



ASSESSMENT COORDINATION DEPARTMENT

STATE OF ARKANSAS

RULES AND REGULATIONS

Effective July 20, 2004

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CHAPTER ONE

GENERAL PROVISIONS

RULE 1.01

STATUTORY AUTHORITY CREATING ASSESSMENT COORDINATION DEPARTMENT

Act 436 of 1997 created the ASSESSMENT COORDINATION DEPARTMENT and pursuant to Arkansas Code Annotated 25-2-102 (Type 2 transfers) transferred the Assessment Coordination Division from the Public Service Commission to the Assessment Coordination Department.

Adopted 10/01/99

RULE 1.02

GENERAL SCOPE OF AUTHORITY

STATUTORY AUTHORITY: A.C.A. 25-28-103, 26-24-102, and 26-24-107.

The ASSESSMENT COORDINATION DEPARTMENT has the full power and authority in the administration of the property tax laws of this state to exercise general and complete supervision and control over:

1. The valuation, assessment and equalization of all property in the state of Arkansas except that remaining under the jurisdiction of the Public Service Commission;
2. The several county assessors, county boards of review and equalization, and other officers charged with assessment or equalization of property throughout the state, to the end that all assessments on property in this state shall be made in relative proportion to the just and true value thereof, in substantial compliance with the law.

Adopted 10/01/99

RULE 1.03

DESCRIPTION OF ORGANIZATION

The Assessment Coordination Department welcomes inquiries from the public. Areas of responsibility are assigned to Divisions within the Department.

The Assessment Coordination Department is composed of an Administrative body consisting of its Director, Deputy Director, Legal Counsel, Division Managers and support staff.

1. Division One is comprised of the Director, Deputy Director, Legal Counsel, and one Research and Development/Technical Support staff.

2. Division Two encompasses the following areas: Personal property assessment, business personal property data collection and assessment, educational programs, oil and gas assessment, agricultural land assessment, and the personal and business property ratio study. The manager of Division One shall be designated as the Ratio Study Coordinator for the sections of Personal and Business Personal Property.
3. Division Three encompasses the following areas: Computer operations, data management, statistical analysis, and overall coordination of the real estate property ratio study. The Manager of Division Two shall be designated as Ratio Study Coordinator for the sections of Market Value Real Estate Property and Agricultural Land.
4. Division Four encompasses the following operations: personnel, budgeting/accounting, fiscal operations, compilation and formalization of annual ratio studies, collection and publication of assessment and millage data, auditing of and assistance with county millage rollbacks, and support services for interdepartmental divisions.
5. Division Five encompasses the following areas: Data collection and confirmation on real estate assessments, personal property assessments collection and field appraisals.

Adopted 10/01/99

RULE 1.04 PUBLIC INSPECTION

All orders, decisions, opinions, rules and other written statements of policy or interpretations formulated, adopted or used by the ASSESSMENT COORDINATION DEPARTMENT in the discharge of its functions are available for copying and public inspection at its offices at 1614 West Third Street, Little Rock, Arkansas during the regular business hours of the custodian of the records which is generally between the hours of 8:00 a.m., and 4:30 p.m., Monday through Friday of each week, with the exception of state holidays.

Adopted 10/01/99

RULE 1.05 THE ARKANSAS FREEDOM OF INFORMATION ACT OF 1967

STATUTORY AUTHORITY: A.C.A. 25-19-101 et. seq.

The Assessment Coordination Department shall fully comply with The Arkansas Freedom of Information Act of 1967, as amended. Photocopies of documents shall be 50¢ each.

Adopted 10/01/99

RULE 1.06

ASSESSMENT COORDINATION DEPARTMENT BEST PRACTICES ADVISORY GROUP

There are hereby created the Assessment Coordination Department (ACD) Best Practices Advisory Groups. The Groups shall advise and assist the ACD Director in the development of standards for Best Practices in all areas of property assessment in Arkansas, including but not limited to the discovery, listing and valuation of property and ACD auditing procedures. Their role will be advisory only and not binding upon the Director.

Membership

The Director shall appoint members from a list of volunteers. All people employed in the assessment profession or interested in the assessment profession, including those from Arkansas and those from other states will be eligible for appointment. Members shall serve for a term of one year and may be reappointed by the director. The Director may remove any member absent from three meetings during a calendar year.

The nine standing Groups are:

1. Mass Appraisal - Residential
2. Mass Appraisal - Commercial
3. Mass Appraisal – Agricultural
4. Mass Appraisal - Mineral
5. Personal Property
6. Education
7. Mapping, CAMA and records management
8. Procedural Audit and Sales Ratio Study
9. Public Relations

Each Group will consist of seven members. From that group, the Director will choose one member to serve as Chairperson. The Chairperson shall be responsible for coordinating meetings, drawing up documents outlining recommended best practices, appointing a secretary for the Group and reporting the Group findings to the Director. From time to time the Director at his or her discretion may form ad hoc Advisory Group Committees to address issues not within the purview of a standing Group.

Notice

Immediately upon adoption of this rule, the director shall mail an announcement to each county assessor, each appraisal contractor in Arkansas and each ACD employee an announcement of the formation of the nine Advisory Groups. Each county assessor and contractor shall place the announcement in a conspicuous place for all employees

to see. Accompanying the announcement will be a volunteer sign up sheet, which any eligible individual may return to the Director to be considered for inclusion, in a Best Practices Advisory Group.

Adopted 07/05/04

CHAPTER TWO

GENERAL RULES OF PRACTICE AND PROCEDURE

RULE 2.01

PETITIONS FOR DECLARATORY ORDERS

STATUTORY AUTHORITY: A.C.A. 25-15-206

Pursuant to Acts 1967, No. 434, Petitions for declaratory orders as to the applicability of any rule, statute, or order enforced by The Assessment Coordination Department shall be in writing and signed by the Petitioner. Petitions shall be filed in duplicate with the Director of the Department, who shall have the date of receipt stamped thereon and return one copy to the Petitioner. All Petitions for Declaratory Orders shall be titled as such.

1. In those instances in which the Department's response to a petition for a declaratory order is to be based on the opinion of the Attorney General, the Director shall issue a Declaratory Order promptly on receipt of the official opinion of the Attorney General.
2. With respect to all other petitions, the Director shall issue a Declaratory Order in response to said petition within fifteen (15) working days from the date of filing by mailing a copy of the order to petitioner by certified mail.

Adopted 10/01/99

RULE 2.02

PUBLIC RIGHT TO PETITION

STATUTORY AUTHORITY: A.C.A. 25-15-204

Any person has the right to petition for the issuance, amendment, or repeal of any rule. Within thirty (30) days after submission of a petition, the Assessment Coordination Department shall either deny the petition, stating in writing its reasons for the denial, or shall initiate rule-making proceedings.

Adopted 10/01/99

CHAPTER 3

IMPLEMENTATION OF ACT 1185 OF 1999

RULE 3.01

APPRAISAL MANAGER EXAMINATION

STATUTORY AUTHORITY: Act 1185 of 1999.

The ACD shall contract with a qualified individual with adequate training and experience necessary to formulate an appropriate examination designed to test one=s ability to perform as an appraisal manager.

The examination shall emphasize theory and practice of mass appraisal as opposed to conventional single property appraisal, be designed in two sections and shall include, but not be limited to: the first section of the appraisal manager exam shall be a multiple choice exam designed to test the individual=s knowledge of mass appraisal terminology and theory.

The second section of the exam shall be a case study or studies. The case study portion of the exam will provide the student with a sample county, and require the student to work out the appropriate number of personnel, and budgets necessary to perform a countywide reappraisal. The proficiency exam will contain subject matter of the IAAO Administration Course, and will cover the Arkansas property valuation system, sales editing, neighborhood delineation, use of location factors, and effective ages.

Adopted 10/01/99

RULE 3.02

PREREQUISITES FOR APPRAISAL MANAGER EXAM

Prerequisites for eligibility to take the exam shall include; Level 4 Appraiser as designated by the State of Arkansas Training and Certification Program, or IAAO educational equivalent, and a minimum of four years experience in the mass appraisal field.

Adopted 10/01/99

RULE 3.03

DATE OF REAPPRAISAL MANAGER EXAM

*Adopted 10/01/99
Repealed 12/01/00*

RULE 3.04

ADMINISTRATION OF APPRAISAL MANAGER EXAM

The author of the appraisal manager exam will be responsible for administering the first

examination, and the ACD shall be responsible for administering later editions. No fee shall be charged for the first taking of the examination. A fee of \$100 will be charged for each subsequent taking of the examination.

Adopted 10/01/99

RULE 3.05

SUBMISSION OF REAPPRAISAL PLANS

Each county shall be required to submit a plan to the ACD detailing how a reappraisal, whether performed in-house or contracted, will be accomplished over a prescribed time period.

The purpose of the plan will be twofold - First, to be certain that all the needed tasks of a reappraisal are completed, and second, to insure that all reappraisal projects meet a statewide standard of quality and uniformity.

The plan will include the county or contractor=s calendar of scheduled events in order for the appraiser to locate, identify, and appraise all taxable property in accordance with state laws and administrative procedures.

The plan will specify that the first phase of the plan will be to canvass all parcels, will include site inspection with improvements reviewed, and all pertinent quantitative and qualitative data gathered, and improvements will be measured when necessary.

Provision will be made in each year of the reappraisal plan for the discovery, listing, and valuation of newly discovered and newly constructed property. Additionally, the reappraisal plan will detail plans for revaluation notices and the appeals process for these types of properties.

The required reappraisal plan must include detailed information including parcel counts, existing resources, expected production levels, personnel needs, and budgets. The appraisal plan must also acknowledge pre-established requirements relating to minimum qualifications of various employees, minimum progress at various points in time, and minimum levels of quality in regard to property valuations before notices of revaluation are mailed.

Adopted 10/01/99

RULE 3.06

DUE DATE FOR REAPPRAISAL PLANS

On or before August 10, 1999, the ACD will mail a certified letter to each county assessor stating the year the county will be required to reappraise under Act 1185, and a date due for the first required reappraisal plan.

Adopted 10/01/99

RULE 3.07

REAPPRAISAL PLANS FOR 2, 3, 4, OR 5 YEARS

In the case of counties that fail an assessment ratio in 1999, the required reappraisal plan will describe a reappraisal that will be completed in 2001. For those plans, phase one (data collection) will cover the year 2000, and phase two (valuation) will cover the year 2001.

In the case of the first group of counties selected by the ACD to reappraise in 2002, the required reappraisal plan will describe a reappraisal which will be completed in 2002. For those plans, phase one (data collection) will cover the years 2000 and 2001, and phase two (valuation) will cover 2002.

In the case of the group of counties selected by the ACD to reappraise in 2003, the required reappraisal plan will describe a reappraisal which will be completed in 2003. For those plans, the first year, (2000) will cover the appraisal of new construction only, phase one (data collection) will cover the years 2001 and 2002, and phase two (valuation) will cover the year 2003.

In the case of the group of counties selected by the ACD to reappraise in 2004, the required reappraisal plan will describe a reappraisal which will be completed in 2004. For those plans, the first two years (2000 and 2001) will cover the appraisal of new construction only. Phase one (data collection) will cover the years 2002 and 2003, and phase two (valuation) will cover the year 2004.

Adopted 10/01/99

RULE 3.08

EXCEPTIONS TO RULE 3.07

Exceptions to the requirements listed above would include those counties that have a reappraisal underway in 1999, whether a contracted reappraisal, or an In-house reappraisal, with an anticipated completion date of 2000 or 2001. Those reappraisals will be allowed to continue, and will be eligible for funding beginning in January, 2000. When those reappraisals are completed in 2000 or 2001, the county will be required to submit a new, 3 year reappraisal plan, with an appropriate completion date of 2003, or 2004.

A further exception to RULE 3.07 would be that if a county is selected by the ACD to reappraise in 2004, but already has a reappraisal underway that is due to complete in 2000 or 2001, the reappraisal plan will not be limited to appraising new construction only in the first two years.

Adopted 10/01/99

RULE 3.09

FORMAT FOR REAPPRAISAL PLANS

The ACD will provide a complete format for the reappraisal plan, and the plan will be required to be completed on this specific form. Any variation from these standardized plans must be pre-approved by the ACD.

Adopted 10/01/99

**RULE 3.10
PARCEL COUNT INFORMATION**

Reappraisal plans shall contain detailed parcel count information in two formats, using the forms described in Rule 5.2 as A-13 "Parcel Count Form A" and A-14 "Parcel Count Form B".

*Adopted 10/01/99
Amended 12/20/00*

**RULE 3.11
ORDER OF REAPPRAISAL PROGRESS**

Reappraisal plans will specify exact order in which townships will be reviewed during phase one of the reappraisal. An alternative will allow the reappraisal plan to appraise all cities in a county first, and then appraise all non-city properties in township order. Regardless of which plan is utilized, appraisers will be required to meet or exceed the monthly production tables established in the reappraisal plan.

Reappraisal plans will specify expected progress by township or city, and number of parcels, planned for each month, during phase one of the reappraisal. A breakdown by city or township-range is not required for phase two of the planned progress report. However, a projected total per month is required. For these purposes, "month" is defined as the 20th of the preceding month through the 19th of the current month.

*Adopted 10/1/99
Amended 3/03/02*

**RULE 3.12
REAPPRAISAL MANAGER TO BE NAMED IN REAPPRAISAL PLAN**

Each reappraisal plan will name a specific person as manager of the reappraisal.

Adopted 10/01/99

**RULE 3.13
EXISTING RESOURCES**

Reappraisal plans will list in reasonable detail the reappraisal resources already existing within a county. Those resources shall include but not be limited to: Computer hardware, mapping records, available office space, vehicles, existing personnel (listed by certification levels and current job duties).

In particular, the reappraisal plan will describe computer hardware and mapping records currently available, and will describe office space available for the purpose of real estate

appraisal. The reappraisal plan will list in detail how much physical data has already been gathered by field appraisers and entered into the county's CAMA system. The reappraisal plan will also describe the level of data entry regarding real estate sales information.

Adopted 10/01/99

**RULE 3.14
REAPPRAISAL BUDGETS**

Each county that undertakes an in-house reappraisal must provide and attach a copy of a reappraisal budget to the reappraisal plan. The reappraisal budget will be on a prescribed form furnished by the ACD and will cover all costs associated with the reappraisal of real estate.

Adopted 10/1/99

**RULE 3.15
MINIMUM EXPECTED PRODUCTION LEVELS FOR IN-HOUSE REAPPRAISALS**

Manpower needs necessary for any reappraisal are calculated based on known parcel numbers, working days available, and anticipated production levels per worker. Production levels shown in rules 3.15.1 through 3.15.4 are minimum production levels, per worker, per day, to be used for the preparation of appraisal budgets for those counties which choose to perform in-house reappraisals.

Adopted 10/01/99

**RULE 3.15.1
FULL REAPPRAISAL PROGRAM USING SINGLE APPRAISERS**

Entry of sales data	100		
Residential		Commercial	
Physical data collection	25	Physical data collection	10
Physical data entry	40	Physical data entry	20
Data entry review	250	Data entry review	30
Valuation	150	Valuation	20

Adopted 10/01/99

RULE 3.15.2

FULL REAPPRAISAL PROGRAM USING DATA GATHERERS AND REVIEW APPRAISERS

Entry of sales data	100		
Residential		Commercial	
Quantitative data collection	25	Physical data collection	10
Qualitative data collection	50	Physical data entry	20
Physical data entry	40	Data entry review	30
Data entry review	250	Valuation	20
Valuation	200		

Adopted 10/01/99

RULE 3.15.3

REVIEW APPRAISAL PROGRAM USING SINGLE APPRAISERS

Entry of sales data	100		
Residential		Commercial	
Physical data collection	40	Physical data collection	10
Physical data entry	100	Physical data entry	20
Data entry review	250	Data entry review	30
Valuation	200	Valuation	20

Adopted 10/01/99

RULE 3.15.4

REVIEW APPRAISAL PROGRAM USING DATA GATHERERS AND REVIEW APPRAISERS

Entry of sales data	100		
Residential		Commercial	
Quantitative data collection	25	Physical data collection	10
Qualitative data collection	75	Physical data entry	20
Physical data entry	100	Data entry review	30
Data entry review	250	Valuation	20
Valuation	200		

Adopted 10/01/99

RULE 3.16

ALLOWABLE EXPENSES

All expenses associated with the cost of maintaining current real estate appraisals on county assessment records deemed appropriate, necessary, and reasonable by the ACD,

shall be reimbursed to the county. Those expenses, in general, may be considered to include salaries, office expenses, computer purchase and support, vehicle mileage expenses, and public relations. No expense that is not shown in the original budget or original request for special needs funding will be considered for reimbursement.

Adopted 10/01/99

RULE 3.17 FUNDING

Funding for all reappraisals required under Act 1185 of 1999 will be in the form of a reimbursement for expenses first paid by counties, either to county assessors' budgets, or to appraisal firms. Appraisal plan and/or appraisal contracts must be approved before reimbursement begins. The state may withhold the last four reimbursement payments until the reappraisal has been completed in accordance with the rules and regulations of the ACD, whereupon payments will be released less any costs or expenses for corrective action. Withholding will commence with the plans starting in 2003.

*Adopted 10/1/99
Amended 3/03/02*

RULE 3.18 IN-HOUSE REAPPRAISAL PLANS - SIGNATURE REQUIREMENTS

In-house reappraisal plans must bear the notarized signatures of the county assessor, chairman of the Board of Equalization, county judge, and the appraisal manager. The plan must be approved by a quorum court appropriation ordinance.

*Adopted 10/01/99
Amended 12/20/00*

RULE 3.19 CONTRACTED REAPPRAISAL PLANS - SIGNATURE REQUIREMENTS

Contracted reappraisal plans must bear the notarized signatures of the county assessor, chairman of the Board of Equalization, county judge, an agent of the reappraisal company performing the reappraisal, and the appraisal manager. The plan must be approved by a quorum court appropriation ordinance.

*Adopted 10/01/99
Amended 12/20/00*

RULE 3.20 PROGRESS REPORTS FROM APPRAISAL MANAGER TO ACD

The appraisal manager will send to the ACD, by the twentieth day of each month, a signed progress report, detailing reappraisal progress made from the 20th of the preceding month through the 19th of the current month. The progress report will be on a specific form

prescribed by the ACD. The reappraisal manager will provide a copy of the progress report to the county assessor, board of equalization, county judge and quorum court each month.

*Adopted 10/01/99
Amended 12/20/00*

**RULE 3.21
REIMBURSEMENT TO COUNTIES IN EQUAL PAYMENTS**

Reimbursement for reappraisal costs from the state to the county will be made in even payments, once each month, at a level to be determined by dividing the total cost of reappraisal (as indicated by the original appraisal plan) by the total number of months indicated in the reappraisal plan, unless a revenue shortfall should occur. In that instance, at least one payment will be less than normal.

Adopted 10/01/99

**RULE 3.22
DIRECT DEPOSITS**

Reimbursements will be done in the form of a direct deposit. Each county/company must have an established account and submit necessary paperwork (voided check, signed permission form, etc.) before the reimbursement process begins.

*Adopted 10/01/99
Amended 12/20/00*

**RULE 3.23
REVENUE SHORTFALLS**

In the event the total monies budgeted for reappraisals statewide runs higher than the fiscal year appropriation to the ACD, the June payment for each county or contractor will be reduced on a pro-rata per parcel basis to prevent deficit spending.

