



ASSESSMENT COORDINATION DEPARTMENT

STATE OF ARKANSAS

RULES AND REGULATIONS

Effective March 3, 2002

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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

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 3.7

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 3.7 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

03/03/2002

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. Otherwise, the reappraisal will be out of compliance with progress established by the county=s reappraisal plan.

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*

RULE 3.31

FAILURE TO COMPLY WITH STANDARDS OF PERFORMANCE AUDIT

Whenever an audit, using the standards established elsewhere in these rules, performed by the ACD indicates that proper reappraisal procedures are not being followed, 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.

For each out of compliance category, the responsible party must bring reappraisal procedures into compliance and must sign, date, and return the enclosed Compliance Verification Form (Form A-17) within 30 calendar days of the date of the certified letter or funding will be terminated. Withheld funds will be released and payments will be resumed if the ACD determines the reappraisal is back in compliance as required and will continue

as scheduled as long as the reappraisal, including corrective action, remains in compliance.

Adopted 10/01/99

Amended 4/2/01

Amended 3/3/02

RULE 3.32

FALSE REPORTS OF PROGRESS

Upon a finding that progress has been falsely reported on a required progress report, funding already disbursed to the county as a result of misrepresentation will be reimbursed to the state.

Adopted 10/01/99

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 ACD approved bid specifications to all companies listed on the ACD Annual Register of Appraisal companies at the time of advertising. Any bids submitted by a contractor that do not meet the ACD approved specifications shall be rejected by the county. 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.
2. The per parcel cost of each contract 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
5. ACD procedural audits in the preceding two years.
6. The number of instances during the preceding two years 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*

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. 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 a 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.

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 or township or section lines, or an improvement only. 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.

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

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 ~~only~~ 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

1969, No. 60 Section 1; Acts 1987, No. 838, Section 1; Acts 1997, No. 440 Section 2(g).

Adopted 10/01/99

RULE 4.04.1

I. RATIO STUDY PERFORMANCE STANDARDS

A) PURPOSES:

The ratio study performed annually by the Assessment Coordination Department has four purposes:

1. The determination of the average ratio of assessed value to the true and full market or actual value of real property, excluding agricultural lands, by classifications, in each of the counties and school districts of Arkansas;
2. The determination of the actual assessment level of real estate, including the value of agricultural lands that qualify for a use/productivity valuation, by classification such as residential, commercial/ industrial, agricultural, etc.;
3. The determination of the average ratio of assessed value to the true and full market-or actual value of personal property in each of the counties and school districts of Arkansas;
4. The determination of the weighted coefficient of dispersion about the median ratio for market value real estate.

B) STATUTORY REQUIREMENT:

The ratio study shall comply with (Ark. Code Ann. 26-26-304 Repl. 1997).

C) BURDEN OF PROOF:

The burden of proof is on the Assessment Coordination Department to show by the preponderance of the evidence that:

1. The county assessor has not placed the real and personal property in the county on the tax record at twenty percent (20%) of the true and full market or actual value for the assessment year or has not placed the agricultural real property in the county on the tax record at twenty percent (20%) of the use/ productivity valuation for the assessment year.
2. That the August first ratio for classifications of market value real estate, business personal property or personal property (auto and other) are below eighteen percent (18%) or above twenty-two percent (22%) of full market value for the second consecutive August one ratio study.

D) OVERALL COUNTY RATIO:

To obtain the overall ratio, the County's prior year Equalization Board Abstract shall be

used to determine the total assessed value in each classification of property. The classification total assessed value is then divided by the classification ratio as determined by ACD to determine the Estimated Market Value for each class. The Estimated Market Value for the classifications are summed and then divided into the Total Assessed Value for all classes which results in the overall county ratio.

E) NOTIFICATION OF FAILURE:

Each Assessor will be personally notified if the county has failed its ratio prior to the time that the news is made public unless the Assessor is not available for notification.

F) RATIO STUDY APPEAL PROCEDURE:

Any informal appeal of a county=s August 1 ratio study for any year shall be filed with the Director of the ACD on or before August 15 of that year.

An informal appeal of the results of a county=s August 1 ratio should be written so as to fully and completely advise the Assessment Coordination Department in what respects the Department has failed to produce a ratio that meets its burden of proof and should set forth in plain language the alleged facts and any proof of such failure. Each allegation should be set forth in a separate numbered paragraph. If the appeal alleges as its basis for relief that certain samples were erroneously included, each sample should be described in a separate paragraph.

Upon receipt of an informal appeal, the appropriate Ratio Study Coordinator shall either accept or reject the separate allegations by paragraph number providing to the appellant an explanation as to the reason for the rejection within two weeks. The Ratio Study Coordinator shall respond to any other allegations of the appellant and, if appropriate, re-compute an Amended August 1 Ratio for the county.

Should a county wish to further appeal its August 1 Ratio Study or the Amended August 1 Ratio Study, the County should notify the Director of the Assessment Coordination Department within two weeks of the date of the determination by the Ratio Study Coordinator that it is thereby filing a Formal Appeal stating therein the Paragraphs of the Informal Appeal which it continues to pursue and whether the Assessor requests a personal hearing before the Director. If a personal hearing is requested, the Assessor should notify the Director prior to the hearing as to the identities of the people who will be present and participating in the hearing. The Ratio Study Coordinator shall be present at all hearings to defend the Ratio Study results.

In the event, a personal hearing is not requested before the Director, the Director shall make the determination within two weeks of the Formal Appeal based on the original allegations of the appellant and the response of the Ratio Study Coordinator.

II. COMPONENTS OF EACH COUNTY RATIO

- A. Real Property/Agricultural Land
- B. Business Personal Property/Personal Property

A. REAL PROPERTY COMPONENT:

The classifications are: (1) market value real estate which is further divided into urban residential, rural residential, rural and commercial industrial and (2) agricultural land which is valued by its use/productivity.

MARKET VALUE REAL ESTATE CLASSIFICATION

1. This component of the ratio study shall be based on sales/assessment ratios, supplemented with appraisal/assessment ratios, as required, to meet generally accepted statistical techniques.
2. a) This component of the ratio study may include sales data for the three previous calendar years.
Act 1079, p2.2 (April 5, 1999). In those instances when the number of appropriate sales from the calendar year previous to the assessment year is insufficient to present a statistically sound sample, the sales/assessment ratio study may include sales data for the three (3) calendar years previous to the assessment year.
- b) In a county that did not fail their last ratio study, Field Auditors shall use updated appraisal values for a neighborhood(s) in the assessment ratio study (a) only if there is ample evidence that all other neighborhood(s) which were undervalued have been properly adjusted and (b) only if there is also evidence that the remaining neighborhoods that were not revalued were properly appraised.
3. 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 most current edition thereof, hereafter referred to as "SORS") The standard incorporates selected chapters and appendices of the *Property Appraisal and Assessment Administration*, published by the International Association of Assessing Officers (hereafter referred to as "PAAA").

