Martin County, FL Property Appraiser
Laurel Kelly, CFA

IAAO Certificate of Excellence

In Assessment Administration

Submission

October, 2014

IAAO Certificate of Excellence

In Assessment Administration

Table of Contents

Chapter 1 ……..

Chapter 2 ……..

Chapter 3 ……..

Chapter 4 ……..

Chapter 5 ……..

Chapter 6 ……..

Chapter 7 ……..

Chapter 8 ……..

Chapter 9 ……..

Chapter 10 ……..

Chapter 11 ……..

Chapter 12 ……..

Chapter 13 ……..

Chapter One: Setting, Legal Framework, Value Standard, and Assessment Cycle

Question 1: What does the assessment office do to keep current with legislative proposals, laws, and court decisions?

FIGURE 1-1: MONITORING LEGAL REQUIREMENTS: A CHECKLIST					
	PRACTICE	**YES**	**NO**	**N/A**	**YOUR COMMENTS**
1.	The office has a difficult time monitoring legislative and legal development because they are not publicized in a convenient way in the jurisdiction, because of budget limitations, or information regarding current and pending legislation, rules, and regulations is not readily available.		✓		There are multiple sources available that the Martin County Property Appraiser's office (PAO) uses to monitor legislative and legal developments. Each source publicizes legislative updates in a convenient way. In addition, an internal electronic Sharepoint system is used to distribute relevant legislative changes to the appropriate staff/department **(2 pg. Exhibit 1-1.1)**. Examples of sources and publications used are the Florida Department of Revenue (FDOR) Tax Law Library **(Exhibit 1-1.2)**, FDOR Property Tax Oversight (PTO) Bulletins **(Exhibit 1-1.3)**, membership with Florida Association of Property Appraisers (FAPA) **(Exhibit 1-1.4)** and the Florida Chapter of the International Association of Assessing Officers (FCIAAO) **(4 pg. Exhibit 1-1.5)**.
2.	The office has a copy of statutes without annotation available for reference.	✓			The PAO has access to several online sources that provide statutes without annotation. They are the FDOR Tax Law Library **(2 pg. Exhibit 1-1.2)**, Florida Senate website **(Exhibit 1-1.6)**, and The Florida House of Representatives website **(Exhibit 1-1.7)**. An application provided annually by the FDOR called "The Florida Law on CD-ROM 2013" is also used **(Exhibit 1-1.8)**. The application provides ability to view all Florida statutes without the need to have internet access.

3.	The office has a copy of annotated statutes available for reference.	✓			Annotated statutes are obtained through the PAO's attorney, Wood & Stuart, P.A**. (Exhibit 1-1.9)**, and by accessing the FDOR Tax Law Library Transmittal Memorandums **(Exhibit 1-1.10)** which provides copies of annotated Florida Statutes for reference **(2 pg. Exhibit 1-1.11)**.
4.	The office subscribes to, or has ready access to, a service that reports property tax cases.	✓			The PAO subscribes to an online legislative research and tracking, news and analysis service known as lobby tools **(Exhibit 1-1.12)**. In addition, the PAO attorney advises of relevant property tax cases and shares court cases with other PAO's offices around the State.
5.	Key members of the staff regularly monitor news of legal developments affecting the jurisdiction.	✓			Key members of the PAO staff monitor and review the publically recorded resolutions and ordinances created by County and local boards, along with posting them on the internal Sharepoint site **(Exhibit 1-1.13)**. County ordinances and resolutions are also forwarded to the PAO directly from the County Attorney's office **(Exhibit 1-1.14)**. Members of staff also discuss news and legal developments through e-mail discussion groups such as FLTaxrolldiscussion@googlegroups.com **(Exhibit 1-1.15)**.
6.	Key members of staff regularly attend educational sessions on recent legal developments affecting the jurisdiction.	✓			Key members of the PAO staff attend FLIAAO and FAPA conferences and seminars that provide updates on legal developments. Examples of recently attended meetings are the IAAO annual conference **(Exhibit 1-1.16)**, FAPA Annual Legislation Conference **(3 pg. Exhibit 1-1.17)**, Central Florida GIS workshop **(Exhibit 1-1.18)**, and Sales Qualification workshops **(Exhibit 1-1.19)**.

7.	The office regularly monitors legislative and legal developments in the jurisdiction via the services of a lobbyist, an attorney, or similar specialist.	✓			The PAO is a member of FAPA. The FAPA legislative committee and its professional lobbyist regularly monitor legislative developments for its members. Wood & Stuart, P.A. provides updates and information in regards to legal developments that can affect Martin County. The PAO also works with the Martin County Intergovernmental Relations Coordinator to monitor proposed legislation.
8.	A representative of the office actively participates in critical reviews of current legislation and in the development of legislative proposals.	✓			A member of the PAO actively conducts reviews and analysis of current and developing legislative proposals and how they affect Martin County. An example is the "2012 proposed constitutional amendment impact" **(10 pg. Exhibit 1-1.20)**. The Property Appraiser is a member of the FAPA legislative committee which participates and reviews current and proposed legislation **(3 pg. Exhibit 1-1.21)**.
9.	A representative of the office regularly meets with and participates in state or other governmental associations.	✓			The Property Appraiser along with office staff members attend online workshops offered by FDOR **(Exhibit 1-1.22)**, take IAAO courses for continuing education **(2 pg. Exhibit 1-1.23)** or new designations, and attend FAPA conferences **(3 pg. Exhibit 1-1.17)**.

Answer: Updates regarding legislative proposals, law and court decisions are provided to the Property Appraiser's Office (PAO) by the Florida Department of Revenue (FDOR), Florida Association of Property Appraisers (FAPA), Wood & Stuart, P.A., tax discussion groups and the Florida Chapter of IAAO (FLIAAO).

Question 2: Does the law require general uniformity in property taxation?

Provide documentation of legislation or regulations describing the uniformity standard; however, the assessment district should not be faulted if there is none.

Answer: Yes. The Florida Constitution in Article VII, Section 4, requires all property to be assessed at just valuation for ad valorem purposes **(Exhibit 1-2.1)**. By Statute, in F.S. 195.027 Rules and Regulations, the FDOR is identified as the agency to prescribe rules and regulations to be followed by the Property Appraisers **(2 pg. Exhibit 1-2.2)**.

The Statute further declares that the FDOR shall formulate such rules and regulations so that property will be assessed in a manner that is uniform, just, and otherwise in compliance with the requirements of the general law and the constitution.

Question 3: What measures in the law support a current market value standard and what measures undercut such a standard?

- Measures **supporting** a current market value standard:

Answer: The Constitution of the State of Florida, in Article VII, (Finance and Taxation) Section 4 (Taxation and assessments), provides the framework for the taxation of real property and tangible personal property. It states that "by general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation."

FDOR Property Tax Rules, Chapter 12D-1.002 defines the meaning of just valuation **(Exhibit 1-3.1)**. The definition states *"Just Value" – "Just Valuation", "Actual Value" and "Value" – Means the price at which a property, if offered for sale in the open market, with a reasonable time for the seller to find a purchaser, would transfer for cash or its equivalent, under prevailing market conditions between parties who have knowledge of the uses to which the property may be put, both seeking to maximize their gains and neither being in a position to take advantage of the exigencies of the other."*

The Florida Supreme Court in Walter v. Schuler, 176 So. 2d 81 (Fla. 1965) have held that just value is synonymous with market value **(9 pg. Exhibit 1-3.2; See pg. 7-8)**.

Florida Statute 193.011 outlines eight specific factors the PAO shall consider in arriving at "just valuation" **(Exhibit 1-3.3)**.

1. The present cash value of the property
2. The highest and best use to which the property can be expected to be put in the immediate future and the present use of the property
3. The location of said property
4. The quantity or size of said property
5. The cost of said property and the present replacement value of any improvements thereon
6. The condition of said property
7. The income from said property
8. The net proceeds of the sale of the property, after deduction of all of the usual and reasonable fees and costs of the sale.

FDOR Complete Submission and Roll Evaluation Standards require Florida Property Appraisers to submit a file of all sales within their county and code those sales with the date of sale, sale price and validity qualification **(30 pg. Exhibit 1-3.4; See pg. 8, Section 2.4)**. Approval of the tax roll is based on the FDOR's statistical analysis of the ratio of the sale prices versus the appraised values obtained from the valid sales.

Approval is based on uniformity standards such as the Coefficient of Dispersion (COD), Price-Related Differential (PRD) and Price Related Bias (PRB) **(Exhibit 1-3.5)**.
The following are established standards for the PRD:

PRD range: .98 to 1.03
Stratum 1: Residential property, one primary living unit
Stratum 2: Residential property, two or more primary living units
Stratum 4: Vacant lots
Stratum 5: Nonagricultural acreage and other undeveloped parcels
Stratum 6: Improved commercial and industrial property

PRD range: .90 to 1.10
Stratum 3: Agricultural, high-water recharge, and other use-valued property

- Measures that **undercut** a current market value standard:

Answer: Several statutes provide for land to be classified by general law and assessed solely on the basis of character or use. A market value must still be reported for these properties, but their assessed value is based on the classified use.

- Agricultural land: F.S.193.461 **(4 pg. Exhibit 1-3.6)**
- Land producing high water recharge to Florida's aquifers: F.S.193.625 **(3 pg. Exhibit 1-3.7)**
- Land used for conservation purposes: F.S.193.501 **(4 pg. Exhibit 1-3.8)**
- Historic property, if authorized by the county or municipality, and this use assessment shall apply only to the jurisdiction authorizing it: F.S.193.503 and F.S. 93.505 **(5 pg. Exhibit 1-3.9)**

Working waterfront property shall be based upon the current use of the property, not its highest and best use: Florida Constitution, Article VII, Section 4:

> *(1) The assessment of the following working waterfront properties shall be based upon the current use of the property:*
> *a. Land used predominantly for commercial fishing purposes.*
> *b. Land that is accessible to the public and used for vessel launches into waters that are navigable.*
> *c. Marinas and drystacks that are open to the public.*
> *d. Water-dependent marine manufacturing facilities, commercial fishing facilities, and marine vessel construction and repair facilities and their support activities.*

Pollution control devices shall be assessed at salvage value: F.S.193.621 **(Exhibit 1-3.10)**.

Low income housing: The actual rental income from rent-restricted units in such a property shall be recognized by the Property Appraiser: F.S. 193.017 **(2 pg. Exhibit 1-3.11)**.

FIGURE 1-2: A CHECKLIST FOR EVALUATING PROPERTY TAX LAWS AND REGULATIONS					
	FEATURE	**YES**	**NO**	**N/A**	**YOUR COMMENTS**
(A)-	**Measures designed to reinforce market value assessment**				
1.	Does the law expressly require that most or all property be valued on the basis of current market value?	✓			The Florida Constitution in Article VII, Section 4 requires a just valuation of all property for ad valorem taxation **(Exhibit 1-3.12)**. Florida courts in Walter v. Schuler, 176 So. 2d 81, 856 (Fla. 1965) determined that "fair market value" and "just value" are synonymous **(9 pg. Exhibit 1-3.2; See pg. 7-8)**.
2.	Does the law require ratio studies at least annually?	✓			The FDOR is designated as the supervisory agency for Property Appraisers in F.S. 195.002 **(Exhibit 1-3.13)**. Rule 12D8.002 requires the valuation of all property annually. The complete submission and roll evaluation standards published by the FDOR requires valuations to meet the COD and ratio study uniformity standards outlined in the Standard on Ratio Studies promulgated by the IAAO **(Exhibit 1-3.14)**.
3.	Does the law set out value level and uniformity standards that are at least as stringent as IAAO guidelines?	✓			The FDOR uses the same COD and Standard on Ratio Studies as the IAAO listed in Table 2-3, on page 33 of the Standard on Ratio Studies (IAAO 2010), as guidance when analyzing tax rolls **(Exhibit 1-3.15)**.

4.	Does the law explicitly require regular and relatively frequent revaluations and re-inspections of properties or revaluations and re-inspections whenever performance standards are not met?	✓			Rule 12D8.002 requires the valuation of all property annually. The complete submission and roll evaluation standards published by the FDOR requires valuations to meet the COD and ratio study uniformity standards outlined in the Standard on Ratio Studies promulgated by the IAAO. F.S. 193.023 requires re-inspection of all property at least once every 5 years **(Exhibit 1-3.16)**.
5.	In addition to the ratio study requirement above, does the law establish other elements of an effective program for supervising and assisting assessors in the performance of their duties?	✓			The FDOR provides guidelines for Agricultural Appraisal, Cadastral Mapping, Real Property, Tangible Personal Property, and Uniform Market Area **(Exhibit 1-3.17)**.
6.	Does the law require buyers and sellers to disclose to assessing officers the prices and terms of sales?		✓		The law does not require buyers and sellers to disclose prices and terms of sale directly to the Property Appraiser. However, F.S. 201.02 requires the purchaser to pay a tax in the amount of 70 cents per $100 of the consideration, or fractional part thereof **(4 pg. Exhibit 1-3.18)**. The PAO reviews all transfers published by the Clerk of the Circuit Court and transfers that information to the Computer Assisted Mass Appraisal (CAMA) software. The PAO also has access to and reviews sales occurring in the local Multiple Listing Service (MLS) and in CoStar, a commercial listing service. A Sales Qualification Letter is sent by the PAO to confirm the sale **(Exhibit 1-3.19)**. There is no law requiring new owners to return this letter.

7.	Does the law require owners or tenants of rental property to furnish assessors with statements of income and expenses?	✓			F.S. 195.027(3) provides procedures whereby the PAO shall be able to obtain access to financial records of non-homestead properties **(2 pg. Exhibit 1-3.20)**. The PAO annually sends out Income and Expense Forms **(Exhibit 1-3.21)**. There is no law mandating the return of this document. This information is then considered when determining market rents for that specific type of property class. The PAO is also a member of the local MLS and of CoStar. Both services are used to obtain income and expense information as well as to confirm sales.
8.	Does the law provide for an effective notice of assessments?	✓			F.S. 194.011(1) requires each taxpayer to be notified of the assessment of each taxable item **(4 pg. Exhibit 1-3.22)**. F.S. 200.069 provides that the notification be sent by first-class mail and specifies the elements to be included on the notification **(4 pg. Exhibit 1-3.23)**. The notice shall include brief legal description, name and mailing address of owner, and the tax information applicable to the parcel. The information shall be in columnar form. There shall be seven column headings which shall read: “Taxing Authority,” “Your Property Taxes Last Year,” ”Last Year’s Adjusted Tax Rate (Millage),”

					"Your Taxes This Year IF NO Budget Change Is Adopted," Tax Rate This Year IF PROPOSED Budget is Adopted (Millage)," "Your Taxes This Year IF PROPOSED Budget Change is Adopted," and "A Public Hearing on the Proposed Taxes and Budget Will Be Held" **(2 pg. Exhibit 1-3.24)**.
9.	Does the law provide for a convenient and inexpensive means for taxpayers to question and challenge their assessments?	✓			F.S. 194.011(2) provides that any taxpayer that objects to the assessment may request that the PAO may informally confer with the taxpayer where the taxpayer may present facts considered by the taxpayer to support his claim for change in assessment **(4 pg. Exhibit 1-3.25)**. The Property Appraiser has an *Open Door Policy* to address property owner's questions, comments or concerns. If the taxpayer still objects to the valuation, he may file a petition to the Value Adjustment Board (VAB). F.S. 194.013 requires that the petition filing fee not exceed $15 **(Exhibit 1-3.26)**. F.S. 194.035 provides that a Special Magistrate is assigned to hear evidence from the taxpayer and the PAO then issue a decision according to the evidence presented **(2 pg. Exhibit 1-3.27)**. If the taxpayer still objects to the valuation, he may file action in the Florida Circuit Court having jurisdiction for the county in which the property is located.

10.	If there are multiple legal assessment ratios or tax rates, is the highest ratio (rate) no more than twice the lowest?		✓		There are no multiple legal assessment ratios in Florida. Article VII, Section 4 requires that all property be assessed at its just valuation.
11.	Do partial exemptions remove no more than 10 percent of the appraised value of most single-family residences?		✓		Florida has numerous exemptions that are tied to an exemption amount, not to percent of the appraised value. All property is valued at just valuation, with exemptions applied subsequent to the determination of just valuation. See F.S. Chapter 196 **(2 pg. Exhibit 1-3.28)**.
12.	Are there any limits on how much the appraised value of a property can be increased?	✓			The law does not limit how much the appraised (market) value of a property can be increased. However, there are limitations on how much the assessed value can be increased. Article VII, Section 4 of the Constitution limits the assessed value of residential homestead property from increasing by more than 3% per year, or the percentage change in the Consumer Price Index (CPI), not to exceed 3%, whichever is lower **(4 pg. Exhibit 1-3.29)**. It also limits the increase in assessed value of residential non-homestead property and non-residential property to 10% per year for all taxing authorities except the school board. This requires Florida Property Appraisers to account for and report just value, assessed value, and taxable value to each taxing authority, since each is subject to different valuations, limitations, and exemptions.

13.	Following a revaluation, does the law provide safeguards against increases in property tax levies that are greater than the rate of inflation, unless publicly approved by the governing body or the electorate?		✓		F.S. 200.071(1) provides that no ad valorem tax millage shall be levied against real property and tangible personal property by counties in excess of 10 mills, except for voted levies **(Exhibit 1-3.30)**. There are no references to tax levies and rate of inflation.
14.	Are education aid payments and similar intergovernmental transfer payments based on credible estimates of actual taxable wealth (that is, equalized values) rather than un-equalized or poorly equalized local assessed values?	✓			Article IX, Section 1 of the Constitution establishes state policy on equalized funding and establishes the availability of programs and services that are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. The Florida Education Finance Program is used to fund public education based on equalized values **(Exhibit 1-3.31)**.
Provide documentation of the measures checked in Figure 1-2.					

Question 4: Does the assessment district have the size, resources, and fiscal capacity to perform the assessment function effectively and efficiently?

Provide a copy of the office budget, staffing resources, and a summary of the jurisdiction's property categories or classes with counts.

FIGURE 1-4. CRITERIA FOR EVALUATING JURISDICTION SIZE SUFFICIENCY					
	PRACTICE	**YES**	**NO**	**N/A**	**YOUR COMMENTS**
1.	The assessment district has at least 5,000 parcels of assessable real estate.	✓			The assessment district is one county with 94,784 parcels of assessable real property for 2013 **(4 pg. Exhibit 1-4.1)**.
2.	The assessment district serves taxing districts that currently levy at least $12,000,000 per year	✓			The Martin County PAO has five districts that levy more than $12,000,000 per year **(4 pg. Exhibit 1-4.2)**.

Answer: Yes. For the 2012/13 budget year, the PAO had 38 full-time and 4 part-time staff members **(Exhibit 1-4.3)**. The final 2012/13 budget is as follows:

Personnel Services	$2,568,996	(80.6%)
Operating Expenses	$ 567,275	(17.8%)
Capital Outlay	$ 51,000	(1.6%)
TOTAL	$3,187,271	

The 2013 FDOR approved budget **(3 pg. Exhibit 1-4.4)** indicates a total budget of $3,187,271, which is .0153% of the 2013 just value at $20,792,509,696 **(Exhibit 1-4.5)**. Total Personnel Services were $2,568,996 or 80.6% of the budget **(Exhibit 1-4.4)**. A ratio of 85% or less for salaries, benefits and overhead is recommended in the *Assessment Practices Self-Evaluation Guide.* Overhead such as rent, electric utilities, telephone and water expenses are provided to the PAO by the County.

The *Assessment Practices Self-Evaluation Guide* recommends a staff-parcel ratio of 2,500 parcels to one person. For 2013, Martin County has 94,784 real and 12,065 personal property accounts and has 38 full-time and 4 part-time employees **(Exhibit 1-4.6)**. The following calculation indicates the office is adequately staffed **(Figure 4.1)**.

Figure 4.1: Staff-Parcel Ratio

94,784	real parcels
12,065	*plus* personal property accounts
106,849	total parcels
/42	*divide* by number of staff
2,544	parcels per staff

A detailed summary of the Martin County property categories and classes with counts can be seen in **(Exhibit 1-4.5)**.

Chapter One List of Exhibits

Exhibit 1-1.1	Sharepoint Bulletins
Exhibit 1-1.2	FDOR Tax Law Library
Exhibit 1-1.3	FDOR PTO Bulletins
Exhibit 1-1.4	FAPA
Exhibit 1-1.5	FCIAAO
Exhibit 1-1.6	Florida Senate Website
Exhibit 1-1.7	Florida House of Representatives Website
Exhibit 1-1.8	Florida Law on CD-ROM
Exhibit 1-1.9	Wood & Stuart, P.A.
Exhibit 1-1.10	FDOR Transmittal Memorandums
Exhibit 1-1.11	Department of Revenue Rules
Exhibit 1-1.12	Lobby Tools
Exhibit 1-1.13	Sharepoint Ordinances & Resolutions
Exhibit 1-1.14	County Attorney's Office Ordinance Email
Exhibit 1-1.15	Discussion Group Email
Exhibit 1-1.16	IAAO Annual Conference
Exhibit 1-1.17	FAPA Annual Legislation Conference
Exhibit 1-1.18	Central Florida GIS Workshop
Exhibit 1-1.19	Sales Qualification Workshop
Exhibit 1-1.20	Florida Constitutional Amendment 2
Exhibit 1-1.21	FAPA Legislative Committee
Exhibit 1-1.22	FDOR Online TRIM Workshop
Exhibit 1-1.23	IAAO Status
Exhibit 1-2.1	Article VII, Section 4(1)
Exhibit 1-2.2	F.S. 195.027
Exhibit 1-3.1	FDOR Chapter 12D-1.002
Exhibit 1-3.2	Walter v. Schuler
Exhibit 1-3.3	F.S. 193.011
Exhibit 1-3.4	FDOR Complete Submission and Roll Evaluation Standards
Exhibit 1-3.5	Uniformity Standards - COD - PRD – PRB
Exhibit 1-3.6	F.S. 193.461 Agricultural Land
Exhibit 1-3.7	F.S. 193.625 High-Water Recharge Lands
Exhibit 1-3.8	F.S. 193.501 Assessment of Lands for Conservation Purposes
Exhibit 1-3.9	F.S. 193.503, 193.505 Historic Property
Exhibit 1-3.10	F.S. 193.621 Assessment of Pollution Control Devices
Exhibit 1-3.11	F.S. 193.017 Low Income Housing Tax Credit
Exhibit 1-3.12	Article VII, Section 4 Taxation Assessments
Exhibit 1-3.13	F.S. 195.002 Supervision by Department of Revenue
Exhibit 1-3.14	Roll Evaluation Standards
Exhibit 1-3.15	Uniformity Standards
Exhibit 1-3.16	F.S. 193.023 Duties of the Property Appraiser

Exhibit 1-3.17	FDOR Guidelines & Manuals
Exhibit 1-3.18	F.S. 201.02 Tax on Deeds
Exhibit 1-3.19	Sales Qualification Letter
Exhibit 1-3.20	F.S. 195.027(3) Rules & Regulations
Exhibit 1-3.21	Income & Expense Form
Exhibit 1-3.22	F.S. 194.011(1) Assessment Notice
Exhibit 1-3.23	F.S. 200.069 Notice of Proposed Property Taxes
Exhibit 1-3.24	Notice of Proposed Property Tax Bill – Blank
Exhibit 1-3.25	F.S. 194.011(2) Assessment Notice
Exhibit 1-3.26	F.S. 194.013 Filing Fees for Petitions
Exhibit 1-3.27	F.S. 194.035 Special Magistrate
Exhibit 1-3.28	F.S. Chapter 196
Exhibit 1-3.29	Article VII, Section 4(d)
Exhibit 1-3.30	F.S. 200.071(1) Limitation of Millage
Exhibit 1-3.31	Florida Education Finance Program
Exhibit 1-4.1	Budget Information
Exhibit 1-4.2	Recapitulation of Taxes
Exhibit 1-4.3	Staff Members Chart
Exhibit 1-4.4	Budget
Exhibit 1-4.5	Just Values
Exhibit 1-4.6	Revised Recapitulation

Chapter Two: Resources and Management

1. Does the assessment office engage in formal planning?

Provide a copy of the strategic plan and an annual operational or work plan. Describe the impact of the reappraisal cycle on the planning process.

FIGURE 2-1. PLANNING CHECKLIST					
PRACTICE		YES	NO	N/A	YOUR COMMENT
1.	Does your reappraisal cycle impact your planning process?	✓			Per Florida Statute 192.042, all property is to be assessed according to its just value as of January 1 each year **(Exhibit 2-1.1)**. The Florida Department of Revenue (FDOR) distributes an annual reappraisal cycle calendar noting critical due dates or deadlines **(4 pg. Exhibit 2-1.2)**. This calendar is the basis for how the Property Appraiser's Office (PAO) plans all work activity throughout the year.
2.	Does top management support strategic planning?	✓			A Leadership Team includes the Property Appraiser, Director of Appraisal Services, Director of Operations, Assistant Director of Quality Control and CAMA System Integration, and the Tax Roll Manager and Business Analyst. The team members bring varied experience from both the public and private sector, and a range of people skills and technical knowledge. The team meets on a regular basis to plan for department restructuring and staff retirements, and to discuss legislative changes and the potential impacts to office processes.

					In addition, top management also requires strategic planning at the department and task level.
3.	Were strategic planning meetings held in each of the past three years?	✓			Strategic planning meetings are held every year and throughout the year. The meeting agendas range in scope from developing individual tasks, to high level organizational structure planning to include office strategies, objectives and special projects. All meetings involve strategic planning at some level. Examples include: weekly field appraiser meetings, mailing of Notice of Proposed Property Taxes organizational meetings, budget preparation sessions, tax roll processing meetings, five year physical inspection timeline development sessions, Martin County Information Technology Services (ITS) quarterly sessions.
4.	Was a SWOT or situation analysis review performed in the past three years?	✓			A situation analysis was recently performed regarding organizational planning in the Appraisal Services department. Commercial department staff resources and assignments were reviewed upon concurrent departure of staff from the department. The workload was categorized, opportunities evaluated and discussed, and potential resolutions identified. A situation analysis is often used in Leadership Team meetings.

5.	Was a written strategic plan produced in the past three years?		✓		A comprehensive strategic plan is not written. Rather, Leadership Team meetings are held throughout the year to plan for department restructuring, staff member retirements, and to discuss legislative changes and the potential impacts to office processes. While a stand-alone document is not written, the long-term goals are written as part of the annual performance evaluation process.
6.	If yes to (5), was the plan communicated beyond those who participated in the planning process?	✓			Long term strategic goals and progress on these goals are communicated with staff members through regular meetings. Long term goals are addressed as part of annual performance evaluation process.
7.	If yes to (5), based on the plan, does the planning team review the progress periodically each year?	✓			The Leadership Team meets on a regular basis to discuss progress on the goals, address new opportunities and resolve potential issues and concerns.
8.	Are annual operational or work plans prepared?	✓			Most of the plans used are in calendar or flowchart format. For example, the Tax Roll Processing annual calendar is complex noting critical deadlines, step-by-step procedures, color-coded tasks identifying responsibility, and historical notes for year over year review **(3 pg. Exhibit 2-1.3)**. The Tax Roll Processing calendar is used by many staff members and is accessible using Outlook. It is reviewed at the beginning of the year, but often times on a daily or weekly basis.

					The Data Processing calendar shows the monthly plan for department staff **(Exhibit 2-1.4)**. As seen in **(2 pg. Exhibit 2-1.5)**, the chart illustrates the flow of work done using the property record card, from the time of printing, to onsite inspection, then through to data entry. The flowchart is shared with the Residential Field Coordinator, Field Appraisers and Data Processing Specialists.
9.	Are technology trends and changes in legislation studied for their effects on workloads and work procedures?	✓			To ensure sufficient time is allotted to adjust work procedures and corresponding staff levels, the PAO makes every effort to comprehend legislative changes well in advance of it becoming law. The Property Appraiser and staff members attend the Florida Association of Property Appraisers (FAPA) Spring and Fall conference, and the Florida Chapter of International Association of Assessing Officers (FLIAAO) informational conferences and seminars. The PAO also works with the Martin County Intergovernmental Relations Coordinator to monitor proposed legislation. Designated staff members track and review local resolutions and ordinances for potential office impacts. In order to keep informed regarding technological opportunities and GIS trends, designated staff members attend the Thomson Reuters user group conferences and Geographic Information System (GIS) workshops.

					Quarterly meetings are scheduled with the Martin County ITS department.
10.	Are growth trends and real estate developments considered in the planning process?	✓			New construction and real estate sales activity are monitored on a regular basis. Closely monitoring growth trends is important so that corresponding staff levels are readily in place to address increased workload requirements for onsite inspections, updating electronic records, deed entry, and exemption filing applications. Any increase in staff count must have prior approval from the FDOR. The need for a new position must be clearly documented and the explanation must include why alternatives such as reorganization or shifting responsibilities within the current framework, additional temporary employment or contract services cannot be considered as a viable solution.
11.	Are project plans developed for major work activities?	✓			Project plans are developed for major work activities. Recent examples include: hundreds of properties in several subdivisions were annexed from St. Lucie County to Martin County, implementing of new damage assessment software used by multiple agencies county-wide, and the PAO website hosting software conversion to a new platform.

2. Has the assessment office prepared a formal estimate of the necessary personnel resources?

- Provide a recent analysis of personnel resource requirements including supporting documentation such as benchmark production rate tables or internal analysis for several key, high-volume, labor-intensive tasks.
- Include a statement indicating the size of the staff over the previous 5 years and where in the office the growth or reduction of staff has occurred.
- Prepare a brief description of the current personnel resources for each major function identified in the formal plan (question 1), specify whether these resources are adequate for the tasks, and identify plans for rectifying any deficiencies.
- Describe how the reappraisal cycle affects the level of staffing.

Answer: Yes. The PAO regularly monitors legislation changes and market activity. The potential impact on primary office functions is assessed, and personnel resources are adjusted accordingly. For example, beginning in 2008 when the $25,000 tangible personal property (TPP) exemption became available, there was a significant drop in the volume of business return filings. As a result, personnel resources dedicated to TPP were reduced due to the decline of assessed accounts and the time required to process the returns.

An automated monthly report is provided to department managers that show the permit volume for residential and commercial new construction, additions and remodels, and miscellaneous other permits **(Exhibit 2-2.1)**. As the number of permits increase, the workload increases for field inspections and data entry. Consequently, the PAO may determine that additional personnel resources are needed. The FDOR requires a Position Justification form be completed whenever asking for additional personnel resources **(2 pg. Exhibit 2-2.2)**. In seen in the Exhibit, an additional Field Appraiser was requested in part due to an upward trend of the total new residential construction by 56%, additions and remodels by 18%, and 39% of all other permits. As a benchmark, the PAO annually reviews the parcels per employee compared to other like Florida counties **(Figure 2.1)**.

Figure 2.1: Florida County Comparison

Florida County	2013/14 # parcels	parcel/FTE
Alachua County	114,094	2,194
Indian River County	101,010	2,806
Leon County	119,729	2,259
Martin County	106,239	2,656
Monroe County	109,662	2,109
Santa Rosa County	112,250	3,402
St. Johns County	123,859	2,429
		range: 2,100 - 3,400

Cross-training staff members to help with other tasks is considered. During the peak homestead exemption filing period, data entry staff members are cross-trained to assist the Customer Service department by processing exemption applications. Vice versa, during the summer months when there are fewer applicants, the customer service staff members assist with basic data entry. As another example, when there are fewer property sales, consequently the deed data entry requirement is low. The resource dedicated to deed entry may be reassigned to assist with residential data entry or with other duties around the office.

The full time employee (FTE) count has slightly decreased over the past five years:

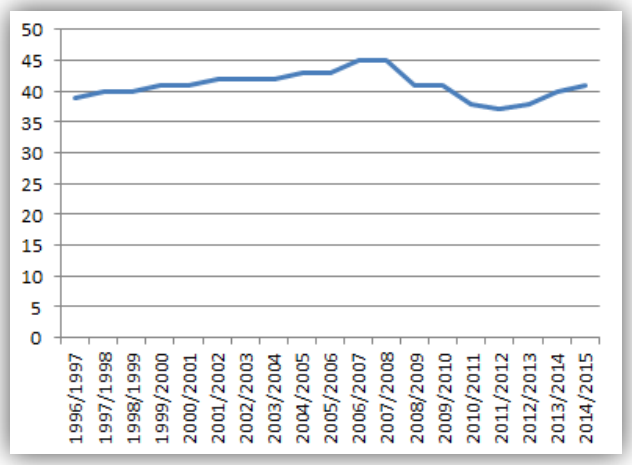
2013/14:	39 FTE
2012/13:	38 FTE
2011/12:	37 FTE
2010/11:	38 FTE
2009/10:	41 FTE

Staff reduction occurred because the PAO consolidated its computer and network systems and resources with that of the County ITS department. This allows the PAO to focus its efforts on producing the tax roll, rather than managing information technology systems. It also provides cost savings associated with staffing for this responsibility.

In addition, field appraisal staff has fluctuated depending on market conditions requiring inspections (i.e. new construction, number of permits). A Customer Service Representative is now dedicated to Homestead Exemption fraud recovery.

2013 FTE staffing levels are at levels prior to the year 2000 with 38 FTEs. Technological advancements have contributed to the ability for the PAO to maintain a consistent work force level for over 10 years **(Figure 2.2)**.

Figure 2.2: PAO Staffing Levels



The following positions provide adequate support to the major office functions:

Appraisal Services
1-Director of Appraisal Services
1-Assistant Director Support, Appraisal, and Training
1-Commercial Department Manager
2-Residential Appraiser
1-Commercial Appraiser
5-Residential Field Appraiser
1-Commercial Field Appraiser
1-Residential Analyst
1-Agriculture Specialist (part-time)
1-Residential Coordinator
1-Field Coordinator

Customer Service / Exemptions
1-Customer Service/Exemption Department Manager
1-Exemption Specialist
1-Exemption Compliance Team Leader
1-Senior Customer Service Specialist
5-Customer Service Representative

Mapping /Ownership/GIS
1-Ownership & Mapping Department Manager
1-GIS Cadastral Mapper
1-Title Research Technician
1-Mapping Assistant (part-time)

Data Processing
1-Assistant Director of Quality Control
and CAMA System Integration
1-CAMA Support
3-Property Data Specialist
1-TPP Specialist

Tax Roll/IT
1-Tax Roll Manager
1-Tax Roll Support
1-GIS Specialist

Administration
1-Property Appraiser
1-Director of Operations
1-Financial Analyst (part-time)
1-General Office Support

3. Has the assessment office prepared a formal estimate of the necessary physical resources?

Prepare a brief descriptive evaluation of your office space and facilities, noting any material resource deficiencies.

Answer: Yes. A formal estimate for necessary physical resources was prepared in 2005 when the PAO moved to its current location in July, 2007 **(8 pg. Exhibit 2-3.1)**. Anticipating workforce expansion, an estimated 17,300 sq.ft. was needed by the year 2015 **(Exhibit 2-3.2)**.

The Martin County Board of County Commissioners (BOCC) provides, funds and maintains the PAO leased space and facilities. The BOCC has recently renewed the lease for an additional five years, with renewal options through July, 2024. The Property Appraiser's main office is within the county seat of Stuart, and is on the third floor of "The Tower" office building located on a major roadway (US 1). The building is in a convenient location for property owner access, and is situated in close proximity to the City of Stuart retail and business districts and other governmental offices **(Exhibit 2-3.3)**.

The PAO is the building's anchor tenant and uses the majority of the 3rd floor which contains about 18,000 sq. ft. The office décor is professional in appearance and provides a good working environment. All PAO departments are adjacent and therefore easily accessible to each other, with no separation of floor levels. Access to the PAO is via elevators or by a choice of two stairwells. Sufficient parking is available surrounding the building for staff, office visitors, and fleet vehicles **(Exhibit 2-3.4)**.

The main office is a full-service office providing the public with customer service, and information regarding exemptions, tax roll, ownership, mapping, and appraisal for residential, commercial and tangible personal property. Other support departments include quality control, data processing and administration. A large meeting and/or training room, kitchen and staff break area is also available **(5 pg. Exhibit 2-3.5)**.

Currently 41 employees work from the main office location. Each staff member is provided a workstation which includes furniture with the necessary surface area, a task chair, guest chair(s), telephone, and a computer with access to the internet and software applications required to complete the assigned job duties. Other items are available as needed such as scanners, calculators, file storage, and desktop printers for individual offices. Network printers, copiers, fax machines and mailing machines are conveniently positioned throughout the floor plan, and are further addressed in Chapter 3.

The PAO, along with the Clerk of the Circuit Court and Tax Collector, has branch offices within the Martin County South and Western Government Complexes, located in Hobe Sound, FL and Indiantown, FL respectively. Both locations are conveniently located on major roadways and primarily service property owners living and working in the south and western part of the County.

The PAO is appreciative of the adequate office facilities provided by the BOCC. There are no material resource deficiencies.

4. What budgeting methods are used (performance-based, program-based, or line-item based)?

Provide the assessor's budget document. Explain why the budgeting methods were selected and describe justification for major items in the budget. Include a statement indicating the gross amount of the budget over the previous 5 years and where the growth or reduction has occurred.

Answer: Section 195.087, Florida Statute, requires that every Property Appraiser submit a budget for the operation of their office to the FDOR by June 1st **(2 pg. Exhibit 2-4.1)**. A line-item based format is required and must conform to the requirements and specifications in the Property Appraiser's Instruction Workbook which is provided annually by the FDOR. A copy of the annual budget request is also provided to the Board of County Commissioners. The budget period extends from October 1st through September 30th.

The 2013/14 approved budget document is shown in **(11 pg. Exhibit 2-4.2)**, and reflects a 3.36% increase over the prior year. Major budget variances between 2013/2014 vs. 2012/2013 are outlined as follows **(Figure 4.1)**:

Figure 4.1: Budget Variances

•	Increase in FRS pension contribution rates:	$ 63,181
	Official - 15.8% to 33.03%	
	Regular Class - 5.56% to 6.95%	
	DROP - 6.99% to 12.84%	
•	5% Increase in employer health insurance rates & addt'l family plans due to Affordable Health Care Act requirements	$ 79,569
•	Staff salary increase per State of Florida guideline. Last merit related salary increase was 2007/2008	$ 45,200
•	State mandated special payment for two employee DROP terminations	$ 36,956

The past 5 year budget history is as follows **(Figure 4.2)**:

Figure 4.2: Past 5-Year Budget History

	2009 / 2010	2010 / 2011	2011 / 2012	2012 / 2013	2013 / 2014
Personnel Services	$ 2,815,920	$ 2,659,232	$ 2,570,158	$ 2,568,947	$ 2,806,336
Operating Expenses	476,583	520,131	607,272	561,275	487,902
Capital Outlay	-	-	-	57,000	-
Amendments / Adjs.	18	(2)	26,364	49	-
Total Budget	$ 3,292,521	$ 3,179,361	$ 3,203,794	$ 3,187,271	$ 3,294,238
% Chg. Over Prior Year	-1.13%	-3.44%	0.77%	-0.52%	3.36%
$ Chg. Over Prior Year	$ (37,752)	$ (113,160)	$ 24,433	$ (16,523)	$ 106,967
Full Time Positions	41	38	37	38	39

The PAO regularly looks for opportunities to contain expenses. Enhanced features on the website have increased the service level to users. When cost savings are evident, resources are consolidated with the County (e.g. fleet vehicle purchasing and maintenance). The PAO has experienced budget constraints as a result of the national and local economic downturn. Pay increases have been limited for staff. The year-to-year budget decreases and increases over the past five years are attributed to corresponding expenses associated with staff reductions or additions:

- The PAO consolidated its computer and network systems and resources with that of the County ITS department. This allows the PAO to focus its efforts on producing the tax roll, rather than managing information technology systems. It also provides cost savings associated with staffing for this responsibility.
- Field appraisal staff has fluctuated depending on market conditions requiring inspections (i.e. new construction, number of permits).
- A Customer Service Representative has been dedicated to Homestead Exemption fraud recovery.

The PAO has shown fiscal responsibility. The average annual budget increase over the past ten years has been less than 2.0% per year.

5. Is the office's funding adequate?

• Describe each major budget category, and indicate how these categories provide adequate resources for each major function of the office. Provide expenditures per full-time-equivalent staff members by department or major function. Indicate how the budget allows the formal plans of the office to be implemented. If budget constraints exist in your assessment office, describe the source and the impact on the delivery of services.
• Describe how the reappraisal cycle affects the budget process.

Answer: Yes. Funding provided to the PAO is adequate. The budget is divided into the following four appropriation categories and corresponding line items:

Personnel Services includes line items for salaries, social security/Medicare contributions, retirement contributions, life and health insurance contributions, and unemployment compensation expenses **(Figure 5.1)**. About 85% of the 2013/14 is for Personnel Services funding.

Figure 5.1: Budget Categories

OBJECT CODE
(1)
PERSONNEL SERVICES:
11 OFFICIAL
12 EMPLOYEES (REGULAR)
13 EMPLOYEES (TEMPORARY)
14 OVERTIME
15 SPECIAL PAY
21 FICA
2152 REGULAR
2153 OTHER
22 RETIREMENT
2251 OFFICIAL
2252 EMPLOYEE
2253 SMS/SES
2254 DROP
23 LIFE & HEALTH INSURANCE
24 WORKER'S COMPENSATION
25 UNEMPLOYMENT COMP.
TOTAL PERSONNEL SERVICES

Operating Expenses account for about 15% of the funding requested in the 2013/14 budget. The appropriation category is further divided into sub-categories with individual line-items: Professional Services, Transportation, Rentals & Leases, Repair & Maintenance, Books & Publications, and Other Charges **(Figure 5.2)**.

Figure 5.2: Budget Sub-Categories

OBJECT CODE (1)
OPERATING EXPENSES:
31 PROFESSIONAL SERVICES
3151 E.D.P.
3152 APPRAISAL
3153 MAPPING
3154 LEGAL
3159 OTHER
32 ACCOUNTING & AUDITING
33 COURT REPORTER
34 OTHER CONTRACTUAL
40 TRAVEL
41 COMMUNICATIONS
42 TRANSPORTATION
4251 POSTAGE
4252 FREIGHT
43 UTILITIES
44 RENTALS & LEASES
4451 OFFICE EQUIPMENT
4452 VEHICLES
4453 OFFICE SPACE
4454 E.D.P.
45 INSURANCE & SURETY
46 REPAIR & MAINTENANCE
4651 OFFICE EQUIPMENT
4652 VEHICLES
4653 OFFICE SPACE
4654 E.D.P.
47 PRINTING & BINDING
49 OTHER CURRENT CHARGES
4951 LEGAL ADVERTISEMENTS
4952 AERIAL PHOTOS
4959 OTHER
51 OFFICE SUPPLIES
52 OPERATING SUPPLIES
54 BOOKS & PUBLICATIONS
5451 BOOKS
5452 SUBSCRIPTIONS
5453 EDUCATION
5454 DUES/MEMBERSHIPS
TOTAL OPERATING EXPENSES

Operating Capital Outlay is typically a nonrecurring expenditure such as furniture, large equipment, and fleet vehicles. The FDOR guideline for Capital Outlay equipment is $1,000. Non-Operating Expenses is primarily used for contingencies for emergencies or special purposes. The 2013/14 budget does not include funding for these two appropriation categories.

Expenditure per parcel is $31.06. This is comparable to other Florida counties of similar size **(Figure 5.3)**. The figure also shows FTE expenditure by major PAO function. Because organization structures vary by office, a like-county comparison by major function is not represented.

Figure 5.3: Expenditure Per Parcel

Florida County	2013/2014 budget/parcel	Customer Service / Exemptions budget per FTE	Appraisal Services budget per FTE	Mapping / Ownership/GIS budget per FTE
Alachua County	$ 40.43	$ 70,223	$ 82,918	$ 88,925
Indian River County	$ 30.87			
Leon County	$ 37.52			
Martin County	$ 31.06			
Monroe County	$ 36.36			
Santa Rosa County	$ 26.58			
St. Johns County	$ 39.98			
	range $26 -$40			

Unexpended funds are returned to taxing authorities in the same proportion as they were originally billed. The PAO has returned unexpended funds averaging less than 2.5% of the budget over the past ten years, indicating that the PAO appropriately budgets for the required office operations and has nominal excess.

6. Do the staff members of the assessment office have the right set of skills and experience?

Provide position descriptions including professional education and experience requirements, as well as budgetary evidence of support for appropriate continuing education and training for staff. For the three groups of positions, provide the number of personnel, average length of service, and range of service time. Describe the education and training program and budget. Explain the distribution of responsibility among the three groups and the reasons therefor. If the assessment office outsources some services, describe those services and why they are outsourced.

Answer: The PAO staff has a combined 569 years of service with an average of over 15 years of service per staff member. This is an indicator that the PAO staff like their work, and that they have many years of institutional knowledge and appraisal experience which benefits the property owners. To recognize tenure with the Martin County Property Appraiser's office, wood plaques are issued to staff for 5, 10, 15, 20 and 25 year milestones **(Exhibit 2-6.1)**. 30-year milestones are recognized with a sailfish sculpture similar to the large one displayed in the public reception area **(Exhibit 2-6.2)**.

Job postings include professional education and experience requirements **(2 pg. Exhibit 2-6.3)** and **(2 pg. Exhibit 2-6.4)**.

The Property Appraiser recognizes that the increasing complexity of office responsibilities and job skills may require additional training and education. This includes in-house programs as well as external job-related training which increase the operational efficiency of staff, or prepare staff for positions of increased difficulty and responsibility.

The PAO may offer training on site, with its own or outside instructors. Typical training sessions may cover appraisal, software usage and capabilities, driver safety education, customer service, communication skills, appraisal techniques, etc. The training is during working hours and participation is designated as either voluntary or mandatory. The Property Appraiser or the Department Manager may recommend a conference, meeting, seminar or certification course that is located outside the PAO. Only those programs that have specific benefit to the deputy's development and advancement are eligible for consideration.

The FDOR requires that a completed Education Worksheet be provided as part of the PAO annual budget submission. This form lists each educational and training program the PAO staff plan to attend during the budget period. The FY 2013-14 budget includes $9,325 for education, not including associated travel expenses **(Exhibit 2-6.5)**.

The Property Appraiser is a member of the International Association of Assessing Officers (IAAO) and is an Associate Member of the Appraisal Institute. The office pays the applicable yearly dues and literature obtained from these memberships is made available to all staff. Staff members who have obtained their Certified Florida Evaluator (CFE) or GIS designation are a member of the Florida Chapter of the IAAO and the PAO pays their annual dues. IAAO courses are available to the staff member that has a need for a particular training. If available, staff members participate in the IAAO courses offered by surrounding counties as a cost-saving to the travel expense. The FDOR requires that a completed Employee Certification Worksheet be provided as part of the PAO annual budget submission. The FY 2013-14 Excel worksheet includes fifteen (15) positions with the CFE designation, plus the Property Appraiser with the Certified Florida Appraiser (CFA) designation **(Exhibit 2-6.6)**.

The PAO office is well supported by competent, tenured staff, and may be categorized in three groups:

- Management & supervisory positions generally oversee the PAO department functions and include tasks such as directing, supervising and evaluating staff work, scheduling, training, procedure and statute compliance, review of processes, quality control verification, etc.
    - # of personnel: 7 positions
    - average length of service: 16.7 years
    - range of service time: 5-33 years

- Appraisal and field positions focus on data collection and preparation of values for residential, commercial and agricultural properties.
    - # of personnel: 16 positions
    - average length of service: 11.4 years
    - range of service time: .5-25 years
- Other staff positions include customer service, exemptions, data processing, tax roll preparation, ownership, mapping, GIS, tangible personal property, finance and administration.
    - # of personnel: 20 positions
    - average length of service: 14.1 years
    - range of service time: .5-31 years

The Leadership Team members bring varied experience from both the public and private sector, and a range of people skills and technical knowledge. The team meets on a regular basis to plan for department restructuring and staff retirements, and to discuss legislative changes and the potential impacts to office processes.

The following services are outsourced:

- For highly complex TPP utility accounts (e.g. telecommunication companies, pipelines, and power plants), the PAO contracts with a utility appraisal consultant to review the annual utility returns. The consultant has specialized knowledge and methodologies to estimate the fair market value of these assets within the guidelines of Florida Statutes.
- Contract labor resources are used for field appraiser and reception desk positions for the following reasons:
    - Having an individual work on a trial basis (prior to full-time hire) works well. This is an opportunity to see if the individual is successful, prior to making a full-time staff commitment.
    - If the individual does not work out, they are subject to immediate release. Unemployment compensation is not incurred by the PAO.
    - Since the PAO benefits from the County's contract with a contract labor vendor, the vendor incurs the cost of workman's compensation liability.
- Legal services to represent the PAO as needed for legislation interpretation, Value Adjustment Board representation, etc.
- Software programming for new databases used by the PAO (e.g. Exemption Compliance database, property owner inquiry tracking during the mailing of Notice of Proposed Property Taxes, Property Record Card tracking database, Home Owner Association contact database)
- Website hosting and maintenance

7. Are salaries and benefits competitive?

Discuss how the salary levels are compared (other jurisdictions, surveys, and the like). Provide evidence of the adequacy of salaries and benefits with recent human resource, consultant, or professional organization surveys. State the salary incentives for professional certifications or designations. Provide the annual turnover ratio for the past 5 years. Describe the annual turnover rate and reasons for loss of staff from the office.

Answer: Yes. The PAO salaries and benefits are competitive to the marketplace. In 2006 with the assistance of a professional consultant, the PAO initiated a comprehensive compensation and benefits review which resulted in a redesign of the existing compensation system. This redesign moved the PAO from a "government" type compensation system to one more typically found in organizations outside of the public sector. Market data for twenty-three positions was collected from local and regional Florida based organizations in both the public and private sector. The study results were generated from twenty-two participating organizations.

The market pricing process involved gathering job description information from the PAO for each position using a Position Description Questionnaire format **(Exhibit 2-7.1)**. The purpose of this questionnaire was to summarize the basic purpose of the position, and to describe the specific duties and responsibilities that are performed in completing the job assignments. The descriptions and the specific scope requirements were matched to those presented in the salary survey responses, collecting base salary and total compensation (base plus bonus) data from the surveys (25th, 50th, 75th percentile and average data points) and then compiling the information into a single market point for each position. From this data, an analysis was developed of how well the PAO's pay levels compare to the identified market. A salary structure was established that assigns each job to a particular pay range within the nature and scope of each job and relationship of job responsibility among all categories or positions in the office.

The PAO has maintained and updated the compensation program as appropriate. However, in light of the current volatile economic environment and the impact of these forces on the competitive marketplace, a new study will be conducted in 2015 to insure that the practices are still adequate. This new information will enable the PAO to develop a pay plan moving forward.

The PAO operates on a budget that is approved by the FDOR and reviewed by the Martin County BOCC. Any proposed wage and salary adjustments are dependent upon the availability and approval of budget funding. This is discretionary and not automatic.

Downward economic conditions for the past several years have prevented PAO staff from receiving regular annual cost of living or merit increases. In order for the FDOR to approve raises for the PAO staff, the PAO must provide the FDOR with a directive from either the State of Florida or Martin County that its employees will get a raise and the amount of the raise. Initial indications are that no salary increases will be given for the 2014/15 budget year. Should Martin County approve a pay raise for their employees, the PAO will submit a budget amendment to the FDOR requesting the same.

The PAO does not give separate annual compensation for professional certifications or designations **(Exhibit 2-6.6)**. The PAO is a member of the International Association of Assessing Officers (IAAO) and is an Associate Member of the Appraisal Institute. The PAO pays the applicable yearly dues and literature obtained from these memberships is made available to all staff. Staff members who have obtained their Certified Florida Evaluator (CFE) or GIS designation are a member of the Florida Chapter of the IAAO and the office pays their annual dues. A staff member that achieves the professional designation of CFE or GIS Professional by successfully passing four required IAAO courses receives a one-time $1,000 bonus payment.

The following **Figure 7.1** summarizes annual staff turnover for the past five calendar years. While all of the circumstances (both voluntary and involuntary) contribute to turnover, not all have the same organizational implications.

Figure 7.1: Annual Staff Turnover

Calendar year ending	Turnover rate	Remarks
2009	2.4%	1 voluntary (become self-employed)
2010	7.3%	2 voluntary (change in career; seek alternative employment); 1 involuntary
2011	7.9%	2 voluntary (moved out of area; change in career); 1 retirement
2012	8.1%	1 voluntary (moved out of area); 1 involuntary; 1 retirement
2013	13.2%	2 voluntary (change in career); 1 involuntary; 2 retirement

8. Is the assessment office well-organized?

Provide the following documentation:
– organizational plan
– documentation illustrating the lines of communication, responsibility, and authority
– descriptions that reflect jobs or positions within the assessment office.

Answer: Yes. The PAO is well organized into two teams:

- Appraisal /Valuation: Residential, Commercial, Agricultural
- Support Services: Customer Service/ Exemptions, Ownership/Mapping, Data Processing, Tangible Personal Property, Tax Roll, Geographic Information Systems, Quality Control, and Finance/Administration

The Team Directors manage an Assistant Director and Department Managers, who manage all other specialized staff. The Team Directors report directly to the Property Appraiser, while the Assistant Directors and Tax Roll Manager indirectly report to the Property Appraiser **(Exhibit 2-8.1)**. The organizational chart is submitted annually to the FDOR along with the budget request and provided to new staff so that the lines of communication are clear and authority evident.

A job *description* is available for each position and lists the essential duties and responsibilities, and other skills and abilities necessary to successfully perform the job. Examples of various job descriptions are shown in **(12 pg. Exhibit 2-8.2)**. A job *posting* for an open position includes the items in the job description, and also the desired education and/or experience, salary range and contact information **(2 pg. Exhibit 2-8.3)**.

Open communications are strongly encouraged because it facilitates problem resolution. Grievance procedures are outlined in Deputy Handbook policy number 210 **(Exhibit 2-8.4)**.

Communication is at the heart of good staff relations. The office has an "*Open Door Policy*" for the staff to share their concerns, seek information, provide input, and resolve work-related issues. It is the cornerstone to office operations and noted in the Deputy Handbook as policy number 110 **(Exhibit 2-8.5)**. Staff members are reminded every day when arriving for work of the *Open Door Policy* as it is the focal point signage when entering the main entrance **(Figure 8.1)**.

Figure 8.1: Open Door Policy Focal Point

9. Is the staff well-managed?

Evaluating management quality is inherently subjective, however, a brief description and a copy of any written personnel policies and documentation that address good practices including documentation or a description of:

- Up to date written personnel policies, position descriptions, and performance reviews
- Merit based selection and promotion
- Even handed administration of progressive disciplinary procedures
- Regular management and staff meetings

Answer: Yes. The PAO staff is well managed. The PAO managers are relied upon not only for their technical and professional expertise, but also for their leadership abilities to coach and mentor their staff. Per Deputy Handbook policy number 220 titled "*Management Rights*:"

> *"The Property Appraiser shall have the exclusive right to manage the facilities, services and businesses of the office and direct the working staff. These rights include, but are not limited to, the right to plan, direct and control operations; to assign work and schedule the working hours; to determine the extent to which services will be performed by deputies or by contract providers; to hire promote, demote and transfer deputies; to suspend, discipline or terminate and to lay-off deputies for lack of work or for other reasons; to make and enforce rules of conduct and regulations; to introduce new methods, materials or facilities; to establish new job classifications and eliminate job classifications."*

The Deputy Handbook is a resource of the policies, procedures, and behavioral expectations that guide staff while at the PAO **(3 pg. Exhibit 2-9.1)**. Staff members use this resource for general information about the PAO, benefits and additional terms and conditions of employment. Administration and management staff refer to the policies for applying benefits and disciplinary action when needed. The following handbook policies address good practices:

- Code of Ethics **(5 pg. Exhibit 2-9.2)**
- Professional Attire **(3 pg. Exhibit 2-9.3)**
- Performance Reviews **(Exhibit 2-9.4)**
- Transfers / Promotions **(Exhibit 2-9.5)**
- Computer Policy **(7 pg. Exhibit 2-9.6)**
- Personal Conduct **(2 pg. Exhibit 2-9.7)**

Upon hire, staff members are expected to review and be familiar with the contents of the handbook. Staff members are asked to sign the "Handbook Acknowledgement" statement to demonstrate that they have read the handbook and agreed to abide by the contents **(Exhibit 2-9.8)**. This signed document acknowledges that the staff member understands and has received a copy of the deputy handbook. As new policies are added and existing policies amended, updates are issued annually to replace the outdated policy **(Exhibit 2-9.9)**.

Job descriptions are available for all positions. Prior to hiring for a position, the job description is reviewed for accuracy. Examples of various job descriptions are shown in **(12 pg. Exhibit 2-8.2)**.

In order to ensure that all staff members receive regular feedback on their performance, supervisors evaluate the job performance of every staff member who works for them on a regular basis. This annual job performance evaluation will indicate to the staff member how his/her performance has been evaluated by his/her immediate supervisor, and serve as a basis for discussion of the performance. The rating may call attention to the need for counseling, further training, potential for advancement or it may be useful for documenting job performance in support of disciplinary actions.

The various factors considered when reviewing a staff member's performances are attendance, punctuality, communications, continuous learning, teamwork, customer service, dependability, initiative, job knowledge and the quality and quantity of work.

It is the Property Appraiser's goal that performance reviews will be:

- conducted timely **(Exhibit 2-9.10)**,
- completed fairly and objectively by the supervisor on every staff member under their supervision prior to completing the introductory period and annually on the anniversary date of hire,
- reviewed and signed by the Property Appraiser and the Department Director prior to a staff member/supervisor discussion,
- discussed with the staff member by the supervisor, and
- be placed in the staff member's personnel file.

After reviewing and discussing the performance evaluation, the staff member is to sign and date the review form indicating that he/she has seen a copy of the performance review and was given an opportunity to discuss the rating with his/her supervisor.

Annual salary increases are not intended to be automatic. A salary increase may be earned based on a review of job performance (i.e. merit). When merit raises are authorized by the FDOR, the amount is generally based on a composite performance score generated by the performance competency and goal achievement ratings completed at the time of annual review. Rating ranges are as follows:

4.75 to 5.0 Outstanding
3.75 to 4.74 Exceeds job requirements
2.75 to 3.74 Meets job requirements
1.75 to 2.74 Needs improvement
1.0 to 1.74 Unsatisfactory

As seen in (**Exhibit 2-9.11)**, the overall annual performance rating for the staff member is 4.29. This staff member exceeds job requirements and therefore, may receive a 4% annual merit increase, assuming a maximum of 5% was approved by the FDOR.

Meetings are scheduled for a variety of purposes including information sharing, idea generation, process evaluation, production scheduling, staffing level evaluation, project status reporting, knowledge sharing, etc. Meetings may occur at the senior management level, by department, between departments, or between individuals. Staff member appreciation lunches are held throughout the year to recognize staff performance (e.g. before/after TRIM, holiday) and some departments meet monthly to celebrate birthdays.

10. Are skills in procurement and contract management sufficient?

Describe and provide evidence that demonstrates the office management's procurement and contracting skills. If internal sources are insufficient, describe how the assessment office acquires contracting and procurement services.

Answer: Yes. Procurement procedures provide internal controls and contribute to process efficiencies.