Adopted 10/01/99

**RULE 3.24
ACD TO CONDUCT PERFORMANCE AUDITS**

The ACD will periodically enter each county during both phase one and phase two of the county=s reappraisal to conduct a performance audit (hereinafter designated as a PA). The purpose of these audits will be to ensure the reappraisal progresses as planned in a systematic and accurate fashion, and to determine if generally accepted methods and techniques are being uniformly employed.

The ACD will conduct Appraisal Manager seminars. Appraisal managers must attend at least one such seminar a year to maintain Appraisal Manager status.

*Adopted 10/01/99
Amended 3/03/02*

RULE 3.25 SCOPE OF PHASE ONE PERFORMANCE AUDITS

The PA will measure both the quantity and quality of the following: entry of general appraisal information, collection and entry of field data, and entry of sales information.

The PA will compare gross progress of physical data collection and CAMA entry to the required progress established by the county=s reappraisal plan. Additionally, the PA will review quantitative and qualitative data from the property record cards of a random sample of improved properties.

All warranty deeds which contain sales information helpful in the appraisal process must be entered into the county=s CAMA system. Deed entries must include sale date, book and page, revenue stamps or sale amount (if any), and grantor/grantee information.

The appraisal manager will assure that a reasonable attempt is made to obtain sales price and confirm validity of all warranty deeds.

Interior inspections of residences are not required and inaccuracies involving those items will not be regarded as errors for the purposes of the audit.

*Adopted 10/01/99
Amended 12/20/00*

RULE 3.26 DESIGN OF PROPERTY RECORD CARDS

The basic design of property record cards by each class must be approved by ACD. The following entries are required (where applicable):

City and Rurban Cards:

- Type of Card
- Parcel Number
- Ownership Record and Description
(Include property address when available)
- Sales History
- Appraisal Summary
- Assessment Summary
- Land Record and Computation of Land Value
(Lot size is recommended but not required. However, a breakdown of value per lot should be included)
- Review Record

Number of Cards and Card Number
Sketch
All Applicable Data Collection and Valuation Fields
Inspected Date, Inspected By
Reviewed Date, Reviewed By
Entered Date, Entered By

Rural Cards:

Type of Card
Parcel Number
Ownership Record and Description
(Include property address when available)
Sales History
Appraisal Summary
Assessment Summary
Review Record
Land Record and Computation of Land Value
(Lot size and production capability pricing is required)
Review Record
Number of Cards and Card Number
Sketch
All Applicable Data Collection and Valuation Fields
Inspected Date, Inspected By
Reviewed Date, Reviewed By
Entered Date, Entered By

Commercial/ Industrial Cards:

Parcel Number
Ownership Record and Description
(Include property address when available)
Sales History
Appraisal Summary
Assessment Summary
Land Record and Computation of Land Value
(Lot size and value per lot is required.)
Review Record
Number of Cards and Card Number
Sketch
Property Description
Structural Elements
All Applicable Data Collection and Valuation Fields
Inspected Date, Inspected By
Reviewed Date, Reviewed By
Entered Date, Entered By

*Adopted 10/01/99
Amended 12/20/00
Amended 3/03/02*

RULE 3.27

SCOPE OF PHASE TWO PERFORMANCE AUDITS

ACD auditors will review sales analysis and other procedures used in the development of overall values. This includes, but is not limited to, audits of neighborhood delineation, lot values, and location factors.

Valuation entry fields on parcel cards will be checked for accuracy.

Sales ratio studies will be utilized to audit final values.

Entry of sales information will be audited during both phase one and phase two.

Adopted 10/01/99

Amended 12/20/00

RULE 3.28.1

NEIGHBORHOOD DELINEATION FOR RESIDENTIAL NEIGHBORHOODS

Residential neighborhood boundaries shall be displayed on city or county maps as appropriate.

A narrative description of each boundary line for each neighborhood shall be on file at the appraisal manager=s office. In addition, a printout of the sales database used in determining the boundaries shall be kept in the same file.

Residential neighborhoods that may be defined due to physical, economic, governmental, or social factors without the benefit of property sales are allowed. However, the narrative description of each boundary line shall include a statement outlining the physical, economic, governmental or social factors that lead the appraiser to conclude boundary location.

Adopted 10/01/99

RULE 3.28.2

NEIGHBORHOOD DELINEATION FOR COMMERCIAL NEIGHBORHOODS

Commercial neighborhood boundaries shall be displayed on city or county maps as appropriate.

A narrative description of each boundary line for each neighborhood shall be on file at the appraisal manager=s office. In addition, a printout of the sales database and rental database used in determining the boundaries shall be kept in the same file.

Commercial neighborhoods that may be defined due to physical, economic, governmental, or social factors without the benefit of property sales are allowed. Rental data should be collected unless all commercial properties in the neighborhood are owner occupied. If neither sales nor rental data are available the narrative description of each boundary line

shall include a statement outlining the physical, economic, governmental or social factors that lead the appraiser to conclude the boundary location.

Adopted 10/01/99

RULE 3.28.3

NEIGHBORHOOD DELINEATION FOR RURAL AREAS

Rural region boundaries shall be displayed on county maps.

A narrative description of each boundary line for each rural region shall be on file at the appraisal manager's office. In addition, a printout of the sales database used in determining the boundaries shall be kept in the same file.

Rural regions that may be defined due to physical, economic, governmental, or social factors without the benefit of property sales are allowed. Whether sales data are available or not the narrative description of each boundary line shall include a statement outlining the physical, economic, governmental or social factors that lead the appraiser to conclude the boundary location. In addition, the appraiser shall list the property specific characteristics, i.e. paved road, municipal water, school district boundaries, etc., that are used to adjust from the general value trends and dollar influences each of these characteristics has on the property.

Adopted 10/01/99

RULE 3.29

LOCATION FACTORS

When using the cost manual, location factors shall be used to adjust costs to the proper level in each neighborhood. The overall location factor for a neighborhood shall be determined from analysis of individual sales using the basic formula: $\text{Location Factor} = \frac{\text{Improvement Value (Sale Price Less Lot Value)}}{\text{RCNLD (Replacement Cost New Less Depreciation)}}$. Valid sales of properties from new to three years old should be used for the most accurate work. Sales should not have substantial improvements other than the house. Any item not being valued from the manual should be subtracted from the selling price. Accurate lot values are necessary. Statistical software can be utilized to provide additional analysis and accuracy. Comparative analysis can be used for neighborhoods where appropriate sales are insufficient.

Adopted 7/10/01

RULE 3.30

MINIMUM ACCEPTABLE STANDARDS FOR PERFORMANCE AUDITS

Reappraisal performance must conform to these Rules and Regulations, and the appraisal process must uniformly employ logical and generally accepted methods and techniques that are necessary to produce credible appraisals.

Phase 1 completed parcels are those which have had data collection/review and data entry. Phase 2 completed parcels are those for which valuation and corresponding entry into the CAMA system is complete. The cumulative number of parcels which are Phase 1 complete must be at least 90% of planned progress unless sufficient reason is provided on the monthly progress report and approved by ACD. For each property type, valuation must be complete for at least 50% of the parcels, subject to minor revisions, by April 19th of the valuation year.

For each performance audit, total errors and/or omissions must not exceed 5% for any general or specific element of the appraisal process.

Failure to list a dwelling or other major improvement or placement of that improvement on the wrong parcel may not occur on more than 2% of the parcels.

Individual perimeter measurements of one-story dwellings must be accurate within one foot. Estimated measurements will be allowed for additional levels and for items such as driveways or fences, but these estimates should be based on techniques resulting in reasonable accuracy.

All real estate improvements must be listed on each property record card. Those improvements that are deemed to have no contributory value by the appraiser must be listed with minimal description and coded uniformly by CAMA providers. Dimensional elements of NCV improvements are optional. Failure to list all such improvements will be counted on the PA as an error.

The ACD will periodically audit entry of sales information during both Phase 1 and Phase 2 of the reappraisal. All deeds which necessitate a change of name or legal description that are more than 30 days past their filing date must have been entered into the county's CAMA system. Errors and/or omissions shall not exceed 5% of the total entries.

*Adopted 10/01/99
Amended 12/20/00
Amended 3/03/02
Amended 07/05/04*

RULE 3.31

FAILURE TO COMPLY WITH STANDARDS OF PERFORMANCE AUDIT

The Director of the Department may, for cause, and after opportunity for a hearing, suspend or terminate the contract of any appraisal firm or county, suspend or terminate the appraisal manager status of an appraisal manager, or remove an appraisal firm from the list of eligible contractors.

Whenever an audit indicates standards established elsewhere in these rules have not been met, the responsible party will be given the opportunity to dispute the audit results. Upon a final determination that standards have not been met, the Director of the Department MAY declare the reappraisal to be out of compliance and/or require corrective action.

Factors influencing the Director's decision shall include, but are not limited to (1) the significance of the problem, (2) the cause of the problem, and (3) previous violations.

Value-related elements are considered significant for these purposes when they are estimated to affect market value by \$2,000 or more.

An insignificant problem can become significant when the county or appraisal firm fails to correct the problem.

When the reappraisal is determined to be out of compliance, that finding will be reported by certified mail to the county assessor and appraisal manager and reappraisal funding will be withheld. The aforementioned letter will be copied to the board of equalization, county judge, quorum court, and the contractor when applicable.

If funding has been withheld, the responsible party must sign, date, and return the enclosed Compliance Verification Form (Form A-17) within 30 calendar days of the date of the certified letter and take corrective action as required or funding will be subject to termination, pending results of a hearing if one is requested. Withheld funds will be released and payments will be resumed in accordance with the specifications of the Compliance Verification Form.

Adopted 10/01/99

Amended 4/2/01

Amended 3/3/02

Amended and implemented 4/6/04 by emergency procedure

Amended 07/05/04

RULE 3.32

MISREPRESENTATION

Funding already disbursed to the county as a result of misrepresentation will be required to be reimbursed to the state, unless the action is determined, by the ACD Director, to be unintentional.

Adopted 10/01/99

Amended 07/05/04

RULE 3.33

FORCE MAJEURE

The foregoing provisions notwithstanding, the ACD may grant additional time in the event of delay caused by an act of God or force majeure.

Adopted 10/01/99

**RULE 3.34
CAMA SYSTEMS REQUIRED**

Each county must have a CAMA system before being eligible for funding.

Adopted 10/01/99

**RULE 3.35
COMPUTER DATA PROPERTY OF COUNTY**

All data entered into a county=s CAMA system immediately becomes the property of that county.

Adopted 10/01/99

**RULE 3.36
REQUIRED REPORTS**

All CAMA systems, whether located in the courthouse or a remote site (example: appraisal contractor=s office) will be able to provide the following reports to the ACD, both on-site, and via phone modem: (1) parcel counts, (2) production reports, (3) sales reports, and (4) additional reports developed for audit-related purposes. These reports must be provided to ACD auditors within a reasonable time upon request.

CAMA systems utilized by the county or appraisal contractor to perform a reappraisal must be able to tabulate a parcel count by the categories requested elsewhere in these rules.

Physical data must be entered in such a way that parcel counts required in these rules may be run in a single report.

*Adopted 10/01/99
Amended 3/03/02*

**RULE 3.37
DOWNLOADING CAMA DATA**

If necessary, the CAMA system vendors will cooperate fully to convert data from their CAMA system to that of another vendor. This will occur when a county has acquired a different CAMA system due to its own actions or has allowed an appraisal contractor to do so. A contract will be negotiated between the county and the vendor of the CAMA system. The data to be converted will be defined in the contract, but will include at a minimum the property record card data. If a fee is charged for this service it shall be limited to a reasonable amount.

Adopted 10/01/99

RULE 3.38

BID SPECS FOR CONTRACTED REAPPRAISALS

All contracted reappraisals will utilize standardized bid specifications developed by the ACD. Any variations from these standardized bid specifications must be approved by the ACD. All bid specifications must be submitted to the ACD 30 days before advertising for requests for proposals. Limiting conditions that unfairly restrict competition will not be allowed.

*Adopted 10/01/99
Amended 12/20/00
Amended 3/03/02*

RULE 3.39

BIDS REQUIRED FOR CONTRACTED REAPPRAISALS

Each county that contracts reappraisal services will be required to advertise for bids for the planned reappraisal and to mail a copy of the notice/bid invitation to all companies listed on the ACD Annual Register of Appraisal Companies at the time of advertising. The notice/invitations to bid shall include the number of parcels, the time/date deadline for submitting bids (not less than 10 working days from the day the notice/invitations to bid are mailed out) and that any bids submitted by a contractor that do not meet the ACD approved specifications shall be rejected by the county. The notice/invitation to bid shall also include a statement that the contractor may obtain a copy of the bid specifications by contacting the County Assessor and requesting that the specifications be mailed, emailed, or faxed to him. The county shall submit to the ACD a copy of all bids received. In the event the county chooses to employ an appraisal firm other than the firm that submits a low bid, the county assessor must submit a written narrative explaining the county's choice of firms. The narrative must be attached to the proposed appraisal contract, and explain in detail what criteria were utilized to make the decision to hire a firm other than the low bidder. Failure to comply with this rule will result in rejection of the proposed appraisal contract.

To assist counties in making judgments as to contractor's qualifications and past performance, the ACD shall provide the following information about each contractor to the assessor, county judge, equalization board, and school superintendents in each county requesting bid for reappraisal contracts:

1. Contractor Register information provided to ACD in compliance with ACD Rule 4.05, upon request.
2. The total cost of each contract that each contractor currently has in force.
3. Ratio study results in the counties where each contractor has completed reappraisal in the preceding two years.
4. The number of findings by the ACD that each contractor was out of compliance during ACD procedural audits in the preceding twenty-four months.
5. The number of instances during the preceding twenty-four months that each

contractor has had a contract terminated or funding for the county terminated by the ACD.

*Adopted 10/01/99
Amended 12/20/00
Amended 3/03/02
Amended 07/05/04*

RULE 3.40 PAYMENT IN KIND SERVICES

All reappraisal contracts will allow for “payment in kind” services to be provided by county employees who participate in the reappraisal. This provision will require the appraisal contractor to reimburse the county for work contributed to the reappraisal project by county employees, on a pre-agreed basis. The provision will also provide for the appraisal contractor to have reasonable control over those employees regarding job duties, expected production, and work quality. The provision will also allow the appraisal contractor to reject poor quality work performed by a county employee, which will relieve the contractor of any obligation to pay for such work.

Adopted 10/01/99

RULE 3.41 REAPPRAISAL PLANS REQUIRED

Every county assessor must submit a reappraisal plan by a date specified by the ACD. The ACD will review the plan and approve the plan as written or require an amended plan. The ACD may require a letter of understanding in order to clarify areas of responsibility or other elements of the plan.

*Adopted 10/01/99
Amended 3/03/02*

RULE 3.42 REAPPRAISAL BUDGETS REQUIRED

Any county that is performing an in-house reappraisal must submit a reappraisal budget on a form designated by the ACD, detailing projected expenses for personnel, office expenses, and all other expenses associated with the reappraisal of real estate, with the required reappraisal plan.

Adopted 10/01/99

RULE 3.43
REAPPRAISAL CONTRACTS REQUIRED

Any county that is performing a contracted reappraisal must submit a signed reappraisal contract, detailing total expense for the reappraisal, with the required reappraisal plan.

Adopted 10/01/99

RULE 3.44
REJECTION OF REAPPRAISAL PLANS

Should any part of a reappraisal plan fail to meet generally accepted standards, the ACD shall reject the plan.

Adopted 10/01/99

RULE 3.45
CONFLICTS WITH ACTS 440 AND 836 OF 1997

Those counties that are compelled to reappraise due to low assessment ratios are not relieved by Act 1185 of 1999 from the legal obligations previously established by Acts 440 and 836 of 1997. A county that fails an assessment ratio must complete a countywide reappraisal in compliance with Act 440 and/or 836 of 1997. Funding will be available for those counties, but may not exceed the cost to reappraise, or a maximum of seven dollars per taxable parcel, per year.

Adopted 10/01/99
Amended 12/20/00
Amended 3/03/02

RULE 3.46
SPECIAL NEEDS

Each county will be allowed to submit a request for special needs funding to pay for extraordinary mapping needs, computer updates, etc., along with the county's reappraisal plan. After funding for reappraisals has been allocated, these special needs requests will be considered by the ACD.

Adopted 10/01/99

RULE 3.47

MINIMUM QUALIFICATIONS FOR APPRAISAL TASKS

For the tasks listed in this section, certain minimum qualifications are hereby established, which must be met in order for the work performed to be considered valid. Before an employee, either county employee or appraisal contractor employee, may perform the following tasks, they must first have completed the ACD classes listed, or have attained the Appraiser Certification Level shown by the particular task.

Adopted 10/01/99

RULE 3.47.1

MINIMUM QUALIFICATIONS FOR APPRAISAL MANAGER

Appraisal Manager- Level 4 Appraiser as certified by State of Arkansas Training and Certification Program, or IAAO educational equivalent, with a minimum of four years experience in the mass appraisal field, and successful completion of the reappraisal proficiency exam.

An appraisal manager may tentatively be responsible for a maximum of one hundred thousand parcels, with the exception of those reappraisal managers responsible for the reappraisal of individual counties with a parcel count exceeding one hundred thousand parcels. Exceptions to this rule may be granted by the ACD under certain conditions, dependent on distance and other factors.

Adopted 10/01/99

RULE 3.47.2

MINIMUM QUALIFICATIONS FOR OTHER APPRAISAL TASKS

Collection of Quantitative Physical Data, Residential Property - Employer Training
Collection of Qualitative Physical Data, Residential Property - Level 2
Collection of Quantitative Physical Data, Commercial Property- Level 3
Collection of Qualitative Physical Data, Commercial Property - Level 3
Establishment of Neighborhood Delineation/ Location Factors - Level 4
Preliminary Valuation - Level 4
Informal Appeals, Residential Properties - Level 3
Informal Appeals, Commercial Properties - Level 4
Board of Equalization Appeals - Level 4
County Court Appeals - Level 4
Circuit Court Appeals - Reappraisal Manager

*Adopted 10/01/99
Amended 12/01/00*

RULE 3.48

MAXIMUM ANNUAL FUNDING FOR REAPPRAISALS/REVIEWS

Whether the reappraisal discussed in these rules is simply a review of existing data, or a more extensive reappraisal where every improvement is measured, funding to any county will be for the actual appraisal cost, up to a maximum of seven dollars per parcel, per year.

Adopted 10/01/99

RULE 3.49

MAXIMUM FUNDING FOR APPRAISALS OF NEW CONSTRUCTION

In those counties where only new construction will be appraised in 2000 or 2001, reasonable costs for that appraisal work, as determined by the ACD, whether conducted in-house or by an appraisal firm, will be eligible for reimbursement. Those appraisal expenses will be reviewed on a county-by-county basis.

Adopted 10/01/99

RULE 3.50

ASSESSORS DUTIES OTHER THAN REAPPRAISAL COSTS NOT ELIGIBLE FOR FUNDING

Certain duties of the assessor=s office, including day to day maintenance of ownership records, property owners/taxpayers inquiries, and the assessment of personal property or mineral rights are not parts of the reappraisal process, and are not eligible for funding under Acts 1155 and 1185 of 1999.

Adopted 10/01/99

RULE 3.51

DEFINITIONS RELATING TO CHAPTER 3 RULES

Agricultural lands - Lands used for the production of timber, agricultural crops, or pasture. Each parcel not exceeding five acres in size will be assessed based upon market value, excepting those parcels for which the property owner can provide evidence of a genuine agricultural, pasture or timber use. The words agricultural, pasture or timber use mean that the land is managed in a fashion that indicates it is being used in the production of crops, livestock or lumber with a view toward profit.

City lands - Lands within the limits of an incorporated city.

