

## RUTHERFORD COUNTY TENNESSEE PROPERTY ASSESSOR ANNUAL BUDGET AND OPERATIONAL GUIDE



### PREFACE

The assessor of property was a statutory office for many decades before it became a constitutional office following the 1978 amendments to the Tennessee Constitution. The Assessor of Property is elected to a four year term in the August general election in even numbered years in which there is not an election for governor. T.C.A. § 67-1-502.

County Assessors are exclusively responsible for determining values of property for property taxation purposes in accordance with the TCA 67-5-601., **assessors shall also implement a program of updating property values** so that current and correct values of property are maintained and shall have sole responsibility and authority for property valuation maintenance, under the direction and oversight of the State Board of Equalization. An assessment roll is produced annually listing all improvements of property added to valuation records during the year, additions of new property to valuation records during the year, and increases and decreases of valuation during the year. The assessor also monitors the relationship of sales prices of property sold to values of the property for property taxation purposes and the **current status of the overall property valuation maintenance program in the county.**

In order to achieve successful implementation and completion of this operation plan all requirements and provisions regarding property valuation and maintenance will be performed in compliance with the Tennessee Constitution and Statues recorded in the Tennessee Codes Annotated. Additionally, the Rutherford County Assessor's Office ensures that all appraisal methods and techniques will adhere to standards and code of ethics of the International Association of Assessing Officers and the Uniform Standards of Professional Appraisal Practices (USPAP).

**In order to fulfill this State mandated duty the Assessor is reliant upon the County Commission to provide sufficient funding and support. The County Commission has agreed to provide such support by approving the four year reappraisal plan submitted to the State Board of Equalization.**

# 1 Valuation Maintenance Program Purpose

The purpose of this report is to aid the board of county commissioners in determining whether the county assessor is operating an efficient program of property valuation maintenance and in determining the amount to be allocated for this function. Historically Rutherford County Property Assessor, Rob Mitchell, has operated a highly efficient and effective office. Every indication is the Assessor's Office will continue to perform at or above expectations and is deserving of the complete support of the Rutherford County Commission. ***Currently every dollar invested in the Property Assessor's office budget returns \$73.44 dollars in Property Tax revenue to Rutherford County.***

## 2 Valuation Maintenance Program Components

The valuation maintenance program developed and implemented by the Rutherford County Assessor consists of two major components: 1- Re-appraisal and data maintenance of all taxable parcels on a yearly cycle; 2- Re-inspection of all taxable improved real property every 4 years.

### 2.1 Re-appraisal and Data Maintenance Plan: Yearly Cycle

The following is a brief description of the various duties, functions, and procedures that each department within our office is responsible for accomplishing the yearly cycle. Many duties are indirectly related to the valuation of a property. However they are required to complete the entire assessment process. The program can only be implemented and successfully completed with an adequate budget, and proper management of employees, time, and resources.

#### 2.1a Operating Budget

**Approximate Time Frame of Completion:** January 2 to May 31

**Persons Responsible:** Assessor, Department Directors, Administration Coordinator

**Summary:** The Assessor develops three budgets to conduct our operation: the "Assessor's Administrative" and the "Board of Equalization Budget" which are funded solely by the county; and the "Reappraisal Budget" which is cost shared with the municipalities by statute. TCA 67-5-1601 (C) (2)

#### **Procedures:**

- **Planning (January 2 to February 28):** The Assessor plans and coordinates with supervisory staff to determine the financial needs for operation of the office for the next fiscal year. Needs are determined by February 28 of each year.
- **Prepare Forms (February):** Administrative Coordinator prepares all budget forms and packets and submits to county finance department within deadline set by finance department.
- **Informal Hearings (February):** Assessor, Directors, & Administration Coordinator attend informal budget hearings conducted by County Mayor and Finance Director.

- **Budget Committee Hearings (May):** Assessor presents budget request at formal budget hearings before the County Budget Committee
- **Final Adoption (June):** Adjustments are made to each budget as necessary and budgets are finalized and approved by the County Commission.

**Goal:** To obtain adequately funded budgets and other resources necessary to complete a comprehensive, fair and equitable valuation maintenance plan, while ensuring accountable and efficient use of those resources and taxpayer revenues.

