the Florida code requires the department to review each budget to ensure that "...the budget is neither inadequate nor excessive." It is also given the authority, under the code, to amend or change the budget, while the property appraiser or presiding officer of the county commission is given the authority to appeal the decision to a state-level administrative commission. Enacting such a state level review of individual appraisers' offices' budgets in Tennessee could give local assessors added credibility and leverage when they approach their local legislative bodies for increased funding. However, enacting it would likely be unpopular with local assessor offices, based upon their negative survey response to having any outside agency determine their resource needs.

A property assessor staffing analysis instrument like that developed and used by the Colorado Division of Property Taxation could provide county assessors in Tennessee with valuable analysis of their current staffing needs. The Colorado staffing instrument provides a method to calculate the staffing needs of an office by taking into account each function of the office (generally, appraisal and administrative tasks) together with the amount of each of these functions accomplished per year. Added to this equation are factors that take into account sick leave, annual leave, training, general unproductive time, etc. The point of this staffing analysis is to examine measurable data from previous years to determine current and near future staffing needs.

**It needs to be mentioned that Tennessee could potentially gather far more detailed comparisons of its tax assessment practices than are available in this study. The state could do so by choosing to participate in an ongoing benchmarking study being conducted by the International Property Tax Institute (IPTI). The IPTI benchmarking study surveys the operation and valuation practices of participating assessing agencies in North America with the aim of finding the best practices, processes and opportunities for improvement for these organizations.**

### RECOMMENDATIONS BASED ON TACIR FINDINGS

#### TENNESSEE SHOULD

- ❖ Create a more tiered or structured incentive system for all assessors, their deputies and staffs to begin, continue, and advance their professional education. This could be done within the current certification structure by making compliance with training requirements mandatory or increasing financial incentives for the completion of each step of certification.
- ❖ Continue to target state support for additional computers, training, staff and office resources to the fastest growing counties and those counties with limited resources.



## **RECOMMENDATIONS (CONTINUED)**

- ❖ Adopt a staffing model, such as the Colorado model, for all assessors to use as a guide. Such a guide could provide valuable analysis of current staffing needs. The guide must take into account economies of scale and different level of complexity in appraising different types of property. DPA estimates that it would cost between \$50,000-\$100,000 to develop and implement an instrument for Tennessee.
- ❖ Establish requirements for more standardized budgeting techniques by assessor offices across the state. Funding standardization could assist budget standardization.
- ❖ Require specific additional training after an assessor has been elected to office. The state could withhold a portion of the assessor's salary if he failed to comply with post-election training requirements.
- ❖ Participate in the ongoing benchmarking study being conducted by the International Property Tax Institute (IPTI).

### **ADDITIONALLY,**

- ❖ Local assessors should increase public understanding of their role in appraising property. This could be done using several approaches, including luncheon speeches and other public presentations, the distribution of brochures, or the use of well designed Internet sites. The Division of Property Assessments can assist in these efforts.
- ❖ The Tennessee General Assembly should consider legislation requiring that assessors notify cities and counties when commercial or industrial property in their jurisdiction is being considered for appeal.

### **ADDITIONALLY, THE FOLLOWING AREAS ARE RECOMMENDED FOR FURTHER STUDY:**

- ❖ The State Board of Equalization and the Division of Property Assessments should evaluate the possibility of extending the period of time between the distributions of various tax schedules and the mailing out and receipt of forms by businesses.
- ❖ The TACIR, working with the Division of Property Assessments, could conduct a separate study to analyze the potential advantages of increasing the role of the DPA's appraisal districts. This study would review such options as shifting responsibility for a greater number of special properties to the state, consolidating the roles of county offices, and making constitutional changes to the Office of the Property Assessor. It should be noted that such changes would be a reversal in Tennessee's policy trend, since 1989, of shifting responsibility for appraisal functions from the state to the local offices.







## AUTHORIZATION OF THE STUDY AND STUDY PROCESS

This study is the result of House Joint Resolution 575 of 2000, which directed the Tennessee Advisory Commission on Intergovernmental Relations (TACIR), with the assistance of the Comptroller of the Treasury, to conduct “a study of duties and responsibilities of the Office of the Assessor of Property and the resources necessary to the office.” The study begins with background information, including a **review of constitutional mandates and statutory requirements**. It then includes a discussion of **professional standards** for assessor organizations. These standards are used to **evaluate** Tennessee’s local and state assessor offices. This evaluation is conducted using information gathered from a **review of the statutory roles** of state and local property assessor officials in Tennessee, **interviews with local and state assessor officials**, and **surveys** of local assessors. The evaluation is followed by a review of **practices and initiatives from other states**.



## ASSUMPTIONS

Certain assumptions have been made in the assembly of this report. First, the primary assessment administrative functions will remain with the county assessors. There are currently only two states, Maryland and Montana, that have state-based assessor systems. At least in the case of Maryland, state administration was partially due to the state’s collection of a state property tax (in conjunction with the local property taxes) and still permits the local selection of assessors, with the positions being funded by the state. Since the likelihood of a state property tax being enacted anytime in the near future is very remote, direct state administration of local taxation will not be examined in this report.

Second, the Division of Property Assessments in the Office of the Comptroller will continue to function (at the direction of the State Board of Equalization) as the agency charged with promulgating rules and procedures that the assessors must follow, providing both technical and functional assistance, and overseeing assessment to ensure equity statewide. However, the amount and types of assistance and oversight are important features of this examination.





### CONSTITUTIONAL REQUIREMENTS

The basis for the property tax in Tennessee is *Article 2, Section 28*, of the Tennessee Constitution, which provides for a property tax and frames the types of property to be taxed and the rates at which the enumerated property types will be assessed. This clause has been interpreted to mean that all property, as a result of the constitutional convention of 1971, was to be reclassified and appraised at 100 percent of market value. To value public utility and transportation property at full market value and other types of property at less than full value is a violation of the equal protection clause of the 14th amendment.



The Tennessee Constitution in *Article II, Section 28*, also states

*The ratio of assessment to value of property in each class or subclass shall be equal and uniform throughout the State, the value and definition of property in each class or subclass to be ascertained in such manner as the Legislature shall direct. Each respective taxing authority shall apply the same rate to all property within its jurisdiction.*

This section has been interpreted through court action and opinion to allow for classification of property and establishment of different taxing rates for different types of property. However, as it regards the valuation, it has been established that all property, whether transportation, communication, utility, real or personal, must be equitably valued at its full market value. It is this standard that has required the establishment of monitoring and oversight agencies, which the Legislature has addressed in the authorization of both the State Board of Equalization and the Division of Property Assessments.

The Tennessee Constitution in *Article VII, Section 1*, addresses the election, term of office and election date for county officers and elected officials, including the County Assessors of Property. *Section 1* further states that their qualifications and duties are to be prescribed by the General Assembly.

Both the State Board of Equalization and the Division of Property Assessments (DPA) were created to address issues of equity and fairness in taxation under the equal protection clause of the U.S. Constitution. Created by the Legislature rather than under specific constitutional provision, the Board was the first of the two agencies and acts as a directing authority for the DPA.



## STATUTORY REQUIREMENTS

The Tennessee Code Annotated has fleshed out the very basic property tax and property assessor framework laid out in the state constitution:

- Assessment rates for different types of property
- Time between appraisals
- Activities to be accomplished during assessment cycles
- Oaths of office for the assessor and deputies
- The number of deputy assessors that can be appointed
- The salaries for the assessors based on population of the county

TCA §8-24-102 establishes the minimum annual salary that property assessors and other general officers receive. This minimum salary scale is based on the county's population:

<u>County Population</u>	<u>Minimum Salary</u>
920,000 and more	\$94,805
500,000-919,999	\$89,805
400,000-499,999	\$85,805
275,000-399,999	\$83,305
250,000-274,999	\$77,805
225,000-274,999	\$74,805
200,000-224,999	\$71,805
175,000-199,999	\$68,805
150,000-174,999	\$65,805
125,000-149,999	\$62,805
100,000-124,999	\$59,805
65,000-99,999	\$58,305
50,000-64,999	\$55,805
35,000-49,999	\$50,805
23,000-34,999	\$48,805
12,000-22,999	\$44,805
Less than 11,999	\$39,805

County legislatures can increase or decrease the salaries of assessors as long as the salary meets the minimum required amount.<sup>1</sup>

As an addition to the minimum salary schedule, the state provides a per annum bonus for assessors and deputy assessors who obtain specific IAAO professional certifications, as outlined in the Assessment Certification and Education Program (ACEP). The DPA administers the ACEP on behalf of the State Board of Equalization. The ACEP provides training in property tax assessment and recognition of accumulated training and experience for property tax professionals.<sup>2</sup>

The ACEP provides for recognition of assessors who have completed various levels of professional training and experience. Assessors can be certified as a Level I Assessor, Level II



Assessor, Tennessee Certified Assessor, Level IV Assessor, or a Level V Assessor. Certification as a Level I Assessor is contingent upon the following requirements:

- Must have at least one year of full-time experience in the field of property appraisal for ad valorem tax purposes.
- Must have within the preceding ten years received a passing grade on the examination for either the Tennessee Assessment Law and Appraisal Fundamentals Course, or all the following courses offered by the University of Tennessee Center for Government Training (UTC GT): Legal Issues for Assessors of Property, Records Management for Assessors, and Management Skills for Assessors.
- Must have within the preceding ten years received a passing grade on the examination for the Basic Mapping Course.
- Must have within the preceding ten years received a passing grade on the IAAO examination for Course I - Fundamentals of Real Property Appraisal; or one comparable examination offered by a professional appraisal organization.
- Receive a passing grade on a Level I comprehensive examination.<sup>3</sup>

TCA § 67-1-508(c)(3) sets the amount of additional compensation that the state pays assessors certified as Tennessee Certified Assessors at \$750 per year. This level of compensation is also available to assessors who have been designated Residential Evaluation Specialists by the IAAO. The state also provides monetary assistance through grants that help offset the cost of reappraisals.

One other fiscal related statute is TCA § 5-12-213, which was passed in 1993. It allows the assessor of property to sue the local legislative body to obtain a sufficient budget. However, despite this authority, most county property assessors would be very hesitant to do so as a practical matter and in view of political considerations. Legally they have the power, but in reality they don't use it.<sup>4</sup>

Figure 1 provides a summary of key dates in the annual calendar for state and local assessor officials. The various roles assigned state and local assessor organizations is discussed in the *Evaluation* chapter of this report. That chapter also includes more discussion of the resources that state law requires be made available to local assessor offices.



## FIGURE 1. ANNUAL ASSESSOR CALENDAR OF EVENTS

January 1	Assessment Date: ownership, assessments, and tax maps for the year are to be completed as of this date.
February 1	Personal Property Schedules and mobile home forms should be mailed.
February 28	Last day to pay the preceding year's taxes. Deadline to apply for tax relief.
March 1	Delinquency date for the preceding year's taxes. Taxpayer may request reasonable cause hearing before the State Board of Equalization (SBOE). Last day to initiate correction of error for the preceding year's taxes. Submission of Personal Property Schedules deadline.
April 1	Deadline to apply for greenbelt, except in revaluation counties. During reappraisal years the applications should be received before adjournment of the county board of equalization. Mobile home forms should be returned by this date. Delinquent listing for the second preceding year turned over for suit.
April 15	Deadline for data entry to the state CAAS system for assessment rolls and change notices.
Prior to May 20, the assessor must make the assessment records available to the public. Notice shall be printed in a newspaper of general circulation referencing the day that the county board will convene and the last day appeals will be accepted.	
May 20	Assessments should be complete and change notices mailed. Deadline to apply for exemptions.
June 1	County board of equalization meets.
July	Tax rate for the county should be set during July.
July 31	Deadline for data entry to the state CAAS system for tax billing documents.
August 1	General deadline for appeals to the SBOE is August 1, or within forty-five days of the date that the notice of the county board action was sent.
September 1	The last day to file an amended personal property schedule, back assessment, or reassessment (unless fraud). The last day for new construction to be complete for proration.
October 1	Current year's taxes become due and payable on this date. Record a copy of the tax maps with the registrar for deeds, certify to the state by October 15.
December	Order personal property schedules from the state if your county is on the state tax system.
May 20	Deadline for assessment rolls (including updating of maps and ownership records).
January 1	(Of reappraisal year). Deadline to complete reappraisals.
March 1	On or before this date, owners of land used for mobile home parks to be provided a schedule approved by DPA on which they must list "all moveable structures so defined in Section 67-5-501, which are located on the land as of the assessment date".



## DEFINING PROPERTY

For the purposes of taxation, TCA § 67-5-101 states that “all property, real and personal, shall be assessed for taxation for state, county and municipal purposes, except such as is declared exempt.” Property then falls into one of three major categories: (A) real property, (B) tangible personal property, and (C) intangible personal property. These three categories are defined in TCA §67-5-501 as follows:



- A. Real Property includes lands, tenements, hereditaments, structures, improvements, movable property assessable under § 67-5-802, or machinery and equipment affixed to realty (except as otherwise provided herein) and all rights thereto and interests therein, equitable as well as legal.
- B. Tangible Personal Property includes “...personal property such as goods, chattels, and other articles of value which are capable of manual or physical possession, and certain machinery and equipment, separate and apart from any real property, and the value of which is intrinsic to the article itself.” Tangible personal property other than public utility, industrial and commercial property is deemed to have no value.
- C. Intangible Personal Property includes “...personal property, such as money, any evidence of debt owed to a taxpayer, any evidence of ownership in other forms of property, the value of which is expressed in terms of what the property represents rather than its own intrinsic worth. Intangible personal property includes all personal property not defined as tangible personal property.

These broad categories include several subcategories that are further defined in the law:

- Commercial and Industrial tangible personal property, which is “used essentially and principally for the commercial or industrial purposes or processes for which they are intended and, if affixed or attached to real property, can be detached without material injury to such real property.”
- Farm Property includes “all real property which is used, or held for use, in agriculture, including, but not limited to, growing crops, pastures, orchards, nurseries, plants, trees, timber, raising livestock or poultry, or the production of raw dairy products, and acreage used for recreational purposes by clubs, including golf course playing hole improvements.”
- Public Utility Property, includes “...all property of every kind, whether owned or leased, and used, or held for use, directly or indirectly in the operation of a public utility.” These utilities can include railroad, telephone, cellular phone, radio common carrier services, long distance telephone, freight and private car companies, streetcar, power generation, express, pipeline, gas, water and/or sewage, motorbus and/or truck, taxicab, commercial airlines, and water transportation companies.



- Residential property includes all real property that is used, or held for use, for dwelling purposes and that contains not more than one rental unit. All real property that is used, or held for use, for dwelling purposes that contains two or more rental units is classified as industrial and commercial property.

## CENTRALLY ASSESSED PROPERTIES

Although each of the properties listed above are taxed, there are two important categories that are assessed by a single state agency, the Office of State Assessed Property, also part of the Comptroller's office. This office is responsible for the annual appraisal and assessment of all **public utility** and **transportation** properties as prescribed in TCA §67-5-1301. These assessments are certified to counties, cities, and other taxing jurisdictions for the billing and collection of property taxes.





HJR 575 of 2000 directed TACIR to study the duties, responsibilities, and resources of Tennessee's offices of the assessor. The principal output of that study is an evaluation of the assessor's offices. In conducting the evaluation, TACIR relied on the work of assessment experts in developing evaluation standards. Once TACIR selected a list of professional standards, it used several different methods to compare Tennessee's assessor offices against those standards:

- A review of the statutory roles of Tennessee's local and state assessor offices
- Interviews with assessment officials
- A survey of local assessors

## PROFESSIONAL STANDARDS

In compiling a list of professional standards to compare assessor offices against, TACIR relied heavily on the extensive work in this field by the International Association of Assessing Officers (IAAO). The IAAO is an educational research member association that provides research services to officials in the property assessment profession. They also make their services available to others with an interest in property taxation. IAAO's membership is made up primarily of government property appraisers and assessment personnel, although their membership is open to all.

The IAAO has taken the lead in the development of recommended operational guidelines for the administration of local offices of the assessor. These standards are found across four IAAO publications:

- *Standards on Assessment Administration*
- *Standards on Facilities, Computers, Equipment, and Supplies for Assessment Agencies*
- *Standard on Mass Appraisal of Real Property*
- *Assessment Practices Self-Evaluation Guide*

In the absence of another authoritative body, IAAO and its standards and guides provide the best yardstick against which to compare current state and county practices. Using guidelines from IAAO's *Standards on Assessment Administration*, TACIR compiled a list of desired traits for local offices of property assessment, and the roles of the state in assisting the local offices:

### Desired Traits of Local Offices

1. Professional, equitable, and open administration
2. Adequate budget
3. Well-organized staff
4. Well-trained staff
5. Sufficient computing resources
6. Effective and accessible appeals programs



## Roles of the State Agencies:

1. Provide guidance to local offices
  - Rules and regulations
  - Procedures
  - Manuals
  - Technical assistance
2. Provide support or financial assistance to local offices
  - Adequate, well-trained staff
  - Accurate maps and records
  - Greatest feasible degree of computerization
3. Conduct valuation of highly complex and multijurisdictional property
4. Provide or coordinate appraisal and administrative training for local offices

## LOCAL TRAITS

According to the IAAO, effective and efficient appraisal programs are conducted in conformity with the state's rules and regulations, established procedures and guidance manuals and adhere to tight deadlines for specific tasks that must be performed in a step-by-step process.<sup>5</sup> An effective appraisal program incorporates each of the following elements, which serve as a list of desirable traits for a local office of the assessor:

**Professional, equitable, and open administration.** Property tax appraisal offices must be professionally managed and technically competent in order to maximize equity among property taxpayers while minimizing administrative complexity and confusion. Maintaining records at a market value standard is the key to achieving equity.<sup>6</sup> Openness refers to the visibility, accuracy, and availability of information as well as to the ability to ask questions, make appeals, and make payments easily.<sup>7</sup> The assessor office's massive databases of quantifiable data can assist policymakers in examining the implications of new policies, but that analysis must be precise and objective in order to maintain credibility.<sup>8</sup>

**Adequate budget.** An adequate budget is the minimum needed to meet all deadlines and complete all duties in a timely manner.<sup>9</sup>

**Well-organized staff.** An adequate number of staff and the proper allocation of staff toward various functions must be accomplished in order to appraise and defend valuation. Staff demands can be intense during reappraisal years, not only for valuation, but also for the appeal process. Years in which there is a rapid increase in property values only compound the problem. Proper staff planning and allocation are essential to the appraisal process.<sup>10</sup>

**Well-trained staff.** Property assessment has typically been the most technical and complex of local government functions. The need for the assessor, his deputies and staff to obtain and maintain a working knowledge of the appraisal process and procedures has always been critical. As technology advances the need for staff training and continuing education increases.<sup>11</sup>

**Sufficient computing resources.** The appraisal process has become increasingly computerized in recent years. Not only must databases and systems be adequate for data



storage and retrieval but for analysis of that data.<sup>12</sup> Sometimes the advancement of technology can proceed faster than local government's ability to upgrade equipment and salary grades. The sharing of multipurpose cadastral systems among different agencies and officials can help defray the costs of data collection and management.<sup>13</sup>

**Effective and accessible appeals programs.** An effective appeals process serves the public and the agency it serves. Appeals can be positively viewed as a means of external quality control to identify problem areas and potentially serious inequities.<sup>14</sup> The appeals process and program should be designed to facilitate the ability of the taxpayer's right to appeal. The process should be spelled out in a clear, concise and understandable format. The process is enhanced if the taxpayer is given the opportunity for informal discussion, which might resolve or lessen the need for a formal appeal.<sup>15</sup>

## STANDARDS FOR STATE ROLES

The IAAO provides guidance for a set of standards for the role that state governments should play in the assessment process:

### Provide guidance to local offices

**Rules and Regulations.** State administrative or oversight organizations develop rules and regulations under authority of a state's administrative procedures process to clarify the state's authorizing legislation on appraisals and appeals. In this process they seek input from local assessing officers in order to assure clear, concise, and understandable language.<sup>16</sup>

**Procedures.** Uniform and standard procedures for each county assessor office are usually performed by the state administrative or oversight agency to promote the uniform application of property tax law.<sup>17</sup>

**Manuals.** Policy and procedure manuals are developed by the state administrative or oversight agency to assure understanding, uniformity, clarity, and to improve performance.<sup>18</sup>

**Technical Assistance.** State administrative or oversight agencies either directly provide for technical assistance or contract for the services of public or private entities to provide specific, detailed technical assistance either on routine reappraisal matters or specific, complex issues and problems.<sup>19</sup>

### Provide support or financial assistance to local offices

**Adequate, well trained staff.** Due to the complex nature and increasing use of information technology, state administrative or oversight agencies frequently provide introductory and continuing education for assessors and their staff. Areas of study beyond a high school education often cited as useful include economics, business administration, engineering, urban and regional planning, real estate, public administration, political science, computer science, and statistics. For some high-level managerial or technical



positions, a graduate degree or graduate level course work may be encouraged or required.<sup>20</sup>

**Accurate maps and records.** The parcel maps and parcel records are the baseline data for the assessment function. Updating those records is an on-going and daily function whenever property is transferred from one party to another. Additionally, periodic reappraisal of property must be done in order to accurately reflect current market values.<sup>21</sup>

**Support the greatest feasible degree of computerization.** This standard is currently being revised by the IAAO. Their current guidelines are available for comment only and not citation. Generally, the IAAO recognizes that computers are critical to the property assessment function and encourages assessors to maintain state of the art capability.<sup>22</sup>

**Conduct valuation of highly complex and multi-jurisdictional property.** This type of property is very often complex and can cross jurisdictional lines. Consolidation of the assessment of these types of property can enable the development of greater technical expertise, achieve economies of scale and simplify the appeals process.<sup>23</sup>

**Provide or coordinate appraisal and administrative training for local offices.** Such broad based educational efforts can assure adequate and a common base of appraisal and administrative skills among local assessment officials.<sup>24</sup>

## ROLES AND RESPONSIBILITIES

### OVERVIEW

The Tennessee Code Annotated, under Title 67, Chapter 5, places specific property assessment burdens on both the state and individual county assessors. It is important at the start of any discussion of assessment/appraisal tasks and the division of labor between the state and local assessors, to distinguish between the assessing and the actual taxation of those properties. Essentially, the law has fleshed out the very basic property tax and property assessor framework laid out in the state constitution. DPA monitors, at the direction of the State Board of Equalization, local property assessors for compliance with assessment and appraisal procedures and acts as the first line of defense in maintaining tax fairness and equity across the state.