A purchase requisition is required for any purchase of goods greater than $40 per unit price or for contracted services. For purchases less than $40, no purchase requisition or purchase order is required. The supporting documentation describes the need for and the requirements of the proposed purchase **(Exhibit 2-10.1)**. Once the purchase requisition is approved by the department manager, administrative staff verify that funds were budgeted and/or available and that the justification is adequate.

When the requisition has been approved, a purchase order is issued **(Exhibit 2-10.2)**. Purchase orders are not required for recurring monthly/quarterly budgeted expenses such as lease payments, monthly maintenance, quarterly software payments, etc. The purchase order is forwarded to the Finance department for determination of general ledger account and budget vs. actual analysis and tracking.

Administrative staff is responsible for the vendor selection for all capital expenditures and large turnkey printing jobs, and in most cases several bids are obtained. While vendors may be chosen based on the best price and delivery, service history is a major consideration when awarding a bid. Bids are solicited by sending a Request for Proposal (RFP) to vendors previously used or within the Martin County area **(Exhibit 2-10.3)**.

Once the vendor proposals are received, a cross-reference worksheet is created and each vendor is compared. Often times, a list of approved vendors for the County and State is reviewed to see if the PAO can take advantage of any contracts obtained by either entity.

11. Is the quality assurance program of the assessment office adequate?

For each of the items on the checklist in table 2-3, describe the program(s) or practice(s) that demonstrate an effective quality assurance program. A *not applicable* answer may be acceptable if a reasonable explanation is provided as to why the program or practice is not applicable to your jurisdiction. Include statistical reports and any other documentation that are a part of these programs or practices as exhibits.

Answer: Yes. Quality control (QC) procedures are vital to the PAO operations and work product. QC and accountability is an essential responsibility and element for every department, position, and process. The following is the PAO "Commitment to Quality" and is also noted in the Deputy Handbook as policy #110 **(Figure 11.1)**:

Figure 11.1: Commitment to Quality Policy #110

COMMITMENT TO QUALITY

The Property Appraiser's office is committed to its quality control program to increase services and reduce costs while maintaining a quality work product.

Virtually every deputy of this office who has any contact with taxpayers, directly or indirectly, can help reduce taxpayer errors starting right now.

The Property Appraiser's office goal is:

To reduce tax roll shrinkage, as a result of errors, to one half of one percent per year.

Increase office efficiency to reduce costs.

Enable every staff member to participate in, and be accountable for the ongoing improvement of the tax roll process.

Ensure that an ongoing quality assurance system is in place for the Property Appraiser's office.

FIGURE 2-3. QUALITY ASSURANCE CHECKLIST					
PROGRAM OR PRACTICE		APPLICABLE (Y/N)	PRESENT (Y/N)	ADEQUATE (Y/N)	COMMENT
1.	Staff recruitment, selection, and training reinforce quality assurance.	Y	Y	Y	Staff recruitment begins with an updated job description for each position, noting the essential duties, responsibilities, skills and education required. To facilitate the interview and selection process, pre-employment testing unique to the position is conducted to verify required skills and knowledge. Upon hire, one-on-one training is performed to reinforce process and work product consistency.
2.	Staff are required to adhere to ethical standards. The office provides needed guidance and deals promptly and effectively with ethical problems.	Y	Y	Y	Each new staff member, including individuals working through an employment agency are required to abide by the provisions of the Code of Ethics policy **(Exhibit 2-9.2)**. A staff member shall abide by each of the standards set out in this Code and shall always endeavor to expose corruption whenever and wherever discovered. In addition, all new staff members take a Loyalty Oath before they are authorized to take acknowledgments of instruments for public record **(Exhibit 2-11.1)**. Staff members are asked to read, accept and sign a copy of each policy as a condition of their employment with the PAO. Ethical problems are rare, but should they occur, the PAO considers counseling, further training, disciplinary action up to and including dismissal.

3.	The office's organization reinforces quality assurance.	Y	Y	Y	Quality control and accountability is evident in many aspects of the PAO organization including processing procedures, written documents, data entry keystrokes, value conclusions, annual performance reviews, budget and financial reporting, etc. A dedicated full-time position performs quality control for data and tax roll processing, and has the responsibility for the highest degree of accuracy **(2 pg. Exhibit 2-11.2)**. Quality control is part of every staff member's job responsibilities. The individual departments use the SQL Server Reporting Services to maintain the quality control reports used throughout the year for their specific department **(Exhibit 2-11.3)** and **(Exhibit 2-11.4)**.
4.	The office's computer system design reinforces quality assurance.	Y	Y	Y	The computer system is designed to reinforce quality assurance on multiple levels. The first level of quality assurance is done during the data input process. Fields in the CAMA system are set up to only accept appropriate data (e.g. building square feet can only be a positive integer number and the system will accept no other input). This reduces the amount of input errors and improves quality. The next level of quality assurance is done after the input process is done and the account is ready to be "priced" or calculated. During this process the calculation engine will run multiple checks to determine if the account has all required data

					to generate a valid valuation. An issue at this stage will prompt the user and not allow completion of the value calculation process. If ignored this error will show during the initial tax roll processing phases to increase the likelihood that these issues are found and corrected. Additional quality assurance reports have been developed and are run during the tax roll processing stage. These checks have been developed to replicate the review process performed by the FDOR in order to find a correct these problems prior to roll submission.
5.	Standards of performances are formalized.	Y	Y	Y	Annual performance reviews are submitted using the *Performance Now* software program. The purpose of the program is to facilitate performance tracking and establish measureable goals, as well as write complete and effective performance reviews. This pre-determined format ensures consistency across all departments **(2 pg. Exhibit 2-11.5)**. As an example, individual quality standards (error rates) are tracked monthly in the Data Processing Department **(Exhibit 2-11.6)**.
6.	Procedures are documented.	Y	Y	Y	Procedures and processes are well document across all departments. In most cases, the standard operating procedure (SOP) format includes screen shots as well as itemized content. SOPs are completed or revised as new process are incorporated or modified **(7 pg. Exhibit 2-11.7)**, **(4 pg. Exhibit 2-11.8)**,

					and **(3 pg. Exhibit 2-11.9)**. The ongoing goal is to have all procedures well documented in SOP format. Departments maintain their SOPs in a shared electronic file for ease of access and immediate reference for all department staff members **(Exhibit 2-11.10)**.
7.	Data maintenance programs reinforce quality assurance.	Y	Y	Y	The CAMA system is linked with a comprehensive records management application that maintains an immense amount of data that pertains to a particular property or business account. This dual application system also processes and calculates values and the qualified exemption amount from this data. Within the records management application is an event history that logs any change or update made to the account. This application also builds and maintains the tax rolls and exemptions. Any change made on a property that will affect its value on the tax roll will also generate a correction process that is tracked and stored so that it can be reviewed. All historical postings on the tax roll are stored and never overwritten. As a correction is made it will generate an additional column of tax roll value data to the right of the prior roll data **(Exhibit 2-11.16)**. The CAMA application is used to maintain all characteristics that relate to and have an impact on the market value of the property or business account. This system maintains historical records of the account each time its

					value has been finalized.
8.	Data security procedures reinforce quality assurance.	Y	Y	Y	Access to data and the Computer Assisted Mass Appraisal (CAMA) programs are authenticated in two ways. First, the user must sign into the domain. Microsoft Active Directory is used to authenticate user accounts, and password policies require certain complexity and password expiration dates. Second, in order to further access the CAMA system, a second account must be configured. This second account is assigned a "permissions" role and is based on a staff member's assigned tasks. For example, to create a new user, the permission role is limited to system administration staff.
9.	The valuation program reinforces quality assurance.	Y	Y	Y	A report called "Monitor Batch Processes" audits all changes made within the CAMA system **(Exhibit 2-11.11)**. The "View Roll Corrections Queue" audit report shows all changes and/or corrections which specifically affect the current assessment roll **(Exhibit 2-11.12)**.
10.	Valuation accuracy is monitored regularly using a flexible ratio study program.	Y	Y	Y	The CAMA application has a built in ratio study program we call a CAMA Analysis. This ratio study is run at the neighborhood level by the appraiser who has conducted the valuation of the neighborhood. The analysis report is than signed off by the department manager indicating that the neighborhood statistics have been reviewed and confirmed. This procedure of regularly running ratio studies

					on the neighborhood level improves consistency and accuracy of ratios when analyzed on a macro level. This ratio study analysis is also performed regularly on a County wide scale to get an overview of the areas that have not been valued or require more attention.
11.	Management communicates quality assurance expectations.	Y	Y	Y	Upon hire, staff members receive a Deputy Handbook which clearly outlines all office policies. A *Commitment to Quality* policy is in the forefront as policy #110 **(Exhibit 2-8.5)**. Annual performance reviews include quality as a performance competency. The staff member's quality of the work product is measured based on the following five criteria: (1) demonstrates accuracy and thoroughness, (2) displays a commitment to excellence, (3) looks for ways to improve and promote quality, (4) applies feedback to improve performance, and (5) monitors own work to ensure quality **(Exhibit 2-11.13)**.
12.	Management takes appropriate corrective action when potential or actual quality problems surface.	Y	Y	Y	Managers along with their department staff members work very hard for quality assurance. Should a quality issue surface, corrective measures are taken and communicated immediately. The Property Appraiser is committed to an open door policy where staff members find her and the management staff to be approachable with any concerns and suggestions so that corrective action may be taken.
13.	The office listens to	Y	Y	Y	Well trained staff members

	taxpayers and other stakeholders.				are available to meet with property owners, listen, and answer inquiries in all three locations. In addition, the public can email inquiries to info@pa.martin.fl.us or use the "Contact" button link on the website **(Exhibit 2-11.14)**. After standard business hours, the public may leave a voicemail message on the after-hours phone line so that staff may return the call immediately on the next business day. The public is encouraged to provide feedback regarding their experience while at the PAO. Fillable cards titled "How Are We Doing" are available to visitors at each workstation **(Exhibit 2-11.15)**.
14.	Management periodically commissions procedural audits.	Y	Y	Y	The FDOR conducts in-depth procedural audits on ….(is the upcoming Agricultural audit a "procedural" audit?). As part of the annual financial audit, the accounting firm hired by the County conducts procedural financial audits in the following area: cash disbursements, receipts and investments, budgeting, and books, records and reports. In addition, an annual procedure audit is commissioned for review of the PAO usage of the Florida Highway Safety and Motor Vehicles Driver and Vehicle Information Database (DAVID).

Chapter Two List of Exhibits

Exhibit 2-1.1	Florida Statute 192.042
Exhibit 2-1.2	FDOR Property Appraiser Annual Calendar
Exhibit 2-1.3	Tax Roll Processing Calendar
Exhibit 2-1.4	Data Processing Annual Calendar
Exhibit 2-1.5	Property Record Card Workflow
Exhibit 2-2.1	Permit Summary
Exhibit 2-2.2	Position Justification Form
Exhibit 2-3.1	2005 Space Needs Calculation
Exhibit 2-3.2	2005 Projected Space Needs Calculation
Exhibit 2-3.3	Map of Governmental Offices
Exhibit 2-3.4	Office Layout Map
Exhibit 2-3.5	Office Space Photos
Exhibit 2-4.1	FL Statute 195.087
Exhibit 2-4.2	2013-2014 Approved Budget
Exhibit 2-6.1	Plaques
Exhibit 2-6.2	Sailfish Sculpture
Exhibit 2-6.3	Ownership Mapping Dept Manager Job Posting
Exhibit 2-6.4	Senior Appraiser Project Manager Job Posting
Exhibit 2-6.5	Education Worksheet
Exhibit 2-6.6	Certification Worksheet
Exhibit 2-7.1	Position Description Questionnaire
Exhibit 2-8.1	Organizational Chart
Exhibit 2-8.2	Job Description Examples
Exhibit 2-8.3	Job Posting Example
Exhibit 2-8.4	Deputy Handbook Policy Number 210
Exhibit 2-8.5	Deputy Handbook Policy Number 110
Exhibit 2-9.1	Deputy Handbook Index
Exhibit 2-9.2	Code of Ethics Policy
Exhibit 2-9.3	Professional Attire Policy
Exhibit 2-9.4	Performance Review Policy
Exhibit 2-9.5	Transfers Promotions Policy
Exhibit 2-9.6	Computer Usage Policy
Exhibit 2-9.7	Personal Conduct Policy
Exhibit 2-9.8	Handbook Acknowledgement
Exhibit 2-9.9	Handbook Policy Update Memo
Exhibit 2-9.10	Performance Review Schedule

Exhibit 2-9.11	Weighting Calculation Summary
Exhibit 2-10.1	Purchase Requisition Form
Exhibit 2-10.2	Purchase Order
Exhibit 2-10.3	Request for Proposal
Exhibit 2-11.1	Loyalty Oath
Exhibit 2-11.2	Job Description for Asst. Director of Quality Control
Exhibit 2-11.3	SQL Server Reporting Services
Exhibit 2-11.4	Customer Serv Dept SQL Server Reporting Services
Exhibit 2-11.5	Performance Now Example
Exhibit 2-11.6	Data Processing Tracking
Exhibit 2-11.7	SOP Example 1
Exhibit 2-11.8	SOP Example 2
Exhibit 2-11.9	SOP Example 3
Exhibit 2-11.10	SOP in Shared Electronic File
Exhibit 2-11.11	Monitor Batch Processes
Exhibit 2-11.12	View Roll Corrections Queue
Exhibit 2-11.13	Quality Performance Competency
Exhibit 2-11.14	Contact Button Link on Website
Exhibit 2-11.15	How Are We Doing Card
Exhibit 2-11.16	Tax Roll Correction Maintenance

Chapter Three: Computerization

1. Is there at least one computer workstation (terminal or personal computer) for each appropriate staff member?

Show that most or all staff members have unimpeded access to a workstation.

Answer: Yes. All staff members are assigned a computer workstation and have unimpeded access to the Computer Assisted Mass Appraisal (CAMA) system, Microsoft Office Suite, and other tools necessary to carry out assignments for their specific function. Each computer desktop is imaged and backed up on a regular basis. In the event of a hardware failure, a staff member may continue to work with minimal disruption by remotely accessing their imaged desktop from another workstation.

Each computer workstation has two, if not three monitors to facilitate the work process. Having multiple applications open and visible provides for work processing efficiency.

Four terminals located in the reception area are available for public access to the Property Appraiser Office (PAO) website.

2. Does the infrastructure provide for the following services?

Briefly describe:

- Access to high speed and specialized printers (i.e. color, large documents, etc.)
- Backup procedures including off-site and recovery procedures
- Access to the internet and productivity enhancing software (i.e. email, spreadsheets, database analysis, statistical analysis, etc.)
- Access to data and programs are secured to certain designated office staff and the public to prevent improper access or use

Describe typical response time for routine data entry, routine internal inquiry, public inquiry, and major batch production such as assessment roll generation

Answer: The PAO consolidated its computer and network systems and resources with that of the Martin County Information Technology Services (ITS) **(22 pg. Exhibit 3-2.1)**. This allows the PAO to focus its efforts on producing the tax roll, rather than managing information technology systems. It also provides cost savings. The PAO values its partnership with Martin County and its support and management of the infrastructure. ITS manages the following services:

- **Access to high speed and specialized printers (i.e. color, large documents, etc.):**
  - All staff members have the ability to print projects of all sizes to a high speed, black/white, multi-purpose machine **(Exhibit 3-2.2)**. Three machines are available at the main office and one machine is at the Hobe Sound office. Local printers are also available in some departments.
  - Management staff members are assigned a dedicated printer located in their office **(Exhibit 3-2.3)**.
  - Three, full-color printers are available for printing smaller size maps and other documents requiring color printing **(Exhibit 3-2.4)**.
  - A plotter is available to print 24"x 36" color maps **(Exhibit 3-2.5)**.
  - A large document scanner is available to scan documents as large a 36" wide **(Exhibit 3-2.6)**. Both the plotter and large scanner are centrally located, for all staff access.
  - Martin County ITS manages a print server which allows for ease of administration and installation. Should a hardware failure occur, an alternative printer can be made quickly available to the user. Martin County ITS maintains the PAO printer directory **(Exhibit 3-2.7)**. Printers are added to a computer via script on login, based on the computer location in the Microsoft Active Directory.

- **Backup procedures including off-site and recovery procedures:** Automated backup procedures are managed by ITS and are used to recover lost or corrupt data files. Netapp storage and Netapp products are used to back up the CAMA and other system databases and immediately replicate the backups at a secure, offsite location. This applies to all of the databases located on the PAO production server. Should a disaster strike the primary site, the actual production virtual server and latest version of the databases can be recovered. Automated backups are scheduled several times a day.

  Network files are also backed up using Netapp snapshot. These backup files are retained for eleven weeks, and are also replicated to a secure, offsite location. Data is not stored locally on a staff member's computer.

- **Access to the internet and productivity enhancing software (i.e. email, Excel spreadsheets, database analysis, statistical analysis, etc.):** Staff members are provided access to applications that enhance productivity and are cost effective. The following are examples of product enhancing software currently used by staff:

  - Internet Explorer as a default web-browser for using the internet to conduct research.

- Microsoft Office Products:
  - Outlook: For internal and external email communications. Also provides calendar creation to assist with process and procedure management.
  - Word: word processing tool.
  - Excel: spreadsheet analytical tool.
  - Access: database creation/reporting tool.
  - Powerpoint: presentation slide show creation tool.

- SQL Server Manager is provided to designated staff for writing queries and performing maintenance of the CAMA database.

- Visual Studio is provided to designated staff for report development. Written reports are then available to the end users through a report manager site.

- **Access to data and programs are secured to certain designated office staff and the public to prevent improper access or use:** Access to data and CAMA programs are authenticated in two ways. First, the user must sign into the domain. Microsoft Active Directory is used to authenticate user accounts, and password policies require certain complexity and password expiration dates.

  Second, in order to further access the CAMA system, a second account must be configured. This second account is assigned a "permissions" role and is based on a staff member's assigned tasks. For example, to create a new user, the permission role is limited to system administration staff. Public computers located in the reception area are stand alone, and therefore are not on the domain. They are configured with limited permissions, and have an external internet connection to view the PAO website.

- **Describe typical response time for routine data entry, routine internal inquiry, public inquiry, and major batch production such as assessment roll generation:**

  - On average, data processing staff enters data for about sixteen real property field inspections per day. Data entry quantities are tracked on the Data Input Summary Spreadsheet **(Exhibit 3-2.8)**.
  - Processing time for an internal report request is dependent on the scope of the request. In most cases, a solution is available in two to three days.
  - Public report requests are usually completed in about two to three days. Should additional time be needed to complete the project, the requestor is contacted with an estimated completion date**.**
  - Assessment roll generation is initiated two weeks prior to the roll certification due date. This allows processing time (which alone may take up to three to four days) and quality control report generation. Quality control reports are then reviewed to ensure an accurate tax roll is provided to the Florida Department of Revenue (FDOR).

3. Is the system based on a database management system (DBMS) – preferably a relational DBMS – that provides integration possibilities with other applications not provided by the base system?

Prepare a table that lists your major assessment systems (e.g., CAMA, assessment administration, GIS), and the products that are interfaced with each major system (including each other), and provides a brief description of the type of interface for each product (e.g., direct data access, postover file, custom programming, and so on).

Answer: Yes. The PAO CAMA system is a relational Database Management System (DBMS) running on Microsoft SQL Server. Access Database integrates many other applications that are not provided by the base system, and have been developed either in-house or through a contracted vendor separate from the CAMA vendor.

System	Major Assessment Systems	Description
CAMA	GRM Application	This is the main application used for records management, assessment administration, and tax roll processing. It uses direct data access to the GRM-database.
CAMA	Proval Application	This is the Real Property CAMA system used by the appraisers for valuation processing. It uses direct data access to the GRM-database.
CAMA	MPPV Application (Manatron Personal Property Valuation)	This is the Personal Property CAMA system used by the appraisers for valuation processing. It uses direct data access to the GRM-database.
CAMA	Working with GRM (Microsoft Access Database)	This is an Access database that is set up to provide ad-hoc report writing capabilities using the GRM-database. The GRM-database is linked to the Access database to allow reporting of information but does not allow editing of the data.

CAMA	Homestead Express (Microsoft Access Database)	This is an Access database that tracks and processes homestead and other exemption applications. It is linked to the Homestead Express database which uses a daily post over file process from the GRM-database.
CAMA	Exemption Compliance (Microsoft Access Database)	This is an Access database that tracks and researches exemption compliance investigations. It is linked to the GRM-Extract database which uses a daily post over file process from the GRM-database.
CAMA/GIS	Parcel Analyst application	This is a GIS-Appraisal Analyst tool used by the Appraisal department to combine CAMA system data and aerial map information. It uses direct data access to the GRM-database for the CAMA information and uses a post over file process for the mapping information which is done in shapefile format.
GIS	GIS (Geographical Information Systems) Applications – (Arc-Map & Arc-Catalog)	This is the mapping application used to edit the base parcel line layer used in the County. It uses direct data access to the SDE Database on an Oracle Server.
WEBSITE	Governmax website	This is the CAMA system vendor's website service that hosts the search function on the PAO website. The CAMA system vendor pulls information from the GRM database through an extract process and displays it in an easy to use, searchable format.

4. Does the assessment office maintain data security and integrity including an audit trail of changes in records that affect assessments?

Provide a sample page from your primary Audit Report including audit trail information and features.

Answer: Yes. The PAO maintains data security and integrity including an audit trail of changes in records that affect assessments. Data security and integrity for the CAMA system is managed by setting "permission" roles which correspond to a staff member's assigned job duties and requirement to access and edit data. The permission roles are associated with a specific job duty and are assigned based on the user account. In addition, the application login/password ensures the correct employee is utilizing the correct role and permission set. For example, "General Appraiser" is one role set up in the CAMA system. The permissions set for this role provides the user with access to perform valuation edit and changes, but restricts this user from performing assessment roll processing functions. The assessment roll processing functions are designated to the "Administrator" role **(Exhibit 3-4.1)**.

A report called "Monitor Batch Processes" audits all changes made within the CAMA system **(Exhibit 3-4.2)**. The "View Roll Corrections Queue" audit report shows all changes and/or corrections which specifically affect the current assessment roll **(Exhibit 3-4.3)**.

5. Does the computer system adequately address issues of security and privacy?

Identify legislated and other data security and privacy requirements, and briefly describe the office policies, actions, password security on key systems, and other safeguards used to maintain security and privacy.

Answer: Yes. Office policies and actions address computer system security and privacy requirement.

- The use of permission roles is one way the PAO addresses legislative requirements to protect the confidentiality of tangible personal property returns per F.S. 193.074 **(Exhibit 3-5.1)**. For example, permission roles are used to limit access to the tangible personal property application, which maintains confidential business return information. Only the employees authorized to review and work this confidential information are assigned the necessary permission role required to access the application.

- Pursuant to Florida Statutes, sections 119.071(2)(h)1, 119.071 (2)(j)1, 119.071(4)(d)1-6 **(Exhibit 3-5.2)** and 493.6122 **(Exhibit 3-5.3)**, a "flagging system" is used to mask all personal information for the flagged owner. The information will display as "confidential owner" on the internal system and the record will be omitted completely from all public web-files or exports. A Confidential Record Request Affidavit is available on the website for qualifying owners **(2 pg. Exhibit 3-5.4)**.

6. Does the system provide query/reporting tools to allow advanced users to work independently of programming personnel in addressing needs that had not been anticipated at the time the system was first installed?

Briefly describe the ad hoc report writing programs and capabilities available to the assessment office.

Answer: Yes. The system provides several options for generating ad hoc reports. The following options accommodate both advanced and novice users:

- Microsoft Access Database (working with GRM): This Access database has a link to the CAMA tables needed to generate reports based on the data within the CAMA applications. It provides a fairly simple Graphical User Interface (GUI) that allows the creation of custom reports for those that have a medium skill level and knowledge of the fields and tables needed for their report.
- SQL Server Reporting Services: This is a report generation software system from Microsoft that allows an advanced report writer to create queries using SQL Server Management Studio. Appraisers and other staff members have the ability to request a custom report. Once the report writer has completed the report request, the report is made available on the PAO website so that all end users can run the reports when needed. An option is also available to set up subscriptions that allow the reports to be automatically generated and e-mailed at specified intervals.
- SQL Server Management Studio: This software application provides access to all components within the SQL Server. For advanced report writers, this offers all the tools necessary to instantly generate custom ad hoc reports. Appraisers and other staff members can request a custom report. Once prepared by report writer, the report can be copied into many different formats with Excel being the most common format.

7. Does the computer systems support multiyear processing?

Briefly describe how multiyear processing is handled by your CAMA system.

Answer: Yes. The CAMA system supports multiyear processing by using "effective dating" to manage which tax roll year is affected by changes made in the database **(Figure 7.1)**. By default, the effective date is set to the current date. The default year can be adjusted per user or be set system-wide in order to force users to work in the upcoming tax roll year **(Figure 7.2)**. Should a user need to make a change in a prior year tax roll, such as to enter an adjustment for a VAB decision, the user will be required to go into history and post a change with an effective date from the prior year. Another advancement that enhances multiyear processing is the capability to create "future property record" cards. This enhancement provides the ability to immediately process collected field data for a future tax year in a timely manner, rather than delaying the data entry until a new effective year has been established in the system. A "future card" is now stored in the system until it is "promoted" into the current card once a new tax year is established.

Figure 7.1: Effective Date Data Entry Screen

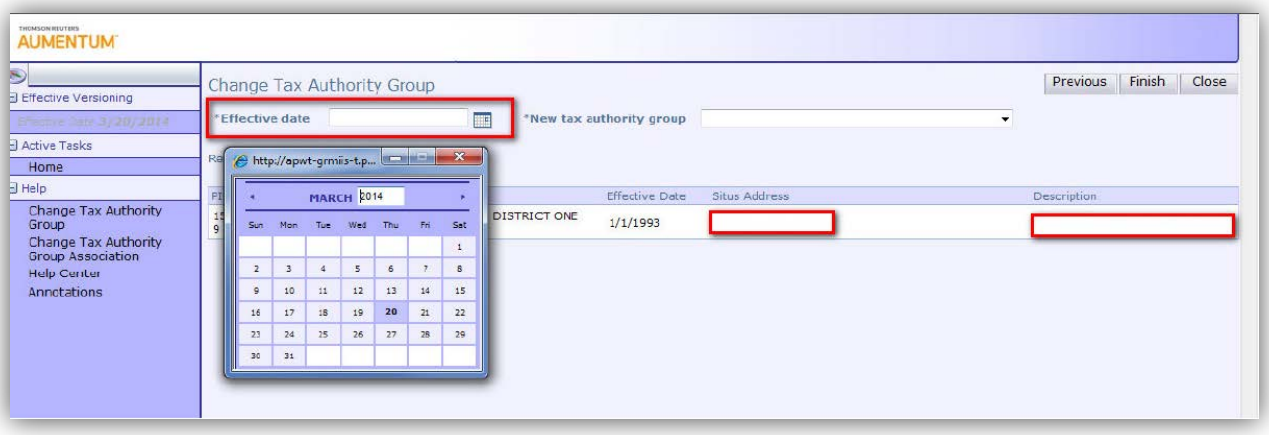
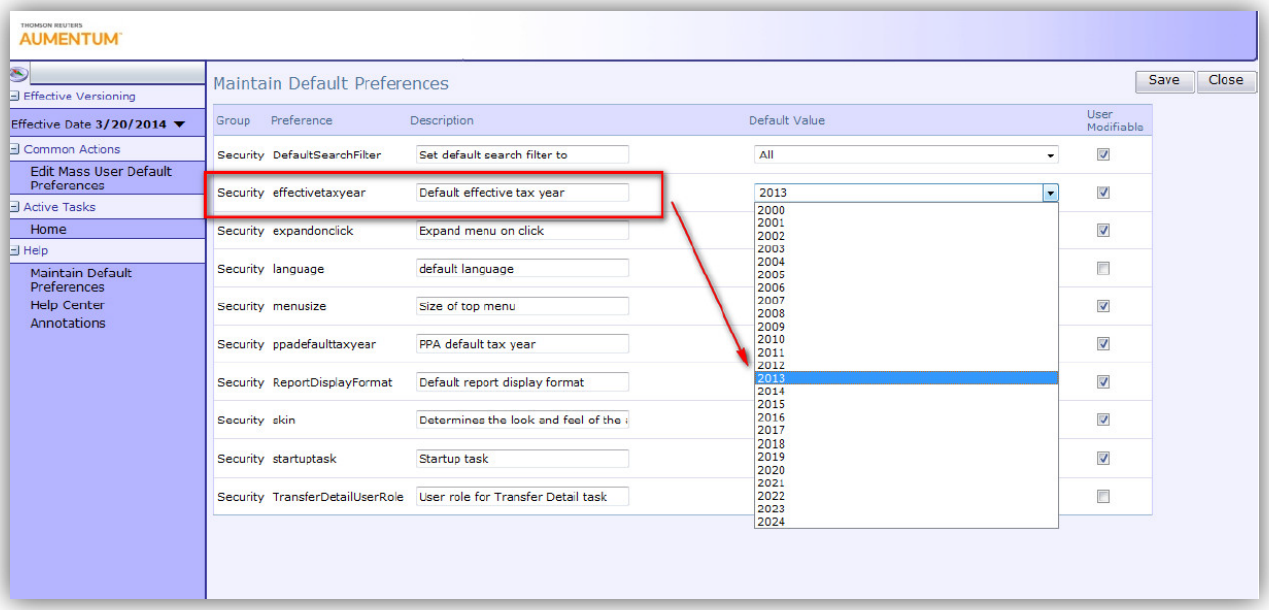


Figure 7.2: Default Effective Tax Year Data Entry Screen



8. Does the office provide public web access to information and services?

If applicable, briefly describe the web information and services your office provides, including examples of key elements available on your site.

Answer: Yes. The PAO website (www.pa.martin.fl.us) provides the public with valuable information and services. Every effort is made to keep the content current. Using the software Joomla, changes to information can be made quickly, and alerts and special notices can be posted on the home page. This allows the public to see the changes immediately.

Website usage by the public significantly reduces phone calls and inquiries to the office. The website is also an efficient means of making the PAO and information and data available to the public 24 hours a day, 7 days a week. The most used sections of the website are featured as "quick links" in the upper right hand corner of the site **(Figure 8.1)**:

- Property and Maps and Searches
- Property Tax Estimator
- Homestead Exemption
- Frequently Asked Questions

Figure 8.1: Website Quick Links

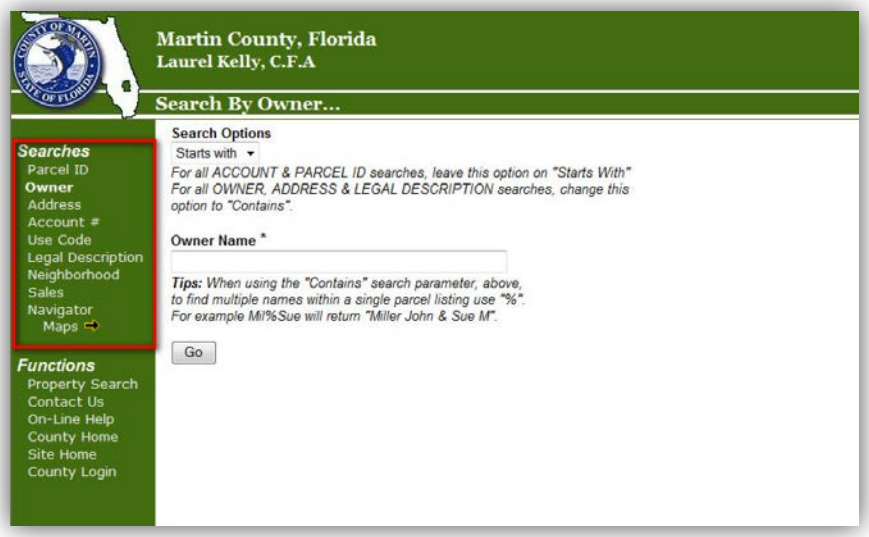
The Property Search function on the website has the highest usage rate with an average of 56,000 total monthly visitors and 1,850 average page views per day **(Figure 8.2)**. The "How to Conduct a Real Property Search" guide is a link available under the "Property Search" function on the website **(Figure 8.3)**.

Figure 8.2: Property and Map Searches

Figure 8.3: "How to Conduct a Real Property Search" Guide

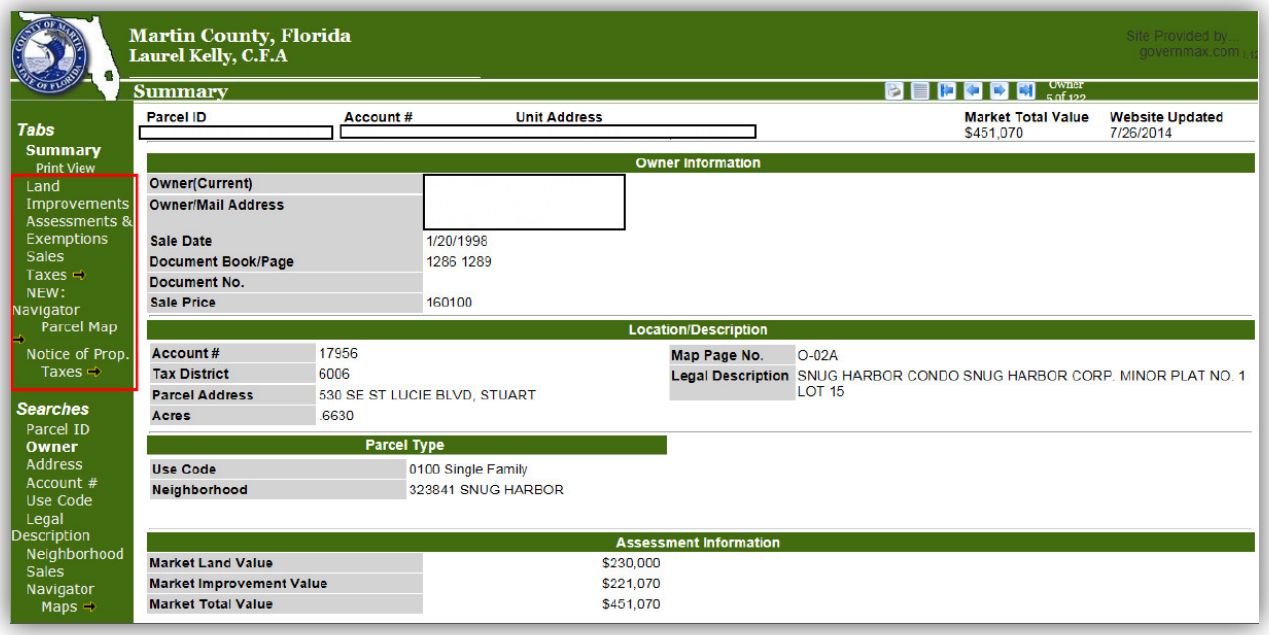
Using the Property Search function, the user can look up properties by parcel identification number, owner name, location address, account number, FDOR use code, legal description, and by neighborhood number **(Figure 8.4)**.

Figure 8.4: Search Options



Once the desired parcel is identified, the following information is available for view **(Figure 8.5)**, and is covered in greater detail in chapter 13, question 4:

Figure 8.5: Parcel Summary Page



- Land value detail: acreage, square feet, frontage and land type of the parcel.
- Improvement detail: list of improvements (i.e. dwelling, shed, pool, screen enclosure, garages), year built, quality grade, size. In addition, a link is provided to view a sketch of the improvement.
- Assessment and exemptions: historical certified values, assessment date, land value, improvement value, total market value, assessed value, exemption amount, and taxable value.
- Historical sales information: sale date, sale price, deed type, and book/page number which can be used to look up the actual document on the Martin County Clerk of the Circuit Court website.
- Tax information: link connects to the Martin County Tax Collector's website, where the owner's tax bill may be viewed.
- MC Navigator: link connects to Martin County's GIS interactive mapping software, allowing users to see their selected property on an aerial map and to search other surrounding properties on the same map.
- Notice of Proposed Property Taxes: link connects to the parcel's annual property tax notice.

In addition to searching an individual property by the criteria noted above, searches can also be done by using the sales information **(Exhibit 3-8.1)**. By clicking on the word "Sales" under the "Searches" category, the link will connect the user to a page where a sales search may be initiated. A sale can be searched by parcel identification number, sale price range, owner name, sale date range, year built range, number of bedrooms and bathrooms, physical address, square feet of a house, story height, FDOR use code, neighborhood code, taxing district, and legal description. Using any combination of the search criteria fields provides the user the opportunity to be very specific, consequently limiting the number of results. Or, if desired, limiting the combination of search criteria will produce a larger results pool.

The Property Tax Estimator is also a highly used resource on the website **(Figure 8.6)**. This estimator of taxes is used as a reference to the potential proposed taxes of a property sales transaction.

Figure 8.6: Property Tax Estimator

The "Frequently Asked Questions" section of the website provides the following valuable information for the taxpayer:

- Appraisal Process **(Exhibit 3-8.2)**
- Explanation of Data Displayed **(Exhibit 3-8.3)**
- Notice of Proposed Property Taxes TRIM **(Exhibit 3-8.4)**
- Petition Filing Instructions **(Exhibit 3-8.5)**
- Ownership & Address Changes **(Exhibit 3-8.6)**
- Tangible Personal Property **(Exhibit 3-8.7)**
- Agricultural Classification **(Exhibit 3-8.8)**
- Understanding the Ups & Downs of Property Appraisals, Taxes **(Exhibit 3-8.9)**

Thirty-three free standard reports are available to the public **(Exhibit 3-8.10)**. Custom data reports and buffer data reports are available upon request for a nominal fee to cover expenses.

The PAO website is mobile friendly. This means that when the homepage is accessed from a smart phone, the layout and information that is displayed is resized and formatted to improve function on a user's phone. The design of the mobile site has been modified to make navigating it on a phone much easier. Directions for saving the website to the home page of an iPhone are distributed at various speaking engagements **(Figure 8.7)**.

Figure 8.7: Mobile Website / App Instructions

9. Does the system provide geographic information systems (GIS) capabilities?

If applicable, provide examples of GIS-generated maps for sales analysis and s comparable sales selections, identify your GIS software, and briefly describe key GIS capabilities.

Answer: Yes. The system provides Geographic Information System (GIS) capabilities to the Cadastral Mappers who use ESRI's ArcGIS 10.1 ArcMap. ArcMap provides the "Split Polygon" tool used to split parcels, and the "Merge" tool to combine parcels. Various COGO programming language tools are available to accurately sketch boundaries. The GIS Specialist uses the full suite of ArcGIS 10.1 to perform basic cadastral mapping, GIS analysis, and to create various cartographic map products.

The system also provides GIS capabilities to the Appraisers who use Smart Data Strategies' Parcel Analyst. Parcel Analyst provides the ability to search and zoom to parcels and neighborhoods, view parcel CAMA information, and perform custom searches by selecting parcels based on SQL queries. A SQL query may be used to generate a sales analysis map **(Exhibit 3-9.1)**, or a comparable sales map **(Exhibit 3-9.2)**.

10. Does the system provide advanced workflow processing and management?

If applicable, briefly describe your workflow capabilities, including what functions the software supports, and provide examples of key workflow reports.

Answer: Yes. The system has advanced built-in workflow capabilities. For example, the tax roll build and correction workflow process is used to take appraisal information from the Proval and Manatron Personal Property Valuation (MPPV) applications, and systematically process or "makes a correction to" an assessment roll.

This process begins by posting the appraisal information from Proval and MPPV, into the GRM Assessment Administration module. First, a batch posting process runs through Proval to post all real property parcels along with their corresponding value and value detail information. The same batch posting process runs through MPPV to post all tangible personal property accounts with their corresponding value and value detail information.

Second, these posted values and additional detail information remain within a GRM application processing queue until they have been verified. This processing queue is called the PV Interface.

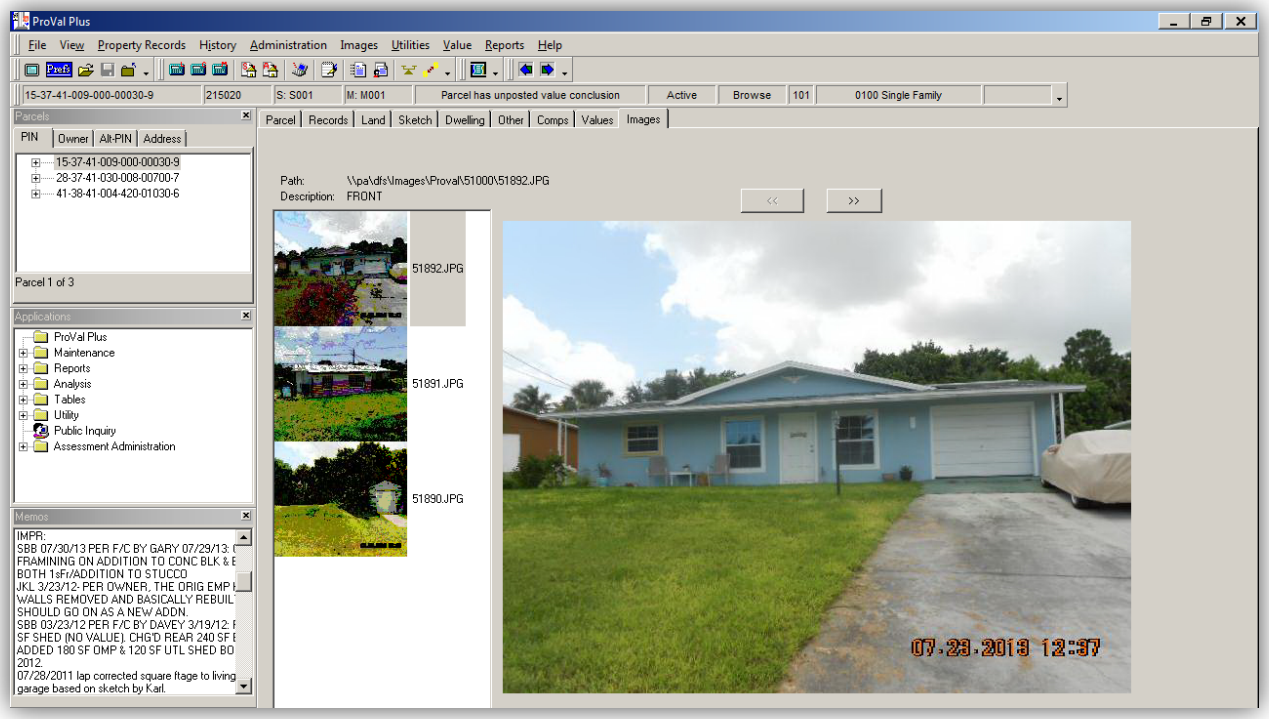
Once verified, the PV Interface runs each account through the GRM roll correction process. This takes all the value and detail information through a step-by-step process that calculates the different value types and information needed to create a correction to the assessment roll. The roll correction calculation process is complex and the system tracks the various processing stages **(Exhibit 3-10.1)**.

11. Does the system offer the ability to manage document images or photo imagery?

If applicable, briefly describe how document, mapping, and photographic images are collected and used in your office.

Answer: Yes. The Proval application in the CAMA system has the ability to link three images to a specified parcel. While viewing parcel information in the system, a front, side and rear view photograph of the structure is available **(Figure 11.1)**.

Figure 11.1: Proval Images

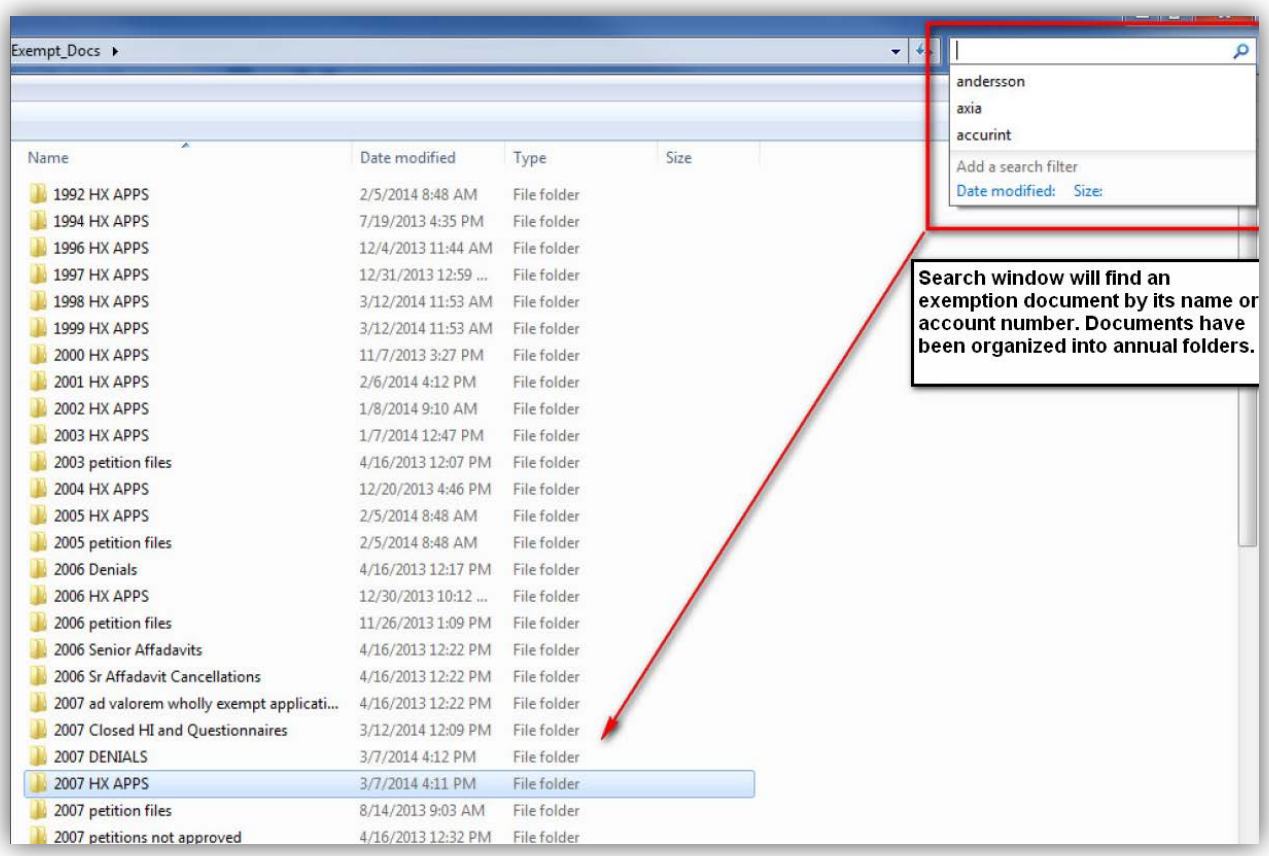


The linking process is as follows:

- Field Appraisers take parcel photographs during field data collection.
- The Field Appraisers download, index and store the parcel photographs on a network drive.
- A link in the Proval application connects three selected photographs images to the designated network drive.
- Photograph images that are taken in the data collection process, but are not selected to be linked in Proval, are stored and indexed in a separate folder directory. Here, the photographs can be searched using the Windows Explorer default search functions.

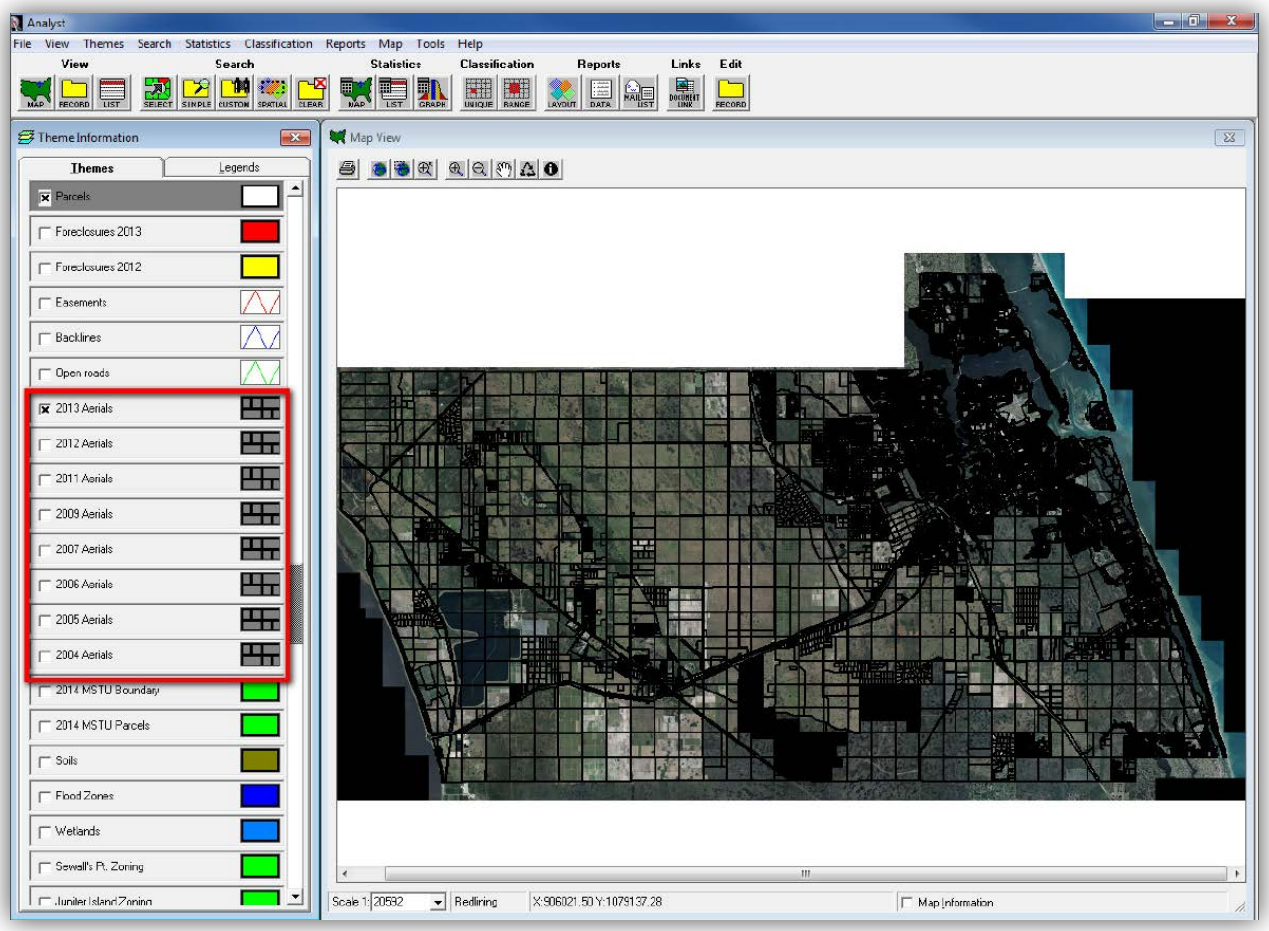
Property exemption documents, business returns, correspondence, property record cards, etc. are scanned, indexed and stored in electronic files. These files are named by year so that the files can be searched in the same manner as the parcel photographs **(Figure 11.2)**.

Figure 11.2: Electronic Files



Two-dimensional orthographic photographs are provided annually by the Martin County GIS Department. These aerial photographs are updated in the Parcel Analyst application along with the public GIS map viewer application at http://geoweb.martin.fl.us/general **(Figure 11.3)**.

Figure 11.3: Aerial Photos



Chapter Three List of Exhibits

Exhibit 3-2.1	Martin County ITS
Exhibit 3-2.2	High Speed Multi-Purpose Copier
Exhibit 3-2.3	Desktop Printer
Exhibit 3-2.4	Color Printer
Exhibit 3-2.5	Color Map Plotter
Exhibit 3-2.6	Large Document Scanner
Exhibit 3-2.7	Office Printer Directory
Exhibit 3-2.8	Data Input Summary Spreadsheet
Exhibit 3-4.1	Administrator Role
Exhibit 3-4.2	Monitor Batch Processes
Exhibit 3-4.3	View Roll Corrections Queue
Exhibit 3-5.1	F.S. 193.074
Exhibit 3-5.2	F.S. 119.071(4)(d)
Exhibit 3-5.3	F.S. 493.6122
Exhibit 3-5.4	Confidential Records Request Affidavit
Exhibit 3-8.1	Search by Sales
Exhibit 3-8.2	Appraisal Process
Exhibit 3-8.3	Explanation of Data Displayed
Exhibit 3-8.4	Notice of Proposed Property Taxes
Exhibit 3-8.5	Petition Filing Instructions
Exhibit 3-8.6	Ownership & Address Changes
Exhibit 3-8.7	Tangible Personal Property
Exhibit 3-8.8	Agricultural Classification
Exhibit 3-8.9	Understanding the Ups & Downs of Property Appraisals
Exhibit 3-8.10	Free Standard Reports
Exhibit 3-9.1	Sales Analysis Map
Exhibit 3-9.2	Comparable Sales Map

Chapter Four: Mapping

Section 1. Computerized Mapping and Assessment Support

1-1. Does the assessment office maintain a comprehensive GIS database including the size, shape, and location of each parcel in the jurisdiction?

Provide a copy of a sample cadastral or parcel map and map indices from your GIS and briefly describe each of the various integration methods your office uses and which specific output products and operations each method is used to support.

Answer: Yes. The comprehensive Geographic Information System (GIS) database is used as a cadastral base map and is generally maintained on a daily basis (most often, to do parcel splits and combines). A GIS system is a collection of hardware, software, data, methods and professionals that inputs, stores, manipulates, queries, analyzes and visualizes geographic information. The Property Appraiser's office (PAO) uses trademark software ArcGIS, the GIS system and software product created by ESRI, the largest GIS software company in the world. The Mapping/GIS department maintains cadastral maps in 24 map books, totaling 525 individual maps and County tax map indices **(Exhibit 4-1.1)** and **(Exhibit 4-1.2)**. Digital orthophotography is procured annually for urbanized areas of the County, and at least every three years for the entire County.

Two fields in the parcel GIS data layer are designated to join to the Computer Assisted Mass Appraisal (CAMA) system and other attribute tables for geographic analysis. Also included in the comprehensive GIS database is a wide array of layers such as municipal boundaries, and zoning and land use that can be brought into the GIS cadastral base map for special needs. The process of integrating final cadastral maps involves adding and symbolizing the required GIS layers from the GIS Enterprise database's Spatial Database Engine (SDE) into the Table of Contents of an ArcGIS ArcMap document. The output of this integration is the final tax maps. These may be obtained as a hard copy from the PAO, downloaded from the website, or viewed from the public interactive mapping website. The operation of integration methods not only support the creation of cadastral maps, but also provides a variety of mapping products and GIS analysis to help staff with their work.

1-2. Are maps maintained by using professionally accepted standards for size, scale, layout, lines, symbols, and the like?

Provide a list of your key GIS products, including a brief description and representative examples of each. Also provide a brief description or associated copy of your mapping standards used.

Answer: Yes. The tax/cadastral maps are available at the PAO with the Florida Department of Revenue (FDOR) Cadastral Mapping Guidelines **(32 pg. Exhibit 4-2.1)**. The parcel GIS data is approved annually by the FDOR. All key cadastral features and GIS layers are present and available to use in the PAO GIS **(Exhibit 4-2.2)**. PAO mapping standards are as follows:

- Map scales:
  - Urban Areas 1" = 200' (1:2,400)
  - Rural Areas 1" = 400' (1:4,800)

- Property map size, regardless of scale:
  - 24" x 36"

- Cadastral map information:
  - boundaries of all parcels
  - parcel dimensions or areas
  - block and lot numbers, and names and boundaries of subdivisions and plats
  - boundaries of geographic subdivisions, such as townships and sections
  - locations and names of streets, highways, alleys, railroads, rivers, and lakes
  - parcel identifiers
  - street names
  - map number, title block, legend and north arrow

The following are examples of GIS products available at the PAO:

- Cadastral/assessment map used by the public to locate parcels and associated annotation **(Exhibit 4-1.1)**.
- Petition map used to defend property values at Value Adjustment Board (VAB) hearings **(Exhibit 4-2.3)**.
- GIS shape files available on the website and used by the public in their GIS systems to view GIS parcels with CAMA tabular information **(Exhibit 4-2.4)**.
- Value text in the appraisal GIS system used by internal appraisers to value properties **(Exhibit 4-2.5)**.
- Neighborhood land value map used by internal appraisers to value properties within neighborhoods **(Exhibit 4-2.6)**.

1-3. Are parcel splits and combinations noted on maps within one month of a deed's recordation?

Briefly describe the process from the time a typical deed has been recorded until the graphic and tabular data has been posted to the GIS database, the process for keeping the graphic (map) and tabular data synchronized, and how the jurisdiction ensures the maps are kept current for each tax cycle. Include the typical timeframes for a straight transfer, a split parcel, a combining of two or more parcels, and a new plat, subdivision or condominium.

Answer: Yes. The Mapping/GIS department reviews and processes deeds. The department is provided with a "registered user" link to the Clerk of the Circuit Court's official records search website. The Deed Specialist processes the deeds daily and enters all direct sales and transfers of all real property. Complex metes and bounds legal descriptions are examined by the Cadastralist to determine which parcels the deed covers and provides that information to the Deed Specialist. The deed is then entered into the CAMA database. If the description examination indicates it is a split of an existing parcel, the Mapping/GIS department processes the split and typically takes one week to a month.

The split process can be initiated as a result of a recorded deed or if a property owner makes a request by submitting a *split request* or *combination request* form on their property when certain criteria is met **(Exhibit 4-3.1)**. Once the split deed has been recorded or the split request form submitted, the following steps occur:

1. Verification from the Tax Collector that the taxes on subject property have been paid.
2. The parcel split or combine is mapped in the GIS system and the new parcel size is calculated.
3. Data entry is done through the CAMA split wizard tool, including new legal descriptions, new area calculations, new parcel control number assigned, FDOR use code changes, ownership changes, exemption and assessment limitations created and Community Redevelopment Area (CRA) location verification.
4. Quality control is performed to review steps to ensure all work is completed.
5. A Split/Combine tracking slip is filled out, the map and request form is attached, and the package is forwarded to the Appraisal Services department to assign new or adjusted values **(Exhibit 4-3.2)**. When the Appraisal Services department has completed their valuation, the tracking slip is signed off by the respective appraiser and returned to the Mapping/GIS department to be entered on the split/combine Excel spreadsheet **(Exhibit 4-3.3)**.

The split/combine Excel spreadsheet is provided on a monthly basis to other County and City departments.