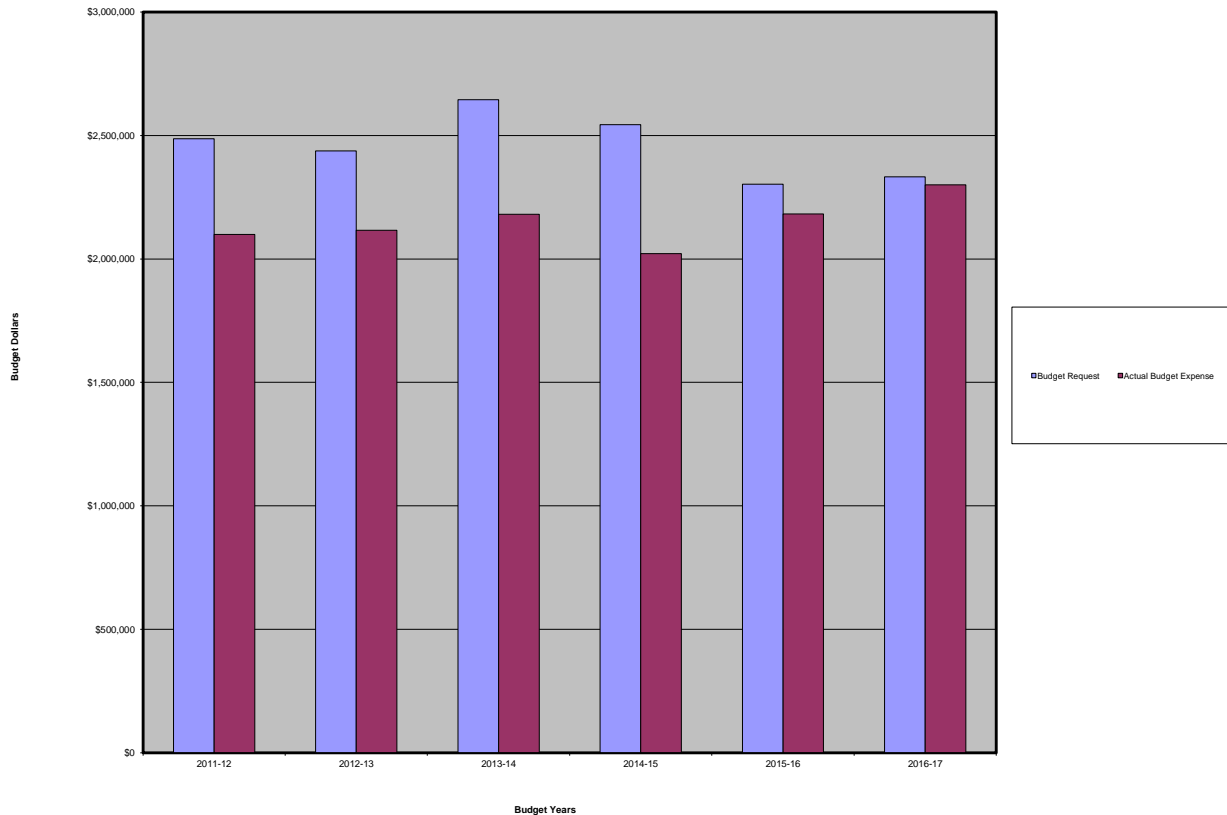
**Supporting Information:**

With the formal submission and adoption of the County Reappraisal plan every Four years following the quadrennial reappraisal; the County Commission affirms its commitment to fund the property Assessor’s office at a level to accomplish the plan. The Plan is then submitted to the State Board of Equalization and becomes binding. The annual operating budget will provide an adequate allocation of funds to the county Property Assessor for the purpose of fulfilling the responsibilities for property valuation, appeals administration and parcel maintenance.

**Historical Budget Data:**

**Requested Budget vs Actual Budget Expense**

Assessor Budget Analysis



## 2.1b Real Property Ownership Transfers

**Approximate Time Frame of Completion:** January 1 to December 31

**Persons Responsible:** (1)-Director of Commercial Appraisal and Records Management, (1)-Deeds Processor (2) Cross trained Assistants Processors

**Summary:** Legal documents that transfer ownership in real property such as deeds are recorded in the Register of Deeds Office. Copies are provided to the Assessor's office. Assessor's records must be updated to reflect the current owner's name and mailing address to ensure assessment to the correct owner. Various documents are filed and processed throughout the year, therefore this process is continuous.

### **Procedures:**

- Director assigns transfers to Deed Processor for data entry in to assessor's "AssessPro" database, and assists with transfers as necessary.
- Account information is updated with new owner's information. Exemptions and Valuation Freezes are also removed and/or verified as required.
- Director performs random quality control checks on entered data and ensures completion of work within assigned deadlines.