If asked what the greatest public relations issue is for their office, the vast majority of assessors in Tennessee would answer, having citizens in their communities understand that they do not set, raise or collect their property tax, but are charged with fairly appraising the true market value of all property and improvements in their county. While it is the responsibility of the local assessor of property to ensure that all taxable property in their jurisdiction is placed on the tax roles and appraised at full fair market value, it is the county trustee who actually collects the taxes, while the county commission sets the tax rate that will result in the amount of taxes to be collected. The county and city legislatures determine the revenue needs and set the tax rate accordingly and raise the rates within the guidelines of Tennessee's "Truth in Taxation" statutes.



## LOCAL ASSESSORS

The office of the assessor's greatest impact on property taxation is through the maintenance of complete and up to date property records and through fair and equitable appraisals that lead to equity and fairness in property taxation. Therefore, the examination of all duties and responsibilities associated with these functions provides some assistance in determining whether Tennessee's assessors are fulfilling their constitutional and statutory duties and whether, in light of the most current standards and best practices from professional organizations and other states, there are opportunities to improve processes and procedures.

As set out in the law, the local offices of the assessor are assigned all of the roles and responsibilities necessary in order to comply with the IAAO professional standards for assessors. However, one cannot rely on the law to determine how well the local offices are actually organized to perform their mission. One can make some important observations regarding the minimum resources available to the offices.

Tennessee Code Annotated § 67-1-501 through § 67-1-514 addresses the term of office for the county assessors, disqualifies county legislative body members from holding the office, provides for the filling of vacancies, establishes surety bond requirements, details the hiring of deputy assessors and secretaries, provides for oaths of office, compensation, qualifications, certification and identification of assessors and deputies, discusses schools and field training courses, consolidation of municipal with county assessor offices, and changes in record-keeping systems.

The local assessor is charged with a broad range of activities that include the following:

1. Initial mapping and collection of data (size, construction, features) on property improvements and on the property itself (location, service by road, water and sewer availability, etc).
2. Classification of all property in his/her locality as residential, farm, commercial and industrial, public utility, or business property.
3. Verification of certain information on real estate sales with buyer or seller.
4. Updating of physical information on property, as it becomes known through on-site inspections during reappraisals, building permits information, and subdivision of property as reported by the recorder's office.
5. Conducting periodic reappraisals of property under the schedule established by State Division of Property Assessments (DPA).
6. Respond to requests for public information.

In order to conduct these activities successfully, the individuals in the assessor office need to be proficient at several implied work elements:

- Map parcel (with/without improvements)
- Measure and list property improvements
- Use value schedules
- Conduct leasehold analysis
- Verify sales
- Operate CAAS (state supplied mass appraisal software that is not used in the four largest counties or in Unicoi County)



- Prepare and maintain assessment rolls
- Prepare assessment notices
- Prepare and maintain property tax rolls
- Prepare property tax notices
- Conduct business personalty appraisals

There are no state mandates or guidelines for providing local assessors adequate resources to perform these tasks other than a provision in the law that permits the assessor to hire (but provides no funding for) one deputy assessor for every 4,500 parcels of property over the first 4,500 parcels. It is the counties, however, that fund the office. The state Constitution and the law place requirements on local assessors and the DPA to ensure up to date, standardized record keeping, consistent and equitable appraisals and provides for technical assistance, training and monitoring. Although the counties and cities are the sole beneficiaries of the property taxes collected in their jurisdiction, the specific record keeping protocols required by DPA and the monitoring and other oversight functions do place what some assessors may consider an administrative burden on their office resources.

Although the state law may appear to provide at least a base of resources for the assessor, the funding of the position is left up to the county legislative body, which may choose less funding than is required to hire the number of deputy assessors for which the assessor's office qualifies. **This report explores the local assessors' perceptions of funding and staffing adequacy in the Survey and Interview sections of this chapter.**

## THE STATE ROLE

**State Board of Equalization.** TCA § 67-1-301 through § 67-1-308 establish the Board's composition and member terms, the chair and vice chair of the Board, the powers and duties of the Board, the appointment of the Board's executive secretary, the powers and duties of the executive secretary, and the employment of Board personnel. In addition, § 4-3-5103 lists additional duties and functions:

- (1) Promulgate and publish an assessment manual or manuals for the appraisal, classification and assessment of property for use by local tax assessors in making their assessments of particular classes and parcels of property, including the assessment of the various kinds of personal property owned and used by corporations, partnerships and individuals engaged in business and professions for profit.
- (2) Effect the assessment of all property in the state in accordance with the Constitution of Tennessee and all statutory provisions. The state board shall exercise powers conferred upon it by law to the end that assessments in every taxing jurisdiction may be in accordance with the law.
- (3) Prescribe educational and training courses for state and local assessing officials and issue certificates to such officials who successfully complete the training and requirements prescribed by the state board.
- (4) Receive, hear, consider and act upon complaints and appeals made to the board regarding the valuation, classification and assessment of property in the state.
- (5) Hear and determine complaints and appeals made to the board concerning exemption of property from taxation.





- (6) Review assessments made by the comptroller of the treasury.
- (7) Promulgate all necessary rules, regulations and procedures for implementation of tax relief to elderly low income taxpayers, homeowners totally and permanently disabled and disabled veterans, and make an annual summary of their findings available to members of the general assembly upon request.
- (8) Carry out such other duties as may be required by law.

**Division of Property Assessments.** TCA § 67-1-201 through § 67-1-206 addresses the creation of the Division, its director, assistants and expenses, the DPA's powers and duties, the development of methods and procedures to assist and guide local assessors in their assessments and assessment updates and the maintenance of ownership records and other assessment related records as the State Board of Equalization may require. In addition, the Board, through the DPA may require local assessors to provide information for "...the analysis of assessment and the continued maintenance of ownership, appraisal, classification, and assessment information." (TCA § 67-1-206)

Upon completion of the reappraisal programs begun in 1967, the DPA began work toward completion of a statewide computer-assisted tax billing system and a long-range plan for periodic reappraisal of locally assessed real property. The goal of achieving a statewide computer-assisted tax billing system was realized in 1985. The goal to establish a long-range plan for systematic reappraisal of locally assessed real property was realized with the passage of Chapter 495, Public Acts of 1989. The initial cycle of reappraisal in every county in the state, required by legislation enacted in 1980, was completed in 1991. The current, major goals of the DPA are as follows:

1. To ensure the professional administration of property tax programs in all taxing jurisdictions pursuant to TCA § 67-1-201 through § 67-1-514, 1 through 10, TCA § 67-5-101 through § 67-5-1703.
2. To ensure a standardized record-keeping system for all property tax records through the continued use of the division's computerized appraisal and tax billing system.
3. To ensure an up-to-date and equitable property tax base in all taxing jurisdictions through continuing county reappraisal efforts and the maintenance of the division's Computer Assisted Appraisal System, pursuant to T.C.A. § 67-5-1601 through § 67-5-1603.
4. To ensure a high degree of competency and a broad base of appraisal knowledge among all county property assessors and collecting officials through the division's continuing education programs.
5. To administer the Property Relief Program in such a manner that all low-income elderly and disabled citizens who qualify will receive timely an accurate rebates in accordance with generally accepted governmental accounting standards.
6. To ensure county property ownership maps are accurate and current so assessing officials can correctly locate property boundaries and related information and to ensure counties comply with T.C.A. § 67-5-806(b), which requires maps to be filed annually in the office of the register of deeds.



7. To accomplish appraisal ratio studies in every county as determined by the State Board of Equalization and pursuant to T.C.A. § 67-5-1604 through § 67-5-1606.
8. To monitor on-site review and valuation of properties, provide valuation assistance, develop valuation indexes and audit assessor performance in accordance with T.C.A. § 67-5-1601 (d) (1).

**Office of State Assessed Property.** As discussed in the background chapter of this report, the Office of State Assessed Property is responsible for assessing two important categories of property: public utility and transportation. These assessments are certified to counties, cities, and other taxing jurisdictions for the billing and collection of property taxes.

The present state system of assessment of these utility properties<sup>25</sup> grew from a successful 1965 lawsuit by two railroads challenging the state and federal constitutionality of unequal assessment rates between the state and local entities. In a resulting 1968 referendum, voters authorized the calling of a constitutional convention in 1971 to consider revising Article 2, Section 28, of the State Constitution to allow for a property classification system. The Constitutional Convention of 1971 allowed voters to adopt an amendment (Question Three) to the State Constitution authorizing a property classification system. The constitutional amendment was voted on and passed in August 1972 and became effective on January 1, 1973.<sup>26</sup> **According to the IAAO standards, this is a desirable model, because the property being appraised is often highly complex and multi-jurisdictional, and consolidation of appraisal by one entity (the state) can enable development of greater expertise because of greater focus, achieve an economy of scale, and simplify appeals processes.**<sup>27</sup>

## INTERVIEWS WITH SELECTED ASSESSMENT PROFESSIONALS

TACIR staff conducted confidential interviews with one assessor each from a large, medium, and a small county, and with selected other assessment professionals. In addition to gathering general information about the offices and introducing this study, the purpose of these initial interviews was to attempt to find common concerns, complaints and any shared views of the strengths and weaknesses of the existing assessment and appraisal system and potential recommendations that the assessors might share or that may differentiate the offices.

### LARGE, MEDIUM AND SMALL COUNTIES

Although there was no one issue that topped each of the county property assessors' lists of things they would change, **staffing** and **salaries** were frequently mentioned concerns. It appeared to be **more of a concern the smaller the county and the shorter the period of time the assessor was in office**. It also appeared that **the relationship between the assessor and the county executive or board** and the **financial health** of the county were important to the assessor's ability to acquire sufficient staffing resources.

Another general issue mentioned was **the relatively short amount of time allowed for the distribution of various tax schedules and the mailing out and receipt of forms to businesses**. **Being able to spread the scheduled activities out over a longer period**





**of time would allow for a less hectic pace of activities for both the assessors' offices and smaller businesses.** Small businesses seem to have a problem with the tight timeframe and often the "force assessed" process overestimates the amount and value of their property, which after several years causes them to seek assessor staff assistance with filing the necessary paperwork. The process that large businesses use is more sophisticated and, if anything, results in underestimates of those larger businesses personal property. However, the need to accomplish the activities in time to estimate revenue collections and formulate county budgets was recognized as an impediment to a lengthier schedule. Related to this is growing concern over the **use by larger property owners and larger businesses of private assessment companies in the appeals process to reduce business taxes. Further study by the Comptroller of whether these appeals have indeed shifted the tax burden to the residential class may be warranted.** Some mention was made in the interviews that the **recent and frequent changes in the greenbelt law** had complicated the process of implementation and maintenance of those parcels.

## OTHER ASSESSMENT PROFESSIONALS

The other assessment professionals that TACIR staff interviewed included representatives of the Division of Property Assessments in the Comptroller's Office, the Tennessee Association of Assessing Officers (TAAO), and the University of Tennessee's County Technical Assistance Service (CTAS). These persons gave candid views on the various issues that they felt needed to be addressed related to property assessment in Tennessee.

A common theme expressed by these professionals was **the need to better determine the staffing and resources required by the assessors' offices and adequate funding for those resources.** Another issue mentioned was **the need for continuing education and training for assessors, their deputies, and their staffs.** Other issues were concerned with the various services and tasks done by the local assessors and reevaluating those tasks and those of the state. Some mention was made of role reversals of some of these tasks, such as the local offices taking over the oversight, review and appeal of appraisals with the state taking over the actual appraisal function. Other specific suggestions were made:

- The state should concentrate on education, training, oversight, appeals, and only do the most technical or complex type of assessments.
- Increase education related to the role of technology and information systems in property assessment.
- Create more tiered or structured incentives for all assessors their deputies and staffs to begin, continue, and advance their professional education. This could be done within the current certification structure.
- Target state support for additional computers, training, staff and office resources to fastest growing counties in the urban-suburban and suburban groups.
- Consider the use of a staffing model, such as the Colorado model for all assessors to use as a guide. This suggestion is discussed in detail in the Other States chapter of this report.
- Increase public understanding of the role of the local assessor in appraising property, as opposed to the setting of the tax rate.

With the exception of the last suggestion, each of these was addressed to some degree by the survey responses from local property assessors. Educating the public regarding the



role of the assessor would appear to be a task applicable to both state and local assessment professionals. It is easy to see how it could be overcome by other, more central tasks. It is perhaps an ideal task for the TAAO, CTAS, and other advocacy and assistance organizations.

## SURVEY RESPONSES

TACIR staff worked with the Division of Property Assessments and the State Board of Equalization to devise a survey based on a previous DPA survey and a model survey developed by the International Property Tax Institute (IPTI) for their use in a benchmarking study of property tax assessment tools and techniques. After review and input from a TACIR sub-committee, the survey was mailed to each county assessor in the state. A diskette and a hard copy of the survey were sent to each assessor and they were urged to complete the electronic version (see copy of survey question in Appendix E).

During the design of the survey, the need to divide the county assessors' offices into broad categories for comparison and analysis purposes became clear. The DPA assisted TACIR staff by providing the four categories of county assessor offices listed in Table 1, below. Criteria used to assign to groups included parcel count, mix of parcel types, geography of county, total population, and size of staff. Groupings were developed to aid in the analysis of assessor resources and opinions.

**Table 1. Assessor Study Groups**

<b>Group 1 (Major Urban)</b>			<b>Group 2 (Major Suburban)</b>		
Davidson			Anderson	Rutherford	
Hamilton			Blount	Sevier	
Knox			Bradley	Sullivan	
Shelby			Hamblen	Sumner	
			Madison	Washington	
			Maury	Williamson	
			Montgomery	Wilson	
<b>Group 3 (Suburban/Rural)</b>			<b>Group 4 (Rural)</b>		
Bedford	Greene	Monroe	Bledsoe	Meigs	
Benton	Hardeman	Obion	Cannon	Moore	
Campbell	Hardin	Putnam Rhea	Chester	Morgan	
Carroll	Hawkins	Roane	Clay	Overton	
Carter	Henderson	Robertson	Crockett	Perry	
Claiborne	Henry	Tipton	Decatur	Pickett	
Cheatham	Hickman	Warren	Fentress	Polk	
Cocke	Jefferson	Weakley	Grainger	Scott	
Coffee	Johnson	White	Grundy	Sequatchie	
Cumberland	Lauderdale		Hancock	Smith	
DeKalb	Lawrence		Haywood	Stewart	
Dickson	Lincoln		Houston	Trousdale	
Dyer	Loudon		Humphreys	Unicoi	
Fayette	Marion		Jackson	Union	
Franklin	Marshall		Lake	Van Buren	
Gibson	McMinn		Lewis	Wayne	
Giles	McNairy		Macon		

Source: *Division of Property Assessments*



In addition to these groupings, the survey questionnaire itself was divided into four major headings or categories:

- Demographic personnel questions regarding the county assessor and the assessor staff
- Resources, including the assessor's budget, computer and equipment, and office space
- Assessor support for additional training and education requirements
- Assessor support for an increase in the state's role in property assessment

Table 2 lists the first 41 questions asked in the survey, grouped by the four categories. Table 2 also shows which of the desired traits discussed in the professional standards section of this report each question addresses. Questions 36, 37, and 39-41 relate to the roles of state assessment agencies that were also discussed in the professional standards section. Questions 42-44 also relate to the roles of the state assessment agencies. These questions are discussed later in this section of the report.

## **DEMOGRAPHICS**

The survey asked the assessors to answer basic demographic questions about their age, gender, number of terms in office and their related experience and education prior to and since first being elected. The survey also asked for similar demographic information about the assessors' staffs.

### ***PROPERTY ASSESSORS***

**Urban Group.** Of the four county assessors for the urban group, all are between 50 and 65 years of age. The four are evenly split between men and women. Three of the four assessors had no experience or course work prior to election. Since their election, one of the assessors has taken one or two courses, one has taken nine or more courses, and two have taken no courses. One of the assessors is in their first term, two are in their second term, and one is in their third term.

**Major Suburban Group.** Of the fourteen assessors in the major suburban group, 65 percent are between the ages of 46 and 60, and all fourteen are men. Over 35 percent (five assessors) of the assessors had no assessment or appraisal experience prior to their election, while 50 percent (seven assessors) had six to fifteen years of experience. The remaining two assessors each had over sixteen years of experience prior to their election. Prior to election almost 29 percent had taken no courses; nearly 43 percent had taken only one to four classes; and almost 29 percent had taken five or more classes. Since their election, just over seven percent have taken no courses, while over 21 percent have taken one to four courses, and over 72 percent have taken seven or more courses. Nearly 43 percent of the assessors in this category are in their first or second term. Another 43 percent have served four or more terms.

**Suburban/Rural Group.** Nearly 70 percent of the 43 assessors in the suburban/rural group are between 41 and 60 years of age, and over 67 percent of the 43 assessors are men. In this group, over 32 percent had no experience prior to their election; nearly 35 percent had one to ten years of experience. This group has the highest percentage of assessors, 23 percent, with over sixteen years of experience. Prior to election, almost 40 percent of the



**Table 2. Property Assessor Survey Questions 1-41 by Question Category and Related Desired Trait or Role**

Category	Question	Related Desired Trait or Role
<b>Demographic (Personnel)</b>		
	<b>Assessor</b>	
	1. Assessor age group	
	2. Assessor gender	
	3. General education	
	4. Assessment or appraisal experience prior to election	Well-trained staff
	5. Years as assessor	Well-trained staff
	6. Assessor certifications	Well-trained staff
	7. Number of appraisal or assessment classes or courses taken before election	Well-trained staff
	8. Number of appraisal or assessment classes or courses since election	Well-trained staff
	<b>Staff</b>	
	9. Total number of staff (excluding assessor)	
	10. Work titles used for staff	Well-organized staff
	11. Number of staff in each work title	Well-organized staff
	12. Number of hours continuing education required each year in each category	Well-trained staff
13. Number of staff in each work title with IAAO designation or TCA certification	Well-organized staff	
14. Average number of years appraisal or assessment experience in each category	Well-trained staff	
<b>Resources</b>		
	<b>Budget</b>	
	15. Total budget (without reappraisal grant or state subsidy)	Adequate budget
	16. Personnel budget (including benefits)	Adequate budget
	17. Data processing budget	Adequate budget
	18. Training budget	Adequate budget
	19. Travel budget	Adequate budget
	<b>Computers and Equipment</b>	
20. Sufficient computers, printers and plotters for existing staff?	Sufficient computing resources	
21. Access to other county computerized records (trustee, codes, recorder of deeds, etc.) available to staff?	Sufficient computing resources	



**Table 2. Property Assessor Survey Questions 1-41 by Question Category and Related Desired Trait or Role (Continued)**

<b>Category</b>	<b>Question</b>	<b>Related Desired Trait or Role</b>
	<b>22.</b> Staff have access to, or have received, adequate training to make full use of data processing equipment?	Sufficient computing resources
	<b>Office Space</b>	
	<b>23.</b> Location of office(s) not a hindrance to efficient operation. (close to trustee, recorder and other officials with whom information is shared)	Administered in professional, equitable, and open manner
	<b>24.</b> Storage for maps and other paper records	Administered in professional, equitable, and open manner
	<b>25.</b> Space for computers, printers, and other equipment	Administered in professional, equitable, and open manner
	<b>26.</b> Approximate total office square footage	
	<b>27.</b> Overall rating of sufficiency of space	Administered in professional, equitable, and open manner
<b>Assessor support for additional training and education requirements (Assessor Input)</b>		
	<b>28.</b> Top three items you would like examined in the study	
	<b>29.</b> Is ability to hire and retain adequate, qualified staff a major concern?	Well-trained staff
	<b>30.</b> Is ability to provide (because of manpower shortages or funding) adequate training an issue for your office?	Well-trained staff
	<b>31.</b> Would your office support minimum qualifications in order to run for the office of Assessor of Property?	Well-trained staff
	<b>32.</b> Should there be additional training requirements after an assessor has assumed office?	Well-trained staff
	<b>33.</b> Should the size of the office or number/mix of parcels dictate whether training qualifications are required?	Well-trained staff
	<b>34.</b> Should an outside entity (the state, independent board, etc.) determine the adequacy of a county assessor's budget and the number or mix and training of staff?	Adequate budget
	<b>35.</b> Should some type of formula involving population, parcel count, property value, etc. determine the size or mix of an assessor's staff?	Well-organized staff



**Table 2. Property Assessor Survey Questions 1-41 by Question Category and Related Desired Trait or Role (Continued)**

Category	Question	Related Desired Trait or Role
	36. Should certain types of property currently appraised by local assessors be assessed by the state?	Conduct valuation of highly complex and multi-jurisdictional property
	37. If so, what are they?	Conduct valuation of highly complex and multi-jurisdictional property
	38. What is your county's current reappraisal cycle?	
	39. Should there be a single, statewide, frequency for reappraisal? (Not all counties at once, but divided equally over the cycle.)	Provide guidance to local offices
	40. If yes, what should that frequency be? (Assume equal division of counties over that time period.)	Provide guidance to local offices
	41. Should the state play a greater or lesser role in assessment, appraisal, and reappraisals than it does currently?	Provide guidance to local offices

Source: TACIR survey of local property assessors, conducted with Division of Property Assessments' assistance

suburban/rural group had taken no courses while another 30 percent had taken one to four courses, and more than 30 percent had taken five or more courses. Since their election, 1.6 percent had taken no courses, while 49 percent had taken one to four courses, and nearly 40 percent had taken five or more courses. Over 48 percent of the suburban/rural group is in their second or third term of office; nearly 28 percent are in their third or fourth term.

**Rural Group.** In the rural group, over 83 percent of the 34 assessors are between 41 and 60 years old, and over 75 percent are men. Nearly 65 percent of the rural assessors had no experience when they took office; the next largest group (26 percent) had ten or fewer years of experience. Prior to election, almost 74 percent of the rural assessors had taken no courses. Since their election, just over 35 percent have taken no courses, nearly 25 percent have taken one to four courses, and over 35 percent had taken five or more courses. Nearly 21 percent are in their first term, 32 percent are in their second or third term, and nearly 30 percent are in their fourth or fifth term.

### **ASSESSOR STAFF**

Unfortunately, interpretation for survey questions nine through fourteen, which dealt with the number of staff, staff categorization, staff experience, and staff certification and training is somewhat limited due to inconsistent definitions and other issues that would not support consistent or reliable results. TACIR staff has attempted to draw what comparisons that are possible from the responses to these questions.



**Staff Size.** The largest number of staff members, excluding the assessor, reported by a county assessor office was for Shelby County, with 183 staff members. Three rural counties (Meigs, Pickett, and Van Buren) reported no staff besides the assessor. A useful way to compare staff sizes across the size groups is to look at the number of staff per 1,000 parcels. Table 3 shows that the offices in the larger counties not only have larger staffs, they have a larger number of staff members per 1,000 parcels.