METHOD OF DETERMINING REAL ESTATE SAMPLES

To determine the number of market value real property samples, to be selected from the county and the location from which the samples are to be obtained, the total parcel count shall be computed every two years. Each school district shall be further broken down into, city, rural and the number of samples actually obtained shall be computed by use of the formula and procedure described in section 8.3 Required Sample Size (See *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers and Appendix 20-3 "Sample Size" *Property Appraisal and Assessment Administration*, published by the International Association of Assessing Officers, 1990 edition with enough samples to assure that at the ninety-five percent confidence interval they are plus or minus ten percent accurate.

1. During the year preceding the assessment year, the Field Auditor, shall be provided with the requirements for the selection of samples for use in the Sales/Appraisal Sample Size for the county which lists each school district within the county and the

number of rural, city rural and agricultural (use) samples to be selected from each school districts. The samples selected shall be compared with the actual assessment of the particular parcel the following year. Any value changes made to a sample by an assessor after the sample was initially selected must be thoroughly investigated by the Field Auditors to determine whether the change was appropriate. The Field Auditor must document the assessor's explanation and the auditor's determination as to the appropriateness of the change and file the documentation with the Ratio Study Coordinator.

2. Prior to December first of each year, the county shall notify the Assessment Coordination Department if it has completed a reappraisal and placed those values on its records. If the notification is made and received in a timely manner, the Assessment Coordination Department shall prior to the publication of the February first ratio study update its samples to reflect the new values.
3. The number of commercial real estate samples to be obtained is roughly ten percent on the total number of real property samples selected.
4. Appraisals are to be utilized only when sales are not available.
5. Samples may be selected by use of the Deed Book kept by the Circuit Clerk & Recorder for the county, a deed register kept by the county assessor, or a computer generated list of the entire sales in the county. In the event the Auditor uses the Assessor's register or a computer generated list, the Auditor must first determine that the Assessor's records are complete and up to date by comparing the Assessor's records with a random selection of deeds taken from the Circuit Clerk's records or, if there be a computer program to determine the accuracy of the Assessor's records, that may be used. This process shall be documented by the Field Auditor.
6. Property sales transactions are considered to occur in a random manner. Samples shall be selected at random. The Field Auditors shall document the entire process by taking the record being used and logging a starting point and an ending point. The Field Auditor shall go through the record recording the deed book, page and deed number of each deed. If a sale is excluded, the reason shall be noted:
 - a) The Field Auditor shall select no more than five samples per subdivision, regardless of the number of phases in that subdivision.
 - b) The Field Auditor shall have a maximum of ten unimproved lot samples in the overall sample.
 - c) Multiple parcel sales and splits are to be selected only if the field auditor is experiencing difficulty in locating the required number of samples.
 - d) Samples which reflect a newly constructed building(s) on a previously unimproved lot may be excluded. These samples shall remain in the database for review by the Ratio Study Coordinator to determine if new construction is being properly added to the assessment rolls. If it is determined that new construction is not being properly added to the assessment rolls, then the Ratio Study Coordinator, after consultation with the Director, may reintroduce some or all of these samples without notification to the County Assessor.

- e) The following sales shall be excluded: sales of doubtful title; *Àright of way@* sales, road district, drainage district, sewer district sales; those involving courts, federal, state or local governmental agencies, sheriff=s sales, public utilities; those involving charitable, religious or educational institutions; those in which a financial institution is the buyer or seller and the lien holder, those involving administrators, executors, guardians, receivers or trustees and estates; those between related individuals or corporations; those in which the phrase *Àlove and affection@* are part of the consideration; those involving an *Àundivided interest@* or *Àlife estate@*; those of only mineral interests or timber rights and those which contain a land use (agricultural) valuation.

At the time of the pulling of the samples, sales are screened which are patently invalid on the face of the deed, as outlined in Acquisition and Analysis of Sales Data, Sections 6.1 through section 6.42 of the *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers.

VERIFICATION, EDITING AND ADJUSTMENTS TO REAL ESTATE SAMPLES

1. Following the selection of the sample, sales are further verified and edited based on Acquisition and Analysis of Sales Data: section 6.1 through section 6.4.2 of the *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or corresponding provisions contained in any superceding edition of same.
2. With respect to section 6.4.2 through section 6.6 *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers, there shall be no adjustment for those circumstances described in section 6.5.2 through section 6.6 except there is an adjustment to the sales price when there is a stated amount of personal property included in the sales price, except in the event there be circumstances as described in section 6.5.2 and section 6.5.3 discovered by the Auditor or brought to the attention of the Assessment Coordination Department, then those samples shall not be used. This provision shall be applicable to the corresponding sections of any superceding editions of said standards of ratio studies.
3. The ultimate decision as to whether a sample should be included shall be made by the Ratio Study Coordinator; while recognizing that the statistical validity of the ratio study is of prime importance.

MISCELLANEOUS

1. On receipt of the February first Preliminary Ratio Study, The Assessor shall promptly determine whether any of the samples proposed for inclusion in the study are objectionable.
2. All objections shall be made in writing and filed with the Ratio Study Coordinator by the Assessor on or before May 31. Each sample to which there is an objection must be identified and a full explanation provided as to why the sample should not be included. For example: if there is an objection that the sample parcel is adjoining one owned by the purchaser, documentation must be provided. If the requested exclusion is based

on information provided by another person, identify that person and obtain a signed statement from that person. The statement must contain the person's address, telephone number and the source of the information.

3. All objections shall be considered and, if warranted, further investigation shall be conducted to determine if the objection is valid. Failure to fully document the request may be grounds to refuse the objection; however, it is the overriding goal of the Ratio Study Coordination to delete all improper samples. Failure to make the objection in a timely manner, absent some compelling circumstance which prevented the Assessor from discovering the problem with the sample, shall automatically result in the rejection of an Assessor's request for deletion of a sample. No deletions shall be made after July 31.
4. The Ratio Study Coordinator may determine that a questioned sale sample should be included in the ratio study. A copy of the Assessor's edit request report shall be returned to the assessor with notations as to which sales were included, and why they were included, or excluded from the sample and those which need additional investigation by the field auditor. Field auditors shall review the edit report with the Assessor and recommend changes to the Ratio Study Coordinator if any changes are warranted in the judgment of the auditor.
5. Field Auditors shall discuss their findings regarding objections with the Assessor prior to August first, if the Ratio Study Coordinator for Market Value Real Estate has not done so.