**Goal:** Enter all transfers in to database within two weeks of Register of Deeds filing date, and minimize data entry errors. Ensure that all transfers are completed prior to preparation of mailing the Assessment Change Notices (typically Mid April) so that the current owner of record receives the notice.

## 2.1c G.I.S. Parcel Mapping & Maintenance

**Approximate Time Frame of Completion:** January 1 to December 31

**Persons Responsible:** (2)-G.I.S. Analyst, (1)-Mapping Coordinator

**Summary:** Plats and other legal documents that initiate a change in to the legal boundaries of a parcel or parcels are typically filed and processed throughout the year. The assessor's office receives copies of the documents and is responsible for creating and maintaining parcel based tax maps from the recorded documents. Assessment maps are essential in defining the location, shape and size of each parcel of property that the assessor is responsible for valuing for property assessments. Documents are filed throughout the year from various sources such as developers, title companies, and individuals. This is a continuous process, and the assessor's office mapping department must stay current with the creation and merge of parcels in order to properly assess the correct owner of record for the appropriate tax year.

### **Procedures:**

- Mapping Coordinator evaluates prioritizes and assigns all work to GIS Technicians for completion of work. Coordinator assists technicians when necessary.

- Mapping Department personnel check plats and deeds for legal lot descriptions and make geographical (spatial) changes to the digital parcel layer using GIS software for all properties that have been split, combined and lot- line changed. They reconcile boundary lines among neighboring parcels for representation of taxable areas and assign a Map and Parcel number to every parcel in the county. A Map and Parcel number relates the position of a parcel numerically in a coordinate system.. The GIS is able to assign and store attribute (tabular) data associated to a Map and Parcel number, including addresses, legal descriptions, lot sizes, plats, deeds and/or various other source data that may help locate and identify a parcel. Aerial photography and other GIS map layers are also used to assist staff with parcel mapping. Parcel editing is a continuous process as land records often change and as new source data is assimilated.
- Mapping Staff performs random quality control checks on data entry and ensures that work is completed.
- Mapping staff also produces hardcopy cadastral maps and provide spatial data for the public and other government agencies.
- All mapping staff provides assistance to the public via in person and by telephone.

**Goal:** Update all records and maps each year prior to mailing Assessment Change Notices for the upcoming tax year. Complete with minimal to no errors.

**Supporting Information:**

The Rutherford County Property Assessor's office uses a Geographical Information System (GIS) to maintain the county's cadastral (Tax) map. A GIS is a computer-based tool used for mapping and analyzing natural and manmade features on the surface of the earth.

The cadastral map (Parcel layer) is the land record for the Assessor's office and is the base layer of Rutherford County's spatially integrated GIS.

The GIS is integrated with the Assessor's office CAMA system. The CAMA system is able to more accurately value properties as they relate to each other geographically, and assure that properties are being valued fair and equitable.

GIS maps assist assessor's appraisers with neighborhood designations and value comparisons. Appraisers are able to analyze markets, create reports and statistical data with GIS maps. Other county departments are also able to use the Assessors' GIS to assist them in their work endeavors. Common records processes such as searching and sorting through records is made easier because of the CAMA system and its mapping interface.

## **2.1d Valuation/ Appraisal: Real and Personal Property**

**Approximate Time Frame of Completion:** January 1 to December 31

**Persons Responsible:** (3)-Directors, (2)-Senior Appraisers, (8)-Appraisers, (2)-Commercial Appraisers, (1)-Manufactured Housing Auditor (4) Personal Property Appraisers, (2) IT Specialists

**Summary:** The Office of the Rutherford County Assessor is statutorily responsible for and authorized to value property subject to valuation for property tax purposes. This includes all real property, business personal property except for property that is assessed by the Office of State Assessed Property(.These properties include: railroad, communications systems, pipelines, airline and public utilities, etc.)

The assessor shall also implement a program of updating property values so that current and correct values of property are maintained and shall have sole responsibility and authority at the county level for property valuation maintenance.

Property has a taxable situs in the state if it is real property located in the state, it is an interest in real property located in the state or it is business personal property present in the state on January 1 of each year, the official date of property tax valuation.

Property that is not subject to valuation for property taxation purposes.TCA 67-5-212, belonging to another government agency a religious, charitable scientific or educational institution will be noted and maintained by the Assessors office. All taxable property is to be valued at market value, unless the property is assessed with a special valuation method.. Market value is determined by the sales comparison, income, or cost valuation method, or any combination of methods. The methods for appraising properties must employ generally accepted appraisal techniques.