Contracted reappraisal - A reappraisal conducted by non-county employees, and overseen by an appraisal manager who is an employee or principal in a reappraisal contracting firm.

In-house reappraisal - A reappraisal conducted by employees of the county, and overseen by an appraisal manager. The appraisal manager may be an employee of the county or a contract appraisal manager.

Neighborhood - A portion of a larger community, or an entire community, in which there is a homogeneous grouping of inhabitants, buildings, or business enterprises. It is that area within which any change has an immediate and direct influence on the value of the subject property.

Parcel – All contiguous land capable of being conveyed on a single deed, except when that tract of land crosses taxing unit boundaries, township lines, or section lines. Improvement only assessments are considered a parcel irrespective of the land on which it is located. In circumstances where land otherwise defined as a parcel by necessity and convenience must be listed in more than one of the assessor's books (City and town, Rural, and Rural Platted Sub division) it may be divided into separate parcels; each portion listed in the appropriate assessor book. Any legal description shall not be listed on more than one parcel. Ownership of a parcel by multiple persons does not constitute multiple parcels. Control cards, information cards, and mineral rights parcels are not to be counted as parcels for use when applying Act 1185 of 1999.

Reappraisal - The estimating of the value of all taxable real property within the county as of a given date within a given time frame.

Rurban lands - Lands in a recorded, platted subdivision which lie outside the limits of any incorporated city.

Sectionalized Aerial Photos - the process of drawing and/or displaying linear representations of Section, Township and Range lines on aerial photography and labeling same.

Adopted 10/01/99
Amended 3/03/02
Amended 07/05/04

RULE 3.52

WAIVER

In order to effect the successful implementation of Act 1185 of 1999, contingent upon prior review of the Legislative Council of the General Assembly of the State of Arkansas, and upon good cause being shown, the Director of the Department may waive or suspend any provision of the rules.

In the event of the granting of a waiver or suspension of any one or more of these Rules, each County Assessor and Contractor will be notified.

Adopted 10/01/99
Amended 3/03/02

CHAPTER FOUR

IMPLEMENTATION OF SPECIFIC STATUTES

RULE 4.01

PROCEDURES GENERALLY - EXTENSION OF LEVY DATE

STATUTORY AUTHORITY: A.C.A. 14-14-904 (Acts. 1997, No. 1300 Section 24)

1. All requests for an extension of time within which to levy taxes shall be addressed to the Director of the Department, dated and signed by both the County Judge and the County Clerk.
2. All requests must state the levy date which the county officials seek to extend and the reason for the request resulting from reappraisal or rollback of taxes.

Adopted 10/01/99

RULE 4.02

GENERAL AUTHORITY TO PROMULGATE RULES AND REGULATIONS & PRESCRIBE FORMS

STATUTORY AUTHORITY: A.C.A. 25-15-203, 26-24-107, 26-26-308 and 26-26-409

Adopted 10/01/99

RULE 4.03

EXTENSION OF TIME

STATUTORY AUTHORITY: A.C.A. 26-24-108 (Acts 1927, No.129 Section 12; Pope=s Dig., Section 2038)

1. All requests for an extension of time shall be addressed to the Director and shall ~~clearly~~ describe the report which is the subject of the extension along with the time sought and the reason for the request.
2. All requests shall be signed by the person making the request and include that person=s title.

Adopted 10/01/99

RULE 4.04

RATIO OF ASSESSED VALUE TO MARKET VALUE - EFFECT ON STATE AID OR TURN-BACK FUNDS

STATUTORY AUTHORITY: A.C.A. 26-26-304 (Acts 1955, No. 153 Sections 9,12; Acts 1957, No. 304 Section 1; Acts 1959, No. 31 Section 1; Acts 1959, No. 244 Section 1; Acts

Adopted 10/01/99

RULE 4.04.1

A. RATIO STUDY PERFORMANCE STANDARDS

1. Purpose, Authority, and Objective of Rules

1.1 Purpose. The purpose of these rules is to ensure that real property in Arkansas is appraised accurately and uniformly in accordance with constitutional and statutory requirements, most notably A.C.A. 26-26-1902 and A.C.A. 26-26-304(e)(1).

1.2 Authority. A.C.A. 26-26-304 directs the Arkansas Assessment Coordination Department (ACD) to prepare a ratio study by classification for each county and school district in valuation years. These rules set forth the procedures ACD will follow in conducting these studies for properties appraised on a market value standard and the requirements of counties and contractors in assisting ACD in effective completion of such studies.

References to “counties” in these rules include contractors or vendors who work for or assist counties in the revaluation and assessment process.

1.3 IAAO Standards. A.C.A. 26-26-304(a)(3) directs ACD to use generally accepted valuation procedures and techniques found in the International Association of Assessing Officers’ (IAAO) standards on ratio studies. As a general matter, both the assessors and ACD should follow IAAO standards in preparing sales for the ratio study and in conducting such studies. These rules are intended to provide specific guidance and requirements for conducting ratio studies in Arkansas consistent with IAAO standards. However, where there may be differences or discrepancies between these rules and IAAO standards, these rules shall control.

1.4 Property type. Property values must be uniform among and within major property types. The ACD’s ratio study of real properties appraised on a **market value** standard shall utilize the following three major types or classes of property (1) residential properties including multi-family properties with four units or less, (2) vacant land regardless of zoning or probable use, and (3) commercial and industrial properties including multi-family properties with five or more units.

1.5 Market areas. Property values must be uniform across and within major geographic divisions of a county. Each county shall define major geographic areas, termed “market areas”. Each market area shall contain between 1,000 and 20,000 parcels, depending on value patterns and the economic diversity of the county. Market areas can be viewed as groups of neighborhoods in the same geographic area or areas that share similar economic characteristics and price ranges. Smaller or economically homogeneous counties may have a single market area.

1.6 Technology. The ratio study shall be performed efficiently using modern data processing technology. Counties must submit data to the Department in electronic format in standard formats provided by the Department.

2. Required Dates

2.1 January 31. By January 31 of each year *all* counties shall submit to ACD an electronic list of all warranty deeds and special warranty deeds. For counties with 50,000 or more parcels this list shall include all warranty deed and special warranty deed sales of vacant and residential parcels for the *prior* calendar year and all warranty deed and special warranty deed sales of commercial and industrial properties for the prior *two* calendar years. For all other counties the submission shall include all vacant and residential warranty deed and special warranty deed sales for the prior *two* calendar years and all warranty deed and special warranty deed sales of commercial and industrial properties for the prior *three* calendar years. Each sale shall contain the following items.

- Parcel number
- Section, township, and range or subdivision
- The existing land, building, and total value of the property before consideration of value caps, partial exemptions, etc.
- The primary use code of the property
- Market area
- Neighborhood
- School district
- The land size and unit of measurement (acres, square feet, etc.)
- The living area, construction grade, grade adjustment factor, year built if available, and effective age or remaining economic life percentage of the primary building in the case of residential properties
- The Marshall & Swift building class code (A, B, C, D, or S), occupancy type code, gross building area, year built, effective age, and remaining economic life in the case of commercial and industrial properties
- The sale date, deed book and page, deed type, grantor, grantee, and sale validation code for the most recent warranty or special warranty deed sale of the property
- The sale price and any adjustments to the price for personal property, etc.
- Sales/Ratio related comments.

The file shall contain one row per property and must be in ASCII fixed field, ASCII comma separated value (csv), Excel, or Quattro Pro format, or in a format that is directly compatible with Excel.

2.2 March 1. By March 1 ACD shall prepare a preliminary ratio study for each revaluation county that sets forth the level and uniformity of assessments in the county based on existing assessed values. Sales used in the study will not be adjusted for time.

2.3 April 1. By April 1 ACD will determine appropriate time adjustment factors for each county for each of the three major property classifications described in 1.4 above based on sales submitted by the county and provide the results to the county.

- 2.4 June 1. By June 1 counties must notify the ACD of any disagreements with its time adjustment factors and submit any requested changes or modifications to the adjustments. (See also 4.1 and 4.2 below.)
- 2.5 July 1. By July 1 counties conducting revaluations shall submit to ACD an electronic file of all real property appraised on a market value standard. The file shall include the following items for each property:
- Parcel number
 - Section, township, and range or subdivision
 - The new land, building, and total value of the property before consideration of value caps, partial exemptions, etc.
 - The prior land, building, and total value before consideration of value caps, partial exemptions, etc.
 - The primary use code of the property
 - Market area
 - Neighborhood
 - School district
 - The land size and corresponding unit of measurement
 - The living area, construction grade, grade adjustment factor, year built if available, and effective age or remaining economic life percentage of the primary building in the case of residential properties
 - The Marshall & Swift building class code (A, B, C, D, or S), occupancy type code, gross building area, year built, effective age, and remaining economic life in the case of commercial and industrial properties
 - The sale date, deed book and page, deed type, grantor, grantee, and sale validation code for the most recent warranty or special warranty deed sale of the property
 - The sale price and any adjustments to the price for personal property, etc.
 - Sales/Ratio related comments.

The file shall contain one row per property and must be in ASCII fixed field, ASCII comma separated value (csv), Excel, or Quattro Pro format, or in a format that is directly compatible with Excel.

- 2.6 August 1. By August 1 ACD shall prepare a final ratio study for each revaluation county setting forth the level and uniformity of assessments in the county for the revaluation year.

3. Sales Used in Studies

- 3.1. Sales time frame. In counties with at least 50,000 real property parcels, the ratio study will use *one* year of sales for vacant and residential properties and *two* years of sales for commercial and industrial properties. For all other counties the study will use *two* years of sales for vacant and residential properties and *three* years of sales for commercial and industrial properties.
- 3.2 Audit of county submissions. The ACD will compare county sales submissions against records maintained by county recorders to ensure that all warranty deeds

have been timely submitted.

3.3 Sales validation codes. Counties shall assign one of the following validation codes to each sale to be included on all sales submitted to ACD.

00	UV	Unvalidated sale
01	VS	Valid sale
02	GO	Sale to or from a government agency
03	CH	Sale to or from a charitable, religious, or educational institution
04	FI	Sale in which a financial institution is the buyer in lieu of foreclosure, or in which a financial institution is the seller and the property is not exposed to the open market
05	RL	Sale between related parties
06	CV	Sale of convenience, e.g., to correct a title defect or create a joint tenancy
07	ES	Sale settling an estate
08	FS	Forced sale – seller is sheriff, receiver, or court officer
09	DT	Sale of doubtful title
10	TR	Sale involving a trade
11	PI	Sale of a partial interest in the property
12	CT	Sale involving a land contract (including payoff of the contract)
13	CS	Significant improvement (e.g., room addition or renovation) to a property between sale date and assessment date
14	AS	Assemblage sale – purchase of an adjoining property at a premium price
15	MU	Sale of multiple properties that fail to constitute an economic unit (includes bulk sales of properties to a developer or builder)
16	PP	Sale involving personal property of significant but undeterminable value (see discussion in 4.3)
17	OT	Sale involving non-market financing or other non-real estate considerations of significant but undeterminable value (see discussion in 4.4)
18	FD	Future Development/Sale includes new dwelling to be assessed
19	MH	Sale includes mobile home
20	AL	Land priced as AG/ not priced at market value
21	DV	Sale impacted by divorce
22	IS	Sale amount insufficient to be used in sales analysis
23	NM	Property not listed for sale on open market
24	RC	Relocation/Buyback
25	VA	Primary parcel of a group of parcels that have sold
26	AP	Additional parcels that are linked to the primary parcel

3.4 Audit of county validation codes. The ACD will audit a random sample of at least 50 sales submitted by each revaluation county to ensure that validation codes have been correctly assigned. The sample will include an equal number of sales coded as valid and invalid by the county. The ACD shall share its audit findings with the county and the county shall have an opportunity to dispute its findings. If the ACD determines that more than 10% of sampled vacant, residential, or commercial/industrial sales are incorrectly coded, it shall not use validation codes submitted by the county for that property class, but rather shall use electronic edits,

select and validate a random sample of sales, or take other measures deemed appropriate to ensure a valid study.

- 3.5 Sales valid for study. The ACD shall use sales coded as 01 (VS) and 00 (UV) in its ratio studies. If there is a disagreement between a county and the ACD as to the proper validation code for a sale, the ACD shall use the code it considers most appropriate. Both 01 (VS) and 00 (UV) sales shall be subject to electronic edits (see 3.11 below).
- 3.6 Use of most recent sale. If more than one valid sale occurs for a property during the time frame of the study, only the most recent sale shall be used in the study.
- 3.7 Multiple parcel sales. Sales of multiple parcels that constitute a single economic unit should be included in the study by summing the assessments and comparing the total assessed value with the sale price. Such sales should be screened in the same manner as individual parcel sales to determine whether they represent legitimate representations of market value.
- 3.8 New construction sales. To help ensure that vacant land sales are not compared with assessments that reflect recent improvements and to prevent the study from being disproportionately influenced by new construction, sales involving new construction (e.g., as indicated by the year built) shall not be used in the ratio study.
- 3.9 Low-value properties. The lowest 10% of residential assessed values, the lowest 10% of commercial/industrial assessed values, and the lowest 10% of vacant land assessed values shall be excluded from the study. These properties will be removed prior to conducting electronic edits.
- 3.10 High-value commercial properties. Any property that constitutes more than 5% of the total assessed value of commercial and industrial properties in a county will be excluded from the study. These properties will be removed prior to electronic edits.
- 3.11 Electronic edits. The ACD may conduct statistical-based edits to filter properties with atypical features, sales prices, or assessment-to-sale ratios from the study. Not more than approximately 5% of sales shall be filtered from the study based on ratio alone.
- 3.12 Appraisals. In order to achieve adequate sample size and representativeness for commercial and industrial properties, the ACD may appraise a random sample of such properties. All three approaches to value shall be considered. The approach emphasized in a particular appraisal shall be appropriate for the type of property in question. The assessor and appraisal contractor shall be afforded an opportunity to review the appraisals and to submit information supporting different value conclusions. Conflicts will be resolved by an independent third party review if different value conclusions will materially affect the outcome of the study. The appraisal will serve as surrogate commercial/industrial sales in the study. The ACD will not conduct appraisals of vacant or residential properties.

4. Adjustments to Sales

- 4.1 Time adjustments. All sales used in the ratio study shall be adjusted for time as necessary to January 1 of the assessment year. The ACD shall conduct time analysis studies using the techniques set forth in the IAAO *Standard on Ratio Studies* and the IAAO textbook, *Mass Appraisal of Real Property* (1999). Counties may submit documented time adjustments to ACD, which ACD may rely on if it finds that the adjustments are based on sound methodology and adequately reflect the market. The ACD shall have authority to determine final time adjustments used in its ratio studies.
- 4.2 Time adjustment categories. The ACD will conduct time adjustment analyses for residential properties, vacant properties, and commercial/industrial properties. For purposes of these analyses, it may combine properties of the same type in counties that are similar in terms of their economic base and geographic location.
- 4.3 Personal property adjustments. If a sale includes personal property of significant value and the value of the personal property can be determined with reasonable accuracy, the value of the personal property shall be subtracted from the sale price and the adjusted price used in the study. If the value of the personal property appears to be 5% or more of the sale price but its value cannot be determined with reasonable accuracy, or if the value appears to exceed 25% of the price, the sale shall be excluded.
- 4.4 Other adjustments. Counties may also make adjustments to sales prices for cash equivalency, assumed leases, and other non-real estate considerations that significantly affect the price paid for a property. The basis for these adjustments must be documented and available for inspection by ACD. As a general principle, sales that require difficult or subjective adjustments should be excluded from the study (assign validation code 17 or 'OT').

5. Compliance Standards

- 5.1 Level of compliance. Counties conducting a revaluation must comply with ratio study standards for real property appraised on a market value basis both on an overall basis and for each of the following three major property type strata: (1) residential, (2) vacant land, and (3) commercial and industrial. In addition, ratio study standards must be achieved for residential properties and vacant land within each market area.

No county will be bound by this rule, for the market area provision only, on its first ratio study after passage of this rule.

- 5.2 Overall level of assessment. The overall level of assessment must be from .18 to .22. The overall level of assessment shall be computed as a weighted average of the median ratio determined for each of the three major classes: residential, vacant, and commercial/industrial. The weight assigned to each major class shall be proportionate to the estimated market value of the class. Any property that constitutes more than 5% of the assessed value of its class shall be omitted for purposes of the calculation.

- 5.3 Level of assessment of class. The level of assessment for each major class (residential, vacant, and commercial/industrial) must be from .18 to .22. ACD shall conclude that a county has failed this requirement if statistical analysis reveals with 95% confidence that the true median assessment level is below .18 or above .22 (or equivalently that a 90% confidence interval for the median falls entirely below .18 or entirely above .22).
- 5.4 Level of assessment of market area. The level of assessment for residential properties and vacant land within each market area of a county must be from .18 to .22. ACD shall conclude that a county has failed this requirement if statistical analysis reveals with 95% confidence that the true median assessment level is below .18 or above .22 (or equivalently that a 90% confidence interval for the median falls entirely below .18 or entirely above .22).

No county will be bound by this rule on its first ratio study after passage of this rule.

- 5.5 Uniformity of assessment. The coefficient of dispersion (COD) must meet the standards shown below. The ACD shall conclude that these standards are not met when a statistical analysis reveals with 95% confidence that the true COD is greater than the required COD. The procedure outlined in Robert J. Gloudemans, "Confidence Intervals for the COD: Limitations and Solutions", *Assessment Journal* (IAAO, November/December 2001) will be used for this purpose.

§ Residential property. The COD must be 15.0 or less in market areas with a median year built of 1960 or greater and a median sale price of \$60,000 or more. Other residential CODs must be 20.0 or less.

§ Vacant land. CODs must be 25.0 or less in each market area.

§ Commercial property. The COD must be 20.0 or less in counties with 50,000 or more parcels and 25.0 or less in smaller counties.

As experience is gained, the ACD may tighten these standards so that they are closer to or equivalent with IAAO standards for the COD.

No county will be bound by this rule, for the market area provision only, on its first ratio study after passage of this rule.

- 5.6 Failure to comply. If a county fails to meet the level or uniformity standards set forth in 5.2 through 5.5 above, the ACD shall promptly notify the county and invoke the corrective actions outlined in A.C.A. 26-26-304(f).
- 5.7 Selective appraisal of sold properties. The ACD shall vigilantly monitor whether counties are appraising unsold properties in the same manner as sold properties. Such tests shall include but not be limited to a comparison of percentage changes in value for sold and unsold properties of the same property type in the same market area (excluding new parcels and parcels with new construction). The ACD may also employ other tests of selective appraisal outlined in IAAO ratio study standards and the IAAO textbook, *Mass Appraisal of Real Property* (1999). If the ACD determines that a county is not appraising unsold properties in a property type, market area, or

other property stratum in the same manner as sold properties, the ACD shall deem that the county has failed that portion of the ratio study and its responsibility to appraise properties uniformly at market value. ACD shall invoke the corrective actions outlined in A.C.A. 26-26-304(f).

6. Appeal of Findings

- 6.1 Appeals to ACD Director. A.C.A. 26-26-304(g) provides that a county that is aggrieved at the findings of the ratio study may appeal the results to the Director of ACD and have the right to examine ACD's records.
- 6.2 Openness. The ACD shall provide the results of its statistical analyses to counties and, upon request, shall provide the underlying data and statistical algorithms used in its calculations.
- 6.3 Further appeal. At their option, counties may pursue other avenues of appeal of the findings of the Department as provided by the laws and courts of the State of Arkansas.