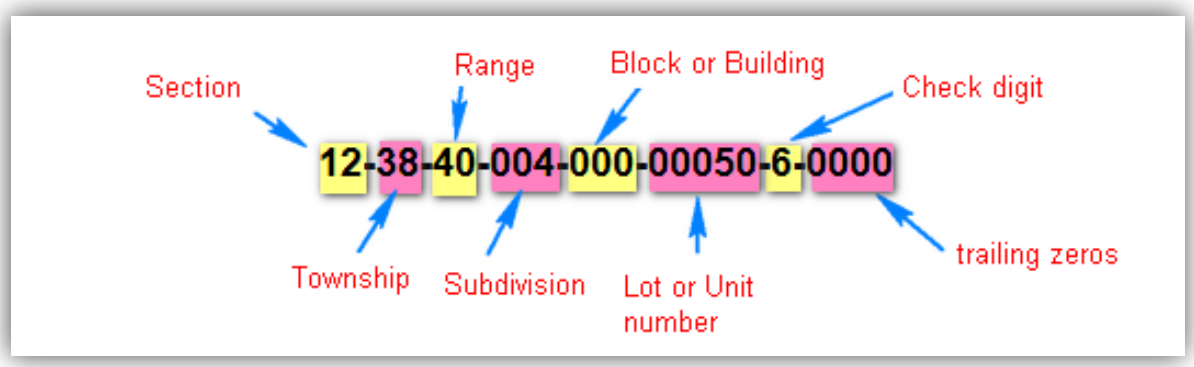
1-4. Are all parcels assigned a unique identifier?

Describe your parcel numbering system including how splits and combinations, sub-parcels (e.g. condominiums, subsurface rights, leased property), and easements are handled.

Answer: Yes. All parcels of land in Martin County are identified with their own unique parcel identification number (PIN). These parcel numbers are listed on the tax roll together with the property owner's name, legal description, deed history, taxing districts, exemption status, market and assessed values, as well as other pertinent information. PINs are 18 digits long, plus 4 trailing zeroes, and may appear with or without hyphens. Each group of numbers signifies information that is necessary to determine where the property is located. Therefore, it is essential that all numbers are accurate in the PIN.

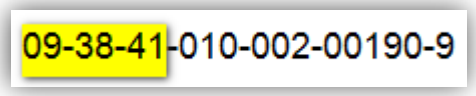
Each set of numbers in the PIN is relevant **(Figure 4.1)**:

Figure 4.1: Parcel Number Break-down



- The first six numbers establish what section, township and range the property is located **(Figure 4.2)**.

Figure 4.2: Section, Township and Range



- The next three numbers are the subdivision or condominium number and indicate which subdivision/condominium the parcel is located **(Figure 4.3)**.

Figure 4.3: Subdivision or Condominium Number

09-38-41-010-002-00190-9

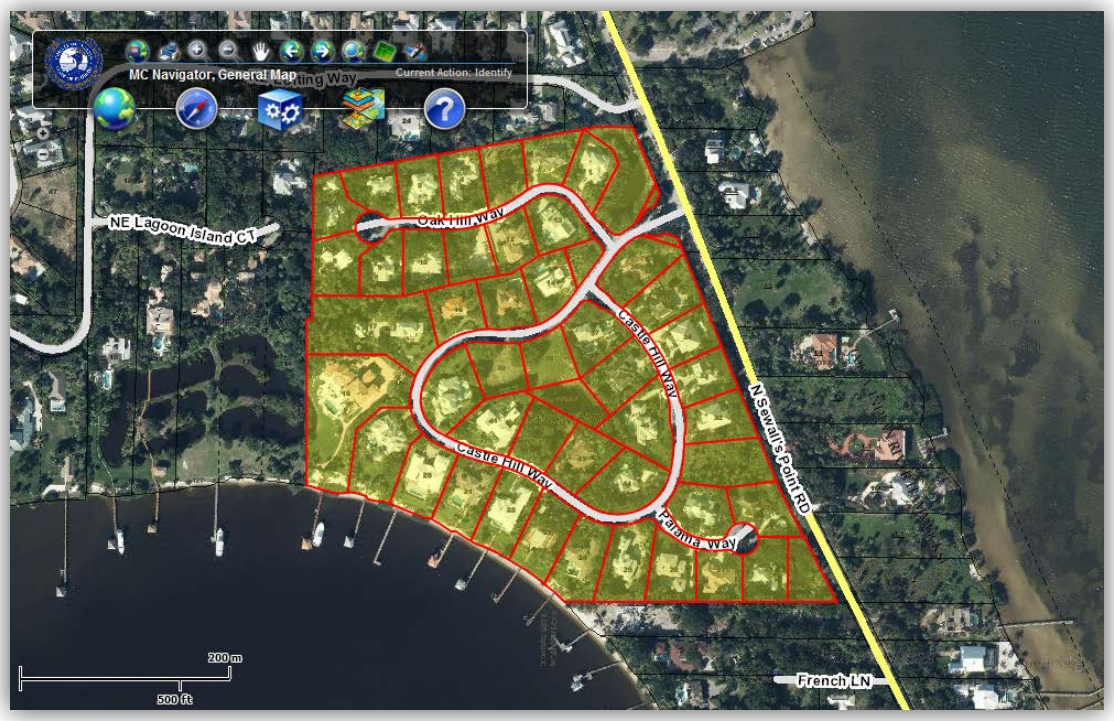
- A subdivision is a tract of land that has been divided into lots and has been approved by the County and filed by the Clerk of the Circuit Court. After this has occurred, it is no longer raw land with a metes and bounds description, but can then be described by stating the lot, block (if applicable), subdivision name, plat book and page. A condominium is similar to a subdivision but instead of filing a plat map, a Condo Declaration is recorded in public record that identifies the legal description, common area, and size of units, etc. The PAO subdivision index alphabetically lists all subdivisions and condominiums that include interactive web links to view the location on a map **(Figure 4.4)**, **(Figure 4.5)** and **(Figure 4.6)**. It displays their respective PIN and the parcel count and neighborhood number. When a subdivision number is shown as three zeroes, this indicates that a subdivision does not exist or one was not assigned to this parcel.

Figure 4.4: Subdivision List on Website

Figure 4.5: Subdivision Index Page

SUBDIVISION NAME	PARCEL CONTROL NUMBER	PARCEL COUNT	NEIGHBORHOOD NUMBER	MAP PAGE NUMBER	AERIAL PAGE NUMBER	VIEW ON MAP
1001 EAST OCEAN PROFESSIONAL BLDG CONDO	03-38-41-031	7	30200	O-03A	118A	View Map
2001 SAILFISH POINT BLVD CONDO	08-38-42-020	64	1151	HI-10	140D	View Map
2800 DUNE DRIVE CONDO (SAILFISH POINT)	08-38-42-021	89	1152	HI-11	141A	View Map
333 BUILDING CONDO	09-38-41-017	9	30300	O-09A	118C	View Map
415 NORTH RIVER DRIVE CONDO	32-37-41-020	10	524	N-32B	106D	View Map
417 COCONUT AVENUE CONDO	03-38-41-043	6	30200	O-03B	118A	View Map
4600 COVE POINTE CONDO	52-38-41-500	6	3037	HG-52	130D	View Map
618 PROFESSIONAL BLDG CONDO	04-38-41-028	7	30200	O-04B	118B	View Map
800 PLACE CONDO	32-37-41-011	130	525	N-32A	106D	View Map
ADAMS MINOR PLAT	34-38-42-080	3	70200	GG-03	152D	View Map
ADMIRALTY CONDO	07-38-41-020	50	6025	O-07A	107C	View Map
ADMIRALTY CONDO	07-38-41-020	50	6025	O-08A	107D	View Map
ADVANTAGE FORD OF STUART - PUD	38-38-41-017	1	50700	HG-10	119D	View Map
ALADDIN	48-38-41-170	18	548021	HG-54	141C	View Map
ALBION	01-38-40-010	2	491010	K-01B	096A	View Map
ALLEN MINOR PLAT	18-38-41-012	16	418010	O-18A	108B	View Map
AMBERGE UNREC	01-38-41-004	17	36920	SP-03	129A	View Map
AMERICAN BANK BUILDING CONDO	03-38-41-033	8	30200	O-03A	118A	View Map
AMHERST @ HERITAGE RIDGE	34-38-42-090	62	721120	GG-21	143A	View Map
ANCHORAGE LANE MINOR PLAT	49-38-41-011	3	549050	HG-55	141C	View Map
ANGLER COVE CONDO	30-37-42-001	65	1024	HI-05B	139B	View Map
ANISTIS UNREC	34-38-42-002	13	70400	GG-02	152D	View Map
ANTTILA	12-38-40-016	6	411040	K-12A	096D	View Map
AQUA BONITA PARK (ST LUCIE ESTS)	11-38-41-001	16	323870	O-11A	129C	View Map
ARBELA (LOTS 1-4)	01-38-41-001	41	193170	SP-03	129A	View Map
ARBELA (LOTS 24-26)	01-38-41-001	41	193170	SP-05	129D	View Map
ARBELA (LOTS 8-15)	01-38-41-001	41	193170	SP-04	129A	View Map
ARBORS (SEE FOREST GLADE)	34-38-42-735	196	730075			View Map
ARCH HEIGHTS	27-37-41-001	33	227060	N-27B	117A	View Map
ARCH HEIGHTS 1ST ADDN	27-37-41-002	28	227060	N-27B	117A	View Map
ARCHIPELAGO	13-38-41-001	38	193120	SP-05	129D	View Map
ARCHIPELAGO	13-38-41-001	38	193120	SP-05	140C	View Map
AVONLEA COMMERCE CENTER CONDO	28-37-41-012	23	20400	N-28B	117B	View Map
AWIKS MINOR PLAT	04-39-40-001	4	64000	L-03-04	090B	View Map
B K PLAT (LOT 1)	08-38-41-034	1	31300	O-08A	107D	View Map

Figure 4.6: MC Navigator Map



- The next three numbers represent the subdivision block or condominium building number, where applicable **(Figure 4.7)**. Condominium units are usually separated into buildings. For instance, it is possible to have a Unit A in Building 1 and a Unit A in Building 2. The building number would be shown in this area of the parcel number. Alphabetic blocks or buildings are converted to numbers, such as Block C may be represented as 003. When a block number is shown as three zeroes, this indicates that a block does not exist or one was not assigned to this parcel.

Figure 4.7: Subdivision Block or Condominium Building Number

09-38-41-010-002-00190-9

- The next five numbers represent the subdivision lot or condominium unit number **(Figure 4.8)**. The first four spaces are for the actual lot number and could number up to 9999. The fifth number is generally used as a split or parcel division number. If the parcel has not been divided, it is usually 0.

Figure 4.8: Subdivision Lot or Condominium Unit Number

09-38-41-010-002-00190-9

Example: Lot 1244 would be shown as 12440-; Lot 244 would be shown as 02440-; Lot 44 would be shown as 00440-. Multiple lots together on the same parcel would be identified by the lowest lot number **or** the lot on which the structure is located. For instance, if Lots 5, 6 and 7 are together on one parcel, the lot number would be 00050-, if the house is located on Lot 6, it would be 00060-.

The split number can be 1 through 9 and is generally assigned consecutively as parcels are split from a larger parcel. For instance, if a new parcel is separated from parcel 00210-, it would be 00211-. If a second parcel is split from the original one, it would be 00212-.

Subdivision plats frequently show many common areas such as recreation areas, private streets, wetland tracts, preserve tracts, etc. These areas are commonly owned and maintained by the homeowner's association. They are usually listed at the beginning of the subdivision and are assigned numbers consecutively beginning with the number 1 in the split number position. The following example shows a parcel listed in this manner: 22-40-42-003-000-00001-00000. Notice how the number is preceded by four zeroes.

- Finally, there is a number known as a check digit that appears after the lot number **(Figure 4.9)**. This number can be 0 through 9 and was computer generated through tax year 1994. Since converting to a new CAMA system in 1995, this check digit is no longer computer generated but is manually entered on new parcels as "0." All check digits are followed by the four trailing zeroes at the end of the parcel number.

Figure 4.9: Check Digit

09-38-41-010-002-00190-9

Parcel numbers are used by many other departments throughout Martin County. They are used by the Building Department for building permits and to find addresses and locate properties. They are used on the Tax Collector's website to identify the tax status of property, delinquent tax information, and tax certificates.

1-5. Does the assessment office maintain map representations of spatial assessment areas and valuation influences?

Provide a list of key categories of spatial assessment area (such as zoning, but not each and every type of zoning) and value influence centers (such as golf courses, landfills, etc. but just a few representative positive and/or negative centers) that are maintained on the maps with sample maps of each.

Answer: Yes. The following is a list of thematic layers that can be brought into GIS applications:

Taxing Districts	**(Exhibit 4-5.1)**
Condominium Parcels	**(Exhibit 4-5.2)**
Neighborhoods	**(Exhibit 4-5.3)**
Flood Zones	**(Exhibit 4-5.4)**
Golf Courses	**(Exhibit 4-5.5)**
Waterfront Property	**(Exhibit 4-5.6)**
Wetlands	**(Exhibit 4-5.7)**
Soils	**(Exhibit 4-5.8)**
Railroads	**(Exhibit 4-5.9)**
Zoning	**(Exhibit 4-5.10)**
Land use	**(Exhibit 4-5.11)**

1-6. Does the assessment office use the GIS for other assessment functions and operations?

Briefly describe the appraisal and assessment functions, operations, and activities supported by the computerized mapping system including examples of each function supported.

Answer: Yes. The PAO has been using GIS for other assessment functions and operations since 2003, when the purchase was made for an internal Appraisal GIS software product called Parcel Analyst. This product is appraiser user friendly. Parcel Analyst is a product offering of Smart Data Strategies, located in Franklin, Tennessee. Since 2005, in addition to Parcel Analyst, the PAO has used more sophisticated GIS analysis for assessment functions and operations with ESRI's ArcGIS software package. The essential purpose of this GIS analysis is quality control.

Below is a list of appraisal and assessment functions, operations, and activities supported by GIS:

- **Discovery of all property to be assessed:** Using Parcel Analyst and ESRI's ArcMap software, staff members are able to search and discover all properties to be assessed **(Exhibit 4-6.1)**.
- **Parcel data maintenance:** Editing tools in ESRI's ArcMap software are used to perform splits, combines and import new subdivisions into the digital GIS parcel database **(Exhibit 4-6.2)**.
- **Agricultural use appraisal:** Agricultural appraisers use various maps to help identify type and proportion of agricultural use **(Exhibit 4-6.3)**.
- **Pattern and outlier analysis:** An ArcMap extension called Spatial Analyst is used to create raster density maps to see geographic patterns in foreclosed properties **(Exhibit 4-6.4)**.
- **Sales analysis:** Sales maps are used by the appraisal staff for their own analysis **(Exhibit 4-6.5)**.
- **Value by comparable sales:** Comparable sales maps are used by the appraisal staff for their own analysis **(Exhibit 4-6.6)**.
- **Value comparison and analysis of similar properties:** Value comparison and analysis of similar properties maps are used by the appraisal staff for their own analysis **(Exhibit 4-6.7)**.
- **Discovery of missing parcels:** In ArcMap, topology tool rules are set up to find gaps in the GIS digital parcels (missing parcels) **(Exhibit 4-6.8)**.
- **Missing or incorrect parcel information:** Missing or incorrect parcel information is discovered by comparing/joining GIS parcel information to CAMA parcel information **(Exhibit 4-6.9)**.
- **Defense of Values:** Custom maps are used as exhibits for Value Adjustment Board hearings **(Exhibit 4-2.3)**.

- **Customer Service:** The PAO uses a sophisticated web mapping application called MC Navigator. The public can search for property information on the PAO website, conveniently click a link to find the desired parcel on the web map, and then view various text attributes of the property, as well as aerial photography. Furthermore, through MC Navigator, the public can turn on and off various layers related to their property such as zoning, land use, various aerial years, wetlands, proposed developments, etc. **(Exhibit 4-6.10)**.
- **Deployment of appraisal/reappraisal field activities, including field staff routing:** Parcel Analyst software package is used to coordinate field inspection of properties. In addition, software is used to provide the most economical and optimal directions when a series of properties need inspection **(Exhibit 4-6.11)**.
- **Intra- and interdepartmental collaboration and data/information sharing:** All GIS and CAMA data is available at the PAO through various GIS and CAMA software packages. The parcel data is made available to County departments by means of a GIS server. Parcel GIS data is also available to the public via the PAO and Martin County websites. The GIS parcel data available from the PAO website contains property characteristics, assessments and sales information **(Exhibit 4-6.12)**.

1-7. Were the assessment office computerized maps set up and maintained using coordinate geometry (COGO)?

Briefly describe the automated mapping system technology (e.g. scanned, scanned and geo-referenced, traced or COGO), uses, cost of operation, advanced features (e.g. LIDAR) and benefits as well as any future plans including technology, anticipated costs, uses, and benefits.

Answer: Yes. The PAO has an advanced automated mapping system. GIS software/technology is used to edit, manage and analyze digital GIS parcel layers (polygons, boundaries and annotation). Parcel editing is done using COGO tools and principles. This data is used in the public, web-based mapping system, and to produce standard tax maps. The costs to operate these systems are minimal due to efficiencies gained through the collaboration with the ITS department, who administers the GIS server where the GIS data resides.

The GIS software package has many advanced features that are used regularly, such as raster analysis, imagery change detection, and map book generation. These features assist with foreclosure data analysis, finding unaccounted improvements, and displaying maps on the website. Please reference answers in question 1-6 for examples of benefits of GIS. The PAO will continue to leverage new, cutting edge tools and features of the GIS technology. The uses and benefits from this upcoming technology are anticipated to be numerous. The ITS Department absorbs the costs associated with operating the GIS software that are shared with the PAO. The PAO role is to regularly maintain and update the base map that is used throughout the County. In addition, the PAO budget includes the GIS Parcel Analyst software application that is tied to the CAMA system and is leveraged by the appraisal staff **(Exhibit 4-7.1)**.

1-8. Are the assessment office's GIS and appraisal and assessment records part of a multipurpose GIS?

Briefly describe existing and planned GIS related collaborative operations and benefits.

Answer: Yes. The PAO is part of an extensive GIS collaboration with Martin County and the City of Stuart. The parcel data is housed on an enterprise GIS server, for all County departments to access for their own needs. The PAO's GIS parcel polygons are considered the "base layer" for the County enterprise GIS. This means that the parcel polygons are used to create several other County layers that are parcel based, such as zoning, community redevelopment areas, parks, municipal boundaries, and commission districts.

Within the PAO, the GIS parcels are grouped to create neighborhoods for valuation purposes. County departments access the GIS parcel data. Vice versa, the PAO staff can access virtually any GIS layer maintained by County departments. Some of the vital layers that the County stores and are used by the PAO are aerial imagery layers, zoning layers, land use layers, and wetland layers. The PAO GIS parcel data, along with property and sales tables attached, are made available to the public via the PAO website. The strong collaboration facilitates decision making, efficiency and cost savings.

Chapter Four List of Exhibits

Exhibit 4-1.1	Cadastral Map
Exhibit 4-1.2	Martin County Cadastral Map Page Index
Exhibit 4-2.1	Cadastral Mapping Guidelines
Exhibit 4-2.2	Key Cadastral Layers
Exhibit 4-2.3	Petition Map with Aerial
Exhibit 4-2.4	GIS Shape Files
Exhibit 4-2.5	Value Text Layers
Exhibit 4-2.6	Neighborhood Land Value Map
Exhibit 4-3.1	Real Property Request for Combinations and Splits
Exhibit 4-3.2	Split-Combine Tracking Slip
Exhibit 4-3.3	Split-Combine Spreadsheet
Exhibit 4-5.1	Taxing Districts
Exhibit 4-5.2	Condominium Parcels
Exhibit 4-5.3	Neighborhoods
Exhibit 4-5.4	Flood Zones
Exhibit 4-5.5	Golf Courses
Exhibit 4-5.6	Waterfront Property
Exhibit 4-5.7	Wetlands
Exhibit 4-5.8	Soils
Exhibit 4-5.9	Railroads
Exhibit 4-5.10	Zoning
Exhibit 4-5.11	Land Use
Exhibit 4-6.1	ESRI's ArcMap Software
Exhibit 4-6.2	ESRI's Editing Tools
Exhibit 4-6.3	Agricultural Use Appraisal
Exhibit 4-6.4	Raster Density Map
Exhibit 4-6.5	Sales Maps
Exhibit 4-6.6	Comparable Sales Maps
Exhibit 4-6.7	Value Comparison and Analysis of Similar Properties Map
Exhibit 4-6.8	Topology Tool Rules
Exhibit 4-6.9	Missing or Incorrect Parcel Information
Exhibit 4-6.10	MC Navigator
Exhibit 4-6.11	Viamente Turn-by-Turn Directions
Exhibit 4-6.12	GIS Parcel Data
Exhibit 4-7.1	Software Maintenance Budget

Chapter Five: Data Collection

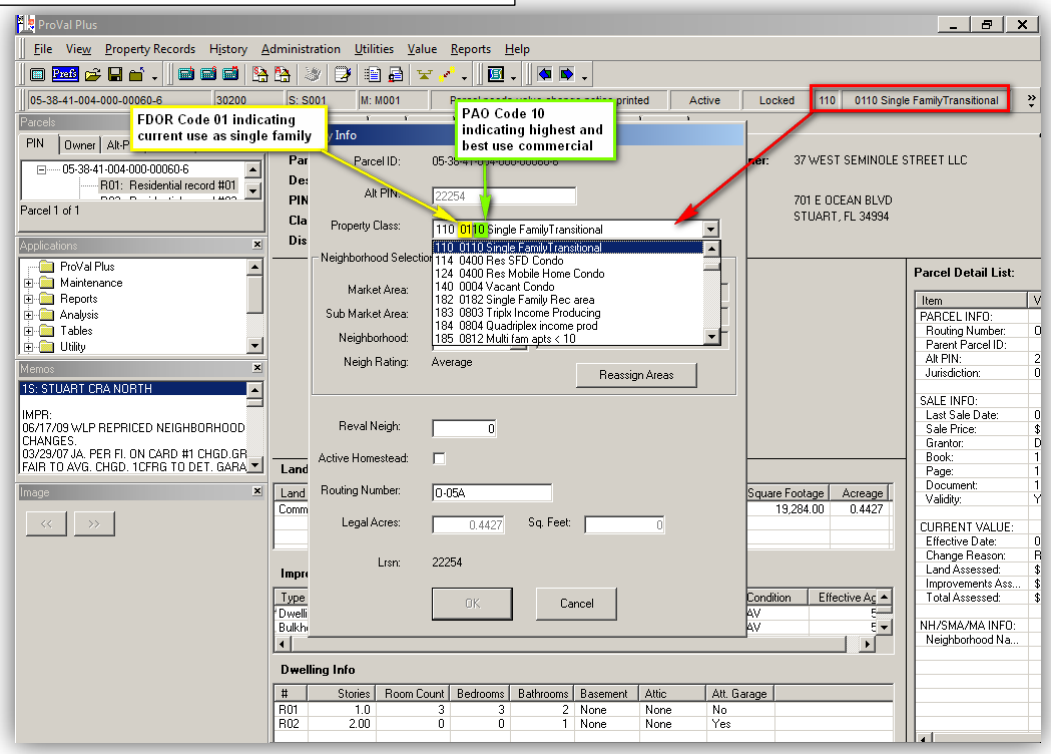
1. Do computer records contain information on current property use, highest and best (most probable) use, and indicators of legal uses, such as zoning?

Describe zoning and land use data, including how highest and best use (or, if appropriate, classified uses) are determined and maintained for valuation and property classification.

Answer: Yes. Current property use, highest and best use, and zoning and land use are contained within the computer file record storage system. Files are updated on a regular basis for current zoning and future land use regulations. The information can then be extracted by staff using Microsoft Access, Microsoft SQL Server, MC Navigator or by the Parcel Analyst mapping system. In addition to information pertaining to zoning and future land use designations, the current use of the improvements is also contained within the computer system. After the appraiser has the information, highest and best use determination can be made by appraisal staff.

The Property Appraiser's Office (PAO) uses a four digit code to identify the property's current use and highest and best use. The first two digits reflect the current use according to Florida Department of Revenue (FDOR) guidelines. The last two digits reflect the PAO's determination of highest and best use **(Figure 1.1)**.

Figure 1.1: Four Digit Use Code



Martin County has a number of downtown areas that are considered to be “transition” areas. Many of these properties have non-residential zoning and comprehensive land use designations, but are improved with residential dwellings. Annually, the appraiser analyzes the “highest and best use” of these properties on an individual basis. The land must be valued consistently with other land having similar location and size, along with the same zoning and comprehensive land use designations. Since non-residential zoned land typically has greater value than residential zoned land, the residential improvements may not contribute full value to its commercially zoned site. The highest and best use of the existing improvements may be an “interim highest and best use.” This means that as the area transitions toward commercial use, at some future date, the residential improvement may be converted for commercial use or may be demolished to make room for a new commercial or other non-residential improvement that is more appropriate for maximizing the potential of the site. A functional obsolescence value adjustment is placed on existing residential improvements to reflect their estimated contributory value to the site. This value adjustment is increased by the appraiser as the existing improvement(s) becomes less valuable to the site due to its (older) age, condition or functional inadequacy. In some cases, the existing improvement is considered to add no additional value to the site and a nominal value of $100 is applied to the functionally obsolete improvement. In this case, the “highest and best use” is considered to be to redevelop the site with a more appropriate structure **(Figure 1.1)**.

Figure 1.2: Single Family Transitional Property

2. Does the assessment office maintain computerized data on land attributes important in the local market?

List and briefly describe the land valuation characteristics maintained in your CAMA and/or GIS databases for valuation.

Answer: Yes. The PAO maintains computerized data on land attributes in the local market. Value adjustments are made to residential accounts where the land value is influenced by differences in view and configuration as well as for externalities such as fronting on a busy road or being adjacent to an active railroad track. Other attributes such as topography, water frontage, inferior access, superior or inferior lot depth, etc. are also applied where sales indicate they are warranted. These value adjustments are coded in the Computer Assisted Mass Appraisal (CAMA) system and reports are run to ensure consistency in their application.

Location considerations are vital in valuation of commercial properties. Mall and shopping center out-parcels and signalized corners throughout the County are maintained in the CAMA system. Industrial parcels located in established industrial parks are weighted for available amenities such as access to interstate highway and rail systems. The PAO also receives the location of water and sewer lines from the County Utilities Department. Open roads and traffic study reports are available using Martin County's Geographic Information System (GIS) mapping service. Location considerations are noted in the account **(Figure 2.1)** and **(Figure 2.2)**.

Figure 2.1: Aerial View and Note of Location Consideration

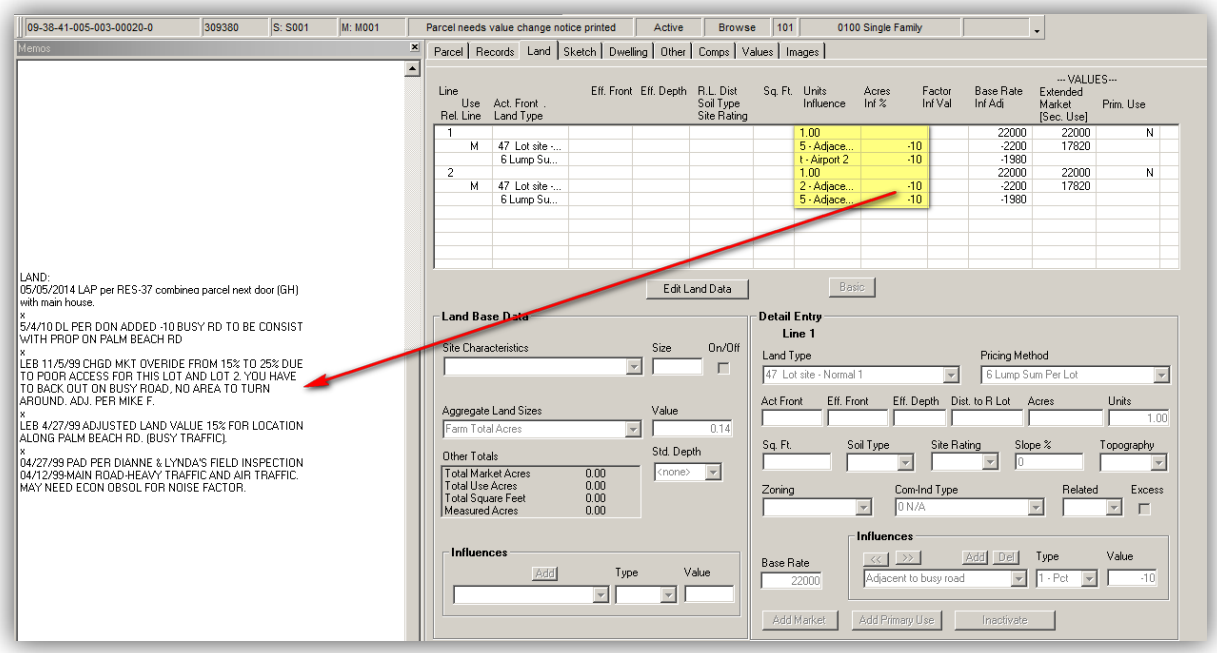
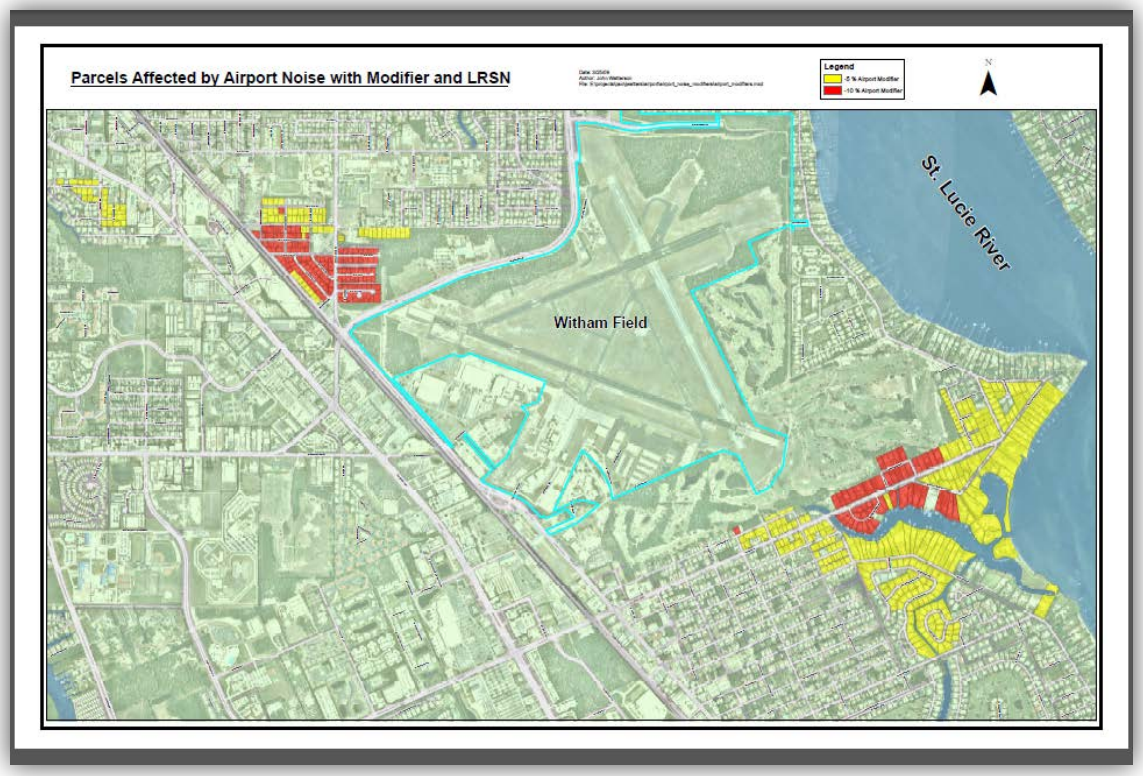


Figure 2.2: Map of Parcels Affected by Airport Noise



3. Does the assessment office physically inspect properties at least every four to six years?

Briefly describe your inspection practices including the time frame and significant relevant legislation or regulations.

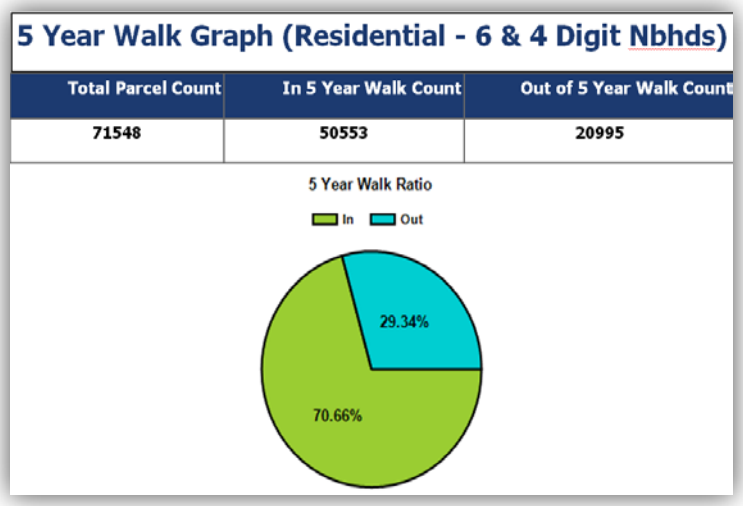
<u>Answer</u>: Yes. The PAO is mandated by law to physically inspect each property in the County at least once every five years **(Exhibit 5-3.1)**. The inspection may be performed by actually visiting the property or through the use of aerial photography which can be useful in determining where improvement changes have occurred or when access to the property is denied, thus generating a physical inspection. The use of GIS change detection software to visually locate improvement changes is demonstrated in **(Exhibit 5-3.2)**.

Annually, Field Appraisers physically inspect all sold properties and properties where permits have been issued that may have an impact on the property market value. While in assigned neighborhoods, the Field Appraisers also inspect each property in sequential order to verify accuracy of the data on file at the PAO.

Photographs are taken of the property and improvements which are used as important quality control tools used to determine construction quality grades, effective year built, and land base rates impacted by views.

Automated quarterly reports indicate the percentage of properties that are out of the five year inspection cycle. The report is used to determine the number of hours needed to physically complete these inspections, and to prioritize the sequence in which properties need to be inspected. Pie charts concisely show residential **(Figure 3.1)**, commercial/agriculture **(Figure 3.2)**, and all properties **(Figure 3.3)** in and out of the five year cycle.

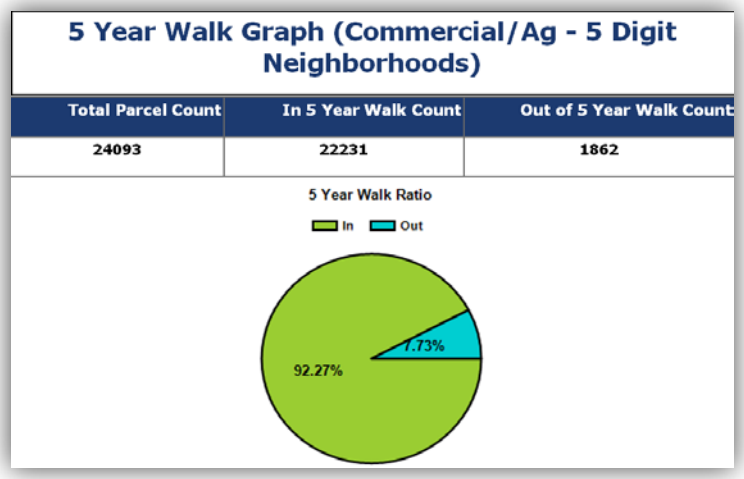
Figure 3.1: Residential Property Chart



5 Year Walk Graph (Residential - 6 & 4 Digit Nbhds)

Total Parcel Count	In 5 Year Walk Count	Out of 5 Year Walk Count
71548	50553	20995

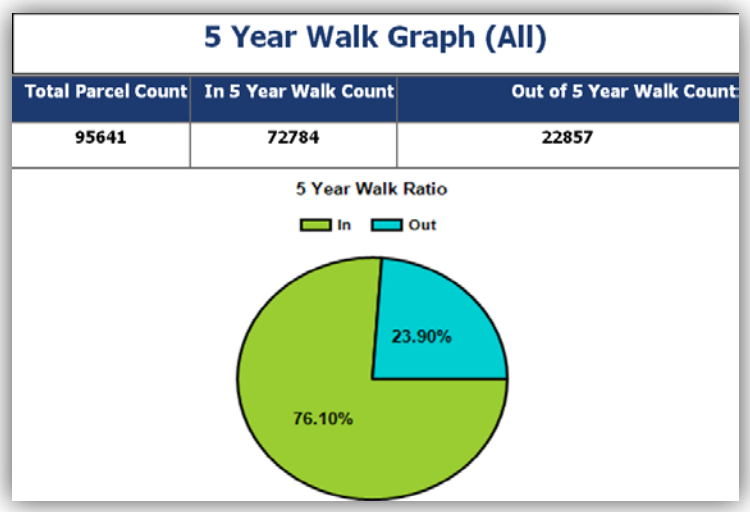
Figure 3.2: Commercial/Agriculture Property Chart



5 Year Walk Graph (Commercial/Ag - 5 Digit Neighborhoods)

Total Parcel Count	In 5 Year Walk Count	Out of 5 Year Walk Count
24093	22231	1862

Figure 3.3: All Properties Chart



4. Does the assessment office regularly obtain copies of building permits, occupancy permits, or both, and does it conduct physical inspections of affected properties?

Briefly describe how your office discovers new construction, including additions and demolitions, and describe the process from the time a relevant permit is filed until inspections by your office are completed, as well as the typical time frame to complete the process.

Answer: Yes. Building permit data is made available through County and municipality websites, and is reviewed monthly by the PAO. Two municipalities email permit information directly to the PAO. Field Appraisers obtain blueprints and/or other details of the new construction and addition permits directly from the County and municipality Building departments in the following manner:

- Martin County: download from website, monthly **(Exhibit 5-4.1)**
- City of Stuart: emailed by City of Stuart, monthly **(Exhibit 5-4.2)**
- Jupiter Island: County courier routed to PAO, monthly **(Exhibit 5-4.3)**
- Sewall's Point: emailed by Sewall's Point, monthly **(Exhibit 5-4.4)**

The Mapping/Ownership Department is responsible for entering permit numbers and descriptions into the CAMA system. Physical address, ownership and mailing addresses are verified to ensure that the permit is assigned to the appropriate parcel and are entered and maintained in the permit application of the CAMA system **(Figure 4.1)** and **(Figure 4.2)**.

Figure 4.1: Permit Application

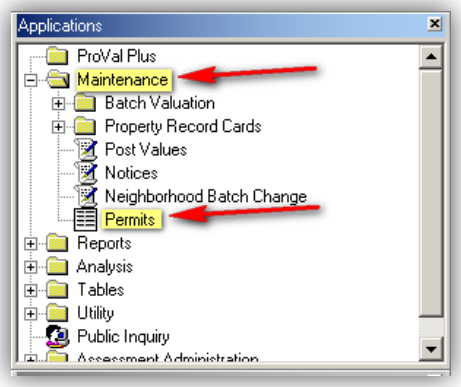
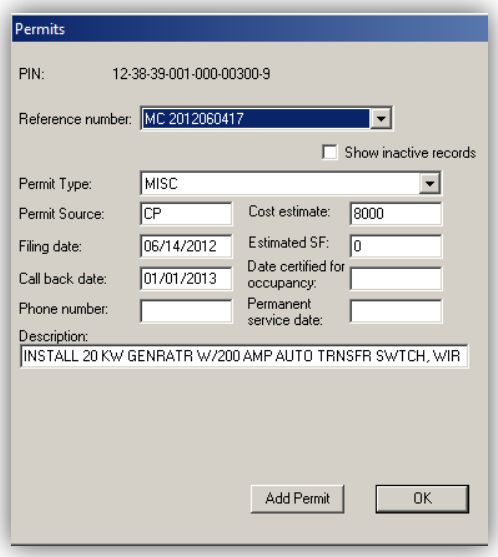


Figure 4.2: Permit Entry Screen

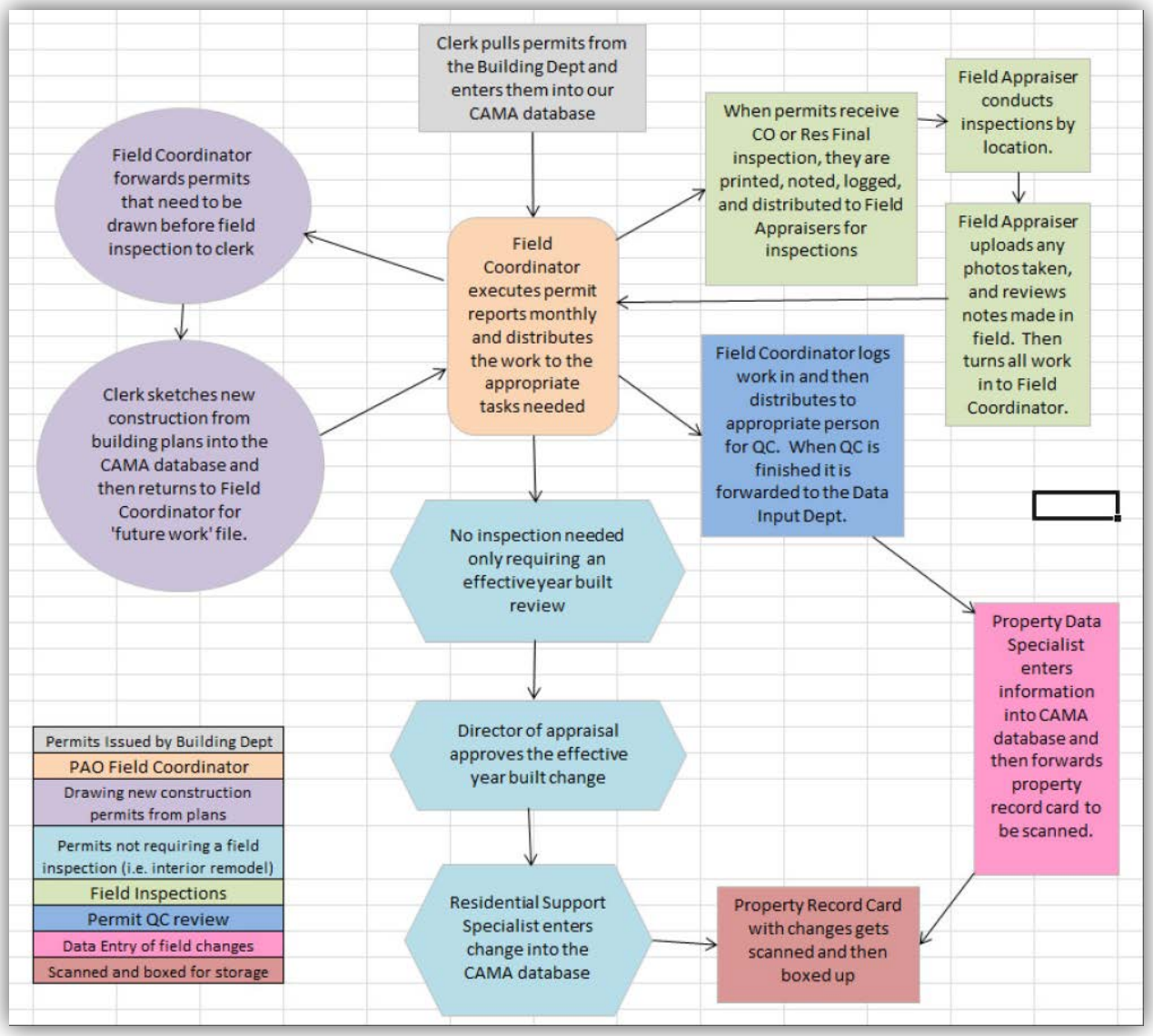


On a monthly basis, permits are sorted and prioritized for physical inspection by permit types (i.e. new houses, pools, additions) and by those that add significant value to the property.

Once a permit passes final inspection by the Martin County Building Department or is issued a Certificate of Occupancy (CO) **(Exhibit 5-4.5)**, a Field Appraiser physically inspects the new improvement. While at the property, the Field Appraiser verifies the new improvement, measures if required, and then completes necessary drawings. The property card is forwarded to the appropriate appraisal department (residential, commercial or agricultural) to verify the construction quality and grade, and to determine the contributory value of the new improvement to the overall property value.

Time varies from the date the permit is issued to the final inspection. This procedure typically takes between 30 and 60 days from the time a final inspection is done to the final valuation **(Figure 4.3)**.

Figure 4.3: Permit Process Flowchart



5. Does the assessment office maintain only the valuation data necessary to support values?

List each property characteristic that you collect and maintain and specify whether it is primarily required for valuation, for defense of values, or for other or nonessential uses.

Answer: No. The PAO maintains a vast amount of value related and non-value related data. The valuation data collected and maintained includes attributes of land and improvements that are necessary for describing and valuing each parcel such as land size, configuration, location, frontage, etc. Improvement information includes use, size, age, quality grade, year built, and effective year built. Items are maintained that do not have an assigned value in the CAMA system, but may indirectly contribute to the overall grade and quality of the home such as driveway type, landscape sprinklers, security systems, etc.

Some of the non-value data collected and maintained that do not contribute to the valuation process are noted on **(2 pg. Exhibit 5-5.1)**. Other data that is not reported to the FDOR but is essential includes but are not limited to telephone numbers, ownership interest, addresses, contact information, deed type, etc.

FDOR also requires the PAO to maintain various exemptions and classifications that impact a property's assessed and taxable values. This requires the PAO to maintain a wealth of additional data including ownership, type of ownership, exemption qualification information, agricultural classification information, agricultural valuation, conservation classified use, and Geographic Information System (GIS) data necessary to display maps and visual relationships of parcels.

The data required to support granting exemptions and classified use properties include complete summaries of ownership and transfer history, and the collection of numerous forms required to obtain various exemptions. These forms are printed, scanned and maintained in the PAO database with reference to the applicable parcel.

Agricultural classification requires the agricultural use to be a "bona fide" commercial use. Numerous forms are required to prove the bona fide commercial use (i.e. agricultural leases, IRS Farm Income forms, and occupational licenses). The PAO maintains this data on each parcel.

Data necessary to perform GIS responsibilities for all parcels include maintaining legal descriptions, ownership summary records, parcel splits and combines, and the underlying base map.

6. Is the residential property record card well designed and supported by a data-coding manual and training program?

FIGURE 5-1: DATA COLLECTION FORM CHECKLIST				
PRACTICE		**YES**	**NO**	**YOUR COMMENTS**
1.	Form is clear and well organized.	✓		See below.
2.	Form is supported by data collection manual.	✓		See below.
3.	Correct usage is taught in training course.	✓		See below.

Provide a copy of your primary data collection form(s), and data collection and training documentation.

Answer: Yes. The property record card is well designed and is supported by a data-coding manual and a training program. The property record card includes all pertinent data to the land and the improvements **(Exhibit 5-6.1)**. Land information is presented on the front of the property card including land value, land size, and value adjustments **(Exhibit 5-6.2)**. Commercial land is coded by zoning/land use designations and residential properties are generally coded by their view. Improvement information is located on the back of the property card **(Exhibit 5-6.3)**. A sketch shows the improvements with physical component materials such as roof covering, exterior and interior wall materials, roof type, number of stories, number of plumbing fixtures, and cost approach calculations. The base value is shown including exterior features such as porches and patios.

The following tools are available to the Field Appraisers:

- Checklist for new construction **(Exhibit 5-6.4)**
- CAMA feature abbreviations cross referenced to CAMA abbreviation translation **(Exhibit 5-6.5)**
- Base rate sheet **(Exhibit 5-6.6 Don to replace this with a new base rate sheet)**

New field appraisers are trained by on-staff experienced field appraisers. By rotating the training with different field staff, the new field appraiser may observe different styles and methods for the inspection and collection process. Weekly meetings are held with field appraisers for training on topics including but not limited to construction quality grades, field inspection procedures, and mobile device use.

7. Does the office use hand-held computers for field data collection?

If applicable, briefly describe your automated field data collection systems and operations, including initial and ongoing costs and benefits, how data are collected, and how sketching is handled.

Answer: No. The office is evaluating automated field data collection systems. The iPad was considered for overall field data collection, however, it requires investment in a custom, fully integrated CAMA software application, which is costly. Other mobile devices for automated field data collection are being considered. The cost of the device, the fee to configure the data into the software application, and the per parcel maintenance fee will be evaluated.

Field Appraisers use iPad's to collect data for damage assessment and for address verification (which involve less complicated software than CAMA software). In addition, they use a software program on their iPads to map out field inspection routes, estimate the drive time to complete the route, and get verbal directions. Since hand-held computers are not used in the field for data collection, sketching is completed by the Data Processing Department staff.

8. Does the assessment office have a computerized edit program that includes both range and consistency checks?

Briefly describe your office's computerized range and consistency edits and how they are updated.

Answer: Yes. The use of drop-down boxes with pre-determined data entry choices are used to ensure consistency of data entered in various fields. The data entry choices are predetermined by the PAO and therefore can be modified as desired.

Following are several examples of drop-down boxes available for data entry of residential construction **(Figure 8.1)**, **(Figure 8.2)** and **(Figure 8.3)**.

Figure 8.1: Dwelling Information Data Entry Screen

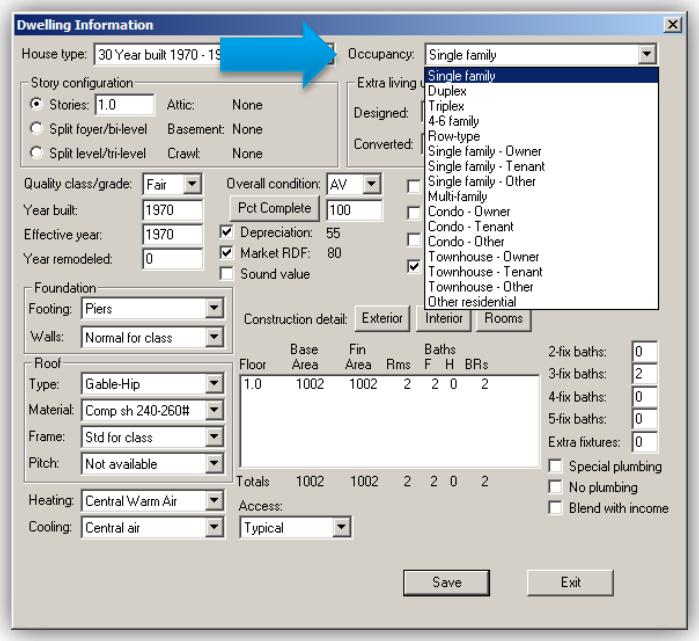


Figure 8.2: Quality Class/Grade Data Entry Screen

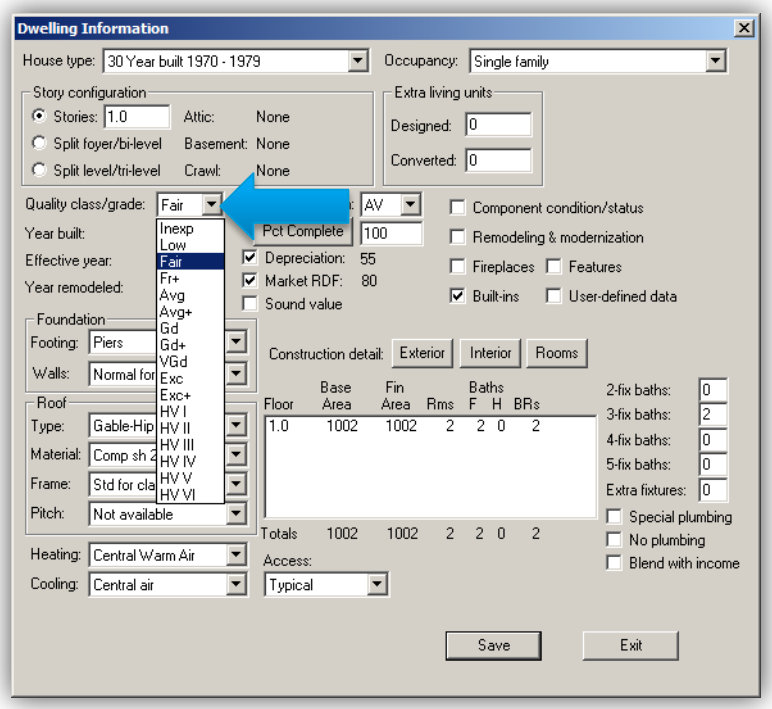
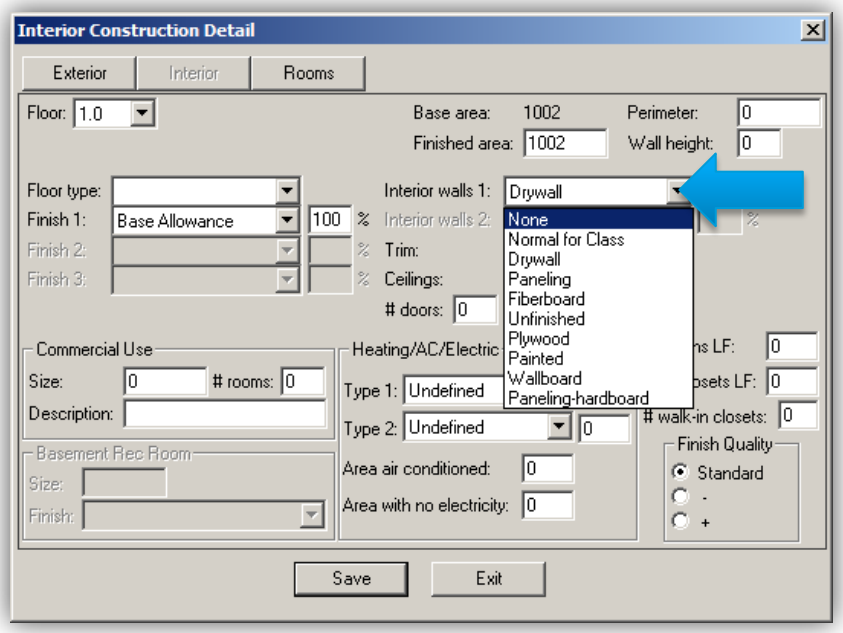


Figure 8.3: Interior Walls Data Entry Screen



9. Are data for commercial properties collected by experienced appraisers?

Briefly describe the requirements for your data collectors including additional requirements, if any, for commercial and industrial data collectors.

<u>Answer</u>: Yes. Data collection for commercial properties is gathered by experienced field appraisers.

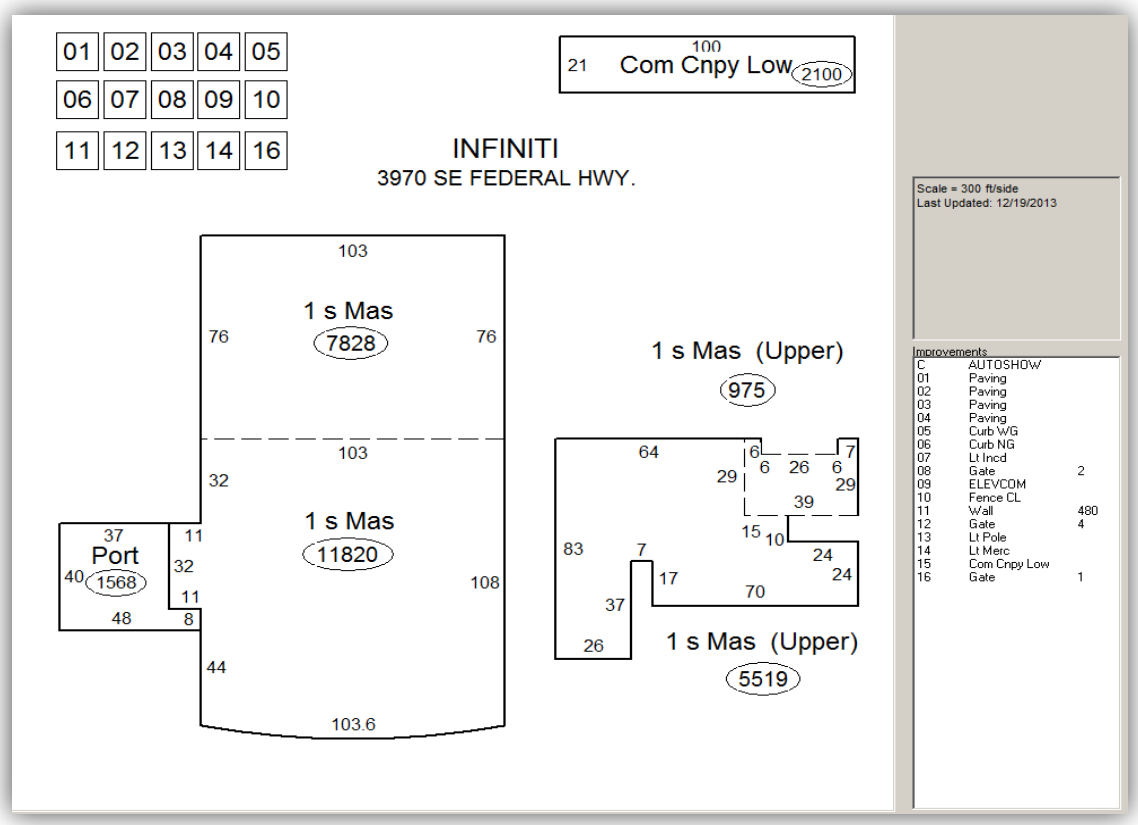
The PAO seeks Field Appraiser candidates with experience in the building trade or construction industry who have knowledge of construction types, methods and materials. The following are essential duties and responsibilities:

- Physically inspect properties to verify addresses, confirm sales, identify new construction, and review condition, quality and size of structures.
- Measure structures, including large multi-story and/or angled properties.
- Provide general information to the inquiring public.
- Sketch structures and additions to scale.
- Read and understand construction plans and specifications.
- Photograph properties and download photographs into the computer database.

The Commercial Field Appraiser is also required to identify commercial construction methods and materials and have basic knowledge of commercial property valuation. Other duties include:

- Update income and expense data on Excel spreadsheets.
- Assist with developing rental rates, vacancy rates, expense ratios and capitalization rates.
- Organize commercial properties for inspection.
- Consult with local contractors and building material suppliers for current cost information.
- Enter data into the CAMA system including sketches and photographs. A typical commercial property record card sketch of improvements is shown in **(Figure 9.1)**.

Figure 9.1: Commercial Property Record Card



10. Does the assessment office have a program of routinely collecting income data for apartment buildings, retail stores, office buildings, and other commonly leased or rented properties?

Briefly describe your office's income data collection program, and provide copies of your forms for income data collection.

Answer: Yes. The PAO uses various resources and methods to collect income data for apartment buildings, retail stores, office buildings, and other commonly leased or rented properties.

A letter and questionnaire are sent annually to each owner of accounts that are typically valued using the income approach **(3 pg. Exhibit 5-10.1)**. Although several thousand letters are mailed, there is no law requiring the property owner to complete and return this document. The Commercial Appraiser then reviews the returned forms to verify whether the data provided appears to be reasonable for the property type.

Strong professional relationships have long been established between the PAO Commercial Appraisers and local real estate brokers and fee appraisers who specialize in income producing properties. These sources provide annual updates of rental rates, expense information and/or capitalization rates that investors use to value properties when making a purchasing decision.

Sales and rental rates are confirmed with at least one party to the transaction at the time of sale. Also used as a reference is CoStar, an internet based service that tracks commercial sales information and data such as rental, expense and capitalization rates. Data gathered from these various sources is compiled into an Excel spreadsheet so that comparisons can be made **(Exhibit 5-10.2)**.

CoStar also lists properties available for sale. If current rental and expense data is provided for these offerings, the information may be used to establish market rental and expense rates for similar type properties.