The Rutherford County Assessor's Office is currently employing a four year reappraisal cycle. Employing a four year cycle is a tremendous undertaking by the office. However, this cycle is most beneficial to the taxpayer. In a rising real estate market it means smaller increases. In a decreasing or stagnant market valuations may be lowered every four years, and result in a more current and fair assessment for the owner/ taxpayer. Values not supported by current market conditions and sales may be challenged each year at the County Board of Equalization in June.

### **Procedures Directly Associated to Valuation**

(All dates are approximate and are assigned & accomplished according to workload.)

- **Affidavits (continuous):** Appraisers, and Analysts field verify all affidavits of sale price for improved property for determination if sale is a valid "arms-length transaction" and useable as a comparable. Affidavits are submitted by owners throughout the year and in accordance with the law, are kept confidential.
  
- **New Construction Permits (continuous):** Appraisers field review all properties that have been issued new construction permits. This process includes: locating the property; interviewing the property owner to determine interior property characteristics; collecting exterior data; measuring the exterior of the structure(s); drawing a floor plan of the structure(s) and enter all relevant data in AssessPro AP5 computer databases.

- **Land Splits/ Merges (January 1 to December 31):** Appraisers field review parcels of land that have been split or combined by the mapping department. Properties must be checked for correct location of improvements and correct land values on newly created parcels. This is an ongoing process, but all reviews must be completed prior to all properties being reappraised and prior to the Assessment Change Notices being mailed each year.
- **Agricultural/ Forrest Land Review (January 1 to December 31):** Under the supervision of the Director of Residential Appraisal, one appraiser is assigned to review all new applications for an agricultural or forest land special method of valuation. The appraiser field reviews all parcels and recommends approval or denial the application to the Assessor. Appraiser completes the data entry for the approved parcels and notifies the owner of approval by mail. Properties that are denied are sometimes protested and appraiser must defend the decision to deny in a protest hearing before the County Board of Equalization if necessary.
- **CAMA (computer assisted mass appraisal) Modeling (February 1 to March 1):** Residential Director and Senior Appraiser prepare and generate new statistical “models” for use in reappraisal.
- **Data Entry (January to December):** Appraisers and Support personnel complete data entry of all information acquired from field work. Directors and quality control specialists perform quality control measures.

### **Special Methods of Valuation:**

- **Business Personal Property: (January 2 to December 31)**
- **Tangible Personal Property Schedules, Generally:**  
Tennessee Code Annotated 67-5-903 notes; all partnerships, corporations, or other business associations not issuing stock and individuals operating for profit as a business or profession, including manufacturers, except those that are assessable by the comptroller of the treasury, shall be furnished by the assessor not later than February 1 of each year, a schedule requiring the taxpayer to list in detail all tangible personal property owned by the taxpayer and used or held for use in such business or profession, including, but not limited to, furniture, fixtures, machinery and equipment, all raw materials, supplies, but excluding all finished goods in the hands of the manufacturer and the inventories of merchandise held for sale or exchange, such schedule to be approved by the director of property assessments.
- **Mailing Tangible Personal Property Schedules: (January)**  
Every business in Rutherford County is appraised each year. Tangible Personal Property Schedules are mailed out by February 1 of each year to every business in Rutherford County. It is the duty of the taxpayer to list fully such tangible personal property used, or held for use, in the taxpayer's business or profession on such schedule. The schedule should be completed, signed, include attachments, and return it to the assessor on or before March 1 of each year. A taxpayer who fails, refuses or neglects to complete, sign, and file the schedule with the assessor of property shall be deemed to have waived the objections to a forced assessment. To determine a forced assessment, the assessor shall consider available evidence indicative of fair market value of property assessable to the taxpayer.

A great deal of public assistance is required at this time. This period is the busiest time of year for "walk-in" traffic by the public and phone calls.

▪ **Auditing Process: (January 1 to May 1)**

Schedules along with asset listings or depreciation schedules are desk audited and the information is entered into database and generates a value for assessment & taxation purposes. Values are finalized by April 30th of each year and an Assessment Notice of value is mailed before May 20th as required by law.

▪ **Data Entry: (January 1 to December 31)**

Data Entry is required throughout the year to add new businesses, make address changes, ownership transfers, and to obtain new appraisals for each business every year. Appraisers and Support personnel complete data entry of all information acquired from field work.