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 multiplies 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.

B. PERSONAL PROPERTY COMPONENT:

The classifications are:

- (1) Business Personal
- (2) Personal-Auto/other

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 its 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. *Coefficient of Variation* (See section 7.5.2 *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or current edition - to select sample sizes)
2. *Weighted Mean* (See section 73.3 *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or current edition)
3. *Weighted Coefficient of Dispersion about the Median (CODw)*

$$\text{Formula for CODw} = \left(\frac{\sum (3 * A - (S * A/S) * \sum (s * (N-1)))}{\sum A/S} \right) * 100$$

\sum = sum of

$*$ = absolute value

A = assessed value of observation

S = selling price of observation

$\bar{A/S}$ = median assessment sales ratio

s = average selling price of group

N = number of observations

! = minus sign

* = multiplication sign

\div = division sign

4. *Median* (See section 73.1 *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or current edition)
5. Not required, but also computed:
 - a) *Mean* (See section 7.3.2 *Standard on Ratio Studies*, approved July 1990, 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) *Coefficient of Dispersion* (See section 7.5. 1 *Standard on Ratio Studies*, 1990, 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 7.7 *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers)

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

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 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, the appraiser qualification level of each, and the number of years of experience in mass appraisal;
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 and possesses sufficient operating capital to perform the contract and its other outstanding contractual obligations. If the appraisal company is a corporation and it does not meet the criteria, the principals may elect to sign as individuals and assume personal liability on the contract with the county.

Adopted 10/01/99

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 to 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).
7. 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

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).

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

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 4.20

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

In-House Countywide Reappraisal Plan (Three Year)

_____ County, Arkansas



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. Physically visit, inspect and gather physical data, on _____ real estate parcels, and enter said data in County's CAMA system prior to January 1 of the valuation year.
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. In order to gather accurate physical data, all real estate improvements will be measured.
5. 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.
6. In keeping with the intent of Act 836 of 1997 and Act 1440 of 1999, newly discovered and new construction property will be appraised and assessed at prevailing values until such time as all real estate parcels have been revalued.
7. All bona fide agricultural land, timberland, and pastureland will be valued in accordance with the Arkansas Constitution and A-C.A. 26-26-407.
8. After the completion of the reappraisal, millage rates for each taxing entity will be adjusted in accordance with Amendment 59 to the Arkansas Constitution and A.C.A. 26-26-400 series.
9. County will submit monthly progress reports to ACD, on forms designated by the agency.
10. All electronically stored real estate parcel information will be made available to ACD. Access to this information will be made available through phone lines using a modem.
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.

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. 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 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.

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 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)

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.

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 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.** _____

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

SECTION 6

SUPPORT PERSONNEL

(Responsible for assigning work areas, monitoring productivity, abstracting, etc.)

6a. Total appraisal and data entry staff.
(1d plus 2d plus 3e plus 4e plus 5e)

6b. Support personnel necessary.
(6a divided by 5)

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

SECTION 7

VALUATION AND APPEALS PROCESS

RESIDENTIAL/COMMERCIAL

- 7a. Total number of market value parcels. _____ / _____
- 7b. Number of workdays available from January 1 through June 30 of the valuation year. (6 months X 17 work days per month) _____ / _____
- 7c. Number of market value real estate parcels for which each appraiser is daily expected to: review sales data, establish land values, determine neighborhood delineation, establish appropriate neighborhood location factors, run appraisal ratio tests, and establish final values. _____ / _____
- 7d. Appraisal personnel necessary to establish final values as derived from local market conditions. (7a divided by 7b, divided by 7c) _____ / _____
- 7e. Support personnel for appraisal staff to perform data entry, etc. (7d divided by five) _____ / _____
- 7f. Personnel necessary for hearings (formal and informal), working splits, setting up new sub's, problems and other appraisal work for entire year, rechecks, new construction etc. _____ / _____
- 7g. **Total personnel necessary for phase two. (7d plus 7e)** _____

_____ COUNTY
IN HOUSE REAPPRAISAL

PERSONNEL NEEDS SUMMARY

PHASE 1 - INSPECTION, PHYSICAL DATA COLLECTION, AND COMPUTER DATA ENTRY FOR ALL REAL ESTATE PARCELS BY JANUARY 1 OF THE VALUATION YEAR.

TASK PERSONNEL REQUIRED

Section 1 - Inspection and Data Collection - Agri (1)_____

Section 2 - Appraisal Information Review - Agri (2d)_____

Section 3 – Inspection and Data Collection - Md. Val. (3e)_____

Section 4 - Appraisal Information Review - Mkt. Val. (4e)_____

Section 5 - Data Entry (5e)_____

Section 6 - Support Personnel (6b)_____

PERSONNEL NEEDS - PHASE I **TOTAL**_____

PHASE 2 - ESTABLISHING APPRAISED VALUES JANUARY 1 THROUGH JUNE 30, AND THE APPEALS PROCESS JULY 1 THROUGH APPROXIMATELY SEPTEMBER OF THE VALUATION YEAR.

Section 7 - Valuation Process (7g)_____

PERSONNEL NEEDS - PHASE 2 **TOTAL**_____

**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 BOARD OF EQUALIZATION

(Board of Equalization Members sign here)

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

SIGNATURE PAGE: COUNTY QUORUM COURT MEMBERS

(Quorum Court Members sign here)

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

SIGNATURE PAGE: COUNTY SCHOOL SUPERINTENDENTS

(School Superintendents sign here)

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

**Contracted Countywide Reappraisal Plan
(Three Year)**

_____County, Arkansas



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 "County") is submitting the following Contracted Countywide Reappraisal Plan (hereinafter referred to as "Plan") to the Arkansas Assessment Coordination Department (hereinafter also referred to as "ACD") for approval. The reappraisal conducted in accordance with this Plan shall 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 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.
2. the complete Plan which is submitted to ACD consists of the Contract between the Appraisal Firm and officers of the County authorized to enter into a contract. The Plan shall be signed by all signatories (Assessor, County Judge, Chairman of Equalization Board, Agent of Reappraisal Company, and Appraisal Manager).
3. any proposed deviation from the Plan (i.e., amendments to the Plan) must be submitted in writing and approved by the ACD. The proposal must clearly state the factor(s) necessitating the deviation. After the County receives its written preliminary approval, an addendum to the contract with the Appraisal Company must then be prepared immediately, along with the amended Plan, both of which are to be executed in the same manner as the original contract. The ACD shall then issue its approval provided the final documents comport with the proposed deviation.
4. it is filing this Plan in good faith with the understanding that its failure to abide fully by the terms shall result in the termination of the Plan and immediately cause the County to be subject to the provisions provided for in A.C.A. 26-26-1905.
5. prior to a termination of the Plan, the ACD shall notify the County setting out the factors giving rise to the preliminary decision to terminate the Plan and afford the County an opportunity to appear before the Director of the ACD to show cause why the Plan should not be terminated. The 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.

