

DIVISION OF PROPERTY ASSESSMENTS

JULY 1, 2017 - JUNE 30, 2018

T*o achieve success in administering Tennessee's Property Tax System, we hold to our Core Values in everything we do.*

HONESTY - INTEGRITY - ACCURACY - RELIABILITY - ACCOUNTABILITY

The Core Values of the Division of Property Assessments are those values we hold which form the foundation on which we perform our work and conduct ourselves. We have many values, but some of them are so crucial, so important to us that throughout the changes in society, government, politics, and technology they are still the Core Values we will abide by. In an ever-changing world, Core Values are constant. Core Values are not descriptions of the work we do or the plans we implement to accomplish our mission. The Values underlie our work, how we interact with each other, and which strategies we employ to fulfill our mission. The Core Values are the basic elements of how we go about our work. They are the practices we use every day.



The mission of the Comptroller's Office is to make government work better.

OUR GOALS ARE ...

- To ensure the professional administration of property tax programs in all taxing jurisdictions pursuant to Tenn. Code Ann. §§ 67-1-201 through 67-1-514, and Tenn. Code Ann. §§ 67-5-101 through 67-5-1705.
- To ensure a standardized record-keeping system for all property tax records through the continued use of the division's computerized appraisal and tax billing system.
- To ensure an up-to-date and equitable property tax base in all taxing jurisdictions through continuing county reappraisal efforts and the maintenance of the division's computer assisted mass appraisal system, pursuant to Tenn. Code Ann. §§ 67-5-1601 through 67-5-1603.
- To ensure a high degree of competency and a broad base of appraisal knowledge through the division's Assessment Certification and Education Program.
- To administer the Property Tax Relief Program in a manner that all qualifying low-income elderly, disabled, disabled veterans and surviving spouses of disabled veterans will receive timely and accurate rebates pursuant to Tenn. Code Ann. §§ 67-5-701 through 67-5-704.
- To monitor and assist local jurisdictions with the Property Tax Freeze program pursuant to Tenn. Code Ann. § 67-5-705.
- To accomplish appraisal ratio studies in every county as determined by the State Board of Equalization and pursuant to Tenn. Code Ann. §§ 67-5-1604 through 67-5-1606.
- To monitor on-site review and valuation of properties, provide valuation assistance, develop valuation indexes and audit assessor performance in accordance with Tenn. Code Ann. § 67-5-1601.

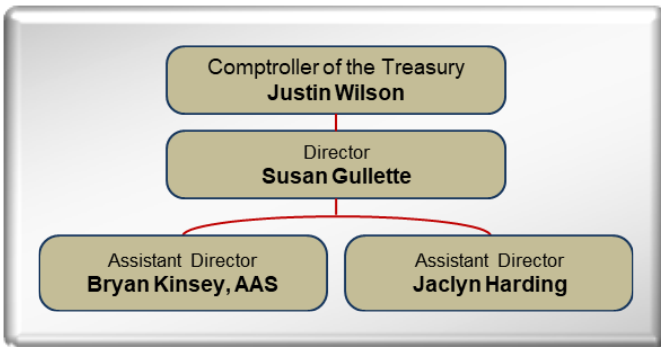
2018 ANNUAL REPORT

ADMINISTRATION

The Administration section is responsible for managing the Assessor Certification and Education Program in addition to the development, implementation, and monitoring of the division's annual operating budget. Administration also oversees the annual strategic plan and risk assessment for the division.

- During Fiscal Year (FY) 2018, technical appraisal training was provided to 347 students through 18 courses and workshops that were held in various locations across the state.
- The County Equalization Board Seminars were attended by approximately 337 participants in 8 locations across the state.
- The Personal Property Workshops were attended by approximately 216 participants in 5 locations across the state.
- The Greenbelt Seminars were attended by approximately 163 participants in 4 locations across the state.
- The 2017 Assessor Retreat was attended by approximately 225 state and county government participants representing 73 counties from across the state.
- Currently the Assessment Certification and Education Program has a total of 92 Tennessee Master Assessor (TMA) and 93 Tennessee Certified Assessor (TCA) certification holders, in addition to 7 Certified Assessment Evaluator (CAE), 11 Residential Evaluation Specialist (RES), 29 Assessment Administration Specialist (AAS) and 8 Cadastral Mapping Specialist (CMS) IAAO designation holders that are active.
- The Assessment Certification and Education Program awarded 8 TMA, 2 Assessment Level IV, 5 TCA, 6 Assessment Level II, and 21 Assessment Level I certifications this fiscal year.
- The State Board of Equalization will make incentive compensation payments (county employees only) to 5 CAE, 53 TMA and 32 TCA designation/certification holders in good standing.