B. OTHER COMPONENTS OF COUNTY RATIO

AGRICULTURAL LAND CLASSIFICATION

In conducting this component of the ratio study, the Arkansas Assessment Coordination Department shall use generally accepted valuation procedures, statistical compilation, and analysis techniques found in the International Association of Assessing Officers standards on ratio studies. (See *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or the current edition of same, hereafter referred to as "SORS", which incorporates selected chapters and appendices of the *Property Appraisal and Assessment Administration*, published by the International Association of Assessing Officers, 1990 edition or current edition, hereafter referred to as "PAAA").

1. DEFINITION OF TERMS: Terms used in connection with the ratio study on market value real property shall be as defined in Section 14, "SORS." AND "PAAA."
2. The ratio study on agriculture land shall be based on a physical examination of the records of each assessor's office to determine the degree of compliance with the criteria established in the Assessment Coordination Department Agricultural Land Values Publication.
3. Agriculture samples are pulled in the year preceding the ratio study. Sales are not used.

METHOD OF DETERMINING AGRICULTURAL LAND SAMPLES

If it is determined that a County had adopted the schedule of values established by the ACD, a minimum of fifty agricultural parcels shall be selected from each county; however, if it is determined that the County has not adopted the schedule of values, seventy-five samples shall be selected. If the county's ratio is below fourteen percent, 100 samples

shall be selected. If the County has adopted the schedule of values established by the ACD and there are minor problems relating to disparity, 60 samples shall be selected. A rural parcel count shall be taken of the county. The appropriate number of samples shall be divided in accordance with the proportion of rural parcels per school district.

SELECTION OF SAMPLES

At the same time as the other real estate sample requirements are provided the Field Auditor, instructions as to the number of agriculture samples to be obtained shall be provided.

Prospective samples shall be selected at random. Those which bear a notation that the values have been modified for reasons other than poor management by the property owner shall not be used in the study. Any prospective sample to be excluded in this manner shall be recorded and documentation as to the validity of the exclusion obtained, otherwise the sample shall be included.

The Field Auditor shall be provided a County map with school districts denoted thereon. Each year for a period of three years, the Field Auditors shall note thereon the sections from which each year=s samples have been pulled. A parcel shall not be included in the sample more than once in a three-year period. Field Auditors must visually inspect each parcel site to determine its use.

PROCEDURE

In July of each year the ACD will perform a ratio study to determine whether the county has used the Agriculture Land Value Tables published by the ACD in compliance with Arkansas code 26-26-407. The following is the procedure used by ACD in determining each county=s Agricultural Land ratio:

1. Publications by the Assessment Coordination Department containing the Agricultural Land Value Tables for the Southwest, Delta, Ozark and Ouachita regions of Arkansas shall be used to determine land values for agricultural land. The tables represent the Land Capability Classification System, as designated by the U.S. Department of Agriculture=s Natural Resource and Conservation Service (NRCS). There are four categories of agricultural land consisting of Crop, Rice, Pasture, and Timber, each with a value representing the productivity of the eighteen soil classes, if applicable (represented by an *ACD NUMBER*). This is in compliance with Arkansas code 26-26-407.
2. For each sample, a ratio is computed using the county=s assessed value and the total parcel value calculated by the ACD Field Auditor.
3. To determine the county assessment ratio on agricultural land of the samples being used, totals are calculated of the county=s assessments and of the total land values as determined by the ACD Field Auditors. The total assessment is then divided by the ACD total land values, and that total is multiplied times 100 to establish the percent ratio for the county.
4. Field Auditors will discuss their findings regarding irregularities in agricultural land with the Assessor prior to August 1.

BUSINESS PERSONAL CLASSIFICATION

This component of the ratio study shall be based on a physical examination of the current year=s records of each assessor's office to determine the degree of compliance with the criteria established in the Commercial Personal Property Appraisal Manual published by the Arkansas Assessment Coordination Department.

When the fieldwork commences for the current year, instructions as to the number of business personal commercial samples shall be provided.

METHOD OF DETERMINING NUMBER AND LOCATION OF SAMPLES

The minimum sample size for each county shall be determined by the population of the county as reflected in the latest final census figures and the number of businesses therein. Those counties with populations: of 29,999 and below shall have 20 samples; of 30,000 through 69,999 shall have 40 samples; of 70,000 through 199,999 shall have 50 samples and of 200,000 and above shall have 90 samples.

SELECTION OF SAMPLES

After determining the total business personal parcels in the county, the number of samples needed shall be divided into that figure to set the selection interval; however, if a business tentatively selected by this method results in a sample that does not fit into a category recognized in the square foot section of Commercial Personal Property Appraisal Manual, then the next business shall be selected.

PROCEDURE

1. When the Commercial Personal Property Sample Form has been completed on all of the businesses selected for use in the study, the Field Auditor shall go to the business site, compute the square footage, grade the inventory and the furniture and fixtures as to density and quality.
2. In July the Field Auditor shall return to each county, after the county has completed business personal property assessments for the current year, and complete the Commercial Personal Property Takeoff Form.

RATIO COMPUTATION

1. If the county has been provided a good rendition by the business which included a fixed assets= listing and applied the ACD=s suggested depreciation schedule to those assets, the County shall automatically receive a twenty percent on those fixed assets and the inventory; if not, the proper assessment shall be computed by the square foot method described in the manual.
2. A comparison of the actual assessed value and the value computed by the Field Auditor produces the ratio.
3. The ratios for all of the businesses are then ranked and the median ratio is determined

by county, by school district and by cities in that county. This results in the Current Year Commercial Personal Property Median Ratio.

AUTO/OTHER CLASSIFICATION

This component of the ratio study shall be based on a physical examination of the current year=s records of each assessor's office to determine the degree of compliance with the criteria established in the current year edition of the Personal Property Assessment Manual published by the Arkansas Assessment Coordination Department.

METHOD OF DETERMINING NUMBER AND LOCATION OF SAMPLES

The minimum sample size for each county size shall be determined by the population of the county as reflected in the latest final census figures and the number of businesses therein. Those counties with populations: of 29,999 and below shall have 40 samples; of 30,000 to 69,999 shall have 70 samples; 70,000 to 199,999 shall have 100 samples and of 200,000 and above shall have 180 samples.

SELECTION OF SAMPLES

The Field Auditor shall be instructed to get samples of automobiles from the current year through the last fifteen years and of trucks from the current year through the last fourteen years. Only one vehicle shall be taken from each assessment.

PROCEDURE

Since there is no consistent method of filing assessments containing automobiles, i.e., some being filed alphabetically by school district, some alphabetically by county and in many instances, the computer is available for us, samples shall be selected randomly by the Field Auditor who notes the method chosen.

RATIO COMPUTATION

A comparison of the actual assessed value and the value computed utilizing the manual by the Field Auditor produces the ratio by county, by school districts and by cities in that County.

III. FORMULAS UTILIZED AND TESTS CONDUCTED

1. *Median* (See section 7.3.1 *Standard on Ratio Studies*, approved July 1999, International Association of Assessing Officers or current edition)
2. *Coefficient of Dispersion* (See section 7.4.2 *Standard on Ratio Studies*, 1999, International Association of Assessing Officers or current edition)
3. Not required, but also computed:
 - a) *Mean* (See section 7.3.2 *Standard on Ratio Studies*, approved July 1999, Association of Assessing Officers or corresponding provisions contained in any

superceding edition of same)

- b) *Average Absolute Deviation* (Chapter 20, Page 532-534, *Property Appraisal and Assessment Administration*, published by the International Association of Assessing Officers, 1990 edition or current edition)
- c) *Coefficient of Concentration*:
 - 1) Of the samples that are used, the percentage of observations which are within plus or minus ten percent of the legal ratio of twenty percent.
 - 2) Of the samples that are used, the percentage of observations which are within plus or minus ten percent of the median ratio.
- d) *Weighted Mean* (See section 7.3.3 *Standard on Ratio Studies*, approved July 1999, International Association of Assessing Officers or current edition)
- e) *Standard Deviation* (Chapter 20, Page 535,536, *Property Appraisal and Assessment Administration*, published by the International Association of Assessing Officers, 1990 edition or current edition)
- f) *Price-Related Differential* (See section 7.6 *Standard on Ratio Studies*, approved July 1999, International Association of Assessing Officers)
- g) *Coefficient of Variation* (See section 7.4.2 *Standard on Ratio Studies*, approved July 1999, International Association of Assessing Officers or current edition - to select sample sizes)

IV. DEFINITION OF TERMS

Terms used in connection with the ratio study on market value real property shall be as defined in Section 14, "SORS." AND "PAAA."

Adopted 10/01/99
Amended 12/20/00
Amended 07/05/04

RULE 4.05

GENERAL RULES FOR APPRAISAL CONTRACTORS

The ACD shall maintain an Annual Register of Appraisal Companies and shall not approve a contracted appraisal plan of an Appraisal firm which has not registered with the ACD by submitting the following information:

1. Name, physical address, mailing address, telephone number of appraisal firm;
2. Type of entity, corporation, partnership or sole proprietorship;
3. If a corporation, certificate or proof of good standing;

4. If a corporation, list the stockholders and officers and provide three professional references for each;
5. If a partnership, provide three professional references for each partner;
6. If a sole proprietorship, provide three professional references;
7. For each officer, partner or sole proprietor, fully describe the qualifications of each, including all mass appraisal experience;
8. List of all personnel employed by the appraisal firm who will be performing mass appraisal work in Arkansas, stating whether they are full time or part time employees, or independent contractors, and the appraiser qualification level of each, and the number of years of experience in mass appraisal of each;
9. All appraisal personnel must meet the qualification requirements established under Act 48 of 1980, and all Level Three and Level Four appraisers must meet the continuing educations requirements of 30 hours every three years in order to maintain their qualification levels;
10. List of each county in Arkansas where the appraisal company has performed for the last five years with the year or years when the work was performed, whether the work was maintenance (new construction) or revaluation, and a reference source on each job;
11. A copy of all current insurance documents and bonds covering the company;
12. A statement as follows: The appraisal company recognizes that the information contained herein shall be used by counties in determining whether to contract with it and used by the Assessment Coordination Department in determining whether the firm can adequately perform under a proposed contract; therefore, the appraisal company agrees that all information contained herein will be updated in a timely manner;
13. Any other information the ACD or the appraisal company deems relevant;
14. All information submitted will be made public information and is intended for use by counties who are contemplating employing appraisal companies;
15. The appraisal company must demonstrate that it is financially sound. An owner or principal officer of the company shall submit a written and signed statement that: "The appraisal company is financially sound and possesses sufficient operating capital to perform any contract it is awarded and continue to meet its other outstanding contractual and financial obligations and will provide a current financial statement if requested by the ACD".

*Adopted 10/01/99
Amended 07/05/04*

RULE 4.05.1

REMOVAL OF APPRAISAL COMPANY

The Director of the Assessment Coordination Department may, for cause, remove an appraisal company from the list of registered contractors doing mass appraisal work within the State of Arkansas.

Adopted 07/05/04

RULE 4.06

COUNTYWIDE REAPPRAISAL OF PROPERTY

STATUTORY AUTHORITY: A.C.A. 26-26-306 (Acts 1997, No. 836 Section 2)

STATUTORY AUTHORITY: A.C.A. 26-26-308 (Acts 1997, No. 836 Section 4)

Adopted 10/01/99

RULE 4.07

COMPLETION OF REAPPRAISAL - SUSPENSION OF PENALTIES

STATUTORY AUTHORITY: A.C.A. 26-26-307 (Acts 1997, No. 836 Section 3)

STATUTORY AUTHORITY: A.C.A. 26-26-308 (Acts 1997, No. 836 Section 4)

In keeping with the intent of Act 836 of 1997, newly discovered and newly constructed property will be appraised and assessed at the value prevailing before the implementation of Act 758 of 1995.

1. In the year any reappraisal is being completed, the assessor shall maintain a list of newly constructed or newly discovered property encountered during the reappraisal.
2. To insure that all property within a county is equitably assessed, an assessor whose county did not fail its last ratio study, may revise property values in a particular neighborhood (s) only if all other neighborhoods in the county have been surveyed and there is evidence that they are correctly appraised at full market value.
3. A Plan under Act 836 of 1997 which must be in progress on the third Monday in November in a year must be submitted by the first of September and approved no later than the third Monday in November.
4. The ACD shall prepare and distribute to the counties an AIn-House Countywide Reappraisal Plan[®] form No. A-9 and a AContracted Countywide Reappraisal Plan[®] form A-10 which contains the minimum criteria for Plans which shall be accepted by the ACD.
5. The ACD retains the authority to reject a Plan which may meet the minimum criteria as published, but which it determines is not submitted in good faith.
6. There may be additional safeguards which should be inserted into the forms. The form

is not meant be complete or exhaustive. It is the responsibility of each county to determine the specific language for inclusion in its final plan and contract.

7. A county that has contracted with a private appraisal company and subsequently learns that the private appraisal company is not fulfilling its contractual obligations shall promptly notify the Assessment Coordination Department and file a complaint in writing stating the allegations giving rise to the complaint. The Assessment Coordination Department shall then notify said private appraisal firm that a complaint has been filed, enclosing a copy of the complaint.
8. Any member of the staff of the Assessment Coordination Department, or a member of the public, who learns of a possible violation of the contractual obligations of a private appraisal company and the county, may also file a complaint with the Assessment Coordination Department.
9. The Director of the Assessment Coordination Department shall then set a conference date no earlier than thirty days from the date that the private appraisal firm, the Assessor, and the complaining party are notified by certified mail, return receipt requested, setting a place and time for the conference and advising the complaining party, private appraisal firm and the Assessor of their right to be present to present the allegations and any rebuttal. Said conference shall be open to the public and attended by members of the staff of the Assessment Coordination Department as designated by the Director.
10. Should the Director of the Assessment Coordination Department or his appointee determine that the private appraisal firm has failed to abide by the appraisal standards of the International Association of Assessing Officers and that the failure is significant and pervasive resulting in substandard appraisals that if the private appraisal company does not agree to immediately correct the problem at its own expense, and do so, that the Assessment Coordination Department shall not approve any future plans involving that private appraisal company until such time as the defects are substantially corrected.
11. If a county fails to abide fully by the terms of a filed Plan and the Director of the ACD has reached a preliminary decision to terminate the Plan, the ACD shall not do so unless it has notified the County, setting out the factors giving rise to its decision to terminate and affording the County an opportunity to appear before the Director to show cause why the Plan should not be terminated for good cause. The ACD shall notify all signatories to the Plan, by certified mail, of their right to appear and participate, by certified mail, in the event of a preliminary decision to terminate the Plan, and the time and place shall be set for a full consideration of the matter and their right to appear and participate. On termination of a Plan, the ACD shall promptly notify the proper fiscal officers disbursing state aid and turn-back funds that the County does not have an approved Plan that is being implemented, and ask that the full range of penalties provided by law be applied to the County.

12. Any action or pending action by the ACD involving allegations that an appraisal firm has failed to abide by its contractual obligations to a county shall not in any manner preclude the filing of an action in the appropriate court of this State by any of the parties to the contract.

Adopted 10/01/99

RULE 4.08

PROCEDURE FOR ADJUSTMENT OF TAXES AFTER REAPPRAISAL OR REASSESSMENT OF PROPERTY

STATUTORY AUTHORITY: A.C.A. 26-26-402 (Acts 1981, No. 848, Section 1; Acts 1997, No. 1300, Section 22)

STATUTORY AUTHORITY: A.C.A. 26-26-409 (Act 1981, No. 848 Section 9)

1. To test for rollback in each taxing unit, use the full-reappraised real estate value plus personal property value and utility property value. If the aggregate increase exceeds 10% from the previous year, rollback computations must be calculated for each year of the three years in which assessments are added as per Act 1185 of 1999.
2. Assessed value on which taxes will be certified for collection (one third value ~~increases~~ as per 1185) shall be used in real estate rollback calculations.
3. In calculating the real estate rollback the first year after reappraisal, the taxing units will be allowed to receive base year revenues plus 10% revenue increase or all of newly discovered property increases if they exceed 10%.
4. In the second and third year after reappraisal the taxing units will consider base year revenues as being the revenues from the previous year assessments for real estate.
5. In the second and third year after reappraisal the taxing units will calculate the zero base rollback millage and then apply the unused portion of the optional 10% increase from the previous year (if any).
6. Real estate rollback will be calculated in all taxing units in the second and third year except in cases where the aggregate increase (full market value increase) from the reappraisal plus newly discovered property does not exceed 10% in the first year.

Adopted 10/01/99

RULE 4.08.1

DEFINITIONS

The following definitions apply to Amendment 59 to the Arkansas Constitution: Act 1981, No. 848.

1. REAPPRAISAL - The estimating of value of all taxable real property within the county as of a given date within a given time frame.
2. MASS APPRAISAL - Estimating the value of a group of properties as of a given date, within a given time frame using generally accepted techniques.
3. REASSESSMENT - Process of placing reappraisal values in the official assessment record.
4. COUNTY-WIDE REAPPRAISAL - Mass appraisal of certain classes of properties within a county, provided those other classes of property not reappraised have had their values reviewed and are currently assessed at acceptable levels.
5. PREVAILING VALUE - Value of a property as determined by the existing appraised values of other similar properties in the county.
6. NEWLY DISCOVERED PROPERTY - Property that has never been on the assessment roll.
7. NEW CONSTRUCTION AND IMPROVEMENTS - Changes to property that have occurred to property already on the assessment roll.
8. BASE YEAR - Year when reassessed values are entered on assessment roll.
9. MARKET VALUE - Most probable sale price of a property in terms of money in a competitive and open market, assuming that the buyer and seller are acting prudently and knowledgeable, allowing sufficient time for the sale, and assuming that the transaction is not affected by undue pressures.
10. BONA FIDE AGRICULTURAL LAND - Land that is devoted to the production of commercial quantities of plant products to be used for human consumption, animal feed, or as a textile.
11. BONA FIDE PASTURE LAND - Land to benefit grazing animals, or growing forage crops with the intent of selling or storing for future use.
12. BONA FIDE TIMBER LAND - Forest land that is producing, or capable of producing, crops of industrial wood and is not withdrawn from timber utilization (Appendix, pg 30, *A Forest Resources of Arkansas*@ Southern Forest Experiment Station, Resource Bulletin SO-169, Feb. 1992).

The following definitions apply to Amendment 79 to the Arkansas Constitution.

1. CHANGE IN USE - The terms "newly discovered" and "newly constructed" as contained in Arkansas Constitution Article 16, Section 12 and Amendment 79 shall be construed to include change in use.
2. SUBSTANTIAL IMPROVEMENT TO REAL PROPERTY- The term "substantial improvements to real property" as used in Amendment 79, Sections 1(b) (2) and (1) (c) (2) means:

1. Renovation, reconstruction, and refurbishment occurring to further a change in the use and/or class of an improvement. Upon completion of the renovation, reconstruction or refurbishment the assessor shall note the change in use and reappraise the improvement based upon its prevailing market value in the following assessment year. If multiple improvements reside on the parcel, only those that have been renovated, reconstructed or refurbished shall be reappraised and the remainder shall continue to be valued in accordance with Amendment 79, Sections 1(b)(1), 1(c)(1) or 2(b) whichever is appropriate.
2. Renovation, reconstruction, and refurbishment occurring that will add 25% or more to the contributory value of an improvement to the property. Upon completion of the renovation, reconstruction or refurbishment the assessor shall note and document the contributory value increase and reappraise the improvement based upon its prevailing market value in the following assessment year. If multiple improvements reside on the parcel, only those that have been renovated, reconstructed or refurbished shall be reappraised and the remainder shall continue to be valued in accordance with Amendment 79, Sections 1(b)(1), 1(c)(1) or 2(b) whichever is appropriate.