6. the County and the Appraisal Company acknowledge that although ACD has suggested a format and certain language for inclusion in a complete Plan, the agency does not imply that it is complete or exhaustive; and it is the ultimate responsibility of the parties to determine the specific language for inclusion in the contract.

CONTRACTED COUNTYWIDE REAPPRAISAL PLAN

The Appraisal Company agrees to abide by the International Association of Assessing Officers (IAAO) Standards. The Company is aware that its failure to abide by all terms of the contract with the county, including a failure to abide by the foregoing standards, shall be sufficient cause to allow the Assessment Coordination Department to withhold approval of any future contracts until the Appraisal Company has fully complied with its past contractual obligations.

WORK IN KIND - The Appraisal Company agrees to permit assessor's employees to participate in the reappraisal to lessen the expense of the reappraisal through a "work-in-kind" program, wherein qualified employees may perform particular tasks and the amount owed by the County to the Appraisal Company will be reduced by a given dollar amount, on a per parcel basis.

For example, the Appraisal Company would reduce the cost of the reappraisal by a given amount for each parcel inspected or for each parcel entered into the CAMA system by a county employee. The value assigned to each task would be a subject of negotiation between the County and the Appraisal Company, and become a part of the contract between those parties.

Determination as to whether the county employees' work is of adequate quantity and quality will be at the discretion of the Appraisal Company.

Contracted Reappraisal Plan requires that the Appraisal Company perform the following:

1. Physically visit, inspect, and gather physical data, on _____ real estate parcels, and enter said data in County's CAMA system prior to January 1 of the valuation year.
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. In order to gather accurate physical data, all real estate improvements shall be measured.
5. 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.
6. 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.
7. All bona fide agricultural land, timberland, and pastureland will be valued in accordance with the Arkansas Constitution and A.C.A. 26-26-407.

- 8.** After the completion of the reappraisal, millage rates for each taxing entity will be adjusted in accordance with Amendment 59 to the Arkansas Constitution and A.C.A. 26-26-400 series.
- 9.** The Appraisal Company will submit monthly progress reports to the Assessment Coordination Department, on forms designated by the agency.
- 10.** 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.
- 11.** The Appraisal Company 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 _____ 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 accomplishment.

Recognizing that a taxpayer contact represents a public relations opportunity, employees shall 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 shall occur in their area.

Public relations will be primarily an in-house activity and will be the responsibility of all employees involved in the countywide reappraisal program, with the fundamental responsibility for implementation belonging to 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 shall be calculated by C.A.M.A. or support staff for each property. All three approaches (sales comparison, 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 which have occurred to properties since the time of the original field inspection.

On completion of the valuation process, the Appraisal Company 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 which may have occurred, to ensure accuracy and quality of data collected. The Appraisal Company shall 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 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 units of comparison throughout the county.

The Appraisal Company 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.

To the extent practical, land value computations shall 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 value of each parcel of improved property, the Appraisal Company will consider all three approaches to value where applicable. The Company 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 the Assessment Coordination Department. Local sales data will be used to arrive at appropriate local market adjustment factors required to calibrate the cost system. The Appraisal Company 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 Appraisal Company shall inspect the exterior of each structure. Interior data shall 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 shall 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 shall be placed on this sketch. Appendages such as attached garages, porches, etc. shall be carefully shown with dimensions and labeled accordingly. 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. shall 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 shall be extracted from reliable sources. The income approach, cost approach, and 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 will 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 equipments, 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 shall be extracted from reliable sources. The income approach, cost approach, and 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 is to establish a fair, equitable, and realistic value by comparing properties with other like properties, and to maintain the same level of market values placed on all other classes of property within the taxing jurisdiction.

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

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, classification(s) of the parcel, 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 shall meet, and other requirements of Act 572 of 1999.

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 appear before the equalization board by the third Monday in September, after which no petition for appeal shall be accepted.

The Company 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 means of accepted standards for mass appraisal practice.

5. C.A.M.A. and Data Accuracy Control: The Appraisal Company 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 contracted reappraisal Plan shall 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 Appraisal Company) who receive, store, dispense, monitor, and review the data.

6. Sales Questionnaire and Sales Data Collection Process: The Appraisal Company will develop a comprehensive data collection program using the sales questionnaire. This data and other data shall 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).

The sales questionnaire phase will be on going 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 shall 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 appraisal company 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 Appraisal Company will be responsible for the appraisal of new construction and newly discovered property and shall maintain a list and dollar summation of the amount of these properties.

BID SPECIFICATIONS FOR CONTRACTING THE COMPLETION OF THE REAPPRAISAL OF _____ COUNTY, ARKANSAS

1.0 Purpose and General Information. The purpose of the contract will be to fulfill the need to reappraise property in _____ County, Arkansas in accordance with Act 1185 of 1999 and the rules implementing that Act as prescribed by the Assessment Coordination Department (ACD). The reappraisal shall be conducted over a _____ **(three year or # of months)** period and shall progress in two phases commencing in _____ **(year)**. Phase 1 of the reappraisal project will be conducted over the **(first two calendar years or # of months)** of the **(three year or # of months)** period. The contractor shall provide data collection and Computer Assisted Mass Appraisal (CAMA) System data entry for all real parcels during Phase 1. Phase 2 of the reappraisal project shall be during the **(third calendar year or number months)** of the _____ **(three year or # of months)** period. The contractor shall estimate the value of all real parcels in the county, send reappraisal notices to property owners as required by Arkansas law, and defend value estimates before the county equalization board and county court during Phase 2.

2.0 The Contractor will provide the following services.

2.1 Contractor, in conjunction with the county assessor, shall develop a reappraisal plan to be submitted to the ACD. No contract shall be in force until such time as the proposed reappraisal plan is approved by the ACD.

2.2a Phase 1 - Field collection and CAMA entry of relevant data about the land, buildings and improvements of all residential properties in the County in accordance with ACD Rules implementing Act 1185 and ACD approved reappraisal plan.

2.2b Phase 2 - Estimate the value of land, buildings and improvements of all residential properties in the County in accordance with ACD Rules implementing Act 1185 and ACD approved reappraisal plan.

2.3a Phase 1 - Field collection and CAMA entry of relevant data about the land, buildings and improvements of all commercial properties in the County in accordance with ACD Rules implementing Act 1185 and ACD approved reappraisal plan.