Property Assessments Organization



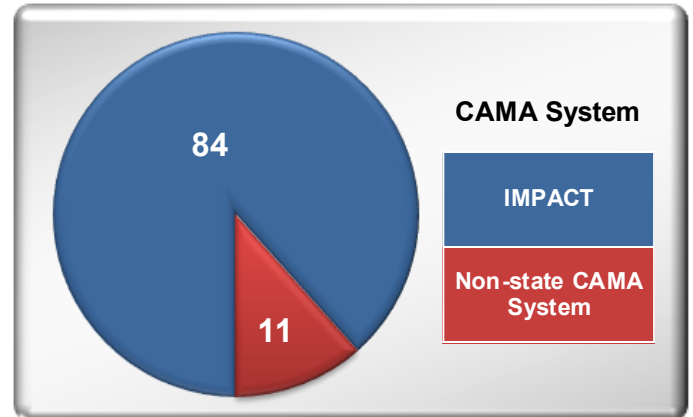
SYSTEMS

- The Integrated Multi Processing of Administrative and CAMA Technology (IMPACT) system is the largest software application project today in the Office of the Comptroller, with scheduled implementation completed as of October 2016. IMPACT replaced multiple legacy systems and databases. Among the many benefits of IMPACT, the new system introduced a single relational database that allows the business areas to share dependent data, removing redundant manual entry and reconciliation tasks.



- ♦ IMPACT continues to evolve and improve. Version upgrades as well as new enhancements based on user feedback ensure an "evergreen" CAMA system to benefit not only the Office of the Comptroller but also jurisdictions and taxpayers across the state.
- ♦ For FY 2018, 84 counties are currently on the IMPACT system.

Tennessee CAMA Systems

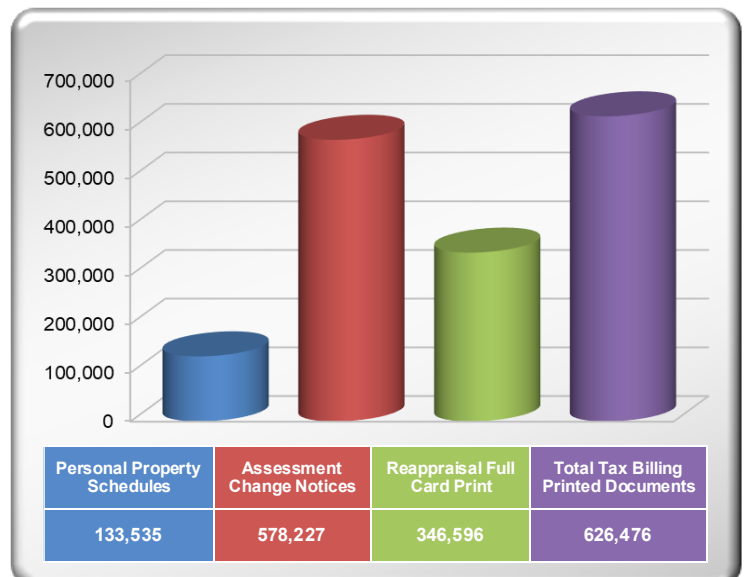


- **Assessment Systems** is comprised of 9 employees located in the DPA's Nashville office. Assessment Systems assists both county and city local tax authorities with the preparation of their annual tax billing documents and data, generating an estimated \$1,980,898,813 in revenue for these jurisdictions.