▪ **Quality Control: (January 1 to December 31)**

Directors and Quality control specialists perform quality control measures. After all appraisal work has been completed for each year and prior to the Assessment Change Notices being mailed, data is processed for errors. This is necessary in order to prevent major problems prior to mailing of Assessment Change Notice, avoid additional costs, and provide the business owner with an accurate valuation.

▪ **Notices: (May)**

According to statute, the assessor shall give the taxpayer notice of their appraised value by United States mail, addressed to the last known address of the taxpayer or the taxpayer's agent at least 10 calendar days before the local board of equalization commences its annual session beginning on June 1. Each year, every business will receive an Assessment Change Notice. This notice is the culmination of the assessor's responsibilities and efforts and without this effort, Rutherford County Government would not have the necessary funds to provide its state mandated services.

The Assessment Change Notice informs the business owner of the appraisal determined by the assessor's office for property tax purposes.

▪ **Appeals Process: (June)**

The owner of the business or their representative (licensed appraiser, tax consultant, or attorney) is afforded the opportunity to protest their appraised value before the County Board of Equalization which meets generally the first week of June each year. They are required to present a completed schedule at the appeal.

▪ **Field Review: (June to September)**

Appraisal staff field reviews any businesses that may have a question that cannot be answered from the office. Appraisers resolve all errors or questions and return the information to the office for data entry.

▪ **Federally Mandated Personal Property Audit Program: (January to December)**

Each year, from the State of Tennessee Division of Property Assessments, we receive a listing of businesses that we are to perform a detailed audit. The auditor is required to



perform the book audit, make a walk-through of the business, maintain records and take the audit through certifying the assessment to the trustee or to a court hearing, if necessary.

▪ **Tax Billing and Collection: (October 1 to February 28)**

Final values arrived at by the assessor's office are given to the Trustee's Office for tax billing and collection of taxes. The assessor's office assists the trustee with taxpayer's questions regarding valuations, locations, mailing addresses, and previous and current owners. This office works closely with the County Trustee's Office as well as the County Delinquent Tax Attorney's Office to assist with information to allow them to collect tax dollars.

▪ **Manufactured Home Valuation & Tax Releases (January 2 to December 31):**

MH Appraiser is responsible for field checking and collecting data on MH's for valuation as stated in T.C.A. 67-5-501. We began utilizing the electronic version of the N.A.D.A. cost guides to derive values for MH's. This approach makes it easier and more efficient to re-appraise all MH's. Cost tables will be updated yearly. A manufactured home may be assessed and taxed as real property if permanently affixed to the land and certain other criteria are met as outlined in statutes.

**Supporting Information:**

**Appraisals-** An appraisal is an opinion of value. The purpose of appraisals is to estimate market value. Market value, as defined by the courts, is the highest price estimate in terms of money which a property will bring if exposed for sale in the open market, allowing a reasonable time to find a purchaser who buys with knowledge of all uses to which it is adapted and for which it is capable of being used and assumes a willing buyer and seller. Market value is not the same as sales price but if the market is reasonably competitive, sales price can be strong evidence of market value.

□ **Three Approached to Valuation-** The three approaches to estimating market value have been in existence since the early 1900's, all have been refined through the years and variations developed for specific appraisal problems. The three approaches to estimating value are: sale comparison, cost and income.

□ **Sales Comparison Approach-** the Sales Comparison Approach compares recently-sold local similar properties to the subject property. Price adjustments are made for differences in the comparable and subject property. Terms and conditions of the sale have to be analyzed and, if required, adjusted to market based equivalence. If the adjusted prices of several comparables turn out to be similar, the appraiser has good evidence as to the market value of the subject property.

The sale comparison approach is most suitable when there are numerous and frequent sales of similar properties. This approach is widely used in the appraisal of single-family residential properties and vacant land. The reliability of the sales comparison approach rests on the number and quality of available sales. When sufficient and valid sales are available, this approach tends to be the preferred valuation method.

□ **Cost Approach-** The cost approach estimates the replacement cost new of the improvements, less the estimated accrued depreciation plus the market value of land. The cost approach is most reliable in new construction and special purpose properties, where there is little to no sales data, and sometimes in commercial and industrial properties.

□ **Income Approach-** The income approach requires an appraiser to capitalize net income, after allowable expenses, of a property into an estimate of market value. Successful application of the income approach requires the collection, maintenance, and careful analysis of income and expense data.