The term "substantial improvements to real property" as used in Amendment 79, Sections 1(b)(2) and (1)(c)(2) does not include normal maintenance on an improvement intended to only maintain its existing utility.

*Adopted 10/01/99
Amended 12/20/00
Amended 07/05/04*

RULE 4.09

COMPREHENSIVE COUNTYWIDE REAPPRAISALS - APPLICABILITY

STATUTORY AUTHORITY: A.C.A. 26-26-401 (Act 1981, No. 848 Section 8)

STATUTORY AUTHORITY: A.C.A. 26-26-410 (Act 1997, No. 1300, Section 23)

1. When an Assessor is of the opinion that a comprehensive countywide reappraisal has been completed, Form No. A-11 shall be completed immediately, signed and notarized and submitted to the Director of the ACD for investigation, determination and certification.
2. When any member of the county equalization board, quorum court, taxing unit or taxpayer within the county is of the opinion that a comprehensive countywide reappraisal has been completed and so informs the ACD in writing giving those facts on which the opinion is based, the ACD will investigate and determine whether certification is required.
3. In determining whether a comprehensive countywide reappraisal has occurred, the ACD shall consider that since it provides tables for use in valuing agriculture and timber lands that those properties have been reappraised each year. Likewise, all personal property shall be considered to have been reappraised each year.
4. On receipt of a properly completed form, the Director of the Assessment

Coordination Department shall determine whether the County has completed a comprehensive county-wide reappraisal, and if so, shall certify the reappraisal.

5. In determining whether a comprehensive countywide reappraisal has been completed, the following definitions shall be utilized:
 - a) Reappraisal - A re-estimation of values using mass appraisal techniques.
 - b) Mass appraisal - Estimating the value of a group of properties as of a given date, within a given time frame.
 - c) County-wide reappraisal - The mass appraisal of certain classes of properties within a county, provided those other classes of property not reappraised have had their values reviewed and are currently assessed at acceptable levels.

Adopted 10/01/99

RULE 4.10

CERTIFICATION OF ASSESSED VALUE DATA

STATUTORY AUTHORITY: A.C.A. 26-26-403 (Act 1981, No. 848, Sections Two and Nine.)

STATUTORY AUTHORITY: A.C.A. 26-26-410 (Act 1997, No. 1300, Section 23)

1. Form No. CC - 4 entitled Base Year Certification of Assessment Data on Real Estate is adopted to comply with this statute.
2. Form No. CC - 5 entitled School District Calculation to Determine Minimum Millage Required by Amendment 74 is adopted to comply with this statute.

Adopted 10/01/99

RULE 4.11

COMPUTATION AND CERTIFICATION FORM

STATUTORY AUTHORITY: A.C.A. 26-26-404 (Act 1981, No. 848 Section Three)

STATUTORY AUTHORITY: A.C.A. 26-26-410 (Act 1997, No. 1300, Section 23)

Form No. GB-1 entitled Base Year Millage Rollback Computation and Certificate Form is adopted to comply with this statute.

Adopted 10/01/99

4.12

PERSONAL PROPERTY INTERIM MILLAGE ADJUSTMENT

STATUTORY AUTHORITY: A.C.A. 26-26-405 (Act 1981, No. 848 Section 4)

STATUTORY AUTHORITY: A.C.A. 26-26-410 (Act 1997, No. 1300, Section 23)

Form No. CC-2 entitled Personal Property Interim Millage Adjustment is adopted to comply with this Statute.

Adopted 10/01/99

RULE 4.13

VALUATION GUIDELINES

STATUTORY AUTHORITY: A.C.A. 26-26-304 and 26-26-407

1. Manual entitled Assessors= Replacement Cost Real Estate Manual is promulgated to comply with this Statute. This manual may be used as a guide and is not mandatory.
2. Publication entitled Agricultural Land, Pasture Land and Timber Land Guidelines is promulgated to comply with this Statute. **USE OF THIS PUBLICATION IS MANDATORY.**
3. Manual entitled Personal Property Assessment Manual is promulgated to comply with this Statute. This manual may be used as a guide and is not mandatory.
4. Manual entitled Commercial Personal Property Appraisal Manual is promulgated to comply with this Statute. This manual may be used as a guide and is not mandatory.

Adopted 10/01/99

RULE 4.14

IMPLEMENTATION OF MILLAGE ROLLBACK IN FRINGE SCHOOL DISTRICTS

STATUTORY AUTHORITY: A.C.A. 26-26-408 (Act 1981, No. 848, Section Seven)

STATUTORY AUTHORITY: A.C.A. 26-26-410 (Act 1997, No. 1300, Section 23)

1. Form No. CC-3 entitled Fringe District Rollback is adopted to comply with this Statute.
2. In a case where a fringe district is engaged in a reappraisal the millage rates shall be rolled back, immediately fringed and levied in both counties.

Adopted 10/01/99

RULE 4.15

TRAINING CRITERIA FOR APPRAISERS

STATUTORY AUTHORITY: A.C.A. 26-26-503 (Acts 1980 (1st Ex. Sess.) No. 48, Sections One, Two; 1985, No. 392, Sections One, Two)

1. Form No. M-1 entitled Application for Admission - Arkansas Assessment Training Program.

2. Training and Certification Program as described in Form No. M-2 entitled Training and Certification Program for Appraisers Employed by State and County Officials is adopted.

Adopted 10/01/99

RULE 4.16

PROPERTY USED FOR OTHER THAN CHURCH PURPOSES

STATUTORY AUTHORITY: A.C.A. 26-26-1113 (c)(1); (Act 1987, No. 1040, Sections One, Two)

The Assessment Coordination Department shall promulgate reasonable rules and regulations to effectuate the provisions of this chapter.

Adopted 10/01/99

RULE 4.17

ASSESSMENT OF PERSONAL PROPERTY TAXES BY MAIL OR BY TELEPHONE

STATUTORY AUTHORITY: A.C.A. 26-26-1114 (c); (Act 1989, No.517, Section One; Act 1991, No. 291 Section One; Act 1993, No. 1261, Section One)

When assessing by telephone, record forms containing information taken by telephone shall be clearly identified as telephone assessments on the property owner signature line and shall bear the signature of the assessor or deputy assessor who conducted the telephone interview with the property owner.

Adopted 10/01/99

RULE 4.18

VALUATION PROCEDURES

STATUTORY AUTHORITY: A.C.A. 26-26-1202; (Act 1883, No. 114, C. & M. Dig., No. 9919, Pope=s Dig. No. 13653)

For the purpose of this Act, the following term(s) are defined:

1. Real property is the physical parcel of land, and improvements attached to the land, such as buildings.
2. Fixtures which can be severed from the realty without substantial damage either to itself or to the realty are personal property.

Adopted 10/01/99

RULE 4.19

UNIFORM NOTICE OF REAL ESTATE VALUE CHANGE

There is hereby established a Uniform Notice of Real Estate Value Change. The Notice shall be printed on paper no smaller than 8.5" wide by 11" long. All counties, contractors or others required to notify property owners of value changes shall employ the form displayed as item A-15 of Rule 5.2. No information set out in the form may be excluded but additional information may be displayed provided the Assessment Coordination Department gives prior consent. In instances where only new construction has occurred, notices may be modified to reflect that the value increase is a result of new construction only. Counties employing Section 1 of Amendment 79 shall not be required to list assessments in subsequent years on the form. Sending notices not conforming to the above shall constitute a violation of this rule, and when discovered, the responsible party will be required to send new notices, which comply with this rule, to affected property owners.

Adopted 10/01/99

Amended 7/10/01

RULE 4.19.1

UNIFORM NOTICE OF NEWLY DISCOVERED/NEWLY CONSTRUCTED PROPERTY

If the Assessor becomes aware of Newly Discovered or Newly Constructed property in a non-reappraisal year, and the resulting increase in market value of the parcel caused by the Newly Discovered or Newly Constructed property is \$5000.00 or more, the parcel will be updated and a notice will be sent to the Taxpayer. Any Newly Discovered or Newly Constructed property, having a market value of less than \$5000.00 when discovered, may be listed and updated during the year of discovery and will be listed and updated during the appraisal year.

Adopted 07/05/04

Rule 4.20

HOMESTEAD CREDIT APPLICATION/SALES VERIFICATION

There is hereby established a Homestead Credit Application/Sales Verification form. The form is to be used by property owners to apply for benefits under the provisions of Amendment 79 and to verify whether a property's purchase price reflects its market value at the time of sale. County assessors shall provide the purchaser of property with the form when a copy of a deed is transferred from the county recorder's office to the county assessor's office. As an alternative, the county assessor may provide the form to closing agents who may assist purchasers in completion of the form and who may return the form to the county recorder or assessor on behalf of the purchaser.

With prior approval by the ACD, the county may divide the form into separate parts, without changing the content, and distribute each part separately to property owners. Additional questions may be added to the form with prior approval by the ACD.

Adopted

3/03/02

CHAPTER FIVE

ASSESSMENT COORDINATION DEPARTMENT VALUATION GUIDES AND FORMS

RULE 5.01

VALUATION GUIDES

ARKANSAS ASSESSORS= REAL ESTATE COST MANUAL
ACT 153 of 1955 as Amended

ARKANSAS COMMERCIAL PERSONAL PROPERTY MANUAL
ACT 153 of 1955 as Amended

ARKANSAS PERSONAL PROPERTY MANUAL
ACT 153 of 1955 as Amended

AGRICULTURAL LAND, PASTURE LAND AND TIMBER LAND GUIDELINE
PUBLICATION

Adopted 10/01/99

RULE 5.02

FORMS

FOR USE BY ASSESSORS OR REAPPRAISAL FIRMS:

- A- 1. COMMERCIAL/INDUSTRIAL REAL ESTATE RECORD CARD
- A- 2. RESIDENTIAL REAL ESTATE RECORD CARD
- A- 3. RURBAN REAL ESTATE RECORD CARD
- A- 4. RURAL REAL ESTATE RECORD CARD
- A- 5. MANUFACTURERS= INVENTORY REPORT
- A- 6. COMMERCIAL PERSONAL PROPERTY ASSESSMENT FORM
COMMERCIAL PERSONAL PROPERTY ASSESSMENT INFORMATION
- A- 7. ASSESSOR=S ABSTRACT (A.C.A. 26-26-304)
- A- 8. SUMMARY REPORT OF COUNTY ASSESSMENTS
- A- 9. IN-HOUSE COUNTYWIDE REAPPRAISAL PLAN
- A-10. CONTRACTED COUNTY-WIDE REAPPRAISAL PLAN
- A-11. PLANNED PROGRESS REPORT

- A-12. MONTHLY PROGRESS REPORT
- A-13. PARCEL COUNT FORM A
- A-14. PARCEL COUNT FORM B
- A-15. NOTICE OF REAL ESTATE VALUE CHANGE
- A-16. CERTIFICATION OF COUNTY AS TO COMPLETION OF COMPREHENSIVE COUNTYWIDE REAPPRAISAL
- A-17 COMPLIANCE VERIFICATION FORM
- A-18 HOMESTEAD CREDIT APPLICATION/SALES VERIFICATION

FOR USE BY COUNTY CLERK:

- CC-1. SUMMARY REPORT OF COUNTY ASSESSMENTS FOR THE YEAR
- CC-2. PERSONAL PROPERTY INTERIM MILLAGE ADJUSTMENT (A.C.A. 25-26-405)
- CC-3. FRINGE DISTRICT ROLLBACK
- CC-4. CERTIFICATION OF ASSESSED VALUE DATA (A.C.A. 26-26-403)
- CC-5. SCHOOL DISTRICT CALCULATION TO DETERMINE MINIMUM MILLAGE REQUIRED BY AMENDMENT 74

FOR USE BY GOVERNING BODIES OF TAXING UNITS:

- GB-1. COMPUTATION AND CERTIFICATION FORM. BASE YEAR MILLAGE ROLLBACK COMPUTATION AND CERTIFICATION FORM (A.C.A. 26-26-404)

FOR USE BY EQUALIZATION BOARD & COUNTY CLERK AS EX-OFFICIO SECRETARY OF THE COUNTY EQUALIZATION BOARD:

- E-1. EQUALIZATION BOARD MEMBERS AND ADDRESSES
- E-2. EQUALIZATION BOARD ABSTRACT OF ADJUSTED ASSESSMENT (A.C.A. 26-26-304, 26-27-319)
- E-3. EQUALIZATION BOARD RESOLUTION

MISCELLANEOUS:

M-1. APPLICATION FOR ADMISSION - ARKANSAS ASSESSMENT TRAINING PROGRAM

M-2. TRAINING AND CERTIFICATION PROGRAM

Adopted 10/01/99
Amended 12/20/00

A-1 through A-4 are not available on disk.

ASSESSOR'S ABSTRACT

A report by total of items and value, showing the total assessment of all property in _____ County for the year 20___, that is required by law to be assessed by the County Assessor. This report is required to be filed with the Assessment Coordination Department on or before **THE FIRST DAY OF AUGUST EACH YEAR** by direction of Section (C)(1), Arkansas Code Annotated §26-26-304. Include both Real and Personal Property assessed by the Tax Division; that is, properties of Utilities and Common Carriers, which are assessed by the Tax Division and certified to the County Assessor.

1. ASSESSOR	Taxable Assessed Value	Full Assessed Value
a. City Real Land		
b. City Real Improvement		
c. Rurban Real Land		
d. Rurban Real Improvement		
e. Rural Real Land (Market Value) **** (Do Not Include Agri) ****		
f. Rural Real Improvement		
g. Agri Land (Use Value)		
h. Minerals		
i. Total Real (total a through h)		
j(1) Automobiles		
j(2) Business		
j(3) Other Personal		
j(4) Total Personal (total j1 through j3)		
k. Assessor Total (total I & j4)		
2. TAX DIVISION		
a. Real Property		
b. Personal Property		
c. Tax Division Total (total 2a & 2b)		
GRAND TOTAL (total 1k & 2c)		

CERTIFICATE

I, _____, Assessor, within and for _____ County, do hereby certify that the above and foregoing is a true and perfect abstract of the Assessor's Record of Assessment, made by me, by Total of Items and Value; and Utility and Carrier Assessments certified to me by the Tax Division, for the Year 20___.

IN WITNESS WHEREOF, I have hereunto set my hand and Seal of Office this the ___ Day of _____, 20___.
 _____ County Assessor

In-House Countywide Reappraisal Plan (Three Year)

_____ County



Submitted to the Assessment Coordination Department _____, 20____

Approved by the Assessment Coordination Department _____, 20____

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PREFACE

In accordance with Act 1185 of 1999 _____ County, Arkansas (hereinafter referred to as the "County") is submitting the following In-House Countywide Reappraisal Plan (hereinafter referred to as the "Plan") to the Arkansas Assessment Coordination Department (hereinafter also referred to as "ACD") for its approval. The appraisal conducted in accordance with this Plan will be completed within ___ months, commencing _____, 20___ (date). In addition, the provisions of Amendment 59 to the Arkansas Constitution and Arkansas Code Title 26, Chapter 26, Sub-chapter 4 relative to the adjustment or rollback of millage levied for ad valorem tax purposes shall be applied.

The County acknowledges, understands and agrees as follows:

1. unless it files a Plan with the ACD, State of Arkansas, to be completed within ___ months, the County, the municipalities and the school districts therein, are all subject to the provisions provided for in A.C.A. 26-26-1905. Any proposed deviations from the Plan, i.e. amendments to the Plan, must be submitted in writing and approved by ACD. The document amending the Plan must clearly state the factor(s) necessitating the deviation and be signed by those parties to the original Plan.
2. it is filing this Plan in good faith with the understanding that its failure to abide fully by the terms of the Plan will result in the termination of the Plan and immediately cause the County to be subject to provisions provided for in A.C.A. 26-26-1905.
3. to a termination of the Plan, ACD shall notify the County setting out the factor(s) giving rise to the preliminary decision to terminate the Plan and afford the County an opportunity to appear before the Director of ACD to show cause why the Plan should not be terminated. ACD shall notify all signatories to the Plan in the event of a preliminary decision to terminate the Plan and will set time and place for a full hearing on the matter and their right to appear and participate.

IN-HOUSE COUNTYWIDE REAPPRAISAL PLAN

In-House Reappraisal Plan requires that the County perform as follows:

1. County shall review _____ real estate parcels, and the data shall be entered said County's CAMA system. This number represents the ACD's taxable parcel count. In order to determine the physical characteristics of improvements, a thorough visual review of each property is a minimum requirement. Individual perimeter measurements shall be made as necessary so that at least a 95% accuracy rate (within one foot) is maintained.
2. Derive appropriate values and mail notices of revaluation on aforementioned parcels no later than ten working days after July 1 of the valuation year.
3. Complete Board of Equalization hearings by a date no later than _____ months after the approval of this Plan.
4. The values of all real estate parcels reappraised in accordance with this Plan shall be adjusted to reflect market values as of January 1 of the valuation year.
5. In keeping with the intent of Act 836 of 1997 and Act 1440 of 1999, newly discovered and newly constructed property shall be appraised and assessed at prevailing values until such time as all real estate parcels have been revalued.
6. All bona fide agricultural land, timberland, and pastureland will be valued in accordance with the Arkansas Constitution and A.C.A. 26-26-407.
7. After the completion of the reappraisal, millage rates for each taxing unit shall be adjusted in accordance with Amendment 59 to the Arkansas Constitution and A.C.A. 26-26-400 series.
8. The County will submit monthly progress reports to the Assessment Coordination Department, on forms designated by the agency.
9. All electronically stored real estate parcel information will be made available to the ACD. Access to information will be made available through phone lines using a modem.
10. The county will abide by the Standards and Procedures described herein
11. _____ county employees, as detailed in the "Personnel Needs" section of the Plan shall work exclusively on the reappraisal.
12. The County will abide by the Standards and Procedures described herein.

BASIC STANDARDS & PROCEDURES TO BE FOLLOWED WHEN CONDUCTING A COUNTYWIDE REAPPRAISAL

1. Public Involvement and Community Relations: Success of the countywide reappraisal program is dependent on the level of understanding and support given by the general public.

For this reason, the County will develop a complete and effective public relations program including the following activities:

(A) informational materials will be prepared for use in conjunction with public appearances and for handouts;

(B) talks will be scheduled before service clubs, civic organizations, and neighborhood groups as often as possible;

(C) the news media will be kept informed as to program objectives, progress, and accomplishments.

Recognizing that taxpayer contact represents a public relations opportunity; employees will be trained:

(A) to be completely familiar with the countywide reappraisal program;

(B) in telephone and face-to-face communication etiquette;

(C) to alert neighborhoods as to the field activities which will occur in their area.

Public relations will be the responsibility of all employees involved in the county wide reappraisal program, with the fundamental responsibility for implementation being the County Assessor.

2. Valuation Methodology: The first phase of the valuation component will be data analysis. With the gathering of all physical data and an analysis of all market/economic data, an appraised value will be calculated by C.A.M.A. or support staff for each property. All three approaches, sales, cost, and income, will be used depending upon the applicability of the approaches to specific properties or classes of property. The final valuation will be carefully reviewed and field checked for accuracy; for any changes that have occurred to properties since the time of the original field inspection.

On completion of the valuation process, the county will be responsible for a careful review of the estimates for each appraised parcel. This review and inspection shall be conducted by members of the appraisal staff to identify any errors that may have occurred, and to ensure accuracy and quality of the data collected. The county will consider the indicated value of the structure and indicated value of the land against sales information concerning comparable parcels. The reviewer is to ensure that each property has been valued in relation to other properties and in accordance with state law. This will be completed immediately before the change of value notification deadline.