♦ IMPACT

- ✓ 133,535 personal property schedules were printed
- ✓ 578,227 assessment change notices were printed
- ✓ 346,596 reappraisal full county cards were printed
- ✓ 206,777 property tax roll pages were printed (24 parcels per page)
- ✓ 313,544 property tax notices were printed
- ✓ 106,155 property tax receipts were printed

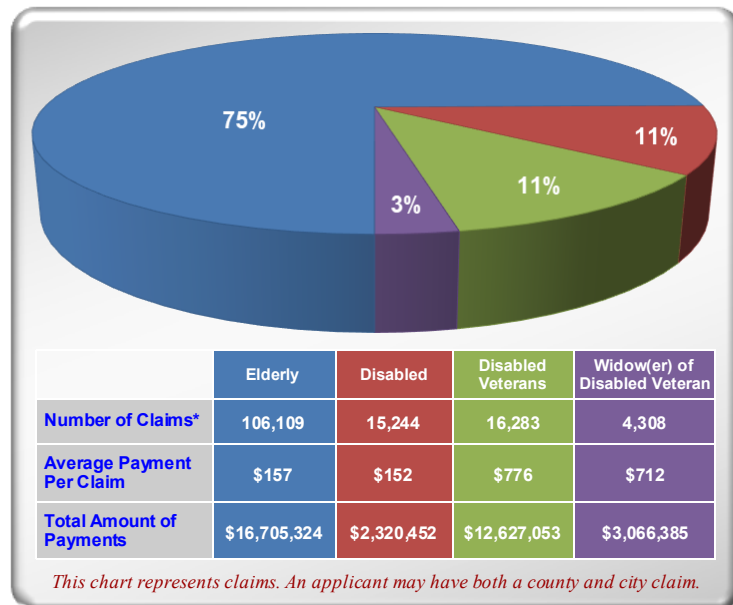
2017 Parcels/Records Processed by Assessment Systems



- **Property Tax Relief** is comprised of 12 employees located in the DPA's Nashville office that process all Tax Relief applications statewide. The Property Tax Relief Program helps pay the taxes on a portion of an elderly, disabled, disabled veteran or widow(er) homeowner's taxes who meet the criteria.
 - ♦ For FY 2018, \$41.2 million was appropriated for the Tax Year (TY) 2017 Tax Relief Program. The pie chart (below) represents the dollar amount paid to each classification across the state.
 - ♦ The Tax Relief Program sent out over 138,000 vouchers to returning applicants to assist with property taxes for TY 2017.
 - ♦ Over 19,000 new applications were received for TY 2017.
 - ♦ Over 140,000 claims were approved for TY 2017 totaling over \$34 million.

Percentage of Tax Year 2017 Tax Relief Claims by Classification

**TY 2017 processing is not complete. Pending applications are not included.*



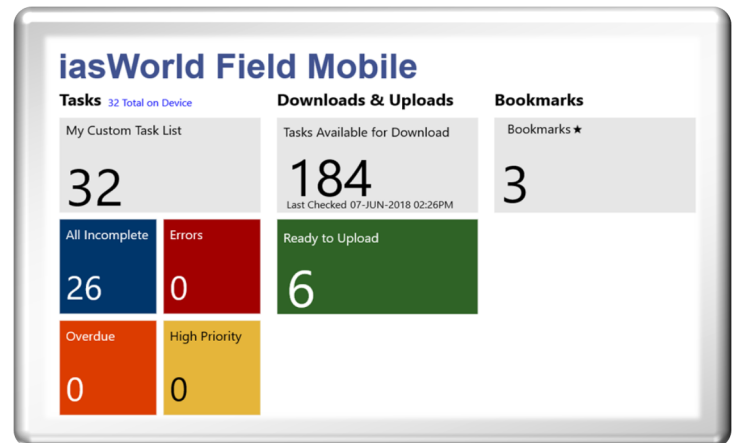
- **Property Tax Freeze** was enacted in 2007, and since its enactment, the Property Tax Freeze Program has been adopted by 23 counties and 32 cities across the state.

SPECIAL PROJECTS

- Work accomplished relative to special projects during FY 2017-2018:
 - ♦ GIS
 - ✓ Provided extraction of data and building sketch images from IMPACT for use with GIS on a regular basis
 - ✓ Migrated extraction processes to a virtual server environment
 - ✓ Replaced older programs performing certain extraction steps with newly written programs using current technology
 - ♦ IMPACT
 - ✓ Determined technical approach to add new Commercial improvement types to IMPACT
 - ✓ Defined and implemented workflows for promotion of Apex building sketches to the latest file format
 - ✓ Conducted research and resolution of technical issues
 - ✓ Conducted testing of upgrades such as new document management capabilities for Assessors in IMPACT
 - ♦ Tax Freeze
 - ✓ Gave Tax Freeze presentations to local governing bodies upon request
 - ♦ Legislation
 - ✓ Provided data, analysis and projections for legislation and fiscal notes

♦ Field Mobile

- ✓ Began live implementation of Field Mobile in IMPACT counties. Field Mobile is a field data collection app for IMPACT which integrates Apex MobileSketch building sketching.
- ✓ Trained DPA and OLG staff for Field Mobile implementation and support
- ✓ Developed script and process for counties to extract updated GIS data on demand for use in Field Mobile



LEGAL SERVICES

The following is a summary of legislation that passed during the 2018 Session along with recent opinions from the Attorney General's Office, all of which will affect property tax administration.