**Table 3. Total Number of Staff Per 1,000 Parcels  
Median, Lowest and Highest, by Property Assessor Group**

<b>Group</b>	<b>Median</b>	<b>Low</b>	<b>High</b>
<b>Group 1 (Major Urban)</b>	0.36	0.29	0.50
<b>Group 2 (Major Suburban)</b>	0.27	0.20	0.42
<b>Group 3 (Suburban/Rural)</b>	0.24	0.13	0.35
<b>Group 4 (Rural)</b>	0.23	0.00	0.56

Source: TACIR

**Titles.** The local offices of the assessor reported a considerable variety of job titles in use. The following list is a summary of those titles. It includes the most common titles, while at the same time giving an indication of the diversity in assessor staff positions across the state:

- |                                 |                                 |
|---------------------------------|---------------------------------|
| Deputy Assessors (Chief, I-III) | Mapping Technicians             |
| Appraisers (Chief, I-IV)        | Reappraisal Coordinators        |
| Appraisal Clerks                | Public Relations Specialists    |
| Assessors                       | Personal Property Analysts      |
| Abstractors                     | Sales Analysts                  |
| Field Supervisors               | Office Managers                 |
| Field Inspectors                | Administrative Service Managers |
| Data Entry Supervisors          | Administrative Assistants       |
| Data Entry Clerks               | Clerks (I-III)                  |
| GIS Technicians                 |                                 |

**Staff Experience.** The average years of staff experience in county assessor offices, as reported by respondents to the assessor survey who answered both the staff size and staff experience questions, is just over nine years per staff member. Inconsistencies in staff titles and reporting formats do not allow for this average to be accurately differentiated among various types of staff positions. As shown in Table 4, staff experience varied somewhat across the assessor office size groups. The average staff person years of experience among the major urban offices was nine years. The average increased to 11 years among the major suburban offices, and then decreased to nine and seven, respectively, among the suburban/rural and rural systems. There was a greater range in years of experience among the smaller offices. The offices with zero years of experience are those that reported no support staff.





**Table 4. Average Years of Staff Person Experience Mean, Lowest and Highest, by Property Assessor Group**

Group	Mean	Low	High
<b>Group 1 (Major Urban)</b>	9	6	13
<b>Group 2 (Major Suburban)</b>	11	5	16
<b>Group 3 (Suburban/Rural)</b>	9	3	22
<b>Group 4 (Rural)</b>	8	0	17

Source: TACIR

**Staff Certification.** Statewide, county property assessors only reported 58 staff members as having received IAAO certification classification as a Tennessee Certified Assessor. The respondents obviously under reported their true level of certification in the survey. DPA records indicate 290 certified assessor professionals located in local assessor offices:

<u>Certification Level</u>	<u>Certified Assessor Professionals</u>
Level I	117
Level II	89
Level III	54
Level IV	17
Level V	13

## STAFF RESOURCES

### **BUDGET**

The survey results from questions fifteen through nineteen, regarding assessor office budgets, must be taken with a grain of salt. The comparability of assessor budgets across the state is **severely limited** due to differences in budgeting techniques. These differences occur not only in how certain expenses are recorded with assessor offices, but also in how assessor budgets relate to total county budgets. Another very important limitation of this budget data is that there are significant differences in the level of technical support that different offices receive from the state. Assessor offices receiving a great deal of technical support might have considerably lower budgets than those attempting to perform more functions on their own. **If an accurate comparison of budget differences is desired, the state should encourage more consistent budgeting techniques across the state.** That said, one could get a feel for the general diversity in budgets by examining the responses across the four size groups.

Table 5 shows, not surprisingly, that there is a significant difference in the size of assessor office budgets across the size groups. An interesting comparison is the median amount of total budget dollars spent per parcel of real property in each size group. The large, major urban offices spent an average of \$23 per parcel. The group 2 offices spent a considerably lower \$12 per parcel, while groups 3 and 4 each spent \$10 per parcel. It should be noted that three counties, Cumberland, Fentress, and Lawrence, reported no total budget amount for their assessor offices.





**Table 5. Total Budget (Excluding State Grants and Subsidies) Comparison Mean, Median, Lowest, Highest, and Median Budget Per Parcel**

<b>Group</b>	<b>Mean</b>	<b>Median</b>	<b>Low</b>	<b>High</b>	<b>Median Budget Per Parcel</b>
Statewide	\$477,802	\$183,942	\$44,780	\$10,350,847	\$10
Group 1 (Major Urban)	\$5,411,336	\$4,574,748	\$2,145,000	\$10,350,847	\$23
Group 2 (Major Suburban)	\$693,074	\$595,983	\$339,736	\$1,365,086	\$12
Group 3 (Suburban/Rural)	\$231,240	\$217,393	\$109,000	\$485,000	\$10
Group 4 (Rural)	\$94,806	\$95,561	\$44,780	\$182,266	\$10

Source: TACIR

Table 6 suggests that different budget categories represent larger or smaller shares of the total budget across the assessor office size groups. Personnel budgets would appear to claim a larger share of total budgets in the major urban and major suburban assessor offices than in the smaller offices. Data processing would appear to claim a larger share in the major suburban and suburban/rural offices than in the other size groups. Remember, this data is subject to significant differences in how these expenses are tracked.

**Table 6. Select Budget Categories as a % of Total Budget (Excluding State Grants and Subsidies)**

<b>Group</b>	<b>Personnel Budget</b>	<b>Data Processing</b>	<b>Training</b>	<b>Travel</b>
Statewide	71.41%	6.80%	0.39%	1.08%
Group 1 (Major Urban)	76.82%	5.17%	0.30%	0.82%
Group 2 (Major Suburban)	77.15%	9.61%	0.51%	0.77%
Group 3 (Suburban/Rural)	62.30%	8.27%	0.50%	1.71%
Group 4 (Rural)	41.31%	4.90%	0.22%	1.80%

Source: TACIR



## RESOURCE ADEQUACY

In responses to the nine survey questions about adequacy of staff resources, questions 20 through 25, 27, and 29 through 30, the adequacy of resources was usually a function of the county size category. That is, **as the assigned size grouping grew smaller, the county was less likely to report that the resource was adequate.** The fourteen counties in the major suburban group, which includes the fastest growing counties in the state, responded in several cases that the questioned resource was less than adequate. Looking at the answers from the individual counties, the smallest five (in terms of parcels) in the group of fourteen, were slightly more inclined to answer that the listed resources (computers, staff, training, and space) were inadequate, but nevertheless, the majority of the responses for this group were consistent (either adequate or inadequate) with the other counties in the major suburban group.



As shown in Table 7, the majority of major urban offices reported adequate resources in each of the categories queried. A significant number of the major suburban offices reported inadequacies in access to other county records and in sufficiency of space. They also reported some difficulty in hiring, training and retaining personnel. Significant numbers of offices in the two smallest size groups reported inadequacies in nearly every category. Most pressing was the access to other county records and available storage space.



**Table 7. Property Assessor Survey Responses to Resource Adequacy Questions**

Question	Response	Group 1 Major Urban		Group 2 Major Sub.		Group 3 Sub./Rural		Group 4 Rural	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
20 Sufficient computers, printers and plotters for existing staff?	Adequate	4	100%	11	79%	30	70%	22	65%
	Inadequate	0	0%	3	21%	12	28%	11	32%
	No Response	0	0%	0	0%	1	2%	1	3%
21 Access to other county computerized records (trustee, codes, recorder of deeds, etc.) available to staff?	Adequate	3	75%	8	57%	24	56%	19	56%
	Inadequate	1	25%	6	43%	19	44%	15	44%
	No Response	0	0%	0	0%	0	0%	0	0%
22 Staff have access to, or have received, adequate training to make full use of data processing equipment?	Adequate	4	100%	10	71%	37	86%	28	82%
	Inadequate	0	0%	4	29%	6	14%	6	18%
	No Response	0	0%	0	0%	0	0%	0	0%
23 Location office(s) not a hindrance to efficient operation. (close to trustee, recorder and other officials with whom information is shared)	Adequate	4	100%	12	86%	41	95%	31	91%
	Inadequate	0	0%	2	14%	2	5%	3	9%
	No Response	0	0%	0	0%	0	0%	0	0%
24 Storage for maps and other paper records.	Adequate	4	100%	10	71%	24	56%	22	51%
	Inadequate	0	0%	4	29%	19	44%	12	28%
	No Response	0	0%	0	0%	0	0%	0	0%
25 Space for computers, printers, and other equipment.	Adequate	4	100%	12	86%	28	65%	21	62%
	Inadequate	0	0%	2	14%	15	35%	13	38%
	No Response	0	0%	0	0%	0	0%	0	0%
27 Overall rating of sufficiency of space.	Adequate	4	100%	8	57%	25	58%	19	56%
	Inadequate	0	0%	6	43%	17	40%	14	41%
	No Response	0	0%	0	0%	1	2%	1	3%
29 Is ability to hire and retain adequate, qualified staff a major concern?	Yes	0	0%	9	64%	17	40%	16	47%
	No	3	75%	2	14%	13	30%	10	29%
	Somewhat	1	25%	3	21%	12	28%	8	24%
	No Response	0	0%	0	0%	1	2%	0	0%
30 Is ability to provide (because of manpower shortages or funding) adequate training an issue for your office?	Yes	1	25%	6	43%	13	30%	12	35%
	No	2	50%	3	21%	16	37%	9	26%
	Somewhat	1	25%	5	36%	13	30%	13	38%
	No Response	0	0%	0	0%	1	2%	0	0%

Source: TACIR



## ASSESSOR SUPPORT FOR ADDITIONAL EDUCATION AND TRAINING REQUIREMENTS

Questions 31 through 33 of the survey asked about the local assessors' support for various proposals to upgrade assessor qualifications and training. These questions asked

- Would your office support minimum qualifications in order to run for the office of Assessor of Property?
- Should there be additional training requirements after an assessor has assumed office?
- Should the size of the office or number or mix of parcels dictate whether training qualifications are required?

As shown in Table 8, a majority of the **big four urban counties did not support any of these propositions**. A majority of counties in each of the **other three categories indicated support for the first two measures**, minimum qualifications in order to run for assessor and additional training requirements after an assessor has been elected. **A majority of respondents in each of the county size categories opposed the third proposition**, tying additional training to a formula based on office size.

**Table 8. Property Assessor Survey Responses to Training Upgrade Questions**

Question	Response	Group 1 Major Urban		Group 2 Major Sub.		Group 3 Sub./Rural		Group 4 Rural	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
31. Would your office support minimum qualifications in order to run for the office of Assessor of Property?	Yes	0	0%	11	79%	28	65%	31	91%
	No	3	75%	0	0%	7	16%	1	3%
	Unsure	1	25%	3	21%	7	16%	2	6%
	No Response	0	0%	0	0%	1	2%	0	0%
32. Should there be additional training requirements after an assessor has assumed office?	Yes	1	25%	13	93%	35	81%	25	74%
	No	2	50%	0	0%	4	9%	4	12%
	Unsure	1	25%	1	7%	3	7%	5	15%
	No Response	0	0%	0	0%	1	2%	0	0%
33. Should the size of the office or number or mix of parcels dictate whether training qualifications are required?	Yes	1	25%	3	21%	6	14%	7	21%
	No	3	75%	11	79%	33	77%	23	68%
	Unsure	0	0%	0	0%	3	7%	4	12%
	No Response	0	0%	0	0%	1	2%	0	0%

Source: TACIR



## ASSESSOR SUPPORT FOR AN INCREASE IN THE STATE'S ROLE IN PROPERTY ASSESSMENT

The survey asked the assessors for their views on external agencies' roles in property assessment, specifically whether an outside entity should determine budget and staff size, and whether the state should appraise certain types of property or otherwise play a greater role in local appraisals and reappraisals:

- Should an outside entity (the state, independent board, etc.) determine the adequacy of a county assessor's budget and the number/mix and training of staff?
- Should some type of formula involving population, parcel count, property value, etc. determine the size/mix of an assessor's staff?
- Should certain types of property currently appraised by local assessors be assessed by the state?
- Should there be a single frequency for reappraisal? (Not all counties at once, but divided equally over the cycle)
- Should the state play a greater or diminished role in appraisal, assessment, and reappraisals than it does currently?

**As a group, none of the four categories of counties were in favor of having an outside entity determine what resources they should receive** (see Table 9). However, a majority (minimum of three to one in all categories) did favor a formula-based methodology to determine human resource needs.

The next questions sought Assessor input into whether the state should appraise certain types of property currently appraised by local assessor and, if so, what types, and whether the state should play a great or lesser role in appraisals or reappraisals and assessment activity than it currently does. **While the big four counties and the major suburban counties answered no (by 75 and 64 percent), the remaining two categories of counties, by slight majorities, felt that the state should take over appraisal duties for certain types of property.** Question 37 asked which properties the respondents felt the state should take over. Property types most often mentioned included cell towers, complex industrial/commercial and special purpose property, leasehold and other personal property.

**Half of the assessors in the big four counties answered that there should be a single frequency for reappraisals. The majority of respondents in the other county size groups either responded that there should not be a single frequency or that they were not sure.** The bulk of counties are currently on a six-year reappraisal schedule. Most of those supporting a single frequency favored a six-year frequency.

**In none of the categories did a majority respond that the state should play a greater role in appraisal or reappraisals.** One of the big four counties responded that the state should play a greater role, while the other three thought that the level of involvement should remain unchanged. Responses from the rural group were similarly split. The suburban-rural group was more likely than the other three groups to respond that the state should play a larger role. Responses from the suburban-rural group were evenly divided.



**Table 9. Property Assessor Survey Responses: Increased State Role**

Question	Response	Group 1 Major Urban		Group 2 Major Sub.		Group 3 Sub./Rural		Group 4 Rural	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
34. Should an outside entity (the state, independent board, etc.) determine the adequacy of a county assessor's budget and the number/mix and training of staff?	Yes	0	0%	4	29%	10	23%	10	29%
	No	3	75%	4	29%	29	67%	17	50%
	Unsure	1	25%	6	43%	4	9%	7	21%
	No Response	0	0%	0	0%	0	0%	0	0%
35. Should some type of formula involving population, parcel count, property value, etc. determine the size/mix of an assessor's staff?	Yes	3	75%	13	93%	37	86%	26	76%
	No	0	0%	1	7%	2	5%	6	18%
	Unsure	1	25%	0	0%	4	9%	2	6%
	No Response	0	0%	0	0%	0	0%	0	0%
36. Should certain types of property currently appraised by local assessors be assessed by the state?	Yes	1	25%	5	36%	20	47%	19	56%
	No	3	75%	9	64%	15	35%	9	26%
	Unsure	0	0%	0	0%	7	16%	6	18%
	No Response	0	0%	0	0%	1	2%	0	0%
38. What is your county's current reappraisal cycle?	4 year	4	100%	3	21%	3	7%	1	3%
	5 year	0	0%	5	36%	20	47%	11	32%
	6 year	0	0%	6	43%	20	47%	22	65%
	No Response	0	0%	0	0%	0	0%	0	0%
39. Should there be a single, statewide, frequency for reappraisal? (Not all counties at once, but divided equally over the cycle)	Yes	2	50%	4	29%	16	37%	15	44%
	No	1	25%	7	50%	14	33%	11	32%
	Unsure	1	25%	3	21%	13	30%	8	24%
	No Response	0	0%	0	0%	0	0%	0	0%
40. If yes, what should that frequency be? (Assume equal division of counties over that time period)	Annual	0	0%	1	7%	0	0%	0	0%
	2 year	1	25%	0	0%	0	0%	0	0%
	3 year	0	0%	0	0%	0	0%	1	3%
	4 year	1	25%	1	7%	2	5%	2	6%
	5 year	0	0%	2	14%	7	16%	2	6%
	6 year	0	0%	0	0%	8	19%	12	35%
	Greater than 6 Years	0	0%	0	0%	1	2%	0	0%
	No Response	2	0%	10	71%	25	58%	17	50%
41. Should the state play a greater or lesser role in assessment, appraisal, and reappraisals than it does currently?	Greater	1	25%	4	29%	15	35%	6	18%
	Lesser	0	0%	3	21%	5	12%	2	6%
	Same	3	75%	4	29%	17	40%	25	74%
	Unsure	0	0%	3	21%	6	14%	1	3%
	No Response	0	0%	0	0%	0	0%	0	0%



## WHO SHOULD DO WHAT?

The final set of questions sought assessor input into state versus a local role for a variety of appraisal and reappraisal tasks. Those results are reflected in the following table, which includes tallies only for those tasks that received over 70 percent support for a state role. **Generally the less populated the county, the more tasks the local assessor was willing to have the state perform.**



Among the four big urban counties, the respondents indicated that the county should be responsible for all of the roles listed in Table 10. Only four roles received any consideration as state roles by these counties: prepare use schedules, prepare property tax notices, conduct appraisal training, and prepare legal opinions. At the opposite extreme were the small suburban/rural and rural counties, the majority of whom thought nearly every role should be a state one.

Response among the fourteen major suburban counties was mixed, but more similar to their other suburban and rural counterparts than to the big four. The most notable exception was field operations, which the major suburban respondents divided between the state and the counties.



**Table 10. Responses to Survey Questions About Who Should Perform Certain Assessor Tasks: State or Counties, by County Size Group**

Tasks		Group 1 Major Urban	Group 2 Major Suburban	Group 3 Suburban/Rural	Group 4 Rural
<b>Field Operations</b>					
Reappraisal	State	0%	29%	65%	74%
	County	100%	71%	30%	24%
Use Value Schedules	State	75%	57%	84%	88%
	County	25%	43%	14%	12%
Leasehold Analysis	State	0%	71%	88%	94%
	County	100%	29%	9%	6%
Sales Verification	State	0%	0%	28%	41%
	County	100%	100%	70%	59%
Special Purpose/Complex Properties	State	0%	71%	81%	91%
	County	100%	29%	14%	9%
Mapping	State	0%	0%	7%	12%
	County	100%	100%	91%	88%
<b>Assessment Systems</b>					
Computer Assisted Appraisal (CAAS)	State	0%	93%	86%	62%
	County	100%	7%	12%	32%
Assessment Rolls	State	0%	93%	93%	85%
	County	100%	7%	5%	12%
Assessment Notices	State	0%	93%	93%	91%
	County	100%	7%	2%	6%
Property Tax Rolls	State	0%	86%	93%	94%
	County	100%	14%	0%	3%
Property Tax Notices	State	25%	64%	72%	71%
	County	75%	29%	21%	26%
Property Tax Receipts	State	0%	57%	72%	79%
	County	100%	43%	23%	18%
<b>Personal Property</b>					
Personal Property Appraisal	State	0%	7%	37%	53%
	County	100%	93%	63%	47%
Personal Property Audits	State	0%	21%	42%	50%
	County	75%	57%	49%	41%
Personal Property Forms	State	0%	86%	88%	94%
	County	100%	14%	7%	3%
<b>Training</b>					
Appraisal Training	State	25%	100%	91%	97%
	County	75%	0%	7%	3%
Other (computers, GIS, data processing, etc.)	State	0%	71%	88%	94%
	County	100%	29%	7%	3%
<b>Legal</b>					
Legal Opinions	State	25%	79%	91%	94%
	County	75%	21%	7%	6%
Appeals Defense	State	0%	71%	72%	88%
	County	100%	29%	26%	12%

Note: Due to non-responses, not all response rates total 100%.



## OTHER STATES



The review of practices and initiatives in other states provides a sense of the direction being taken to modernize or otherwise improve the operation of their assessors' offices. TACIR staff discovered interesting practices in three states: Florida, Maryland, and Colorado. The review of Colorado, specifically, may provide a useful first step towards a tool for Tennessee's local assessors to use to determine local resource requirements.

TACIR staff also compared Tennessee's property tax structure to those of other southeastern states. Focusing on surrounding southeastern states that share property tax structures and administrative operations similar to Tennessee kept the number and types of initiatives manageable. This comparison did not produce any recommended changes to Tennessee's property tax structure, but it did serve to put that structure in a regional context.

### FLORIDA AND BUDGETING

A state level review of individual appraisers' offices' budgets in Florida is one of the most far-reaching administrative initiatives found thus far. In Florida, every property appraiser must, by June 1 of each year, submit its budget to the state's department of revenue. Section 195.087 (1)(a) of the Florida code requires the DOR to review each budget to ensure that "...the budget is neither inadequate nor excessive." It is also given the authority to amend or change the budget, while the property appraiser or presiding officer of the county commission is given the authority to appeal the decision to a state-level administrative commission. Such a state level review could **give local assessors added credibility and leverage when they approach their local legislative bodies for increased funding.** However, **enacting it would likely be unpopular with local assessor offices, based on their negative survey response to having any outside agency determine their resource needs.**

### MARYLAND, CENTRALIZATION, AND ALTERNATE METHODS

Looking at assessment and appraisal systems in Maryland presented a model unique to the U.S. In that state, since 1974, all appraisal and assessment functions are direct activities of the Maryland Department of Assessments and Taxation. This state administration was adopted partially due to the state's collection of a state property tax in conjunction with the local property taxes. Maryland still permits the local selection of assessors, with the positions being funded by the state.

Although local governments still set tax rates and send out tax billings, the state maintains records including bills of sale. Local governments also operate under a system that must meet requirements similar to the "truth in taxation" legislation in Tennessee. Rather than a "certified" tax rate, Maryland calls the rate that would yield the same revenue as the last three-year cycle their "constant yield rate." In order to increase this rate, their local jurisdiction must hold hearings, and the chief legislative body in that jurisdiction must then pass legislation that raises the existing rate. Additionally, the state captures a portion (\$.084 per \$100) of property taxes, which go to the state's general fund. One-half of this fund is returned to local governments for specific programs, including educational programs. Since the likelihood of a state property tax being enacted anytime in the near future in Tennessee is very remote, direct state administration of local taxation is not examined in this report.



In addition to consideration of a state run assessment and appraisal system like that in Maryland, staff considered other assessor selection and organization methods. In addition to expressions of concern from those assessors who were interviewed about removing the assessment and appraisal system from local control, a study that addressed this topic (Strauss and Sullivan) found that the quality of assessments were less likely to be of high quality where assessors were appointed rather than locally elected. The same study also found that state oversight of local assessment through the setting of standards and evaluation of results appeared to improve uniformity of residential assessments. **Increased standard setting, review and evaluation are more worthwhile than a restructuring of the assessor office functions.**

## COLORADO AND STAFFING

A common concern reported in the survey by many assessors in Tennessee is the adequacy of staffing at their individual offices. Although state law establishes the number of deputy assessors per parcel of land for each county office, staffing levels for other classes of assessment employees are not provided. A Colorado study, presented to the IAAO annual conference in September 2000, provides a method to calculate the staffing needs of an office by taking into account each function of the office (generally, appraisal and administrative tasks) together with the amount of each of these functions accomplished per year. Added to this equation are factors that take into account sick leave, annual leave, training, general unproductive time, etc. The point of this staffing analysis is to examine measurable data from previous years to determine current and near future staffing needs. Although the Colorado study could not be applied directly to Tennessee assessor staffing in this report, because of the difference in functions, record keeping, and amount of state oversight agency (DPA) support, the methodology could help to provide the framework for a Tennessee-specific staffing analysis tool.