(A) Appraisal of Land: A separate estimate of the fair market value shall be made for each parcel of non-agricultural land as if it were vacant. The sales data covering fair market sales of vacant non-agricultural land in all property classifications shall be secured from all available sources and shall be compiled, checked, and analyzed for use in the determination of non-agricultural land values and their unit of comparison throughout the county.

The county shall carefully consider all factors affecting the value of land (such as zoning, location, shape, size, topography, access to railroads, roads, waterways, present use, etc.) and will make appropriate adjustments when establishing final values. In the interest of fairness, equalization, and accuracy the base lot method shall be employed to determine the valuation of all market value land. IAAO defines the base lot method as: "...the standard or "base" in each stratum through a traditional sales comparison analysis with the base lot serving as the subject parcel. Once the base lot is established, it is used as a benchmark to establish values for individual parcels."¹

To the extent practical, land value computations will be made in accordance with four categories as follows:

- City and Rurban Residential - Front foot, square foot, or lot values
- Rural residential - Per acre or lot values
- Commercial - Front foot or square foot values
- Industrial - Square foot or acreage values

All established base land values for vacant and improved parcels shall be recorded on the appropriate fields of the record card and carefully checked for accuracy. All land values shall be reviewed with the same accuracy and diligence as the buildings in conjunction therewith.

(B) Improved Property: In arriving at the market value of each parcel of improved property, the county will consider all three approaches to value where applicable. The county shall make a careful analysis of the replacement cost of newly constructed buildings by using the 1995 edition of the Arkansas Assessors Real Estate Manual or a cost manual otherwise approved by ACD. Local sales data will be used to arrive at appropriate local market adjustment factors required to calibrate the cost system. Analysts shall develop appropriate local market adjustment factors by analyzing fair market value sales. These sales shall be validated by at least one of the approved ACD methods, and shall be adjusted for time as needed. All sales validation coding shall be reflected in the CAMA system. The county will employ the age-life method of depreciation using the observed condition of the property and total life expectancies based on state standards.

(1) Residential Property: The county shall inspect the exterior of each structure. Interior data will be obtained through personal interviews when possible. Construction features, characteristics, appendages, accessory buildings or irregularities for each property shall be recorded on the data collection card. Grade classification shall be distinctly considered and state appraisal guidelines followed for each building. Periodic inspections of work of all appraisal personnel

¹ Property Appraisal and Assessment Administration 1990 p. 188

will be made by the project supervisor in the grading (or classifying) of dwellings to insure correct, uniform, and consistent grade classification use.

A perimeter sketch of each residential building will be drawn in the graph space provided on the data collection card and all necessary dimensions and identification symbols will be placed on this sketch. Appendages such as attached garages, porches, etc. shall be carefully shown, with dimensions and correctly labeled. All other information on the data collection card will be filled out completely.

(2) Multi-family Income Producing Property: All income producing multifamily residential properties shall be inspected and appraised at market value. All building features, components, or characteristics as outlined shall be identified, measured and listed. The year of construction of the building shall be obtained. Other improvements such as paved drives, fencing, pools, patios, tennis courts, etc. will be identified, measured and listed. Occupancy units of each building shall be determined at the time of inspection and recorded along with any other pertinent information that could affect value or be used as the basis for units of comparison. Rental data will be extracted from reliable sources. The income approach, the cost approach, and the sales comparison approach will be considered in arriving at the final property value, when sufficient data is available. The appraised value of all properties shall be reviewed during final review by supervisory personnel and adjustments or corrections made where applicable.

(3) Commercial/Industrial Property: All commercial/industrial properties shall be inspected and appraised at market value. All building features, components, or characteristics as outlined will be identified, measured and listed. The year of the building construction will be obtained. Other improvements such as paved drives, fencing, mechanical features and equipment, etc. shall be identified, measured and listed. Occupancy of each building will be determined at the time of inspection and recorded along with other pertinent information that could affect value. Lease or rental information will be extracted from reliable sources. The income approach, the cost approach, and the sales comparison approach will be considered in arriving at the final property value, when sufficient data is available. The appraisal of all commercial property will be supported by detailed computations.

(4) Rural Property: All improvements on agricultural properties will be inspected and appraised at market value. A sketch of the dwelling, and the outbuildings will be drawn, showing all structures and buildings in proper size and location including dimensions and suitable symbols used to identify each building. All farm, rural dwellings, and other improvements will be described and valued in the same manner as residential property. The object being to establish a fair, equitable, and realistic value by comparison with other like properties, and to maintain the same level of market values placed on all other classes of property within the taxing jurisdiction.

Use value of all bona fide agricultural land will be calculated using the most recent per acre estimates furnished by ACD. The per acre use classification estimates include determination of soil type, cash rent analysis, production yield averages, cost of production averages, and an established income capitalization rate. The acreage of each soil type will be calculated and its use determined by physical

inspection or recent aerial photographs. The determination of a property's use shall be discovered by visual inspection whenever possible. Determination of use by aerial photograph shall be used as last resort only when the subject property cannot be accessed by vehicle.

3. Notification and Hearings: A change of value report will be generated by July 1 of the valuation year. Notices will then be mailed to all property owners having an increase in valuation, no later than ten working days after July 1 of the valuation year. These notices will show the appraised value, the classification(s) of the parcel, the assessed value, and a statement that the property owner has a right to appeal to the equalization board, including the dates when the equalization board will meet, and other requirements of Act 572 of 1999. The notice form shall be that found in the ACD rules or an alternative form approved by the ACD. ACD approval shall be in writing.

The taxpayer shall be given the opportunity to informally appeal the new assessed value. A taxpayer may file a complaint if the valuation of property has not increased or has decreased from the previous year. The taxpayer must petition to appeal before the equalization board by the third Monday in August, after which no petition for appeal will be accepted.

The County should project that 2% to 12% of all property owners will request a review of their appraisals with the reported national average being 5%.

4. Property Classifications: All property classifications shall be reviewed and revalued as required using accepted standards for mass appraisal practice.

5. C.A.M.A. and Data Accuracy Control: The County acknowledges that the C.A.M.A. system provides the county with complete computer-assisted mass appraisal support by providing cost, market and income valuation support. It is capable of assisting in valuation of residential, commercial, industrial, agricultural and special purpose real estate properties.

The countywide reappraisal Plan will have quality assurance, performance analysis, and accuracy control for data entry.

(A) Quality assurance is the primary responsibility of the records control section. This section will check all property record cards for missing data, etc., returning all incomplete or incorrect record cards to the field section for correction.

(B) Performance analysis will be accomplished using a C.A.M.A. system or by means of manual calculations necessary for comparative analysis.

(C) Accuracy control will be the responsibility of personnel (in-house or contractor) who receive, store, dispense, monitor, and review the data.

6. Sales Questionnaire and Sales Data Collection Process: The county will develop a comprehensive data collection program using a sales questionnaire. This data and other data will be included from sources such as:

- (A) Buyers of Real Estate
- (B) Sellers of Real Estate
- (C) Real Estate Brokers
- (D) Mortgage Companies
- (E) Builders
- (F) Real Estate Sales Listings (e.g. multiple listing services)
- (G) ACD Sales Verification Form

The sales questionnaire phase will be ongoing throughout the cycle. In the field, a detailed interview will be conducted (when possible) with the resident in lieu of an interior inspection of each home. When data is in doubt a postage-paid questionnaire will be left on the door if no one is at home and the data collector has left the neighborhood.

Since the data collection will occur over an extended period and property characteristics may change during that period, a sales data maintenance program will be established.

7. Employee Training and Education: A training program will be developed which will teach basic procedures. Actual on the job training will be provided by in-house or contractor personnel to both new employees and on a continuing basis to existing employees. Additionally, appraisers must attend IAAO or Assessment Coordination Department courses necessary for attaining and maintaining levels of professional accreditation.

8. Employee Accreditation: Employees will be accredited in the Training and Certification Program provided by the Assessment Coordination Department.

9. Newly Discovered and Constructed Property: The county will be responsible for the appraisal of new construction and newly discovered property. The county shall maintain a list and dollar summation of that amount. Opinion based appraisal determinations shall be documented in such a way that changes in value will not appear before the valuation year. New construction or newly discovered property shall be valued by the existing methods until the valuation year.

EFFECTIVE PLANNING

The County acknowledges that it has utilized and adhered to the following precepts in the development of this Plan and that it will also utilize and adhere to the following precepts in the implementation of this Plan:

Performing an in-house reappraisal is a major undertaking for any county, and should not be approached in a rushed or casual manner. One key element to a successful reappraisal effort is adequate planning. Poor planning for a reappraisal is usually the result of the county attempting to plan a reappraisal around current staffing levels. If the county has failed to maintain property values with current staff, over the course of several years, a plan to reappraise thousands of real estate parcels over the course of eighteen to twenty months with those same employees is unlikely to be successful. A more appropriate approach is for the county to determine necessary staff levels based on the amount of appraisal work that must be completed in a fixed amount of time.

The following pages are to be utilized by the county to design a Plan which will ensure adequate manpower and other necessary resources available. The county should be acutely conscious of the following:

(1) Budgetary Considerations - The preparer of the Plan should be aware of the fact that in most cases, budgetary constraints will not allow a reappraisal to begin until January of a particular year. County budgets for a fiscal year (January through December) are established in November of the preceding year. If a county fails its ratio in August, and must hire new employees to conduct a reappraisal, it is unlikely the county would have excess funds available to shift to the assessor's budget to immediately begin hiring new employees, purchasing additional computer hardware, fund additional office space, etc. Therefore, in most cases, field work for an in-house reappraisal can not have a beginning point earlier than January 1 of the following year.

(2) Time Frame - State statutes allow a maximum of 36 months to complete the reappraisal. Those 36 months should be divided by the county into two major segments, those being; Phase 1 - data collection and entry (prior to January 1 of the third year), and, Phase 2 - property valuation (January 1 through June 30 of the third year) and the appeals process (July 1 through approximately September of the third year).

(3) Expected productivity - Will vary somewhat from one location to the next. A county with a high number of industrial properties will expect a smaller number of parcels to be reviewed and entered daily, while a county with a high percentage of mobile homes might expect higher than ordinary production levels.

(5) Utilizing Current Staff - Many assessors offices are fortunate to have qualified employees on staff who are knowledgeable about real estate appraisal, and can make significant contributions to a reappraisal of real estate. Often, other current employees have had at least a minimum of training regarding reappraisal, and could also participate. However, if those employees are moved to a reappraisal project, care should be taken that their current job responsibilities are not forgotten

or abandoned. For example, if a personal property clerks' job description is changed to reappraisal data entry, who will take over the responsibility of personal property assessments?

(6) Employee Qualifications - Those persons responsible for determining quality of construction or effective age (review appraisers) shall be qualified as a level 3 appraiser, or higher, as determined by the Appraiser Training and Certification Program.

Those persons responsible for determining final values shall be a level 4 or higher appraiser, as determined by the Appraiser Training and Certification Program.

EXPECTED PRODUCTION LEVELS

In order to properly plan a reappraisal, a county must have some idea of how much work product each employee is expected to contribute daily. In the "Personnel Needs" section of the Plan, the county must assign expected daily production levels for different tasks using the following information. NOTE: These production levels were established by the 1185 Rules Committee, which was made up of County Assessors, Appraisal Contractors, and ACD personnel.

FULL REAPPRAISAL PROGRAM USING DATA GATHERERS AND REVIEW APPRAISERS

Entry of Sales Data	100		
Residential		Commercial	
Quantitative data collection	25	Data collection	10
Qualitative data collection	50	Physical data entry	20
Physical data entry	40	Data entry review	30
Data entry review	250	Valuation	20
Valuation	200		

REVIEW APPRAISAL PROGRAM USING SINGLE APPRAISERS

Entry of sales data	100		
Residential		Commercial	
Physical data collection	40	Data collection	10
Physical data entry	100	Physical data entry	20
Data entry review	250	Data entry review	30
Valuation	200	Valuation	20

REVIEW APPRAISAL PROGRAM USING DATA GATHERERS AND REVIEW APPRAISERS

Entry of sales data	100		
Residential		Commercial	
Quantitative data collection	25	Data collection	10
Qualitative data collection	75	Physical data entry	20
Physical data entry	100	Data entry review	30
Data entry review	250	Valuation	20
Valuation	200		

PERSONNEL NEEDS

COUNTY ACKNOWLEDGMENT: the County acknowledges that the following analysis has been determined and set the personnel required for the successful implementation of this Plan and the staff determined to be necessary will be employed at the designated times.

_____ COUNTY
**IN HOUSE REAPPRAISAL
PERSONNEL NEEDS WORKSHEET**

SECTION 3

INSPECTION AND DATA COLLECTION - MARKET VALUE PARCELS

RESIDENTIAL/COMMERCIAL

3a. Total number of market value parcels. _____ / _____

3b. Number of workdays available from project beginning _____ to January 1 of the valuation year.
(# months X 17 work days per month) _____ / _____

3c. Number of market value parcels appraiser is expected to inspect and gather physical data daily. _____ / _____

3d. Appraisers necessary to inspect market value parcels.
(3a divided by 3b, divided by 3c) _____ / _____

3e. Total appraisers necessary to inspect residential and commercial market value parcels. _____

_____ COUNTY
**IN HOUSE REAPPRAISAL
PERSONNEL NEEDS WORKSHEET**

SECTION 4

APPRAISAL INFORMATION REVIEW - MARKET VALUE PARCELS

RESIDENTIAL/COMMERCIAL

4a. Total number of market value parcels. _____ / _____

4b. Number of workdays available from project beginning _____ to January 1 of the valuation year.
(# months X 17 work days per month) _____ / _____

4c. Number of market value parcels review appraiser is expected to review daily. _____ / _____

4d. Review appraisers necessary to review market value parcels physical data.
(4a divided by 4b, divided by 4c) _____ / _____

4e. Total review appraisers necessary to review residential and commercial market value parcels physical data. _____

_____ COUNTY
**IN HOUSE REAPPRAISAL
PERSONNEL NEEDS WORKSHEET**

SECTION 5

DATA ENTRY

RESIDENTIAL/COMMERCIAL

- 5a. Total number of real estate parcels. _____ / _____
- 5b. Number of workdays available from project beginning _____ to January 1 of the valuation year.
(# months X 17 work days per month) _____ / _____
- 5c. Number of real estate parcels data entry personnel are expected to enter daily. _____ / _____
- 5d. Data entry personnel necessary to enter physical data for all real estate parcels.
(5a divided by 5b, divided by 5c) _____ / _____
- 5e. **Total data entry personnel necessary to enter physical data for all residential and commercial real estate parcels.** _____

**CURRENT EMPLOYEES WHO WILL WORK EXCLUSIVELY
ON COUNTYWIDE REAPPRAISAL**

Employee _____

Qualifications _____

Reappraisal Tasks _____

Current Job Responsibilities _____

To Be Assumed By _____

Employee _____

Qualifications _____

Reappraisal Tasks _____

Current Job Responsibilities _____

To Be Assumed By _____

Employee _____

Qualifications _____

Reappraisal Tasks _____

Current Job Responsibilities _____

To Be Assumed By _____

Employee _____

Qualifications _____

Reappraisal Tasks _____

Current Job Responsibilities _____

To Be Assumed By _____

Employee _____
Qualifications _____
Reappraisal Tasks _____
Current Job Responsibilities _____
To Be Assumed By _____

Employee _____
Qualifications _____
Reappraisal Tasks _____
Current Job Responsibilities _____
To Be Assumed By _____

Employee _____
Qualifications _____
Reappraisal Tasks _____
Current Job Responsibilities _____
To Be Assumed By _____

Employee _____
Qualifications _____
Reappraisal Tasks _____
Current Job Responsibilities _____
To Be Assumed By _____

BUDGETING FOR IN-HOUSE REAPPRAISAL

The following pages, entitled "In House Reappraisal - Budget", should provide a detailed accounting of anticipated costs for an in-house reappraisal program. Historically, most counties have not maintained appraisal personnel necessary for systematic real estate revaluation programs. As a result the expense of performing ten years of appraisal work in the next three years may be alarming to many county officials.

Readers of the Plan should be aware that the reappraisal expenses shown on the following pages are typically in addition to the assessors normal budget.

Care should be taken to not underestimate salaries necessary to retain qualified personnel. A county would be ill advised to anticipate hiring someone for an appraisal position, sending that person to appraisal classes, and expect to then keep a trained real estate appraiser on staff unless the county is willing to pay a competitive salary.

IN-HOUSE REAPPRAISAL - BUDGET - PHASE ONE

PHASE ONE - PERSONNEL EXPENSES

DATA COLLECTORS () From Personnel Needs Worksheet

Annual Salary Plus Fringe Benefits (/12)	Monthly Expense	(X)	Number Personnel	(X)	Project Months	(=)	Personnel Expense
_____	_____		_____		_____		_____

REVIEW APPRAISERS ()

Annual Salary Plus Fringe Benefits (/12)	Monthly Expense	(X)	Number Personnel	(X)	Project Months	(=)	Personnel Expense
_____	_____		_____		_____		_____

DATA ENTRY ()

Annual Salary Plus Fringe Benefits (/12)	Monthly Expense	(X)	Number Personnel	(X)	Project Months	(=)	Personnel Expense
_____	_____		_____		_____		_____

SUPPORT PERSONNEL ()

Annual Salary Plus Fringe Benefits (/12)	Monthly Expense	(X)	Number Personnel	(X)	Project Months	(=)	Personnel Expense
_____	_____		_____		_____		_____

PROJECT COORDINATOR ()

Annual Salary Plus Fringe Benefits (/12)	Monthly Expense	(X)	Number Personnel	(X)	Project Months	(=)	Personnel Expense
_____	_____		_____		_____		_____

TOTAL PERSONNEL EXPENSE - PHASE ONE _____

PHASE ONE - NON-PERSONNEL EXPENSES

Vehicle Expense or Mileage Reimbursement for Appraisers _____

Office Rent _____

Utilities _____

Telephone _____

Appraisal Supplies (Door hangers, aerial photos, appraisal cards, maps,
Computer printout paper, miscellaneous supplies) _____

Computer Hardware _____

Computer Support _____

TOTAL NON-PERSONNEL EXPENSE _____

TOTAL REAPPRAISAL EXPENSE - PHASE ONE
(PERSONNEL AND NON-PERSONNEL EXPENSES) _____

IN HOUSE REAPPRAISAL - BUDGET - PHASE TWO

PHASE TWO - PERSONNEL EXPENSES

APPRAISERS (
Annual Salary Plus	Monthly		Number		Project		Personnel
Fringe Benefits (/12)	Expense	(X)	Personnel	(X)	Months	(=)	Expense
_____	_____		_____		_____		_____

SUPPORT PERSONNEL (
Annual Salary Plus	Monthly		Number		Project		Personnel
Fringe Benefits (/12)	Expense	(X)	Personnel	(X)	Months	(=)	Expense
_____	_____		_____		_____		_____

PROJECT COORDINATOR (
Annual Salary Plus	Monthly		Number		Project		Personnel
Fringe Benefits (/12)	Expense	(X)	Personnel	(X)	Months	(=)	Expense
_____	_____		_____		_____		_____

TOTAL PERSONNEL EXPENSE - PHASE TWO _____

PHASE TWO - NON-PERSONNEL EXPENSES

Vehicle Expense or Mileage Reimbursement for Appraisers _____

Office Rent _____

Utilities _____

Telephone _____

Appraisal Supplies (Door hangers, aerial photos, appraisal cards, maps, Computer printout paper, miscellaneous supplies) _____

Computer Hardware _____

Computer Support _____

TOTAL NON-PERSONNEL EXPENSE _____

**TOTAL REAPPRAISAL EXPENSE - PHASE TWO
(PERSONNEL AND NON-PERSONNEL EXPENSES)** _____

TOTAL REAPPRAISAL EXPENSE - PHASE ONE AND PHASE TWO

PLANNED PROGRESS REPORT

As part of this plan, the County will submit a Planned Progress Report which will list anticipated progress of the reappraisal by month. The form and specific requirements for this report will be prescribed by the ACD.