• Tennessee Attorney General Opinions

- ♦ Opinion No. 17-50
- ♦ Opinion No. 18-06
- ♦ Opinion No. 18-15

• Comptroller Legislation

- ♦ Public Chapter No. 526
- ♦ Public Chapter No. 527

• Other Legislation Involving Property/Property Taxes

- ♦ Public Chapter No. 710
- ♦ Public Chapter No. 778
- ♦ Public Chapter No. 820
- ♦ Public Chapter No. 863
- ♦ Public Chapter No. 911
- ♦ Public Chapter No. 971
- ♦ Public Chapter No. 1013

Detailed information on this legislation can be found on the Tennessee General Assembly's website at www.capitol.tn.gov.

Contact Us

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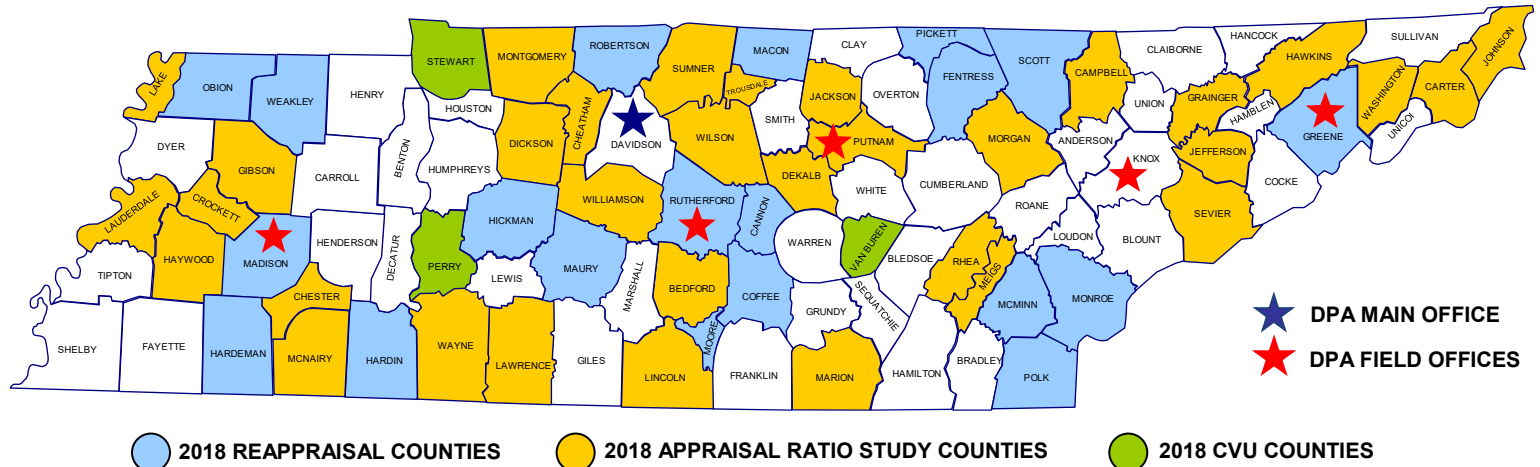
www.comptroller.tn.gov/pa/

FIELD OPERATIONS

Field Operations is comprised of 63 employees assigned to 3 assessment areas operating in 5 field offices located throughout the state, as well as in the DPA's Nashville office. The field staff monitors the quality and quantity of annual maintenance and the visual inspection cycle and reappraisal programs performed by the assessors. In addition, Field Operations also provides technical assistance to assessors, develops current value updates, conducts appraisal ratio studies, and assists in defending property values in appeals as requested.

- Appraisal ratio studies were performed in 33 counties for 2018 pursuant to Tenn. Code Ann. §§ 67-5-1604 and 1605.