2.3b Phase 2 - Estimate the value of land, buildings and improvements of all commercial properties in the County in accordance with ACD Rules implementing Act 1185 and ACD approved reappraisal plan.

2.4a Phase 1 - Field collection and CAMA entry of relevant data about the land, buildings and improvements of all industrial properties in the County in accordance with ACD Rules implementing Act 1185 and ACD approved reappraisal plan.

2.4b Phase 2 - Estimate the value of land, buildings and improvements of all industrial properties in the County in accordance with ACD Rules implementing Act 1185 and ACD approved reappraisal plan.

2.5a Phase 1 - Field collection and CAMA entry of relevant data about the land, buildings and improvements of all agricultural and farm properties in the County in accordance with ACD Rules implementing Act 1185 and ACD approved reappraisal plan.

2.5b Phase 2 - Estimate the value of market value based land, buildings and improvements of all agricultural and farm properties in the County in accordance with ACD Rules implementing Act 1185 and ACD approved reappraisal plan.

2.6 Update all bona fide agricultural, timber, and pastureland values in the County. All land will be inspected, either on site or by using aerial photographs no older than one year, to determine if its use has changed since the last update. Should a change in land use of any parcel be discovered, the county records will be made to reflect that change.

3.0 The following defined terms shall apply unless otherwise specifically provided herein.

3.1 "Apartment real property" or "Apartments", including apartment complexes, means a class of parcels used as dwelling structures which were originally constructed with four (4) or more dwelling units therein, the structure of which is primarily non-resident owned.

3.2 "Commercial real property" or "commercial property" means a class of property consisting of parcels used for business or commercial purposes, including, but not limited to, stores, service centers, restaurants, and other structures designed or used for commercial purposes. Commercial real property includes:

A. All land, buildings, and other structures thereon, used or usable for commercial purposes.

B. Special purpose buildings, not classified as industrial buildings, shall be included in the appraisal of commercial property.

C. Vacant lots or other parcels of real estate in areas used for commercial purposes, or in predominantly commercial areas, or which are used in connection with commercial enterprises, or which are primarily suited for commercial developments shall be classified as commercial property except where there is another actual bona fide use in place which should be valued under that use as provided by law.

3.3 "Industrial real property" or "industrial" means a class of property consisting of parcels used for industrial production or service, including plants, shops, processing establishments, and other structures designed or used for industrial purposes.

3.4 "Residential real property" or "residential property" means a class of property consisting of parcels used for residential purposes as dwellings, including houses, condominiums, and other structures designed or used for residential or dwelling purposes. The term "residential real property" additionally means all lots, parcels or tracts of land, and all dwelling houses located in the County, which are not herein defined as apartments or commercial real property.

3.5 "Agricultural Land" is land employed to generate income from growing crops, timber, or livestock or livestock feed. There is no minimum or maximum acreage.

3.6 "Rural Improvements" are improvements, including residential improvements, to land other than residential, rural, or commercial land.

3.7 "Rural Properties" are lands and/or improvements situated in platted subdivisions outside of city limits.

3.8 "Market Value" is defined by the International Association of Assessing Officers as "the most probable price, expressed in terms of money, that a property would bring if exposed for sale in the open market in an arms-length transaction between a willing seller and a willing buyer, both of whom are knowledgeable concerning all the uses to which it is adapted and for which it is capable of being used."

3.9 "Data Collection" means the process of gathering or confirming existing information about the physical characteristics of a property by inspection at its location.

3.10 "To Value" means to employ the information gathered from a physical inspection of property and from market research to estimate the market value of property as of the appropriate property tax lien date.

3.11 "Reappraisal" means the estimating of the value of all taxable real property within the county as of a given date within a given time frame.

3.12 "Parcel" means all contiguous land capable of being conveyed on a single deed, except when the land crosses a taxing unit or section lines. An "Improvement Only" is considered a separate parcel from the land. The legal description of each parcel shall be unique to that parcel. Ownership of a parcel by multiple persons does not constitute multiple parcels. Control cards, information cards, and severed mineral rights are not parcels as used herein.

3.13 "Neighborhood" is 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. Neighborhood delineation shall be in accordance with ACD Rules implementing Act 1185 of 1999.

4.0 Base Services.

4.1 Contractor shall reappraise each parcel of real property in _____ County, in a sequence specified by the Reappraisal Plan as approved by ACD and in the manner prescribed by ACD Rules implementing Act 1185 of 1999.

4.2 The values of real property shall be made available for placement on the assessment rolls by July 1 of the Phase 2 year.

4.3 For purposes of estimating property values, the Contractor shall employ a computer assisted mass appraisal (CAMA) system which shall be based upon ACD approved cost manuals, adjusted for locational differences and other appropriate valuation models, which will estimate property market values.

4.4 Contractor shall be responsible for sending notices of value changes to property owners. The notices shall comply with Act 572 of 1999.

4.5 Contractor shall defend property value estimates beginning with informal appeals commencing after the mailing of notices of value change and continuing through county court hearings. Defense of property value estimates at the Circuit Court level shall be separately billed and shall be negotiated by the contractor and the county.

4.6 All county records removed from the courthouse by the Contractor shall be sufficiently insured at full replacement value. In the event that county records are lost or destroyed after being removed from the courthouse by the contractor, it shall be the contractor's responsibility to replace said records or to pay the full cost of replacement.

4.7 All records, working documents, manuals, pricing data, maps, aerial photographs, plats, and other materials shall be the property of the county and shall be considered official courthouse records at the conclusion of the project.

4.8 Contractor shall make every possible attempt to answer public inquiries on a timely basis.

4.9 Appraisal manager or senior representative of the Appraisal Company shall, upon request, give presentations to civic groups in the county.

5.0 The following approaches will be used to estimate property value.

5.1 Cost Approach: Manuals developed by the ACD will be used for dwellings and normally associated structures. Marshall-Swift Valuation Service or other ACD approved valuation services shall be used for all other properties. Contractors shall develop appropriate location factors. For improvements not covered by the manual, the Contractor shall make a careful investigation of construction costs in the County and may reference other cost manuals.

Depreciation will be estimated by using the most applicable of the condition, age-life, and/or market abstraction techniques to properly reflect physical, functional, and economic depreciation of the subject property.

5.2 Sales Comparison Approach: Major emphasis will be placed on the sales comparison approach to value residential property and where applicable to commercial and industrial property. The contractor shall physically delineate neighborhoods in accordance with ACD Rules implementing Act 1185 of 1999.

At least three sales of comparable properties will be required to be made available on request on all residential properties, unless the subject property is so unique that no comparable sales exist.