**A property assessor staffing analysis instrument like that developed and used by the Colorado Division of Property Taxation (DPT) could provide county assessors in Tennessee with valuable analysis of their current staffing needs.** In many ways, the respective roles of county assessors and the state in Colorado are similar to those in Tennessee. While the assessor appraisal duties, including initial recording, record maintenance and appraisals are a county function, the state is charged with ensuring equity and fairness through monitoring and oversight as well as technical assistance and training. Colorado has also posted an exhaustive Assessors' Reference Library on the DPT web site<sup>28</sup>, which includes the instrument and complete instructions for its use.<sup>29</sup> A copy of the Colorado assessment instrument is located in Appendix F.

Originally intended as a means to estimate the fiscal impact on counties and the state that a mid-1980's legislative proposal requiring annual reappraisals would have had, the assessors' staffing level instrument was used by the Colorado DPT to determine additional staff resources needed in the state's 63 counties. Initially the instrument was not intended as a means for individual counties to objectively assess their staffing requirements. However, after the Colorado DPT had completed its work and Colorado settled on a biennial reappraisal schedule in the late 1980's, the instrument was revised and improved to permit its use by the counties independently or with assistance from DPT staff. In the past ten to



thirteen years, the instrument has been used in about ten counties with the assistance of DPT staff and in an unknown number of counties who completed the work without assistance. Numerous additional revisions and improvements have been made to the instrument since its introduction.

In order to have the instrument yield any benefit, it is necessary for the users to have an idea of the number of times during a year or appraisal cycle particular activities are performed and an average time that it takes to accomplish a single occurrence of each of the activities. Furthermore, the experience and knowledge of individual staff members and their ability to effectively perform particular tasks must be taken into account. Obviously, a new employee is going to take longer to accomplish a particular task than an experienced staff member. The size of the county and the assessor's staff is also an important factor, since the larger the office and the more a particular task must be completed, the more likely it is that staff will take on specialized roles, and office organization and technology will be arranged to allow more efficient completion of each task and the integration of these tasks into an orderly flow. Since experience and observation inevitably will provide much of the knowledge of how long a single occurrence of a specific task will take, division of the offices into size categories (as done in the survey section of this report) may be required.

Another benefit of categorizing the offices according to size might be that comparisons will generate evaluation of why some offices are able to complete a given number of occurrences of a particular task recognizably faster than a similar office. Reviews of efficiencies then might be possible, resulting in statewide sharing of best practices and procedures for particular tasks within specific sized offices.

An important issue that would need to be resolved would be who will administer the instrument. Certainly the counties themselves could enter the time estimates into the template and obtain the number of full time equivalent staff that the competed instrument recommends. However, from the perspective of an unbiased study, which might be more acceptable to a county commission that is being asked to fund additional positions by the assessor, an independent outside agent might appear more objective. In discussions with Colorado DPT staff about how the instrument has been used and its results, there has been at least one case where completion of the study indicated that the subject county assessor was over-staffed and several cases where the assessor's office currently had an appropriate number of staff. The fact that it has produced these kinds of results has lent the instrument credibility where Colorado DPT staff has been involved.

If used in Tennessee, **the Division of Property Assessments might be the most likely study facilitator.** With regionally assigned staff who, in many cases, have been able to observe local offices and have some idea about the amount of time that a certain task may take in those settings, it may be that these staff are in the best position to act as neutral administrators of the surveys or at least arbitrators in the resolution of the number of times and length of time that specific task are likely to take. This is but one of the details that would need to be resolved in the administration of a Colorado-style instrument in Tennessee.



## A LOOK AT TENNESSEE'S SISTER STATES

In order to identify the different types and levels of assistance that is provided to local assessors by their respective states, TACIR staff collected information from the eight states bordering Tennessee, plus Florida. Each state's constitution and statutes were searched to identify this assistance, and staff was interviewed from agencies charged with assisting local assessors. Additionally, information was gathered from the International Association of Assessing Officers' (IAAO) publication *Property Tax Policies and Administrative Practices in Canada and the United States*. This document provided the noted information that appears in several columns in the table.

Table 11 contains informational points in the top row, with state specific information in each of the following ten rows. After Tennessee, states are listed alphabetically. Answers obtained from the IAAO document, state laws and interviews have been abbreviated and simplified rather than including the much more complicated, complete information provided or obtained to answer the question.

**Table 11. Assessment and Assessor Support Survey – Tennessee, Surrounding States and Florida**

State	Type of Property Taxed	Level of Primary Assessor Functions	Assessors Appointed or Elected	Frequency of Appraisal	State Approves Appraisal Plans	State Provides Oversight, Evaluation Or Auditing?	State Requires Standard Procedures /Forms?	State Provides Manpower Assistance for Reappraisal Activities?
TN	Public Utilities, railroads, freight lines, res./farm, commercial/industrial & tangible personal & intangible	County and one municipality	Elected	No less than 6 year cycle (4-6 year norm)	Yes	Required by law/rule	Yes	Yes, as indicated in the DPA approved reappraisal plan
AL	Real, agriculture, forestry, Personal	County, some combine tax & assessor function in Revenue Commissioner	Elected	Every 4 yrs. Minimum	Yes	Yes, audit is annual ratio study	Yes, one manual personal another real property	Yes, staff in each of 5 district offices assist counties
AR	Agriculture, commercial, residential, personal	County  55 of 75 counties use contractors	Elected	3 year cycle if values increase over 15%, otherwise every 5 years	Yes	Yes	Yes	No
FL	All personal and real except inventory. Phasing out intangible.	County	Elected	Annual	No, approves tax rolls only	Required by law/rule	Yes	Yes, as requested
GA	All	County	Appointed	4 year cycle	No Unless ratios fall below threshold and not corrected	Required by law/rule	Yes Appraisal Procedure Manual being expended	No Review assistance only
KY	Real, personal, tangible. State taxes intangible and certain other classes of real estate and tangible	County, Property valuation administrators considered state employees	Elected	Annual	Yes, quadrennial assessment plan	Yes	No, but require standard information be available	If requested in addition to technical assistance and evaluation



**Table 11. Assessment and Assessor Support Survey – Tennessee, Surrounding States and Florida (continued)**

State	Type of Property Taxed	Level of Primary Assessor Functions	Assessors Appointed or Elected	Frequency of Appraisal	State Approves Appraisal Plans	State Provides Oversight, Evaluation Or Auditing?	State Requires Standard Procedures /Forms?	State Provides Manpower Assistance for Reappraisal Activities?
MS	Utilities, agricultural land, residential, commercial, industrial & personal property	County	Elected	4 year cycle	Yes	Required by law/rule	Yes	No
MO	Real & tangible personal of utilities & transportation, all real & personal (State collects \$.03 per \$100 of assessed value for general fund)	County, w/some municipal assessors	Elected, one or two consolidated govt's appointed	4 year cycle	Yes, approves 2 year assessment maint. plans	Required by law/rule	No Recommended standards and procedure available	No, short term technical assistance only
NC	Real & personal and public service companies	County	Appointed	4-8 year cycles	No	By request only	No	No
VA	Public service corporations, real estate & personal property	County Municipality Township (primarily county)	Elected, appointed and contracted depends on local commissioner of taxation	State assessed prop. annually, cities every 2 years, counties every 4-6 years depending on population (by statute)	No	By request only, required only where ratio falls below 70%	No, land and improvements value book only in specified format	Only advisory as requested



**Table 11. Assessment and Assessor Support Survey – Tennessee, Surrounding States and Florida (continued)**

State	State provides training assistance for assessor and staff?	State provides cash assistance (grants or loans) to assist assessors with appraisal/ assessment?	Assessors retains portion of tax collection or charges county based on parcel count, etc.?	Other financial assistance available or statutes, rules or reg's that require taxing bodies to provide certain funding?	State provides technology assistance or support to assessor (CAMA,GIS, electronic records/maps, assessment/tax notices?)
TN	Supervised, instruct, contract	Grants for portion of reappraisal costs only	No	Statute provides for one deputy assessor for every 4,500 parcels after the first 4,500, but leaves funding up to counties	Yes, 90 of 95 counties data maintained by DPA in digitized format
AL	Supervise, instruct, coordinate Contract with Auburn which subcontracts, both assessor and employees train, counties billed	Prorated, based upon percentage of appraisal and mapping budget from previous year.	No	No, but terms of Federal court settlement still in effect, places certain requirements on state and local assessor to maintain tax equity	Yes, state participating in multi-agency study of GIS, digitized mapping in some localities coordinated through Division
AR	Supervise, instruct, contract for training	State reimburses up to \$7 per parcel, per year	User fees based on collections to counties, cities, small portion from county general fund	No	No
FL	Instruct, contract	No direct assistance	Bill taxing authority	DOR, by FL statute, approves each county assessor's budget	CAMA, GIS, electronic records/maps not assessment or tax notices.
GA	Supervise, instruct, contract Fees for CAMA and UGA-based courses	None provided	No GA code prohibits charging for tax rolls	No	CAMA modeling and valuation only
KY	KY Dept. of Property Valuation provides training, some contracted, & Property Value Administrators (PVAs) charged fee	Assessment functions carried out by elected PVAs – paid by state	Only fees for use of tax roles by municipalities	State statute contains formula dictating amount of funding that counties must provide PVAs	Yes Digitized maps, CAMA
MS	Supervise, instruct both local assessors, staff and contractor staff	None provided	No	No	CAMA modeling and valuation only



**Table 11. Assessment and Assessor Support Survey – Tennessee, Surrounding States and Florida (continued)**

State	State provides training assistance for assessor and staff?	State provides cash assistance (grants or loans) to assist assessors with appraisal/ assessment?	Assessors retains portion of tax collection or charges county based on parcel count, etc.?	Other financial assistance available or statutes, rules or reg's that require taxing bodies to provide certain funding?	State provides technology assistance or support to assessor CAMA, GIS, electronic records/maps, assessment/tax notices?
MO	State provides both training and reimbursement for training plus bonuses for required re-certification	State funds up to 50% of assessment costs through general funds up to \$6.20 per parcel	1 or ½ percent of taxes to assessment fund for assessors based on county size	Yes, assessor budget cannot (unless agreed to by parties) be less than previous 3 year average	No, locals may use state funds received if included in assessment maintenance plan.
NC	State provides basic and seminars NC Instit. of Govt. and IAAO courses available at County expense	None provided	County assessor bills for services	No	No
VA	Basic course (intro. to assessing) free, sponsor advanced and certification courses through IAAO with participants paying fees	None provided	No	No	No

Information provided contains portions of state provided responses from IAAO *Property Tax Policies and Administrative Practices in Canada and the United States* as well as answers provided by officials from each state during phone interviews.







The individual state information illustrates the broad range and variety of assessor and state agency procedures and support in the states surveyed. From the information gathered, it appears that considerable differences exist in the types and levels of support and is not related to whether a state collects a state property tax. Table 12 shows that using the IAAO state role guidelines to measure with, Tennessee compares favorably to its sister states.

**Table 12. Comparison of Compliance with IAAO Recommended State Roles, Tennessee, Border States and Florida**

Recommended State Roles	TN	AL	AR	FL	GA	KY	MS	MO	NC	VA
<b>1. Provide guidance to local offices</b>										
Rules and regulations	Y	U	U	Y	Y	U	Y	Y	U	U
Procedures	Y	Y	Y	Y	Y	No[1]	Y	No[2]	No	No[3]
Manuals	Y	Y	U	U	Y	No	Y	No	No	No
<b>2. Provide support or financial assistance to local offices</b>										
Adequate well-trained staff	Y	Y	Y	No[4]	No	Y	No	Y	No	No
Accurate maps and records	Y	Y	No	Y	Y	Y	Y	No	No	No
Greatest feasible degree of computerization	Y	Y	No	Y[5]	Y[6]	Y[7]	Y[8]	No	No	No
<b>3. Conduct valuation of highly complex and multi-jurisdictional property</b>	Y	U	U	U	U	U	U	U	U	U
<b>4. Provide or coordinate appraisal and administrative training for local offices</b>	Y	Y[9]	Y	Y	Y[10]	Y[11]	Y	Y[12]	Y[13]	Y

- <sup>1</sup> Kentucky does require that standard information be available.
- <sup>2</sup> Missouri does not require standard procedures but had recommended standards and procedures available.
- <sup>3</sup> Land and improvements book value only in specified format.
- <sup>4</sup> Florida provides no direct cash assistance but does by statute, approve each county assessor's budget.
- <sup>5</sup> CAMA, GIS, electronic records/maps not assessment or tax notices.
- <sup>6</sup> CAMA modeling and valuation only.
- <sup>7</sup> Digitized maps, CAMA.
- <sup>8</sup> CAMA modeling and valuation only.
- <sup>9</sup> Contract with Auburn University for training of Assessors and Employees. Counties billed.
- <sup>10</sup> Fees charged for CAMA and UGA-based courses.
- <sup>11</sup> Property Value Administrators (PVA's) charged fee.
- <sup>12</sup> State provides both training and reimbursement for training plus bonuses for required certification.
- <sup>13</sup> State provides basic training and seminars. NC Institute of Govt. and IAAO courses available at county expense.



## IPTI BENCHMARKING STUDY

**Tennessee could potentially gather far more detailed comparisons of its tax assessment practices than are available in this study. The state could do so by choosing to participate in an ongoing benchmarking study by the International Property Tax Institute (IPTI).** IPTI is a non-profit organization of property tax professionals representing governments, taxpayers, academia and taxation and assessment professionals. IPTI's *Year 2000-01 Benchmarking Study* is the only known study of its kind to examine participants' assessment practices in relation to similar organizations.<sup>30</sup>

The IPTI benchmarking study surveys the operation and valuation practices of participating assessing agencies in North America with the aim of finding the best practices, processes and opportunities for improvement for these organizations. Based on the comparison of like data judged to indicate the efficiency or quality of particular practices and procedures, a custom study of Tennessee practices and procedures at the state and local level by IPTI could be arranged at an estimated cost of between \$2,700 and \$6,000. It would use some data from comparable jurisdictions that took part in the original study together with available new data and would compare practices and procedures at both the state and local levels with similar localities. Based on the comparison of like data judged to indicate the efficiency or quality of particular practices and procedures, best practices for each selected process or procedure could be established. In turn, these best practices could be used to establish improvement goals and objectives at both the state and county level. The scope and depth of the custom study would need to be determined in cooperation with IPTI before a schedule and costs could be established.

Questions for the survey of Tennessee assessors in this report were adapted from the IPTI survey done for the benchmarking study. Likewise, input from the IPTI researchers helped to identify some key states to look toward for best practices that could be used to establish improvement goals and objectives at both the state and county level.

## CONCLUSION



The Tennessee Advisory Commission on Intergovernmental Relations (TACIR), with the assistance of the Comptroller of the Treasury, studied the duties and responsibilities of the Office of the Assessor of Property and the resources necessary to the office. TACIR used professional standards from the International Association of Assessing Officers as guidelines to review and evaluate Tennessee's local and state assessor organizations. The IAAO standards provided the framework for a survey of local assessor officials and provided a starting point for interviews with other assessor professionals. The standards also provided structure to a comparison of Tennessee's assessment practices with those in other states. The basis for Tennessee's property tax is *Article 2, Section 28* of the Tennessee Constitution, which provides for a property tax and frames the types of property to be taxed and the assessed rates to which the enumerated property types will be subjected. The Tennessee Code Annotated has fleshed out the very basic property tax and property assessor framework laid out in the state constitution.

### Findings from the TACIR study

#### Interviews with Local Officials

- Although there was no one issue that topped each of the interviewed county property assessors' lists of those things they would change, staffing and salaries was a frequently mentioned concern. It appeared to be more of a concern the smaller the county and the shorter the period of time the assessor was in office. It also appears that the relationship between the assessor and the county executive or board and the financial health of the county are important to the assessor's ability to acquire sufficient staffing resources.
- The relatively short amount of time allowed for the distribution of various tax schedules and the mailing out and receipt of forms to businesses is a concern. Being able to spread the scheduled activities out over a longer period of time would allow for a less hectic pace of activities for both the assessors' offices and smaller businesses.
- Local assessors are concerned about the use by larger property owners and larger businesses of private assessment companies in the appeals process to reduce business taxes. Further study by the Comptroller of whether these appeals have indeed shifted the tax burden to the residential class may be warranted. Such a study could also examine the recent and frequent changes in the greenbelt law and how they have complicated the process of implementation and maintenance of those parcels.

#### Interviews with other Assessment Professionals

- A common theme expressed by these professionals was the need to better determine the staffing and resources required by the assessors' offices and adequate funding for those resources. Another issue mentioned was the need for continuing education and training. They also suggested that the state:
  - should concentrate on education, training, oversight, appeals, and only do the most technical or complex type of assessments;



- increase education related to the role of technology and information systems in property assessment;
- create more tiered or structured incentives for all assessors, their deputies and staffs to begin, continue, and advance their professional education—this could be done within the current certification structure;
- target state support for additional computers, training, staff and office resources to fastest growing counties in the urban-suburban and suburban groups;
- consider the use of a staffing model, such as the Colorado model for all assessors to use as a guide; and
- increase public understanding of the role of the local assessor in appraising property, as opposed to the setting of the tax rate.

### Survey Results

- The comparability of assessor budgets across the state is severely limited due to differences in budgeting techniques. If an accurate comparison of budget differences is desired, the state should encourage more consistent budgeting techniques across the state.
- The adequacy of resources was usually a function of the county size category: the smaller the county, the less likely the assessor was to report that resources were adequate. Significant numbers of offices in the two smallest size groups reported inadequacies in nearly every category. Most pressing was the access to other county records and available storage space.
- A majority of the big four urban counties did not support
  - minimum qualifications in order to run for assessor,
  - additional training requirements after an assessor has been elected, or
  - tying additional training to a formula based on office size.

A majority of counties in each of the other three categories indicated support for the first two measures. A majority of respondents in each of the county size categories opposed the third proposition.

- As a group, none of the four categories of counties were in favor of having an outside entity determine what resources they should receive.
- Most assessors from larger counties felt that the state should not take over appraisal duties for certain types of property currently assessed by local assessors. A slight majority of assessors in smaller counties felt that the state should take over these appraisal duties.
- The majority of respondents felt that there should not be a single state assessment frequency schedule.



- Most respondents did not feel that the state should play a greater role in appraisals or reappraisals.
- Generally the less populated the county, the more tasks the local assessor was willing to have the state perform.

#### Review of Other States

- A state level review of individual appraisers' offices' budgets, such as the one in Florida could give local assessors added credibility and leverage when they approach their local legislative bodies for increased funding. However, such a review would likely be unpopular with local assessor offices, based upon their negative survey response to having any outside agency determine their resource needs.
- A property assessor staffing analysis instrument like that developed and used by the Colorado Division of Property Taxation could provide county assessors in Tennessee with valuable analysis of their current staffing needs.
- Using the IAAO state role guidelines to measure with, Tennessee compares favorably to its sister states.
- Tennessee could potentially gather far more detailed comparisons of its tax assessment practices than are available in this study. The state could do so by choosing to participate in an ongoing benchmarking study being conducted by the International Property Tax Institute (IPTI).

#### **Based on these findings, the TACIR adpted the following recommendations:**

- Create a more tiered or structured incentive system for all assessors, their deputies and staffs to begin, continue, and advance their professional education. This could be done within the current certification structure by making compliance with training requirements mandatory or increasing financial incentives for the completion of each step of certification.
- Continue to target state support for additional computers, training, staff and office resources to the fastest growing counties and those counties with limited resources.
- Adopt a staffing model, such as the Colorado model for all assessors to use as a guide. Such a guide could provide valuable analysis of current staffing needs. The guide must take into account economies of scale and different level of complexity in appraising different types of property. The Division of Property Assessments (DPA) estimates that it would cost between \$50,000-\$100,000 to develop and implement an instrument for Tennessee.
- Establish requirements for more standardized budgeting techniques by assessor offices across the state. Funding standardization could assist budget standardization.



- Require specific additional training after an assessor has been elected to office. The state could withhold a portion of the assessor's salary if he failed to comply with post-election training requirements.
- Participate in the ongoing benchmarking study being conducted by the International Property Tax Institute.
- Local assessors should increase public understanding of their role in appraising property. This could be done using several approaches, including luncheon speeches and other public presentations, the distribution of brochures, or the use of well designed Internet sites. The DPA can assist in these efforts.
- The Tennessee General Assembly should consider legislation requiring that assessors notify cities and counties when commercial or industrial property in their jurisdiction is being considered for appeal.

**Additionally, the following are areas for recommended further study:**

- The State Board of Equalization and the DPA should evaluate the possibility of extending the period of time between the distributions of various tax schedules and the mailing out and receipt of forms to businesses.
- The TACIR, working with the DPA, could conduct a separate study to analyze the potential advantages of increasing the role of DPA's Appraisal Districts. This study would review such options as shifting responsibility for a greater number of special properties to the state, consolidating the roles of county offices, and making constitutional changes to the Office of the Property Assessor. It should be noted that such changes would be a reversal in Tennessee's policy trend, since 1989, of shifting responsibility for appraisal functions from the state to the local offices.