The income approach is the best method to use when dealing with income producing properties. This approach recognizes that potential investors demand property because they anticipate a future income stream.

## **2.1e Quality Control & Preparation of Valuation Data for Printing**

### **Assessment Change Notices    Approximate Time Frame of Completion:**

(February 1 to April 1)

**Persons Responsible:** Assessor's IT Specialist, appraisal staff

**Summary:** After all appraisal work has been completed for each year and prior to the Assessment Change Notices being mailed, data is processed for errors. This is necessary in order to prevent major problems prior to mailing, avoid additional costs, and provide the property owner with an accurate and valid valuation.

#### **Procedures:**

- **Checking for Errors:** IT Specialist prints reports. The reports are reviewed by the appraisal staff who check for errors and irregularities.
  
- **Field Reviews:** Appraisal staff field reviews any properties with errors that cannot be determined from the office. Appraisers resolve all errors until lists are complete. Lists are assigned by Directors and Senior appraisers.
  
- **Deliver Data (March 15+-):** All data necessary to produce an Assessment Change Notice is prepared and exported electronically by assessor's IT Specialist for in house printing and mailing by April 1 of each year, or designated official mail date.

## **2.1f Mailing of Assessment Changes**

**Approximate Time Frame of Completion:** April 1 to May1

**Persons Responsible:** All assessors' staff.

**Summary:** Assessors are mandated to mail all notices of net taxable value of the property to all property owners within 20 days of the meeting of the County Board of Equalization the first Monday in June unless an extension has been granted by the State Board of Equalization. Every Fourth year every parcel in Rutherford County and every Personal Property Account will receive a Valuation Notice. The notice of value is the culmination of the assessor's responsibilities and efforts and without this effort County Government would not have the necessary funds to provide its State Mandated Services.

The Assessment Change Notice informs the property owner of the valuation that is determined by the assessor's office for property tax purposes. The owner of the property or their representative (licensed appraiser, tax consultant, or attorney) is afforded the opportunity to "protest" their valuation before the County Board of Equalization which meets

generally the first two weeks of June each year. This period is the busiest time of year for “walk-in” traffic by the public and phone calls.

**Procedures:**

- **Mail Assessment Change Notices (May 1 or before):** Directors and Assessor’s IT Specialist collaborate and ensure that all notices are mailed as scheduled. In a reappraisal year that could mean as many pieces of mails as 125,000 pieces of mail from January1 to May1 currently.
  
- **Public Assistance (April 1 to May1):** Directors and appraisal staff provide information and assistance to walk-in and phone in customers. Staff also provides assistance and calculations for tax freeze properties with the County Trustee. ***Tax Freeze currently represents a burden that requires hiring additional staff which has yet to be funded.***
  
- **Receive Protest Forms (April 1 to May1):** All three Directors and assigned appraisal staff meet with property owners in person to discuss concerns regarding valuations and accept appeal forms.
  
- **Process Incoming Mail (April 1 to May 31):** Two quality control specialists are responsible for opening mail from the post office. All mail is sorted and forwarded to the appropriate Director for distribution and assignment of work. A follow up process is used to ensure all correspondence is addressed by staff.
  
- **Application Review & Data Entry (January to December):** Appraisers and assigned staff determine eligibility and review all exemptions and green belt and forest plan applications and complete the data entry of all information acquired from field work and review into AssessPro.

## **2.1g Valuation Protests**

**Approximate Time Frame of Completion:** June 1 to June 15

**Persons Responsible:** Assessor, Directors, Senior Appraisers, Appraisers, Assessment Staff and County Board of Equalization

**Summary:** Each year property owners or their representative may appeal the value or classification determined for their property by filing an appeal with the County Board of Equalization in June of the year of valuation. Rutherford County typically mails notices on or around April 15th of each year. The assessor may mail within 10 days for June 1<sup>st</sup>.

### **Procedures:**

- **Informal Appeal and Review (April to May):** Appeals are assigned to appraisers for a complete review of the property. This review may include: taking current photos, inspecting the exterior of the property, verifying and correcting all pertinent data, and measuring and sketching the exterior of all structures if necessary. In some cases an interior inspection may be necessary as well. Appeals are assigned based on difficulty and as evenly as possible to each appraiser in order to maintain fairness. Appraisers who are most familiar with the property or area may be assigned the appeal first.
  