Income and expense information is also collected from attorneys, appraisers and tax representatives during the annual appeal and petition periods. This information can be used to verify rental, occupancy/vacancy and capitalization rates for the various commercial property classes. For example, during a petition hearing, evidence was submitted by the tax representative showing current rents and other information used for other strip center valuations **(Exhibit 5-10.3)**.

Chapter Five List of Exhibits

Exhibit 5-3.1	F.S. 193(2)
Exhibit 5-4.1	Martin County Permits
Exhibit 5-4.2	City of Stuart Permits
Exhibit 5-4.3	Jupiter Island Permits
Exhibit 5-4.4	Sewall's Point Permits
Exhibit 5-4.5	Certificate of Occupancy
Exhibit 5-5.1	NAL Fields
Exhibit 5-6.1	Property Record Card
Exhibit 5-6.2	Property Record Card – Front
Exhibit 5-6.3	Property Record Card – Back
Exhibit 5-6.4	Checklist for New Construction
Exhibit 5-6.5	CAMA Abbreviation Translation
Exhibit 5-6.6	Base Rate Sheet
Exhibit 5-10.1	Income and Expense Letter & Questionnaire
Exhibit 5-10.2	General Retail Rents, Expense Info & Vacancy Rates Spreadsheet
Exhibit 5-10.3	Rent Roll Evidence

Chapter Six: Land Valuation

1. Does the assessment office have a land valuation process that can be described?

- How does the assessment office identify and adjust for land market influences?
- How does the assessment office develop market areas (neighborhoods)?
- How are market areas maintained and how often are they updated?
- Does the assessment office use highest and best use or current use?
- Based on highest and best use or current use, how does the assessment office determine value?
- How does the assessment office work with land values with a limited amount of sales?
- How does the assessment office value for different land categories (residential, commercial, agricultural, and so on)?
- Does the assessment office calculate trends for strata with multiple years of sales?

Answer: Yes. Land values are determined by the sales comparison approach when sales are readily available. When sales of vacant land are not readily available, the abstraction method is used to develop land values from improved sales. The Property Appraiser's office (PAO) performs an annual study of land sales based on their highest and best use.

Per Florida Statute 193.011, the factors to consider in deriving just valuation states:

> *"(2) The highest and best use to which the property can be expected to be put in the immediate future and the present use of the property, taking into consideration the legally permissible use of the property, including any applicable judicial limitation, local or state land use regulation, or historic preservation ordinance, and any zoning changes, concurrency requirements, and permits necessary to achieve the highest and best use, and considering any moratorium imposed by executive order, law, ordinance, regulation, resolution, or proclamation adopted by any governmental body or agency or the Governor when the moratorium or judicial limitation prohibits or restricts the development or improvement of property as otherwise authorized by applicable law. The applicable governmental body or agency or the Governor shall notify the property appraiser in writing of any executive order, ordinance, regulation, resolution, or proclamation it adopts imposing any such limitation, regulation, or moratorium;"*

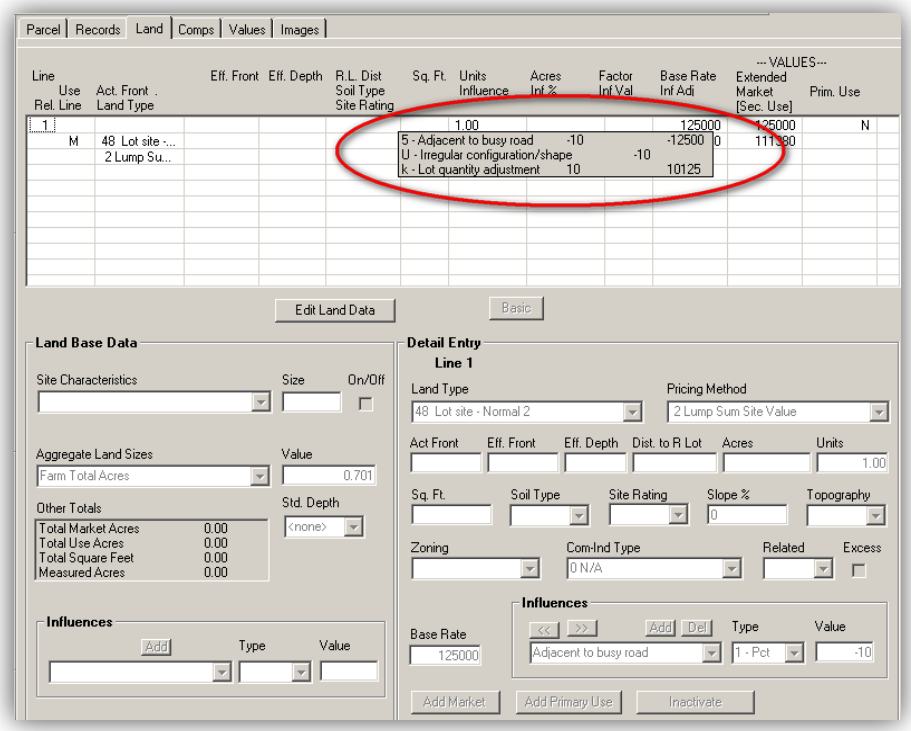
The statute specifies that the PAO is to consider both the highest and best use to which the property can be expected to be put in the immediate future and the present use of the property. It is the PAO's discretion to determine on an individual basis how much weight is to be given to the highest and best use and how much weight is to be given to the present use, after considering all of the factors stated. Generally, the PAO selects the highest and best use as the determining use for valuation.

One issue that has been settled by the Florida legislature is that of working waterfront marina property. In many parts of Florida, land suitable for use as a working waterfront marina is also suitable for use as future waterfront residential condominium development. Often, the property will sell as vacant land for a future waterfront residential condominium development at a significantly higher price than would typically been paid for only the value of a working waterfront marina. Marina owners were unable to afford the taxes on their property when valued as land for use as future waterfront condominium development. The marine industry association lobbied for and obtained legislation that would ensure that their property be taxed on a value based on working waterfront use, not the future residential condominium development use. Working waterfront property shall be based upon the current use of the property, not its highest and best use: Florida Constitution, Article VII, Section 4:

> *(1) The assessment of the following working waterfront properties shall be based upon the current use of the property:*
> *a. Land used predominantly for commercial fishing purposes.*
> *b. Land that is accessible to the public and used for vessel launches into waters that are navigable.*
> *c. Marinas and drystacks that are open to the public.*
> *d. Water-dependent marine manufacturing facilities, commercial fishing facilities, and marine vessel construction and repair facilities and their support activities.*

When determining land values, regardless of the land type (residential, commercial or agricultural), all units of measure are considered (price per lot, per square foot/acre, or per front foot). The most appropriate unit of measure is then used for that specific property type in that specific neighborhood. Value adjustments are applied to lots that are atypical in size, configuration, frontage or other characteristics. The value adjustments are applied consistently with other lots of similar atypical characteristics in other market areas **(Figure 1.1)**.

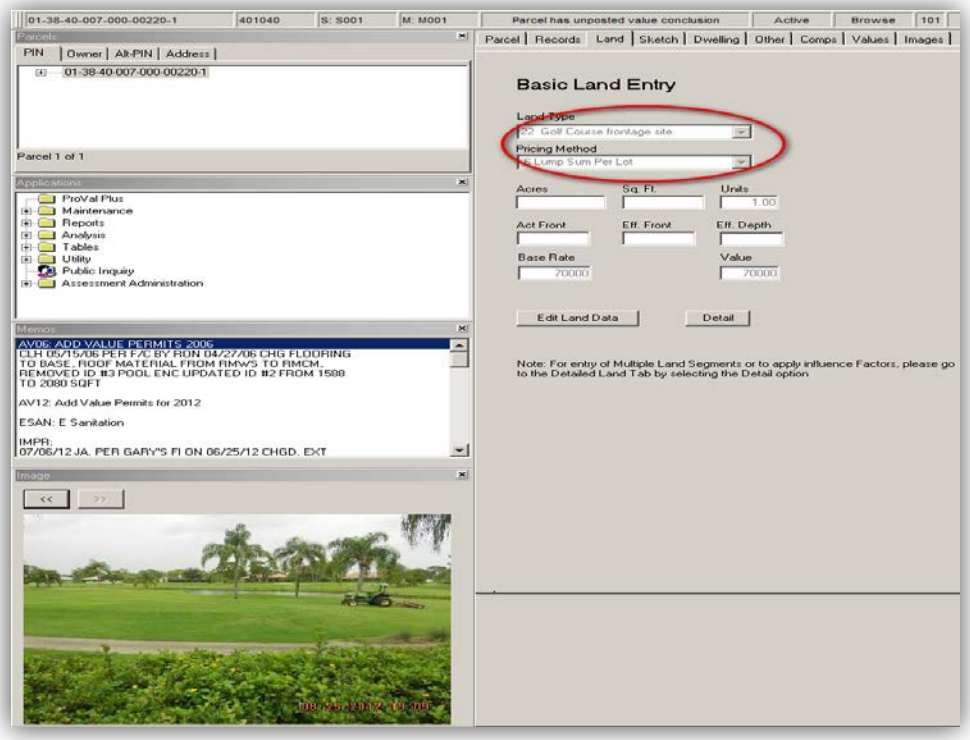
Figure 1.1: Land Value Adjustments



Market areas have been developed throughout the County to segregate by geographic and jurisdictional differences. The market areas are further divided into neighborhoods. Neighborhoods have been created to segregate differences in characteristics including, but not limited to, lot size/value, house size, age and quality of construction. Waterfront developments have been assigned their own neighborhood numbers since, although they may be physically similar to nearby non-waterfront properties, they typically sell at different rates than non-waterfront properties. Market areas are reviewed annually to see if boundaries should be revised due to changes in the market. Neighborhoods are also reviewed annually to see if they can be consolidated or in some cases segregated from the neighborhoods to which they were previously assigned if they are not considered by the appraiser to be homogeneous with other properties in the neighborhood.

External influences such as a residential property being located adjacent to a commercial property, fronting on a busy road, or being located adjacent to a railroad track are also considered. Value adjustments are placed on these accounts as the market warrants. Market values are also derived for lots with superior or inferior views (i.e. preserve, golf course, lake, obstructions, railroad, commercial buildings, or busy roads). When there are a significant number of lots with the same view, they are coded and assigned a unique value that differs from standard lots **(Figure 1.2)**. These values are derived based on recent sales of properties with similar characteristics when they are available.

Figure 1.2: Golf Course Code



Due to the limited number of vacant land sales in any given year, the PAO reviews and analyzes sales from the past several years to further support proposed values and/or to establish a value trend. Where subdivisions have been built-out and where vacant lots are not sold separate from the house, the land extraction method is used to develop land values. In these cases, the depreciated value of the improvements is estimated and that amount is subtracted from the sales price to determine an estimated underlying land (site) value.

(Exhibit 6-1.1) shows trends in vacant residential values from 2001 through 2013. The first chart shows just value per vacant lot and the second chart shows the number of vacant lots in the County.

The PAO has attempted to calculate land value trends for multiple years of sales. However, the trend analysis has been inconclusive because there have been an insufficient sampling of sales on which to base the analysis and there has been a wide fluctuation in prices paid for land due to varied market participants. The wide fluctuation can be attributable to the economic conditions over the past decade. Sales during this time have been a mixture of market sales, short sales and other distress sales. In some neighborhoods, only distressed sales were occurring. Owners who could afford to hold the property and pay taxes on the land would do so.

2. Are land sales reviewed, verified, and maintained in a sales file for at least 5 years?

• Explain how vacant land sales are identified, reviewed, confirmed, and maintained for land appraisal.
• Describe the quality control process involved.
• Provide an example of the sales file, a snapshot of a vacant sale that has been improved, and sample confirmation and quality control forms.
• If not maintained for 5 years, how many years are the sales maintained?
• Is a snapshot of the sale maintained?
• Describe the quality control process for vacant sales.
• Does the assessor's office track changes in use?

Answer: Yes. All land sales are identified by the Mapping & Ownership department which reviews each deed and qualifies or disqualifies each transfer based on the contents of the deed **(Exhibit 6-2.1)**. To provide quality control, a Sales Qualification Letter is sent to the new owner **(Exhibit 6-2.2)**. It asks for verification of the purchase price, if the parties to the transaction are related, if there was any duress involved in the transfer, and it asks questions pertaining to remodeling and overall property condition at the time of sale **(Exhibit 6-2.3)**.

In addition, residential sales are confirmed using the Multiple Listing Service (MLS) **(Exhibit 6-2.4)**. Commercial sales are confirmed using CoStar, a commercial listing service. If the transaction did not go through the listing services and the sale price is questionable, a party to the transaction (grantor, grantee, broker, attorney or closing agent) is contacted for verification.

Figure 2.1 represents the typical appearance of the Computer Assisted Mass Appraisal system (CAMA) sales transaction information screen showing the following:

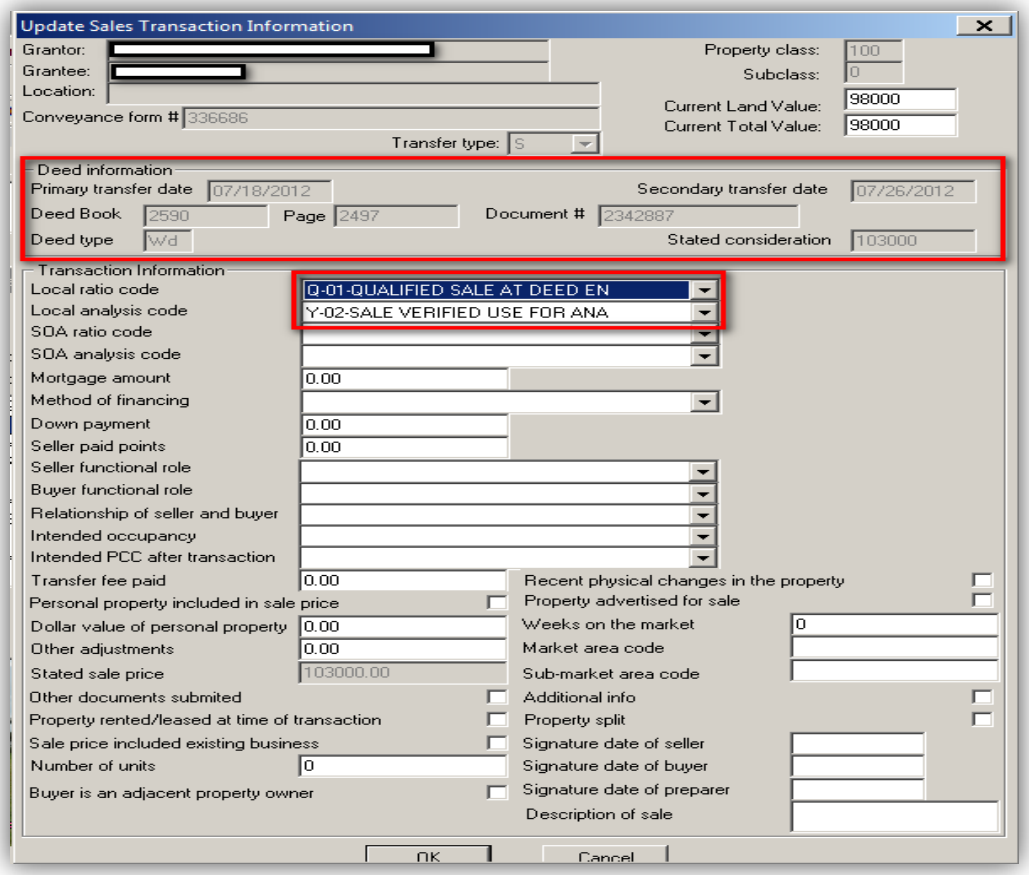
- grantor
- grantee
- sale price
- sale date
- official records book and page
- sale qualification codes
- deed type
- property class code
- current land value
- current total value

The Florida Department of Revenue (FDOR) real property transfer qualification codes are used to disqualify sales for FDOR purposes. FDOR eliminates many sales from their analysis that may be valid.

For example, an owner with the last name of “Smith” sells to another owner who also has the last name of “Smith,” would be disqualified for FDOR reporting purposes based on the assumption that they are related parties, which then eliminates the sale from FDOR statistical analysis.

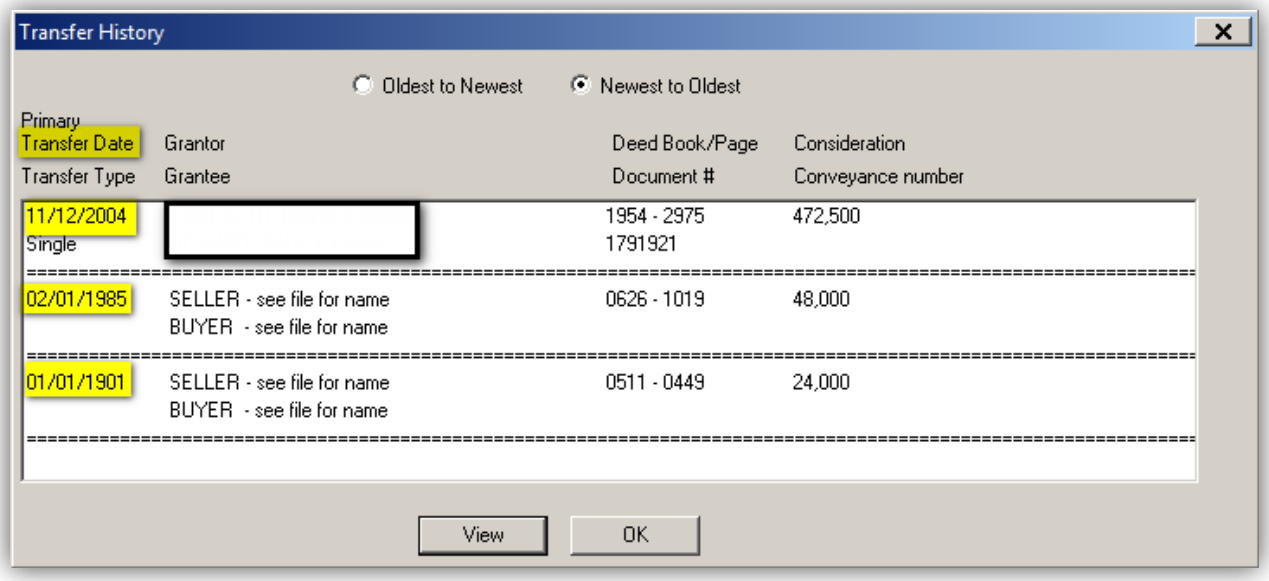
However, if the PAO investigates the transaction and finds that they are not related parties, the PAO qualifies the sale for its use and analysis in the field designated as “local analysis code.”

Figure 2.1: Sales Transaction Screen



The transfer history screen presents a history of sales that have occurred on the subject property **(Figure 2.2)**. The sales transaction information screen is quickly accessed from the sales history screen by double clicking on the summarized transfer information.

Figure 2.2: Transfer History Screen



Changes may be made to the original verification codes based on the information found in the verification process. All of the details are stored in a separate "transfer" table which can be queried by the individual appraisers.

Each sale is reviewed, identified and viewed by aerial maps **(Exhibit 6-2.5)**, and a physical inspection is made by a field appraiser within three months from the date of sale. Sales are maintained in accordance with Rule 12D-8.011(1)(h), Florida Administrative Code **(2 pg. Exhibit 6-2.6)**. The rule requires separate land values on the assessment roll submitted to the FDOR. Sales files are maintained for five years or more.

Changes in land use are provided to the PAO by each governing municipality **(6 pg. Exhibit 6-2.7)** and **(79 pg. Exhibit 6-2.8)**. The Mapping & Ownership department receives approved changes and disperses them to the appropriate department (commercial or residential). A commercial or residential appraiser then reviews the document to determine if the land use change will have an impact on market value and the land is re-coded and combined with other properties with a similar land use designation and location.

An example of a vacant parcel that has been improved since the time of sale, along with the various confirmation and quality control forms can be seen in **(Exhibit 6-2.9)** and **(Exhibit 6-2.10)**.

3. Does the assessment office stratify land by use, zoning, and location?

• Describe how land is stratified for analysis and valuation in your assessment office.
• What strata does the assessment office use?

Answer: Yes. Commercial properties are separated from residential properties based on their respective zoning and land use designations **(Exhibit 6-3.1)**. Neighborhoods with commercial land use designations are uniquely coded with five digit neighborhood numbers while those with residential land use codes are assigned six digit neighborhood numbers.

Transitional neighborhoods exist where the underlying zoning and/or comprehensive land use designation are non-residential (commercial, office or multi-family) and the existing improvements may or may not reflect their current highest and best use. Transitional areas are typically located near older, downtown areas. They originally were developed for single family residential use. The downtown location often times becomes less desirable for single family residential use and more desirable for business use. Existing single family houses may be razed or converted into professional offices, small apartment buildings or retail stores. If the improvement is not at its current highest and best use, such as an older residence in an area that is transitioning towards commercial use, a modifier for functional obsolescence is applied to the improvement.

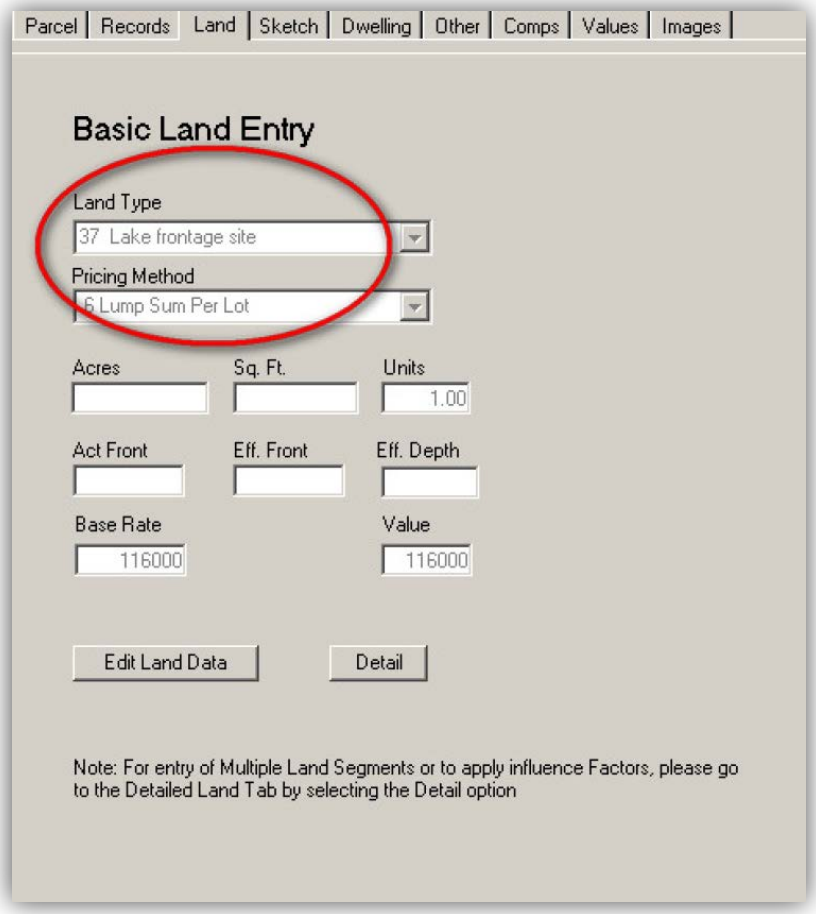
Separate neighborhoods have been created for each grouping of properties where sales analysis indicates there is a locational difference. Unique land codes have been created for each locational difference within a single neighborhood.

4. Are land sales analyzed in terms of a value per unit of comparison (e.g., square foot, front foot, parcel) and are the per-unit values plotted on maps and/or GIS systems?

• Describe how single-family residential, multifamily residential, commercial, industrial, and agricultural sales are analyzed to determine the unit of comparison for the land. In instances in which frontage significantly contributes to value, provide an example showing how the dominant frontage is determined and calculated. (One example could be a residential parcel with a 100-foot backyard on the lake and a 75-foot front yard on the street.)
• What methods of pricing are utilized (square foot, front foot, acre, site)?
• How is frontage determined?

Answer: Yes. Each land sale is analyzed to determine the most appropriate unit of measure for valuation. Residential (non-waterfront) lots are typically valued on a lump sum or per lot basis. A standard lot is determined for the neighborhood with value adjustments applied for significant differences in physical attributes including, but not limited to size, configuration, and topography **(Exhibit 6-4.1)**. Lots with a superior view, such as a lake or preserve, are coded based on their view and have values that reflect typically higher prices paid for their view amenity based on analysis of recent sales **(Figure 4.1)**.

Figure 4.1: Land Type Entry Screen



Residentially zoned waterfront lots are most often valued on a per (water) front foot basis. Once the standard lot is determined, adjustment(s) are applied for size and water frontage differences where warranted. Waterfront neighborhoods that have lots with a similar amount of (water) frontage and similar views are often valued based on a lump sum or per lot basis. A standard lot is determined with value adjustments applied for significant difference(s) in physical attributes. Water frontage is based on a line along the water that is perpendicular to the road frontage when the shoreline is irregular or on an angle from the road frontage **(Exhibit 6-4.2)**.

The most common unit of measure for commercial and industrial zoned land is price per square foot **(Exhibit 6-4.3)**. However, overall size, road frontage and location are also factors that are considered and the appropriate value adjustment(s) are applied for significant differences from the “base” parcel in that specific neighborhood. Lots at signalized intersections may command a premium as do commercial corner lots that afford road exposure from two sides.

Approved undeveloped multi-family parcels are most often valued on a per unit basis or on a per potential unit basis if the property is not yet developed.

Agricultural land is generally valued on per acre basis. A standard per acre value is developed and adjustments are applied for size (the appraiser considers that the market will pay less on a per acre basis for a larger parcel than a smaller one). Adjustments for topography, wetlands, access, type of road surface, amount of road frontage, location (within the neighborhood) are also considered.

Land sales are plotted on a parcel map by the Mapping & Ownership department. Geographic Information System (GIS) mapping layers offer aerial maps and display zoning/land use designations, market value, and market value per unit of comparison for each parcel. The GIS mapping technology is an important quality control tool that allows the appraiser to diagnose data that has been layered on maps to visually display information. The appraiser uses the maps for analysis and to verify consistency of assessment rates **(Exhibit 6-4.4)**.

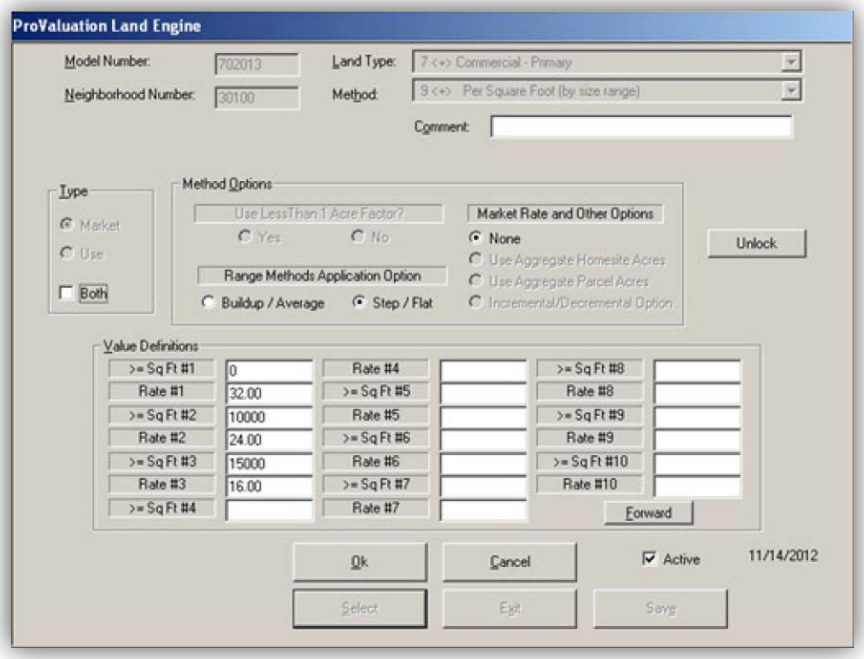
5. Are standard unit values assigned to each economic area in downtown and other high-density commercial areas?

- Describe how commercial and industrial land is analyzed and valued.
- Provide samples of land valuation tables, model formulas, analytical graphs, maps, or GIS printouts used in the analysis and application of land valuation.
- If land value is a component to improved property values, then provide the models and explain land contribution to the improved property overall valuation.
- How are values related to the market?
- How are land amenities such as water, sewer, and the like accounted for?
- How do you account for nonconforming uses?
- How do you account for special-purpose uses (cemetery, golf courses)?
- Indicate the methods of pricing used (square footage, front foot, acre, site).
- How do you identify economic areas?

Answer: Yes. The standard unit of value for both commercial and industrial land is the value per square foot. Other units of measure (per front foot, per site, and per unit) are also considered when developing market value. Commercially zoned riverfront land generally represents the highest commercial land values **(Figure 5.1)**. Land is evaluated and an adjustment is made based on the size of the parcel. Larger parcels are adjusted downward for size whereas smaller parcels will have a higher price per square foot **(Figure 5.2)**. Land rates for commercial and industrial sites are based primarily on vacant land sales. In neighborhoods where few sales are available, the land extraction method is considered.

Figure 5.1: Commercial Waterfront Price per Square Foot

Figure 5.2: Price per Square Foot

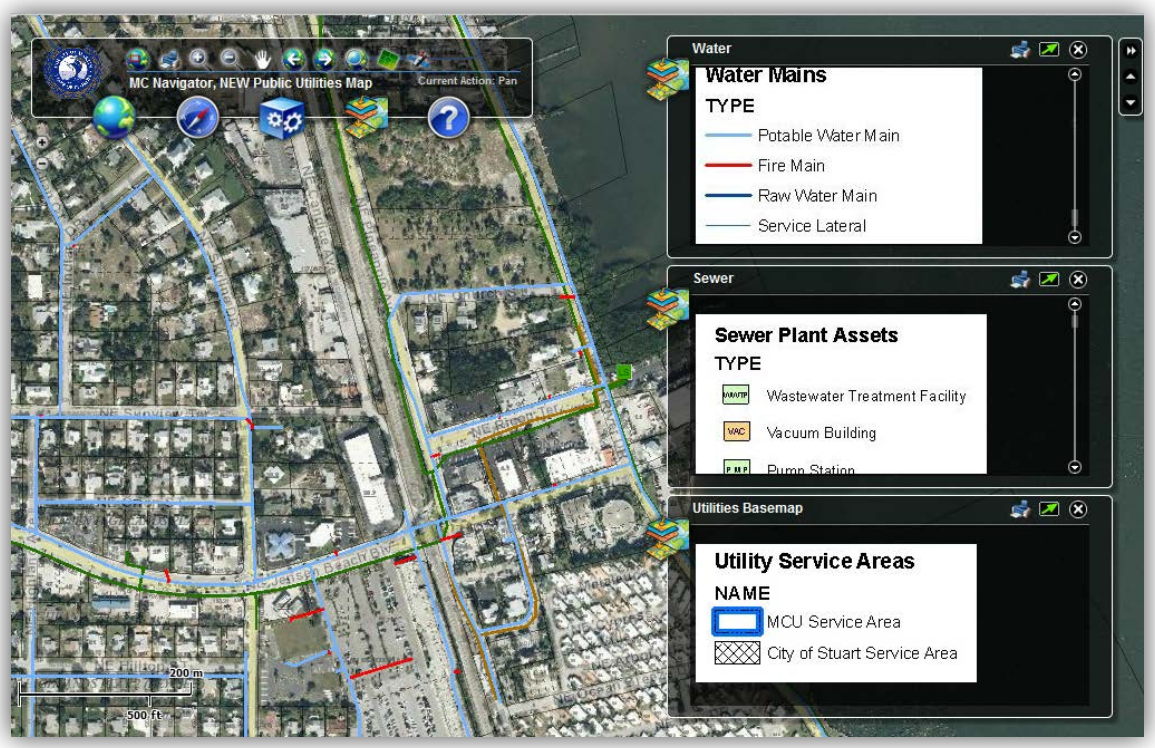


When recent sales of certain types of properties (e.g. golf courses and resort hotels) are limited, the PAO looks for sales located outside of the jurisdiction. Relationships have been established with other Property Appraisers throughout Florida and sales information is shared **(Exhibit 6-5.1)**. The office subscribes to CoStar listing and research service and is able to find sales of commercial properties outside of the jurisdiction. The PAO also uses the local and regional MLS systems for additional sale and listing information.

The PAO annually requests income and expense information from owners of commercial and industrial properties. Data obtained from income and expense statements, along with evidence gathered during the petition process, is used to develop valuation models for the income approach. Additionally, the FDOR provides an Excel spreadsheet indicating the total actual rental reported for each property based on the sales use tax paid by the property owner.

Much of the high density areas of the County have public water and sewer while the less populated and rural areas rely on well and septic systems. Sales activity for these areas is accounted for in the Sales Comparison Approach **(Figure 5.3)**. Typically, the local market has sufficient comparable sales of like properties that water and sewer adjustments are not necessary.

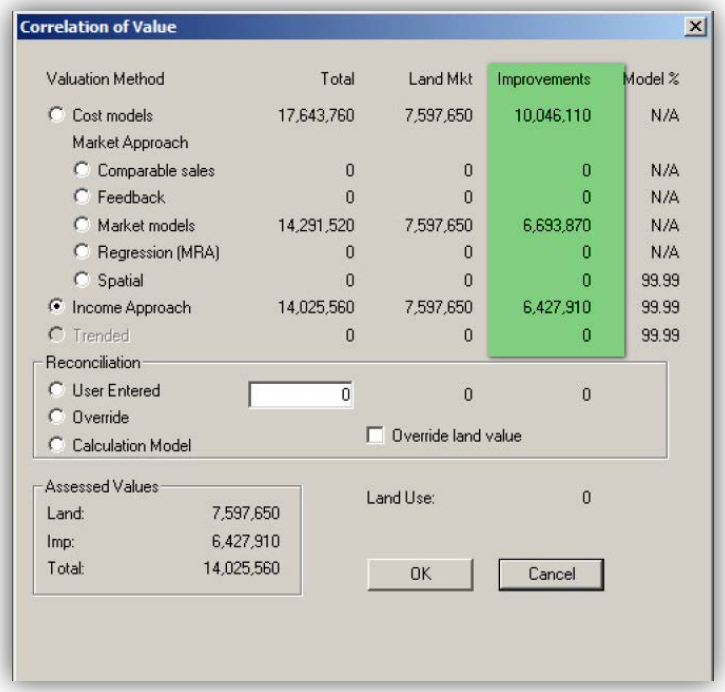
Figure 5.3: Utility Service Areas



The PAO values non-conforming properties based on highest and best use according to Florida Statutes 193.011(2) **(Exhibit 6-5.2)**. Non-conforming properties are typically found in transitional neighborhoods. Land values are determined and the contributory improvement value is estimated based on its "interim" highest and best use.

The PAO considers all three approaches to value in developing market values. The land and improvement value components must be reported separately to the FDOR, except for condominium and cooperative parcels. The land value component is calculated using the various models. When using the Cost Approach, the improvement value component is calculated using replacement cost less depreciation. When using the Income Approach or Market Approach, the improvement value component is allocated as the difference between the total reconciled value obtained (using either approach) and the land value component calculated for each parcel **(Figure 5.4)**.

Figure 5.4: Improvement Value Allocations



Correlation of Value

Valuation Method	Total	Land Mkt	Improvements	Model %
Cost models	17,643,760	7,597,650	10,046,110	N/A
Market Approach				
Comparable sales	0	0	0	N/A
Feedback	0	0	0	N/A
Market models	14,291,520	7,597,650	6,693,870	N/A
Regression (MRA)	0	0	0	N/A
Spatial	0	0	0	99.99
Income Approach	14,025,560	7,597,650	6,427,910	99.99
Trended	0	0	0	99.99

Reconciliation

User Entered	0	0	0
Override			
Calculation Model			

Override land value

Assessed Values

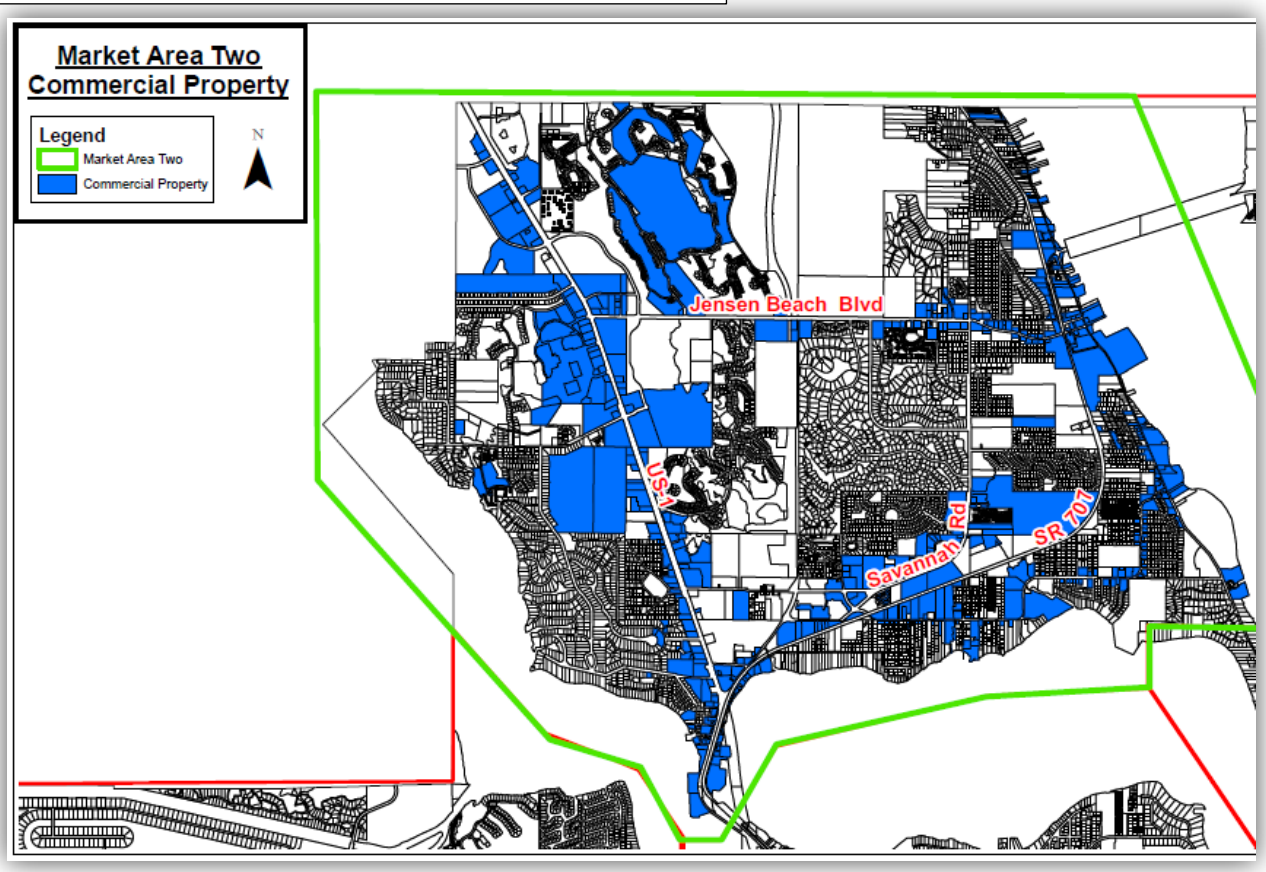
Land:	7,597,650
Imp:	6,427,910
Total:	14,025,560

Land Use: 0

OK Cancel

Economic areas are identified by locational characteristics including high traffic corridors, proximity to waterfront or government facilities, and desirable school districts. The below figure demonstrates commercial market areas located along high traffic corridors and in proximity to the waterfront **(Figure 5.5)**.

Figure 5.5: Market Area Two Commercial Property



6. Does the assessment office use tables and/or standard procedures for the calculation of land values to take into account positive or negative characteristics of the parcel such as shape, depth, or size?

- Provide documentation for identifying characteristics (shape, depth, and size) specific to the parcel.
- Are the adjustments derived from the market?
- How are the adjustments tested and applied?
- How often are these adjustments reviewed and updated?

Answer: Yes. The Commercial department models size, shape and depth by entering different rates in the CAMA tables. The steps in the rate account for size (economies of scale) where applicable **(Figure 6.1)**. Percentage adjustments are made for lot depth and configuration **(Figure 6.2)**.

Figure 6.1: Economies of Scale Table Model

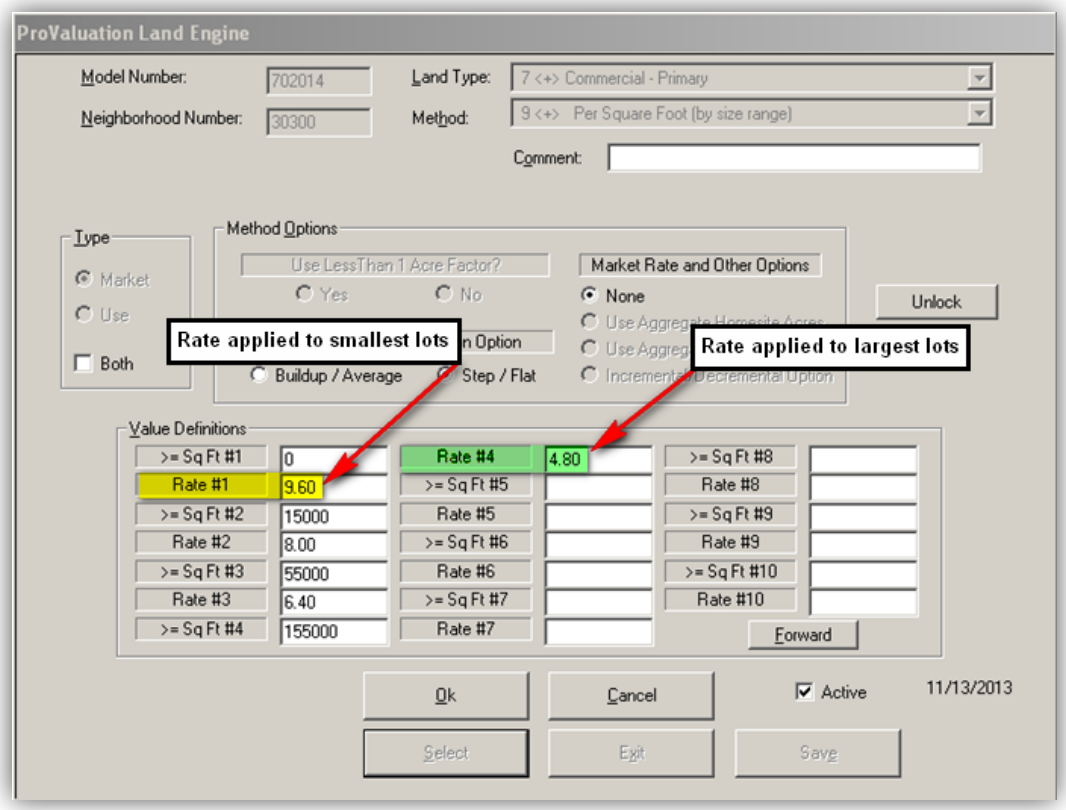
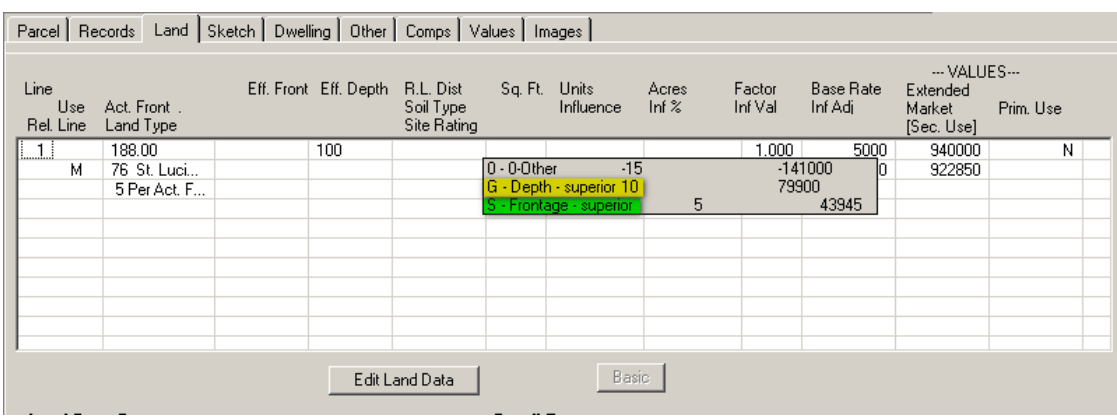


Figure 6.2: Lot Depth and Configuration Adjustments



Residential lots with varying sizes located in the same neighborhood are assigned land type codes 47, 48, or 49. Code 48 represents a standard lot, code 47 is used for lots that are inferior to the standard lot, and code 49 is used for lots that are superior to the standard lot.

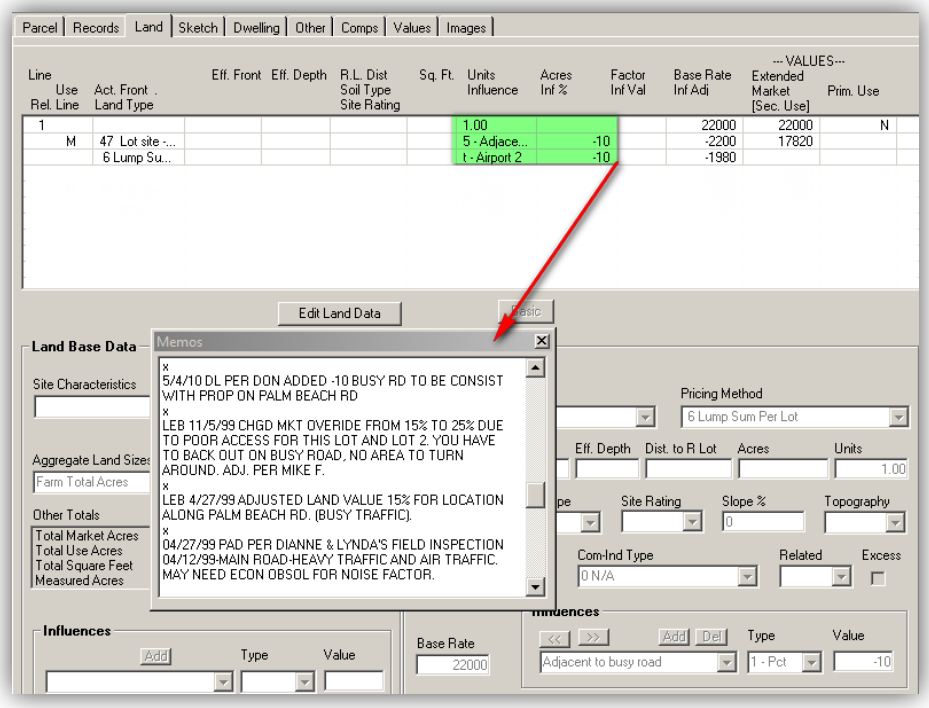
Value adjustments are added to the base rates for any other significant differences in physical characteristics. The value adjustments are typically calculated as a percentage of the base rate and are derived from a comparison of recent sales. The adjustments are tested by statistical analysis of assessment to sale price ratio. Once the appropriate value adjustment has been determined, it is applied consistently to all like properties in the neighborhood. The value adjustments are reviewed annually.

7. Does the assessment office use tables and/or standard procedures for the calculation of land value to account for positive or negative locational factors influencing the parcel?

- How do you identify and adjust for the situs characteristics (positive and negative) affecting the parcel (for example, golf course, waterfront, waste facility, noise-generating site, railroad)?
- Document how these adjustments are derived and tested.

Answer: Yes. Separate neighborhoods are created where there are locational differences from one subdivision to the next. In addition to the modeling addressed in Question 6, lots having negative locational influences such as backing to a busy road or railroad track are coded inferior to the base land value **(Figure 7.1)**.

Figure 7.1: Aerial View and Note of Location Consideration



There are codes for superior view differences including, but not limited to lake, canal, river, ocean, preserve, and golf course. Value adjustments are applied to the base rates for any other significant differences in physical characteristics and are generally made on a percentage of the base rate. They are derived from recent sales when available. When recent sales are not available, the appraiser looks for recent sales in other similar neighborhoods nearby to derive a market adjustment. When there are no vacant lots in the neighborhood, the appraiser uses judgment to determine the adjustment based on past experience. In this case, the appraiser relies on improved sales to derive the land value after estimating the depreciated value of the improvements. This is known as the land extraction method.

Positive and negative influence factors are reviewed and updated annually when there is evidence available to support a change. The adjustments are tested by statistical analysis of assessment to sale price ratios. Excel spreadsheets are used to review and verify that the adjustments are applied consistently.

8. Does the assessment office use spreadsheets or statistical or other computer software to assist in the development of land values?

• Describe how your office uses spreadsheets or statistical or other computer software to assist in developing land values, land unit prices, site values, and various adjustments.
• Provide samples of land valuation tables, valuation model formulas, and analytical graphs used in the analysis and application of land valuation.

Answer: Yes. The CAMA database is queried through an Access report for all vacant land sales. The results are exported to Excel spreadsheets and are reviewed by an appraiser **(Exhibit 6-8.1)**. The appraiser reviews the sales to determine if they are qualified or unqualified (non-arm's length transactions). In Martin County, there are few remaining vacant lots in existing subdivisions since most are built-out or are nearly built-out. Newly developing subdivisions do not typically sell lots individually. The developer sells house and lot packages which requires the PAO to apply the land extraction method in order to determine the land value and allocation.

The sales comparison approach is used for appraising vacant lots. Where vacant land sales are not available in a neighborhood, comparable sales in similar neighborhoods are used. In cases where there are no vacant land sales in comparable neighborhoods, the land extraction method is used to develop land values.

An assessment to sale price ratio analysis is prepared for each neighborhood annually. All sale properties are reviewed using statistical analysis. The target ratio for market value to the sales price of qualified sales is 85% **(Exhibit 6-8.2)**. If the land and improvement values of the sales are properly allocated, the ratios of the land sales and improved sales should be similar. This is a quality control check for the neighborhood values.

9. Does the assessment office use or make use of a GIS and/or remote imaging such as orthographic or oblique photography?

Describe how your office uses the aforementioned tools for land data quality control, analysis, and valuation.

Answer: Yes. The PAO appraisers use a GIS software product known as Parcel Analyst, which is designed as a user friendly appraiser tool.

The software is used to display parcels and their locational influences and map layers depending on what the appraiser is analyzing. The map layers include aerial photography **(Exhibit 6-9.1)**, market land value **(Exhibit 6-9.2)**, improvement value, and total value for each parcel. There is also a layer that shows the current market value per square foot of land **(Exhibit 6-9.3)**. In addition, land use and zoning layers can be turned on or off to ensure the appraiser has considered comparability of legally permissible uses with adjoining parcels.

Parcel Analyst software has the ability to display sales by land code type for a given time frame **(Exhibit 6-9.4)**. This tool is extremely helpful when valuing neighborhoods of diverse properties. It's used for quality control to verify consistency in the application of value adjustments and in comparing overall land values.

10. In areas with few vacant parcel sales, does the assessment office use the abstraction, allocation, or land residual capitalization method to derive values from improved parcel sales?

Briefly describe your office uses of abstraction, allocation, and land capitalization methodologies for land valuation when vacant land sales are scarce including what type of properties each is applied to and how.

Answer: Yes. When there are an insufficient number of recent vacant land sales available in a neighborhood, the PAO considers sales of vacant lots in a nearby neighborhood of similar properties. When there are no sales in nearby neighborhoods of similar properties, the land extraction (abstraction) method is used. The improvement value as new is estimated then it is depreciated for its age. The depreciated value of the improvements is subtracted from the sales price. The result, or land residual, is the estimated value of the underlying site. Reliability of this method depends upon the accuracy of the improvement values used to derive the land residuals **(Exhibit 6-10.1)**.

The allocation method is based on the principal of balance. This principal affirms that there is a consistent ratio of land value to total property value for specific property types and locations. In order for this method to be reliable, the physical improvements on the comparable properties need to be characteristically similar to the subject property. The allocation method is rarely used due to the diverse improvements within Martin County.

Construction quality, architectural designs, and codes have changed over the years. Many of the subdivisions have been built over several decades. There may be a relatively new house adjacent to a house built 30 years before. Houses have evolved over the past 30 years. The local building codes now require houses to withstand hurricane force winds. Market demand for wall heights have progressed from the standard 8-foot height to 10-foot, 12-foot and higher. Architectural designs have generally become more complicated, interiors have more upgraded features and newer properties cost more to construct than the more basic dwellings of the past. When analyzing properties that are not uniform in age, size and quality, it is difficult to determine an accurate allocation (percentage) of land value to improvements or land to total value.

The capitalization of ground rent method is used when the income from the property is completely independent of any improvements. The land residual capitalization approach is not currently used by the PAO due to the lack of data available on leased properties. Lease terms, escalation clauses, renewal options, reversion, and the selection of an appropriate capitalization rate can all affect the reliability of this approach.

Chapter Six List of Exhibits

Exhibit 6-1.1 Trend in Just Value per Vacant Lot

Exhibit 6-2.1 Warranty Deed
Exhibit 6-2.2 Sales Qualification Letter
Exhibit 6-2.3 Land Value Slide Aerial
Exhibit 6-2.4 Multiple Listing Service
Exhibit 6-2.5 Aerial Map
Exhibit 6-2.6 Uniform Standards for Computer Operations Rule 12D-8.011
Exhibit 6-2.7 Resolution Changing Zoning District
Exhibit 6-2.8 Martin County Comprehensive Plan Amendment Rezoning Review
Exhibit 6-2.9 Vacant Lot Sale Now Improved
Exhibit 6-2.10 MLS for Vacant Land Used for Confirmation and Quality Control

Exhibit 6-3.1 Residential & Commercial Land Use Map

Exhibit 6-4.1 Standard Lot
Exhibit 6-4.2 Water Frontage Calculation
Exhibit 6-4.3 Commercial Land Values Based on Price per Square Foot
Exhibit 6-4.4 Vacant Land Sales

Exhibit 6-5.1 Statewide Golf Course Sales
Exhibit 6-5.2 Florida Statutes 193.011(2)

Exhibit 6-8.1 Commercial Vacant Land Sale Spreadsheet
Exhibit 6-8.2 Value Calibration Analysis

Exhibit 6-9.1 Aerial Map with Land Values
Exhibit 6-9.2 Subdivision Plat Map with Land Values
Exhibit 6-9.3 Subdivision Plat Map with Price per Square Foot Value
Exhibit 6-9.4 Subdivision Plat Map Showing Recent Sales

Exhibit 6-10.1 Land Extraction

Chapter Seven: Residential Property Valuation

1. Does the assessment office place primary emphasis on the sales comparison approach in the appraisal of subdivision homes, condominiums, and town homes?

Provide a table showing, by type of property, the number of properties appraised by each valuation approach used in the assessor's office. (Where multiple approaches are used in a jurisdiction, the total number in the table should add up to more properties than there are in a jurisdiction.) If the aggregation is only possible for the valuation approach *relied on,* and not for all the approaches considered for each property, such a footnote should be provided.

Answer: Yes. The Property Appraiser's office (PAO) places primary emphasis on the sales comparison approach in the appraisal of homes, condominium units and townhomes. Martin County is divided into seven market areas each consisting of a number of neighborhoods. Sales within each neighborhood are verified, construction quality grades are reviewed, and the "effective year built' is changed when remodeling is evident.

The total count of valuation approaches considered is greater than the total number of parcels because multiple approaches were used on the majority of the parcels **(Figure 1.1)**. The cost approach is not typically used when valuing condominiums however a small number of condominiums had defective drywall. Per Florida Statute, the improvement value of these units is mandated to be zero, and the land value reflects an estimated allocation. In addition, an old single family neighborhood and a manufactured housing neighborhood, both with common amenities, were declared as a condominium in public record.

Figure 1.1 Count of Parcels by Valuation Method

Residential Property Valuation Methods Count of Parcels by Valuation Approach and Property Type				
Property Type	Cost Approach	Comparable Sales Approach	Income Approach	Total Count
Single Family	46,887	41,884	-	88,771
Condominiums	241	14,875	-	15,116
Mobile Homes	2,926	2,913	-	5,839
Cooperatives	1,776	1,417	-	3,193
Multi-family	1,029	1,029	996	3,054
Total count	52,859	62,118	996	115,973

2. Are sales ratios analyzed by neighborhood, size, age, and other key features during the appraisal process?

Provide a list of ratio studies commonly performed by your jurisdiction, along with examples of some of the sales ratio reports used in the development of your appraisal models.

Answer: Yes. Sales ratio studies are performed by neighborhood, considering characteristics such as construction type, year built, effective year built, grade/quality, living area, lot size and other key features during the appraisal process. All sales from the prior calendar year are analyzed for each neighborhood. Part of the analysis includes reviewing and comparing assessment to sale to price ratio of larger and smaller houses. If the sales ratios are higher for larger houses, then a neighborhood market adjustment called a Relative Desirability Factor (RDF) is applied to reduce the improvement value. Conversely, if the smaller homes have lower sales ratios, a RDF is applied to increase the improvement value.

Figure 2.1 shows a neighborhood sales analysis after land values have been determined, but before a change to the RDF has been made. The larger houses and their respective assessment to sale price ratios have been highlighted in yellow, while the smaller houses and their respective assessment to sale ratios have been highlighted in green. The larger houses all have ratios that are well above the targeted median ratio of 85%, while the smaller houses typically have ratios well below the targeted ratio of 85%. This indicates that the RDF should be reduced. The RDF reduction will have a significant effect on reducing the value of the larger houses, but will have little impact on the value of the smaller houses. The outcome will tighten the range of ratios, which in turn reduces the coefficient of disbursement (COD).