- <sup>1</sup> TCA §8-24-102(i).
- <sup>2</sup> Division of Property Assessments. Available from World Wide Web: ([www.comptroller.state.tn.us/pa/paasmcert.htm](http://www.comptroller.state.tn.us/pa/paasmcert.htm).)
- <sup>3</sup> Tennessee State Board of Equalization, *Rules of the Tennessee State Board of Equalization; Chapter 0600-4 Assessment Certification and Education Program*.
- <sup>4</sup> Office Interview 10/15/2002 with Dean Lewis, State Valuation Coordinator, State of Tennessee, Comptroller of the Treasury, Division of Property Assessments.
- <sup>5</sup> *Standard on Property Tax Policy*, “4.1.1 Valuation of Property”, International Association of Assessing Officers (IAAO), Chicago, Illinois: August 1977, p.10.
- <sup>6</sup> *Ibid.* “4.2.1 Advantages and Disadvantages of Current Market Value”, p.11.
- <sup>7</sup> *Ibid.* “Appendix D: Criteria for Evaluating Property Tax Systems”, p.28.
- <sup>8</sup> *Ibid.* “3.2 Assessing Officer’s Role in Policy Analysis”, p. 7.
- <sup>9</sup> *Ibid.* “4.1.1.2 Local Assessing Officer Valuation Responsibilities, p. 10.
- <sup>10</sup> *Ibid.*
- <sup>11</sup> *Ibid.* “4.4 Appraiser Qualifications”, p. 14.
- <sup>12</sup> *Ibid.* “Data Availability”, p. 13.
- <sup>13</sup> *Ibid.* “Land Data Systems”, p. 14.
- <sup>14</sup> *Ibid.* “4.6 Appeals”, p.14.
- <sup>15</sup> *Ibid.* “4.6.1 Appeals Systems”, p. 14
- <sup>16</sup> *Standard on Property Tax Policy*, “ 2.1.5 Participation in Development of Rules and Regulations”, International Association of Assessing Officers (IAAO), Chicago, Illinois: August 1977, p. 6.
- <sup>17</sup> *Ibid.*, “4.1.1 Valuation of Property”, p.10.
- <sup>18</sup> *Ibid.*, “4.1.1.1 State Agency Valuation Roles”, p. 10.
- <sup>19</sup> *Ibid.*
- <sup>20</sup> *Standard on Education and Training for Assessing Officials*, “3.Recommended Education”, International Association of Assessing Officers (IAAO), Chicago, Illinois: September 1989, p.6.
- <sup>21</sup> *Standard on Property Tax Policy*, “4.1.1.1 State Agency Valuation Roles”, International Association of Assessing Officers (IAAO), Chicago, Illinois: August 1977, p. 10.
- <sup>22</sup> [www.iaao.org](http://www.iaao.org)
- <sup>23</sup> *Standard on Property Tax Policy*, p. 10.
- <sup>24</sup> *Ibid.*
- <sup>25</sup> For a detailed discussion and analysis of utility valuation, see Green, Harry A. 1983. *Centrally Assessed and Locally Assessed Property: Valuation and Assessment*. Nashville: The Tennessee Advisory Commission on Intergovernmental Relations.
- <sup>26</sup> See complete history in Green, Harry A. Ph.D., Stan Chervin, Ph.D. (Principal Author) and Cliff Lippard, *The Local Government Finance Series, Volume I, The Local Property Tax in Tennessee*, TACIR unedited draft staff report, November 13. 2002, published February 2002.
- <sup>27</sup> *Standard on Property Tax Property*, “4.1.1.1 State Agency Valuation Roles”, International Association of Assessing Officers, Chicago, Illinois: August 1997, p. 10.
- <sup>28</sup> Available from World Wide Web: (<http://www.dola.state.co.us/PropertyTax/Publications/2002%20Manuals/MASTER2.pdf>.)
- <sup>29</sup> *Ibid.* “Addendum VIII A—Workforce Requirements” Sections 8.21-8.38, pp.356-373. And “Addendum VIII B—Instructions for Template” [Excel Worksheet], Sections 8.39-8.48, pp. 374-384.
- <sup>30</sup> Vainburg, Mark. International Property Tax Institute. *Search for Best Practices or Benchmarking*. Available from World Wide Web:([http://www.ipti.org/pdf/benchmarking\\_wp.pdf](http://www.ipti.org/pdf/benchmarking_wp.pdf))





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## GLOSSARY OF TERMS

### FIELD OPERATIONS

**Reappraisal:** The mass revaluation of all property within a jurisdiction on a periodic basis, with a goal of updating appraisals to reflect more current market conditions. Includes a systematic review of all properties, correction of listing inaccuracies, collection of sales, income/expense, and cost data, establishment of initial values for land and all improvements, and testing and refinement of those values. Final steps involve owner notification, appeals defense both informally and before boards and tribunals, and final ratio studies.

**Use Value Schedules:** Tables which provide the value of a property for agricultural, forest, and open space land use, rather than the highest and best use standard normally applied in property appraisal. Most often referred to as “Greenbelt Schedule”.

**Leasehold Analysis:** The study of terms and conditions of a lease to determine the value of the interests in a property associated with the *lessee* (the tenant) as opposed to the *lessor* (the property owner). Only applies to properties where the fee or reversion is statutorily exempt.

**Sales Verification:** The quality control of sales data to ensure that sales used to compare similar properties are valid (or adjustable) indicators of market value for those properties. The traditional standard is an “arms length” transaction, one between unrelated parties or parties not under abnormal pressure. Normally, sales such as foreclosures, condemnations, estates sales, family sales, and sales involving non-traditional financing or sales including personal property in the transfer are excluded or *disqualified* and are not used to analyze the market. Methods for verifying sales include interviewing the parties (in person or by phone) and mailing of questionnaires to obtain additional information about the validity of the sale.

**Special Purpose / Complex Properties:** The valuation and assessment of properties that are designed or suited for only a very specific use. As a result of the almost unique nature of the property, the availability of market data relevant to costs and sales is extremely limited. The lower sales volume means that not only are comparable sales scarce, but appropriate adjustments are much more difficult to determine. Appraisal of these properties is more complex, and requires a higher degree of training and experience.

**Mapping:** The production and maintenance of maps that serve as graphic representations of the real property tax roll. Assessment maps are used primarily to provide a system to locate, identify and inventory all parcels of taxable property in a jurisdiction. Methods vary widely, from hand drafted paper maps to more complex, computer based digital mapping.

### ASSESSMENT SYSTEMS

**Computer Assisted Appraisal:** The use of computer equipment and software to assist in the appraisal and subsequent assessment of property for ad valorem property tax pur-



poses. Primarily used for only certain types of real property, it incorporates computer supported statistical analysis such as multiple regression and adaptive estimation procedure to assist the appraiser in estimating value.

**Assessment Rolls:** The official list of properties in a jurisdiction assessed for property tax purposes. The assessment roll normally includes a unique identifier for each property, the name and address of the owner of record, the appraised and assessed values of the land and all improvements, the classification of the property, and the assessment level. It is the basis on which the property tax levy is allocated among property owners in a jurisdiction with taxing powers.

**Assessment Notices:** The vehicle for advising property owners of the assessed values of their taxable properties as determined by the assessor. Assessment notices normally take the form of postcard or form letter mailings, and are often sent only if a change to the assessment has occurred since the last assessment period.

**Property Tax Notices:** More commonly referred to as *property tax bills*, tax notices are the instruments used to inform property owners of their properties' tax liability.

**Property Tax Receipts:** The system of collecting and documenting the payment of property taxes levied by a jurisdiction.

## PERSONAL PROPERTY

**Personal Property Appraisal:** The process of discovery, listing, and valuation of non real property. Often referred to as *personalty*, personal property is subdivided into two categories, *tangible* and *intangible*. Tangible personal property consists of property that has a physical presence and unlike real property, has the capability to be relocated. Examples include machinery, vehicles, furniture and tools. Intangible personal property has representational, but no actual physical existence, such as stocks, bonds, patents, and trademarks.

**Personal Property Audits:** System for examining the property, books, papers, and accounts of businesses to facilitate the full and proper listing of all personal property in an assessment jurisdiction. Used to check the accuracy and completeness of a business's reporting schedule against their actual personal property holdings.

**Personal Property Forms:** The schedules and letters used to list and report personal property owned and used by businesses.

## TRAINING

**Appraisal Training:** The training and education of property assessment personnel in all facets of real and personal property appraisal. This training ranges from informal on-the-job training of employees in location specific tasks and procedures, to more formal classes, instruction, and professional designation programs administered by state agencies and professional appraisal / assessment organizations.



**Other Training** (computers, GIS, data processing): Specialized training in the operation of specific equipment and software currently in use or soon to be fielded in the assessor of property's office.

## **LEGAL**

**Legal Opinions:** Advice regarding appraisals, assessments, and methodologies with reference to their conformity to governing statutes and accepted appraisal practices.

**Appeals Defense:** Defending the assessed values and the methods used for valuation during appeals by taxpayers. Requires both legal and appraisal expertise.

*Source: Tennessee Office of the Comptroller, Division of Property Assessments*





## **EXCERPTS FROM THE TENNESSEE CONSTITUTION**

### **ARTICLE II, SECTION 28**

#### **Taxable property - Valuation - Rates.**

In accordance with the following provisions, all property real, personal or mixed shall be subject to taxation, but the Legislature may except such as may be held by the State, by Counties, Cities or Towns, and used exclusively for public or corporation purposes, and such as may be held and used for purposes purely religious, charitable, scientific, literary or educational, and shall except the direct product of the soil in the hands of the producer, and his immediate vendee, and the entire amount of money deposited in an individual's personal or family checking or savings accounts. For purposes of taxation, property shall be classified into three classes, to wit: Real Property, Tangible Personal Property and Intangible Personal Property.

Real Property shall be classified into four (4) subclassifications and assessed as follows:

- (a) Public Utility Property, to be assessed at fifty-five (55%) percent of its value;
- (b) Industrial and Commercial Property, to be assessed at forty (40%) percent of its value;
- (c) Residential Property, to be assessed at twenty-five (25%) percent of its value, provided that residential property containing two (2) or more rental units is hereby defined as industrial and commercial property; and
- (d) Farm Property, to be assessed at twenty-five (25%) percent of its value.

House trailers, mobile homes, and all other similar movable structures used for commercial, industrial, or residential purposes shall be assessed as Real Property as an improvement to the land where located.

The Legislature shall provide, in such manner as it deems appropriate, tax relief to elderly low-income taxpayers through payments by the State to reimburse all or part of the taxes paid by such persons on owner-occupied residential property, but such reimbursement shall not be an obligation imposed, directly or indirectly, upon Counties, Cities, or Towns.

The Legislature may provide tax relief to home owners totally and permanently disabled, irrespective of age, as provided herein for the elderly.

Tangible Personal Property shall be classified into three (3) subclassifications and assessed as follows:



- (a) Public Utility Property, to be assessed at fifty-five (55%) percent of its value;
- (b) Industrial and Commercial Property, to be assessed at thirty (30%) percent of its value; and
- (c) All other Tangible Personal Property, to be assessed at five (5%) percent of its value; provided, however, that the Legislature shall exempt Seven Thousand Five Hundred (\$7,500) Dollars worth of such Tangible Personal Property which shall cover personal household goods and furnishings, wearing apparel and other such tangible property in the hands of a taxpayer.

The Legislature shall have power to classify Intangible Personal Property into subclassifications and to establish a ratio of assessment to value in each class or subclass, and shall provide fair and equitable methods of apportionment of the value of same to this State for purposes of taxation. Banks, Insurance Companies, Loan and Investment Companies, Savings and Loan Associations, and all similar financial institutions, shall be assessed and taxed in such manner as the Legislature shall direct; provided that for the year 1973, or until such time as the Legislature may provide otherwise, the ratio of assessment to value of property presently taxed shall remain the same as provided by law for the year 1972; provided further that the taxes imposed upon such financial institutions, and paid by them, shall be in lieu of all taxes on the redeemable or cash value of all of their outstanding shares of capital stock, policies of insurance, customer savings and checking accounts, certificates of deposit, and certificates of investment, by whatever name called, including other intangible corporate property of such financial institutions.

The ratio of assessment to value of property in each class or subclass shall be equal and uniform throughout the State, the value and definition of property in each class or subclass to be ascertained in such manner as the Legislature shall direct. Each respective taxing authority shall apply the same tax rate to all property within its jurisdiction.

The Legislature shall have power to tax merchants, peddlers, and privileges, in such manner as they may from time to time direct, and the Legislature may levy a gross receipts tax on merchants and businesses in lieu of ad valorem taxes on the inventories of merchandise held by such merchants and businesses for sale or exchange. The portion of a Merchant's Capital used in the purpose of merchandise sold by him to non-residents and sent beyond the State, shall not be taxed at a rate higher than the ad valorem tax on property. The Legislature shall have power to levy a tax upon incomes derived from stocks and bonds that are not taxed ad valorem.

This amendment shall take effect on the first day of January, 1973. [As Amended; Adopted in Convention September 14, 1971; Approved at election August 3, 1972; Amendment approved at election, November 2, 1982.]





## ARTICLE VII, SECTION 1

### **County government - Elected officers - Legislative body - Alternate forms of government.**

The qualified voters of each county shall elect for terms of four years a legislative body, a county executive, a Sheriff, a Trustee, a Register, a County Clerk and an Assessor of Property. Their qualifications and duties shall be prescribed by the General Assembly. Any officer shall be removed for malfeasance or neglect of duty as prescribed by the General Assembly.

The legislative body shall be composed of representatives from districts in the county as drawn by the county legislative body pursuant to statutes enacted by the General Assembly. Districts shall be reapportioned at least every ten years based upon the most recent federal census. The legislative body shall not exceed twenty-five members, and no more than three representatives shall be elected from a district. Any county organized under the consolidated government provisions of Article XI, Section 9, of this Constitution shall be exempt from having a county executive and a county legislative body as described in this paragraph.

The General Assembly may provide alternate forms of county government including the right to charter and the manner by which a referendum may be called. The new form of government shall replace the existing form if approved by a majority of the voters in the referendum.

No officeholder's current term shall be diminished by the ratification of this article. [As amended; Adopted in Convention July 24, 1959; approved at election November 8, 1960; Proclaimed by Governor, December 1, 1960; As amended; Adopted in Convention December 6, 1977; approved at election March 7, 1978; Proclaimed by Governor, March 31, 1978.]





**EXCERPTS FROM THE TENNESSEE CODE ANNOTATED**

**TCA §8-24-102**

**Compensation of county officials.**

(a) For the purposes of determining the compensation to be received by the various county officers, "general officers" includes assessors of property, county clerks, clerks and masters of chancery courts, clerks of probate courts, clerks of circuit courts, clerks of general sessions courts, clerks of criminal courts, juvenile court clerks, county trustees and registers of deeds.

(b) Beginning July 1, 2001, general officers shall receive minimum compensation per year as follows:

<b>County Population</b>		<b>General Officer Salary</b>
920,000	and more	\$ 94,805
500,000	to 919,999	89,805
400,000	to 499,999	85,805
275,000	to 399,999	83,305
250,000	to 274,999	77,805
225,000	to 249,999	74,805
200,000	to 224,999	71,805
175,000	to 199,999	68,805
150,000	to 174,999	65,805
125,000	to 149,999	62,805
100,000	to 124,999	59,805
65,000	to 99,999	58,305
50,000	to 64,999	55,805
35,000	to 49,999	50,805
23,000	to 34,999	48,805
12,000	to 22,999	44,805
less than 11,999		39,305

(c) The population of counties, for purposes of this section, shall be determined by the 2000 federal census or the most recent succeeding federal census or a special census as provided in this subsection (c). A county may not move from one population to another except for a succeeding federal census or a special census. For the purpose of moving from one population classification to another, each county may take not more than three (3) special censuses at its own expense at any time during the interim between the regular decennial federal censuses. The special census shall be taken by the federal census bureau or in a manner directed by and satisfactory to the commissioner of economic and community development. The population of the county shall thereafter be revised in accordance with the special census, effective July 1 following certification of the census results by the federal



census bureau or the commissioner of economic and community development to the secretary of state and the comptroller of the treasury.

(d) On July 1, 2002, and each July thereafter, the minimum compensation for county officials, as provided by this section, shall be increased by a dollar amount equal to the average annualized general increase in state employees' compensation, including the equivalent percentage increase in average state employees' salaries represented by appropriated funds made available to address classification compensation issues, during the prior fiscal year multiplied by the compensation established herein for the county officials of the county with the median population of all counties; provided, however, that the annualized general increase tied to the increase in state employees' compensation shall not exceed five percent (5%) in any given year. On or before May 1 of each year, the commissioner of finance and administration shall certify to the comptroller of the treasury the average annualized general increase in state employee's compensation during that fiscal year. "Average annualized general increase in state employee's compensation" means the average percentage increase in base salaries for state employees, plus the equivalent percentage increase in average state employees' salaries represented by recurring appropriation amounts provided to improve the level of retirement benefits, longevity benefits, and deferred compensation benefits or other similar benefits that are made available to state employees, not including health insurance benefits.

(e) The county executive's compensation shall be at least five percent (5%) higher than the salary paid to any other county constitutional office of the respective counties. The minimum salary set out above shall apply only to a county executive who devotes full time to the county executive's office. The salary of a county executive who devotes less than full time to the county executive's office shall be determined by resolution of the county legislative body prior to the election of such official. For purposes of this subsection (e), "county official" does not include the judge of general sessions court.

(f) The state share of the cost pursuant to Article II, Section 24 of the Constitution of Tennessee for any increased expenditure required by a county by the provisions of this section shall be provided from the unallocated tax revenue of state-shared taxes enumerated in § 9-6-301.

(g) The compensation for the sheriff and chief administrative officer of the county highway department shall be at least ten percent (10%) higher than the salary paid to the general officers of the county. The county legislative body of each county may increase or decrease the compensation of the chief administrative officer of the county highway department so long as the compensation is maintained at or above the minimum level established herein.

(h) All general officers of the county shall be paid the same salary with the exception of any education incentive payments made to certified public administrators under § 5-1-310 and any payments made to the assessor of property under § 67-1-508.

(i) The county legislative body of each county may increase or decrease compensation of county officials so long as the compensation is maintained at, or above, the minimum levels established herein.



**(j) Any action by a county legislative body to exceed the minimum level of compensation for county officials established pursuant to this section must be included in a resolution scheduled for consideration on the agenda of the meeting. All meetings of the county legislative body shall comply with the requirements of the open meetings act contained in title 8, chapter 44, part 1.**

### **TCA § 67-1-508(C)(3)**

#### **Compensation.**

(a) The assessor of property of each county or metropolitan government shall receive as compensation an annual salary as established by § 8-24-102.

(b) The legislative or governing bodies of counties and metropolitan governments may from time to time fix the compensation of assessors as may, in their judgment, be necessary and proper in order to attract or retain the service of assessors of professional competence, technical skills and needed administrative abilities, any private acts, charter provisions or other legal restrictions to the contrary notwithstanding.

(c) (1) Out of any funds available to the state board of equalization or the Division of Property Assessmentss, the state board may provide incentive increases of compensation for those assessors and their deputies who successfully complete certain courses of study and field training, and attain certain levels of increased competence and technical skills as prescribed and provided by the state board of equalization.

(2) Any assessor or deputy assessor who has completed the necessary courses of study and training and has been designated by the International Association of Assessing Officers as a “Certified Assessment Evaluator” shall receive from the state additional compensation of not less than seven hundred fifty dollars (\$750) per annum or ten percent (10%) of the assessor’s or deputy assessor’s normal annual salary otherwise provided by law, but not to exceed one thousand five hundred dollars (\$1,500) per annum under rules established by the state board of equalization.

(3) Any assessor or deputy assessor who has completed the necessary courses of study and training and either been designated by the Tennessee Certified Assessor’s Program as a “Tennessee Certified Assessor,” or has been designated by the International Association of Assessing Officers as a “Residential Evaluation Specialist” shall receive from the state additional compensation of seven hundred fifty dollars (\$750) per annum.

### **TCA § 5-12-213**

#### **Who may make amendments to the budget - Compliance with court orders.**

(a) (1) Amendments to line items within a major category of the budget may be made by the official or department head of the office or department whose budget is to be amended, including those county officials named in § 5-12-211, and by the assessor of property, upon written notice to the county executive and the county legislative body. Any line item amend-



ment which in any way affects amounts budgeted for personnel costs, however, shall require approval of the county executive to be effective, or if the county executive disapproves or fails to take action on the amendment within seven (7) calendar days after written submission of the amendment, the county legislative body may approve the amendment by a two-thirds (2/3) vote.

(2) Amendments to line items within major categories of the budget for departments other than the school department, highway department, the officials named in § 5-12-211 or the assessor may be made with approval of the county executive and a committee of the county legislative body specifically authorized by law or authorized by the county legislative body to approve such amendments. If no committee is created or the committee disapproves or fails to approve the requested line item amendment within twenty-one (21) days after written submission of the request to the chair of the committee, the amendment may be approved by the county legislative body. However, if amendments to the line items within major appropriation categories of the budget are not approved by the county executive, or the county executive fails to take action within seven (7) calendar days after written submission of the amendment to the county executive, such amendment may be subsequently approved by a two-thirds (2/3) vote of the county legislative body.

(3) When the budget has been adopted, whether by action of the county legislative body or by operation of law, amendments to major categories of the budget may be made with the approval of the county executive and passage of the amendment by a majority vote of the county legislative body. If amendments to the major appropriation categories of the budget are not approved by the county executive, or the county executive fails to take action on the amendment within seven (7) calendar days after written submission of the amendment to the county executive, such amendment may be subsequently approved by a two-thirds (2/3) vote of the county legislative body. The amendments to major categories of the budget must be submitted in writing to the county executive and the county legislative body and shall specify the following:

(A) A description of the amendment, including the purpose of the amendment and why it is needed during the current fiscal year;

(B) A statement showing the cost of the amendment by budget line item with subclassifications showing specific cost elements (personnel, salaries, equipment, etc., included in the line item); and

(C) Funding sources for the expenditure itemized by federal sources, state sources, local sources or fund balance.

(b) All amendments to the budget of the school department shall first be approved by the county board of education, and all amendments to the budget of the county highway department shall first be approved by the chief administrative officer of the county highway department.

(c) Notwithstanding, amendments shall be made to comply with any court order entered pursuant to title 8, chapter 20.



## PROPERTY ASSESSOR SURVEY FORM QUESTIONS

### Personnel

#### Assessor

1. Assessor age group
2. Assessor gender
3. General education
4. Assessment/appraisal experience prior to election.
5. Years as assessor?
6. Assessor certifications (before and after election).
7. Number of appraisal/assessment classes/courses prior to election?
8. Number of appraisal/assessment classes/courses since election?

#### Staff

9. Total Number of staff (excluding assessor).
10. Work titles used for staff
11. Number of staff in each work title
12. Number of hours of continuing education required in each work category
13. Number of staff in each work title with IAAO designation or TCA certification.
14. Average number of years of appraisal/assessment experience in each category.

### Budget

15. Total budget (excluding reappraisal grant or state subsidy).
16. Personnel budget (including benefits).
17. Data processing budget (computers, software, contracted services, etc.)
18. Training budget.
19. Travel budget (including normal daily and overnight)

### Computer & Equipment

20. Sufficient computers, printers and plotters for existing staff?
21. Access to other county computerized records (trustee, codes, recorder of deeds, etc.) available to assessment staff.
22. Staff have access to or have received adequate training to make full use of data processing equipment ?

### Office Space

23. Location office(s) not a hinderance to efficient operation (close to trustee, recorder and other officials with whom information is shared).
24. Storage for maps and other paper records adequate?
25. Space for computers, printers, etc. adequate?
26. Approximate total office square footage.
27. Overall rating of sufficiency of space.

### Assessor Input

28. Top 3 items assessor want study to include.
29. Is ability to hire and retain adequate, qualified staff a major concern?
30. Is ability to provide (because of manpower shortages or funding) adequate training an issue for your office?