- **Formal Appeal and Review (June 1 to June 15)** The owner of the property or their representative (licensed appraiser, tax consultant, or attorney) is afforded the opportunity to “protest” their valuation before the County Board of Equalization which meets generally the first two weeks of June each year. The Assessor of Property, Directors and Staff will assist the County Board of Equalization in determining the appropriate valuation. The burden of proof is placed on the property owner to refute the valuation for that year based upon verifiable sales and data. Taxes being too high are not a valid challenge to an assessment.

**Goal:** Successfully resolve all protests prior to September 15, (before the tax roll is generated)

## **2.1g Staffing & Professional Development**

In order to accurately and professionally accomplish the mandated duties of the office, the Assessor must hire educated, experienced, and motivated individuals and provide continuous training and continuing education in the field of real and personal property appraisal. Having well trained and professional individuals in other facets of the duties of the office is equally important and essential to our office.

Under TCA § 67-1-508(c)(3), the issuance of certificates and incentive pay is authorized upon completion of professional designations. Appraisal certification ensures adequate knowledge of the principles of property appraisals, assessment techniques, and property tax laws. Certification also enhances an individual’s and the public confidence in the work being performed by the assessor office.

The Rutherford County Property Assessor’s Office has agreed to participate in the certification program stated above as well as provide for merit and performance based salary reviews. These increases are included in the assessor’s budget requests annually.

Nationally recognized designations which are available through our membership in the IAAO are being actively pursued by the Assessor as well as others within the Assessor’s

Office. The Assessor's goal is to re-classify the appraiser's position and compensate them accordingly once a designation is attained.

Property Assessors and their staff should be very familiar with traditional appraisal methods, real estate markets, and local conditions. Other technical and professional skills needed are: statistical skills for building and applying statistical models, management skills for recruiting, training and directing staff, data processing skills for designing and maintaining computer programs, and public relation skills for dealing with the public and the media.

Our employees possess skills in administration, mass appraisal, mapping/GIS, and personal real property appraisals. Our employees are able to appraise/develop values for all property types within Rutherford County, and are able to defend those values at every level of appeal. Continuing training and education is a major resource for the success and performance of the office, and highly recommended. These skills are not easily developed and come with a financial cost which, in the interest of the citizens of Rutherford County, must be met.

The following is a listing of the County Assessors' staff by primary function:

The Assessor and the three Directors are responsible for all valuation maintenance and reappraisal programs. They will be responsible for implementing administrative policy, enforcing procedural and quality control standards, directing, training, and assigning duties to temporary personnel and performing the other statutory ongoing administrative duties. The Assessor believes that education should be an ongoing program and it only strengthens the valuation program. The County Board of Equalization and Administrative Judges rely upon the level of professional expertise of an appraiser. Therefore, all assessment personnel are encouraged to attend appraisal courses provided by the State of Tennessee and any licensing or certification program with prior approval of the Assessor. This will benefit Rutherford County by successfully defending valuation protests that ultimately impact county budgets.

## **2.2 County Wide Door to Door Re-Inspection Plan**

The second essential component of a proper valuation maintenance program is the requirement for periodic re-inspection of all properties. Rutherford County has adopted and enacted a Four Year reappraisal program with the approval and under the supervision of the State Board of Equalization. This re-inspection is in conformance with the professional standards of the International Association of Assessing Officers. The main function of these inspections is to verify and update existing information and discover improvements to properties that are not currently on the tax schedule.

## **2.2a Re-Inspection Plan Completed by December 31, 2018.**

The office completed the last phase of the last re-appraisal project that was begun in 2014. Work included field verifying, collecting data, and reappraising the last remaining properties to be inspected, including:

1. Manufactured Homes
2. Residential Condos
3. Commercial Improved Properties
4. Agricultural & Forrest Properties

## **2.2b Re-inspection Plan: Begin January 2015**

Starting January 2015, the Assessor will begin implementing three year re-inspection plan utilizing in house staff. The plan involves reviewing & re-inspecting both residential and non-residential accounts each year of the plan to achieve total coverage of 102,000 real property accounts in Rutherford County.

### **Our Approach**

In regards to the approach to be used for county-wide inspection, new technology will be available in this 4 year plan previously unavailable in the past.

The first will be the introduction of oblique, side-view imagery of most of the improved portions of the county acquired in March of 2015 by Pictometry. This technology will greatly reduce the need for a physical door-to-door review. Most properties can be adequately inspected from exterior conditions visible in the photos. Assessor Rob Mitchell plans on contracting for new photos in every two years.