5.3 Income Approach: Contractor will develop valuations considering the income capability on all appropriate commercial properties, as well as on multifamily residential properties. The values indicated by the income capability of the property will be correlated with those indicated by the cost and comparable sales approaches in order to determine a final estimate of property values.

6.0 Valuation of Land. Contractor shall supply services of its qualified appraisers for the valuation of land in the County for all parcels to be appraised as specified in the Proposal. All factors affecting the market value of lots and parcels (such as: location, size, and shape of parcel, topography, new developments, and other factors) shall be carefully considered in the final field inspection and review. All vacant land shall be appraised at its "typical" or "most probable use" value in money as of appropriate tax lien date. The typical use of vacant residential or commercial land shall be determined by considering the primary current use of adjacent lands.

7.0 Property Record Cards. Contractor will use the standard property record card (PRC) format approved by ACD for data collection and appraisal of all types of property to be appraised in the Proposal.

8.0 Valuation Date. Estimate of value of each parcel shall be as of January 1 of the Phase 2 year, or in respect to new construction or newly discovered property as of January 1 of first year placed on the assessment roll.

9.0 Sales Information. County shall continually and concurrently provide copies of all sales information available to it with respect to transfers of parcels occurring from the beginning through the duration of the Contract. The contractor shall verify selling prices indicated in public records and confirm physical data and other relevant information about the property as of the date of sale.

10.0 Sales Ratio Study. Contractor shall generate and supply to the County an appraisal-to-sales price ratio study in compliance with the standards provided under Act 838 of 1987 and Act 440 of 1997. The study shall include a list of sales considered to be valid by the Contractor, occurring during the year in which the contract commences until the completion date of the contract. The listing shall include parcel identification number, month and year of sale, property classification, selling price, appraised value of land and building, if applicable, total assessed value, ratio of appraised value to selling price, and aggregate mean and median ratios expressed as percentages.

A summary by taxing district shall include number of sales, vacant and improved, aggregate total selling price by class, average selling price, aggregate total appraised value, aggregate ratio, median ratio, coefficient of dispersion, and weighted coefficient of dispersion.

11.0 Progress Reports. Contractor shall make monthly progress reports to the County Judge, County Assessor, and ACD, and will hold meetings with the same as may be required or requested. Each monthly progress report shall indicate the type or types of work performed, the number and type by class of parcels appraised, and a summary showing the percentage of total project completion.

12.0 Newly Discovered and Constructed Property. Contractor shall be responsible for the appraisal of new construction and newly discovered property while the contract is in force. The contractor shall maintain a list of and dollar summation of the amount of newly constructed and discovered property. The contractor shall, from available public records and other public sources, discover all newly constructed property and any other property which had previously escaped assessment in the county; collect data on the same; enter data into the CAMA system; value and cause that property to be placed on the assessment roll during the current year. The contractor shall comply with Act 572 of 1999 in respect to property owner notification and hearings.

13.0 Quality Control. Contractor shall implement a proven system of quality control for all major phases of the revaluation program. All work performed shall comply with requirements and standards established and promulgated by the ACD and the appropriate Standards promulgated by the International Association of Assessing Officers and adopted by ACD.

14.0 Data Entry. Data entry is the responsibility of the contractor.

15.0 Qualifications of Contractor.

15.1 Contractor shall submit to the County and ACD a statement of qualifications of all employees who will be involved in the reappraisal project. The qualifications shall meet those established in ACD Rules implementing Act 1185 of 1999.

15.2 County, upon written notice to the Contractor's Reappraisal Manager, may request the removal of any person or persons that the county considers to be incompetent or negligent in the performance of their duties, or who shall be deemed to be guilty of misconduct. Such written notice shall state in detail the basis for the request with justification indicating the facts of the request.

15.3 Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin and will take affirmative action to insure that applicants are employed and are treated during employment, without regard to race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the county setting forth the provisions of this nondiscrimination clause. Contractor will, in all solicitations or advertisements for employees placed by or in behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

16.0 Conflict of Interest. Contractor shall not contract with or employ a county official or immediate relative of a county official in connection with the revaluation project. The contractor may contract with or employ employees of county officials if the following criteria are met: 1) The county official approves the contract or employment, 2) The county employee's work for the contractor is not done in the county official's office, and 3) The county employee's work for the contractor is done after normal business hours of the county. This provision does not bar county employees from resigning their positions with the county and subsequently becoming employees of the contractor, nor does it bar employees of the county from participating in the project when the contractor compensates the county for work done by a county employee.

17.0 Relationship of Parties. The relationship of the Contractor to the County (or ACD) shall be that of an Independent Contractor, and no principal-agent or employer-employee relationship will be created by the agreement. The Contractor shall not subcontract any work under contract without written approval of the county and the Director of the Assessment Coordination Department.

18.0 Subletting and Assigning Contract. Contractor shall not assign or transfer the contract or any interest without first receiving written approval from the county and the Director of the Assessment Coordination Department.

19.0 Change in Contract. Changes in the contract shall be permitted only upon written mutual agreement of the Contractor, the county, and the Director of the Assessment Coordination Department.

20.0 Standards. In performing any obligation provided for this specification, the Contractor agrees to comply with any and all rules, regulations, and standards of the Assessment Coordination Department. Changes to or deviation from the specifications contained herein must be submitted to and approved by the Director of the Assessment Coordination Department, prior to implementation of those changes or deviations.

21.0 Surety and Insurance. Contractor shall carry public liability and workman's compensation insurance which shall save harmless the county from claims, demands and causes of action arising from any act of commission or omission of the Contractor, its agent or employees, in the execution of their work under the terms of this agreement, including claims relating to labor and materials furnished.

22.0 Force Majeure. If, because of force majeure, any party hereto is rendered unable, wholly or in part, to carry out its obligations under the contract, then such party shall give to the other party prompt written notice of the force majeure with reasonably full details concerning it.

Thereupon, the obligation of the party giving the notice, so far as they are affected by the force majeure, shall be suspended during, but no longer than, the continuance of the force majeure. The affected party shall use all possible diligence to remove the force majeure as quickly as possible, but his obligation shall not be deemed to require the settlement of any strike, lockout, or other labor difficulty, or other dispute regarding contributory payment by contributors to cost of the operation of the county, contrary to the wishes of the party involved. The term "force majeure" as used herein means any act of God, strike, lockout, or other industrial disturbance, act of a federal, state, or local legislature, act of a public enemy, war, blockade, public riot, lightning, fire, storm, flood, explosion, governmental restraint, unavailability of equipment, gasoline rationing, and any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within the control of the party claiming suspension.