Figure 2.1: Neighborhood Sales Analysis

Neighborhood: 731105
Page: 1
Sales from: 01/01/2013 to 12/31/2013

Value Calibration Analysis by Neighborhood - Current Characteristics
Agricultural/Residential/Commercial/Industrial/Mineral/Exempt/Utility Parcels
Sales to Worksheet Ratio

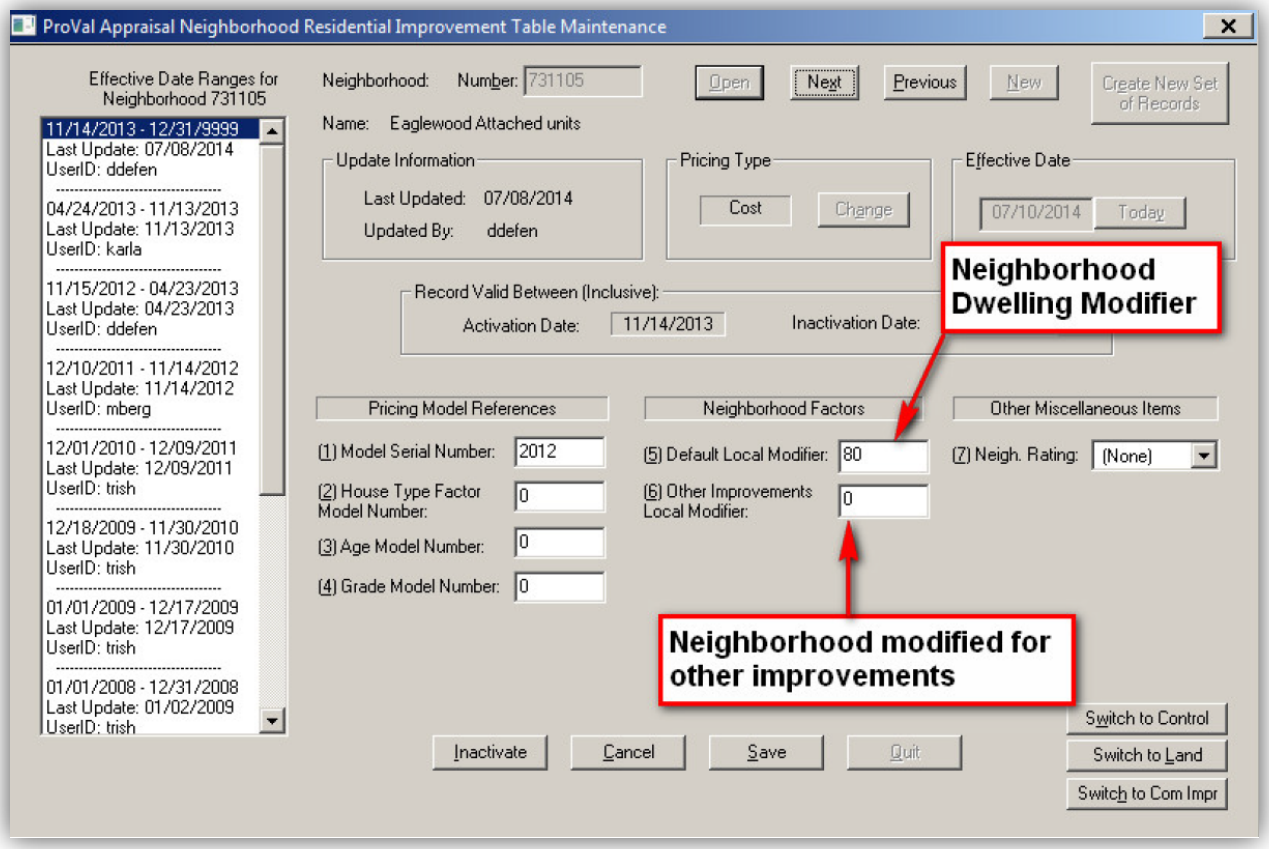
Address Parcel-ID Alt PIN	Constr H Type	Year E-Yr	Grd/CDU Use	PT	BSF	--- Living Areas --- 1ST	2ND	USF	Bsmt SqFt	Baths F	H	Fixt. O	AC T	Fire-Place O	S	Garages Type	SqFt	Porches Decks		Lot Acres	Sale Date	Sale Amount	Totl SqFt	Cert. Value	Work-sheet	Ratio
12707 SE PINEHURST CT 27-39-42-005-000-00661-8 62282	2.00 Fr 40	1984 1994	35 101	AV	0	1107	833	0	0	3	0	11	Y	0		ATT	312	5 0	503	0.121	08/30/2013 Q-01 QUAL DE Y-02 ANALYSI	140,000	1940	128320	153920	1.10
12726 SE PINEHURST CT 27-39-42-005-000-00692-1 62287	1.00 Fr 40	1984	35 101	AV	0	1397	0	0	0	2	0	8	Y	0		ATT	307	2 0	250	0.149	08/20/2013 Q-01 QUAL DE Y-02 ANALYSI	130,000	1397	102770	102770	0.79
12679 SE CASCADES CT 27-39-42-005-000-00732-3 62295	1.00 Fr 40	1984	35 101	AV	0	1617	0	0	0	2	0	8	Y	0		ATT	307	1 0	30	0.141	03/01/2013 Q-01 QUAL DE Y-02 ANALYSI	150,000	1617	104120	104120	0.69
12628 SE CASCADES CT 27-39-42-005-000-00772-4 62301	1.00 Fr 40	1984	35 101	AV	0	1627													166	0.153	05/15/2013 Q-01 QUAL DE Y-02 ANALYSI	130,000	1627	107820	107820	0.83
12698 SE CASCADES CT 27-39-42-005-000-00801-9 62306	2.00 Fr 40	1985	35 101	AV	0	1004	754	0	0	3	0	11	Y	0		ATT	312	3 0	396	0.165	05/16/2013 Q-01 QUAL DE Y-02 ANALYSI	127,500	1758	119130	119130	0.93
12708 SE CASCADES CT 27-39-42-005-000-00812-6 62309	1.00 Fr 40	1984	35 101	AV	0	1401	0	0	0	2	0	8	Y	0		ATT	307	2 0	246	0.151	01/07/2013 Q-01 QUAL DE Y-02 ANALYSI	128,000	1401	105820	105820	0.83
12757 SE PINEHURST CT 27-39-42-005-000-00842-0 62315	1.00 Fr 40	1983	35 101	AV	0	1496	0	0	0	2	0	8	Y	0		ATT	492	2 0	234	0.104	06/10/2013 Q-01 QUAL DE Y-02 ANALYSI	155,000	1496	109170	109170	0.70
12787 SE PINEHURST CT 27-39-42-005-000-00861-6 62318	1.00 Fr 40	1983	35 101	AV	0	1617	0	0	0	2	0	8	Y	0		ATT	307	1 0	30	0.102	02/25/2013 Q-01 QUAL DE Y-02 ANALYSI	115,000	1617	107940	107940	0.94
12807 SE PINEHURST CT 27-39-42-005-000-00871-4 62320	1.00 Fr 40	1983	35 101	AV	0	1496	0	0	0	2	0	8	Y	0		ATT	492	2 0	234	0.155	03/28/2013 Q-01 QUAL DE Y-02 ANALYSI	145,000	1496	109170	109170	0.75
12836 SE PINEHURST CT 27-39-42-005-000-00932-1 62333	1.00 Fr 40	1985	35 101	AV	0	1627													158	0.129	09/24/2013 Q-01 QUAL DE N-38 FORCED	133,000	1627	109570	109570	0.82
8550 SE EAGLEWOOD WY 27-39-42-005-000-00982-0 62343	1.00 Fr 40	1984	35 101	AV	0	1617	0	0	0	2	0	9	Y	0		ATT	307	1 0	30	0.132	05/22/2013 U-19 BANKRUP U-19 BANKRUP	95,000	1617	110010	110010	1.16
12981 SE CROOKED STICK LN 27-39-42-005-000-01101-4 62366	1.00 Fr 40	1987	35 101	AV	0	1430	0	0	0	2	0	8	Y	0		ATT	318	1 0	30	0.095	04/25/2013 Q-01 QUAL DE Y-02 ANALYSI	142,000	1430	102710	102710	0.72
13062 SE CROOKED STICK LN 27-39-42-005-000-01202-2 62387	1.00 Fr 40	1988	35 101	AV	0	1712	0	0	0	2	0	8	Y	0		ATT	492	1 0	18	0.107	03/28/2013 Q-01 QUAL DE N-37 NT OPN	122,000	1712	119410	119410	0.98
12799 SE BERWICK CT 27-39-42-005-001-06170-7 62489	1.00 Fr 50	1990	35 101	AV	0	1396	0	0	0	2	0	8	Y	0		ATT	333	2 0	141	0.075	08/20/2013 Q-01 QUAL DE Y-02 ANALYSI	131,500	1396	105770	105770	0.80
12920 SE BERWICK CT 27-39-42-005-002-06370-3 62510	1.00 Fr 50	1990	35 101	AV	0	1396	0	0	0	2	0	8	Y	0		ATT	333	2 0	165	0.097	04/01/2013 Q-01 QUAL DE N-37 NT OPN	145,000	1396	106810	106810	0.74

Larger houses have higher assessment to sale price ratios

Small houses have low assessment to sale price ratios

A neighborhood RDF typically ranges from 80 to 100. A 100 RDF is equal to having no value adjustment and a RDF of 80 reduces the dwelling value by 20% from the 100 RDF **(Figure 2.2)**. Neighborhoods generally start out with a RDF of 100 because the houses are new and tend to be more desirable than neighborhoods of older houses. A RDF gradually gets reduced as the neighborhood ages and the market perceives it to be less desirable than a competing neighborhood of new or newer houses. In some upscale neighborhoods where there are market preferred amenities, the RDF can exceed 100. Martin County has a limited number of neighborhoods with a RDF above 100.

Figure 2.2: Neighborhood Relative Desirability Factor



A Computer Assisted Market Analysis (CAMA) report is run for each neighborhood **(4 pg. Exhibit 7-2.1)**. Sales from the calendar year prior to the assessment date are used to determine market value. An assessment to sale price ratio is calculated (market value divided by sales price) for each property with a target median ratio of 85% for all qualified sales that occurred within the neighborhood. Where few or no sales have occurred during that year, similar nearby neighborhoods that did produce recent sales are reviewed. If the neighborhood with recent sales showed evidence of a value trend from the prior year, that same value trend would then be applied to the neighborhood that lacked sales. Where few or no sales occur within a neighborhood, current listings of properties within that neighborhood are reviewed. The ratio of market value to asking price is calculated. The ratio of all listed properties (except for distressed properties) should be well below the targeted 85% assessment ratio in order to leave room for negotiations. The PAO does not increase the market value of properties based on current listings. However, listings set the upper end of the range of what a prospective buyer would typically pay for a property, and may support a reduction in neighborhood values.

Value adjustments are made for differences in physical characteristics of the underlying site (including, but not limited to, configuration, size and view) as well as the dwelling and other improvements where warranted by recent sales. Value adjustments are also made to properties that suffer from external obsolescence (an off-site influence on the value of a property or properties) such as fronting on a busy road or being located close to railroad tracks are made where sales indicate the value adjustment is warranted.

3. Are value estimates reviewed by appraisers and reconciled before generation of final values?

Briefly describe how individual property value estimates are checked in your jurisdiction; include samples of typical reports, with a brief description of how each is used.

Answer: Yes. A CAMA report is run for all sales in the prior year for each neighborhood **(Exhibit 7-3.1)**. Each sale is verified and reviewed to determine if it is qualified, to make sure that the construction quality grade is accurate and that an "effective year built" is changed to reflect any remodeling that has been done to the dwelling or its components. The land is reviewed by aerial photography and site maps are used to determine if it is or is not a typical lot. Value adjustments are added for view premiums, size and/or configuration where warranted by the market.

At that point, the target median ratio (market value divided by the sale price) is reviewed. The PAO target for the median is 85%. The appraiser determines if the median ratio is reasonably close to the target ratio or if an increase or decrease in market value is warranted. The neighborhood in the exhibit indicates a median assessment ratio of 93%. Since this is well above the target ratio of 85%, a value reduction is warranted. Once the RDF is applied to all properties in a neighborhood, a new CAMA report is run. The final CAMA report in the exhibit indicates a median ratio of 85%, which meets the targeted ratio. The report is then reviewed and signed off by the department manager **(Exhibit 7-3.2)**.

4. Are comparable sales readily available and used for residential property valuation, analysis, and value support?

Provide an example of comparable sales screens and reports, and sales listings used by your jurisdiction and describe how each is used. For a *comparables* program, describe the source of the selection criteria and weights and the adjustment weights, is any.

Answer: Yes. Comparable sales are analyzed and used for residential property valuation. All sales are input into the CAMA system and then queried to find prior year sales on one or multiple neighborhoods **(Figure 4.1)** and **(Figure 4.2)**. The sales are cross-referenced with the local Multiple Listing Service (MLS), which provides confirmation and details about each sale **(Exhibit 7-4.1)**.

Knowing whether or not improvement upgrades were completed prior to the sale date is necessary to properly analyze each sale.

Figure 4.1: One or Multiple Neighborhood Search

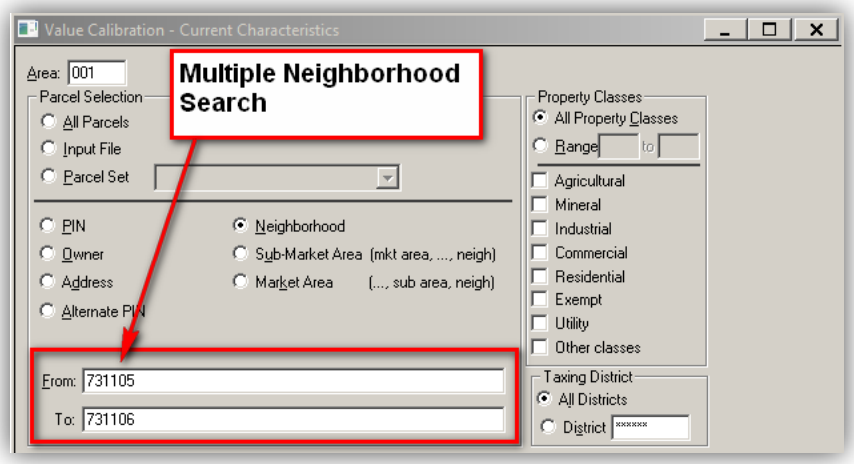
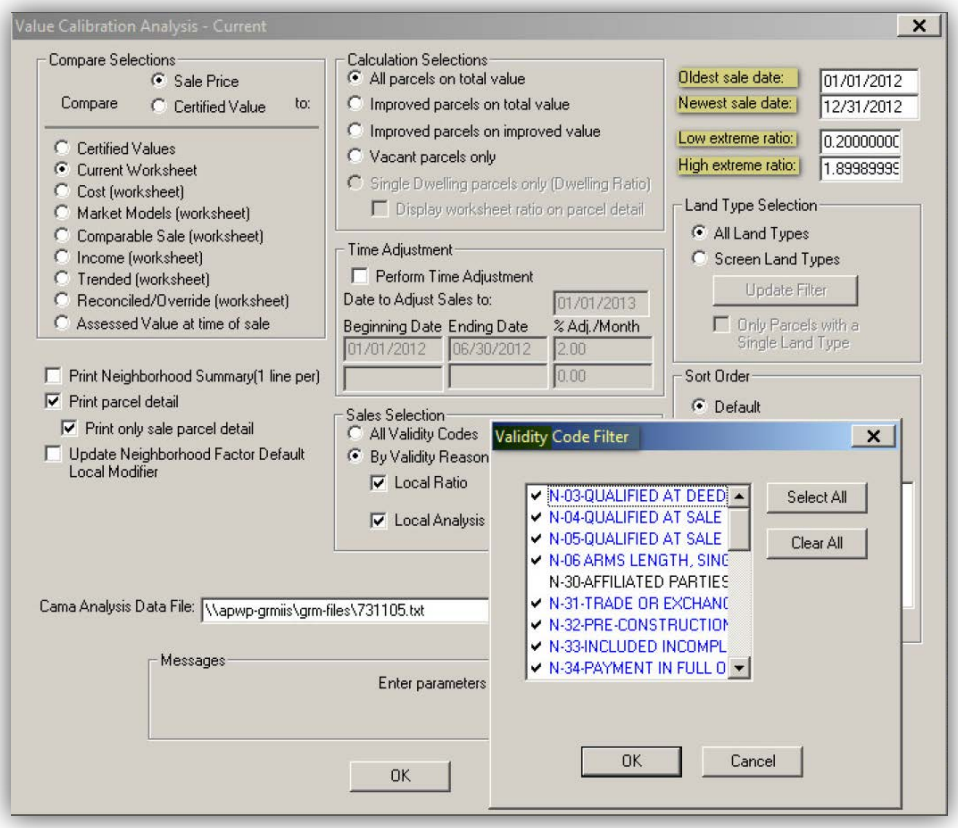


Figure 4.2 Neighborhood Search Continued



5. Are statistical models technically sound and the coefficients reasonable?

Table 7-5. Features Considered Good Practice by Experienced Mass Appraisal Model Builders

FEATURE CHECKLIST				
PRACTICE		**YES**	**NO**	**YOUR COMMENTS**
1.	Do you exclude only sales that have been found to be invalid or for which the price is clearly inconsistent with sales of properties with similar features?	✓		Sales are excluded for reporting purposes based on FDOR guidelines. However, the sales may be used for analysis with proper documentation **(Exhibit 7-5.1)**.
2.	Do you ensure that neighborhood and other variables have enough sales for reliable calibration and, if there are too few current sales, are older sales added or is the model refined?	✓		Only sales from the prior year are considered for analysis. If there are insufficient sales in a neighborhood, other sales in similar neighborhoods are considered to establish values.
3.	Do models employ statistical transformations to capture non-linear and interactive relationships common in real estate markets or do models follow a *hybrid* format?	✓		The models follow a hybrid format using the CAMA's cost system to model the residential values.
4.	Are separate models developed for different market areas in the jurisdiction characterized by substantially different value levels?	✓		The model structure for residential valuation is a hybrid format using the CAMA's cost system. Variations in characteristics due to substantial differences in value levels are managed using neighborhood factors. Factors can be applied to the neighborhood to establish land values, and to factor increases or decreases in improvement values.

5.	Are highly collinear variable and variables with statistically insignificant or illogical coefficients purged from the model?	✓		Collinear variables and variables with statistically insignificant coefficients are purged from the model. Land areas by square feet, acre, and number of lots are collinear variables. Each of these sizes is maintained in our database, but the model selects only one of the variables for valuation purposes. The selection of the variable to use is made by the appraiser when setting up the neighborhood model.
6.	Are properties with extreme errors ("outliers") reviewed, and are data corrected or the sale eliminated as appropriate?	✓		All sale properties are inspected, property record card data is updated, and details are reviewed and verified. Properties with extreme ratios may be removed from analysis, but none are disqualified except those meeting FDOR specific disqualification guidelines.
7.	Are predicted values compared with sales prices, and are box and scatter plots used to check the model for equity and consistency?	✓		Predicted values are compared with sale prices in a detailed report format (CAMA Analysis), and scatter plots are used to check the model for equity and consistency **(Exhibit 7-5.2)**. Additionally, box plots are used by FDOR in the annual tax roll approval process and post audit review **(3 pg. Exhibit 7-5.3)**.
8.	Do you use hold-back sales to test your results?		✓	All sales are used to test results. There are no provisions in Florida rules to "hold-back" sales for testing the models.

Describe the quality control practices your jurisdiction employs to validate your sales comparison models.

Answer: Yes. The statistical models are technically sound and the coefficients are reasonable. The PAO relies heavily on the median assessment to sale price ratio as well as the coefficient of disbursement (COD) and the price-related differential (PRD) **(Exhibit 7-5.4)**.

By definition, the COD is the average deviation of a group of numbers from the median expressed as a percentage of the median. It is the average deviation (difference) from the median. The Florida Department of Revenue (FDOR) suggests that a COD of less than 15.0 is acceptable. Neighborhoods comprised of similar or identical model homes should typically have COD's of 5.0 to 10.0. Neighborhoods comprised of diverse homes (wide range in size and/or quality) typically have higher COD's, but should remain under the 15.0 threshold except for neighborhoods that have sales that are considered to be outliers. Distressed sales such as bank owned sales can cause a high COD.

By definition, the PRD is the mean (average) divided by the weighted mean. The target PRD is 1.00, however DOR guidelines state that this ratio should fall between the range of .98 and 1.03. A low PRD indicates that the high end properties are over-assessed and a high PRD indicates that high-end properties within the neighborhood are under-assessed.

The level of assessment is an indicator used to evaluate and certify the assessment roll. The level of assessment is based on the adjusted weighted mean ratio for specified strata of real property and for real property assessment rolls as a whole. The FDOR reviews all stratums, but conducts an in-depth study of the residential and the commercial/industrial stratums in Martin County.

Florida Statutes require real property to be valued at full market value, allowing for costs of sale. Martin County reports a cost of sale factor of 15%, meaning that the target assessment to sale price ratio is 85%. For 2013, the FDOR reported a level of assessment estimate of 99.2 percent for Martin County **(Exhibit 7-5.5)**.

6. Are cost schedules checked against local buildings of known cost and adjusted as necessary?

Provide a sample of a cost analysis used by the assessment office to verify or adjust cost tables, and describe how it was developed and used.

Answer: Yes. The Marshall Valuation Service is used for residential building cost rates. Cost schedules are checked against known costs of local buildings and are adjusted individually as necessary. The CAMA system utilizes cost tables that originate from Marshall Valuation Service. Commercial cost tables are updated regularly as a whole to maintain current cost detail in the CAMA system.

Residential cost tables are updated when analysis shows that an update in the base cost tables will bring the CAMA systems hybrid valuation models closer to market. This minimizes the need and use of neighborhood factors to adjust the modeled values to market.

The analysis calculates the overall average RDF or neighborhood market adjustments used for residential properties throughout the County. An average RDF or neighborhood market adjustment that is substantially less than 100 indicates that most neighborhoods require their cost values be adjusted downward to meet market valuations. This indicates that an update to the Marshall Valuation Service cost tables is not needed. An update would generally increase the cost values which causes hybrid model valuations for most of the neighborhoods to be further away from market value. This would necessitate a larger negative neighborhood adjustment to reach market valuations.

An average neighborhood market adjustment that is near or greater than 100 confirms that an update to the residential cost tables would minimize the use of neighborhood market adjustments. Local (neighborhood) adjustments are made in accordance with changes in the market **(2 pg. Exhibit 7-6.1)**.

When costs of actual buildings recently constructed are known, they are compared with the Marshall Valuation Service values that are used in the CAMA system. Some building departments in the County calculate a cost estimate by using a generalized formula; other building departments require the contractor who constructed the improvements to certify the actual cost of the project once it is complete **(Exhibit 7-6.2** blank Jupiter Island Affidavit**)**.

The building projects that have provided certified costs are verified with the replacement cost that is calculated in the CAMA system to confirm consistency. The estimated permit costs that use a general formula are given very little weight since they do not take into account the broad range of factors that may affect the actual cost of construction.

A procedure is in place to centralize the collection of actual building costs obtained from the owners of new construction, remodels, and extra features.

7. Are cost schedules fully computerized?

Briefly describe the cost approach in your jurisdiction, and provide computer-printed examples of a few of the system's cost tables.

Answer: Yes. Cost schedules in the CAMA system are fully computerized.

The CAMA system uses cost tables that originate from Marshall Valuation Service. The cost tables are updated as outlined in the answer to Question 6 above. Local (neighborhood) adjustments are made in accordance with changes in the market **(Exhibit 7-6.1)**.

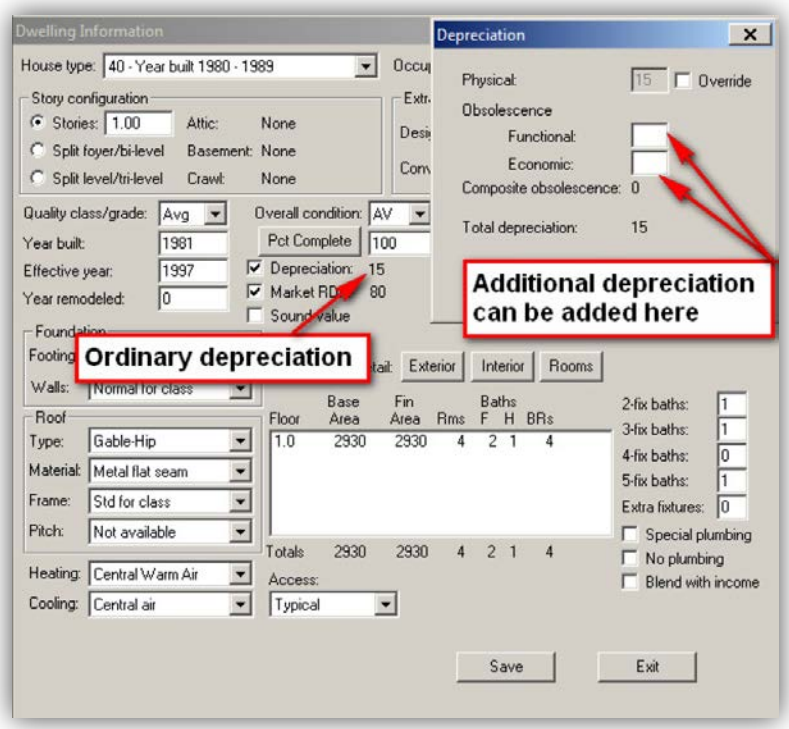
The Field Appraiser physically inspects, sketches and documents details about the construction of the improvements. Construction details include, size of improvement, number of stories, house type, year built, effective year built, quality class/grade, condition of improvements, heating type, cooling type, fireplace, footings, wall framing, roof type, roof material, roof framing, and number of bedrooms and bathrooms.

Once the Property Data Specialist enters the information concerning the property into the database, the CAMA system automatically calculates the costs of the improvements. The program references the Marshall Valuation Service cost tables and calculates the cost estimate based on the improvement characteristics entered.

The CAMA system allows overrides of the standard tables in several places:

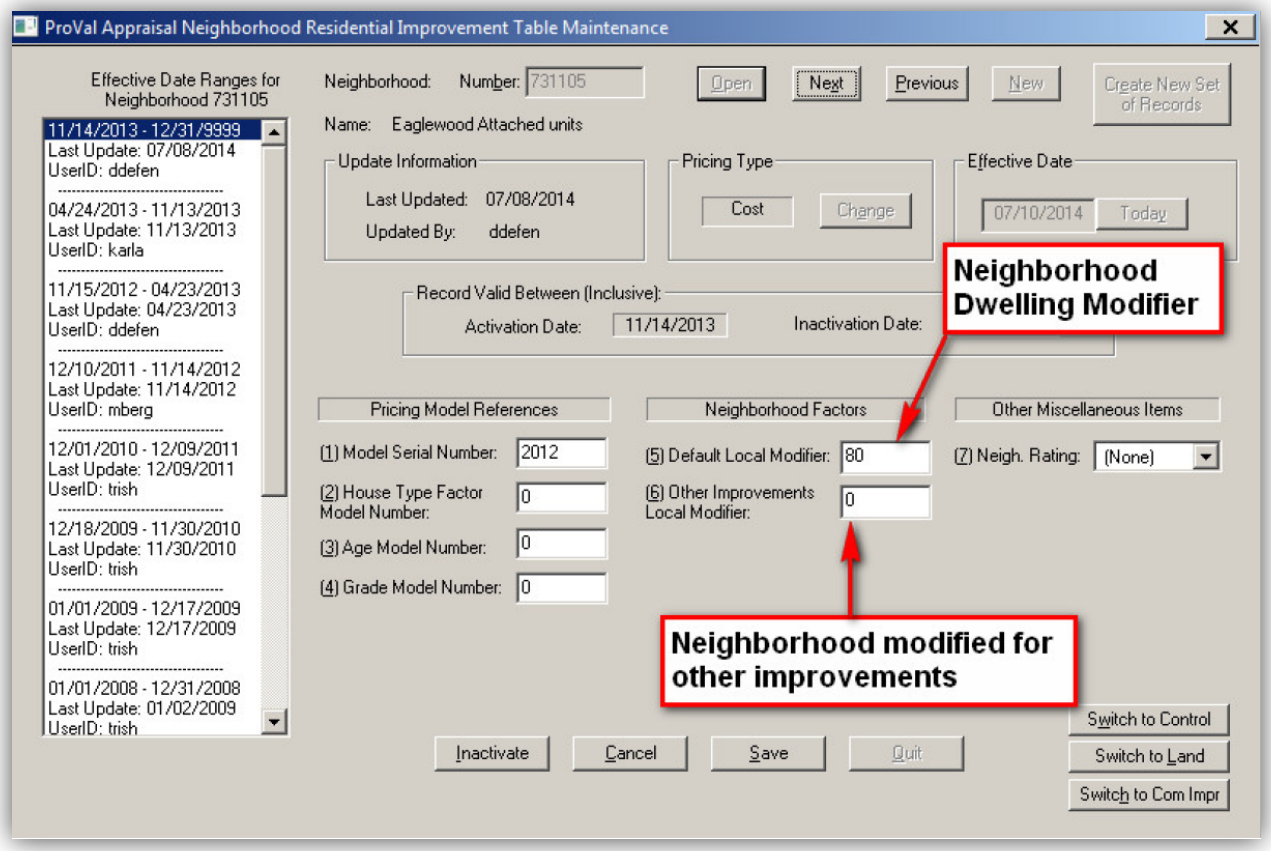
- Additional depreciation can be added to the physical depreciation in the form of functional or economic obsolescence **(Figure 7.1)**. Functional obsolescence adjustments are made when the market indicates that an improvement is either over-built or under-built for the area. Economic obsolescence adjustments are applied when there is an off-site condition that makes living there less desirable, thus causing a negative impact to the value of the property. For residential properties this includes, but is not limited to having a location adjacent to a commercial building, a busy road, a railroad track or a sewer treatment plant.

Figure 7.1: Depreciation Data Entry Screen



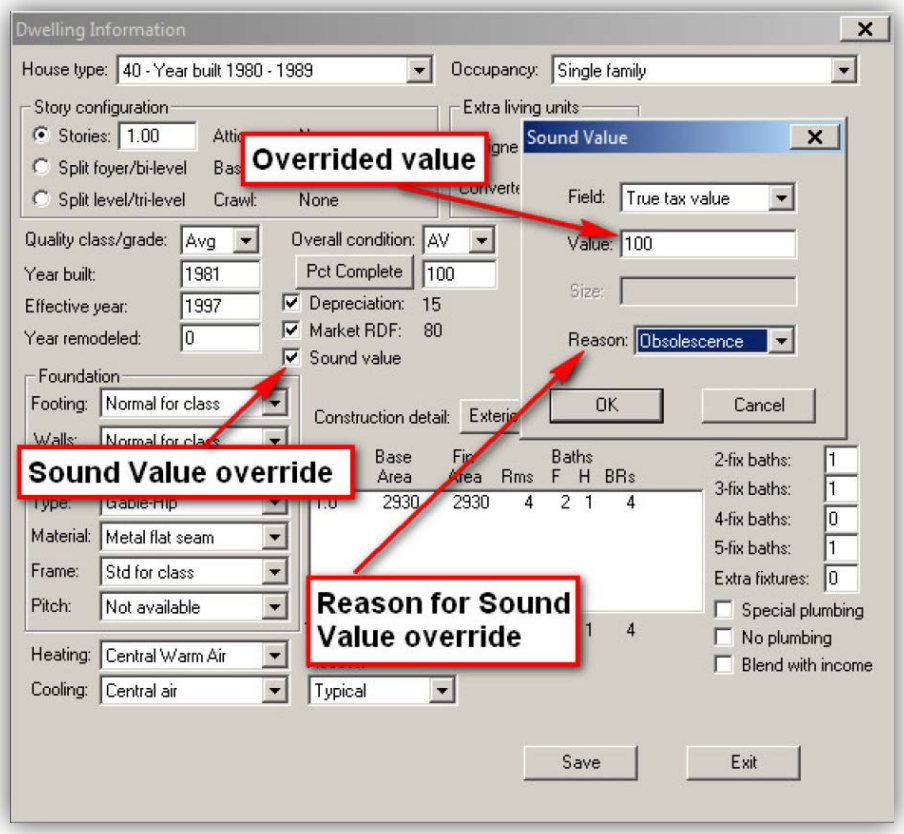
- Overrides can be made to the standard tables by applying a RDF allowing for an increase or decrease in the cost of the improvements based on market influences **(Figure 2.2)**.

Figure 2.2: RDF Overrides



- A complete override of the cost can be made by placing a “sound” value on the improvement. The sound value overrides the cost tables and enters a single value for the improvement. For example, when the improvement is nearing the end of its physical life and contributes very little to the overall value of the property **(Figure 7.2)**. In the case of Figure 7.2, $100 is added as an estimated contributory value of the improvement.

Figure 7.2: "Sound" Value Override



8. Are depreciation schedules based on sales analysis?

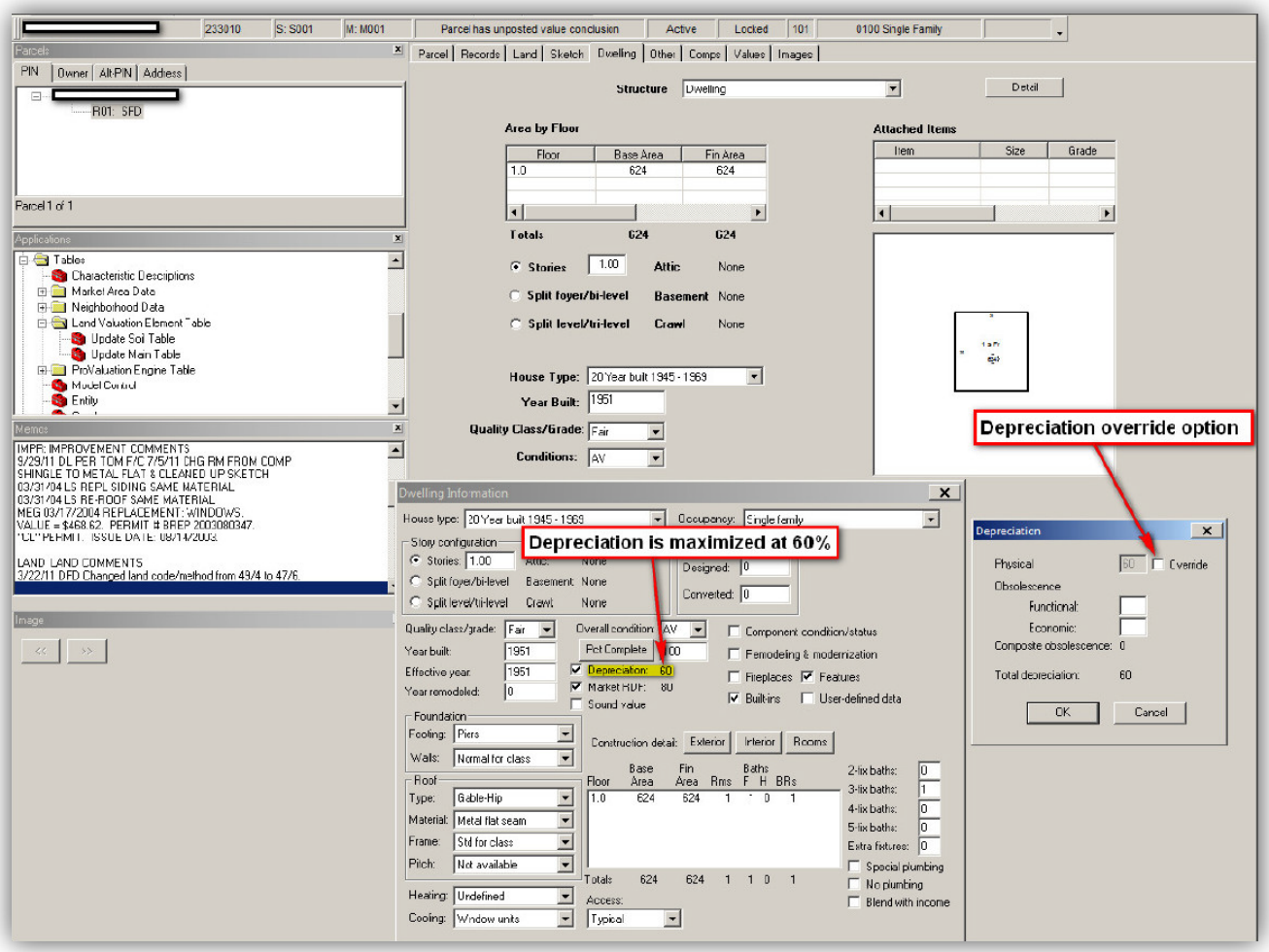
Describe the process for modifying the depreciation schedule(s) in your jurisdiction including the frequency with which this is done.

Answer: Yes. The depreciation schedules are based on sales analysis. Each year a study is done to make sure that the depreciation schedule for both the residential and commercial modules aligns with the market conditions. A market value to sale price ratio is analyzed to ensure that properties with older improvements have similar ratios to newer properties within the same neighborhood.

When the market value to sales price ratio of properties (valued by the cost approach) with older existing improvements is higher than those with newer improvements, the depreciation schedule needs to be accelerated or the cap on depreciation needs to be reduced. If straight line depreciation were used, the improvement value would reduce to zero for old houses. Since older houses typically make a contribution to the site, the schedule needs a cap to stop the depreciation at some point. This point is determined by comparing recent market value to sales price ratios of older properties to newer properties within the same neighborhood.

The current residential depreciation schedule is capped at 60% for the dwelling value and 60% for other features such as swimming pools and boat docks. In exceptional cases where the appraiser believes depreciation is actually greater than 60%, the software allows the depreciation schedule to be overridden **(Figure 8.1)**. This enables the appraiser to estimate the contributory value of the improvements to the site based on their functionality and condition.

Figure 8.1: Depreciation Override Data Entry Screen



Chapter Seven List of Exhibits

Exhibit 7-2.1 CAMA Report

Exhibit 7-3.1 Neighborhood CAMA Report
Exhibit 7-3.2 Final CAMA Report Approved by Director of Appraisal Services

Exhibit 7-4.1 Local MLS

Exhibit 7-5.1 Real Property Transfer Qualification Codes
Exhibit 7-5.2 Assessed Value Ratio Scatter Plot
Exhibit 7-5.3 Post Audit Review Box Plots
Exhibit 7-5.4 Median Assessment to Sale Price Ratio, COD & PRD
Exhibit 7-5.5 Statewide Level of Assessment Estimates by County

Exhibit 7-6.1 Local Multipliers

Chapter Eight: Commercial Property Valuation

1. Does the assessment office employ the three approaches to value in appraising business properties?

FEATURE CHECKLIST				
	PRACTICE	**YES**	**NO**	**YOUR COMMENTS**
1.	**Income Approach?** *Note*: Applicable whenever sufficient sales and income rental data are available. Often well suited to apartments, retail, and office properties.	✓		See below.
2.	**Sales comparison approach?** *Note*: Theoretically excellent but requires adequate sales. May apply to apartments, offices, retail, and warehouse properties.	✓		See below.
3.	**Cost approach?** *Note*: Applies to all property types. Cost data should be current and accurate depreciation and land values estimates are critical.	✓		See below.

Briefly describe how the cost, sales comparison, and income approaches are used in your jurisdiction for commercial property, and provide some examples of properties showing multiple approaches.

Answer: Yes. When appraising commercial properties, the Property Appraiser's Office (PAO) considers all three approaches to valuation which are the income approach, sales comparison approach, and the cost approach.

(1) Income approach
The income approach is considered when appraising commercial and industrial properties that are typically leased on an annual basis (e.g. offices, retail buildings, malls, medical office buildings, nursing homes, assisted living facilities, restaurants, industrial warehouse buildings, and apartment buildings).

Letters are sent annually to property owners requesting the prior year's income, vacancy rate, and expenses for the property **(3 pg. Exhibit 8-1.1)**. The returned information is entered into Excel spreadsheets to be analyzed.

The Florida Department of Revenue (FDOR) provides a State Sales Use Tax (SUT) Excel spreadsheet that has been converted to income and the PAO merges and compares the data to the property owner income and expense data **(Exhibit 8-1.2)**.

This combined information is analyzed and forms the basis for the income approach models. Sales and income information is examined to determine if there is sufficient data to extract capitalization rates and income multipliers to be used in the analysis. Additional resources used for gathering various rates are CoStar **(3 pg. Exhibit 8-1.3)**, RealtyRates.com, University of Florida "*Survey of Emerging Market Conditions*" **(71 pg. Exhibit 8-1.4)**, and PriceWaterhouseCoopers (PWC) Real Estate Investor Survey. In addition, through the exchange of information, Commercial department staff members have an excellent working relationship with local real estate brokers, real estate appraisers and other Property Appraiser offices throughout Florida.

(2) Sales comparison approach

The sales comparison approach is considered for all commercial and industrial properties and is given greater weight when there is sufficient recent sales activity. Sales data is collected from reliable sources including public records, CoStar (a commercial listing service), local and regional Multiple Listing Service (MLS), and Smith Travel Research (STR) for hotels, motels, and resort properties in the region **(16 pg. Exhibit 8-1.5)**.

Market participants, which may include sellers, buyers, real estate agents, and attorneys involved in the transactions, are contacted to confirm the sales, determine if they are "arm's length" transactions, and to discover if there are concessions or other contributing factors to the sale price **(Exhibit 8-1.6)**. Field inspections are conducted on all sale properties to review the condition, quality and size of structures within sixty days of the sale.

When a sufficient number of sales are not available, outside sources are used. Information is shared with other Property Appraisers in Florida **(2 pg. Exhibit 8-1.7)**. The office subscribes to CoStar and is able to review sales of these types of properties **(2 pg. Exhibit 8-1.8)**. The local and regional MLS systems provide additional sale and listing information. Sales are grouped into similar property types and are analyzed to determine market base rates for that property type.

(3) Cost approach

The cost approach is considered for all types of commercial and industrial properties. Greater weight is given to this approach when properties are newly constructed, built for special purpose, or institutional properties.

Land Value

If available, vacant land sales are used to establish commercial land rates. When few or no vacant sales are available, land extraction from improved sales are used to estimate commercial land rates.

When parcels of vacant land have been sold with development approvals, values have been modeled based on the proposed improvement type. For example, estimated land values have been developed from recent vacant land sales for newly developed automobile dealerships, assisted living facilities and industrial parks.

When a sufficient number of sales are not available, outside sources are used. Information is shared with other Property Appraisers in Florida **(Exhibit 8-1.7)**. The office subscribes to CoStar and is able to review sales of these types of properties **(Exhibit 8-1.8)**. The local and regional MLS systems provide additional sale and listing information. Land value is estimated for each parcel based on its size, location, configuration and zoning and the rates are applied in the land model **(Exhibit 8-1.9)**.

Improvement Value

Building plans and physical inspections are used to verify improvement measurements, type of construction, quality grade, ceiling height, effective age, and other characteristics used to establish cost rates. Martin County permitting data, local building contractor costs, and owner information are cross referenced with PAO CAMA data to ensure accuracy of the cost estimates. Improvements are sketched into the ProVal Computer Assisted Mass Appraisal (CAMA) system which uses the Marshall Valuation Service cost calculator **(Exhibit 8-1.10)**.

Physical depreciation is calculated based on depreciation tables which are provided by Marshall Valuation Service and are reviewed by the Commercial department staff. Additional depreciation is analyzed on a parcel by parcel basis to determine if other types of depreciation are present. When an improvement has undergone significant updating, an effective year built is assigned to the account. The effective year built reduces the level of depreciation, thus increasing the value of the improvement.

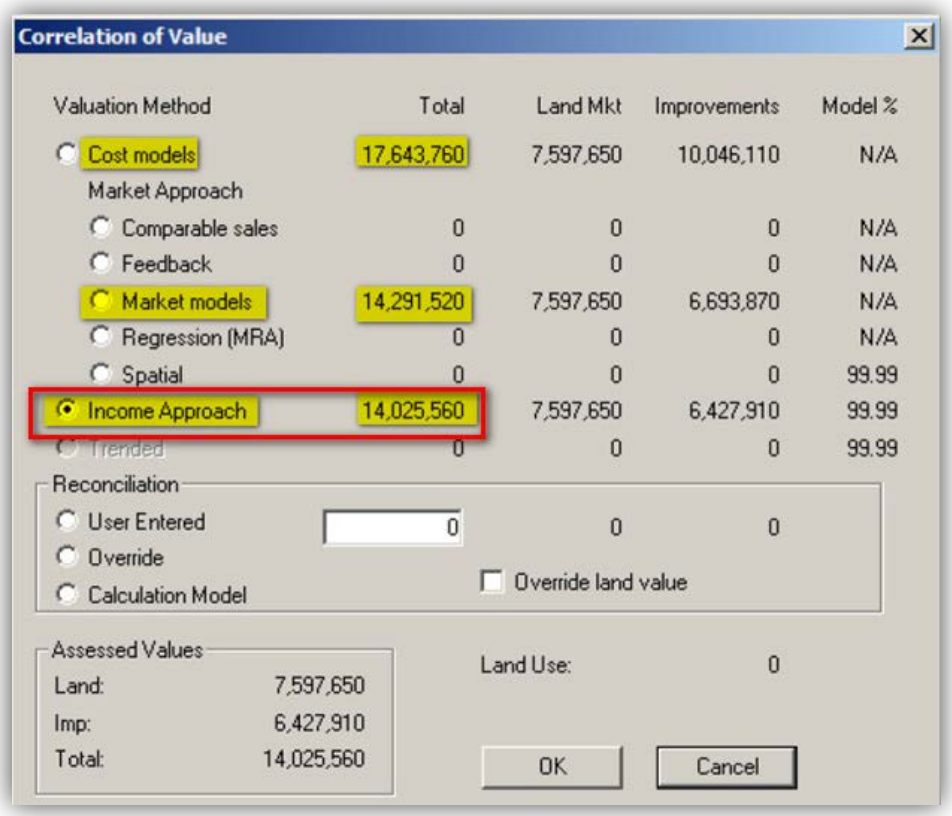
When developed by the cost approach, the market value is calculated by adding the estimated land value to the depreciated value of all improvements.

Use of multiple approaches

Examples of properties where multiple approaches have been used to develop values (e.g. automobile dealerships and assisted living facilities) are shown in **(Exhibit 8-1.11)**.

Figure 1.1 displays an example considering all three approaches to value. The income approach was selected as the final value conclusion.

Figure 1.1: CAMA System Correlation of Value



2. Has the assessment office defined separate market areas or neighborhoods for business properties?

Describe how the location of commercial property is handled in your jurisdiction, and provide examples.

<u>Answer</u>: Yes. The PAO divides Martin County into seven market areas **(Exhibit 8-2.1)**.

- Market area #1: unincorporated area of Hutchinson Island, Jupiter Island, and Sewall's Point
- Market area #2: unincorporated areas of Jensen Beach and Rio, and the northern portion of the City of Stuart
- Market area #3: City of Stuart located south of the St. Lucie River
- Market area #4: unincorporated Palm City area
- Market area #5: central portion of Martin County
- Market area #6: unincorporated area of Indiantown
- Market area #7: unincorporated area of south Martin County

When valuing properties, considerable weight is given to zoning and future land use regulations. Locations at intersections of major corridors have the highest traffic counts and reflect the highest commercial land values in the County. Market values are generally decreased for properties not located at signalized traffic light intersections **(Exhibit 8-2.2)**.

Commercial waterfront locations for office and restaurant use command higher values than similar commercial non-waterfront locations due to the rental premiums that are typically obtained. Commercial waterfront land from Martin Memorial Hospital, located on the north shore of the St. Lucie River, west to the Roosevelt Bridge and south to Frazier Creek, represents the highest commercial land values.

The high intensity zoned commercial areas of Martin County have public water and sewer utility systems, while the lower intensity zoned areas located in the less populated and rural areas rely on well and septic systems. Impacts on value due to their available utilities and their location in these areas are accounted for in the overall valuation.

The majority of the commercial and industrial land is located along U.S. Highway No. 1, from the north line of Martin County, south to Bridge Road, west to Interstate 95 and the Florida Turnpike. The commercial and industrial neighborhoods throughout the County are valued annually with rates assigned based on their location and physical characteristics. These rates are derived from sales of similar properties from the prior year.

3. Does the assessment office make a comprehensive effort to collect local income and expense data?

Provide samples of completed recent income surveys (i.e., analysis reports), and describe your jurisdiction's survey operations, including how data are verified, analyzed, and used for commercial and industrial appraisal.

Answer: Yes. Letters requesting income and expense data are sent annually to property owners **(Exhibit 8-1.1)**. The Commercial department staff enters the information received into Excel spreadsheets for analysis **(4 pg. Exhibit 8-3.1)**. Additional income and expense information is also obtained from property owners through evidence exchange during the informal appeal period and the VAB hearing **(Exhibit 8-3.2)**.

Data for income, vacancy rates, and expenses are obtained from property owner surveys, CoStar, STR for hotels, motels, and resort properties, telephone/e-mail surveys, print advertising, local and regional MLS systems, and interviews with local and regional real estate agents and appraisers. FDOR provides income data derived from the sales use tax.

The PAO merges and compares the FDOR data to the property owner income and expense data **(Exhibit 8-1.2)**. This combined income and expense information is analyzed and provides the basis for the income approach models.
All data sources and verifications are combined into Excel spreadsheets and grouped by FDOR use code. Income data is maintained for office buildings, medical office buildings, apartment houses, retail space, warehouse space, industrial flex space, mini-storage space, manufactured home parks, gasoline/convenience stores, and other use types.

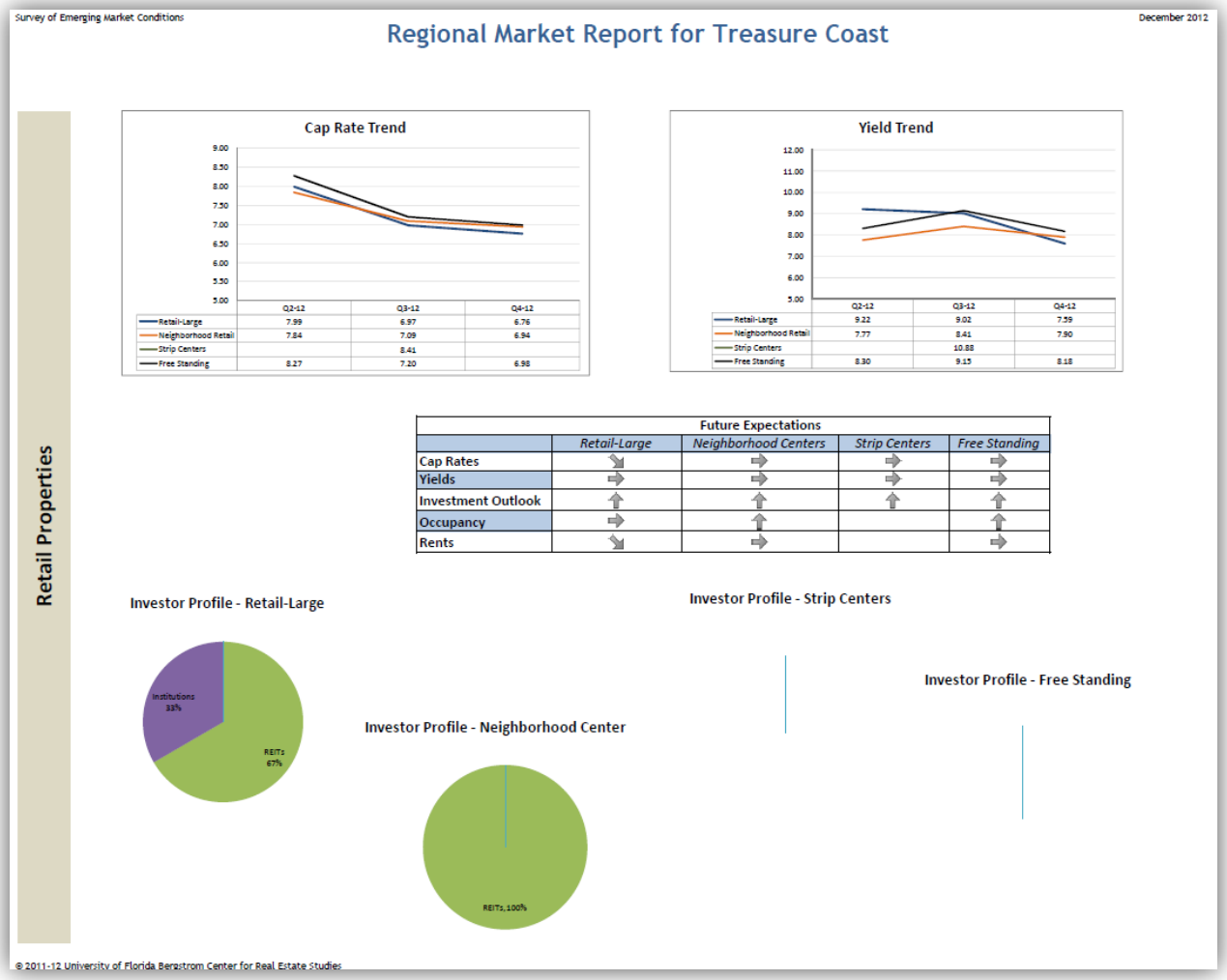
4. Does the assessment office use commercial publications to help in the development of rental rates, vacancy ratios, expenses and expense ratios, and capitalization rates?

List commercial publications used by your office, the types of information gathered in each, and how the information is adjusted for your local market conditions.

Answer: Yes. The PAO uses the following publications to help in the development of various rates and ratios:

- CoStar is a commercial and industrial multiple listing subscription service. Features of the service include the ability to search for listings and sales by location, type of property, size and other features. Sales verification information is published with contact information of the verification source **(Exhibit 8-4.1)**.
- Smith Travel Research (STR) is a subscription service for hotel, motel, and resort property revenues and expenses for hospitality properties **(Exhibit 8-1.5)**. Averages for the industry group are available by area **(Exhibit 8-4.2)**.
- Realty Rates.com is a subscription service which provides rental and vacancy rates, effective gross income, total expenses, expense ratios, and net operating income on a regional basis **(34 pg. Exhibit 8-4.3)**. Also provided are the average sale prices per square foot, overall capitalization rates, gross rent multipliers and effective gross rent multipliers based on recent sales. Summary data is provided for property types including apartment, industrial and office buildings and retail properties **(Exhibit 8-4.4)**.
- The University of Florida, as part of its Bergstrom Center for Real Estate Studies, publishes a “Survey of Emerging Market Conditions” **(Exhibit 8-1.7)**. The Center surveys real estate professionals and investors to obtain insight into Florida markets. The PAO reviews the apartment, industrial, retail and office characteristics and enters the information into Excel spreadsheets to gain insight regarding the local real estate market **(Figure 4.1)**.

Figure 4.1: Local Real Estate Market



- Marcus and Millichap is a real estate investment firm listed on the New York Stock Exchange. They provide national reports with regional indicators of real estate investment, retail, and apartment economic outlook. The PAO reviews and summarizes this information in Excel spreadsheets to gain further insight into the local real estate market **(4 pg. Exhibit 8-4.5)**.
- The PAO researches local real estate broker listings and sales through their websites and through MLS. This information is tabulated in Excel spreadsheets with information provided on specific parcels. This information provides a primary source when establishing rental rates, expenses, and capitalization rates for income producing properties **(20 pg. Exhibit 8-4.6)**.

5. In the income approach, does the office maintain automated income data to analyze reported sales, revenue, and expense data?

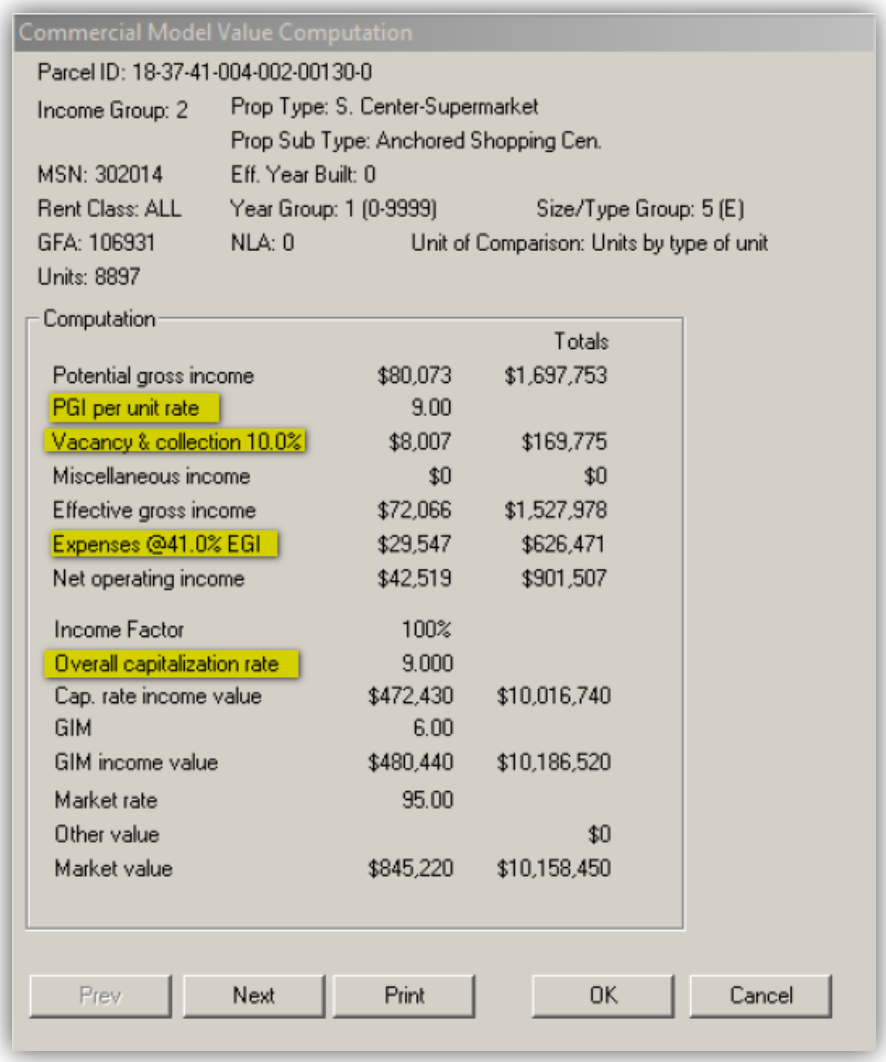
Briefly describe how your office maintains automated income data, including sample income screens, reports, and spreadsheets.

FEATURE CHECKLIST				
	PRACTICE	**YES**	**NO**	**YOUR COMMENTS**
1.	**Typical market rents and other income?**	✓		Market rents and other income are entered into Excel spreadsheets after the income/expense surveys are returned by property owners. The Excel spreadsheets are reviewed and the information is entered into the income models of the CAMA system.
2.	**Vacancy Ratios?**	✓		Vacancy ratios are entered into Excel spreadsheets. Actual vacancy rates are updated annually and entered into the income models of the CAMA system.
3.	**Expense Ratios?**	✓		Expense ratios are entered into Excel spreadsheets from income/ expense forms. The expense ratios in each model in the income tables are analyzed and updated annually.
4.	**Capitalization Rates and/or gross rent multipliers?**	✓		Capitalization rates are entered into Excel spreadsheets after income/expense surveys are received from property owners. The capitalization rates are analyzed and updated annually **(Exhibit 8-3.1)**.

Answer: Yes. The Commercial department analyzes the income and expense data provided by property owners and other sources. Expenses which are not applicable (e.g. mortgage and depreciation expense) are excluded from analysis. Income and expense data is analyzed to determine if the data submitted is reasonable. Data is entered into Excel spreadsheets if they have support from the market. The results are applied to all accounts in the same property use.

Information for the various FDOR property uses are then entered into the CAMA system so the valuation for the assessment year can be completed **(Figure 5.1)**.

Figure 5.1: Property Use Data Entry Screen



Commercial Model Value Computation

Parcel ID: 18-37-41-004-002-00130-0

Income Group: 2 | Prop Type: S. Center-Supermarket
Prop Sub Type: Anchored Shopping Cen.