The second will be the introduction of oblique aerial and specialized software too that visually compares two sequential acquisitions of oblique imagery for changes in existing building footprints or new building footprints. The tool is called "Change Finder" and is also provided by Pictometry. This tool will make it much easier for the office to identify unreported, improved properties without field inspection. For properties that are not included in the photo project, or for hard to view properties, a field inspection will be required by staff appraisers.

### **Year 1- 2015**

The plan required the review of roughly 34,000 parcels in year one. This area will contribute roughly thirty percent of the accounts for review. As resources permit, more accounts will be inspected by including properties immediately adjacent in sectors to be reviewed. The first year may require a higher administrative load than future years, and for that reason, is preparing for higher than average loads in future years to compensate. Details are as follows:

**Starts:** January 1, 2015

**Ends:** December, 31, 2015

**Work Days:** 227 (excluding holidays, and estimated vacation and sick leave days, inclement weather)

**Appraisal Staff:** 15 total (9 Residential - 1 Director, 8 Appraisers) & (5 Commercial – 1 Director, 4 Appraisers)

**Property Count:** 34000 Total (*numbers are subject to change*)

### **Quantities Necessary to Complete the Project With in the Allotted Time:**

A per day ratio for review of properties is as follows:

$34000 / 227 = 150$  per day overall,  $150 / 15 = 10$  per person per day

While these numbers are not low, we believe they are attainable. They may fluctuate due to other factors affecting the project for this particular year

- First, the area of review and distance from the office is a factor. While Pictometry should significantly help, every area will require some actual in person, on the ground, door to door re-inspection.
- Second, many other tasks are required to be completed by the same staff assigned to completing this review during the same time period of the project. These tasks include sketching and input of new property along with picking up and documenting building changes
- Third, there are a few upgrades in our processes that will warrant moving slower. This includes creating new neighborhoods, configuring and using a land model for land valuation for the first time, and creation of improvement models for the first time. If not slowly introduced and reviewed, these changes could erroneously affect property valuations on a large scale.

### **Year 2- 2016**

The second year will review of roughly 34,000 parcels. This area will contribute roughly thirty percent of the accounts for review. As resources permit, more accounts will be inspected by including properties immediately adjacent in sectors to be reviewed. Details are as follows:

**Starts:** January 1, 2016

**Ends:** December, 31, 2016

**Work Days:** 227 (excluding holidays, and estimated vacation and sick leave days, inclement weather)

**Appraisal Staff:** 15 total (9 Residential - 1 Director, 8 Appraisers) & (5 Commercial – 1 Director, 4 Appraisers)

**Property Count:** 34000 Total (*numbers are subject to change*)

### **Quantities Necessary to Complete the Project With in the Allotted Time:**

A per day ratio for review of properties is as follows:

$34000 / 227 = 150$  per day overall,  $150 / 15 = 10$  per person per day

While these numbers are not low, we believe they are attainable. They may fluctuate due to other factors affecting the project for this particular year

### **Year 3- 2017**

The third year will review of roughly 34,000 parcels. This area will contribute roughly thirty percent of the accounts for review. As resources permit, more accounts will be inspected by including properties immediately adjacent in sectors to be reviewed. Details are as follows:

**Starts** January 1, 2017

**Ends:** December, 31, 2017

**Work Days:** 227 (excluding holidays, and estimated vacation and sick leave days, inclement weather)

**Appraisal Staff:** 15 total (9 Residential - 1 Director, 8 Appraisers) & (5 Commercial – 1 Director, 4 Appraisers)

**Property Count:** 34000 Total (*numbers are subject to change*)

### **Quantities Necessary to Complete the Project With in the Allotted Time:**

A per day ratio for review of properties is as follows:

$34000 / 227 = 150$  per day overall,  $150 / 15 = 10$  per person per day

While these numbers are not low, we believe they are attainable. They may fluctuate due to other factors affecting the project for this particular year

#### **Year 4- 2018**

The fourth year is the year in which we will begin to establish base rates for the various categories of property. New properties will be picked up as they are constructed and we will spot check each assessment zone for changes and accuracy prior to our final value meeting with the State Department of Property Assessments. A final assessment value will be calculated and presented to each governing body within Rutherford County. That legislative body will calculate a revenue neutral rate for that year and submit it to the State Board of Equalization for concurrence. A reappraisal plan for the following four years is prepared by the Assessor and presented to the Rutherford County Commission for approval. Once adopted by the County it is submitted to the State Board of Equalization and becomes binding.