MONTHLY PROGRESS REPORTS

As part of this plan, the county agrees to provide a monthly progress report to ACD, detailing work completed that month. The form and specific requirements for this report will be prescribed by the ACD.

REQUISITE SIGNATORIES

The County acknowledges that under A.C.A. 26-26-307, the County must file a reappraisal plan with ACD. No one county official has been charged with that responsibility under the law. The parties hereto recognize that the filing of an acceptable Plan and the implementation of that Plan is the joint responsibility of the County Officials, and the success or failure of the Plan is dependent on the cooperation and effort of the County Officials, the Municipal Officials and School Superintendents, and that each person whose signature appears on this Plan has fully read and understands its terms and the commitment of the County, the cities and the schools and their resources to the successful implementation of this Plan. Further, that the County Officials and others signing this document agree to assist in its implementation within the parameters of their official positions.

To qualify a Plan for consideration, it must at a minimum be signed by the County Assessor, County Judge and the Appraisal Manager. Signatures of the County Board of Equalization members, County Quorum Court members, and the superintendents of each school district are also requested. In the event one of the aforementioned members of the County does not sign the Plan, the Assessor must certify that the member (s) received a copy of the Plan.

Signature pages for County Officials, and School Superintendents follow.

SIGNATURE PAGE: COUNTY ASSESSOR

(County Assessor signs here)

Signature

(Print name)

SIGNATURE PAGE: COUNTY JUDGE

(County Judge signs here)

Signature

(Print name)

SIGNATURE PAGE: COUNTY QUORUM COURT MEMBERS

(Quorum Court Members sign here)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

SIGNATURE PAGE: COUNTY SCHOOL SUPERINTENDENTS

(School Superintendents sign here)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

In-House Countywide Reappraisal Plan (Five Year)

_____ County



Submitted to the Assessment Coordination Department _____, 20____
Approved by the Assessment Coordination Department _____, 20____

A-9

07/20/04(Rev. 9/02)

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PREFACE

In accordance with Act 1185 of 1999 and Act 1058 of 2001 _____ County, Arkansas (hereinafter referred to as the "County") is submitting the following In-House Countywide Reappraisal Plan (hereinafter referred to as the "Plan") to the Arkansas Assessment Coordination Department (hereinafter also referred to as "ACD") for its approval. The appraisal conducted in accordance with this Plan will be completed within ___ months, commencing _____, 20__ (date). In addition, the provisions of Amendment 59 to the Arkansas Constitution and Arkansas Code Title 26, Chapter 26, Sub-chapter 4 relative to the adjustment or rollback of millage levied for ad valorem tax purposes shall be applied.

The County acknowledges, understands and agrees as follows:

1. unless it files a Plan with the ACD, State of Arkansas, to be completed within ___ months, the County, the municipalities and the school districts therein, are all subject to the provisions provided for in A.C.A. 26-26-1905. Any proposed deviations from the Plan, i.e. amendments to the Plan, must be submitted in writing and approved by ACD. The document amending the Plan must clearly state the factor(s) necessitating the deviation and be signed by those parties to the original Plan.
2. it is filing this Plan in good faith with the understanding that its failure to abide fully by the terms of the Plan will result in the termination of the Plan and immediately cause the County to be subject to provisions provided for in A.C.A. 26-26-1905.
3. to a termination of the Plan, ACD shall notify the County setting out the factor(s) giving rise to the preliminary decision to terminate the Plan and afford the County an opportunity to appear before the Director of ACD to show cause why the Plan should not be terminated. ACD shall notify all signatories to the Plan in the event of a preliminary decision to terminate the Plan and will set time and place for a full hearing on the matter and their right to appear and participate.

IN-HOUSE COUNTYWIDE REAPPRAISAL PLAN

In-House Reappraisal Plan requires that the County perform as follows:

1. County shall review _____ real estate parcels, and the data shall be entered said County's CAMA system. This number represents the ACD's taxable parcel count. In order to determine the physical characteristics of improvements, a thorough visual review of each property is a minimum requirement. Individual perimeter measurements shall be made as necessary so that at least a 95% accuracy rate (within one foot) is maintained
2. Derive appropriate values and mail notices of revaluation on aforementioned parcels no later than ten working days after July 1 of the valuation year.
3. Complete Board of Equalization hearings by a date no later than _____ months after the approval of this Plan.
4. The values of all real estate parcels reappraised in accordance with this Plan shall be adjusted to reflect market values as of January 1 of the valuation year.
5. In keeping with the intent of Act 836 of 1997 and Act 1440 of 1999, newly discovered and newly constructed property shall be appraised and assessed at prevailing values until such time as all real estate parcels have been revalued.
6. All bona fide agricultural land, timberland, and pastureland will be valued in accordance with the Arkansas Constitution and A.C.A. 26-26-407.
7. After the completion of the reappraisal, millage rates for each taxing unit shall be adjusted in accordance with Amendment 59 to the Arkansas Constitution and A.C.A. 26-26-400 series.
8. The County will submit monthly progress reports to the Assessment Coordination Department, on forms designated by the agency.
9. All electronically stored real estate parcel information will be made available to the ACD. Access to information will be made available through phone lines using a modem.
10. The county will abide by the Standards and Procedures described herein
11. _____ county employees, as detailed in the "Personnel Needs" section of the Plan shall work exclusively on the reappraisal.
12. The County will abide by the Standards and Procedures described herein.

BASIC STANDARDS & PROCEDURES TO BE FOLLOWED WHEN CONDUCTING A COUNTYWIDE REAPPRAISAL

1. Public Involvement and Community Relations: Success of the countywide reappraisal program is dependent on the level of understanding and support given by the general public.

For this reason, the County will develop a complete and effective public relations program including the following activities:

(A) informational materials will be prepared for use in conjunction with public appearances and for handouts;

(B) talks will be scheduled before service clubs, civic organizations, and neighborhood groups as often as possible;

(C) the news media will be kept informed as to program objectives, progress, and accomplishments.

Recognizing that taxpayer contact represents a public relations opportunity; employees will be trained:

(A) to be completely familiar with the countywide reappraisal program;

(B) in telephone and face-to-face communication etiquette;

(C) to alert neighborhoods as to the field activities which will occur in their area.

Public relations will be the responsibility of all employees involved in the county wide reappraisal program, with the fundamental responsibility for implementation being the County Assessor.

2. Valuation Methodology: The first phase of the valuation component will be data analysis. With the gathering of all physical data and an analysis of all market/economic data, an appraised value will be calculated by C.A.M.A. or support staff for each property. All three approaches, sales, cost, and income, will be used depending upon the applicability of the approaches to specific properties or classes of property. The final valuation will be carefully reviewed and field checked for accuracy; for any changes that have occurred to properties since the time of the original field inspection.

On completion of the valuation process, the county will be responsible for a careful review of the estimates for each appraised parcel. This review and inspection shall be conducted by members of the appraisal staff to identify any errors that may have occurred, and to ensure accuracy and quality of the data collected. The county will consider the indicated value of the structure and indicated value of the land against sales information concerning comparable parcels. The reviewer is to ensure that each property has been valued in relation to other properties and in accordance with state law. This will be completed immediately before the change of value notification deadline.

(A) Appraisal of Land: A separate estimate of the fair market value shall be made for each parcel of non-agricultural land as if it were vacant. The sales data covering fair market sales of vacant non-agricultural land in all property classifications shall be secured from all available sources and shall be compiled, checked, and analyzed for use in the determination of non-agricultural land values and their unit of comparison throughout the county.

The county shall carefully consider all factors affecting the value of land (such as zoning, location, shape, size, topography, access to railroads, roads, waterways, present use, etc.) and will make appropriate adjustments when establishing final values. In the interest of fairness, equalization, and accuracy the base lot method shall be employed to determine the valuation of all market value land. IAAO defines the base lot method as: "...the standard or "base" in each stratum through a traditional sales comparison analysis with the base lot serving as the subject parcel. Once the base lot is established, it is used as a benchmark to establish values for individual parcels."¹

To the extent practical, land value computations will be made in accordance with four categories as follows:

- City and Rurban Residential - Front foot, square foot, or lot values
- Rural residential - Per acre or lot values
- Commercial - Front foot or square foot values
- Industrial - Square foot or acreage values

All established base land values for vacant and improved parcels shall be recorded on the appropriate fields of the record card and carefully checked for accuracy. All land values shall be reviewed with the same accuracy and diligence as the buildings in conjunction therewith.

(B) Improved Property: In arriving at the market value of each parcel of improved property, the county will consider all three approaches to value where applicable. The county shall make a careful analysis of the replacement cost of newly constructed buildings by using the 1995 edition of the Arkansas Assessors Real Estate Manual or a cost manual otherwise approved by ACD. Local sales data will be used to arrive at appropriate local market adjustment factors required to calibrate the cost system. Analysts shall develop appropriate local market adjustment factors by analyzing fair market value sales. These sales shall be validated by at least one of the approved ACD methods, and shall be adjusted for time as needed. All sales validation coding shall be reflected in the CAMA system. The county will employ the age-life method of depreciation using the observed condition of the property and total life expectancies based on state standards.

(1) Residential Property: The county shall inspect the exterior of each structure. Interior data will be obtained through personal interviews when possible. Construction features, characteristics, appendages, accessory buildings or irregularities for each property shall be recorded on the data collection card. Grade classification shall be distinctly considered and state appraisal guidelines

¹ Property Appraisal and Assessment Administration 1990 p. 188

followed for each building. Periodic inspections of work of all appraisal personnel will be made by the project supervisor in the grading (or classifying) of dwellings to insure correct, uniform, and consistent grade classification use.

A perimeter sketch of each residential building will be drawn in the graph space provided on the data collection card and all necessary dimensions and identification symbols will be placed on this sketch. Appendages such as attached garages, porches, etc. shall be carefully shown, with dimensions and correctly labeled. All other information on the data collection card will be filled out completely.

(2) Multi-family Income Producing Property: All income producing multifamily residential properties shall be inspected and appraised at market value. All building features, components, or characteristics as outlined shall be identified, measured and listed. The year of construction of the building shall be obtained. Other improvements such as paved drives, fencing, pools, patios, tennis courts, etc. will be identified, measured and listed. Occupancy units of each building shall be determined at the time of inspection and recorded along with any other pertinent information that could affect value or be used as the basis for units of comparison. Rental data will be extracted from reliable sources. The income approach, the cost approach, and the sales comparison approach will be considered in arriving at the final property value, when sufficient data is available. The appraised value of all properties shall be reviewed during final review by supervisory personnel and adjustments or corrections made where applicable.

(3) Commercial/Industrial Property: All commercial/industrial properties shall be inspected and appraised at market value. All building features, components, or characteristics as outlined will be identified, measured and listed. The year of the building construction will be obtained. Other improvements such as paved drives, fencing, mechanical features and equipment, etc. shall be identified, measured and listed. Occupancy of each building will be determined at the time of inspection and recorded along with other pertinent information that could affect value. Lease or rental information will be extracted from reliable sources. The income approach, the cost approach, and the sales comparison approach will be considered in arriving at the final property value, when sufficient data is available. The appraisal of all commercial property will be supported by detailed computations.

(4) Rural Property: All improvements on agricultural properties will be inspected and appraised at market value. A sketch of the dwelling, and the outbuildings will be drawn, showing all structures and buildings in proper size and location including dimensions and suitable symbols used to identify each building. All farm, rural dwellings, and other improvements will be described and valued in the same manner as residential property. The object being to establish a fair, equitable, and realistic value by comparison with other like properties, and to maintain the same level of market values placed on all other classes of property within the taxing jurisdiction.

Use value of all bona fide agricultural land will be calculated using the most recent per acre estimates furnished by ACD. The per acre use classification estimates

include determination of soil type, cash rent analysis, production yield averages, cost of production averages, and an established income capitalization rate. The acreage of each soil type will be calculated and its use determined by physical inspection. The determination of a property's use shall be discovered by visual inspection whenever possible. Determination of use by aerial photograph shall be used as last resort only when the subject property cannot be accessed by vehicle.

3. Notification and Hearings: A change of value report will be generated by July 1 of the valuation year. Notices will then be mailed to all property owners having an increase in valuation, no later than ten working days after July 1 of the valuation year. These notices will show the appraised value, the classification(s) of the parcel, the assessed value, and a statement that the property owner has a right to appeal to the equalization board, including the dates when the equalization board will meet, and other requirements of Act 572 of 1999. The notice form shall be that found in the ACD rules or an alternative form approved by the ACD. ACD approval shall be in writing.

The taxpayer shall be given the opportunity to informally appeal the new assessed value. A taxpayer may file a complaint if the valuation of property has not increased or has decreased from the previous year. The taxpayer must petition to appeal before the equalization board by the third Monday in September, after which no petition for appeal will be accepted.

The County should project that 2% to 12% of all property owners will request a review of their appraisals with the reported national average being 5%.

4. Property Classifications: All property classifications shall be reviewed and revalued as required using accepted standards for mass appraisal practice.

5. C.A.M.A. and Data Accuracy Control: The County acknowledges that the C.A.M.A. system provides the county with complete computer-assisted mass appraisal support by providing cost, market and income valuation support. It is capable of assisting in valuation of residential, commercial, industrial, agricultural and special purpose real estate properties.

The countywide reappraisal Plan will have quality assurance, performance analysis, and accuracy control for data entry.

(A) Quality assurance is the primary responsibility of the records control section. This section will check all property record cards for missing data, etc., returning all incomplete or incorrect record cards to the field section for correction.

(B) Performance analysis will be accomplished using a C.A.M.A. system or by means of manual calculations necessary for comparative analysis.

(C) Accuracy control will be the responsibility of personnel (in-house or contractor) who receive, store, dispense, monitor, and review the data.

6. Sales Questionnaire and Sales Data Collection Process: The County will develop a comprehensive data collection program using a sales questionnaire. This data and other data will be included from sources such as:

- (A) Buyers of Real Estate
- (B) Sellers of Real Estate
- (C) Real Estate Brokers
- (D) Mortgage Companies
- (E) Builders
- (F) Real Estate Sales Listings (e.g. multiple listing services)
- (G) ACD Sales Verification Form

The sales questionnaire phase will be ongoing throughout the cycle. In the field, a detailed interview will be conducted (when possible) with the resident in lieu of an interior inspection of each home. When data is in doubt a postage-paid questionnaire will be left on the door if no one is at home and the data collector has left the neighborhood.

Since the data collection will occur over an extended period and property characteristics may change during that period, a sales data maintenance program will be established.

7. Employee Training and Education: A training program will be developed which will teach basic procedures. Actual on the job training will be provided by in-house or contractor personnel to both new employees and on a continuing basis to existing employees. Additionally, appraisers must attend IAAO or Assessment Coordination Department courses necessary for attaining and maintaining levels of professional accreditation.

8. Employee Accreditation: Employees will be accredited in the Training and Certification Program provided by the Assessment Coordination Department.

9. Newly Discovered and Constructed Property: The county will be responsible for the appraisal of new construction and newly discovered property. The county shall maintain a list and dollar summation of that amount. Opinion based appraisal determinations shall be documented in such a way that changes in value will not appear before the valuation year. New construction or newly discovered property shall be valued by the existing methods until the valuation year.

EFFECTIVE PLANNING

The County acknowledges that it has utilized and adhered to the following precepts in the development of this Plan and that it will also utilize and adhere to the following precepts in the implementation of this Plan:

Performing an in-house reappraisal is a major undertaking for any county, and should not be approached in a rushed or casual manner. One key element to a successful reappraisal effort is adequate planning. Poor planning for a reappraisal is usually the result of the county attempting to plan a reappraisal around current staffing levels. If the county has failed to maintain property values with current staff, over the course of several years, a plan to reappraise thousands of real estate parcels over the course of eighteen to twenty months with those same employees is unlikely to be successful. A more appropriate approach is for the county to determine necessary staff levels based on the amount of appraisal work that must be completed in a fixed amount of time.

The following pages are to be utilized by the county to design a Plan which will ensure adequate manpower and other necessary resources available. The county should be acutely conscious of the following:

(1) Budgetary Considerations - The preparer of the Plan should be aware of the fact that in most cases, budgetary constraints will not allow a reappraisal to begin until January of a particular year. County budgets for a fiscal year (January through December) are established in November of the preceding year. If a county fails its ratio in August, and must hire new employees to conduct a reappraisal, it is unlikely the county would have excess funds available to shift to the assessor's budget to immediately begin hiring new employees, purchasing additional computer hardware, fund additional office space, etc. Therefore, in most cases, field work for an in-house reappraisal can not have a beginning point earlier than January 1 of the following year.

(2) Time Frame - State statutes allow a maximum of 60 months to complete the reappraisal. Those 60 months should be divided by the county into two major segments, those being; Phase 1 - data collection and entry (prior to May 1 of the fifth year), and, Phase 2 - property valuation (January 1 through June 30 of the fifth year) and the appeals process (July 1 through approximately September of the fifth year).

(3) Expected productivity - Will vary somewhat from one location to the next. A county with a high number of industrial properties will expect a smaller number of parcels to be reviewed and entered daily, while a county with a high percentage of mobile homes might expect higher than ordinary production levels.

(4) Utilizing Current Staff - Many assessors offices are fortunate to have qualified employees on staff who are knowledgeable about real estate appraisal, and can make significant contributions to a reappraisal of real estate. Often, other current employees have had at least a minimum of training regarding reappraisal, and could also participate. However, if those employees are moved

to a reappraisal project, care should be taken that their current job responsibilities are not forgotten or abandoned. For example, if a personal property clerks' job description is changed to reappraisal data entry, who will take over the responsibility of personal property assessments?

(5) Employee Qualifications - Those persons responsible for determining quality of construction or effective age (review appraisers) shall be qualified as a level 3 appraiser, or higher, as determined by the Appraiser Training and Certification Program.

Those persons responsible for determining final values shall be a level 4 or higher appraiser, as determined by the Appraiser Training and Certification Program.

EXPECTED PRODUCTION LEVELS

In order to properly plan a reappraisal, a county must have some idea of how much work product each employee is expected to contribute daily. In the "Personnel Needs" section of the Plan, the county must assign expected daily production levels for different tasks using the following information. NOTE: These production levels were established by the 1185 Rules Committee, which was made up of County Assessors, Appraisal Contractors, and ACD personnel.

FULL REAPPRAISAL PROGRAM USING DATA GATHERERS AND REVIEW APPRAISERS

Entry of Sales Data	100		
Residential		Commercial	
Quantitative data collection	25	Data collection	10
Qualitative data collection	50	Physical data entry	20
Physical data entry	40	Data entry review	30
Data entry review	250	Valuation	20
Valuation	200		

REVIEW APPRAISAL PROGRAM USING SINGLE APPRAISERS

Entry of sales data	100		
Residential		Commercial	
Physical data collection	40	Data collection	10
Physical data entry	100	Physical data entry	20
Data entry review	250	Data entry review	30
Valuation	200	Valuation	20

REVIEW APPRAISAL PROGRAM USING DATA GATHERERS AND REVIEW APPRAISERS

Entry of sales data	100		
Residential		Commercial	
Quantitative data collection	25	Data collection	10
Qualitative data collection	75	Physical data entry	20
Physical data entry	100	Data entry review	30
Data entry review	250	Valuation	20
Valuation	200		

PERSONNEL NEEDS

COUNTY ACKNOWLEDGMENT: the County acknowledges that the following analysis has been determined and set the personnel required for the successful implementation of this Plan and the staff determined to be necessary will be employed at the designated times.