MSN: 302014 | Eff. Year Built: 0

Rent Class: ALL | Year Group: 1 (0-9999) | Size/Type Group: 5 (E)

GFA: 106931 | NLA: 0 | Unit of Comparison: Units by type of unit

Units: 8897

Computation

		Totals
Potential gross income	$80,073	$1,697,753
PGI per unit rate	9.00	
Vacancy & collection 10.0%	$8,007	$169,775
Miscellaneous income	$0	$0
Effective gross income	$72,066	$1,527,978
Expenses @41.0% EGI	$29,547	$626,471
Net operating income	$42,519	$901,507
Income Factor	100%	
Overall capitalization rate	9.000	
Cap. rate income value	$472,430	$10,016,740
GIM	6.00	
GIM income value	$480,440	$10,186,520
Market rate	95.00	
Other value		$0
Market value	$845,220	$10,158,450

Prev | Next | Print | OK | Cancel

6. How are available sales used?

FEATURE CHECKLIST				
	PRACTICE	**YES**	**NO**	**YOUR COMMENTS**
1.	Help derive capitalization rates and income multipliers?	✓		Sales activity provides data to derive income capitalization rates and multipliers. If recent sales activity is insufficient within Martin County, the sale search is expanded to similar properties in neighboring counties.
2.	Help calibrate depreciation schedules?	✓		Depreciation rates are updated annually based on Marshall Valuation Service rate schedules. Qualified sales are reviewed and tested to determine the accuracy of CAMA cost tables.
3.	Develop benchmark per-unit values or build market models?	✓		Benchmark and per unit values are developed and adjusted based on location, improvement age, condition, and construction quality.

Briefly describe how office obtains sufficient qualified sales to develop depreciation schedules, market models, income multipliers and capitalization rates for each category of business property as appropriate.

Answer: The Commercial department attempts to verify each sale that occurs during the year. A sale qualification letter is mailed to new owners requesting pertinent information **(Exhibit 8-1.6)**. If the sale qualification letter is not returned to the PAO, attempts are made to verify with other parties to the sale (i.e. seller, attorney, title company, and broker).

Only qualified sales are used to develop depreciation and income capitalization rates, income multipliers and market rates **(Exhibit 8-6.1)**.

The depreciation tables in the CAMA system are updated annually as needed with the information obtained by Marshall Valuation Service. The results of the depreciation estimates are tested against recent local sales for reasonableness.

7. In the cost approach, have base rates and cost factors been developed from local cost data or adjusted to the local market?

Briefly describe how your jurisdiction acquires cost data and adjusts them to the local market.

Answer: The CAMA system uses Marshall Valuation Service to supply current replacement cost tables for commercial and industrial buildings and structures. A local cost factor, researched and supplied by Marshall Valuation Service, is then applied to adjust the national cost table factors to reflect local market conditions **(2 pg. Exhibit 8-7.1)**.

Typically, the PAO contacts local commercial and industrial builders to obtain current local costs which would then be compared with costs obtained using the CAMA system. In the last few years, the local economy experienced a downturn that resulted in fewer new buildings being constructed and the limited availability of local cost data.

Recently, a new museum with numerous unique features (e.g. custom antique car lifts) was constructed. The contractor's application and certification for payment was obtained in order to verify actual cost **(11 pg. Exhibit 8-7.2)**. The PAO compared the actual cost and the CAMA cost to ensure accuracy.

The economic downturn has resulted in improved properties selling for less than the cost to construct a similar new property. There is less demand for new construction due to the availability of vacant existing buildings. As a result, less reliance has been placed on the cost approach when estimating market values.

8. Are observed physical condition, economic obsolescence, and functional obsolescence considered in estimating total depreciation?

Briefly describe how depreciation, observed condition, economic obsolescence, and functional obsolescence are determined and applied in your jurisdiction.

Answer: Yes. During inspections of commercial improvements, detailed notes and digital photographs of the improvements are taken for entry into the CAMA system. The Commercial department reviews the condition and obsolescence to determine if adjustments are necessary. Condition of the improvement is taken into consideration by adding an effective age. The effective age reduces the level of depreciation, thus increasing the value of the improvement. When economic or functional obsolescence is observed, appropriate adjustments are made in the CAMA system (NEW Figure 8.1 MIKE).

9. Are automated value estimates reviewed and reconciled by senior appraisers?

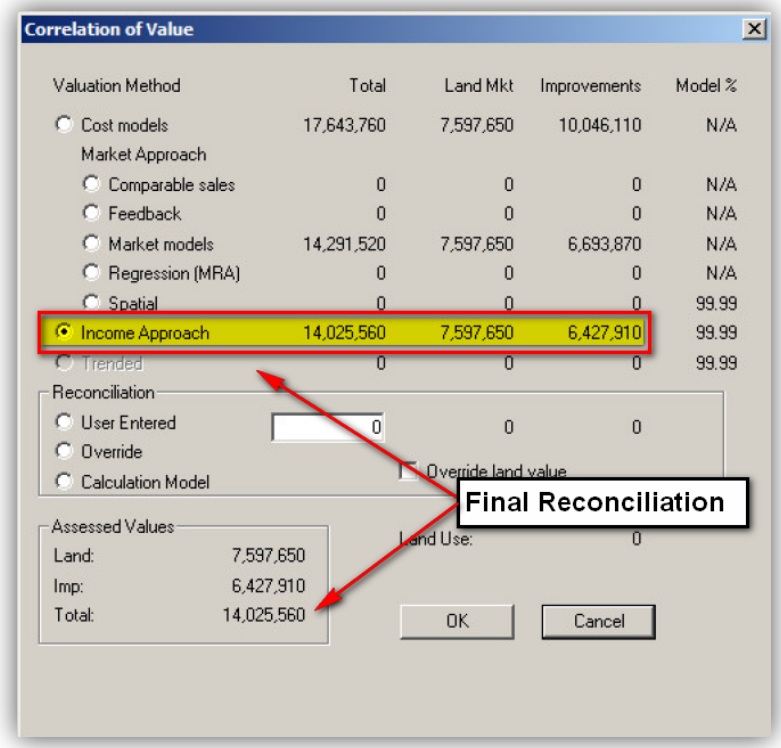
Briefly describe the review and reconciliation procedures in your jurisdiction.

Answer: Yes. All three approaches to value are considered for final reconciliation. When reconciling the final value conclusion, the appraiser considers the amount, quality and comparability of the data used within each approach.

Typically, greatest weight is given to the income approach when appraising income producing type commercial properties. The sales comparison approach is given additional weight when there are a sufficient number of recent sales. The cost approach is given greatest weight when valuing new construction, or a special purpose property such as a private school, church, or institutional property.

The properties are reviewed by grouping the parcels in Excel spreadsheets according to property use classification, then determining which characteristics of each property have greatest similarity to the characteristics used in the various models. The final reconciliation is made by a senior appraiser who selects the method to be used for each parcel **(Figure 9.1)**. The CAMA system allows multiple parcels to be updated at once by creating a list of accounts from the Excel spreadsheet and batch processing them using the CAMA system.

Figure 9.1: Final Reconciliation



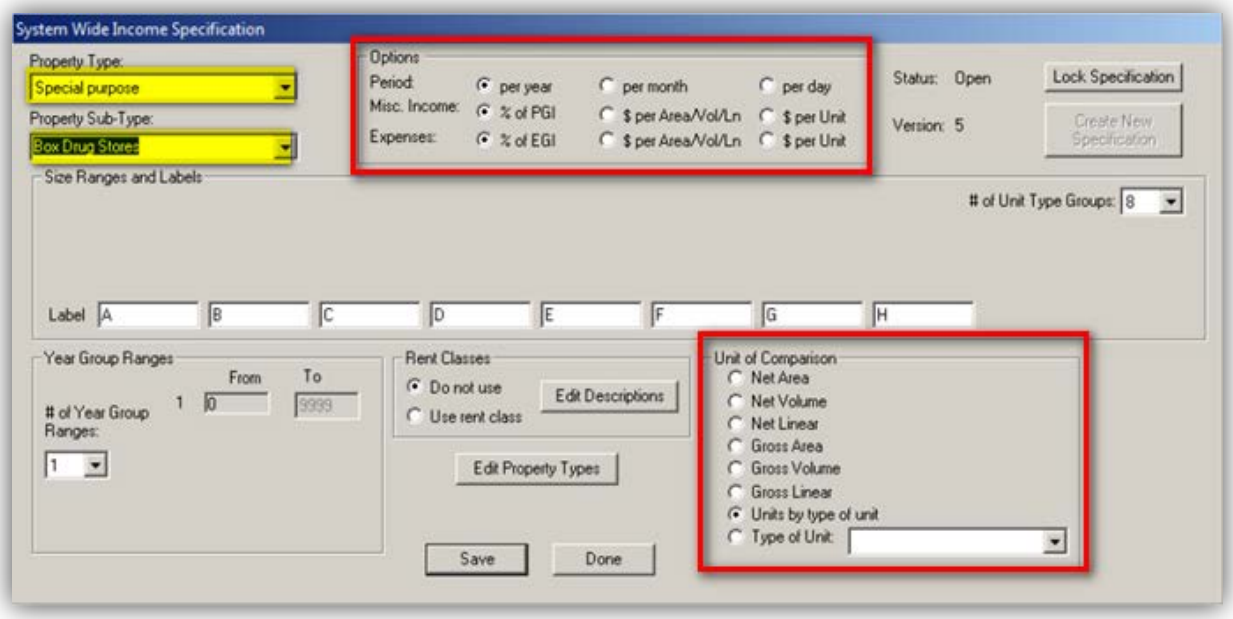
10. Does your assessment office employ software tools in analyzing commercial properties?

FEATURE CHECKLIST				
	PRACTICE	**YES**	**NO**	**YOUR COMMENTS**
1.	**CAMA Income Module**. *Note*: Preferred for comprehensive data entry and editing, data and value comparison and analysis, and valuation functions.	✓		The CAMA income approach module is used to develop models for various industrial, commercial, and residential rental property uses.
2.	**Spreadsheets.** *Note*: Particularly good for analyzing income and expense data.	✓		Income, expense, capitalization rates, rent multipliers, and market rates are entered in Excel spreadsheets and analyzed prior to entry in the models.
3.	**Statistical software.** *Note*: Used to build income and sales comparison models. Also good for various summary and trend analyses.	✓		A statistical software package is used to perform trend analyses on sale prices.
4.	**GIS.** *Note*: Used to plot data, help define location groups, including market areas and to review values for consistency.	✓		GIS is used to review consistency of market rates.

Briefly describe how your jurisdiction uses software tools, including your CAMA system, to aid in the development of income valuation models.

The CAMA system contains an “Income Valuation” component which allows the user to add and/or edit changes within the various income models **(Figure 10.1)**.

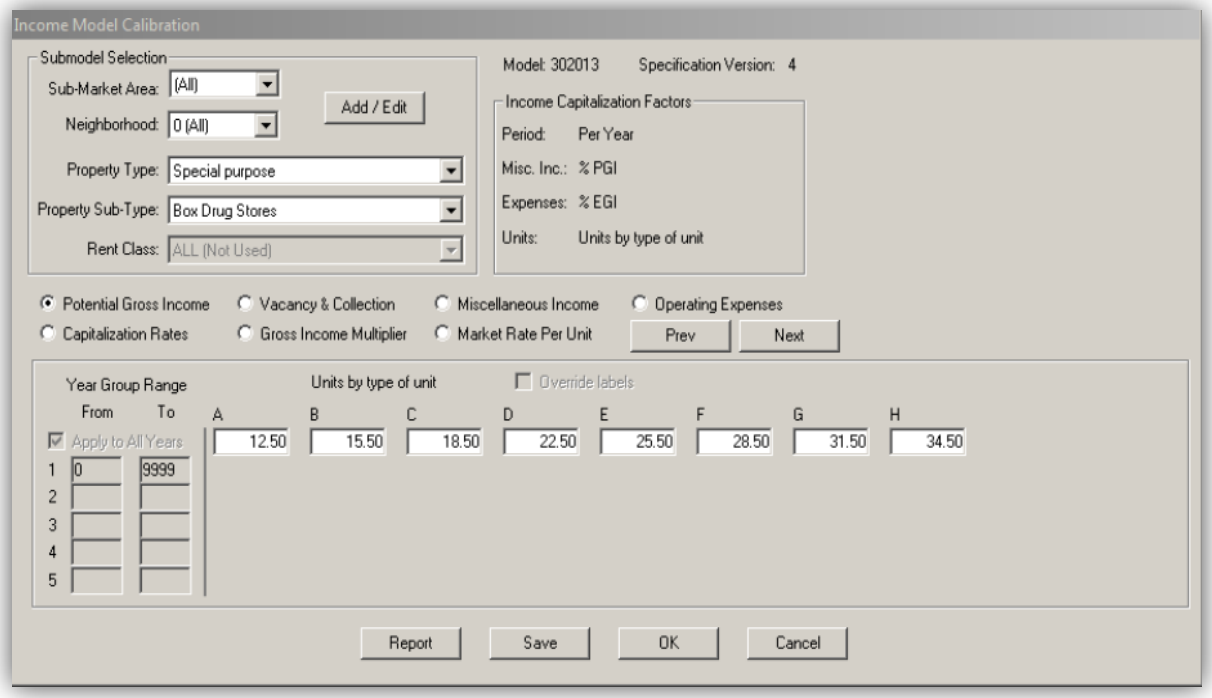
Figure 10.1: Income Specification Data Entry Screen



Income models within each FDOR use code vary depending upon the actual use. For example, the national drug store chains and small free standing retail buildings have a FDOR use code of 711. The software allows any number of property sub-types within a FDOR use code thus allowing the development of different income models for both large drug store chains and small retail free standing buildings.

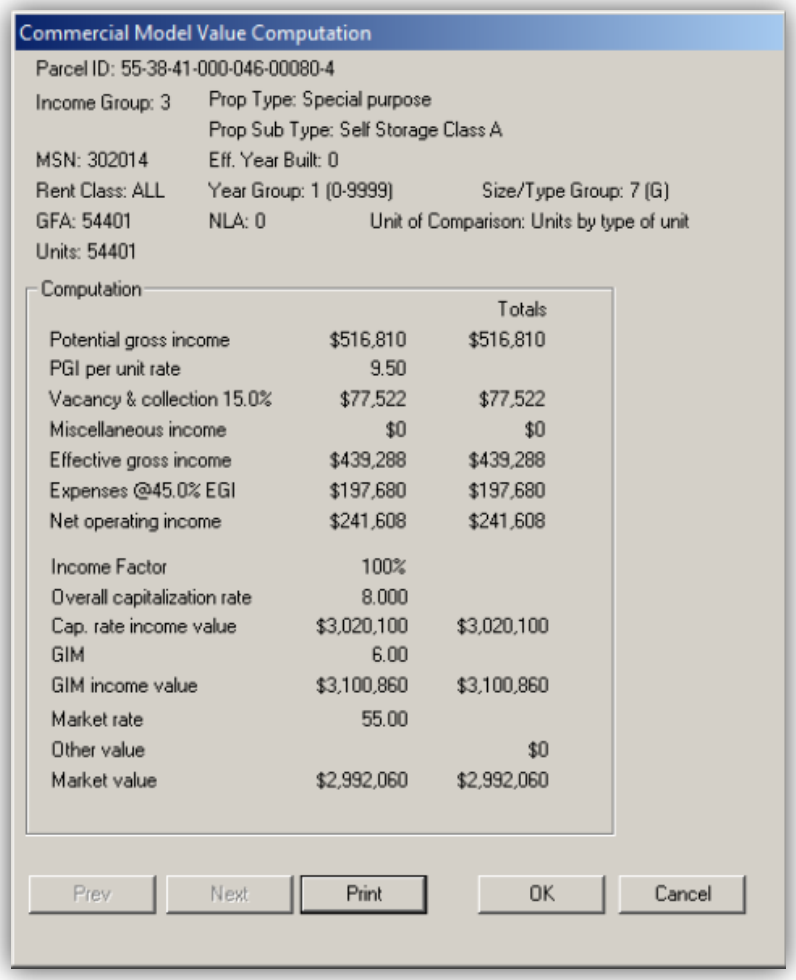
Rates are then added to the property types in the “Income Model Calibration” tables. The rates include potential gross income (PGI), vacancy and rent loss, miscellaneous income, expenses, gross income multiplier (GIM), income capitalization and market rate **(Figure 10.2)**.

Figure 10.2: Income Model Calibration Table



After populating the rates in the "Income Model Calibration" table, the appropriate model is applied to individual properties. Final value computations are viewed in **(Figure 10.3).**

Figure 10.3: Commercial Model Value Computation



Commercial Model Value Computation

Parcel ID: 55-38-41-000-046-00080-4

Income Group: 3 | Prop Type: Special purpose
Prop Sub Type: Self Storage Class A

MSN: 302014 | Eff. Year Built: 0

Rent Class: ALL | Year Group: 1 (0-9999) | Size/Type Group: 7 (G)

GFA: 54401 | NLA: 0 | Unit of Comparison: Units by type of unit

Units: 54401

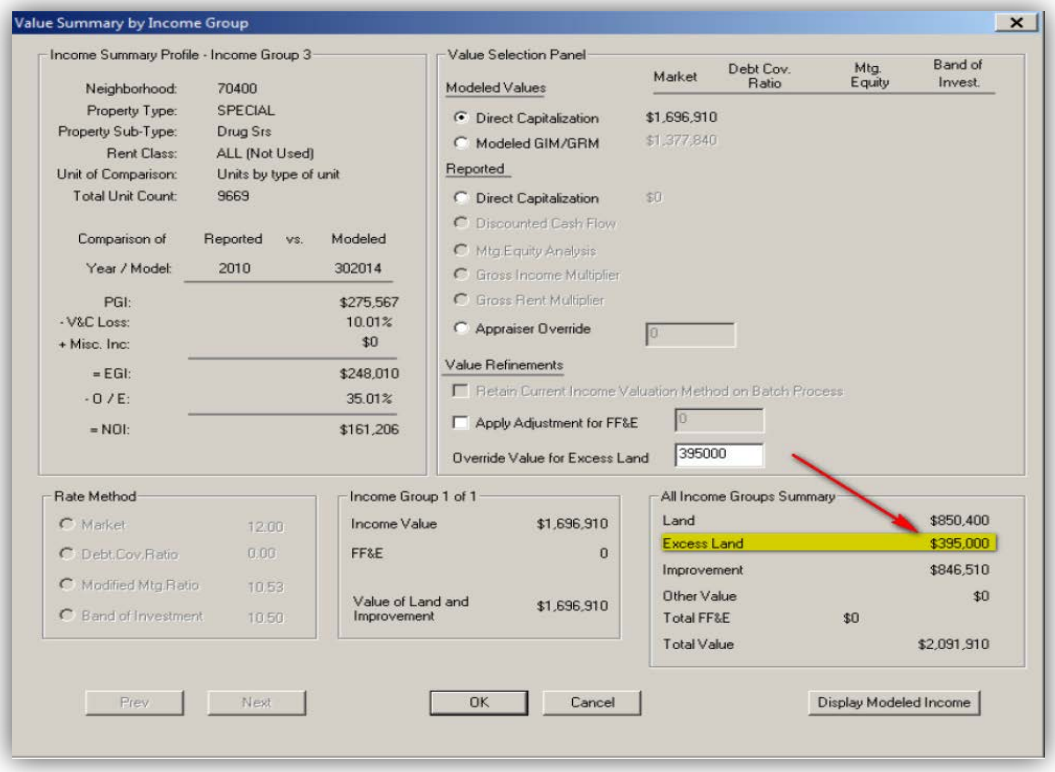
Computation

		Totals
Potential gross income	$516,810	$516,810
PGI per unit rate	9.50	
Vacancy & collection 15.0%	$77,522	$77,522
Miscellaneous income	$0	$0
Effective gross income	$439,288	$439,288
Expenses @45.0% EGI	$197,680	$197,680
Net operating income	$241,608	$241,608
Income Factor	100%	
Overall capitalization rate	8.000	
Cap. rate income value	$3,020,100	$3,020,100
GIM	6.00	
GIM income value	$3,100,860	$3,100,860
Market rate	55.00	
Other value		$0
Market value	$2,992,060	$2,992,060

Prev | Next | Print | OK | Cancel

The CAMA software also allows staff the flexibility to value any excess and/or surplus land **(Figure 10.4).**

Figure 10.4: Excess Land Value Summary



Excel spreadsheets are prepared in the valuation process and contain information used for valuation analysis of properties **(Exhibit 8-1.11)**.

The PAO uses statistical reports available through the CAMA system, as well as a separate statistical software package, known as Statistical Package for the Social Sciences (SPSS), to perform trend analyses. (NEW FIGURE 10.5 of screen shot of SPSS- Mike)

GIS is used to analyze commercial properties including market areas, rates, and value consistency **(Exhibit 8-2.2)**.

Chapter Eight List of Exhibits

Exhibit 8-1.1	Income & Expense Letter & Survey
Exhibit 8-1.2	Income Expense with DOR Gross Income
Exhibit 8-1.3	CoStar Office Sold Listings
Exhibit 8-1.4	Survey of Emerging Market Conditions
Exhibit 8-1.5	Smith Travel Research
Exhibit 8-1.6	Commercial Sales Qualification Letter
Exhibit 8-1.7	Shared Information with Other Property Appraisers in FL
Exhibit 8-1.8	CoStar
Exhibit 8-1.9	Land Model
Exhibit 8-1.10	Improvement Sketch and Cost Estimate
Exhibit 8-1.11	Automobile Dealerships & Nursing Homes Spreadsheet
Exhibit 8-2.1	Martin County's Seven Market Areas
Exhibit 8-2.2	Market Area Two Commercial Property
Exhibit 8-3.1	Income & Expense Spreadsheet
Exhibit 8-3.2	Petitioner Letter Requesting Income & Expense Info
Exhibit 8-4.1	Example of CoStar Write-up
Exhibit 8-4.2	Response Report
Exhibit 8-4.3	RealtyRates.com
Exhibit 8-4.4	RealtyRates Market Survey
Exhibit 8-4.5	Marcus & Millichap
Exhibit 8-4.6	Commercial Multiple Listing Service
Exhibit 8-6.1	Market Rate Analysis Spreadsheet
Exhibit 8-7.1	Local Multipliers
Exhibit 8-7.2	Contractor’s Application for Elliot Museum

Chapter Nine: Sales Data, Ratio Studies, and Stratification

1. Are all transfers of property (sales) uniquely identified and captured?

• Does your office currently have a sales disclosure statute in place?
• If yes, explain the process.
• Provide a copy of the sales disclosure document.
• Describe how each sale is uniquely identified and accounted for.
• If the office is currently working without sales disclosure, how are sales identified?

Answer: Yes. All transfers of property are uniquely identified and captured, however the State of Florida does not have a sales disclosure statute. The Property Appraiser's office (PAO) is provided with a direct connection to the Martin County Clerk of the Circuit Court's computer system where all official records are recorded. The recorded documents are reviewed for ownership changes, sale price, date of sale, parcel splits and parcel combines. The PAO determines an initial qualification for the property transfer based on the type of transfer instrument (i.e. quit claim, warranty and sheriff's deeds, certificate of title, etc.) and reviews the parties to the transaction. Florida Department of Revenue (FDOR) qualification codes are assigned based on information contained in the transfer document **(Exhibit 9-1.1)**.

The documents obtained from the Clerk's office is then reviewed and entered into the PAO's Computer Assisted Mass Appraisal (CAMA) software. The ownership transfer data is saved on a parcel-by-parcel basis with specific fields identifying the parcel, grantor, grantee, official records book and page, type of transfer instrument, sale date, sale price, and FDOR qualification codes.

2. Are real estate sales properly screened and appropriate adjustments made?

• Provide a description of your jurisdiction's validation procedures.
• Are written guidelines used for the validation process? If so, provide copies.
• Are sale prices adjusted for items such as personal property in the CAMA system?
• Does your jurisdiction have a unique coding system to identify those valid sales for which the sale price has been adjusted? If so, provide copies.

Answer: Yes. All transfers are screened using a multi-step process to properly screen sales:

- The first step is to determine whether the transfer is qualified or unqualified by reviewing the contents of the deed following the FDOR guidelines **(Exhibit 9-1.1)**. For example, all quit-claim and sheriff's deeds, certificates of title (foreclosure deed), and others are automatically coded as unqualified. Warranty and special warranty deeds are typically coded as qualified.

- The next step is to verify that the qualified sales are arm's length transactions and that the recorded sale prices are correct. Sales qualification letters are regularly sent to new property owners and any amounts of personal property are taken into consideration **(Exhibit 9-2.1)**. For deeds transferring property into or out of a corporation or partnership, the names of the officers and directors of the corporation are reviewed using sunbiz.org to ensure there is no relationship between the parties **(2 pg. Exhibit 9-2.2)**. Sale prices and sale dates are confirmed through one or more of the following sources: Multiple Listing Service (MLS), CoStar commercial listing service, and interviews with the buyers, sellers, and brokers. Information is noted and, if necessary, adjustments are made to the qualification codes.

  FDOR does not allow adjustments be applied to recorded sale prices. If the sale verification finds inconsistencies between the recorded sale price and the actual sale price, the sale must be disqualified for FDOR sale ratio analysis. However, the sale can be used for internal analysis. Each sale has two qualification codes; one code to meet strict FDOR sales ratio analysis guidelines, and one code to meet less strict appraisal analysis guidelines.

  The strict FDOR sales ratio analysis guidelines allow only the arm's length transfer of ownership of one parcel of real estate. Excluded from the FDOR sales ratio analysis guidelines are multi-parcel sales, or parcels with significant physical changes that occurred after the sale date and prior to the date of assessment. The significant physical changes include parcel split, parcel combination, new construction, demolition, improvements not substantially complete, and sale price that include an improvement not yet built.

  While the FDOR sales ratio analysis excludes these parcels, many times these parcels provide significant insight to the appraisal analysis. The second qualification code includes these parcels in the appraisal analysis as valuation rates are set for the assessment year.

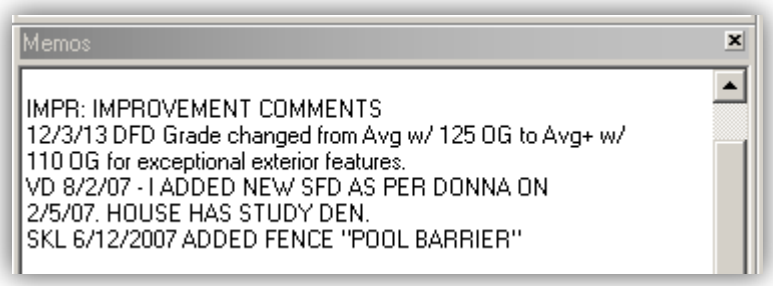
- A sales data file (SDF) is submitted to the FDOR, who then selects a sample of sales to review. Their review verifies the sale price, date of sale, deed type, grantor and grantee. Based on these criteria, the PAO's coding of the sale must match the FDOR's coding of the sale. Any discrepancies **(9 pg. Exhibit 9-2.3)** between the FDOR and the PAO must be addressed and final sales qualification coding statistics must match a minimum of 90% of the sale parcels sampled **(2 pg. Exhibit 9-2.4)**.

3. Does the computer system in the assessment office maintain a snapshot of the property at the time of sale?

• Provide system documentation on how property characteristics data and sales data are merged and saved.
• Provide sample sales reports to support that this objective has been met.

Answer: Yes. The PAO physically inspects all sale properties within sixty days of the sale date to document conditions and physical attributes at the time of the sale. To verify the sale, local MLS records, permit records, and records of confirmations with the buyer and seller are reviewed. When the field inspection is complete **(Exhibit 9-3.1)**, the changes are made in the computer system and the timing of those changes is noted in the memo section. Notes are entered in the memo screen and can be queried when a summary is needed **(Figure 3.1)**. This information is reported to the FDOR on the SDF submissions provided during the year**.**

Figure 3.1: Memo Screen Showing Changes



The CAMA system maintains a snapshot of a property at the time of sale. The snapshot feature was tested and an alternative and more efficient method was developed for the PAO. Memo codes and notes are used to track changes in improvements, and whether those changes occurred before/after the sale date or the annual assessment date. In comparison to the built in snapshot feature, using memo codes and notes generates a more accurate SDF submission report which is required by the FDOR during the assessment year.

4. Are sales used in valuation analyses and ratio studies adjusted to the valuation date (time-trended)?

- What method(s) of time adjustment is used by your jurisdiction?
- Provide sample trend analysis reports and reports showing methods of time adjustments.
- Provide a description of these reports.

Answer: No. Sales used in valuation and ratio studies are not adjusted to the valuation date (time trended). Florida requires annual reassessment of all property. Generally, the volume of sales occurring in each year is sufficient to value the property without need for time trending.

If analysis shows that sale prices have increased or decreased substantially during the year, greatest weight is given to sales data from the 4th quarter of the prior year since those sales are nearest the assessment date of January 1st of the tax year.

During 2005, as the market was nearing its peak, analysis shows a clear difference in sale price per square foot between the first quarter and fourth quarter sales **(Exhibit 9-4.1)**. Greater weight is given to the fourth quarter sales by electing a rate that was nearer the median value of the fourth quarter sales (approximately $195 per square foot for the neighborhood shown in the exhibit).

For the past several years, values have been fairly stable with only moderate increases or decreases from year to year. This stability has not required the use of time trend analysis **(Exhibit 9-4.2)**.

5. Has the assessment office stratified residential properties by market area and neighborhood?

- Does your jurisdiction use GIS and location value response surface for market analysis? If so, provide maps.
- Does your jurisdiction use market areas? If yes, provide maps showing boundaries of market areas.
- Does your jurisdiction use neighborhood areas? If yes, provide maps showing boundary lines.
- Provide samples of property record cards from both market areas and neighborhoods.
- If applicable, provide samples of property records indicating the market area and neighborhood to which the property belongs.
- If an alternative location adjustment method is used, provide a sample.
- Provide sample analysis reports showing parcels or sales by neighborhood, market area, or both.

Answer: Yes. Martin County is divided into seven market areas **(3 pg. Exhibit 9-5.1)** which are further divided into many neighborhoods **(Exhibit 9-5.2)**. Groupings at the neighborhood level are where residential properties are more precisely delineated. Statistical analysis can be performed at the County-wide level, the market-wide level, the neighborhood level, and the land-type, or the house-type level within the neighborhood.

Analyses are performed at different levels for various purposes throughout the year. When defining the annual work plan, the Director of Appraisal Services reviews the county-wide and market-wide statistics to identify the sections that will require the greatest work load **(4 pg. Exhibit 9-5.3)**. As progress is made throughout the valuation year, the Appraisal Services Department concentrates on the neighborhood-wide level where properties are grouped by land type and house type to identify physical differences, and appropriate adjustments are applied based on recent sales within those groups **(2 pg. Exhibit 9-5.4)**.

The front of the property record card includes among other descriptors, the neighborhood number which begins with the number of the market area **(Exhibit 9-5.5)**. The first digit (the number seven (7) in this example) represents the market area and the full six-digit number depicts the neighborhood number. Each neighborhood also has a corresponding name for cross reference.

Location adjustments are applied when supported by recent sales. For instance, residential properties that are adjacent to an active railroad track have a negative 10% influence on both the land and the dwelling (if one exists). This takes into consideration the effects from external a/k/a economic obsolescence which is caused by noise and vibration from passing trains. Typically, a house that is located adjacent to railroad tracks will sell for less than a similar house located away from the railroad tracks **(Exhibit 9-5.6)**.

6. Are ratio studies conducted at timely intervals during the valuation process?

- Describe how often ratio studies are used to monitor valuation accuracy.
- Provide examples of the types of ratio studies prepared.
- What steps does your jurisdiction follow if the ratio study does not fall within the acceptable standards set by the *Standard on Ratio Studies* (IAAO 2007)?
- Provide a sample to demonstrate various types of strata used in the ratio studies.
- Are the results of ratio studies conducted by your office shown on assessment notices?
- Are ratio study results conducted by the oversight agency shown on assessment notices?

Answer: Yes. Ratio studies are conducted daily throughout the valuation process on a neighborhood level. These same ratio studies are used during the appeal period to explain to homeowners how their market value was developed. They are further used in the petition process to support value conclusions.

Neighborhood assessment to sales ratio studies are conducted using sales in the year prior to the assessment date. Transfers by quit-claim deed, deeds to financial institutions, deeds conveying partial ownership interest or deeds involving related parties as well as other non-arm's length transactions are removed from the studies **(Exhibit 9-6.1)**. Sales of properties under duress such as re-sales of bank foreclosures, short sales and estate sales are included in the studies.

The property card for each sale in the study is reviewed to verify that all data is correct. Photographs from field inspections conducted by the PAO and the MLS reports are used to verify that the construction quality grade is correct. An "effective" age is assigned to houses that have been remodeled and appear to be newer than their actual age. This increases the market value by reducing the level of depreciation on the structure.

The underlying site is also reviewed for any differences from other nearby sites such as frontage, overall size and configuration. Value adjustments that are warranted based on recent sales are then applied for these differences. Once the value adjustments have been applied, the ratios generally fall in line statistically.

A second ratio study is conducted on the neighborhood once the appropriate value adjustments have been applied. The median ratio of all sales is determined and changes are made to either the land value, the improvement value or to both the land and the improvement value until the median ratio meets the targeted assessment to sale ratio.

Florida Statutes require real property to be valued at full market value, allowing for costs of sale. For each jurisdiction, the PAO must annually report the cost of sale factor considered within their county to the FDOR on form DR-493 **(Exhibit 9-6.2)**. Martin County reports a cost of sale factor of 15%, meaning that the target assessment to sale price ratio is 85%. FDOR limits statistical studies for Martin County to residential and commercial/industrial strata. The CAMA software provides review of both strata based on statistical analysis and frequency distributions **(4 pg. Exhibit 9-6.3)**.

As neighborhood valuations are completed by the appraiser, they are reviewed and approved by the department manager. The final review sheet is scanned and saved into the neighborhood file and is used for reference during the appeal period **(Exhibit 9-6.4)**.

The final neighborhood ratios typically meet acceptable standards as set by IAAO, however there are a limited number of cases where neighborhood statistics fall outside the target parameters of the median ratio, PRD and COD. This tends to happen when there is a small sampling of sales for the year.

When this occurs, the appraiser contacts a party to each of the outlier transactions, (typically the real estate agent), to discover why the property sold higher or lower than typical based on statistical analysis. Oftentimes the agent is able to provide a reason that the sale property was “out of ratio.” It may be due to an emotional purchase where a party was willing to pay an above market price, or they may have purchased it below market value due to the condition of the improvements.

If the property was purchased below market value due to the condition of the improvement, an adjustment is applied to the individual account until the condition has been improved. A note pertaining to the details of the sale is then added to the account for future reference. In a limited number of cases, there are no logical reasons as to why a property sold for the price that it did. These outliers can cause the target statistics of that neighborhood to not meet the IAAO standards. Since this is a relatively rare occurrence, the overall statistics fall within the IAAO acceptable standards.

The PAO and FDOR ratio study results are not shown on the assessment notices, because it is not required per state statute **(5 pg. Exhibit 9-6.5)**. However, the ratio study results conducted by the oversight agency are posted on the PAO website **(Figure 6.1)**.

Figure 6.1: Post Audit Review Reports

7. Does the assessment office use ratio studies as a planning tool for both reappraisals and staff needs?

- Describe and provide sample ratio reports and similar documents that show ratio study results in support of planned revaluation activities.
- Provide ratio reports indicating the need for additional field appraiser training.

Answer: Yes. Valuation work is allocated to individual appraisers based on review of the statistics within the various market areas and neighborhoods of Martin County. Target statistics are a median ratio of 0.85 (Martin County uses a 15% cost of sale factor), a PRD range of between 0.98 and 1.03, and a COD range of 0.5 to 0.15. A single line by neighborhood report is prepared by the department manager **(Exhibit 9-5.3)**. Based on review of the statistics in that report, the department manager assigns neighborhoods to appropriate staff.

Staffing requirements are identified based on the amount of analysis that is expected for the volume of sales and deviation from the target statistics. Staff time is then allocated to the individual staff appraiser who then concentrates his/her efforts on the assigned neighborhoods.

Field Appraisers collect data but are not responsible for final value conclusions. They physically inspect the properties and verify components of the improvements that are indicated on the property record card. They suggest changes to construction grade or "effective" year built if the improvement appears to be newer than its actual age, however they are not trained to make changes on their own. Once the field appraiser has recommended a grade change, an appraiser reviews the grade. When the appraiser confirms the grade needs to be changed, the manager reviews and approves the change if it is deemed appropriate and will be consistent with other similar improvements **(Exhibit 9-7.1)**. Weekly meetings are held with field appraisers for training on topics including but not limited to construction quality grades, field inspection procedures, and mobile device use.

8. Does the assessment office conduct ratio studies by property groups and subgroups?

- What strata does your office use for performing ratio studies?
- Provide sample ratio study results to demonstrate that IAAO standards have been met.

Answer: Yes. The PAO conducts ratio studies by property groups and subgroups, concentrating on the residential strata and the commercial/industrial strata.

Residential properties are segregated into neighborhoods, which are further segregated by size, age, construction quality, condition, and house type. Neighborhood reports are prepared presenting the various statistics broken down by groups and sub groups.

Commercial and industrial properties are segregated into neighborhoods, which are further segregated by FDOR use code. Reports using ProVal CAMA software are limited; therefore, much of the statistical analysis for commercial and industrial properties is prepared using Excel spreadsheets **(4 pg. Exhibit 9-8.1)**.

A neighborhood report presents key statistics of the number of sales, median ratio and COD as a matrix grouped by size analysis and age analysis, and compared by construction quality grade, condition, and house type **(Exhibit 9-8.2)**. The report allows the appraiser to concentrate on properties that are outside of the target parameters for further analysis and adjustment. The report also presents all of the statistics for the neighborhood as a whole, including the total number of vacant and improved parcels in the neighborhood, number of sales of vacant and improved properties, and in-depth statistics for the entire neighborhood summarized by house type.

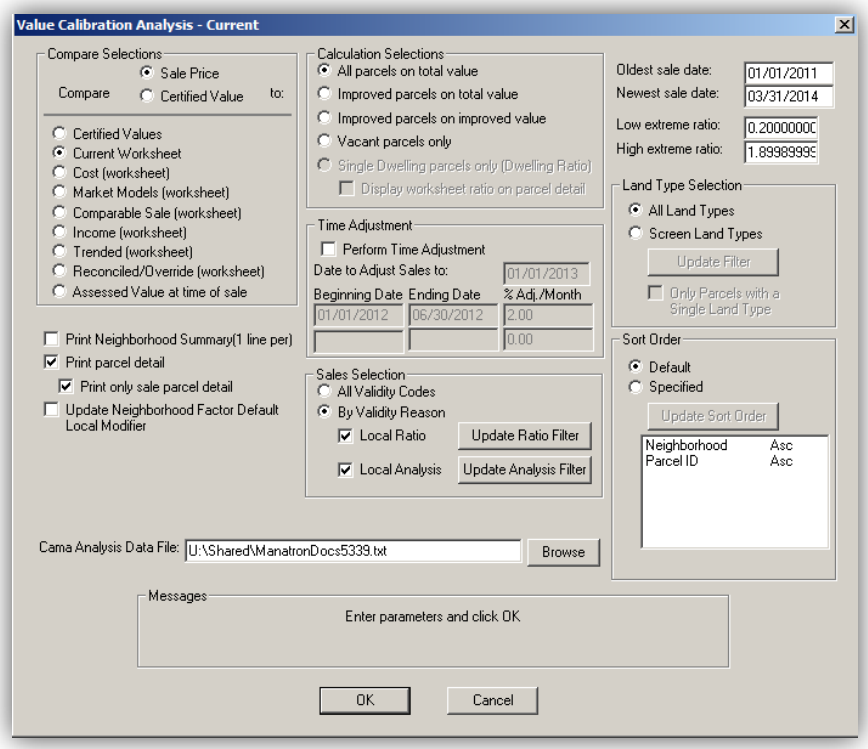
Details of each individual sale in the neighborhood are presented on separate pages in the same report. The details presented include parcel identification number and location address, construction type, house type, year built, effective year built, quality grade, FDOR use code, condition, living area, basement area, number of baths and fixtures, air conditioning, fireplace, garage type and size, size of porches/decks, lot size, sale date, price and qualification code, total improvement size, certified value, work in process value, and market value ratio. The ratio is selected prior to running the report and can be based on the certified (prior year) value or the work-in-process value **(Exhibit 9-5.4)**.

9. Does the assessment office have the capability of performing ratio studies by user-selected combinations of property characteristics?

- Describe some of the user-defined reports designed for your jurisdiction.
- Provide examples.
- Describe the ratio study software applications used in your jurisdiction.

Answer: Yes. A wide variety of selection options are available. The Value Calibration Analysis screen is where selections are made and show a typical group of selections **(Figure 9.1)**.

Figure 9.1: Value Calibration Analysis Screen



The Value Calibration Analysis compares sale price to current worksheet value, and is used for typical valuation analysis during the work year. The PAO also has the ability to run reports of sale price to other values held in the system.

Each parcel has the ability to be valued using the cost method, the market model method, the comparable sale method, the income method, the trended method, the reconciled method, and the market value at time of sale method. The database maintains a separate value for each method. Reports are available comparing sale price to any one of the methods.

10. Does the statistical program used to produce the ratio study compute the IAAO standard measures of level (median, mean, weighted mean ratio), horizontal uniformity [coefficient of dispersion (COD)], and vertical uniformity [price-related differential (PRD)], along with confidence intervals?

- What software is used for your ratio study analysis?
- What statistics are generated for your ratio study analysis?
- Provide computer-generated reports of all the statistics listed.
- Are confidence intervals used?
- If outlier ratios are trimmed when computing vertical (PRD) and horizontal (COD) uniformity, explain the process.
- If confidence intervals are employed, at what level of confidence?
- Do field appraisers have access to software to perform ratio analysis on their assigned territories?

Answer: Yes. The Valuation Calibration Analysis shows the summary screen for a typical neighborhood **(Exhibit 9-8.2)**. This report summarizes the median ratio, arithmetic mean, weighted mean, geometric mean, the coefficient of dispersion (COD), the standard deviation, the coefficient of variance, the price related differential (PRD), and the 95% confidence interval.

The PAO uses the ProVal CAMA system that has a built-in statistical analysis package. Proval produces a multi-part report; the first part is a detail listing of each sale and its individual characteristics, the second part is a summary page that provides the sale ratio statistics of the neighborhood(s) selected, and the third part is a summary screen presenting the criteria requested for analysis.

At the bottom of the report, results are grouped by vacant and improved sales. Improved sales are then summarized by house type, providing the statistics for each.

This report can be used to compare one or several neighborhoods, districts, or the entire County can be grouped together for analysis. The reports are similar to the exhibits shown previously, depending on the selection criteria. All residential and commercial appraisers can control ratio outliers within their analysis by setting the high and low extreme ratio parameters **(Exhibit 9-10.1)**.

Field appraisers collect data and are not responsible for final value conclusions. They physically inspect the properties and verify components of the improvements that are indicated on the property record card.

They suggest changes to construction grade or “effective” year built if the improvement appears to be newer than its actual age; however they are not trained to make changes on their own. Residential and commercial appraisers trained in mass appraisal valuation review photographs taken by the field appraisers and make the necessary changes to the property record card based on the gathered information. Prior to the change, manager approval is required prior to the change.

11. Does the software used for ratio studies have graphics capabilities?

Provide examples with a description of the ratio study graphics that your office produces and uses.

Answer: Yes. The CAMA system which produces ratio studies has graphic capabilities **(Figure 11.1)**. When graphics are needed to visualize the statistical data, for further flexibility, the data is also loaded into Microsoft Excel and the graphics capabilities available in Microsoft Excel software are used **(Figure 11.2)**.

Figure 11.1: Residential Strata

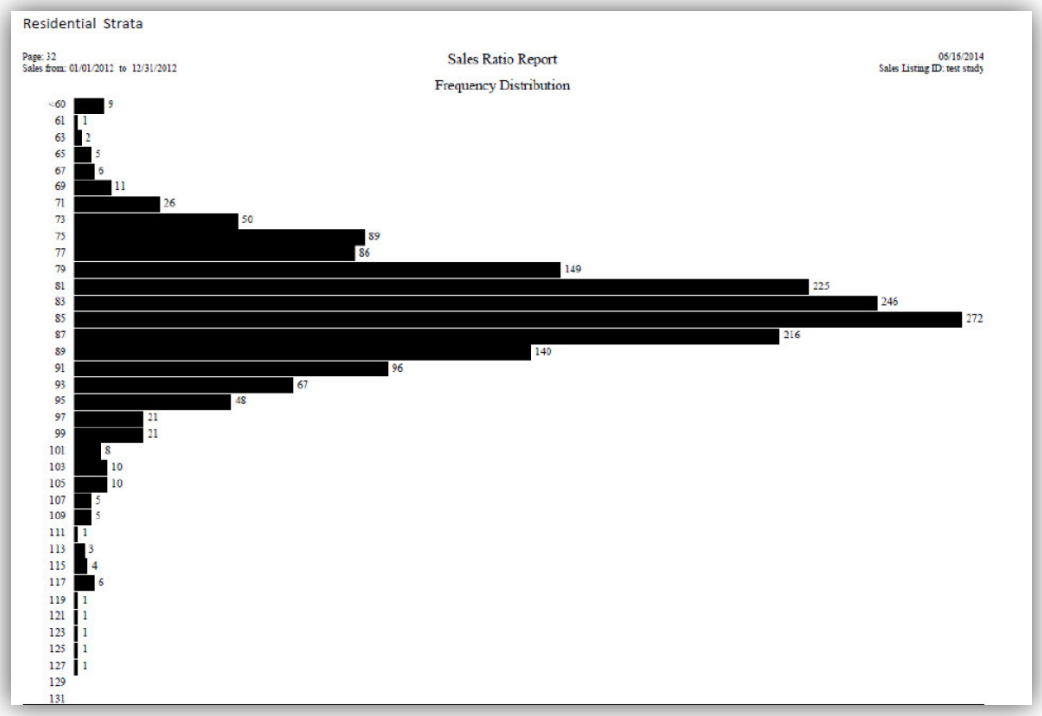
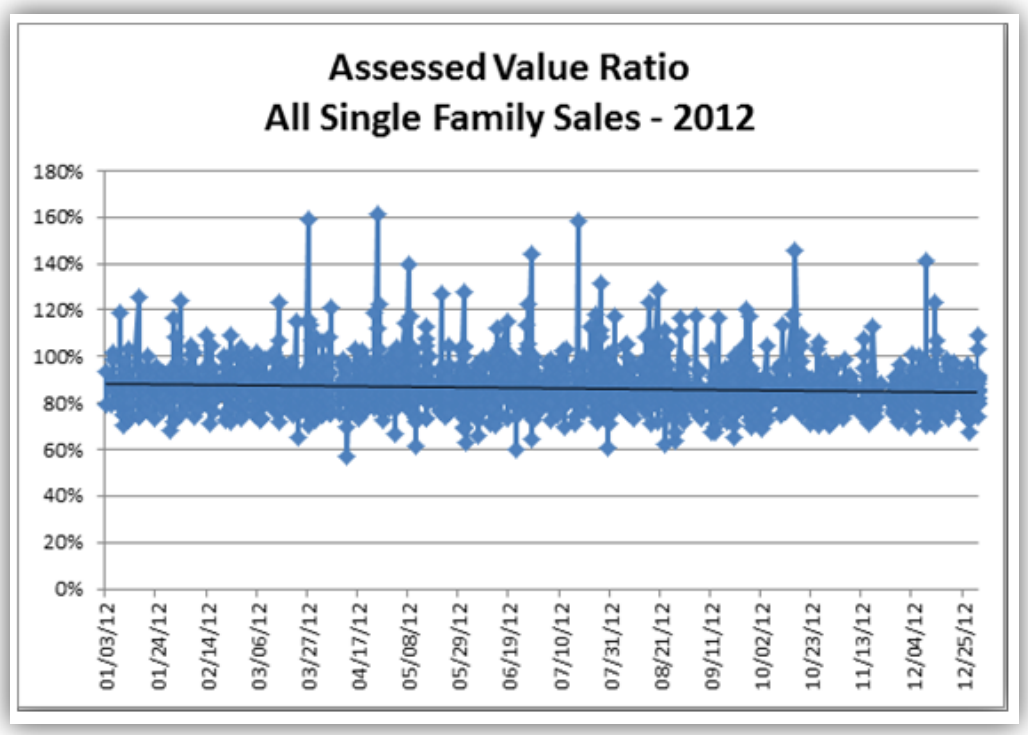


Figure 11.2: Microsoft Excel Graphics Capabilities



12. Does the assessment office test that sold and unsold properties have been appraised similarly (to prevent sales chasing)?

• Describe how sold and unsold properties are analyzed to show equity between sold and unsold properties.
• Provide sample analysis reports.

Answer: Yes. The percent change in value of all parcels in a neighborhood is compared with the percent change in value of the sale properties within the same neighborhood to ensure that sale properties are increasing or decreasing at similar rates. Any change in value of a sale property that differs from the population must be specifically identified and noted in the Excel spreadsheet. Any significant difference in the percent change between the sale property and the population is noted and included in the appraisal review file **(Exhibit 9-12.1).**

The procedures in place for valuation analysis inhibit the ability to chase sales. The valuation analysis concentrates on sale properties, but changes that are made to land or improvement rates are made at the neighborhood level. The changes made in order to bring the sale properties into the target ranges (for median, COD, and PRD) automatically flow to all of the other parcels in the neighborhood.

The FDOR also prepares an "Alternate Level of Assessment" report that calculates the actual percentage change of the entire population between the prior year and the current year **(6 pg. Exhibit 9-12.2).** That actual percent change of the population is then compared to the actual percent change of the sample on the "Level of Assessment" report to ensure that the actual population change closely replicates the sample change. The goal of the FDOR is for the "Level of Assessment" for the sample to be within two points of the "Alternate Level of Assessment" for stratum 1 (residential properties).

The PAO replicates the FDOR analysis by preparing an Excel spreadsheet that compares the percent change in the total value of the sales in stratum 1 with the percent change in the total value of the population of all properties in stratum 1. To obtain a true representation of the percent change, parcels with new construction, added value, demolition, or were split or combined in the current year are eliminated from the analysis **(Figure 12.1)**.

Figure 12.1: Percent Change of Sale Properties vs. the Population

	Sale Properties			Population		
	2011	2012	Pct Chg	2011	2012	Pct Chg
Group 1	25,691,860	23,335,830	-9.17%	872,629,430	793,533,020	-9.06%
Group 2	57,280,880	53,616,130	-6.40%	1,483,333,470	1,387,881,350	-6.43%
Group 3	85,909,840	82,069,970	-4.47%	2,208,275,450	2,091,544,520	-5.29%
Group 4	238,808,290	236,283,260	-1.06%	6,713,918,397	6,527,269,914	-2.78%
Group 1to 4	407,690,870	395,305,190	-3.04%	11,278,156,747	10,800,228,804	-4.24%

13. Does the oversight agency conduct an appraisal/sales ratio study?

- What type of ratio study does the oversight agency conduct on your office's appraisals (none, sales, appraisal, both)?
- Does the oversight agency perform an independent validation process on sales?
- If not, does the oversight agency perform a random audit on the sales provided to it by your office?
- Does the oversight agency conduct performance audits on your methods and procedures?
- Are your statistical and performance results computed into a final grade for your jurisdiction?
- Describe whether or not the oversight agency's ratio study has assisted your office in improving ratio study methods and procedures.
- Provide the oversight agency's results for your jurisdiction for the past 5 years.

Answer: Yes. The FDOR conducts an annual appraisal/sales ratio study in order for the PAO to obtain tax roll approval. The FDOR concentrates their studies on two stratums: stratum 1 – residential property, and stratum 6 – commercial and industrial property.

Each stratum is divided into quartiles based on the total number of parcels in the stratum. Each stratum is sorted from high value to low value, with the lowest value parcels (totaling 5% of the stratum) being eliminated from analysis.

Sales are identified in each quartile and statistics are analyzed by stratum, for each quartile. The median, mean, weighted mean, PRD, COD and confidence interval for the assessed value ratios are calculated. The tax roll is approved or denied based on criteria presented in the standards outlined in the FDOR's complete submission and roll evaluation standards **(30 pg. Exhibit 9-13.1)**.

The FDOR performs an annual independent validation process on sales occurring in the county. The PAO must provide a SDF to the FDOR who then performs independent validation on a random selection of sales. Any discrepancies in the verification between the FDOR and the PAO are presented to the PAO for review. The PAO may present evidence to support their validity determination and, upon review of the evidence, the FDOR may change their determination. The final PAO validity determination and FDOR validity determination must match a minimum of 90% of the sample.

The FDOR does not conduct performance audits on the PAO's methods and procedures due to funding constraints. During the late 1990s, FDOR had sufficient funding to conduct performance audits, however, no performance audits of the PAO's methods and procedures have been conducted for a number of years. The FDOR plans to conduct an in-depth study of the methods and procedures for agricultural classified properties during the 2015 tax roll cycle.

The FDOR annually determines tax roll approval based on analysis of the assessed value to sale price ratio studies. Every other year, FDOR conducts an in-depth study which includes an audit of the assessed value to sale price ratio. If an insufficient number of sales have occurred during the prior year, a study based on appraisal is prepared by the FDOR. Each year, the FDOR approves the tax roll based on their determination of the level of assessment among other criteria. Those findings are published on the FDOR website **(Exhibit 9-13.2)**.

The FDOR has provided reliable and helpful assistance concerning methods and procedures to the PAO on numerous occasions over the years. Their statistical analysts are knowledgeable and are willing to discuss appraisal statistic concerns that the PAO is measured against. The FDOR approval of Martin County's tax roll approval for the past five years is shown in **(5 pg. Exhibit 9-13.3)**.

Chapter Nine List of Exhibits

Exhibit 9-1.1	Real Property Transfer Qualification Codes
Exhibit 9-2.1	Sales Qualification Letter Including Personal Property
Exhibit 9-2.2	Sunbiz
Exhibit 9-2.3	Sales Qualification Discrepancy
Exhibit 9-2.4	Complete Submission and Roll Evaluation Standards
Exhibit 9-3.1	Field Inspection Changes Noted on Property Record Card
Exhibit 9-4.1	Sale Price per Square Foot First & Fourth Quarter Sales
Exhibit 9-4.2	Taxable Value Percent Change
Exhibit 9-5.1	Martin County Seven Market Areas
Exhibit 9-5.2	Divided Neighborhoods
Exhibit 9-5.3	Sales to Worksheet Ratio
Exhibit 9-5.4	Neighborhood Wide Recent Sales
Exhibit 9-5.5	Property Record Card – Front Showing NBHD No
Exhibit 9-5.6	Land Influence Adjustment
Exhibit 9-6.1	Neighborhood Assessment to Sales Ratio Study
Exhibit 9-6.2	DR-493
Exhibit 9-6.3	Residential & Commercial Strata
Exhibit 9-6.4	Final Valuation Review Sheet Approved by Manager
Exhibit 9-6.5	F.S. 200.065(2)(b)
Exhibit 9-7.1	Changes Noted on Property Record Card
Exhibit 9-8.1	Stratum 6 - Commercial and Industrial Sales Ratio Statistics
Exhibit 9-8.2	Neighborhood Report
Exhibit 9-10.1	Trimming Outliers
Exhibit 9-12.1	Significant Percent Change Spreadsheet
Exhibit 9-12.2	Alternate Level of Assessment Report
Exhibit 9-13.1	Complete Submission and Roll Evaluation Standards
Exhibit 9-13.2	Statewide Level of Assessment Estimates by County
Exhibit 9-13.3	Post Audit Reviews 2009-2013

Chapter Ten: Personal Property

1. Does the assessment office systematically employ several methods to discover taxable personal property?

• Briefly describe how each of the methods, sources, and procedures your jurisdiction uses to discover new personal property.

Answer: Yes. Martin County uses the following methods to discover Tangible Personal Property (TPP):

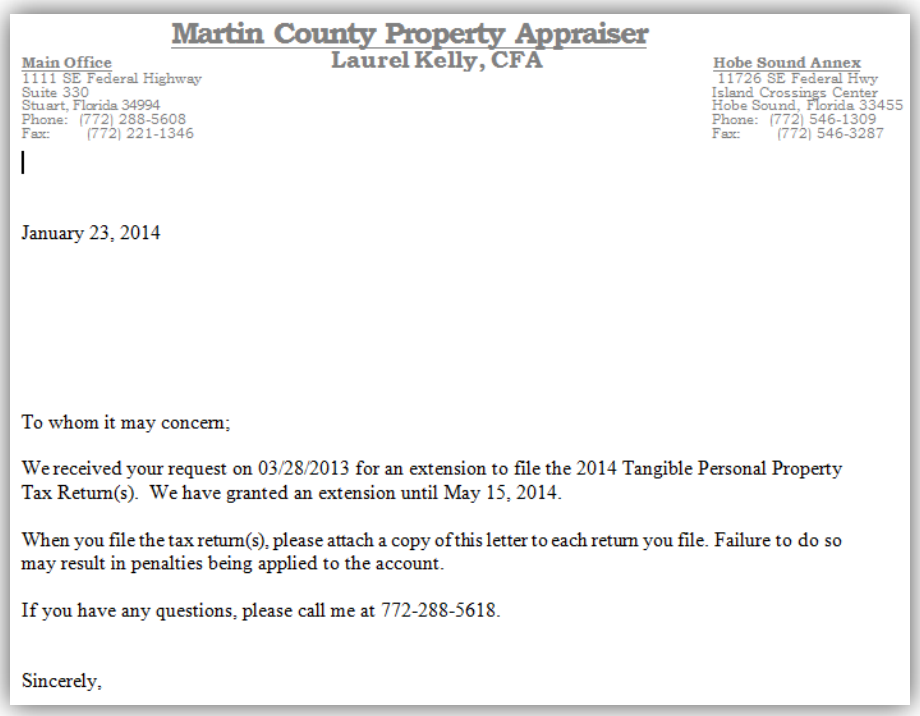
- TPP business returns are reviewed annually and any new assets acquired during the prior year and reported by the property owner are added to the account.
- The Commercial Department Field Appraisers notify the TPP department of new businesses and/or tenants.
- Occupational license reports displayed on the Tax Collector's website are used to add new businesses to the TPP tax roll.
- Field inspections are conducted for business owners who did not file a tax return, or who report assets in an amount less than typical compared to other similar businesses.
- Local newspapers are reviewed for any articles about new businesses opening in Martin County.
- Florida Department of Transportation records are reviewed regularly to get current information on billboards.
- Clerk of the Circuit Court public records are reviewed regularly for resolutions pertaining to new communication towers approved for construction.

2. Does the assessment office deliver personal property declaration forms to owners of taxable personal property?

Briefly describe how personal property declaration forms are delivered, and provide examples of the forms (including web pages) delivered by your jurisdiction.

Answer: Yes. Using Florida Department of Revenue (FDOR) form DR-405 prepopulated with prior year assets **(4 pg. Exhibit 10-2.1)**, TPP business returns are mailed annually to all businesses. Per Florida Statute 193.062 and 193.063 **(Exhibit 10-2.2)**, the returns are to be filed with the Property Appraiser's office (PAO) annually by April 1st but may be granted an extension if requested. Extension requests must be submitted in writing. Upon receipt of an extension request, the PAO mails a confirmation letter requesting the taxpayer to attach the confirmation letter to their business return **(Figure 2.1)**.