31. Would your office support minimum qualifications in order to run for the office of the assessor of property?
32. Should there be additional training requirements after an assessor has assumed office?
33. Should size of the office or number/mix of parcels dictate whether certain training qualifications are required?
34. Should an outside entity (the state, independent board, etc.) determine the adequacy of a county assessors's budget and number/mix/training of staff?
35. Should some type of formula involving population, parcel count, property value, etc. determine the size/mix of an assessor's staff?
36. Should certain types of property currently appraised by local assessors be assessed by the State?
37. If so, what are they?
38. What is your county's current reappraisal cycle?
39. Should there be a single frequency for reappraisal? (not all counties at once, but divided equally over the cycle)
40. If yes, what should that frequency be? (Assume equal division of counties over that time period)
41. Should the state play a greater or diminished role in appraisal, assessment, and reappraisals than it does currently?

#### **Appraisal/Assessment Services**

42. Who should provide, state or county?
  - a. Reappraisal
  - b. Use value schedules
  - c. Leasehold analysis
  - d. Sales verification
  - e. Special purpose/complex properties
  - f. Mapping
  - g. Computer assisted appraisal (CAAS)
  - h. Assessment rolls
  - i. Assessment notices
  - j. Property tax rolls
  - k. Property tax notices
  - l. Property tax receipts
  - m. Personal property appraisal
  - n. Personal property audit
  - o. Personal property forms
  - p. Appraisal training
  - q. Other training (computer, GIS, data processing, etc.)
  - r. Legal opinions
  - s. Appeals defense
43. What additional services should the State perform? (Please use commonly accepted descriptions; e.g., reappraisals, assessment roles, personal property audits, leasehold analyses, etc.)
44. What services currently performed by the state should local assessors assume?





### STATE OF COLORADO PROPERTY ASSESSOR RESOURCE REQUIREMENTS TEMPLATE

The information in this appendix is extracted from the State of Colorado's Division of Property Taxation publication *Assessors' Reference Library, Volume 2, Administrative and Assessment Procedures*. It is included here to provide an example of how a property assessor resource requirement analytical instrument might be structured.

#### **ADDENDUM VIII-A — WORKFORCE REQUIREMENTS WORKFORCE ANALYSIS GENERAL INFORMATION**

This addendum should be reviewed in conjunction with **Addendum VIII-B, INSTRUCTIONS FOR THE WORKFORCE TEMPLATE**. This addendum is designed to explain each duty or responsibility that is listed and evaluated in the workforce template developed by the Division of Property Taxation. Printed copies of the sheets in the template can also be found in **Addendum VIII-B**.

#### **FTE YEARLY HOUR CALCULATION**

Intrinsic to both the administrative and appraisal time estimates is the calculation of typical total full-time employee (FTE) yearly hours. The workforce template is designed to calculate the total yearly net hours. Basically, the typical workday hours (less any non-work related activities) is multiplied by the net yearly days. The net yearly days will be a measurement of the typical number of days a year that an employee will be performing the daily activities of the job. The net yearly days is determined by subtracting holidays, typical employee sick and vacation days, education and training days, and any other typical days off, from the gross yearly days. The gross yearly days is 260 (52 weeks a year times five days a week.) By dividing the total number of hours to complete all of the tasks necessary to operate the assessor's office in a typical year by the total net yearly hours per FTE, the required staff size can be estimated.

Example: The employees in Shine County typically work an eight-hour day (not including lunch), with two coffee breaks, which are 15 minutes each. There is also a loss of work time due to an acceptable amount of non-work related activities such as rest room and drinking fountain stops, incidental conversations, or other activity. Based on observations, the total lost work time per day due to the non-work related activities is approximately one hour. The county is closed for 10 holidays and allows each employee his/her birthday off. By averaging the number of sick days taken during the previous year by all of the employees, it is determined that five days per employee are taken as sick leave each year. There are 10 vacation days allowed for all full-time employees and the majority of the employees take the full 10 days each year.



Based on the budgeted funding and the schools offered, each employee is expected to spend 10 days each year in training. Therefore the computation of full-time employee (FTE) yearly hours would be:

	<u>Days</u>	<u>Hours</u>
Hours - typical work day (minus coffee breaks, etc.):		7
Gross yearly days	260	
Holidays	10	
Sick days (typical for the office)	5	
Vacation days (typical for the office)	10	
Education & training days	10	
Other (birthday)	1	
<u>Yearly net days/hours</u>	<u>224</u>	<u>1568</u>

## ADMINISTRATIVE TASK EVALUATION

Estimating workforce requirements for the administrative tasks of the assessor's office can be determined by calculating the total hours needed to complete the various administrative functions and dividing that total by the yearly net working hours to arrive at the number of employees needed. This sounds very simple, but it can require very extensive research. Appropriate time estimates should be established before the total net yearly administrative working hours are considered. To establish appropriate time estimates for the administrative tasks, the tasks are divided into these major categories: 1. Public Information 2. Office Management 3. Statutory Reports 4. State Assessed Properties 5. Senior Exemption 6. Possessory Interest - Admin 7. Other Tasks or Duties 8. Ownership Changes 9. Mapping 10. Data Processing

**Work Units.** It is appropriate to think of the job to be done in terms of "work units." Generally, for appraisal functions, the parcel or schedule count is the most common. The administrative work unit may be the number of:

1. Schedules or parcels
2. Mapping plats
3. Inquiries
4. Reports
5. Deeds
6. Full-Time Employees (FTEs)
7. Senior Exemptions
8. General Task Count, such as writing a weekly newspaper article or updating the office website

**Time Estimates.** As previously noted, each work unit needs a corresponding time estimate. In researching the time estimates for your county, bear in mind the number of staff working on each work unit. For example, if two people typically work on budget preparation, one person spending 60 hours and the other spending 20 hours, the work unit of one budget requires an 80-hour annual time estimate.



**Administrative Functions.** The following is a list of administrative functions, work units, and typical time estimates for the assessor's administration section. **The time estimates given are general guidelines and are not appropriate for every county.** It is highly recommended that each assessor's office research and develop its own time requirements for each classification listed. This will ensure that the workforce analysis accurately represents the administrative personnel required for each office.

## PUBLIC INFORMATION

**Inquiries.** This includes the normal, day-to-day requests for information received from taxpayers either in person, by telephone, or by letter. Such inquiries generally include use of parcel maps and ownership records or general taxation information. The work unit for these activities is the typical number of such requests per year. If records have not been kept for these activities, the annual number can be estimated starting with the typical number of requests per week or month. Care should be taken in this estimation of "typical." The yearly estimate would be greatly skewed if it were based on a week or month that was overly slow or busy. The workforce template entry is five minutes per request.

**Property Record Information.** Real estate agents and private fee appraisers typically request this information. The work unit for this activity is also the number of requests per year and can be estimated in the same manner as inquiries. Some counties find that it is cost effective to install a computer terminal available for public use to reduce or eliminate time expended by an employee for this activity. The workforce template entry is six minutes per request.

**Public Relations.** Giving directions and handing out brochures and mini-abstracts are some of the tasks that would be included in this activity. The work unit is also the number of requests per year. The workforce template entry is six minutes per request. Additional time should be considered for specially planned public relations projects such as speeches, radio/television interviews, or writing newspaper columns. The Division has a Public Relations packet that is available as a template for your county to personalize. Additional on-going public relations activities such as maintaining a website may be separately tracked under one of the two "Other Task/Duty" areas on the worksheet.

## OFFICE MANAGEMENT

**Budget Preparation.** Preparation of the assessor's office budget is an annual event. The time necessary for this activity will vary from county to county. The time for this activity should include: budget information gathering, prior year's budget analysis, the analysis of future events or requirements that may cause additional budget needs, assessor budget meetings, and final budget report preparation and presentation. The default time entry into the workforce template is 80 hours. The annual work unit for most counties is one budget.

**Budget Maintenance.** This entry is for periodically reviewing the individual line items of the budget. Some counties may review their budget line items weekly while others review them monthly. If a county reviewed its budget weekly for 15 minutes each week the template entry would have 52 as the number of annual work units and .25 hours (or 15 minutes) as the time



per work unit. The workforce template entry would be 52 weeks a year and .25 hours per work unit.

**Supervision.** This calculates the time necessary for the management of the assessor's office personnel including performance monitoring and evaluation, hiring, payroll work reports, and other related duties. The measurement of this category is a calculation of needed employees based on the information within the template at that time. The time estimate is the typical amount of time spent in supervisory tasks per employee. As the calculated number of FTE's (full-time employee, or equivalent) changes with additional information added to the template, this area automatically recalculates the needs for this task. In the template the work unit is per calculated FTE and the time estimate is 80 hours per FTE. **NOTE: In all entries where the work unit type is specified to be "PER FTE," no manual data entry should be done since this information will be automatically calculated by formulas within the template.**

**Department Meetings.** This area includes such activities as attending regularly scheduled board of county commissioners meetings, general county budget hearings, section and office meetings, meetings with the county clerk and the treasurer, county zoning meetings, or any other department meetings. The time estimate for this activity is determined using the actual time spent interacting with other departments. The template entry is an average of 40 hours per year, per department.

**Secretarial Support.** This area includes activities such as general correspondence, general file maintenance, employee time keeping, and other secretarial duties that are performed, but do not fit into any other category. This is to account for the time spent performing such activities, but several employees will probably share the duties. The work unit in the template is per calculated full-time employee. The template work unit time entry is 24 hours per calculated FTE.

**Protest - Administrative - Assessors Level.** This area tracks the administrative time that is spent handling taxpayer protests and related duties for the assessor's protest period. This does not include any appraisal duties for protests. Appraisal time is tracked in the appraisal portion of the template. The work unit is the same as that reported for the appraisal duties and is automatically entered into the administrative worksheet. The work unit is an average number of the reappraisal year's and the intervening year's appeals. The template work unit time entry is ten minutes per protest.

**Appeals - Administrative - CBOE Level.** This area tracks the administrative time that is spent handling taxpayer appeals and related duties for the county board of equalization appeals. This does not include any appraisal duties for appeals. Appraisal time is tracked in the appraisal portion of the template. The work unit is the same as that reported for the appraisal duties and is automatically entered into the administrative worksheet. The work unit is an average number of the reappraisal year's and the intervening year's appeals. The template work unit time entry is five minutes per appeal.

**Appeals - Administrative - BAA Level.** This area tracks the administrative time that is spent handling appeals and related duties for the Board of Assessment Appeals or to binding arbitration. This does not include any appraisal duties for appeals. Appraisal time is



tracked in the appraisal portion of the template. The work unit is the same as that reported for the appraisal duties and is automatically entered into the administrative worksheet. The work unit is an average number of the reappraisal year's and the intervening year's appeals. The template work unit time entry is five minutes per appeal.

**Appeals - Administrative - District Court .** This area tracks the administrative time that is spent handling appeals and related duties for the district court or higher (Court of Appeals, Supreme Court). This does not include any appraisal duties for appeals. Appraisal time is tracked in the appraisal portion of the template. The work unit is an average number of the reappraisal year's and the intervening year's appeals. The work unit is the same as that reported for the appraisal duties and is automatically entered into the administrative worksheet. The template work unit time entry is five minutes per appeal.

**Appeals - Administrative - Abatement.** This area tracks the administrative time that is spent handling abatements. This does not include any appraisal duties for abatements. Appraisal time is tracked in the appraisal portion of the template. The work unit is the same as that reported for the appraisal duties and is automatically entered into the administrative worksheet. The work unit is an average number of the reappraisal year's and the intervening year's appeals. The template work unit time entry is ten minutes per abatement.

**New Programs and Procedures.** This includes administrative training programs for all new and existing staff, additional computer training for new programs, and other similar duties. **NOTE:** Training days are also recognized in calculating the net working hours per employee. Time measured in this area should not include time accounted for in net working hours. The work unit and template time entry is 20 hours per FTE per year.

## STATUTORY REPORTS

Preparation of all statutory reports of the assessor's office is the function of this job duty. This includes such reports as: notices of valuation and protest forms, notices of determination, out-of-state ownership list, Abstract of Assessment, certification of values, special district election lists, recertification of values and tax warrant. The template work unit and time entry for this activity is 40 hours per statutory report. The degree of computerization within the assessor's office can have a significant impact on the necessary time for each report.

## STATE ASSESSED PROPERTIES

Typically the state assessed values established by the Division of Property Taxation are placed into the database system by the administrative staff. This requires new data entry including the entry of new companies, the distribution of values, and the confirmation of tax area. The time necessary to manage state assessed values can vary greatly depending on several factors. They include the manner in which the state assessed values are apportioned to the correct tax areas or taxing entities, the number of taxing entities or tax areas in the county, the number of state assessed companies, and the amount of value in the companies. The template time entry and work unit for this activity is 10 minutes per state assessed company; however, some counties may need to devote as much as one hour per state assessed company.



## SENIOR EXEMPTION

An allowance has been made in the template to track this duty, but there is a limited history to develop a time estimate guideline. The work unit is the number of exemption applications reviewed. The time estimate that has been allotted is 15 minutes.

## POSSESSORY INTEREST - ADMIN

An allowance has been made in the template to track this duty, but there is limited history to give a time estimate guideline. The work unit is the number of possessory interest accounts reviewed. The time estimate that has been allotted is one hour per schedule.

## OTHER TASK/DUTY

Sometimes there may be an atypical administrative activity that is periodically done, but does not fit into the given descriptions. The template therefore provides tracking and accounting for these activities by providing two separate line items that are included in the totals. Again, since they are atypical, no work units or time entry are suggested. The title "Another Task/Duty" is not protected and may be replaced with an appropriate title for your use. Some examples of tasks where this could be used are: monthly updating of an internet home page, active participation in a computer users group, and issuing building permits for the county.

## OWNERSHIP CHANGES

**Transfers.** Simple ownership transfers are the result of documents recorded in the clerk's office that directly transfer property without any division of parcels. The work unit is the average number of such transfers per year. Like taxpayer inquiries mentioned earlier, the average number can be estimated starting on a typical per-week or per-month basis and multiplying the count by the number of weeks or months per year to obtain the annual figure. Review the calculated yearly total. Care must be taken so the number of work units calculated and reported on the template is indicative of an average year. The degree of computerization and transfer procedure used in the assessor's office will greatly affect this time estimate. Review this estimate very carefully. The template time entry is 12 minutes per simple ownership transfer.

**New Subdivision Plats.** This is the process of setting up information on new subdivisions and creating the necessary cards and files. This category does not include any map drafting duties which are included in the Mapping section. The number of new subdivision plats, should be estimated based on the prior year's activity and any reliable future projections. The time estimate can vary greatly based on the typical number of lots in each new subdivision plat. The template time entry and work unit is 60 minutes per new subdivision plat.

**Splits/Combinations.** This duty includes assessment roll updating and new record creation for ownership splits or combinations. The time estimate should not include any ap-





praisal or mapping duties. The work unit is the average number of such transfers per year. Do not include any simple ownership transfers in this count. Again, the degree of computerization and the transfer procedure used in the assessor's office will greatly affect this time estimate. The template time estimate is 30 minutes per split or combination.

**Sales Confirmation.** A sales confirmation program includes administrative activities such as mailing real property transfer declarations (TD-1000) and questionnaires, logging the returned documents, and sales coding them into your data system. This entry does not include any appraisal time spent in sales confirmation or time that is accounted for in the property transfer process. The work unit is the yearly number of sales confirmations handled. The template time estimate and work unit is six minutes per sale.

**Address Changes.** All mailing address changes where there is no transfer of ownership are included in this function. The work unit is the average number of address changes per year. **NOTE:** If your database address changes are done by another office, such as the treasurer's office, do not include those in your calculations. The template time estimate is six minutes per address change.

## MAPPING

**Reproduce Mylar** This activity has been included primarily for counties that still have hand-drawn parcel maps. It is for tracking the time necessary for the manual reproduction of section maps on Mylar. This task is performed when Mylar becomes worn and old. The work unit is one Mylar map, and the template time estimate is 16 hours per reproduced Mylar map. If a county has computerized mapping, this category could be utilized to track the creation of new maps. The time estimate would have to be locally determined through an individual study.

**Update Maps** Assessment maps should be updated to reflect parcel changes from subdivisions, tax area boundaries, splits/combinations, and any other changes affecting mapping. The work unit is a hand-drafted Mylar map and the template time estimate to do the updating is four hours per map per year. With the advent of computerized mapping and GIS systems, this activity could be used to track the computer time necessary to do the updating on each overlay. Researching the amount of time spent updating each overlay and the frequency of occurrence could help determine the appropriate time estimate necessary for this activity. The work unit could be the number of overlays that are typically updated.

## DATA PROCESSING DATA ENTRY

This includes the normal day-to-day data entry for the assessor's office. Items entered include all data processing information changes or corrections for the administration and appraisal sections of the assessor's office, but not the appraisal record keeping activities described in the

**Appraisal Task Evaluation.** section of this addendum or any activity previously mentioned, such as property transfers or address changes. The work unit is the total number of parcels or schedules with the template time estimate of five minutes for each parcel or schedule.



**System Maintenance and Production.** This is an ongoing activity each day. It generally includes such tasks as: updating the software programs with those sent out by the software distributor, periodic file back-up, review of internal tables, and any other activity that may be a system-wide operation. The template time estimate and work unit is one hour per number of standard working days in the typical year. Depending upon the number of approved holidays when the office is closed, this number should be around 250 days (52 weeks times 5 days per week equal 260 days minus 10 holidays equals 250 days).

**Analysis Reports.** Included in this category are the generation of computer reports such as sales ratio studies, sales comparisons, administrative exception reports, classification error reports, and neighborhood statistics. Time spent analyzing reports is not included in this category. The work unit and time estimate are the same as system maintenance and production.

## APPRAISAL TASK EVALUATION

**The time estimates given are guidelines for typical appraisal operations and are not appropriate for every county.** Again, it is highly recommended that each assessor's office research and develop its own time requirements for each classification listed. This will ensure that the workforce analysis accurately represents the appraisal personnel required for each office.

## CYCLIC REVIEWS

Before proceeding with explanations of the various steps in the appraisal task evaluation, it is necessary to discuss cyclic reviews. Cyclic reviews are appraisals and reviews for all real property according to an established time cycle and the personal property audit cycle. Through a predetermined period of time, all real property parcels should minimally receive a drive-by review or ideally, a complete physical inspection of both the interior and exterior characteristics of the property. All personal property accounts are physically reviewed on a predetermined cycle.

For example: The Shine County Assessor decided to conduct a drive-by cyclic review of all properties over a ten-year period. Typically during this same ten-year period, 10 percent of all properties will need an on-site physical inspection due to missed property characteristic changes such as additions or remodeling that cannot be analyzed during the drive-by cyclic review. To facilitate a balanced annual workload so that staffing levels remain consistent from year to year, nine percent of all of the parcels are given a drive-by review each year and one percent of the parcels receive an on-site physical inspection, totaling 10 percent. Therefore, during a two-year reappraisal cycle, 20 percent of all parcels receive either a drive-by review or an on-site inspection. The remaining 80 percent of the properties receive an office review to complete the reappraisal.

Determining which parcels receive a drive-by review should be carefully considered. The properties to be reviewed in each class may be grouped according to geographic location, economic area, similar building types, or similar uses. For example, your physical review of





commercial properties for a specific year may include all motels, or it may consist of all commercial properties within a specific location such as a particular town. The needed on-site inspections will be discovered during the drive-by review. Planning should be based on all properties being reviewed within the specific cycle that has been established.

The personal property audit cycle should correspond with the audit plan that is prepared each year. The template allows the user to select separate cycles for real and personal property.

The workforce requirement study for the appraisal section of the assessor's office requires an analysis of a number of tasks, which may be segregated into four categories:

1. Drive-by cyclic review
2. On-site physical inspection
3. Office review
4. Records processing

A drive-by cyclic review does not require the in-depth examination of the parcel as is necessary when conducting an on-site physical inspection. A comparison of the previously collected characteristics and the current exterior characteristics is made. The drive-by cyclic review includes: an overview of the economic/neighborhood area; exterior review of the quality, condition, and remaining economic life of all buildings; updating a property characteristics data form; analysis of the applicable approaches to value; reconciliation to a final value determination; and statistical analysis of the final results. Any changes such as additions, deletions, new buildings, or other improvements will require re-listing and possibly a complete physical review. Normally, the time for such activities as mass appraisal table-building, sales analysis, simple linear and multiple regression analysis, time trending, and statistical analysis should be included in the Model Building and Analysis section of the appraisal template. The template time estimates vary with the type of property being reviewed or appraised and are listed later in this addendum.

The on-site physical review normally includes: an overview of the economic area/neighborhood; exterior and interior inspection of all buildings; updating a property characteristics data form; analysis of the applicable approaches to value; reconciliation to a final value determination; and statistical analysis of the final results. Re-measuring and diagramming may be necessary if any changes have been made to the property since the last inspection. Time for such activities as mass appraisal table-building, sales analysis, simple linear and multiple regression analysis, time trending, and statistical analysis should be included into the Model Building and Analysis section of the appraisal template. The template time estimates vary with the type of property being reviewed or appraised and are listed later in this addendum.

Office review procedures include everything listed in the drive-by review appraisal except the neighborhood overview and exterior review of the buildings. These are replaced with an office examination of the characteristics of each parcel prior to the recalculation. The template time estimates vary with the type of property being reviewed or appraised and are listed later in this addendum. Appraisal records processing includes the mass processing of



all updated appraisal information to the mass appraisal assessment system. It does not include general data entry that is tracked in the Administrative Task Evaluation section of this addendum. For additional information concerning the appraisal functions, refer to **ARL Volume 3, LAND VALUATION MANUAL, Section II, APPRAISAL PROCESS, ECONOMIC AREAS, AND THE APPROACHES TO VALUE.**

## **ABSTRACT PARCEL COUNT**

An important step in determining the appropriate workforce requirements for yearly appraisal duties is an accurate parcel count. For agricultural land, the parcel count is replaced with an acreage calculation for each subclass of land. The initial parcel count should come from the county's most current abstract of assessment. However, accurate workforce estimates are dependent upon the accuracy of parcel counts and, if the abstract numbers in any class or subclass are not fully understood, a review of that abstract listing will be necessary. Included within the workforce template workbook are three data gathering pages. Pages 1 and 2 will assist you in compiling the necessary abstract counts into the appropriate classes and subclasses. Page 3 will be used to collect administrative data. To correctly use the workforce template, the abstract parcel count should include the following classes and subclasses:

### **Vacant Land**

- Residential
- Commercial
- Industrial
- PUD lots
- All Other

### **Improved Land**

- Residential
- Commercial
- Industrial
- Industrial

### **Improvements**

- Residential (include farm residences)
- Condominium
- Manuf. housing (inc. agricultural MH's.)
- Commercial
- Industrial

### **Agricultural Land**

- Irrigated
- Dry farm
- Meadow hay
- Grazing
- Orchard
- Farm/Ranch waste land

### **Farm & Ranch Support Bldgs.**

### **All Other Ag Land**

### **All Other Ag Improvements**

### **Personal Property**

### **State Assessed, Real and Personal**

### **Natural Resource**

- Land
- Improvements

### **Exempt**

- Land
- Improvements



## OTHER APPRAISAL OPERATIONS COUNT

There are other tasks performed by the appraisal section for which counts must be taken. These include:

1. Extra travel out of the area
2. Model building and analysis
3. Statistical testing
4. Protests and appeals to the assessor; CBOE; BAA, binding arbitration, and judicial appeals; and abatements
5. Possessory interest
6. Additional appraisal task or duty
7. Sales confirmation
8. New construction
9. New parcel – creation
10. Supervisory time
11. Review time

**Extra Travel Out of Area.** Typically, driving time between the courthouse and the appraised properties is accounted for in the time allotted for appraisal. However, in some counties, there is a population center, such as another city, away from the courthouse location that requires additional driving time before any appraisal or drive-by review work can be done. Therefore this category should be used to account for the travel time to the population center. The work unit entry for this section is the miles that are typically traveled each year to other population centers. The time is calculated on the miles-per-hour entry that is made.