_____ COUNTY
**IN HOUSE REAPPRAISAL
PERSONNEL NEEDS WORKSHEET**

SECTION 3

INSPECTION AND DATA COLLECTION - MARKET VALUE PARCELS

RESIDENTIAL/COMMERCIAL

3a. Total number of market value parcels. _____ / _____

3b. Number of workdays available from project beginning _____ to January 1 of the valuation year.
(# months X 17 work days per month) _____ / _____

3c. Number of market value parcels appraiser is expected to inspect and gather physical data daily. _____ / _____

3d. Appraisers necessary to inspect market value parcels.
(3a divided by 3b, divided by 3c) _____ / _____

3e. Total appraisers necessary to inspect residential and commercial market value parcels. _____

_____ COUNTY
**IN HOUSE REAPPRAISAL
PERSONNEL NEEDS WORKSHEET**

SECTION 4

APPRAISAL INFORMATION REVIEW - MARKET VALUE PARCELS

RESIDENTIAL/COMMERCIAL

4a. Total number of market value parcels. _____ / _____

4b. Number of workdays available from project beginning _____ to January 1 of the valuation year.
(# months X 17 work days per month) _____ / _____

4c. Number of market value parcels review appraiser is expected to review daily. _____ / _____

4d. Review appraisers necessary to review market value parcels physical data.
(4a divided by 4b, divided by 4c) _____ / _____

4e. Total review appraisers necessary to review residential and commercial market value parcels physical data. _____

_____ COUNTY
**IN HOUSE REAPPRAISAL
PERSONNEL NEEDS WORKSHEET**

SECTION 5

DATA ENTRY

RESIDENTIAL/COMMERCIAL

- 5a. Total number of real estate parcels. _____ / _____
- 5b. Number of workdays available from project beginning _____ to January 1 of the valuation year.
(# months X 17 work days per month) _____ / _____
- 5c. Number of real estate parcels data entry personnel are expected to enter daily. _____ / _____
- 5d. Data entry personnel necessary to enter physical data for all real estate parcels.
(5a divided by 5b, divided by 5c) _____ / _____
- 5e. **Total data entry personnel necessary to enter physical data for all residential and commercial real estate parcels.** _____

**CURRENT EMPLOYEES WHO WILL WORK EXCLUSIVELY
ON COUNTYWIDE REAPPRAISAL**

Employee _____

Qualifications _____

Reappraisal Tasks _____

Current Job Responsibilities _____

To Be Assumed By _____

Employee _____

Qualifications _____

Reappraisal Tasks _____

Current Job Responsibilities _____

To Be Assumed By _____

Employee _____

Qualifications _____

Reappraisal Tasks _____

Current Job Responsibilities _____

To Be Assumed By _____

Employee _____

Qualifications _____

Reappraisal Tasks _____

Current Job Responsibilities _____

To Be Assumed By _____

Employee _____
Qualifications _____
Reappraisal Tasks _____
Current Job Responsibilities _____
To Be Assumed By _____

Employee _____
Qualifications _____
Reappraisal Tasks _____
Current Job Responsibilities _____
To Be Assumed By _____

Employee _____
Qualifications _____
Reappraisal Tasks _____
Current Job Responsibilities _____
To Be Assumed By _____

Employee _____
Qualifications _____
Reappraisal Tasks _____
Current Job Responsibilities _____
To Be Assumed By _____

BUDGETING FOR IN-HOUSE REAPPRAISAL

The following pages, entitled "In House Reappraisal - Budget", should provide a detailed accounting of anticipated costs for an in-house reappraisal program. Historically, most counties have not maintained appraisal personnel necessary for systematic real estate revaluation programs. As a result the expense of performing ten years of appraisal work in the next three years may be alarming to many county officials.

Readers of the Plan should be aware that the reappraisal expenses shown on the following pages are typically in addition to the assessors normal budget.

Care should be taken to not underestimate salaries necessary to retain qualified personnel. A county would be ill advised to anticipate hiring someone for an appraisal position, sending that person to appraisal classes, and expect to then keep a trained real estate appraiser on staff unless the county is willing to pay a competitive salary.

IN-HOUSE REAPPRAISAL - BUDGET - PHASE ONE

PHASE ONE - PERSONNEL EXPENSES

DATA COLLECTORS () From Personnel Needs Worksheet

Annual Salary Plus Fringe Benefits (/12)	Monthly Expense (X)	Number Personnel (X)	Project Months (=)	Personnel Expense
_____	_____	_____	_____	_____

REVIEW APPRAISERS ()

Annual Salary Plus Fringe Benefits (/12)	Monthly Expense (X)	Number Personnel (X)	Project Months (=)	Personnel Expense
_____	_____	_____	_____	_____

DATA ENTRY ()

Annual Salary Plus Fringe Benefits (/12)	Monthly Expense (X)	Number Personnel (X)	Project Months (=)	Personnel Expense
_____	_____	_____	_____	_____

SUPPORT PERSONNEL ()

Annual Salary Plus Fringe Benefits (/12)	Monthly Expense (X)	Number Personnel (X)	Project Months (=)	Personnel Expense
_____	_____	_____	_____	_____

PROJECT COORDINATOR ()

Annual Salary Plus Fringe Benefits (/12)	Monthly Expense (X)	Number Personnel (X)	Project Months (=)	Personnel Expense
_____	_____	_____	_____	_____

TOTAL PERSONNEL EXPENSE - PHASE ONE _____

PHASE ONE - NON-PERSONNEL EXPENSES

Vehicle Expense or Mileage Reimbursement for Appraisers _____

Office Rent _____

Utilities _____

Telephone _____

Appraisal Supplies (Door hangers, aerial photos, appraisal cards, maps,
Computer printout paper, miscellaneous supplies) _____

Computer Hardware _____

Computer Support _____

TOTAL NON-PERSONNEL EXPENSE _____

TOTAL REAPPRAISAL EXPENSE - PHASE ONE
(PERSONNEL AND NON-PERSONNEL EXPENSES) _____

IN HOUSE REAPPRAISAL - BUDGET - PHASE TWO

PHASE TWO - PERSONNEL EXPENSES

APPRAISERS ()							
Annual Salary Plus	Monthly		Number		Project		Personnel
Fringe Benefits (/12)	Expense	(X)	Personnel	(X)	Months	(=)	Expense
_____	_____		_____		_____		_____

SUPPORT PERSONNEL ()							
Annual Salary Plus	Monthly		Number		Project		Personnel
Fringe Benefits (/12)	Expense	(X)	Personnel	(X)	Months	(=)	Expense
_____	_____		_____		_____		_____

PROJECT COORDINATOR ()							
Annual Salary Plus	Monthly		Number		Project		Personnel
Fringe Benefits (/12)	Expense	(X)	Personnel	(X)	Months	(=)	Expense
_____	_____		_____		_____		_____

TOTAL PERSONNEL EXPENSE - PHASE TWO _____

PHASE TWO - NON-PERSONNEL EXPENSES

Vehicle Expense or Mileage Reimbursement for Appraisers _____

Office Rent _____

Utilities _____

Telephone _____

Appraisal Supplies (Door hangers, aerial photos, appraisal cards, maps, Computer printout paper, miscellaneous supplies) _____

Computer Hardware _____

Computer Support _____

TOTAL NON-PERSONNEL EXPENSE _____

**TOTAL REAPPRAISAL EXPENSE - PHASE TWO
(PERSONNEL AND NON-PERSONNEL EXPENSES)** _____

TOTAL REAPPRAISAL EXPENSE - PHASE ONE AND PHASE TWO

PLANNED PROGRESS REPORT

As part of this plan, the County will submit a Planned Progress Report which will list anticipated progress of the reappraisal by month. The form and specific requirements for this report will be prescribed by the ACD.

MONTHLY PROGRESS REPORTS

As part of this plan, the county agrees to provide a monthly progress report to ACD, detailing work completed that month. The form and specific requirements for this report will be prescribed by the ACD.

REQUISITE SIGNATORIES

The County acknowledges that under A.C.A. 26-26-307, the County must file a reappraisal plan with ACD. No one county official has been charged with that responsibility under the law. The parties hereto recognize that the filing of an acceptable Plan and the implementation of that Plan is the joint responsibility of the County Officials, and the success or failure of the Plan is dependent on the cooperation and effort of the County Officials, the Municipal Officials and School Superintendents, and that each person whose signature appears on this Plan has fully read and understands its terms and the commitment of the County, the cities and the schools and their resources to the successful implementation of this Plan. Further, that the County Officials and others signing this document agree to assist in its implementation within the parameters of their official positions.

To qualify a Plan for consideration, it must at a minimum be signed by the County Assessor, County Judge and the Appraisal Manager. Signatures of the County Board of Equalization members, County Quorum Court members, and the superintendents of each school district are also requested. In the event one of the aforementioned members of the County does not sign the Plan, the Assessor must certify that the member (s) received a copy of the Plan.

Signature pages for County Officials, and School Superintendents follow.

SIGNATURE PAGE: COUNTY ASSESSOR

(County Assessor signs here)

Signature

(Print name)

SIGNATURE PAGE: COUNTY JUDGE

(County Judge signs here)

Signature

(Print name)

SIGNATURE PAGE: COUNTY QUORUM COURT MEMBERS

(Quorum Court Members sign here)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

SIGNATURE PAGE: COUNTY SCHOOL SUPERINTENDENTS

(School Superintendents sign here)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

26-26-405. Personal property interim millage adjustment.

PERSONAL PROPERTY INTERIM MILLAGE ADJUSTMENT

COUNTY: _____

TAXING UNIT: _____

DATE: _____

Data Needed For Calculation

1. Base year revenues _____

2. Previous year
assessment base _____

3. New assessment base _____

4. Current millage by tax source: _____

Maintenance & Operations _____

Bonds or Debt Service _____

Others _____

Millage Adjustment Calculations

1. Determination of assessment base growth factor:

$$\frac{\text{Previous Assessment Base}}{\text{New Assessment Base}} = \text{Growth Factor}$$

_____) _____ = _____

2. Millage adjustments by tax source:

<u>Growth Factor</u>	x	<u>Current Millage</u>	=	<u>Interim Millage/Rounded To</u>
M&O _____	x	_____	=	_____/_____
Bonds _____	x	_____	=	_____/_____
_____	x	_____	=	_____/_____
_____	x	_____	=	_____/_____
Other _____	x	_____	=	_____/_____
_____	x	_____	=	_____/_____
_____	x	_____	=	_____/_____

TOTAL INTERIM MILLAGE _____

3. Verification:

<u>Total Interim Millage</u>	x	<u>New Assessment Base</u>	=	<u>Revenue</u>
_____	x	_____	=	_____

Millage Level for Personal Property = _____

Certification by County Clerk _____
Signature

Date: _____

FRINGE DISTRICT ROLLBACK

TAXING UNIT: _____

YEAR: _____

I.	Base County	_____	Fringe County	_____	Fringe County	_____
	Current Assmt.	_____	Current Assmt.	_____	Current Assmt.	_____
		(Figure A)		(Figure B)		(Figure C)
	Rollback Millage	_____	Rollback Millage	_____	Rollback Millage	_____
		(Figure D)		(Figure E)		(Figure F)

II. Computations:

Step 1:	_____	+	_____	+	_____	=	_____		
	(Figure A)		(Figure B)		(Figure C)		(Figure G)		
Step 2:	_____)	_____	=	_____	x	_____	=	_____
	(Figure A)		(Figure G)				(Figure D)		(Figure H)
Step 3:	_____)	_____	=	_____	x	_____	=	_____
	(Figure B)		(Figure G)				(Figure E)		(Figure I)
Step 4:	_____)	_____	=	_____	x	_____	=	_____
	(Figure C)		(Figure G)				(Figure F)		(Figure J)
Step 5:	_____	+	_____	+	_____	=	_____		
	(Figure H)		(Figure I)		(Figure J)		(New Millage)		

26-26-403. Certification of assessed value data.

Base Year Certification of Assessment Data on Real Estate

COUNTY: _____

TAXING UNIT: _____

DATE: _____

1. Total Assessment _____

2. Total Newly Discovered
Property List _____

3. Total Taxes Certified
for Collection _____

4. Millage Levy for Main-
tenance and Operations _____

5. Millage Levy for Bonds
or Debt Service _____

County Clerk Certification: _____

Signature

School District Calculation
to Determine Minimum Millage Required by Amendment 74

COUNTY _____

DATE

School District Name:

1. Compute the following to find the debt payment by school:
**Debt payment figures are supplied by the Arkansas Department of Education.*
 - a. * Required debt payment
 - b. * Less debt service supplement
 - c. Equals debt payment by school
2. Compute the following to find the total new assessment (including fringe counties):
 - a. Current year real assessment
 - b. Plus current year personal assessment
 - c. Plus current year utility assessment
 - d. Equals total new assessment
3. Compute the following to find the millage required for debt:
 - a. Debt payment by school
 - b. Divided by total new assessment
 - c. Equals school mills required for debt
4. Compute the following to find the minimum millage required by Amendment 74:
 - a. M & O mills required by Amendment 74
 - b. Plus school mills required for debt
 - c. Plus mills required for callable bonds
 - d. Equals minimum millage required
5. Transfer minimum millage required to "Base Year Millage Rollback Computation and Certification Form", Item 7.

26-26-404. Computation and certification form.

Base Year Millage Rollback Computation and Certification Form

COUNTY: _____

TAXING UNIT: _____

DATE: _____

1. Compute the following to discover total of reassessed property:
 - a. Total base year assessments _____
 - b. Less newly discovered, new construction properties _____
 - c. Equals total reassessed properties _____

2. Compute the following to find the zero-increase millage adjustment:
 - a. Base-year taxes certified for collection _____
 - b. Divided by reassessed properties _____
 - c. Equals zero-increase millage _____

If 1st year of 1185, go to Step 3a; If 2nd or 3rd year of 1185, go to Step 5a.

3. Compute the following to find the percentage of newly discovered property:
 - a. Newly discovered, new construction properties _____
 - b. Divided by total assessed properties _____
 - c. Equals percent newly discovered _____

4. Millage adjustment option:
 - a. Maximum increase option _____ 10%
 - b. Minus newly discovered property percentage _____
 - c. Allowable optional millage increase _____

5. To compute millage adjustment option if applicable:

a. Rolled back zero-base millage _____

b. Times allowed optional millage increase percent _____

**b. If 1st year of 1185 use 4c;
If 2nd or 3rd year of 1185
use the unused portion of the previous years 10%
option (if any).**

c. Equals indicated overall millage of _____

6. Each tax source or levy shall be adjusted by applying the following computed multipliers and adjusting to the next highest one-tenth (1/10) mill:

a. Overall millage from 5.c. above _____

b. Divided by previous millage prior to base year _____

c. Equals multiplier _____

7. Compute each tax source or levied millage in the following table:

Tax Source	Previous Millage	x	Multiplier	=	Adjusted Millage/	Rounded Millage
_____	_____	x	_____	=	_____ /	_____
_____	_____	x	_____	=	_____ /	_____
_____	_____	x	_____	=	_____ /	_____
_____	_____	x	_____	=	_____ /	_____
_____	_____	x	_____	=	_____ /	_____

Total of Millages = _____

Minimum Millage Required by Amendment 74 = _____

Minimum Millage to be Levied (Greater of above) = _____

8. Proration of minimum millage by tax source if applicable:

a. Millage to be levied

b. Divided by total previous millage

c. Equals multiplier

d. Compute each tax source or levied millage in the following table:

Tax Source	Previous Millage	x	Multiplier	=	Adjusted Millage/	Rounded Millage
_____	_____	x	_____	=	_____ / _____	_____
_____	_____	x	_____	=	_____ / _____	_____
_____	_____	x	_____	=	_____ / _____	_____
_____	_____	x	_____	=	_____ / _____	_____
_____	_____	x	_____	=	_____ / _____	_____

Total Millage

9. TOTAL MILLAGE TO BE LEVIED

CERTIFICATION: Signatures

EQUALIZATION BOARD MEMBERS

Selection, qualifications, distribution and terms of county equalization board members as defined by Arkansas Statutes §26-26-301, §26-27-302, §26-27-303, §26-27-304, §26-27-305 and §26-27-306 can be found in the most current "Arkansas Property Tax Equalization and Appeal System – A Synopsis".

§26-27-307. Secretary of board.

The clerk of the county court shall serve as secretary of the equalization board of his county and shall keep a complete and accurate journal of its proceedings and perform such other duties as may be by law required of the board. In addition, within ten (10) days after the appointment of the equalization board for his county, the clerk shall file from time to time with the Assessment Coordination Division of the Arkansas Public Service Commission a statement showing the name and address of each member of the board. When any change in the personnel of the board is made, he shall immediately so advise the commission.

Equalization Board Members of _____ County,
Arkansas, are as follows:

	<u>Name</u>	<u>Address</u>
1.	Appointed by County Judge:	
a.	_____	_____
b.	_____	_____
c.	_____	_____
2.	Selected by School Districts:	
a.	_____	_____
b.	_____	_____
c.	_____	_____
3.	Selected by Cities and Incorporated Towns:	
a.	_____	_____
b.	_____	_____
c.	_____	_____

County Clerk and Ex-Officio Secretary
of the County Equalization Board

EQUALIZATION BOARD ABSTRACT OF ADJUSTED ASSESSMENT

A report by total of items and value, showing the total assessment of all property in _____ County for the year 20____, as adjusted or equalized by the County Board of Equalization. This report is required to be filed with the Assessment Coordination Department on or before **THE FIRST DAY OF OCTOBER EACH YEAR** by direction of Section (C)(1), Arkansas Code Annotated §26-26-304 and 26-27-319. Include both Real and Personal Property assessed by the Tax Division; that is, properties of Utilities and Common Carriers, certified to the County Assessor.

1. ASSESSOR	Taxable Assessed Value	Full Assessed Value
a. City Real Land		
b. City Real Improvement		
c. Rurban Real Land		
d. Rurban Real Improvement		
e. Rural Real Land ****(Do Not Include Agri)****		
f. Rural Real Improvement		
g. Agri Land		
h. Minerals		
i. Total Real (total a through h)		
j(1) Automobiles		
j(2) Business		
j(3) Other Personal		
j(4) Total Personal (total j1 through j3)		
k. Assessor Total (total i & j4)		
2. TAX DIVISION		
a. Real Property		
b. Personal Property		
c. Tax Division Total (total 2a & 2b)		
GRAND TOTAL (total 1k & 2c)		

CERTIFICATE

I, _____, County Clerk and Ex-Officio Secretary of the County Equalization Board within and for _____ County, do hereby certify that the above and foregoing is a true and perfect abstract of the Assessor's Record of Assessment, made by him, as adjusted or equalized by the County Board of Equalization, by Total of Items and Value; and Utility and Carrier Assessments certified to him, by the Tax Division, for the Year 20____.

IN WITNESS WHEREOF, I have hereunto set my hand and Seal of Office this the ____ Day of _____, 20____.

The following pertinent codes may be found in the most current “Arkansas Property Tax Equalization and Appeal System – A Synopsis”.

§26-26-304. Ratio of assessed value to market value – Effect on state aid or turnback funds.

§26-27-301. Creation.

§26-27-302. Qualifications.

§26-27-303. Composition.

§26-27-304. Selection of members.

§26-27-305. Terms of office – Vacancies.

§26-27-306. Oath of members.

§26-27-319. Resolution of valuation adopted.

§26-27-321. Abstract of tax books to be filed.