Figure 2.1: Extension Request Approval Letter



Martin County Property Appraiser
Laurel Kelly, CFA

Main Office
1111 SE Federal Highway
Suite 330
Stuart, Florida 34994
Phone: (772) 288-5608
Fax: (772) 221-1346

Hobe Sound Annex
11726 SE Federal Hwy
Island Crossings Center
Hobe Sound, Florida 33455
Phone: (772) 546-1309
Fax: (772) 546-3287

January 23, 2014

To whom it may concern;

We received your request on 03/28/2013 for an extension to file the 2014 Tangible Personal Property Tax Return(s). We have granted an extension until May 15, 2014.

When you file the tax return(s), please attach a copy of this letter to each return you file. Failure to do so may result in penalties being applied to the account.

If you have any questions, please call me at 772-288-5618.

Sincerely,

For businesses with value less than $25,000 and who have timely filed their initial business return, a waiver card is mailed using FDOR form DR-405A **(Exhibit 10-2.3)**. The card "waives" the requirement of having to file a business return annually, unless the assessed value of the assets exceeds $25,000 as of January 1 of the tax year.

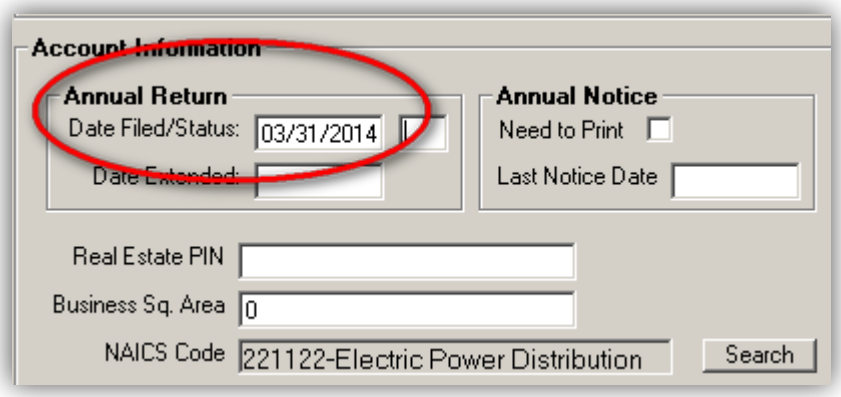
Business accounts added to the tax roll after the mailing of the business returns and/or waiver cards, a follow up blank DR-405 form is mailed to the owner for filing purposes.

3. Does the assessment office follow up on non-returns with supplemental mailings, field inspections, and estimated assessments?

Briefly describe how unfiled and erroneous personal property declaration forms are detected and processed. Include examples of input screens and reports, supplemental mailing letters, penalties, and estimated assessments.

Answer: Yes. The date the business returns are received by the PAO is entered in the Computer Assisted Mass Appraisal (CAMA) system **(Figure 3.1)**. This date is used to determine whether a late filing penalty is applicable. If the date is after April 1st, the CAMA system automatically applies a 5% penalty per month not to exceed 25%, as per Florida Statute 193.072 **(Exhibit 10-3.1)**.

Figure 3.1: Annual Return Date Filed Data Entry Screen



A report is used to identify all TPP accounts that do not have an annual return file date noted in the CAMA system **(Exhibit 10-3.2 Jenny to replace)**. The owner of these accounts is mailed a non-filer reminder letter along with a blank business return to be completed and returned to the PAO **(5 pg. Exhibit 10-3.3)**.

TPP business returns filed with the PAO are reviewed and processed. Assets reported as sold, traded or disposed of, are inactivated in the CAMA system. Assets that are purchased or acquired prior to January 1st are added to the account. The following steps are taken if questions arise in regards to reporting inconsistencies:

- The owner is called in an attempt to reconcile the problem.
- A field inspection of the business is conducted to verify that the assets are reported correctly.
- Assets from similar businesses are reviewed and compared with what the taxpayer is reporting.

For highly complex TPP utility accounts (e.g. telecommunication companies, pipelines, and power plants), the PAO contracts with a utility appraisal consultant to review the annual utility returns. The consultant has specialized knowledge and methodologies to estimate the fair market value of these assets within the guidelines of Florida Statutes. Once the consultant's evaluation is complete, depreciated values are reported to the PAO. The values are then entered in the CAMA database and the $25,000 TPP exemption is applied.

4. Are personal property reporting forms tailored to the needs of different businesses and industries and do they collect the appropriate data including information on fully depreciated items?

Provide examples of each type of reporting form tailored to each type of business; include examples of businesses that use each, and describe how fully depreciated items are handled.

Answer: The PAO annually mails the same DR-405 Tangible Personal Property Tax Return form for all businesses and industries **(2 pg. Exhibit 10-4.1)**. This form provides various categories for each business or industry to group assets and the taxpayer's estimate of fair market value, along with original installed cost **(Figure 4.1)**. The PAO accepts various formats of business returns as long as they contain the required information and are signed and dated by the owner or the authorized agent.

Figure 4.1: Personal Property Summary Schedule

	Personal Property Summary Schedule - Enter totals from page 2 or from an attached itemized list or depreciation schedule with original cost and date of acquisition.	Taxpayer's Estimate of Fair Market Value	Original Installed Cost
10	Office furniture, office machines, and library		
11	EDP equipment, computers, and word processors		
12	Store, bar and lounge, and restaurant furniture, equipment, etc.		
13	Machinery and manufacturing equipment		
14	Farm, grove, and dairy equipment		
15	Professional, medical, dental, and laboratory equipment		
16	Hotel, motel, and apartment complex		
16a	Rental units (stove, refrigerator, appliances, furniture, drapes, and other)		
17	Mobile home attachments (carport, utility building, cabana, porch)		
18	Service station and bulk plant equipment (underground tanks, lifts)		
19	Signs (billboard, pole, wall, portable, directional etc.)		
20	Leasehold improvements-grouped by type, year of install & description		
21	Pollution control equipment		
22	Equipment owned by you but rented, leased or held by others		
23	Supplies not held for resale (not including inventory)		
24	Other, specify		
	TOTAL PERSONAL PROPERTY		

The PAO annually mails the business owner a return along with a list of assets they reported in the prior year. To facilitate the reporting process, the year acquired and original installed cost is prepopulated on the form. An Excel spreadsheet listing company assets is accepted by the PAO from larger companies as long as the front signature page is signed and submitted with the spreadsheet. This is especially helpful for leasing companies to provide their lessee information and to ensure the location of their assets get assigned to the correct taxing district.

Instructions on how to complete the form are mailed along with the business return **(2 pg. Exhibit 10-4.2)**. It explains items such as:

- The asset type that should to be reported.
- The physical location of their personal property assets, whether they are located at a specific business site or in multiple locations throughout the County.
- Penalties incurred for failure to file a return, for filing a late return and unlisted property.
- Related Florida Tax Laws by statute number.

The instructions also inform the owner that fully depreciated items, whether written off or not, need to be reported at original cost. Fully depreciated assets still in use must be listed on the form. The PAO depreciates all assets by the economic life of the asset and will continue to assess a residual value until it is disposed.

5. Does the assessment office coordinate real and personal property field inspections to ensure that fixtures, trade fixtures, and leasehold improvements are identified and properly classified?

Describe how your office coordinates real and personal property inspections and ensures all property is properly identified and appraised appropriately.

Answer: Yes. The TPP department works closely with the Commercial Department Field Appraisers. The Commercial Field Appraisers notify the TPP staff when they find a communication tower, tenant improvement remodel, and/or a new business during their inspection. Every new business is not typically inspected, however, if there is a discrepancy with the filed TPP business return or the business is a chronic non-filer (two or more years of non-filing), an appointment is scheduled to visit the location.

The County provides the PAO with their GIS map identifying new communication towers that have been approved by ordinance **(Exhibit 10-5.1)**. The PAO compares the County layer with its own layer as a quality control measure ensuring all communication towers located within the County are accounted for and assessed **(Exhibit 10-5.2)**.

Care is taken to ensure that tenant improvements are not double assessed on the real and TPP tax rolls. For example, carpeting may be reported as a tenant improvement however, the real estate value calculation will already include an amount for carpeting. Therefore the carpeted portion is subtracted from the tenant improvement report from the taxpayer.

To be consistent in classifying the assets in the CAMA database, the Martin County PAO uses the FDOR “Standard Measures of Value Guidelines” to determine a fair market value on every account **(65 pg. Exhibit 10-5.3)**.

6. Does the assessment office audit returns and inspect businesses to ensure complete and accurate reporting?

Briefly describe your jurisdiction's auditing practices, including the frequency with which audits are schedules and carried out.

Answer: Yes. Taxpayer returns are grouped and tracked by Northern American Industry Classification System (NAICS) code and industry type (sector). Each industry type (sector) is summarized by the average, minimum and maximum of the acquisition cost and the market value of the TPP accounts in Martin County **(18 pg. Exhibit 10-6.1)** and **(Exhibit 10-6.2)**. Specialists use these summaries to estimate values when TPP returns are not filed by a business.

If the initial desk audit of the business return finds the value reported falls outside the average dollar range as shown on the NAICS industry type summary, further investigation is initiated. The PAO may contact the business owner by telephone or may conduct an on-site inspection to verify the assets at the location are reported accurately.

7. Does the assessment office employ all appropriate approaches to appraisal in valuing personal property?

Provide examples of reporting forms and personal property valued by the income approach, and examples of personal property valued by using secondary market data on prices of large personal property items (see question 9).

Answer: Yes. All three approaches to valuation are considered. Generally, greatest weight is placed on the depreciated cost approach.

Florida Statute 193.011 provides eight criteria that must be considered in the assessment process when arriving at just value:

1. The present cash value of the property;
2. The highest and best use to which the property can be expected to be put in the immediate future and the present use of the property;
3. The location of said property;
4. The quantity or size of the property;
5. The cost of the property and the present replacement value of any improvements;
6. The condition of the property;
7. The income from the property; and
8. The net proceeds of the sale of the property.

Cost approach

Florida law requires business owners to self-report their existing assets along with the original purchase price of the assets and date of purchase. The original purchase price is recorded and, depending on the asset, a depreciation category is assigned based on the asset life expectancy **(3 pg. Exhibit 10-7.1)**.

The FDOR provides index factors that are used to trend the original reported cost to reflect an estimate of the current cost of the asset **(Exhibit 10-7.2)**. Based on the life expectancy selected, depreciation is applied according to FDOR depreciation guidelines **(Exhibit 10-7.3)**. These guidelines were originally developed by Marshall Valuation Service, and are used statewide by the FDOR. The PAO studies the asset age at retirement or replacement to verify and ensure that appropriate lives are applied in the various depreciation categories **(Exhibit 10-7.4)**.

Sales comparison approach

Information concerning comparable sales is considered, however, sales of TPP often represent assets nearing the end of their economic lives. Further, the comparable sales often include various items that are not assessed as TPP. These items may include vehicles, leasehold improvements, and intangible personal property such as business value, none of which are subject to ad valorem taxation and all of which are difficult to measure and extract from the sale price. Additionally, comparable sales often reflect only a portion of the total assets of the business. For example, a restaurant replaces all of their furniture but none of their kitchen equipment. These sales are difficult to use as a comparison for all of the assets at a business. For these reasons, the comparable sales approach is seldom used.

Income approach

Information concerning comparable leases of TPP assets is considered; however leases typically do not include all of the business assets. To apply a lease rate for one type of equipment that was obtained based on the lease rate from a different type of equipment is easily challenged and not reliable. Further, the lease rate paid to the owner of the asset includes a portion for the asset itself and a portion for the leasing business operations. The leasing business operation portion is not TPP and not subject to taxation. For these reasons, the income approach is seldom used, except for the valuation of utility accounts.

8. In the cost approach, does the assessment office maintain separate cost trend and depreciation indexes for each class of personal property?

Provide a brief description and examples of computerized cost trend indexes and depreciation schedules or combined indexes used for personal property valuation.

Answer: Cost trend indexes are based on tables available from the FDOR and prepared by Marshall Valuation Service. These tables are reviewed annually by the PAO and the factors in the CAMA system are adjusted accordingly. The PAO's opinion is that the "average of all" industry types is more defensible than applying the specific industry type. Communications equipment costs do not follow the same cost trends as most other industries and therefore the PAO uses separate cost trends for communication industry accounts.

Equipment for various industry types are categorized into schedules based on life expectancy guidelines available from the FDOR, and prepared by Marshall Valuation Service. These schedules are reviewed annually by the PAO and are considered when adjusting industry group factors in the CAMA system. As part of the review, all TPP assets are reviewed to determine which assets are retired or replaced and at what age.

When similar assets are challenged by multiple taxpayers, the asset type is reviewed along with detailed appraisals if provided by the petitioners. Recently, the life of shelving and fixture assets was challenged by several grocery and retail shopping center stores. Based on that review, the life of shelving and fixture assets was changed for all property types.

9. Does the assessment office use price guides to value items frequently sold as used items?

Briefly describe and provide examples from the various price guides used by your office. Describe how each is used.

Answer: No. The PAO does not use price guides to value items frequently sold as used items. When challenged on specific property types, price information is reviewed using internet sources and from specific local markets. In the past, the PAO has subscribed to price guides for several equipment groups; however, the PAO finds the internet to be more useful and readily available.

Used equipment is often sold during an effort to replace assets near the end of their economic life. These assets do not reflect the installed value of the assets to the current owner. Few sales of used equipment reflect the transfer of fully operational and installed equipment, from one owner to another owner, at arm's length. When these sales occur, it is almost always for the entire business including goodwill. When sold, the new owner must file a TPP return for the new business, including a listing of the asset values based on the purchase price. The PAO compares the new business filing with the old business filing to ensure that the newly filed business is reporting appropriate values for the assets.

10. Does the assessment office use the income approach to value leased equipment?

Briefly describe how leasing revenue and expense data are collected, analyzed, and applied in your office and provide examples.

Answer: The PAO does not collect income information concerning leased equipment. As earlier noted, the leased equipment generally reflects only a portion of all of the equipment used by a business. To apply a lease rate for one type of equipment that was obtained based on the lease rate from a different type of equipment is easily challenged and not reliable. Further, the lease rate paid to the owner of the asset includes a portion for the asset itself and a portion for the leasing business operations. The leasing business operation portion is not TPP and not subject to taxation. For these reasons, the income approach is seldom applied to leased equipment.

Chapter Ten List of Exhibits

Exhibit 10-2.1	Tangible Personal Property Tax Return
Exhibit 10-2.2	F.S. 193.062 and 193.063
Exhibit 10-2.3	Waiver of TPP Tax Return
Exhibit 10-3.1	F.S. 193.072
Exhibit 10-3.2	Jenny to replace exhibit
Exhibit 10-3.3	Non-Filer Reminder Letter
Exhibit 10-4.1	Tangible Personal Property Tax Return
Exhibit 10-4.2	Instruction Page
Exhibit 10-5.1	Cell Tower Ordinance 2251
Exhibit 10-5.2	Tower GIS Layer
Exhibit 10-5.3	Standard Measures of Value TPP Appraisal Guidelines
Exhibit 10-6.1	Original Cost and Value by NAICS Code
Exhibit 10-6.2	Original Cost and Value by NAICS Sector
Exhibit 10-7.1	Life Expectancy Guidelines
Exhibit 10-7.2	Cost Index Factors
Exhibit 10-7.3	Depreciation Guidelines
Exhibit 10-7.4	TPP Asset Retire Age

Chapter Eleven: Assessment Administration

1. Does the assessment office update ownership and legal description information within thirty days of a transfer being recorded?

Briefly describe the processes for acquiring ownership, taxpayers name, mailing address, and legal descriptions, from the deed filing office to entry into the assessment office database. Include the typical time frame for each type of transaction (e.g. straight transfer of a property or a property with a legal description change).

Answer: Yes. Recorded documents obtained from the Clerk of the Circuit Court's website are reviewed daily. Documents that pertain to property ownership (i.e. deeds, probate, death certificates, divorces, trust affidavits, etc.) are entered into the database. Ownership and mailing address information are taken directly from the recorded documents. Changes to ownership are made within three to four days of being recorded in public records.

If the recorded deed indicates a parcel "split" of a property, the document is further reviewed by the Cartographer. Before the parcel split can occur, verification of the paid taxes must be confirmed by the Tax Collector's office. The Cartographer enters the property split into the Property Appraiser's office (PAO) database, amends the legal description, changes the ownership, and revises the digital map layer in the Geographic Information System (GIS) database **(2 pg. Exhibit 11-1.1)**. This process is completed within thirty days of the document being recorded. The parcel split is then forwarded to the Appraisal department for valuation review **(Exhibit 11-1.2)**.

2. Do computer records contain the source of all appraised or assessed values?

Provide examples of the reconciliation of values as performed by your office, including sample records that show the reconciliation of overridden and appealed parcels.

Answer: Yes. The Computer Assisted Mass Appraisal (CAMA) system calculates and applies the three main valuation methods: market, income, and cost. The system also provides options to select "user entered" or "override" values, which are commonly used for appealed parcels.

The "Correlation of Value" screen displays the different values calculated by the different approaches, along with selecting which valuation method is applied. The Correlation of Value screen displays an override value for parcels that recently received a Value Adjustment Board (VAB) decision **(Exhibit 11-2.1)**. The value is "user entered" with an override to the land value, which was based on the Special Magistrate's (Magistrate's) determination.

3. Does the assessment office verify eligibility for exemptions or other relief?

Briefly describe how eligibility for each major category of exemption (e.g., agricultural, homestead, charitable, income related, and so on) is verified by your jurisdiction.

Answer: Yes. The PAO verifies eligibility for exemptions and other relief. Eligibility requirements for each exemption and/or classification can be viewed on the PAO website **(Figure 3.1)**. The user can click any exemption and view the requirements needed in order to be granted the exemption and/or classification **(Figure 3.2)**.

Figure 3.1: Homestead Eligibility Requirements Posted on the PAO Website

Figure 3.2: Other Exemption Requirements Post on the PAO Website

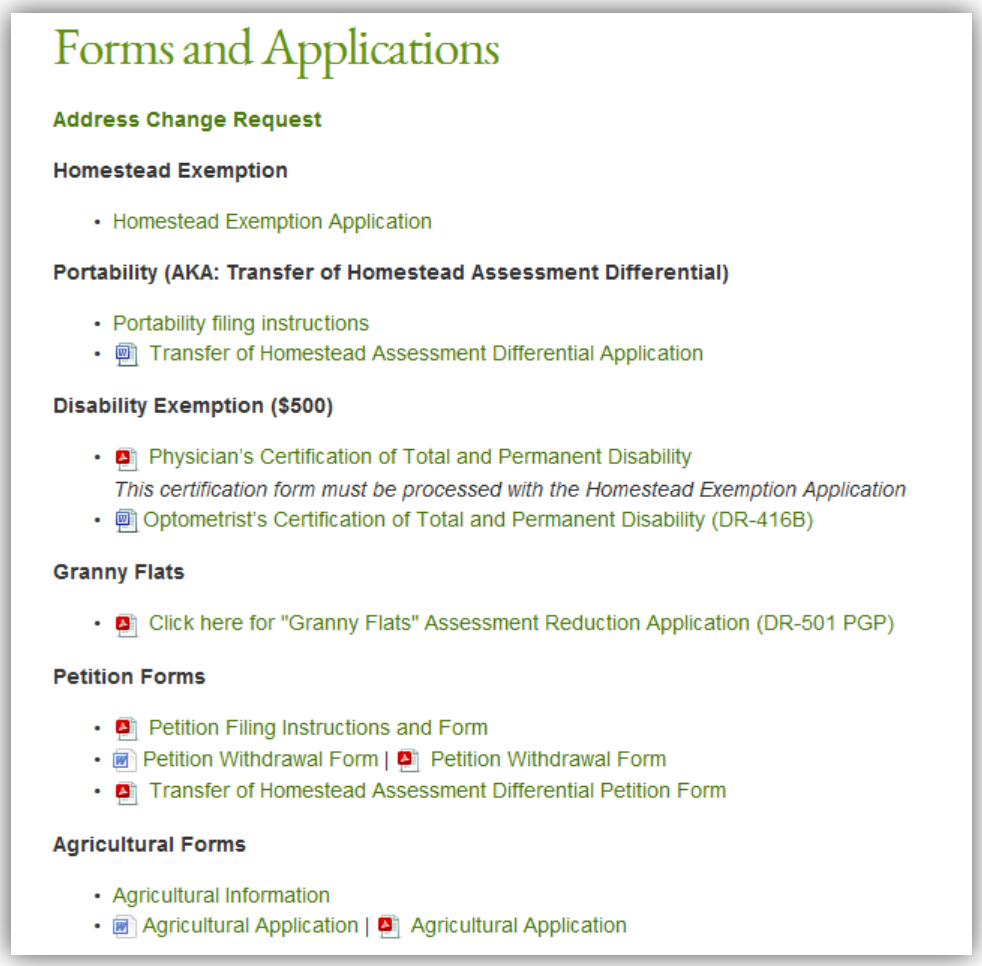
Other Exemptions

- Limited Income Senior Exemption for Persons 65 and Older
- Additional Exemption for Limited Income Seniors Who Have Lived in their Current Home for 25 Years of More
- Widow & Widowers
- Disability
- Veteran & Veteran's Widow Disability
- Veterans with Combat Related Disabilities
- Blind Disability
- Total & Permanent Disabled Vet / Service Connected Disability
- Quadriplegics Disability
- Hemiplegics, Legally Blind or Totally & Permanently Disabled Wheelchair Bound
- Non-Profit
- Granny Flats
- Additional Property Tax Exemption for Military Personnel
- Homestead Property Tax Exemption for Surviving Spouse of Military Veteran or First Responder

For information on **Religious Organizations/Exemptions** or other questions, please **contact us**.

In addition, items listed in the "Forms and Applications" section provide links to applications and instructional documents to aid in applying for exemptions and/or classifications **(Figure 3.3)**. The forms and applications are further used to verify the applicant's eligibility.

Figure 3.3: Forms and Applications Listed on the PAO Website



Forms and Applications

Address Change Request

Homestead Exemption

- Homestead Exemption Application

Portability (AKA: Transfer of Homestead Assessment Differential)

- Portability filing instructions
- Transfer of Homestead Assessment Differential Application

Disability Exemption ($500)

- Physician's Certification of Total and Permanent Disability
  This certification form must be processed with the Homestead Exemption Application
- Optometrist's Certification of Total and Permanent Disability (DR-416B)

Granny Flats

- Click here for "Granny Flats" Assessment Reduction Application (DR-501 PGP)

Petition Forms

- Petition Filing Instructions and Form
- Petition Withdrawal Form | Petition Withdrawal Form
- Transfer of Homestead Assessment Differential Petition Form

Agricultural Forms

- Agricultural Information
- Agricultural Application | Agricultural Application

Requirements and verification procedures for each exemption and/or classification are as follows:

<u>Homestead Exemption</u>

Listed below are the documents required by the Martin County PAO to complete the Florida Department of Revenue (FDOR) DR-501 homestead exemption application **(4 pg. Exhibit 11-3.1).** These documents are used to verify the applicant's residency. All of the documents noted below are required for all owners who reside on the property (legible copies are acceptable). A husband and wife may apply for their spouse as long as they submit their spouse's documents:

- Florida driver's license or a Florida identification (ID) card.
- Social security card or a document with the social security number on it (i.e. income tax return). A spouse's social security number must be submitted, even if they do not own the property.
- Florida voter's information card or a declaration of domicile recorded with the Clerk of the Circuit Court.
- Florida vehicle registration, if the applicant owns or drives a vehicle in Florida (including leased vehicles).

All applicants must sign a Florida Residency Affidavit verifying that they are a Florida resident and that they do not receive any other residency based benefits in any other county, state, or country **(Exhibit 11-3.2)**. A benefit cancellation form is used to verify that the applicant's previous, out-of-state exemption(s) have been removed (if applicable) **(Exhibit 11-3.3)**. If the applicant does not own or drive a vehicle in Florida, they must sign an Affidavit for verification purposes **(Exhibit 11-3.4)**.

The homestead exemption compliance database is used to track multiple sources for discovering possible homestead non-compliance **(Figure 3.4)**. The database tracks the progress of investigations and allows the user to generate informational reports such as the amount of taxable value recovered for ineligible exemptions, pending and satisfied liens, and most successful sources for homestead fraud discovery **(Figure 3.5)** and **(Figure 3.6)**.

Figure 3.4: Exemption Compliance Database Data Entry Screen

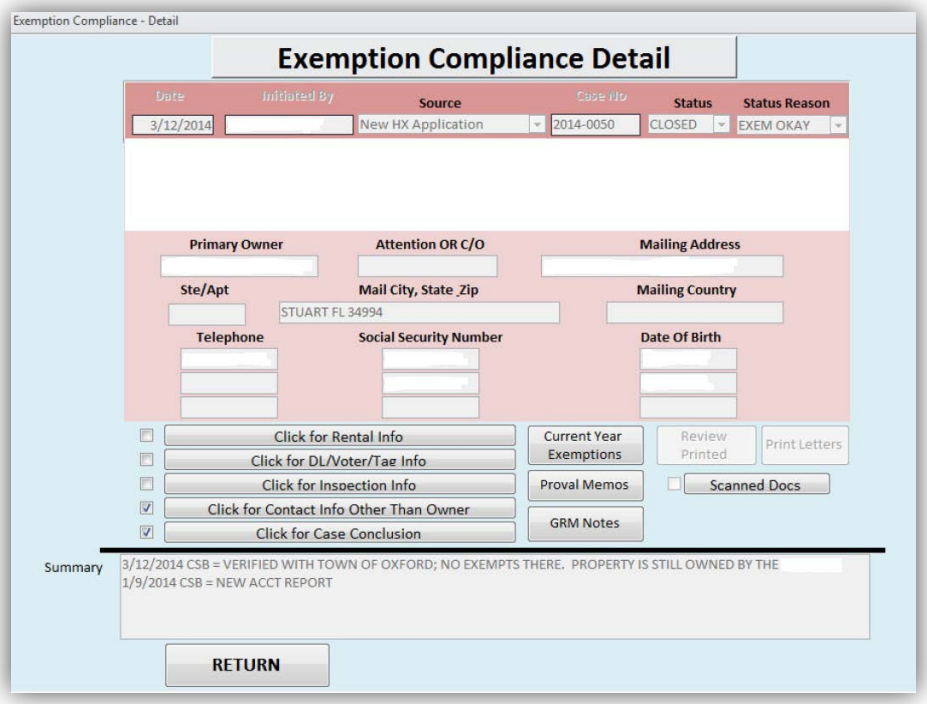


Figure 3.5: Lien Conclusion Page

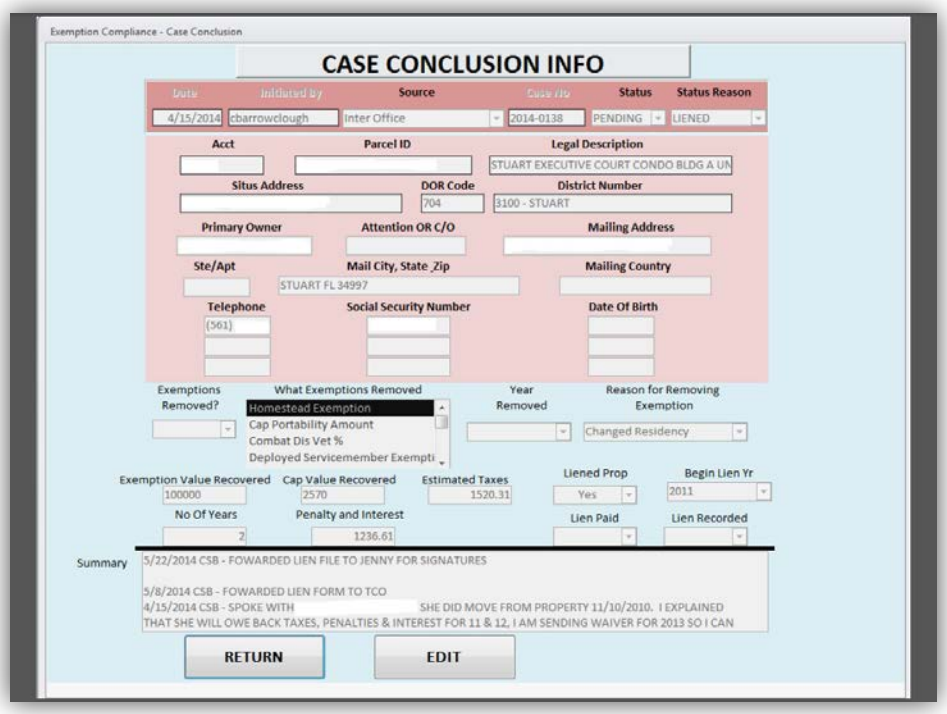
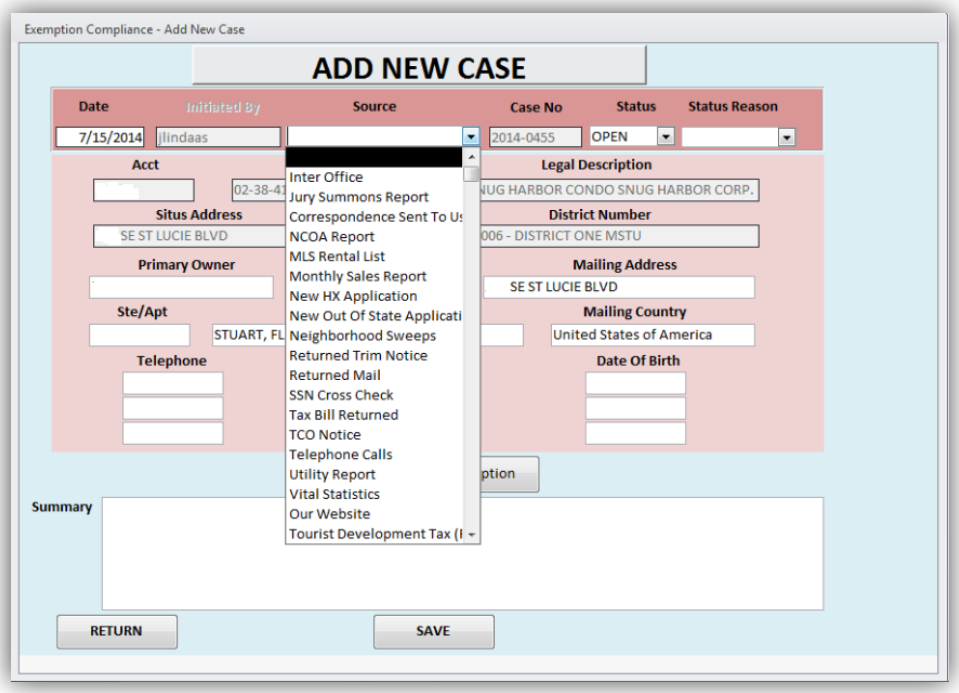


Figure 3.6: Exemption Compliance Database



Charitable/Non-Profit Exemption

To be wholly exempt from ad valorem taxation, property must be owned by and used exclusively for charitable, religious, educational, governmental, literary or scientific purposes. Guidelines used to determine eligibility for various types of charitable/non-profit exemptions are as follows:

- All property used predominantly for charitable, non-profit purposes shall be exempt from ad valorem taxation to the extent of the value of the portion that such predominant use bears the non-exempt use.
- No application for exemption may be granted for religious, literary, scientific or charitable use of property, etc. until the application has been filed with the PAO or unless granted by the Value Adjustment Board (VAB)) to be non-profit as defined in Florida Statutes 196.196.
- An application must be filed with the PAO using the FDOR form DR-504 **(2 pg. Exhibit 11-3.5)**.
- All properties are physically inspected prior to approval
- Letters are sent annually to confirm their exempt status remains applicable **(Exhibit 11-3.6)**.

Limited Income Senior Exemption for Persons 65 and Older:

- The eligibility requirements for the original $25,000 homestead exemption must be met.
- At least one of the owners must be 65 years of age or older on or before January 1 of the year the application is made. The applicant's date of birth is verified by viewing their Florida driver's license or ID card.
- An application must be made in person at the PAO by March 1st using the FDOR form DR-501SC **(2 pg. Exhibit 11-3.7)**.
- To qualify for the current taxable year, the applicant's previous year's household adjusted gross income for all persons residing in the household must not exceed statutory requirements. The statutory requirement is adjusted each year on January 1 according to changes in the consumer price index (CPI) **(Figure 3.7)**. Initial applicants must attach their income tax return from the previous year for all household members to verify that their adjusted gross household income does not exceed the maximum limit.

Figure 3.7: Consumer Price Index for the Senior Exemption

Senior Homestead Exemption		
Year	% Change*	Adjusted Income Limitation
2014	1.5%	$27,994
2013	2.1%	$27,590
2012	3.2%	$27,030
2011	1.6%	$26,203
2010	-0.4%	$25,780
2009	3.8%	$25,873
2008	2.9%	$24,916
2007	3.2%	$24,214
2006	3.4%	$23,463
2005	2.7%	$22,693
2004	2.3%	$22,096
2003	1.6%	$21,599
2002	2.8%	$21,259
2001	3.4%	$20,680

- If the applicant does not file an income tax return, completion of the "Statement of Income" portion of the DR-501SC is required **(Figure 3.8)**. This is used to verify that the applicant's adjusted gross household income is below the limit in lieu of an income tax return.
- Social Security income may or may not apply depending upon the amount and filing status.

Figure 3.8: Statement of Income Portion of the DR-501SC

Complete this form for each member whose income is below the filing thresholds for the IRS and who has not filed an IRS Form 1040 series. See page 1, PART 3. Do not complete for minor children with no income.

STATEMENT OF INCOME			
Name			
Earned income		Social Security benefits**	
Investment income		Veterans Administration benefits	
Capital gains or (losses)		Income from retirement plans	
Interest income		Income from pensions	
Rents		Income from trust funds	
Royalties		Other*** (specify):	
Dividends			
Annuities			
		Total income for this household member	
Enter this amount in PART 1 and submit with page 1 of Form DR-501SC for each member.			

**Social Security Benefits - Internal Revenue Service (IRS) Information

According to the IRS, social security benefits include monthly survivor and disability benefits. They do not include supplemental security (SSI) payments, which are not taxable.

If your combined benefits and other income exceed certain thresholds, some part of your Social Security income may be taxable. Include the taxable amount on this line. Consult the IRS for Social Security income that may be taxable based on current formulas.

***Other income

If you receive any other income, fill in the source and the amount. Do not include income that would not be included in adjusted gross income, such as child support.

- The Department of the Treasury Internal Revenue Service form 4506-T is used to request a copy of the transcript of the applicant's income tax return for verification purposes, if the applicant is chosen during the yearly random audit **(2 pg. Exhibit 11-3.8)**.
- The limited income senior's exemption must be renewed each year because it is income based. To verify eligibility for renewal of this exemption, the PAO mails out a renewal notice each year **(Exhibit 11-3.9)**.

Additional Exemption for Limited Income Seniors who Have Lived in Their Current Home for 25 Years or More

- The owner must be 65 years or older as of January 1st.
- The owner must have title to the property.
- The owner must have lived in their current home for 25 years or more (as a permanent Florida resident). An Affidavit of Continuous Residency is used to verify the applicant's 25 year residency in their current home **(Exhibit 11-3.10)**.
- The property must have a just or market value less than $250,000. The Computer Assisted Mass Appraisal (CAMA) software does not apply this exemption if the market value exceeds the $250,000.
- An applicant who qualifies for this additional exemption will be exempt from the entire County portion of property taxes.
- This exemption does not apply to school taxes, or any taxes levied by other taxing authorities on their homestead property.
- The additional exemption for limited income seniors who have lived in their current home for 25 years or more must be renewed each year because it is income based. To verify eligibility for renewal of this exemption, the PAO mails out a renewal notice each year **(Exhibit 11-3.11)**.

Widow/Widower Exemption

- The eligibility requirements for the original $25,000 homestead exemption must be met to receive the $500 exemption.
- To file for widow/widower exemption, the applicant must be a widow/widower prior to January 1st of the tax year.
- For verification of marital status, the applicant must provide a copy of the spouse's death certificate when applying or a document showing they were married at the time of death.
- Divorced persons do not qualify for the exemption.

Disability Exemption

- The eligibility requirements for the original $25,000 homestead exemption must be met to receive the $500 exemption.
- To verify disability, the applicant must present proof of total and permanent disability from a licensed Florida physician using form DR-416 **(Exhibit 11-3.12)**. A disability award letter from either Social Security or the United States Department of Veterans Affairs (VA) may be used in lieu of form DR-416.

Veteran & Veteran's Widow Disability Exemption

- The eligibility requirements for the original $25,000 homestead exemption must be met. Any ex-service member disabled at least 10% in war or by service-connected misfortune is entitled to a $5,000 exemption.
- If filing for the first time, the applicant must present a certificate from the United States Government or a letter from the VA as proof of disability. For verification purposes, the letter must state that the disability is service connected and must be dated within the past year.
- Widows of veterans who were disabled as a result of a service connected disability of 10% or more qualify for this exemption, as long as they were married for more than 5 years.
- The widow must provide proof of marriage and their spouse's disability document from the VA or the United States Government.

Veteran's with Combat Related Disabilities Exemption:

- This exemption provides a discount from the amount of ad valorem tax on the homestead of a partially or totally permanently disabled veteran who is 65 or older whose disability was combat-related, and who was honorably discharged.
- The percentage of tax discount is based on the percentage of combat related disability the veteran has been granted by the VA.
- The applicant must submit the FDOR form DR-501DV by March 1st together with their DD214 form verifying they were honorably discharged **(2 pg. Exhibit 11-3.13)**.

Blind disability exemption

- Eligibility requirements for the original $25,000 homestead exemption must be met. Every Florida resident who is legally blind qualifies for this exemption.
- One of the following letters/certificates are required to verify that the applicant is legally blind: a certificate from the Division of Blind Services of the Department of Education, a letter of verification from the VA, Federal Social Security Administration, a Florida physician, or an optometrist certification (form DR-416B) **(Exhibit 11-3.14)**.

Total & Permanently Disabled Vet/Service Connected Disability

- If the applicant qualifies for homestead exemption and is totally and permanently disabled due to a service connected disability, the applicant is eligible for total exemption.
- For verification purposes, the applicant must present a certification of disability from the VA or the United States Government that states the applicant is totally and permanently disabled due to service connected disabilities.
- Spouses of Florida resident veterans who died from service connected causes while on active duty as a member or the United States Armed Forces are eligible for total exemption by providing a document as proof they were married at the time of death.

Quadriplegics Disability Exemption

- Total tax exemption is available for quadriplegic applicants if they qualify for homestead exemption.
- The applicant must provide proof of their quadriplegia from (2) professionally unrelated Florida licensed physicians using form DR-416 or from the VA **(Exhibit 11-3.12)**.

Hemiplegics, Legally Blind or Totally & Permanently Disabled Wheelchair Bound

- Hemiplegics, legally blind persons or totally and permanently disabled persons who rely on a wheelchair for mobility, are exempt from taxation if the gross household income is below the current income limit. Gross income is the income including Veterans' Social Security benefits, of all persons residing in the homestead.
- The applicant must present proof of total and permanent disability from (2) professionally unrelated licensed Florida physicians using form DR-416 **(Exhibit 11-3.12)** (one can be a letter from the VA; for the legally blind, one can be an optometrist) along with proof of total household gross income using form DR-501A **(Exhibit 11-3.15)**.

Granny Flat's Exemption

- The "Granny Flats" exemption was adopted by the Martin County Board of Commissioners effective for the 2007 tax roll.
- The exemption offers homeowners an exemption for building living space on a homesteaded property to accommodate parents or grandparents that are age 62 or older.
- The exemption applies only to new construction or remodel of an existing residence that was completed after January 7, 2003. Verification is done through physical inspection at the initial application, as well as review of building plans, permits, etc. Verification is done through an annual mailing renewal letter **(2 pg. Exhibit 11-3.16)**.
- The value exempted from taxes for the homeowner cannot be more than the increase in assessed value from the construction or remodel OR 20% of the total assessed value of the property, whichever is less.
- The exemption applies only during the time that at least one parent or grandparent maintains his or her primary residence within the homestead property of the owner.
- The parent or grandparent may not receive a residency based benefit elsewhere.
- When the property owner no longer qualifies for the exemption, the previously excluded value of the improvements is added back to the assessed value of the property.
- The applicant must apply for the exemption using the FDOR form DR-501PGP **(Exhibit 11-3.17)**.

Additional Property Tax Exemption for Military Personnel

- An additional property tax exemption is available for military personnel.

- Those who qualify are members who already have a homestead exemption, and who were deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of any one of the following conflicts:

  1. Operation Noble Eagle, which began on September 15, 2001
  2. Operation Enduring Freedom, which began on October 7, 2001
  3. Operation Iraqi Freedom, which began on March 19, 2003 and ended December 15, 2011
  4. Operation New Dawn, which began on September 1, 2010 and ended December 15, 2011
  5. Operation Odyssey Dawn, which began on March 19, 2011 and ended October 31, 2011

  Examples: ◦deployed for ½ year; exemption 50%
  ◦deployed for whole year; exemption 100%

- Exemption applies to all county, city, school district, and special district taxes.
- A service member's spouse or designee may file an application on behalf of an eligible service member.
- Form DR501M is used to verify operation(s) and dates of deployment **(Exhibit 11-3.18)**.

Homestead Property Tax Exemption for Surviving Spouse of Military Veteran or First Responder

- This exemption offers ad valorem tax relief to the surviving spouse of a veteran who died from service-connected causes while on active duty as a member of the United States Armed Forces and to the surviving spouse of a first responder who died in the line of duty.
- The amount of tax relief, to be defined by general law, can equal the total amount or a portion of the ad valorem tax otherwise owed on homestead property.
- Defines "first responder" to mean a law enforcement officer, a correctional officer, a firefighter, an emergency medical technician, or a paramedic.
- "In the line of duty" is defined to mean arising out of and in the actual performance of duty required by employment as a first responder.
- The Legislature is authorized to further define these terms by general law.

Agricultural Classification

An "Application and Return for Agricultural Classification of Lands" form (DR-482) is used for all applicants **(Exhibit 11-3.19)**. The application must be made between January 1st and March 1st. If the application is approved, the applicant will receive notification before July 1st. If the application is denied, the applicant will receive a certified letter before July 1st explaining the appeal process and the reason for denial.

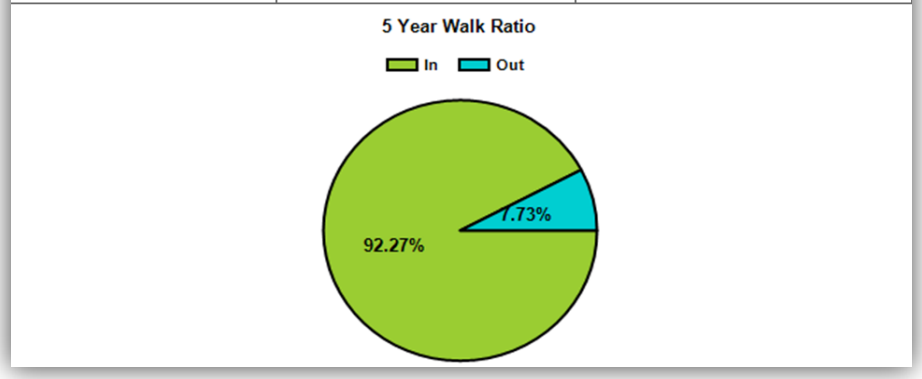
Any residence on the property causes one acre to be removed from the agriculture classification. This acre is assessed at the current market value and is referred to as a home site.

All new applications are field checked to verify that only lands which are used primarily for bona fide agricultural purposes shall be classified agricultural. Bona fide agricultural purpose means good faith commercial agricultural use of land. January 1st is the statutory assessment date, and therefore, the property must be in use as bona fide agriculture on this date. In addition, they are physically inspected as part of a 5-year inspection cycle **(Figure 3.9)**.

Figure 3.9: Commercial/Agriculture 5-year Inspection Cycle

5 Year Walk Graph (Commercial/Ag - 5 Digit Neighborhoods)

Total Parcel Count	In 5 Year Walk Count	Out of 5 Year Walk Count
24093	22231	1862

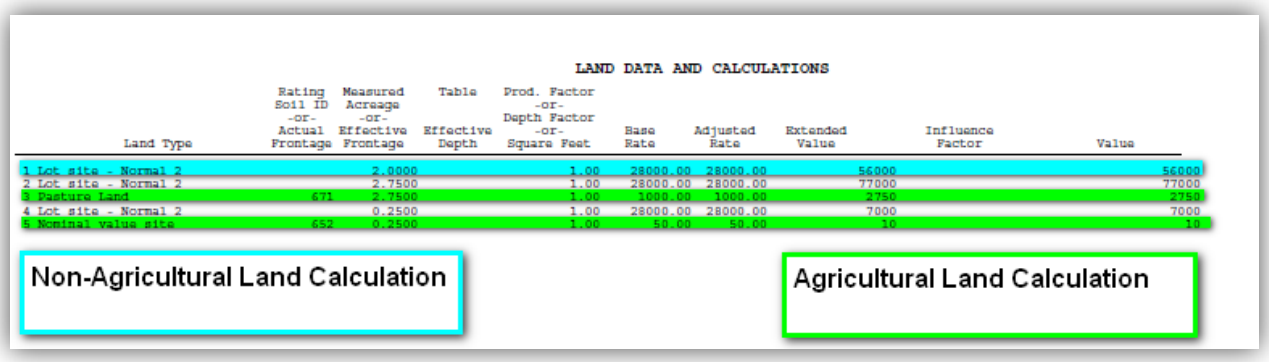


Once an application is approved, an automatic renewal receipt is mailed at the beginning of each year **(2 pg. Exhibit 11-3.20)**. The information on the receipt explains that even though the classification has been automatically renewed, the application can still be denied if the operation does not meet the proper criteria. When the property is sold, or when the name of the owner is changed in any way, the agricultural classification is automatically removed and a new application must be submitted.

Additional information is requested from the property owner to determine the continuance of eligibility. This information is usually in the form of income and expense documents, lease agreements contracts and IRS returns, and are requested on a regular basis. All financial documents are kept confidential in the PAO as required by Florida statute.

Agricultural classification is not automatically applied to the entire property if only a portion is being used for agricultural purposes. Agricultural zoning alone does not determine eligibility for agricultural classification. The agriculture value is primarily determined by the potential income produced by the agricultural operation. The value per acre is different for each agriculture use and will typically result in a significantly lower value per acre than the market land value **(Figure 3.10)** and **(Figure 3.11)**. The land must be used for a commercial agricultural operation or the agriculture classification will be denied.

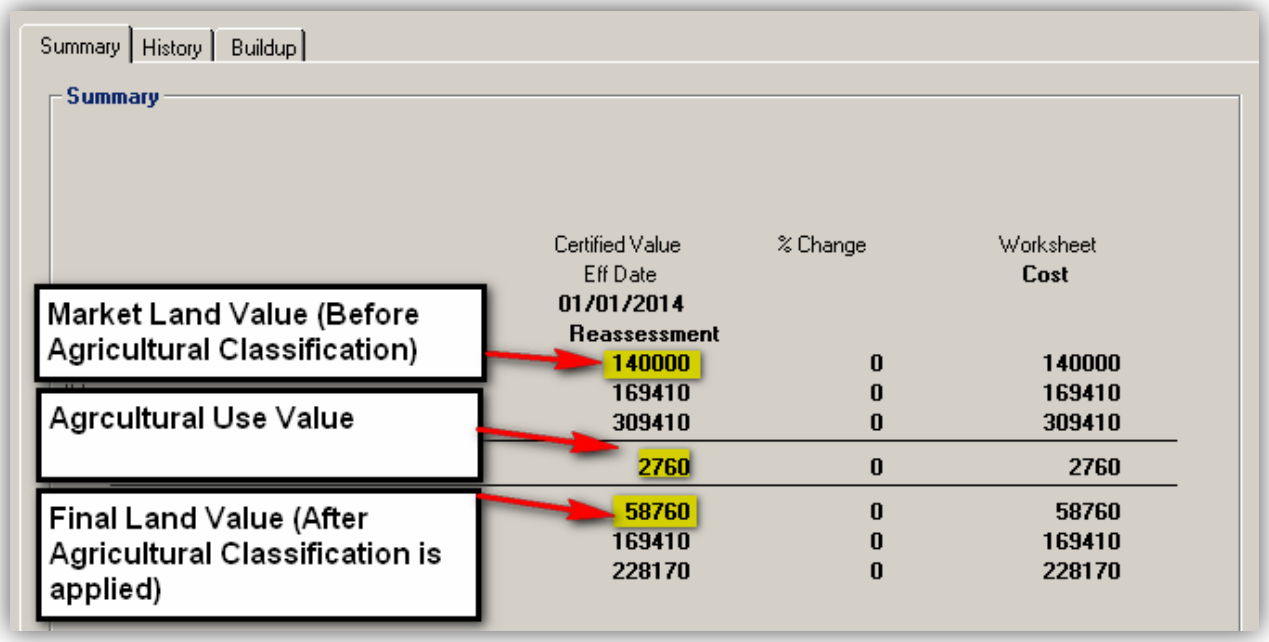
Figure 3.10: Land Calculations



LAND DATA AND CALCULATIONS

Land Type	Rating Soil ID -or- Actual Frontage	Measured Acreage -or- Effective Frontage	Table Effective Depth	Prod. Factor -or- Depth Factor -or- Square Feet	Base Rate	Adjusted Rate	Extended Value	Influence Factor	Value
1 Lot site - Normal 2		2.0000		1.00	28000.00	28000.00	56000		56000
2 Lot site - Normal 2		2.7500		1.00	28000.00	28000.00	77000		77000
3 Pasture Land	671	2.7500		1.00	1000.00	1000.00	2750		2750
4 Lot site - Normal 2		0.2500		1.00	28000.00	28000.00	7000		7000
5 Nominal value site	652	0.2500		1.00	50.00	50.00	10		10

Figure 3.11: Value Summary Screen



It is the property owner's responsibility to notify the PAO of any change in the status or use of the property with an agricultural classification.

Some of the guidelines used to determine eligibility for various types of agriculture are as follows:

Pasture: The property must be fenced if used for livestock.

- Hay or pasture sod (i.e. Bahia) operations need not be fenced to qualify.

- An apparent effort has been made to maintain and care sufficiently and adequately for this type of land (i.e. fertilizing, liming, tilling, mowing, etc.).

- In regard to livestock in relation to the size of the parcel: one cow on one acre cannot be construed as a commercial agricultural operation; while 70 cattle on 100 acres could be. The smaller the tract of land, the more concentrated the use. On tracts of 5 acres or less, it would take at least 4 head of cattle to verify a commercial operation.

- Horse farms fall within this category and the rule of thumb, one horse to one acre, must be modified to fit the facts in each case. If property is used for horse breeding, there should be at least one registered stallion as well as several brooding mares.

- If property is used for horse boarding, there should be a written agreement between the parties involved. This agreement must include the terms for the lease of pasture land. Classification is not normally granted for horses in a stable only. There must be some agricultural land use involved. An occupational license is required for horse boarding. Raising of any livestock for personal use does not qualify. Pleasure horses alone do not qualify.

- The commercial raising of goats or sheep qualifies for the classification. On tracts of 5 acres or less, it would take at least 16 goats or sheep to verify a commercial operation.

- If property is leased to others, the lease must be in effect as of January 1st and a copy of the lease must be on file in the PAO. As a courtesy, a reminder letter is sent annually to the property owner **(Exhibit 11-3.21)**. It is the responsibility of the property owner, not the lessee, to keep the PAO informed on the agriculture use of the land.

Citrus: Trees must be planted prior to January 1st, or at the very least, the land must be prepared for citrus planting. Standard plantings are from 100 to 160 trees per acre. Anything less than 70 trees per acre could be considered a hobby and not a true commercial venture.

- Agricultural values for citrus are based on type of fruit and effective age of grove. A completed "Citrus questionnaire" must be submitted with the application **(Exhibit 11-3.22)**.

Row crops: This category refers to agriculture products such as vegetables. Production of crops for personal use does not qualify.

- Parcels should be of sufficient size so that the sale of the produce creates enough income to sustain the entire operation. Rule of Thumb: five to ten acres.

Timberland: Must be at least twenty acres of planted pines or predominantly natural stand of pines.

- A Forest Management Plan prepared by a professional forester must be submitted with the application.

- Ongoing activities, such as cutting of fire lanes, thinning of trees, under brushing, reforesting, burning, cruising (inventorying), and any other activity recommended by the Management Plan should be readily apparent to the Agricultural Field Specialist.

Nurseries: Nurseries should have a state agricultural certificate. Sales can be on a wholesale or retail level, but plants for sale must be grown on the premises.

- Annual verification is done by a mailed letter requesting a current copy of their State nursery registration **(Exhibit 11-3.23)**.

- Only land areas actually used for the nursery and service area shall be classified.

- Types of nurseries:
  - in ground (ornamentals and woody ornamentals)
  - above ground (in containers)
  - flower farm (flowers only)

Misc. Agriculture: Sugar cane, sod, swine, poultry, fish farms, aquaculture, ratite and fruit (other than citrus) will be handled on a case by case basis.

- For a bee/honey operation, the applicant must be a registered Florida beekeeper and have his/her own, or have access to, honey extracting equipment, hive building and repair facility, etc. Bee leases will be reviewed on a case by case basis.

- All operations should be of sufficient size so that the income produced will sustain the entire operation.

4. Does the assessment office ensure that properties are assigned to the correct tax rate area?

Provide examples of your office's tax district and/or tax area maps. Briefly describe your tax district and rate structure, as well as how your office minimizes errors in assigning the appropriate tax district or tax area to each property.

Answer: Yes. The PAO regularly conducts taxing district boundary reviews to ensure properties are in the correct district. GIS technology is used to overlay legal description boundaries onto parcel layers to generate parcel lists that fall within each taxing district. This parcel list is used to compare the district codes within the CAMA database to confirm parcels are accurately coded.

Martin County has four municipalities and seven Municipal Service Taxing Unit (MSTU) boundaries. **(Exhibit 11-4.1)** shows a map of the district boundaries and **(Exhibit 11-4.2)** shows a breakdown of the tax rates. Tax rates are expressed as a millage "mill" rate. A mill rate is a rate base on every $1,000 of taxable value. For example, a mill rate of 5.000 applied to a taxable value of $100,000 would equate to a tax levy of $500.

The following funds levy against all parcels within Martin County:

- County General Fund
- County FIT Bond
- Martin County School Board
- South Florida Water Management District (SFWMD)
- Florida Inland Navigational District (FIND)
- Children's Services of Martin County

All other funds levy within their respective tax district boundary.

5. Does the assessment office notify property owners by mail of the amount and reason for changes in appraised and assessed values, as well as of their right to appeal?

Provide a copy of your taxpayer change notices, identify any recommended contents that were added and why, as well as any that are not included and describe if and how they are addressed.

Answer: Yes. A Notice of Proposed Taxes **(2 pg. Exhibit 11-5.1)** is mailed to each property owner in mid to late August of each year by the PAO per Florida Statute 200.065 **(4 pg. Exhibit 11-5.2)**. This notice identifies the property by legal description, physical address and owner's name(s). It provides the prior year's assessment and tax information as well as the proposed market value for the current year, the proposed assessed value that applies to school millage and the proposed assessed value that applies to non-school millage.

The notice provides the ad valorem property taxes for the prior year and the proposed taxes for the current year. The following two scenarios are provided for the proposed current year taxes: (1) the proposed tax amount with no budget change, and (2) the proposed taxes if the proposed budget change is made. The notice also indicates whether the property owner has any exemptions including homestead, additional homestead, limited income senior or any other exemptions.

The notice states that "*If you feel the market value of the property is inaccurate or does not reflect fair market value as of January 1st, or if you are entitled to an exemption or classification that is not reflected, please contact the Martin County Property Appraiser's Office".* It continues to state that if you are unable to resolve the matter, you may file a petition with the VAB **(Exhibit 11-5.3)**.

According to the *Taxpayer Guide on Petitions to the Value Adjustment Board* **(Exhibit 11-5.4)**, property owners have a twenty-five day period starting from the date the notice was mailed to file a petition with the VAB. The petition is filed with the Martin County Clerk of Circuit Court. The deadline date to file a petition is printed on the Notice of Proposed Taxes **(Figure 5.1)**.

Figure 5.1: Petition Filing Deadline Date

If you feel the market value of the property is inaccurate or does not reflect fair market value as of January 1, 2013, or if you are entitled to an exemption or classification that is not reflected, please contact the Martin County Property Appraiser's Office at:

1111 SE Federal Hwy., Suite 330
Stuart, FL 34994
Customer Service (772) 288-5608

If the Property Appraiser's Office is unable to resolve the matter as to the market value, classification, or an exemption, you may file a petition for adjustment with the Value Adjustment Board. Petition forms are available online at:

http://www.pa.martin.fl.us

Petitions must be filed on or before:
September 13, 2013

The Notice of Proposed Taxes also indicates the date, time and location of public hearings for the taxing authorities which approve their budgets. The final budget is used in determining the tax or millage rate used in calculating the property taxes.

6. Does your jurisdiction produce computerized assessment rolls or listings, recapitulations of the rolls, and indexes to all the properties on the assessment rolls or listings?

Provide sample pages from your jurisdiction's various rolls or listings and indexes, and sample recapitulations to regulatory and budget agencies, including significant roll or recapitulations screens and web pages.

Answer: Yes. The PAO generates and electronically submits to the FDOR all assessment roll reports and data file indexes to properties. The FDOR has full oversight authority of the PAO tax roll. FDOR requires three data files which include indexes to all properties and tangible personal property accounts that are included on the tax roll. The names and file layouts are as follows:

- Name Address Legal (NAL) **(11 pg. Exhibit 11-6.1)**
- Sales Data File (SDF) **(2 pg. Exhibit 11-6.2)**
- Name Address Personal (NAP) **(3 pg. Exhibit 11-6.3)**

The FDOR requires the submission of the NAL, SDF, and NAP with each tax roll certification, which occurs three times a year:

- preliminary tax roll due July 1st
- final tax roll due in October prior to the tax bills being issued by the Tax Collector
- final after VAB tax roll which is due thirty days after the final VAB hearing

Along with the data files, the FDOR requires a complete set of recapitulation reports to be included with each tax roll certification. The following reports are included with each certification:

- Preliminary Recapitulation (DR-489V) **(2 pg. Exhibit 11-6.4)**
- Revised Recapitulation (DR-403V) **(2 pg. Exhibit 11-6.5)**
- Preliminary Exemption Breakdown (DR-489EB) **(Exhibit 11-6.6)**
- Final Exemption Breakdown (DR-403EB) **(Exhibit 11-6.7)**
- Preliminary Parcel on roll by Category (DR-489PC) **(Exhibit 11-6.8)**
- Parcel on roll by Category (DR-403PC) **(Exhibit 11-6.9)**
- Recapitulation of Taxes Extended on Tax Roll Municipalities (DR-403BM) **(Exhibit 11-6.10)**
- Recapitulation of Taxes Extended on Tax Roll School Board & Tax Districts (DR-403CC) **(Exhibit 11-6.11)**
- Taxing Authority Code Description **(Exhibit 11-6.12)**

The tax roll data files are available to view and download on the PAO website **(Exhibit 11-6.13)**. Per FDOR requirement, also posted is the County comparison of taxes levied and the distribution of taxes levied for the current and prior fiscal year **(Exhibit 11-6.14)** and **(Exhibit 11-6.15)**. This can be found using the "News & Advisories" menu item on the website **(Exhibit 11-6.16)**.