**Model Building and Analysis** To utilize a market approach to value in mass appraisal, computer modeling may be necessary, especially for residential improved properties. The work unit entry for this field is the number of models that are typically created to adequately value property. This will track the additional time needed that is not adequately measured or included in the on-site inspections, drive-by's, and office reviews.

**Statistical Testing.** Mass appraisal, by definition, includes statistical testing. It is essential that determined property values should be statistically tested to assure they comply with State Board of Equalization standards as well as assuring accurate, consistent, and equitable values. The count should be based upon the statistical groupings that are analyzed. This may include economic areas, neighborhoods, or individual classes and subclasses of property. This section should not include any statistical testing that is being measured in another category.

**Protests and Appeals.** The appraisal time required for protests and appeals has greatly increased due to additional legislation and the escalation of property values statewide. The template requires work unit entries (number of protests) for both reappraisal year protests to the assessor as well as intervening year protests. Normally, the number of protests during a reappraisal year is much higher than during an intervening year. Therefore, the template will average the protests to the assessor for a more accurate typical measurement. Since preparation time and the appeal numbers vary depending on the level of the protest or appeal, the



additional categories are available for separate estimates. Also included is a category for the appraisal duties involved in abatements. The number of abatements, protests and appeals entered in this spreadsheet will automatically be recorded in the administrative spreadsheet for the necessary administrative duties associated with these categories.

**Possessory Interest.** Allowance has been made in the template to track this duty, but there is limited history to give a time estimate guideline. The work unit is the number of possessory interest accounts reviewed. The appraisal time estimate that has been allotted is one hour.

**Sales Confirmation.** With more and more sales activity and escalating sales prices, sales confirmation work has become more time-consuming. The sales confirmation time estimate is similar to the time estimate for drive-by reviews. The count should reflect at least a drive-by review of all sales occurring in a typical year. In counties where sales numbers are large, a percentage of sales may be annually inspected.

**New Construction.** The work unit for new construction is an estimate of the number of parcels being newly developed, with the time estimate based on the duties of a physical appraisal. This category includes all new construction such as residential, commercial, and industrial. The time estimate that is determined should take the percentages of each class into consideration.

**New Parcel - Creation.** As with new construction, new parcel creation has become a measurable activity with the creation of new subdivisions. The work unit is the estimated number of new parcels added each year, and the time estimate represents the appraisal duties for the establishment of land values for these parcels. This normally involves a physical examination of the general and specific characteristics of the lots in the subdivision.

**Supervisory Time.** The appraisal supervisory time work unit is the calculated number of employees needed for appraisal duties. The time estimate is based on the typical supervisory duties for the appraisal staff. This would include such duties as employee hiring, performance evaluations, and management studies. As stated previously, the number of full-time employees or the equivalent is automatically calculated within the template.

**Review Time.** Review time is necessary to provide a supervisory review for a typical number of parcels. This estimate should be based on the number of reviews of appraisals that are made by new appraisers as well as all difficult or complex property appraisal reviews. This is another method of evaluating the accuracy and consistency of appraisals.

## **APPRAISAL TIME REQUIREMENT ESTIMATE WORKSHEET**

As with the administrative tasks, the workforce template has time estimates for the parcel counts or appraisal duties. Again, these default time estimates are not suited for every county. They are only suggested for consideration, as the time estimates for each task are determined. It is highly recommended that each assessor's office research and develop its own time requirements for each appraisal task listed. This will ensure that the workforce analysis accurately represents the appraisal personnel required for each office.



**Drive-By Cyclic Review Columns.** During a drive-by review, the site characteristics should be noted and considered. To avoid duplication of travel, vacant land should be inspected in conjunction with the improved land whenever possible. The template default time estimate for Vacant Land and Improved Land is three minutes per parcel. For the Improvements section the default time estimates are:

- Residential (including farm/ranch residential): 3 minutes
- Condominium: 3 minutes
- Manufactured Housing (mobile homes) including Ag Manufactured Housing: 3 minutes
- Commercial: 10 minutes
- Industrial: 20 minutes

Default time estimates for agricultural land include the tasks of general physical inspection, research, computation, final agricultural report preparation and individual records processing. The work unit is per thousand acres of land. Due to the amount of research necessary for each subclass, the time estimates vary. The template default time estimates are:

- Irrigated: 180 minutes/1,000 acres
- Dry Farm: 120 minutes/1,000 acres
- Meadow Hay: 60 minutes/1,000 acres
- Grazing: 60 minutes/1,000 acres
- Orchard: 180 minutes/1,000 acres
- Farm/Ranch Waste: 60 minutes/1,000 acres

The default time estimate for “Farm/Ranch Support Buildings” is 45 minutes. “All Other Ag Land” time estimate is three minutes per parcel, the same as vacant land. “All Other Ag Improvements” time estimate is 60 minutes.

The “Natural Resource Land” template default time estimate is 60 minutes.

“Exempt Land “ and Exempt Improvements” have default times of three minutes and 30 minutes respectively.

The template work unit for “Extra Travel: Out Area” is the number of annual miles traveled. The time estimate is based on the average speed that is traveled. The default time entry is 45 miles per hour. For example:

Sun City is 90 miles away from the Shine County Courthouse in Moonshine City. Typically this area is visited six times a year for reviews. The speed limit averages 45 miles per hour between Moonshine City and Sun City. Therefore one appraiser has a travel distance of 1,080 miles (180 miles round trip, multiplied by six trips a year.) At an average speed of 45 miles an hour, 24 working hours are lost in the commute.

“Model Building & Analysis” has a default time of 60 minutes, and “Statistical Testing” has a default time of 120 minutes.



Protests and appeals are a major time expense to the assessor's office, both for administration and appraisal personnel. Administration personnel time estimates for these activities were discussed in the administration section. The appraisal default time estimates are:

- Reappraisal Year - Assessor: 30 minutes per protest
- Intervening Year - Assessor: 45 minutes per protest
- Co. Board of Equal.(CBOE) and Arbitration: 90 minutes per appeal
- Board of Assessment Appeals (BAA): 960 minutes per appeal
- District Court: 960 minutes per appeal
- Abatement: 480 minutes per abatement

In the template, a weighted average is taken between the protests to the assessor during a reappraisal year and the intervening year to more appropriately reflect the average workforce needs. Additional time was allotted to each protest during the intervening year period because normally the appeals during this time tend to be somewhat more complicated. The template default time estimate for abatements not only includes the necessary review and inspections, but also the time necessary for the abatement hearing.

The default time for "Possessory Interest" has an estimate of 60 minutes per account. Limited county research has been available to establish this estimate.

Under "Addtl Appsl Task/Duty" are three lines which are open categories to be used with discretion by the county. Time estimates must be researched by the county for any of these items.

The "Sales Confirmation" default time estimate is 15 minutes. The "New Construction" default time estimate on the template is 15 minutes per new construction parcel. The work unit is the estimated typical number of parcels that will have new construction. This category accounts for a drive-by check of new construction. The actual on-site inspection time estimate will be discussed under **On-Site Cyclic Inspection Columns**. "New Parcel - Creation" generally requires a drive-by review of newly developed land as well as records processing. The default time is 30 minutes per parcel.

Like "Secretarial Support" in the administrative calculations, "Supervisory Time" is a formula calculation based on other data entered into the appraisal portion of the template that will calculate the number of FTE's. The default time estimate for this area is 4800 minutes (80 hours) per year per calculated FTE.

**On-Site Cyclic Inspection Columns** The drive-by review generates work attributable to this task. Parcels that have significant characteristic changes will require an on-site inspection. As previously indicated, the counts for the various entries are formula-driven. The default time estimates are:

- Improvements Residential (including farm/ranch residential): 60 minutes
- Condominium: 20 minutes
- Manufactured Housing (mobile homes) including Ag Manufactured Housing: 45 minutes
- Commercial: 180 minutes Industrial: 480 minutes
- F/R Support Buildings 120 minutes



All Other Ag Imps 120 minutes  
Natural Resource Imps 120 minutes  
Exempt Imps 180 minutes  
Sales Confirmation 60 minutes  
New Construction 120 minutes

The “Personal Property” default time estimate is 120 minutes per audited parcel. The count is calculated from the personal property audit cycle percentage.

**Office Review.** In the two-year appraisal cycle, those properties that are not inspected through a physical appraisal or drive-by review will need to be examined in the office review. Since many of the functions necessary in the physical appraisal and drive-by review cannot be done in an office review, the amount of time per parcel is greatly reduced. Template default time estimates for the following subcategories are six-tenths of a minute (.6 minutes) per parcel: Vacant Land - Residential, Commercial, Industrial, PUD Lots, All Other Improved Land - Residential, Condominium, Commercial, Industrial Improvements - Residential (incl. farm residences), Condominiums, Manufactured Housing (mobile homes) Ag Land - all of the subclasses Farm/Ranch Support Buildings All Other Ag Land All Other Ag Improvements Natural Resource Land Exempt Land Exempt Improvements The template default time estimate for Commercial Improvements and Personal property is 15 minutes and for Industrial and Natural Resource Improvements it is 60 minutes. For Review Time, the estimate is three minutes per parcel.

**Records Processing.** The actual time estimates for records processing can greatly vary from county to county depending upon such factors as their mass appraisal software capabilities, speed of the computer equipment, and number of necessary individual hand calculations. The template default time estimates for all subcategories of Vacant and Improved Land as well as All Other Ag Land and Exempt Land is three minutes per parcel. The template default time estimate for improvement sub categories of Residential, Condominium, and Manufactured Housing is five minutes. Commercial, Natural Resource, Exempt Improvements time estimates are 30 minutes as is the New Construction category. For Industrial Improvements the time estimate is 180 minutes. Farm/Ranch Support Buildings, Natural Resource Land, Personal Property and New Parcel Appraisal Creation have time estimates of 15 minutes. All of the subcategories under the Protest grouping have time estimates of six minutes. Sales confirmation time estimate is 7.5 minutes per parcel.





## ADDENDUM VIII-B — INSTRUCTIONS FOR TEMPLATE GENERAL INFORMATION

The Workforce Time Requirement Worksheet template has evolved into its present state over a period of years of trial and error. It was originally created and used for a statewide analysis in 1988 using LOTUS software. The current version utilizes EXCEL software, but has been used with comparable spreadsheet software that translates EXCEL spreadsheets. The template may be obtained from the Administrative Resources section of the Division of Property Taxation. The example sheets in this addendum have been printed using this template. Also, it is advisable that your spreadsheet program software is set to enable cell protection. Many of the cells have formulae that should not be inadvertently overridden for proper performance of the template. This workforce template was created as a tool to assist the assessor in the analysis of staff needed to perform the necessary duties of the assessor's office. The template was not designed to account for any additional workforce needs for atypical yearly activities such as: state board ordered reappraisal, database computer software changes, or above-normal deed backlog. The template is **only an analytical tool**. The results are only as good as the information researched by the county. There is great diversity between the counties in Colorado with respect to characteristics such as county size, density of properties, degree of computerization, and numerous other factors. The listed default time estimates for each task or activity in the template which are described in Addendum VIII-A of this section, are for general assessment operations in a small to mid-sized county. Regardless of the county size, it is recommended that each assessor's office research and develop its own time requirements for each activity listed. This will assure that the workforce analysis accurately represents the duties and responsibilities of the office and the personnel required to complete them. This addendum is designed to aid the template user with information and instructions on its use. This addendum should be used in conjunction with **Addendum VIII-A, WORKFORCE REQUIREMENTS** which contains more detailed explanations of each activity or task along with the default time estimates or general ranges for completing them.

**GENERAL TEMPLATE INSTRUCTIONS AND CONTENTS OF THE TEMPLATE** There are eight separate but interrelated worksheets in the EXCEL workbook that comprise the workforce template. The worksheets are labeled "COVER," "SUMMARY," "APPSL CALC," "ADMIN CALC," "APPSL TIME," "ADMIN TIME," "APPSL WORKSHEET," AND "ADMIN WORKSHEET." Each of these worksheets will be discussed. Also included is a worksheet labeled "INSTRUCTIONAL NOTES". This includes general information for the template user.

**WHERE TO BEGIN: THE BASIC STEPS FOR DATA ENTRY.** The first step, once you have a back-up of the template, should be to print the data gathering worksheets to assist you in gathering the necessary data to begin the workforce analysis. Range names have been created to assist in printing the various sheets. "GATHER1" and "GATHER2" are data gathering sheets for abstract count information. "GATHER3" is used for administrative data gathering. Included in this addendum are copies of the data gathering sheets as well as the report pages. In reviewing the various worksheets, note that data entry cells are coded in red. Any cell that isn't red should not be overridden. If you have employed the worksheet protection included in your software, you should not be able to make any changes in areas that require no updating. Go to the "APPSL CALC" worksheet. The first data entry step is the





entry of the county name. This entry is made in cell “L1” of the “APPSL CALC” worksheet. Once it is entered, it then copies itself onto all other sheets where it is needed. It is also necessary to select the appraisal cycle that best fits your needs. The possible selections are 4 through 10, 12, and 15 years for real property. Additional information concerning these cycles can be found in Section VIII of this volume for real property and Addendum V-A of ARL Volume 5 for personal property. Cell “E2” is the location for entering the real property appraisal cycle number. The personal property cycle number is to be entered into cell “L2.” Enter the date of the study in cell “C4”. Go to the “ADMIN TIME” worksheet. The next necessary data entry area is for recording the typical full-time employee work hours. This area contains the pertinent information concerning the typical hours per day worked, vacation time, sick time, schooling time, or other activities throughout a typical year for a full-time employee (or equivalent). This information will ultimately be needed to calculate the number of full-time employees necessary to accomplish the required duties. The location of this information begins with cell “F53” and continues with cells “E55” through “E59.” Parcel count data and related count data for appraisal tasks should be entered on the “APPSL CALC” worksheet beginning with cell “D9” and continuing through cell “54, cells E50, E51, and H51.” If you wish to add up to three additional appraisal tasks or duties to the calculations, the names of the duties can be added beginning with cell “A47” through cell “A49. Time entries, in minutes, for these duties will be reported on the worksheet APPSL TIME” beginning with cell “D8” and continuing through “J51”. **REMEMBER: ONLY CELLS WITH ENTRIES DISPLAYED IN RED ARE TO BE EDITED!** Administrative counts are to be reported on worksheet “ADMIN CALC” beginning with cell “G8.” Administrative time estimates, also in minutes, are to be entered in the worksheet “ADMIN TIME.” The first data entry will be in “F7.”

**GENERAL INFORMATION ABOUT TIME.** As previously discussed, most of the default time estimates listed in the various worksheets were developed for a 1988 comprehensive statewide study. Since that time the template has been used in numerous counties where, after research within the county, these general time estimates have either been verified or modified to reflect actual county information. As counties grow, and as they become more efficient with additional computerization and automation, the time estimates for each delineated duty will change.

**PRINTING THE REPORT.** The workbook contains range names that will make it easier to print. The workbook contains a cover page named “COVER” with the additional pages named “ONE,” “TWO,” “THREE,” “FOUR,” and “FIVE.” Should you have any questions or need further assistance, please contact a member of the Administrative Resources Section of the Division. 8.42



PAGE 1 – BIENNIAL APPRAISAL WORKFORCE SUMMARY

BIENNIAL APPRAISAL WORKFORCE SUMMARY			SHINE	COUNTY
PROPERTY CLASS	TOTAL HOURS	STAFF NEEDED	APPRaisal REVIEW CYCLE: 10 YEARS	
PREPARATION DATE: January 1, 2002 <span style="float: right;">PAGE 1</span>				
APPRaisal			DEFAULT CYCLE PERCENTAGES	
SUPERVISORY TIME	0	0.00	DRIVE-BY CYCLIC REVIEW:	9.00%
VACANT LAND	0	0.00	ON-SITE CYCLIC REVIEW:	1.00%
RESIDENTIAL	0	0.00	OFFICE REVIEW:	40.00%
CONDOMINIUM	0	0.00	PERSONAL PROPERTY AUDI	12.50%
MFG. HOUSING	0	0.00	YEARLY FTE HOURS:	1,875
COMMERCIAL/INDUST.	0	0.00		
AGRICULTURAL	0	0.00		
EXEMPT PROPERTY	0	0.00		
NATURAL RESOURCES	0	0.00		
PERSONAL PROPERTY	0	0.00		
STAT. TESTING & MODEL BLDG	0	0.00		
POSSESSORY INTEREST	0	0.00		
ADDTL. APPSL TASKS/DUTIES	0	0.00		
SALES CONF/NEW CONST/ PARCEL	0	0.00		
TRAVEL OUT AREAS	0	0.00		
TOTAL PROTEST/APPEALS	0	0.00		
REVIEW	0	0.00		
APPRaisal TOTAL	0	0.00	PERSONAL PROPERTY AUDIT CYCLE:	
ADMINISTRATIVE			8 YEARS	
SUPERVISORY TIME	40	0.02		
PUBLIC INFORMATION	0	0.00		
OFFICE MANAGEMENT	115	0.06		
STATUTORY REPORTS	320	0.17		
STATE ASSESSED PROPERTIES	0	0.00		
SENIOR EXEMPTION	0	0.00		
POSSESSORY INTEREST - ADMIN	0	0.00		
OTHER TASKS/DUTIES	0	0.00		
OWNERSHIP CHANGES	0	0.00		
MAPPING	0	0.00		
DATA PROCESSING	500	0.27		
ADMINISTRATIVE TOTAL	975	0.52		
<b>PERSONNEL</b>				
<b>GRAND TOTAL</b>	<b>975</b>	<b>0.52</b>		



PAGE 2 – BIENNIAL APPRAISAL TIME REQUIREMENT WORKSHEET

BIENNIAL APPRAISAL TIME REQUIREMENT WORKSHEET															
APPRaisal REVIEW CYCLE: 10 YEARS										COUNTY		PAGE 2			
PREPARATION DATE: January 1, 2022										8 YEARS		12.50%			
DRIVE-BY CYCLIC REVIEW: 10.00% NO DRIVE AFFAIRS: 8.00%										OFFICE REVIEW: 48.00%		RECORDS PROCESSING	APPRaisal TOTAL		
ON-SITE CYCLIC INSPECTION: 1.00%										DEFAULT %:		TOTAL APPRAISAL HOURS	TOTAL APPRAISAL FTE'S		
ABSTRACT CLASS	COUNTY	PARCEL	HOURS/ PARCEL	TOTAL HOURS	PARCEL	HOURS/ PARCEL	TOTAL HOURS	PARCEL	HOURS/ PARCEL	TOTAL HOURS	PARCEL	HOURS/ PARCEL	TOTAL HOURS	TOTAL APPRAISAL HOURS	TOTAL APPRAISAL FTE'S
RESIDENTIAL	0	0	0.05	0	0	0.01	0	0	0.01	0	0.05	0	0	0	0.00
COMMERCIAL	0	0	0.05	0	0	0.01	0	0	0.01	0	0.05	0	0	0	0.00
INDUSTRIAL	0	0	0.05	0	0	0.01	0	0	0.01	0	0.05	0	0	0	0.00
PUD LOTS	0	0	0.05	0	0	0.01	0	0	0.01	0	0.05	0	0	0	0.00
ALL OTHER	0	0	0.05	0	0	0.01	0	0	0.01	0	0.05	0	0	0	0.00
RESIDENTIAL	0	0	0.05	0	0	0.01	0	0	0.01	0	0.05	0	0	0	0.00
CONDOMINIUM	0	0	0.05	0	0	0.01	0	0	0.01	0	0.05	0	0	0	0.00
COMMERCIAL	0	0	0.05	0	0	0.01	0	0	0.01	0	0.05	0	0	0	0.00
INDUSTRIAL	0	0	0.05	0	0	0.01	0	0	0.01	0	0.05	0	0	0	0.00
RESID. (+ farm res)	0	0	0.05	0	0	1.00	0	0	0.01	0	0.08	0	0	0	0.00
CONDOMINIUM	0	0	0.33	0	0	0.33	0	0	0.01	0	0.08	0	0	0	0.00
MANUF HOUSING	0	0	0.05	0	0	0.75	0	0	0.01	0	0.08	0	0	0	0.00
COMMERCIAL	0	0	0.17	0	0	3.00	0	0	0.25	0	0.50	0	0	0	0.00
INDUSTRIAL	0	0	0.33	0	0	8.00	0	0	1.00	0	1.00	0	0	0	0.00
IRRIGATED	0	0	3.00	0	0	0	0	0	0.01	0	0	0	0	0	0.00
DRY FARM	0	0	2.00	0	0	0	0	0	0.01	0	0	0	0	0	0.00
MEADOW HAY	0	0	1.00	0	0	0	0	0	0.01	0	0	0	0	0	0.00
GRAZING	0	0	1.00	0	0	0	0	0	0.01	0	0	0	0	0	0.00
CROPCARD	0	0	3.00	0	0	0	0	0	0.01	0	0	0	0	0	0.00
FIR WASTE	0	0	1.00	0	0	0	0	0	0.01	0	0	0	0	0	0.00
FIR SUPPORT BLDGS	0	0	0.75	0	0	2.00	0	0	0.01	0	0.25	0	0	0	0.00
ALL OTHER AG LAND	0	0	0.05	0	0	2.00	0	0	0.01	0	0.05	0	0	0	0.00
ALL OTHER AG IMPS	0	0	1.00	0	0	2.00	0	0	0.01	0	0.08	0	0	0	0.00
NAT. RESOURCE LAND	0	0	1.00	0	0	0	0	0	0.01	0	0.25	0	0	0	0.00
NAT. RESOURCE IMPS	0	0	2.00	0	0	2.00	0	0	1.00	0	0.50	0	0	0	0.00
PERSONAL PROPERTY	0	0	2.00	0	0	2.00	0	0	0.25	0	0.25	0	0	0	0.00
EXEMPT LAND	0	0	0.05	0	0	0	0	0	0.01	0	0.05	0	0	0	0.00
EXEMPT IMPS	0	0	0.50	0	0	3.00	0	0	0.01	0	0.50	0	0	0	0.00
XTRA TRAVL - OUT OF AREA	0	0	1.00	0	0	0	0	0	0	0	0	0	0	0	0.00
MODEL BLDG & ANALYSIS	0	0	2.00	0	0	0	0	0	0	0	0	0	0	0	0.00
STATISTICAL TESTING	0	0	0.50	0	0	0	0	0	0	0	0	0	0	0	0.00
PROTEST: REAPPRAISAL YEAR	0	0	0.75	0	0	0	0	0	0	0	0	0	0	0	0.00
PROTEST: INTERV YEAR	0	0	1.50	0	0	0	0	0	0	0	0	0	0	0	0.00
APPEAL- CBOE & ARBITR.	0	0	14.00	0	0	14.00	0	0	0	0	0	0	0	0	0.00
DISTRICT COURT	0	0	8.00	0	0	8.00	0	0	0	0	0	0	0	0	0.00
ARBITRAMENT	0	0	1.00	0	0	1.00	0	0	0	0	0	0	0	0	0.00
POSSESSORY INTEREST	0	0	1.00	0	0	1.00	0	0	0	0	0	0	0	0	0.00
ADDTL APPSL TASK/DUTY	0	0	1.00	0	0	1.00	0	0	0	0	0	0	0	0	0.00
ADDTL APPSL TASK/DUTY	0	0	1.00	0	0	1.00	0	0	0	0	0	0	0	0	0.00
ADDTL APPSL TASK/DUTY	0	0	1.00	0	0	1.00	0	0	0	0	0	0	0	0	0.00
SALES CONFIRMATION	0	0	0.25	0	0	1.00	0	0	0.1250	0	0.1250	0	0	0	0.00
NEW CONSTRUCTION	0	0	0.25	0	0	2.00	0	0	0.5000	0	0.5000	0	0	0	0.00
NEW PARCEL - CREATION	0	0	0.87	0	0	2.00	0	0	0.2500	0	0.2500	0	0	0	0.00
SUPERVISORY TIME	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
REVIEW TIME	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00