23.0 Laws to Govern. Contract shall be governed by the laws of State of Arkansas, as both to interpretation and performance. The contractor shall conduct operations under the contract in compliance with all applicable laws.

24.0 Compliance with Assessment Coordination Department Rules. Upon finding and notification by the ACD that proper reappraisal procedures are not being followed, the contractor shall bring the reappraisal into compliance within the legally established thirty (30) day period. Should the contractor not bring the reappraisal into compliance within that time frame, the contract will be terminated.

25.0 Indemnity. The contractor will defend, save harmless and exempt _____ County Government, its officers, agents, and employees from and against any and all damages, costs, expenses and attorney's fees resulting from injury to persons or damage to property suffered in connection with work done in the performance of the contract. The county reserves the right to retain counsel of its choice at its own expense, or in the alternative, approve counsel obtained by the contractor.

26.0 Cancellation. The contract can be terminated by either party upon thirty-day (30) written notice in the event of noncompliance with the terms of the contract.

27.0 Taxpayer Litigation. Any litigation against the county and/or its officials, challenging the county's authority on the timing of placing particular parcels on the tax rolls, shall in no event, affect the contract, except as such litigation is occasioned by or due to contractor's noncompliance with the contract.

28.0 Payment. Payment by the county to the contractor shall be made monthly based on (Choose one: 'equal payments over the term of the contract' or "production level"). Completion of the contract shall be evidenced by the acceptance of the assessment roll by the county and the ACD. Acceptance of the assessment roll by the county shall not occur until after the end of the County Court appeal period.

29. Late Charge. Contractor will complete the work within the time frame specified in ACD Rules implementing Act 1185 of 1999. If the contractor fails to complete the work within the time specified, the contractor shall pay the county, as liquidated damages, and not in the nature of a penalty, the sum of \$500.00 for each day delayed, (Saturdays, Sundays, and official state holidays excluded) which shall be deducted from the final amount to be paid under this contract. The county judge reserves the right to relieve the Contractor of said late charge.

30. Checklist of Services to Be Provided. The following checklist must be submitted as part of the bid specifications:

1. Contractor Required Services

- Finished Property Record Cards
- Aerial photos (If County does not already have most current)
- Real estate appraisal
- Field data collection
- CAMA system data entry
- Agricultural, timber & pasture land value update
- Appraisal notice mailing
- Value estimate defense
- Public inquiries about property values (informal appeals)
- Property sales verification
- Sales ratio study (compliance with 10.0 of the Bid Specifications)
- Progress reports to county officials and ACD
- Discovery of new construction from public records and sources
- Valuation of newly discovered property in the current assessment year
- Property addresses where reasonably attainable
- Most recent ACD soil summary
- Quality Control (compliance with 13.0 of the Bid Specifications)
- Liability and workman's compensation insurance (compliance with 21.0 of the Bid Specifications)

2. County Required Services

- Sales information (compliance with 9.0 of the Bid Specifications)
- Ownership records

3. Additional Services to be provided by:	Contractor	County
Reappraisal plan submitted to ACD	_____	_____
Office space	_____	_____
Office furnishings	_____	_____
File cabinets	_____	_____
Computer hardware	_____	_____
Computer software maintenance	_____	_____

Other (please list on a separate page and specify who has responsibility)

PLANNED PROGRESS REPORT

As a part of this plan, the Contractor 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

The Contractor agrees to provide a monthly progress report to the 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 the Assessment Coordination Department. 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, the County Officials and others signing this document agree to assist in its implementation within the parameters of their official positions.

To qualify a Contracted Plan for consideration, it must at a minimum be signed by the County Assessor, County Judge, Chairman of the Equalization Board, an agent of the Appraisal Firm, and the reappraisal manager, unless a waiver of the requirement is obtained from the Director of the ACD for good cause shown. Signatures of the county's Board of Equalization, Quorum Court, and school district Superintendents are also requested. In the event one of the aforementioned does not sign the Plan, the Assessor must certify that the member(s) received a copy of the Plan.

Signature pages follow.

SIGNATURE: COUNTY ASSESSOR
(County Assessor signs here)

SIGNATURE: COUNTY JUDGE
(County Judge signs here)

SIGNATURES: COUNTY BOARD OF EQUALIZATION
(Board of Equalization Members sign here)

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

SIGNATURE PAGE: APPRAISAL FIRM

Name _____

(Officer for appraisal firm signs here)

(Capacity or title in which officer of appraisal firm signs)

SIGNATURE PAGE: COUNTY QUORUM COURT MEMBERS
(Quorum Court members sign here)

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

SIGNATURE PAGE: COUNTY SCHOOL SUPERINTENDENTS
(County School Superintendents sign here)

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

Homestead Credit Application/Sales Verification

Owner's name: _____

Mailing address: _____

Parcel number: _____ Sec ____ Twp ____ Rng ____

Subdivision/addition: _____

Legal description: _____

Acreage: _____ Physical Address: _____

Agent: _____ Closing date: _____

Tax credit registration for assessment year: _____ Phone number: _____

In accordance with Amendment 79 of the Arkansas Constitution, homeowners may be eligible for up to a \$300 real estate tax credit on their homestead properties. Additional benefits may apply to those who are 100% disabled or age 65 or older (the assessment on your house and associated land may not increase unless you make substantial improvements). A homestead is a residential property of which you are the owner of record and which is used as your principle place of residence.

By you answering the following questions and returning the form to the _____ County Assessor's Office, we will be able to determine if you are eligible for the credit and/or additional benefits. You will also contribute to fair and equitable assessment of real property in our county. It is necessary to verify sales to have accurate information, though **answering questions 8 through 13 is optional**. Please place an **X** for each correct answer.

Tax Credit/Amendment 79 Benefit Registration

- 1. ____ I am the owner of record by recorded _____ (deed/contract) of the property listed above, which ____ (is/is not) my principal place of residence.
- 2. ____ Either I or a joint owner is 100% disabled (Provide Social Security documentation).
- 3. ____ Either I or a joint owner is 65 years of age or older. Date of birth ____/____/____ (Provide proof of age to receive benefits)
- 4. ____ I have transferred ownership of this residence, but retained a life estate and reside at this property.
- 5. ____ I am the owner of record of the property listed above, but I reside in a nursing/retirement center.
- 6. ____ Use of the property at the time of sale was: ____ Single family residence ____ Multi-family ____ Commercial
____ Vacant land ____ Other (Describe on back of this sheet)
- 7. ____ Recent changes to the property: _____ Date of change: _____

Sale Price Verification

- 8. Total sale price: \$ _____
- 9. Is the sale fulfillment of a sales contract? Yes ____ No ____ If yes, the year of the original contract _____
- 10. Was there a trade of property or personal property included in the sale? Yes ____ No ____ If yes, describe _____
_____ Estimate of value _____
- 11. Was the sale between relatives? Yes ____ No ____ If yes, state relationship _____
- 12. Was the sale forced by court order, divorce, estate settlement or foreclosure? Yes ____ No ____
- 13. Was there an appraisal of the property when sold? Yes ____ No ____

If you have any questions regarding this form, please call the _____ County Assessor's Office at _____ .