- Twenty (20) counties were reappraised in accordance with reappraisal plans submitted by assessors of property and approved by the SBOE pursuant to Tenn. Code Ann. § 67-5-1601.
- Current Value Update analysis was performed in 3 counties in accordance with Tenn. Code Ann. § 67-5-1601.
- Monitoring activities were conducted in all 95 counties to ensure the accuracy of the property characteristic data, sales information, mapping and administrative functions.
- County personal property audit programs initiated in January 1998 continue to improve the uniformity and equity of personal property.



COUNTY	2017 PARCEL COUNTS	2018 APPRAISAL RATIOS	COUNTY	2017 PARCEL COUNTS	2018 APPRAISAL RATIOS	COUNTY	2017 PARCEL COUNTS	2018 APPRAISAL RATIOS
ANDERSON	37,882	0.9459	HAMILTON	154,907	1.0000	MORGAN	15,572	0.9763
BEDFORD	21,986	0.8580	HANCOCK	6,083	1.0000	OBION	20,027	1.0000
BENTON	16,441	0.9323	HARDEMAN	20,565	1.0000	OVERTON	15,122	0.9309
BLEDSON	11,575	1.0000	HARDIN	26,813	1.0000	PERRY	8,180	0.9690
BLOUNT	67,848	0.9081	HAWKINS	39,660	0.9593	PICKETT	5,904	1.0000
BRADLEY	49,008	1.0000	HAYWOOD	11,398	0.9448	POLK	13,079	1.0000
CAMPBELL	30,092	0.9177	HENDERSON	18,361	1.0000	PUTNAM	37,078	0.9526
CANNON	7,912	1.0000	HENRY	25,810	0.9591	RHEA	24,616	0.9371
CARROLL	19,462	0.9848	HICKMAN	18,419	1.0000	ROANE	36,320	0.9916
CARTER	32,782	0.9340	HOUSTON	6,375	0.9412	ROBERTSON	34,877	1.0000
CHEATHAM	21,242	0.8760	HUMPHREYS	13,072	1.0000	RUTHERFORD	106,247	1.0000
CHESTER	9,910	0.9750	JACKSON	9,027	0.9194	SCOTT	16,017	1.0000
CLAIBORNE	23,694	1.0000	JEFFERSON	34,298	0.8982	SEQUATCHIE	11,867	1.0000
CLAY	6,668	1.0000	JOHNSON	14,429	0.9721	SEVIER	81,951	0.8632
COCKE	25,845	0.9612	KNOX	194,498	1.0000	SHELBY	351,300	1.0000
COFFEE	30,404	1.0000	LAKE	3,911	1.0000	SMITH	12,464	1.0000
CROCKETT	9,983	0.9564	LAUDERDALE	13,880	0.9268	STEWART	12,052	0.9336
CUMBERLAND	66,212	1.0000	LAWRENCE	24,407	0.9557	SULLIVAN	86,967	1.0000
DAVIDSON	241,934	1.0000	LEWIS	7,952	0.9728	SUMNER	75,634	0.7912
DECATUR	13,726	0.9909	LINCOLN	19,254	0.8829	TIPTON	30,690	0.9383
DEKALB	17,885	0.9293	LOUDON	33,968	1.0000	TROUSDALE	4,924	0.8588
DICKSON	26,654	0.8367	MCMINN	31,011	1.0000	UNICOI	11,294	1.0000
DYER	21,504	0.9431	MCNAIRY	18,695	0.9769	UNION	15,319	1.0000
FAYETTE	23,569	1.0000	MACON	13,830	1.0000	VAN BUREN	7,419	0.9557
FENTRESS	16,175	1.0000	MADISON	48,234	1.0000	WARREN	22,770	0.9443
FRANKLIN	25,037	1.0000	MARION	21,620	0.9424	WASHINGTON	60,538	0.9366
GIBSON	30,300	0.9581	MARSHALL	16,925	1.0000	WAYNE	12,929	1.0019
GILES	18,400	1.0000	MAURY	42,998	1.0000	WEAKLEY	20,226	1.0000
GRAINGER	16,310	0.9322	MEIGS	9,363	0.9348	WHITE	17,272	0.9633
GREENE	43,599	1.0000	MONROE	29,189	1.0000	WILLIAMSON	87,458	0.8903
GRUNDY	11,070	0.9757	MONTGOMERY	74,770	0.9434	WILSON	57,157	0.8592
HAMBLETON	30,516	0.9468	MOORE	3,961	1.0000	TOTAL	3,346,578	