PAGE 3 - ADMINISTRATION TIME REQUIREMENT WORKSHEET

ADMINISTRATION TIME REQUIREMENT WORKSHEET		SHIRE		COUNTY		PAGE 3
PREPARATION DATE: January 1, 2002						
ASSESSMENT FUNCTION	WORK UNIT TYPE	NUMBER OF ANNUAL WORK UNITS	HOURS PER WORK UNIT	TOTAL ADMIN HOURS	TOTAL ADMINISTRATIVE F.T.E.'S	
<b>PUBLIC INFORMATION:</b>						
INQUIRES	PER NUMBER	0	0.03	0	0.03	
PROPERTY RECORD INFORMATION	PER NUMBER	0	0.13	0	0.03	
PUBLIC RELATIONS	PER NUMBER	0	0.13	0	0.03	
<b>OFFICE MANAGEMENT:</b>						
BUDGET PREPARATION	YEARLY BUDGET	1	60.03	60	0.04	
BUDGET MAINTENANCE	PER WEEK	52	0.25	13	0.01	
SUPERVISION	PER FTE	9.50	60.03	40	0.02	
DEPARTMENT MEETINGS	PER DEPT.	0	60.03	0	0.03	
SECRETARIAL SUPPORT	PER FTE	3.48	24.03	12	0.01	
PROTEST:	PER NUMBER	0	0.17	0	0.03	
-ADMIN-ASSR LEVEL	PER NUMBER	0	0.08	0	0.03	
-ADMIN-CBOE LEVEL	PER NUMBER	0	0.08	0	0.03	
APPEALS:	PER NUMBER	0	0.08	0	0.03	
-ADMIN- BAA LEVEL	PER NUMBER	0	0.08	0	0.03	
-ADMIN-QUIST COURT	PER NUMBER	0	0.17	0	0.03	
-ADMIN-STATEMENT	PER NUMBER	0	0.17	0	0.03	
NEW PROGRAMS/PROCEDURES	PER FTE	3.48	20.03	10	0.01	
<b>STATUTORY REPORTS:</b>						
REAL PROPERTY VALUE PROVISIONS	PER REPORT	8	40.03	320	0.17	
STATE ASSESSED PROPERTIES	PER PROVISION	3	0.17	2	0.03	
	PER COMPANY	0	0.17	0	0.03	
<b>SENIOR EXEMPTION</b>						
POSSESSORY INTEREST - ADMIN	PER UNIT	0	0.25	0	0.03	
<b>OTHER TASK/OUTY</b>						
<b>OTHER TASK/OUTY</b>	PER UNIT	0	1.03	0	0.03	
	PER UNIT	0	0.03	0	0.03	
	PER UNIT	0	0.03	0	0.03	
<b>OWNERSHIP CHANGES:</b>						
TRANSFERS	PER NUMBER	0	0.23	0	0.03	
NEW SUB PLATS	PER NUMBER	0	1.03	0	0.03	
SPLITS/COMBOS	PER NUMBER	0	0.03	0	0.03	
SALES CONF.LTD-1003 MAILING	PER NUMBER	0	0.13	0	0.03	
ADDRESS CHANGES	PER NUMBER	0	0.13	0	0.03	
<b>MAPPING:</b>						
REPRODUCE MYLAR	PER MAP	0	16.03	0	0.03	
UPDATE MAPS	PER MAP	0	4.03	0	0.03	
<b>DATA PROCESSING:</b>						
DATA ENTRY	PER PARCEL	0	0.03	0	0.03	
SYSTEM MAINTENANCE & PROD.	PER WORK DAY	250	1.03	250	0.13	
ANALYSIS REPORTS	PER WORK DAY	250	1.03	250	0.13	
<b>TOTAL</b>				<b>976</b>	<b>0.52</b>	

ADMINISTRATION SUMMARY	F.T.E.'S
ADMINISTRATIVE FTE'S:	0.36
SUPERVISORY FTE'S:	0.02
TOTAL ADMINISTRATIVE FTE'S:	0.52





PAGE 4 APPRAISAL TIME REQUIREMENT ESTIMATE WORKSHEET

APPRAISAL TIME REQUIREMENT ESTIMATE WORKSHEET										PAGE 4
January 1, 2002										SHINE COUNTY
	ABSTRACT CLASS	DRIVE-BY CYCLIC REVIEW		ON-SITE CYCLIC INSPECTION		OFFICE REVIEW		RECORDS PROCESSING		PER PARCEL
		MINUTES PER PARCEL	HOURS PER PARCEL	MINUTES PER PARCEL	HOURS PER PARCEL	MINUTES PER PARCEL	HOURS PER PARCEL	MINUTES PER PARCEL	HOURS PER PARCEL	
VACANT LAND	RESIDENTIAL	3.0	0.0500			0.6	0.0100	3.0	0.0500	
	COMMERCIAL	3.0	0.0500			0.6	0.0100	3.0	0.0500	
	INDUSTRIAL	3.0	0.0500			0.6	0.0100	3.0	0.0500	
	PUD LOTS	3.0	0.0500			0.6	0.0100	3.0	0.0500	
	ALL OTHER	3.0	0.0500			0.6	0.0100	3.0	0.0500	
IMPROVED LAND	RESIDENTIAL	3.0	0.0500			0.6	0.0100	3.0	0.0500	
	CONDOMINIUM	3.0	0.0500			0.6	0.0100	3.0	0.0500	
	COMMERCIAL	3.0	0.0500			0.6	0.0100	3.0	0.0500	
IMPROVEMENTS	INDUSTRIAL	3.0	0.0500			0.6	0.0100	3.0	0.0500	
	RESID. (+ farm res)	3.0	0.0500	60.0	1.0000	0.6	0.0100	5.0	0.0833	
	CONDOMINIUM	3.0	0.0500	20.0	0.3333	0.6	0.0100	5.0	0.0833	
	MANUF HOUSING	3.0	0.0500	45.0	0.7500	0.6	0.0100	5.0	0.0833	
	COMMERCIAL	10.0	0.1667	180.0	3.0000	15.0	0.2500	30.0	0.5000	
AG LAND (# of acres)	INDUSTRIAL	20.0	0.3333	480.0	8.0000	60.0	1.0000	60.0	1.0000	
	IRRIGATED	180.0	3.0000			0.6	0.0100			
	DRY FARM	120.0	2.0000			0.6	0.0100			
	MEADOW HAY	60.0	1.0000			0.6	0.0100			
	GRAZING	60.0	1.0000			0.6	0.0100			
	ORCHARD	180.0	3.0000			0.6	0.0100			
	F/R WASTE	60.0	1.0000			0.6	0.0100			
F/R SUPPORT BLDGS	45.0	0.7500	120.0	2.0000	0.6	0.0100	15.0	0.2500		
ALL OTHER AG LAND	3.0	0.0500			0.6	0.0100	3.0	0.0500		
ALL OTHER AG IMPS	60.0	1.0000	120.0	2.0000	0.6	0.0100	5.0	0.0833		
NAT. RESOURCE LAND	60.0	1.0000			0.6	0.0100	15.0	0.2500		
NAT. RESOURCE IMPS			120.0	2.0000	60.0	1.0000	30.0	0.5000		
PERSONAL PROPERTY			120.0	2.0000	15.0	0.2500	15.0	0.2500		
EXEMPT LAND	3.0	0.0500			0.6	0.0100	3.0	0.0500		
EXEMPT IMPS	30.0	0.5000	180.0	3.0000	0.6	0.0100	30.0	0.5000		
XTRA TRAVL: OUT OF AREA	45.0									
MODEL BLDG & ANALYSIS	60.0	1.0000								
STATISTICAL TESTING	120.0	2.0000								
PROTEST: REAPPRSL YEAR	30.0	0.5000					6.0	0.1000		
PROTEST: INTERVN YEAR	45.0	0.7500					6.0	0.1000		
APPEAL: CBOE & ARBITR.	90.0	1.5000					6.0	0.1000		
BAA	960.0	16.0000					6.0	0.1000		
DISTRICT COURT	960.0	16.0000					6.0	0.1000		
ABATEMENT	480.0	8.0000					6.0	0.1000		
POSSESSORY INTEREST	60.0	1.0000								
ADDTL APPSL TASK/DUTY	60.0	1.0000								
ADDTL APPSL TASK/DUTY	60.0	1.0000								
ADDTL APPSL TASK/DUTY	60.0	1.0000								
SALES CONFIRMATION	15.0	0.2500	60.0	1.0000			7.5	0.1250		
NEW CONSTRUCTION	15.0	0.2500	120.0	2.0000			30.0	0.5000		
NEW PARCEL - CREATION	40.0	0.6667					15.0	0.2500		
SUPERVISORY TIME	4800.0	80.0000								
REVIEW TIME						3.0	0.0500			



PAGE 5 – ADMINISTRATIVE TIME REQUIREMENT ESTIMATE WORKSHEET

ADMIN. TIME REQUIREMENT ESTIMATE WORKSHEET			PAGE 5
January 1, 2002			SHINE COUNTY
ASSESSMENT FUNCTION	WORK UNIT TYPE	MINUTES PER WORK UNIT	HOURS PER WK UNIT
<b>PUBLIC INFORMATION:</b>			
INQUIRIES	PER NUMBER	5	0.0833
PROPERTY RECORD INFORMATION	PER NUMBER	6	0.1000
PUBLIC RELATIONS	PER NUMBER	6	0.1000
<b>OFFICE MANAGEMENT:</b>			
BUDGET PREPARATION	YEARLY BUDGET	4800	80.0000
BUDGET MAINTENANCE	PER WEEK	15	0.2500
SUPERVISION	PER FTE	4800	80.0000
DEPARTMENT MEETINGS	PER DEPT.	2400	40.0000
SECRETARIAL SUPPORT	PER FTE	1440	24.0000
PROTEST: -ADMIN-ASSR LEVEL	PER NUMBER	10	0.1667
APPEAL: -ADMIN-CBOE LEVEL	PER NUMBER	5	0.0833
-ADMIN-BAA LEVEL	PER NUMBER	5	0.0833
-ADMIN-DIST COURT	PER NUMBER	5	0.0833
-ADMIN-ABATEMENT	PER NUMBER	10	0.1667
NEW PROGRAMS/PROCEDURES	PER FTE	1200	20.0000
<b>STATUTORY REPORTS</b>			
REAL PROPERTY VALUE PRORATIONS	PER REPORT	2400	40.0000
STATE ASSESSED PROPERTIES	PER PRORATION	10	0.1667
	PER COMPANY	10	0.1667
<b>SENIOR EXEMPTION</b>			
POSSESSORY INTEREST - ADMIN	PER UNIT	15	0.2500
OTHER TASK/DUTY	PER UNIT	60	1.0000
OTHER TASK/DUTY	PER UNIT	0	0.0000
OTHER TASK/DUTY	PER UNIT	0	0.0000
<b>OWNERSHIP CHANGES:</b>			
TRANSFERS	PER NUMBER	12	0.2000
NEW SUB PLATS	PER NUMBER	60	1.0000
SPLITS/COMBOS	PER NUMBER	30	0.5000
SALES CONF./TD-1000 MAILING	PER NUMBER	6	0.1000
ADDRESS CHANGES	PER NUMBER	6	0.1000
<b>MAPPING:</b>			
REPRODUCE MYLAR	PER MAP	960	16.0000
UPDATE MAPS	PER MAP	240	4.0000
<b>DATA PROCESSING:</b>			
DATA ENTRY	PER PARCEL	5	0.0833
SYSTEM MAINTENANCE & PROD.	PER WORK DAY	60	1.0000
ANALYSIS REPORTS	PER WORK DAY	60	1.0000

  

FTE YEARLY HOUR CALCULATION		
	DAYS	HOURS
HOURS-TYPICAL WORKDAY: (MINUS BREAKS, ETC.)		7.5
GROSS YEARLY DAYS (52 x 5):	260	
HOLIDAYS:	10	
SICK DAYS (TYPICAL):	0	
VACATION DAYS (TYPICAL):	0	
EDUCATION/TRAINING DAYS:	0	
OTHER:	0	
<b>YEARLY NET DAYS - HOURS:</b>	<b>250</b>	<b>1875</b>



**PAGE1 -ABSTRACT DATA GATHERING SHEET**

DATA GATHERED FROM ABSTRACT COUNTS					
			PAGE 1		
WORKFORCE ITEM	ABSTRACT CODE	ABSTRACT COUNT	WORKFORCE ITEM	ABSTRACT CODE	ABSTRACT COUNT
<b>VACANT LAND</b>			<b>IMPROVEMENTS</b>		
RESIDENTIAL	100		RESIDENTIAL (w/ farm req)	1212	
COMMERCIAL	200			4277	
INDUSTRIAL	300			1215	
PUD LOTS	400		Residential (w/o farm req) Total:	1220	
ALL OTHER	10			1225	
	510			1240	
	520			1250	
All Other Vacant Land Total:	530		CONDOMINIUM	1230	
	540		MANUF HOUSING	1235	
	550		Manufactured Homes Total:	4278	
	560		COMMERCIAL	2020	
<b>IMPROVED LAND</b>				2021	
RESIDENTIAL	1112			2022	
	1115			2023	
	1120			2212	
Residential Land Total:	1125			2215	
	1135			2220	
	1140		Commercial (w/o farm req) Total:	2225	
	1150			2227	
COMMERCIAL	2010			2230	
	2011			2235	
	2012			2240	
	2013			2250	
	2112		INDUSTRIAL	3020	
Commercial Land Total:	2115		Industrial (w/o farm req) Total:	3212	
	2120			3215	
	2125			3220	
	2127			3225	
	2130				
	2135				
	2140				
	2145				
	2150				
INDUSTRIAL	3112				
	3115				
Industrial Land Total:	3120				
	3125				



PAGE2 -ABSTRACT DATA GATHERING SHEET

DATA GATHERED FROM ABSTRACT COUNTS					
			PAGE 2		
WORKFORCE ITEM	ABSTRACT CODE	ABSTRACT COUNT	WORKFORCE ITEM	ABSTRACT CODE	ABSTRACT COUNT
AG. LAND - (# of acres)			NAT. RESOURCE IMPS	5250	
IRRIGATED	4010			5410	
<i>Irrigated Land Total</i>	4107			5420	
	4117			5440	
DRY FARM	4127			6410	
MEADOW HAY	4137			6420	
GRAZING	4147			6430	
<i>Grazing Land Total</i>	4177			6440	
ORCHARD	4157			6450	
F/R WASTE	4167			7410	
F/R SUPPORT BLDGS	ESTIMATE			7420	
ALL OTHER AG LAND	4180		<i>Natural Resource Imps Total</i>	7430	
ALL OTHER AG IMPS	ESTIMATE			7440	
NAT. RESOURCE LAND	5110			7445	
	5120			7447	
	5140			7450	
	5170			7255	
	6110		PERSONAL PROPERTY	1410	
	6120			2040	
	6130			2405	
	6140			2410	
	6150			3040	
	7110			3410	
	7120			4410	
<i>Natural Resource Land Total</i>	7130			5410	
	7140			5420	
	7145			5450	
	7147			6410	
	7150			6420	
	7155			6430	
EXEMPT LAND	9119			6440	
	9129			6450	
	9139			7410	
	9149			7420	
<i>Exempt Land Total</i>	9159		<i>Personal Property Total</i>	7430	
	9169			7440	
	9179			7445	
	9189			7447	
EXEMPT IMPS	ESTIMATE			7450	
			STATE ASSD-REAL	8299	
			STATE ASSD - PRSNL	8499	





PAGE3 -ADMINISTRATIVE DATA GATHERING SHEET

ADMINISTRATION TIME REQUIREMENT WORKSHEET (FOR DATA GATHERING)				
PAGE 3				
ASSESSMENT FUNCTION	WORK UNIT TYPE	NO. OF ANNUAL WORK UNITS	MINUTES PER WORK UNIT	HOURS PER WORK UNIT
<b>PUBLIC INFORMATION:</b>				
INQUIRIES	PER NUMBER		5	0.0833
PROPERTY RECORD INFORMATION	PER NUMBER		6	0.1
PUBLIC RELATIONS	PER NUMBER		6	0.1
<b>OFFICE MANAGEMENT:</b>				
BUDGET PREPARATION	YEARLY BUDGET		4800	80
BUDGET MAINTENANCE	PER WEEK		15	0.25
SUPERVISION	PER FTE		4800	80
DEPARTMENT MEETINGS	PER DEPT.		2400	40
SECRETARIAL SUPPORT	PER FTE		1440	24
PROTEST: -ADMIN-ASSR LEVEL	PER NUMBER		10	0.1667
APPEALS: -ADMIN-CBOE LEVEL	PER NUMBER		5	0.0833
-ADMIN- BAA LEVEL	PER NUMBER		5	0.0833
-ADMIN-DIST COURT	PER NUMBER		5	0.0833
-ADMIN-ABATEMENT	PER NUMBER		10	0.1667
NEW PROGRAMS/PROCEDURES	PER FTE		1200	20
STATUTORY REPORTS	PER REPORT		2400	40
STATE ASSESSED PROPERTIES	PER COMPANY		10	0.1667
ANOTHER TASK/DUTY	PER UNIT		0	0
ANOTHER TASK/DUTY	PER UNIT		0	0
ANOTHER TASK/DUTY	PER UNIT		0	0
ANOTHER TASK/DUTY	PER UNIT		0	0
<b>OWNERSHIP CHANGES:</b>				
TRANSFERS	PER NUMBER		12	0.2
NEW SUB PLATS	PER NUMBER		60	1
SPLITS/COMBOS	PER NUMBER		30	0.5
SALES CONFIRMATION	PER NUMBER		6	0.1
ADDRESS CHANGES	PER NUMBER		6	0.1
<b>MAPPING:</b>				
REPRODUCE MYLAR	PER MAP		960	16
UPDATE MAPS	PER MAP		240	4
<b>DATA PROCESSING:</b>				
DATA ENTRY	PER PARCEL		5	0.0833
SYSTEM MAINTENANCE & PROD.	PER WORK DAY		60	1
ANALYSIS REPORTS	PER WORK DAY		60	1





State of Tennessee

HOUSE JOINT RESOLUTION NO. 575

By Representative Buck

A RESOLUTION providing for a study of the functions and resources of the office of Assessor of Property.

WHEREAS, the fiscal soundness of local governments and fairness in the administration of the property tax depend in large measure on a properly functioning assessor's office, and it is appropriate to review the current duties and responsibilities of the assessor and the resources necessary to the office; now, therefore

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED FIRST GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, That the Tennessee Advisory Commission on Intergovernmental Relations, with the assistance of the Comptroller of the Treasury, is requested to conduct a study of the duties and responsibilities of the office of Assessor of Property and the resources necessary to the office.

BE IT FURTHER RESOLVED, That the Commission submit its report and recommendations to the Speaker of the House and the Speaker of the Senate.

BE IT FURTHER RESOLVED, That an enrolled copy of this resolution be transmitted to the Executive Director TACIR and to the Comptroller of the Treasury.

ADOPTED: MAY 25, 2000

Jimmy Nafise
SPEAKER
HOUSE OF REPRESENTATIVES

John S. Wilder
SPEAKER OF THE SENATE

APPROVED this 30th day of May 2000

Don Sundquist
GOVERNOR



# TACIR Members

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Representative Randy Rinks, Chairman

Mayor Tom Rowland, Vice Chairman

Harry A Green, Executive Director

## Legislative

Senator Mae Beavers

Senator Ward Crutchfield

Senator Jo Ann Graves

Senator Mark Norris

Representative Tre Hargett

Representative Kim McMillan

Representative Randy Rinks

Representative Larry Turner

## Statutory

Representative Tommy Head, Chairman, Finance Ways & Means Committee

Senator Douglas Henry, Chairman, Finance Ways & Means Committee

Comptroller John Morgan

## Executive Branch

Vacant

Vacant

## Municipal

Victor Ashe, Mayor of Knoxville

Sharon Goldsworthy, Mayor of Germantown

Bob Kirk, Alderman, City of Dyersburg

Tom Rowland, Mayor of Cleveland

## County

Nancy Allen, Rutherford County Executive

Jeff Huffman, Tipton County Executive

Ken Yager, Roane County Executive

Richard Venable, Sullivan County Executive

## Private Citizens

David Coffey, Oak Ridge

Thomas Varlan, Knoxville

## Other Local Officials

Brent Greer, TN Development District Association

Vacant, County Officials Association Tennessee



Tennessee Advisory Commission on Intergovernmental Relations,  
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