I hereby acknowledge that the above statements are true and correct to the best of my knowledge, information and belief:

Signed _____ Date _____

Witness _____ Date _____

_____ COUNTY
 _____ (MONTH) _____ (YEAR)

GEOGRAPHICAL AREA (CITY, SUBDIVISION, S-T-R, ETC.) OR FURTHER BREAKDOWN (AS NEEDED) <i>Note: Please provide as detailed a description as necessary, so that exact parcels for each completed area can be determined. Do not include work that has had data collection only or data collection/data review only. Do not include maintenance work or previously reported work.</i>	NUMBER OF PARCELS		OTHER TASKS COMPLETED
	DATA COLLECTION/ REVIEW AND DATA ENTRY	VALUATION	
TOTALS FOR THIS PAGE			
<i>(FOR LAST PAGE USE ONLY)</i> OVERALL TOTALS			

The reappraisal for this county is scheduled to be completed in _____ (year) _____ Date
 Appraisal Firm (If Contracted) _____ Appraisal Manager _____
 COMMENTS: _____

Monthly Progress Report - Instructions

- (1) The monthly progress report represents work completed from the 20th of the previous month through the 19th of the current month.
- (2) Reimbursement will occur after the progress report is received each month.
- (3) Each progress report will be reviewed for accuracy and clarity. Reports will be returned for correction if necessary. In addition, each progress report will be compared to the planned progress as detailed in the reappraisal plan. If work completed is more than 10% behind planned progress, the reappraisal will be considered out of compliance.
- (4) ACD review will be conducted only on work that is reported as complete on the progress report.
- (5) It is important that the description be detailed enough that exact parcels can be determined. For example, if data collection/review and data entry for all 40 parcels in Allen Subdivision was complete, the description Allen Subdivision would be sufficient. However, if data collection/review and data entry was complete for only 20 of those parcels, further breakdown would be needed. If necessary include an attachment and enter See attached.
- (6) The Number of Parcels for which data collection/review and data entry is reported complete refers to the number of parcels that have had initial data collection, any necessary follow-up review, and the resulting data input. Do not enter totals for those parcels that have had data collection only or data collection/review only.
- (7) The Number of Parcels for which valuation is reported complete refers to the number of parcels which have final values and corresponding entry into the CAMA system. This includes lot values, location factors, and soil coding where applicable.
- (8) Data collection/review and data entry for agricultural use parcels is considered complete when data collection/review and data entry of improvements has been done. Use determination can be made on site and/or with up-to-date aerials and is considered part of the valuation process for audit purposes.
- (9) Use the Other Tasks Completed column to describe work such as Setup or Maintenance Only. No totals are needed for this column. Include Soil Coding if dates are different from planned geographical progress.
- (10) Further review or adjustments are expected occasionally, but no previously reported work should be listed again on the progress report.
- (11) Do not include maintenance work totals on the monthly progress report. However, an explanation of the methods used and a printout listing reviewed parcels should be available to auditors visiting the county.
- (12) Always submit this particular form. Use the comments section or an attachment if necessary.
- (13) Provide an explanation if actual progress is not within 10% of planned progress.

(14) Please enter totals where indicated.

Planned Progress Report - Instructions

- (1) The planned progress report is required only at the beginning of a reappraisal as a part of the reappraisal plan.
- (2) The monthly breakdown on the planned progress report represents work scheduled from the 20th of the previous month through the 19th of the current month.
- (3) Place a check mark next to either "Phase 1" or "Phase 2" at the top of the page.
- (4) Do not include exempts as part of planned progress.
- (5) A breakdown by city or township-range is sufficient for phase 1 of the planned progress report.
- (6) A geographical area that takes more than one month to complete needs no further geographical breakdown for each month but a per month projected total is required.
- (7) A breakdown by city or township-range is not required for phase 2 of the planned progress report. However, a per month total is required.
- (8) "Number of Parcels" during phase 1 refers to the number of parcels each month for which data collection, any necessary follow-up review, and the resulting data input is scheduled to be complete. Do not enter anticipated totals for data collection only or data collection/review only.
- (9) Completion of phase 1 must be scheduled no later than April 19th of the valuation year.
- (10) "Number of Parcels" during phase 2 refers to the number of parcels each month for which valuation and corresponding entry into the CAMA system is scheduled to be complete. This includes lot values, location factors, and soil coding where applicable.
- (11) The Phase 2 schedule can begin at any time during the reappraisal and can be broken down per month by segment, such as lot valuation or location factor analysis. However, totals should only be entered when parcels are scheduled to be phase 2 complete. 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. Final values shall be made available for placement on the assessment rolls by July 1 of the valuation year.
- (12) Data collection/review and data entry for agricultural use parcels is considered complete when data collection/review and data entry of improvements has been done. Use determination can be made on site and/or with up-to-date aerials and is considered part of the valuation process for audit purposes.
- (13) Use the "Other Tasks Planned" column to describe work such as "Setup", "Maintenance Only", or "Lot Valuation". No totals are needed for these tasks. Include "Soil Coding" if dates are different from planned geographical progress.
- (14) Please enter totals where indicated.

COMPLIANCE VERIFICATION FORM

_____ County

Date: _____

County Assessor: _____

Appraisal Manager: _____

Responsible Party: _____

Appraisal Firm (if applicable): _____

PLAN FOR CORRECTIVE ACTION

Out of Compliance Category: _____

Corrective Action Required: _____

Deadline: _____

Required Progress by Month:

Note: Failure to maintain scheduled monthly progress or meet the deadline for this corrective action will result in the reappraisal being out of compliance with standards established by the Assessment Coordination Department's Rules and Regulations and funding will be withheld. The responsible party must then bring the corrective procedures into compliance within 30 days and notify the ACD in writing, or funding will be terminated (see Rule 3.31).

CERTIFICATION

I CERTIFY THAT PROPER REAPPRAISAL PROCEDURES FOR THE ABOVE CATEGORY ARE NOW IN PLACE AND NECESSARY CORRECTIONS OF PAST REAPPRAISAL WORK WILL BE ADDRESSED IN ACCORDANCE WITH THE ABOVE PLAN FOR CORRECTIVE ACTION.

Responsible Party _____ Date _____