Chapter Eleven List of Exhibits

Exhibit 11-1.1	Digital Map Layer Parcel Split
Exhibit 11-1.2	Split Combine Tracking Slip
Exhibit 11-2.1	Correlation of Value Screen
Exhibit 11-3.1	DR-501 Homestead Exemption Application
Exhibit 11-3.2	Florida Residency Affidavit
Exhibit 11-3.3	Benefit Cancellation Form
Exhibit 11-3.4	No Vehicle Affidavit
Exhibit 11-3.5	DR-504 Charitable Non-Profit Exemption Application
Exhibit 11-3.6	Non-Profit Letter
Exhibit 11-3.7	DR-501SC Adjusted Gross Household Income Sworn Statement
Exhibit 11-3.8	Request for Transcript of Tax Return 4506-T
Exhibit 11-3.9	Limited Income Senior Exemption Renewal
Exhibit 11-3.10	Affidavit of Continued Residency
Exhibit 11-3.11	Limited Income Senior and 25 Year Residence Renewal
Exhibit 11-3.12	DR-416 Physician's Certification
Exhibit 11-3.13	DR-501DV Veteran's Combat Related Disability Application
Exhibit 11-3.14	DR-416B Optometrist's Certification
Exhibit 11-3.15	DR-501A Statement of Gross Income
Exhibit 11-3.16	Granny Flats Letter & Affidavit
Exhibit 11-3.17	DR-501PGP Granny Flats Application
Exhibit 11-3.18	DR-501M Deployed Military Exemption Application
Exhibit 11-3.19	DR-482 Application for Agricultural Classification
Exhibit 11-3.20	Receipt for 2014 Agricultural Classification Renewal
Exhibit 11-3.21	Agricultural Letter Requesting Info
Exhibit 11-3.22	Citrus Grove Questionnaire
Exhibit 11-3.23	State Nursery Registration Letter
Exhibit 11-4.1	District Boundaries
Exhibit 11-4.2	Final Millage Rates
Exhibit 11-5.1	Notice of Proposed Property Taxes
Exhibit 11-5.2	F.S. 200.065(2)(b)
Exhibit 11-5.3	DR-486 Petition to the Value Adjustment Board
Exhibit 11-5.4	Taxpayer Guide on Petitions to the Value Adjustment Board
Exhibit 11-6.1	NAL Data Fields
Exhibit 11-6.2	SDF Data Fields
Exhibit 11-6.3	NAP Data Fields
Exhibit 11-6.4	DR-489V Preliminary Recapitulation
Exhibit 11-6.5	DR-403V Revised Recapitulation
Exhibit 11-6.6	DR-489EB Preliminary Exemption Breakdown

Exhibit 11-6.7	DR-403EB Final Exemption Breakdown
Exhibit 11-6.8	DR-489PC Preliminary Parcel on Roll by Category
Exhibit 11-6.9	DR-403PC Parcel on Roll by Category
Exhibit 11-6.10	DR-403BM Recapitulation of Taxes
Exhibit 11-6.11	DR-403CC Recapitulation of Taxes
Exhibit 11-6.12	Tax Authority Code Description
Exhibit 11-6.13	Tax Roll Data Files on Website
Exhibit 11-6.14	Comparison of Taxes Levied
Exhibit 11-6.15	Distribution of Taxes Levied by Property Type
Exhibit 11-6.16	News & Advisories Menu Item on Website

Chapter Twelve: Defense of Values

1. Does a supervisory agency or review body have the power to review values and valuation methods on its initiative, or is the assessment office required to submit valuations to a regulatory body for approval before taxes can be levied?

Provide examples, and briefly describe the reporting, electronic, and statistical requirements of your regulatory agencies.

Answer: Yes. The Property Appraiser Office (PAO) assessment roll is subject to review by the Florida Department of Revenue (FDOR) per Statute 195.096 **(4 pg. Exhibit 12-1.1)**. The FDOR annually performs statistical studies based on information submitted by the PAO to the FDOR on the Sale Data File (SDF), Name Address Legal (NAL), and Name Address Personal (NAP) data file.

Roll approval from the FDOR before the Property Appraiser can certify the roll to the taxing authorities. Once certified, the assessment roll serves as the basis for funding formula calculations for each of the taxing authorities within Martin County.

After roll approval, the FDOR forwards a report on its findings to the PAO within one hundred and twenty days following receipt of the assessment roll, or within ten days after approval of the assessment roll, whichever is later. Once every two years, an in-depth review is conducted on the assessment rolls of each County. In 2012, the PAO received the In-depth Post Audit Review report **(35 pg. Exhibit 12-1.2)**.

2. Are owners and taxpayers encouraged to discuss concerns and complaints with the assessment office before lodging a formal appeal?

Briefly describe how your office handles informal appeals, including typical numbers of informal appeals processed and resolved. Describe how property owners who wish to proceed to a formal appeal are handled

Answer: Yes. The Property Appraiser has an "*Open Door Policy*" that is posted on the website, which encourages property owners to contact the office if they have questions, comments or concerns **(Figure 2.1)**.

Figure 2.1: Open Door Policy

Per Florida Statute 200.069 **(4 pg. Exhibit 12-2.1)**, the PAO mails an annual Notice of Proposed Property Taxes (NPPT) to each property owner **(Exhibit 12-2.2)**. The form states that "*if you feel the market value of the property is inaccurate or does not reflect fair market value as of January 1st, or if you are entitled to an exemption or classification that is not reflected, please contact the Martin County Property Appraiser's Office*" **(Figure 2.2).**

Figure 2.2: PAO Contact Information Listed on NPPT

If you feel the market value of the property is inaccurate or does not reflect fair market value as of January 1, 2013, or if you are entitled to an exemption or classification that is not reflected, please contact the Martin County Property Appraiser's Office at:

1111 SE Federal Hwy., Suite 330
Stuart, FL 34994
Customer Service (772) 288-5608

If the Property Appraiser's Office is unable to resolve the matter as to the market value, classification, or an exemption, you may file a petition for adjustment with the Value Adjustment Board. Petition forms are available online at:

http://www.pa.martin.fl.us

Petitions must be filed on or before:
September 13, 2013

During the twenty-five (25) day period from the mailing of the Notices of Proposed Property Notices, the PAO is focused mainly on servicing customers who believe they have not been fairly assessed. The PAO provides recent comparable sales that occurred prior to the date of valuation to support market values. Property owners are asked if there is anything different from their property than the comparable sales. In some cases, they will indicate a valid difference such as poor condition of an existing improvement and a field check is assigned to the property to verify the poor condition. If it is verified that the condition is less than average, then a temporary value adjustment is applied to the account for that specific tax year and an amended Notice of Proposed Property Taxes is mailed to the owner. In some cases, property owners have provided a survey of their property which provides evidence that the lot size or amount of water frontage is different than what is noted in the PAO records. The property is then revalued based on the new information.

The PAO uses a tracking system to ensure telephone calls, office visitors or letters are addressed **(Figure 2.3)** and **(Figure 2.4)**. If unable to contact the person by telephone after three attempts, an attempt to call letter is mailed **(Exhibit 12-2.3)**. Any unresolved inquiries are sent a petition packet including a letter explaining the petition process **(7 pg. Exhibit 12-2.4)**.

Figure 2.3: Notice of Proposed Property Taxes Inquiry Tracking Database

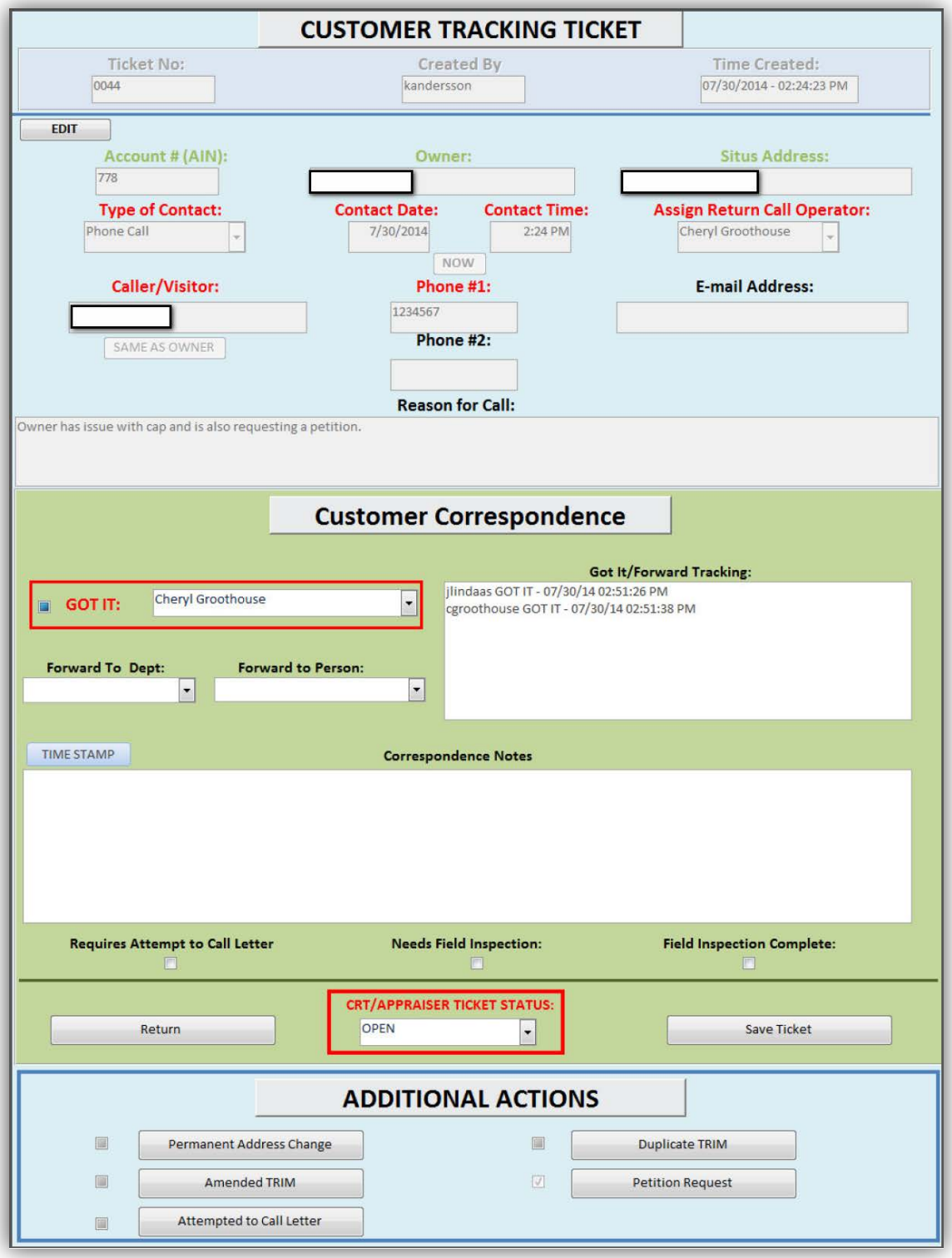
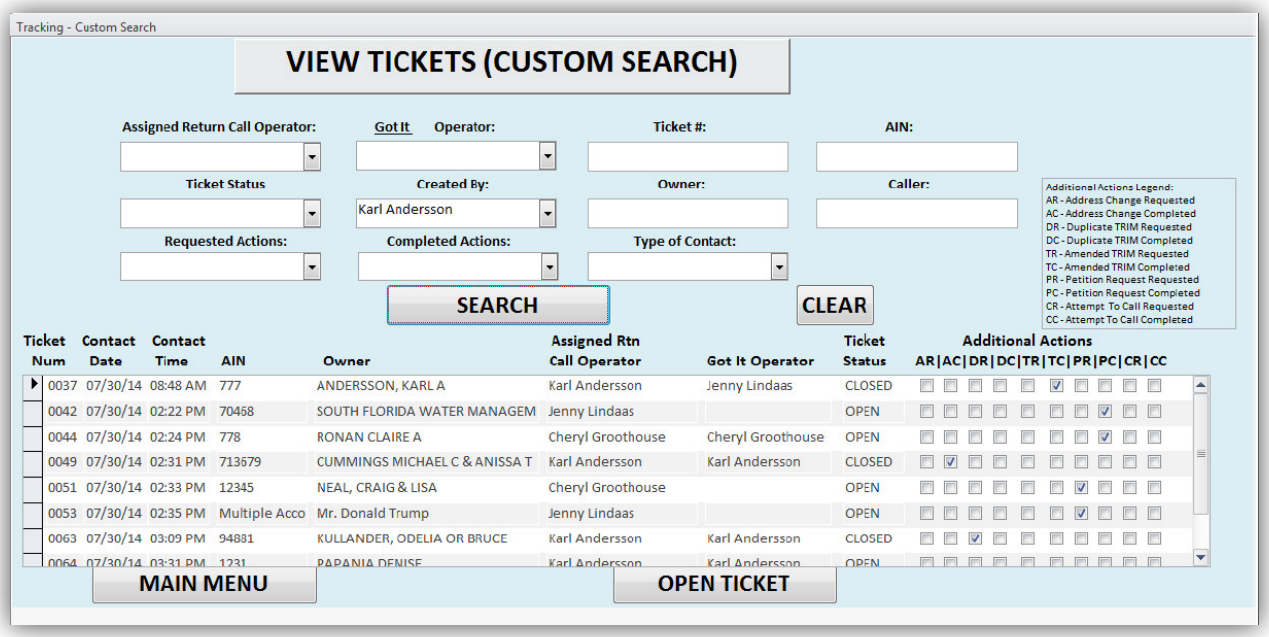


Figure 2.4: Custom Search



The Notice of Proposed Property Taxes states that if you are unable to resolve the matter, you may file a petition with the Value Adjustment Board (VAB) **(Exhibit 12-2.5)**. Property owners have twenty-five days from the date the notice was mailed to file a petition with the VAB. The petition is filed with the Clerk of the Circuit Court for a nominal fee. The deadline for filing a petition is noted on the Notice of Proposed Property Taxes **(Figure 2.2 above)**. The PAO encourages an informal meeting with petitioners prior to the VAB hearing date, and most differences are resolved without going to the formal hearing.

3. Does the assessment office track the status of each formal appeal to ensure that it is appropriately disposed of and records are properly updated?

Briefly describe how your office tracks formal appeals and adjustments, and provide examples of scheduling, tracking, and disposition letters and reports.

Answer: Yes. The PAO has two systems in place to track the status of each formal appeal. The main system used to track appeals is a web based application called AXIA, which is a VAB oriented software administered by the Martin County Clerk of the Circuit Court (Clerk). The Clerk allows direct login access to this application and allows capability to upload and download documents.

Once a petition is filed with the Clerk, they create a sequential number petition record and upload a copy of the petition into their application. As hearing dates and times are scheduled, the application is updated. When a petition is withdrawn, the Clerk uploads a signed copy of the withdrawal form, removes it from the hearing schedule, and then changes the status from OPEN to WITHDRAWN.

Once the formal hearing has taken place before a Special Magistrate (Magistrate) assigned by the Clerk, the Magistrate will complete a FDOR form DR-485V called "Decision of the Value Adjustment Board" **(Exhibit 12-3.1)**. This form states whether the petition has been granted or denied. If the petition is granted, it provides the revised value to be used. Upon receipt of this decision form, the Clerk updates the status to GRANTED or DENIED and uploads a copy of the DR-485V form into the AXIA application. The PAO downloads a copy of the form for review.

For petitions that were granted by the Magistrate and approved by the VAB, the PAO processes any mandated value changes in the CAMA database. The change in value is tracked on the internal value change form **(Exhibit 12-3.2)**. Once the change has been verified and quality checked in the database, the official FDOR form DR-409 is completed and submitted to the Martin County Tax Collector for a refund **(Exhibit 12-3.3)**.

The second system in place to track the status of each formal appeal is an Excel spreadsheet, which lists each petition number, the assigned department, before and after values, hearing dates and times and the petition status as it changes throughout the appeal period **(Exhibit 12-3.4)**. The PAO office creates a file folder for each petition number that contains a copy of the petition form downloaded from the Clerk's AXIA application. The petition files are then distributed to the appropriate department (commercial, residential, exemption, agricultural, and tangible personal property), who in turn assigns the petition to the designated staff member to prepare for the formal hearing.

A letter is sent to the property owner and their agent (if applicable) informing them that an appeal of the market value of their property has been received **(Exhibit 12-3.5)**. The letter also requests any evidence from the petitioner or agent that supports the claim that the market value is inaccurate. The letter is mailed to both the property owner and the petitioner, if they are not the same. Petition files are stored on-site for two years and are then archived for an additional three years. The files are then disposed of according to the General Records Schedule G12 for Property Appraisers **(Figure 3.1)**.

Figure 3.1: Retention Schedule for Petitions

General Records Schedule GS12 for Property Appraisers

PETITIONS: VALUE ADJUSTMENT BOARD **Item #34**

This record series documents the petition and decision process of the Value Adjustment Board, including but not limited to Department of Revenue forms DR-485, Record of Decision and Notice of the Value Adjustment Board; DR-485A, Final Decision of the Value Adjustment Board; DR-486, Petition to Value Adjustment Board; DR-486T, Petition to Value Adjustment Board (for tangible personal property); DR-486A, Petition to the Value Adjustment Board – Request for Hearing; DR-486PORT, Petition to Value Adjustment Board – Transfer of Homestead Assessment Difference; and DR-486XCO, Cross-County Notice of Appeal and Petition – Transfer of Homestead Assessment Difference (or equivalent DOR form(s)).

RETENTION: 5 fiscal years.

4. Does the assessment office have a documented process for handling formal appeals?

Briefly describe how each level of formal appeal is handled, including typical numbers at each level. Provide sample documentation for each level of appeal, including sample appeal system or workflow processing screens and reports.

Answer: Yes. A formal appeal is known as a petition to the VAB **(Exhibit 12-2.6)**. Once a petition is filed, the property card is printed and reviewed for accuracy. If the property has not recently been inspected, a trained Field Appraiser is sent out to field check the property. The field check verifies accuracy of data on the property record card and observes the condition of the improvements.

If inaccuracies are found in the physical characteristics of the improvements or the underlying site that result in the favor of the homeowner (petitioner), a reduction in value is made. The petitioner or their agent is then contacted and provided with the new value. If no inaccuracies are found after verification of the property data the petitioner or agent (if applicable) is contacted to find out what the issue is that they are contending. In nearly all cases, the petitioner believes that their property has been over-assessed. The PAO searches to find the best comparable sales to provide support for the market value of their property. The best comparable sales are those that are most similar to the petitioned property in living area, age, amenities and land value and they are the ones that closed most recently (but prior to the January 1st assessment date). Those sales are then presented to the petitioner prior to the formal hearing.

If the petition is not withdrawn at that time, the next step is to have the Mapping & Ownership Department map out the petitioned property along with comparable sales provided by the Appraisal Department **(Exhibit 12-4.1)**. In addition, an Excel spreadsheet is prepared showing details of the petitioned property as well as the comparable sales for presentation in a VAB hearing **(2 pg. Exhibit 12-4.2)**. Photographs of the subject front, rear and view as well as the front, rear and view of the comparable sales are also part of the petition presentation package **(Exhibit 12-4.3)**. The presentation is an informal hearing with a Magistrate. The Magistrate is a local State Certified Real Estate Appraiser who hears both the petitioner's evidence and the PAO evidence, then makes a decision based on his findings. The Magistrate does not work for the petitioner or the PAO. He or she is a disinterested third party that has been hired by the Clerk.

The PAO assessment is presumed correct if the appraiser proves by a "preponderance of evidence" that the PAO's just valuation methodology complies with Section 193.011, F.S., and professionally accepted appraisal practices, including mass appraisal standards, if appropriate. In order for the petitioner to prevail, he/she must prove by a "preponderance of evidence" that the PAO's just valuation does not represent just value, or the PAO's just valuation is arbitrarily based on appraisal practices that are different from the appraisal practices generally applied by the PAO to comparable property within the same county **(3 pg. Exhibit 12-4.4)**.

In cases where the petition is granted, a reduction in market value is recommended by the Magistrate. After all hearings have been completed, there is a final meeting of the VAB. At that meeting, the decisions of the Magistrates are voted on and are typically approved by the VAB unless there is a petitioner that contests the Magistrate's decision. This petitioner or agent would speak at the meeting and make a case as to why the VAB should grant a second hearing with a different Magistrate. The VAB does not have the power to overturn the Magistrate's decision or change the value recommendation, but can grant a second hearing if they believe there is just cause.

After all decisions have been voted on and are approved by the VAB, value changes are made to properties that were granted. A value change tracking form that reflects the mandated market value change is processed **(Exhibit 12-4.5)**. A Certificate of Correction of Tax Roll (DR-409) form is sent to the Tax Collector and to the FDOR to account for the change to the tax roll **(Exhibit 12-3.3)**.

The mandated change in value is only applicable for the tax year being petitioned and does not affect the market value of future years for that property. It also does not affect similar properties in that neighborhood that did not file a petition.

The properties that were granted value reductions by the VAB are reviewed the following year to determine if the mandated value adjustments are comparable in value to similar or other like properties in the neighborhood. Based on the analysis, changes may or may not be made to the subject or to all similar properties in the neighborhood.

5. When the valuation is difficult and considerable value is at issue, does the assessment office obtain an independent review from another appraiser as part of the defense in a formal appeal?

If you have sufficient resources, briefly describe how independent reviews are handled in your jurisdiction.

Answer: Yes. When the valuation is difficult and considerable value is at issue, the PAO may opt to obtain an independent review from another appraiser as part of the defense in a formal appeal. Difficult valuations are often discussed at length by a key group of State Certified Appraisers within the PAO as a first step. When there are few recent sales of like properties to the one being petitioned, the PAO consult outside appraisers for their opinions of value.

In cases like this, often there is a fair amount of subjectivity especially in times when there is a volatile marketplace. The PAO has developed working relationships over the years with appraisers and real estate brokers who specialize in certain types of properties. When needed, they are asked to share their expert opinions.

In rare cases, including law suits, the Property Appraiser's office may hire an outside fee appraiser to perform an individual property appraisal on the petitioned property and/or to testify on behalf of the Property Appraiser at the hearing.

Chapter Twelve List of Exhibits

Exhibit 12-1.1	F.S. 195.096
Exhibit 12-1.2	In-Depth Post Audit Review Report
Exhibit 12-2.1	F.S. 200.069
Exhibit 12-2.2	Notice of Proposed Property Taxes
Exhibit 12-2.3	Attempt to Call Letter
Exhibit 12-2.4	Petition Filing Instructions
Exhibit 12-2.5	DR-486 Petition to the Value Adjustment Board
Exhibit 12-3.1	DR-485V Decision of the Value Adjustment Board
Exhibit 12-3.2	Value Change Form
Exhibit 12-3.3	DR-409 Certificate of Correction of Tax Roll
Exhibit 12-3.4	Residential Petition Hearing Schedule
Exhibit 12-3.5	Letter to Petitioner Requesting Evidence
Exhibit 12-4.1	Petition with Aerial
Exhibit 12-4.2	Spreadsheet Showing Petitioned Property & Comparable Sales
Exhibit 12-4.3	Subject & Sales Pictures
Exhibit 12-4.4	Process of Administrative Review 12D-9.027
Exhibit 12-4.5	Value Change Form - Completed

Chapter Thirteen: Public Relations

1. Is the assessment office required to submit information to a regulatory body for approval?

Briefly describe how the staff in your assessment office is trained and how interaction with the public is facilitated. Include training materials and records and a copy of the confidentiality policy.

Answer: Yes. By state law, it is the responsibility of the Property Appraiser's Office (PAO) is to locate, identify and appraise (at current market value considering allowable costs of sale) all property subject to ad valorem taxes, maintain property value roll equity, and process allowable exemptions. The PAO is under the Florida Department of Revenue's (FDOR) supervision. The office is required to annually submit the property tax roll and budget to the FDOR for approval. The PAO may be characterized as one of the most important of all County offices because its function is to generate the taxable values which provide the base for the revenue equation used by the taxing authorities to provide many of the government services, including the school system. The ultimate goal of the PAO is to provide the best possible public service.

Staff orientation and training

Upon joining the Martin County PAO, all new staff members participate in an orientation meeting conducted by administrative staff. A predetermined checklist is used to ensure all administrative items are addressed with the new employee **(3 pg. Exhibit 13-1.1)**. The completed checklist is then placed in the employee personnel folder for reference. Further training regarding job duties and tasks is completed by direct supervisors or their designee.

Upon hire, new staff members are provided a Deputy Handbook **(155 pg. Exhibit 13-1.2)**. The handbook is designed to acquaint staff with the office and provide information affecting their employment. In addition, staff will find out what the PAO has to offer, as well as what the office expects in return.

The Martin County PAO prides itself on its "*Open Door Policy*" and its dedication to provide fair values. This policy is the foundation to the office and is written as follows:

- *Fairly appraise all properties, so you pay only your required share of taxes.*
- *Treat everyone with courtesy, honesty and respect.*
- *Our public records are always open for inspection and we will give you the time necessary to explain our methods and procedures.*
- *The Property Appraiser's office belongs to the people of Martin County.*
- *My door is always open for questions, comments and concerns.*

All employees must understand and execute the Property Appraiser "*Open Door Policy*." Because the policy is the cornerstone to office operations, it is posted in various places such as the focal point signage when entering the office reception area, included in all presentations as the first and last slide, printed in all literature, posted on the website home page, printed on the backside of staff business cards, and printed at the bottom of office letterhead.

The Property Appraiser recognizes that the increasing complexity of office responsibilities and job skills may require additional training and education. This includes in-house programs as well as external job-related training which increase the operational efficiency of staff, or prepare staff for positions of increased difficulty and responsibility.

The PAO offers training on site, with its own staff or with instructors external to the organization. Typical training sessions cover appraisal, software usage and capabilities, customer service, behavior skills, appraisal techniques, etc. The training is during working hours and participation is designated as either voluntary or mandatory. Many training sessions are supported by written "Standard Operating Procedure" documents that the employee may refer to throughout the year. A record of staff participation for onsite educational sessions, informational workshops, confidentiality training, etc. are maintained using the designated "Participation Form" **(Exhibit 13-1.3).** Staff members are required to sign in to confirm their attendance.

The Property Appraiser or the Department Manager may recommend a conference, meeting, seminar or certification course that is administered outside the Property Appraiser's office. Only those programs that have specific benefit to the deputy's development and advancement are eligible for consideration. Examples include the International Association of Assessing Officers (IAAO) coursework, Florida Chapter of the IAAO annual conferences, local agriculture seminars, Geographic Information System (GIS) conferences, related training at community colleges, motivational or "how to" seminars for managers, etc.

<u>Public interaction</u>
First and foremost, staff members are expected to review and comply with the Deputy Handbook Citizen Interaction policy #205 which is as follows:

> *Our office is a citizen and service oriented organization and we require all deputies to treat co-workers, the public and visitors in a courteous and respectful manner at all times. All deputies have an obligation to represent the office in a positive fashion and to make citizens feel as comfortable as possible when interacting with our office. Deputies with citizen contact are expected to know our programs and services, and to learn the wants and needs of our County citizens. Every day in the office is an opportunity to educate citizens about the use of our services and to seek new ways to serve the public.*

> *Always keep in mind that as a deputy you serve in the stead of the Constitutional Officer and exercise the important duties and responsibilities assigned to you. You are an ambassador of goodwill. The more goodwill is promoted by staff, the more citizens will respect and appreciate the services provided through our office.*

The Martin County PAO's website (www.pa.martin.fl.us) is a very important tool used for public interaction and education **(Figure 1.1)**.

Figure 1.1: Martin County PAO's Website Home Page

Website usage by the public significantly reduces phone calls and inquiries to the office. The website is also an efficient means of making the PAO and information and data available to the public 24 hours a day, 7 days a week. Every effort is made to keep the content current. Rather than distributing preprinted literature which may quickly get outdated, staff uses the website to print up-to-date information for property owner inquiries.

The most used sections of the website are featured as "quick links" in the upper right hand corner of the site:

- Property and Maps and Searches
- Property Tax Estimator
- Homestead Exemption
- Frequently Asked Questions

Information is also available by using thirty-three standard reports available to the public free of charge **(Exhibit 13-1.4)**. Custom data reports are available upon request for a nominal fee to cover expenses.

.

The PAO is available to the public in three, convenient locations:

- Main office in Stuart, FL (City of Stuart is the County seat)
- Annex office in Hobe Sound, FL (located in south Martin County)
- Indiantown office (located in western Martin County)

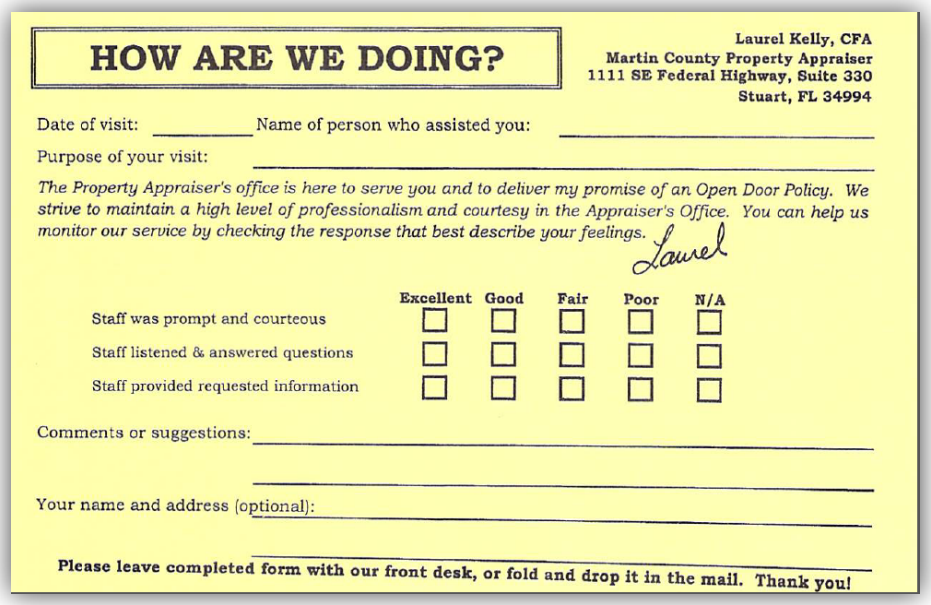
Well trained staff members are available to meet with property owners and answer inquiries in all locations. In addition, the public can email inquiries to info@pa.martin.fl.us or use the "Contact" button link on the website **(Figure 1.2)**.

Figure 1.2: "Contact" Link Available on Website

After standard business hours, the public may leave a voicemail message on the after-hours phone line so that staff may return the call immediately on the next business day. In addition, a dedicated phone line (772) 288-5621 is available to the public that includes a pre-recorded phone message outlining the homestead exemption filing requirements.

The public is encouraged to provide feedback regarding their experience while at the office. Fillable cards titled "How Are We Doing" are available to visitors at each workstation **(Figure 1.3)**.

Figure 1.3: "How Are We Doing" Comment Card



HOW ARE WE DOING?

Laurel Kelly, CFA
Martin County Property Appraiser
1111 SE Federal Highway, Suite 330
Stuart, FL 34994

Date of visit: _____ Name of person who assisted you: _____

Purpose of your visit: _____

The Property Appraiser's office is here to serve you and to deliver my promise of an Open Door Policy. We strive to maintain a high level of professionalism and courtesy in the Appraiser's Office. You can help us monitor our service by checking the response that best describe your feelings.

Laurel

	Excellent	Good	Fair	Poor	N/A
Staff was prompt and courteous	☐	☐	☐	☐	☐
Staff listened & answered questions	☐	☐	☐	☐	☐
Staff provided requested information	☐	☐	☐	☐	☐

Comments or suggestions: _____

Your name and address (optional): _____

Please leave completed form with our front desk, or fold and drop it in the mail. Thank you!

Once submitted, the PAO sends a follow-up letter to the respondent thanking them for their time, comments, and noting action items if applicable **(Figure 1.4).**

Figure 1.4: Thank You Letter in Response to Comment Card

Dear Mrs. Jones,

Thank you for letting me know Robert Smith did a fine job in responding to your needs and delivering my promise of an Open Door Policy. We strive to maintain a high level of professionalism and courtesy at the Appraiser's Office. It's always nice to receive positive feedback!

A copy of your response will be placed in Robert's personnel file. A copy will also be placed on our compliment board, so that others are aware of your nice comments.

Sincerely,

Laurel Kelly, CFA
Martin County Property Appraiser

The public comments are also posted on the website with a link from the home page and are updated a couple times a year **(Figure 1.5)**.

Figure 1.5: Public Comments Posted on PAO Website

The Property Appraiser presents to various organizations and public groups in the community. These presentations are another important citizen interaction effort and are addressed in greater detail later in Chapter 13, question 3.

Confidentiality

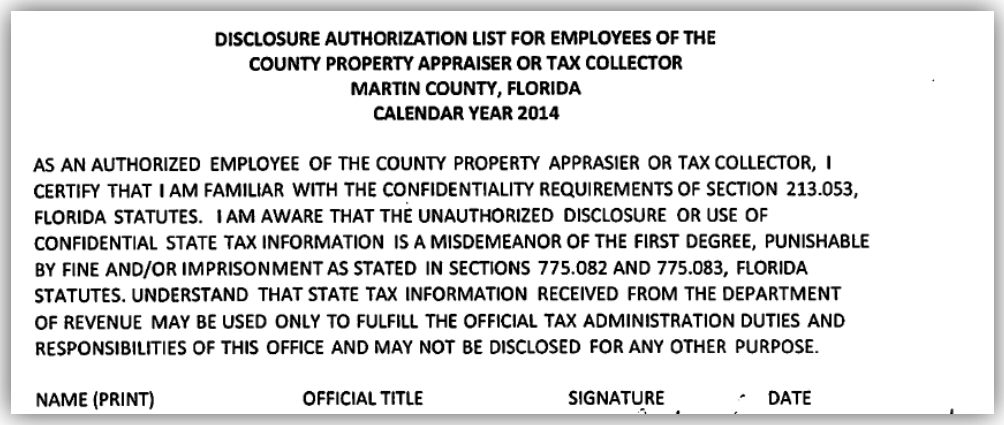
Confidentiality is addressed in various areas throughout the work process. Examples include:

- Deputy Handbook "Code of Ethics" policy #270, Section Two **(5 pg. Exhibit 13-1.5)**. Staff members are required to read, accept and sign a copy of this policy as a condition of their employment with the Martin County PAO.

- Staff members are required to participate in "confidentiality training" as presented by senior management staff. Training consists of the information noted in **(10 pg. Exhibit 13-1.6)**. After the session, participants are required to read, accept and sign the "Martin County Property Appraiser's Office Confidentiality Agreement" **(Exhibit 13-1.7)**.

- Staff members are required to read, accept and sign the Florida Department of Revenue Disclosure Authorization Agreement **(Figure 1.6)** which addresses disclosure or use of confidential state tax information.

Figure 1.6: FDOR Disclosure Authorization Agreement



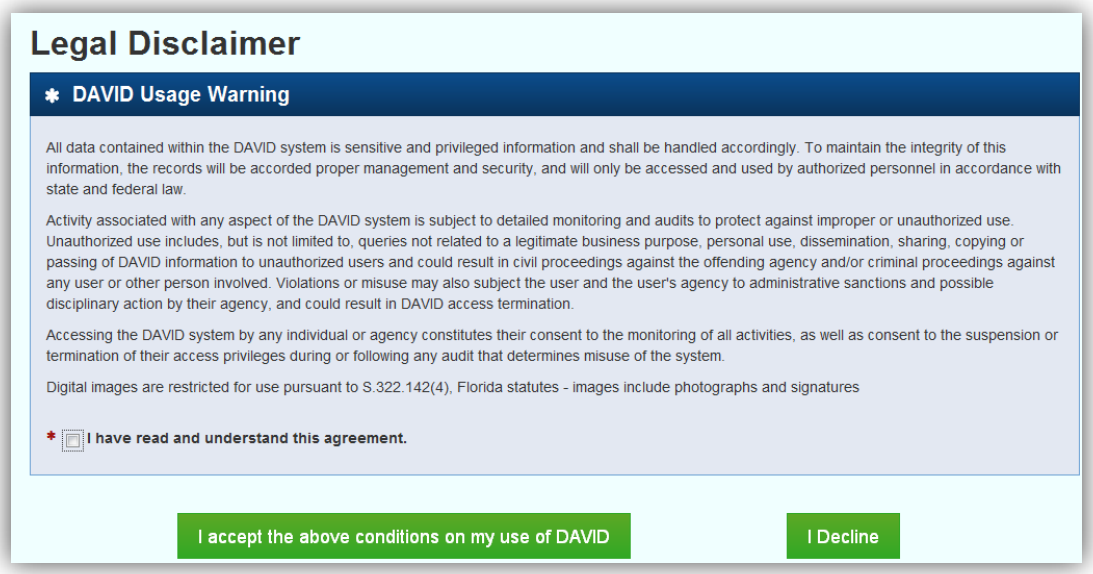
DISCLOSURE AUTHORIZATION LIST FOR EMPLOYEES OF THE
COUNTY PROPERTY APPRAISER OR TAX COLLECTOR
MARTIN COUNTY, FLORIDA
CALENDAR YEAR 2014

AS AN AUTHORIZED EMPLOYEE OF THE COUNTY PROPERTY APPRASIER OR TAX COLLECTOR, I CERTIFY THAT I AM FAMILIAR WITH THE CONFIDENTIALITY REQUIREMENTS OF SECTION 213.053, FLORIDA STATUTES. I AM AWARE THAT THE UNAUTHORIZED DISCLOSURE OR USE OF CONFIDENTIAL STATE TAX INFORMATION IS A MISDEMEANOR OF THE FIRST DEGREE, PUNISHABLE BY FINE AND/OR IMPRISONMENT AS STATED IN SECTIONS 775.082 AND 775.083, FLORIDA STATUTES. UNDERSTAND THAT STATE TAX INFORMATION RECEIVED FROM THE DEPARTMENT OF REVENUE MAY BE USED ONLY TO FULFILL THE OFFICIAL TAX ADMINISTRATION DUTIES AND RESPONSIBILITIES OF THIS OFFICE AND MAY NOT BE DISCLOSED FOR ANY OTHER PURPOSE.

NAME (PRINT) OFFICIAL TITLE SIGNATURE DATE

- The information contained in the Department of Highway Safety and Motor Vehicles Driver And Vehicle Information Database (DAVID) system is confidential and therefore should be treated as such. Before users begin a confidential information search for the purpose of property tax exemption applications and homestead exemption fraud investigations, they must acknowledge the conditions noted in the DAVID legal disclaimer. Each time a session is initiated, the user agrees to use this service in accordance with applicable laws, and only for the permissible use that is accepted when initializing a search session **(Figure 1.7)**.

Figure 1.7: DAVID Legal Disclaimer



Legal Disclaimer

✱ DAVID Usage Warning

All data contained within the DAVID system is sensitive and privileged information and shall be handled accordingly. To maintain the integrity of this information, the records will be accorded proper management and security, and will only be accessed and used by authorized personnel in accordance with state and federal law.

Activity associated with any aspect of the DAVID system is subject to detailed monitoring and audits to protect against improper or unauthorized use. Unauthorized use includes, but is not limited to, queries not related to a legitimate business purpose, personal use, dissemination, sharing, copying or passing of DAVID information to unauthorized users and could result in civil proceedings against the offending agency and/or criminal proceedings against any user or other person involved. Violations or misuse may also subject the user and the user's agency to administrative sanctions and possible disciplinary action by their agency, and could result in DAVID access termination.

Accessing the DAVID system by any individual or agency constitutes their consent to the monitoring of all activities, as well as consent to the suspension or termination of their access privileges during or following any audit that determines misuse of the system.

Digital images are restricted for use pursuant to S.322.142(4), Florida statutes - images include photographs and signatures

* I have read and understand this agreement.

I accept the above conditions on my use of DAVID

I Decline

In addition, authorized DAVID users are required to log and submit their monthly usage, noting date of the search, search type, account number, search on "who", and the purpose. With their monthly submission, the authorized users "*confirm that the searches shown on this log were used in accordance with applicable laws, and only for the permissible use that was selected when initializing the search session. I certify that the data returned was used for business purposes only. I understand that DAVID is not to be used for personal use and that failure to comply may result in disciplinary action up to, and including termination.*" The Administrator will conduct quarterly quality control reviews to ensure all current users are appropriately authorized and understand the confidential nature of the information. In addition, usage reports provided by DAVID will be matched up against the monthly user logs to ensure all searches are warranted and accounted for.

- Restricted staff access is in place for various electronic files such as homestead exemption forms, tangible personal property business returns, residential and commercial income and expense forms, etc.

- The Martin County PAO follows Sections 119.071(2)(h)1, 119.071(2)(j)l, 119.07l(4)(d) l-6 **(Exhibit 13-1.8)** and 493.6122 **(Exhibit 13-1.9)**, Florida Statutes to have property owner name appearing in records be held in confidence. Property owners are required to complete the Confidential Record Request Affidavit **(2 pg. Exhibit 13-1.10)**. Once the Confidential Record Request is granted, corresponding coding is applied to the account, and inquiries regarding the property owner name and ownership of property located in Martin County will indicate that there are no properties in the name.

2. Does the assessment office have an active public relations program that reaches out to the public?

Provide examples of print, video, and web materials created for public awareness, as well as examples of community presentations on assessment topics of interest.

Answer: Yes. The PAO uses a variety of tools and methods to reach out to the public. In addition to the professional, knowledgeable staff that delivers the *Open Door Policy*, the website (www.pa.martin.fl.us) is one of the most valuable and efficient tools used to educate the public. On a daily basis, efforts are focused on keeping the website current. Administrative controls allow information changes to be made quickly, including special alert notices posted on the home page. This allows the public to see the changes immediately. Rather than distributing preprinted literature which may quickly get outdated, staff uses the website to print up-to-date information for property owner inquiries.

The PAO website is mobile friendly. This means that when the homepage is accessed from a smart phone, the layout and information that is displayed is resized and formatted to improve function on a user's phone. The design of the mobile site has been modified to make navigating it on a phone much easier. Directions for saving the website to the home page of an iPhone are distributed at various speaking engagements **(Figure 2.1)**.

Figure 2.1: Mobile Website/App Instructions

A property information summary page designed for realtors is available as a quick link on the website home page **(Figure 2.2)**. The link brings the user to a look up site that queries information from several different GIS layers for an individual property **(Figure 2.3)**.

Figure 2.2: Property Information Summary Page Designed for Realtors

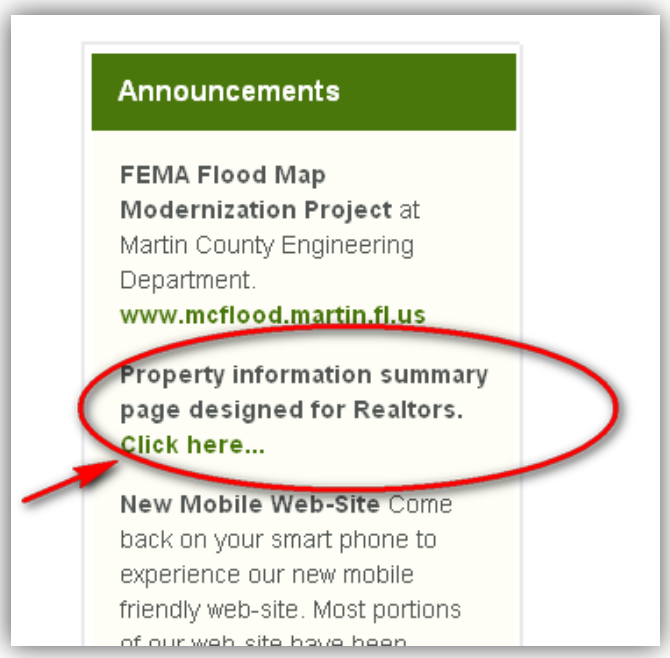
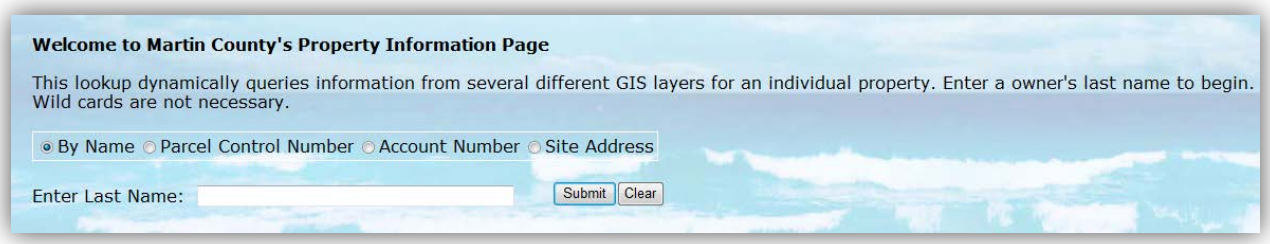


Figure 2.3: Property Information Query Page



The Property Search function on the website has the highest usage rate with an average of 56,000 total monthly visitors and 1,850 average page views per day **(Figure 2.4)**. Usage tips continue to be part of community outreach presentations, in addition to "How to Conduct a Real Property Search" literature available for distribution **(2 pg. Exhibit 13-2.1)**. The "How To" guide is a link available under the Property Search function on the website **(Figure 2.5)**.

Figure 2.4: Property and Map Search

Figure 2.5: "How to Conduct a Real Property Search"

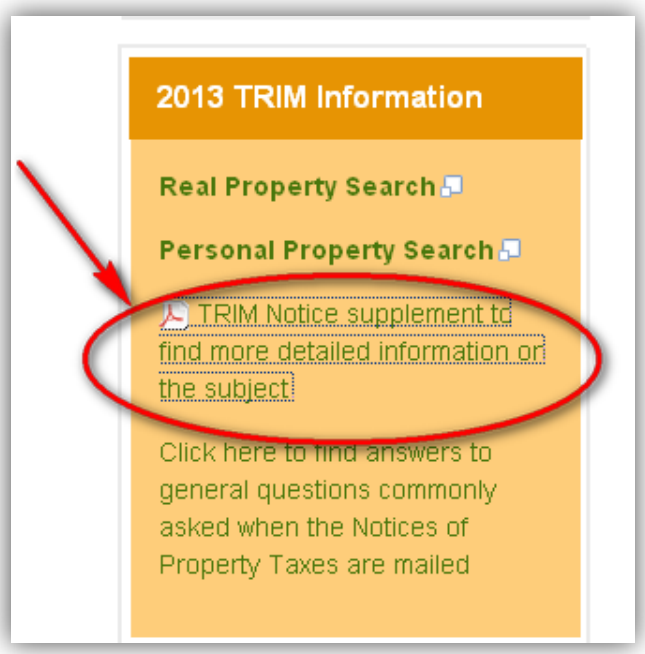
The Property Appraiser makes appearances to keep the public informed on a variety of informative topics such as:

- The impact of passenger rail system on property values
- The impact of Lake Okeechobee water discharges on property values
- Statutory regulations and mass appraisal procedures
- Save Our Homes assessment cap and portability
- Constitutional amendments
- Hurricane damage assessment

A print advertisement and radio spot schedule is used to inform the public of the approaching homestead exemption filing deadline. The advertising schedule runs from the end of December through the 3rd week of February **(Exhibit 13-2.2)**. Print ads are placed in local newspapers, specifically targeting readers in Martin County. Thirty-second radio spots air on the local, news/talk format station, specifically in morning and afternoon drive time programming **(Exhibit 13-2.3)**.

Each year, informational supplements **(5 pg. Exhibit 13-2.4)** are mailed along with the Notice of Proposed Property Taxes **(2 pg. Exhibit 13-2.5)**. The supplement is provided to property owners regarding the Notice itself, including a message from the Property Appraiser, with critical dates, exemptions available, and contact information for the taxing authorities. A link is provided on the website home page to access the informational supplement **(Figure 2.6)**.

Figure 2.6: TRIM Notice Supplement Available on the PAO Website



As a courtesy to the Martin County Utilities Department and cost saving measure, a letter is included with the Notice. The PAO also inserts an information flyer regarding the Children's Services Council, which is the only voter approved taxing authority.

In some instances, informational letters are sent to property owners along with the Notice of Proposed Property Tax notice to provide greater detail as to why their values increased and the comparable sales **(4 pg. Exhibit 13-2.6)**.

As an aid to local realtors, an "Exemption Summary" is available to distribute to potential home buyers. Because there are so many exemptions available, all are consolidated on a single sheet **(Exhibit 13-2.7)**.

Board members of neighborhood associations are contacted when representatives of the Martin County PAO will be in their neighborhood conducting exterior inspections of properties **(Exhibit 13-2.8)**. The PAO is required by law to physically inspect properties once every five years. The purpose of the inspections is to review the condition, quality, and size of structures. Board members are encouraged to communicate this inspection information to their neighbors. The Sheriff's Department also is notified so that they may communicate the same information to inquiring property owners.

Annually in December, letters are sent to new homeowners that have not applied for homestead exemption. These letters serve as an education tool, but also a reminder that the filing deadline to apply is March 1st **(Exhibit 13-2.9)**.

The Property Appraiser presents to various organizations and public groups in the community. These presentations are another important part of the public relations effort and are addressed in greater detail in Chapter 13, question 3.

The PAO staff actively supports the effort of the United Way of Martin County and its affiliate agencies and programs.

3. Does the assessment office have an active program of public appearances to keep the public informed of actions that may affect them?

Briefly describe your office's public appearance outreach program, and provide sample presentations and videos as applicable.

Answer: Yes. The Martin County Property Appraiser along with other staff members makes presentations to various organizations throughout the year **(Exhibit 13-3.1)**. These presentations are another extension of the comprehensive community outreach program. Valuable information is shared with accountants, bankers, attorneys, builders, realtors, senior citizens, government groups, homeowner associations, and other groups. Topics may include new or modified property exemptions, legislative changes, PAO responsibilities, market conditions that affect property values, website navigation, etc. PowerPoint presentations are often used to relay information **(5 pg. Exhibit 13-3.2)**.

4. Can property records be accessed by parcel identifier, situs address, and owner?

Provide public screen shots and reports that show information retrieval and display by each of these three main access methods, as well as other methods you may have created for the general public.

Answer: Yes. The PAO website www.pa.martin.fl.us provides users the opportunity to lookup properties by parcel ID, owner name, location address, account number, FDOR use code, legal description, and neighborhood number **(Figure 4.1)**. All search information on the website is updated weekly. The "How To" guide is also available as a link under the "Property Search" function on the website **(Figure 4.2)**.

Figure 4.1: Property Search Function on the Website

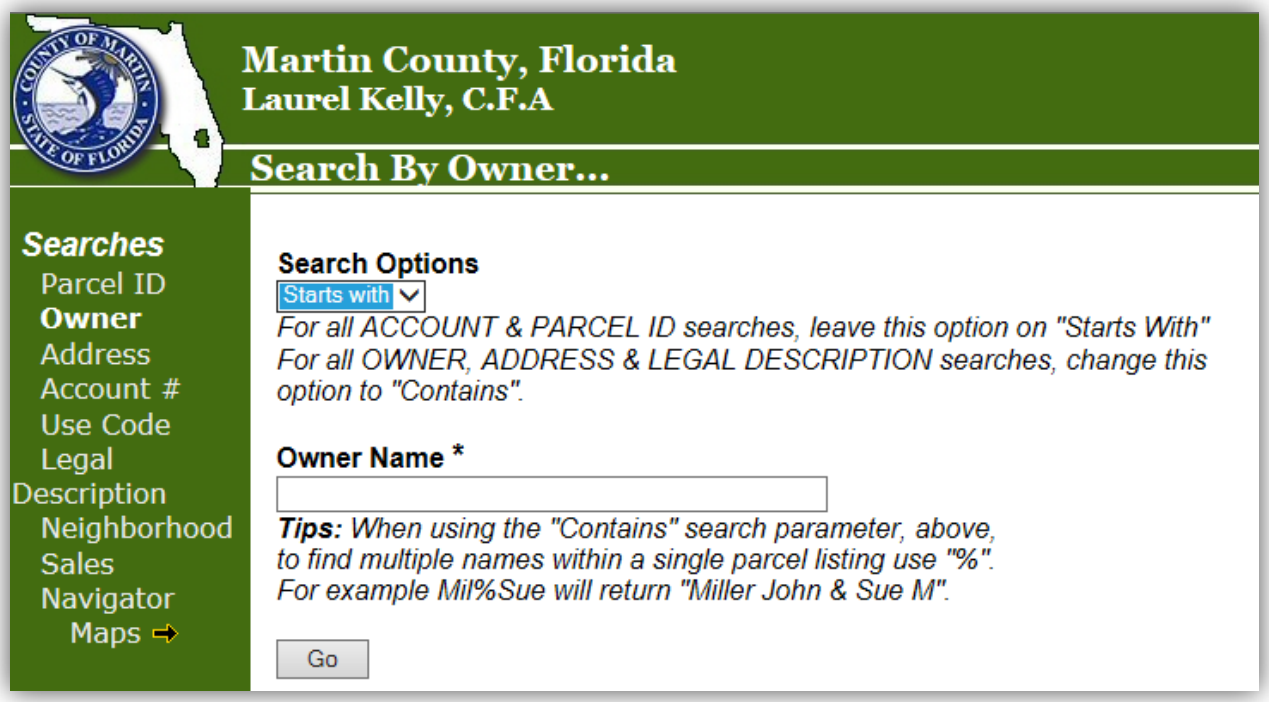
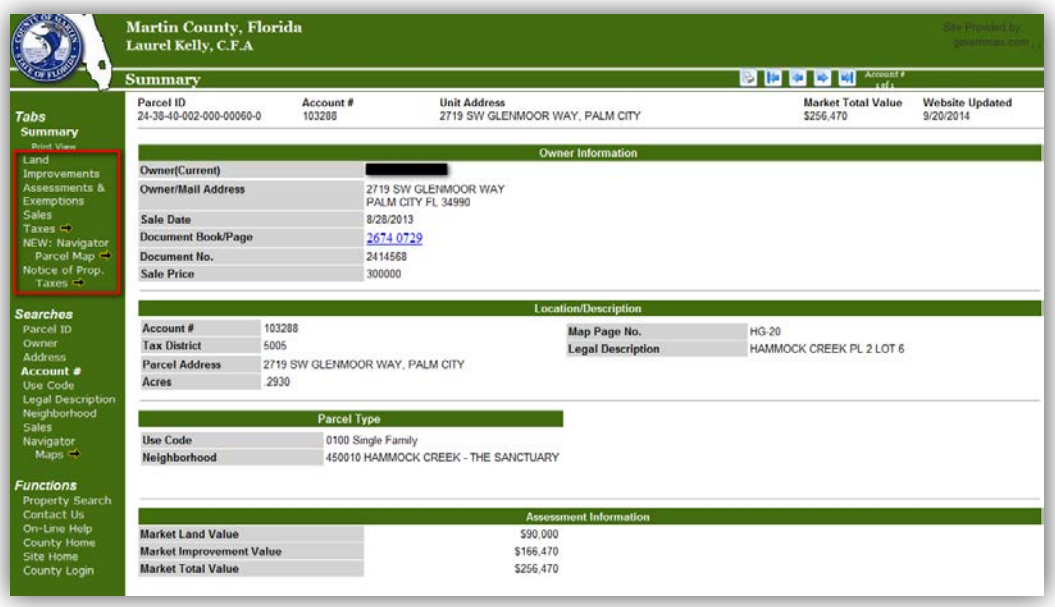


Figure 4.2: "How to Conduct a Real Property Search"

Once the desired parcel is identified, the following information is available for view **(Figure 4.3)**:

Figure 4.3: Summary Screen



- Land value detail: acreage, square feet, frontage and land type of the parcel **(Figure 4.4)**.

Figure 4.4: Land Value Detail

Land

Parcel ID	Account #	Unit Address	Market Total Value	Website Updated
24-38-40-002-000-00060-0	103288	2719 SW GLENMOOR WAY, PALM CITY	$256,470	9/20/2014

Description		Topography		Services	
Acres	.2930	Level	N	Land	N
Legal Description	HAMMOCK CREEK PL 2 LOT 6	High	N	Sewer	N
		Low	N	Gas	N
		Rolling	N	Electricity	N
		Swampy	N	Sidewalk	N
		Flood Haz.		Alley	N
		Water Front Type			

Land Type - 22 Golf Course frontage site

Dimension			
Front	.0	Actual Frontage	.0
Depth	.0	Depth Factor	1.00
Acreage	.00	Acreage Factor	1.00
Sq. Ft.	.00		
Soil ID.		Soil Prod. Factor	10.0

- Improvement detail: list of improvements (i.e. dwelling, shed, pool, screen enclosure, garages), year built, quality grade, size. In addition, a link is provided to view a sketch of the improvement **(Figure 4.5)** and **(Figure 4.6)**.

Figure 4.5: Improvement Detail

Improvements

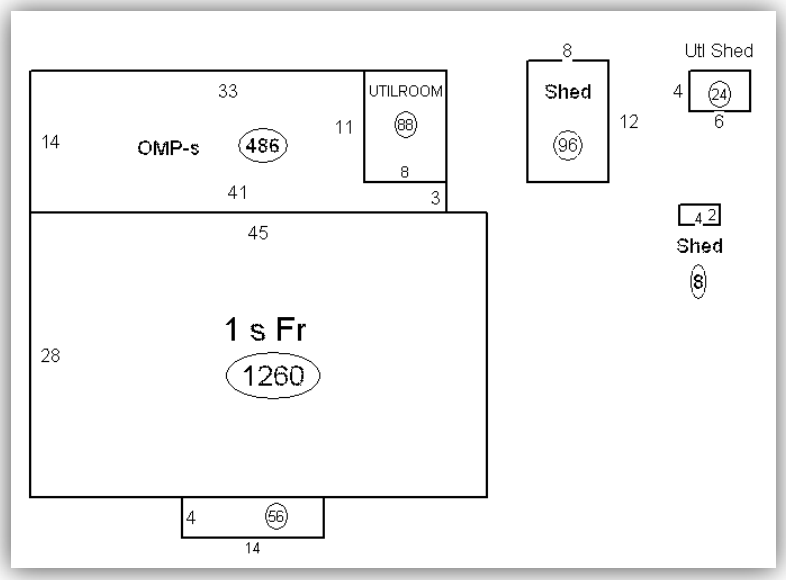
Parcel ID	Account #	Unit Address	Market Total Value	Website Updated
24-38-40-002-000-00060-0	103288	2719 SW GLENMOOR WAY, PALM CITY	$256,470	9/20/2014

Improvements

View	Imp. Type Code	Imp. Type Desc.	Build No.	Improve No.	Year Built	Grade	Floor Area	Imp. Size
View Details / Print View	DWELL	Dwelling	R01	D	1996	Avg	2,234	
	ATTGAR	Attached Garage	R01	G01	0000	Avg		462
	CONCP	Concrete Patio	R01	01	2000	Avg		280
	POOLENC	Residential Pool Enclosure	R01	03	2000	Avg		918
	PAV	Residential Paving	R01	05	1996	Avg		0
	SPRNKLR	Sprinkler System	R01	06	1996	Avg		1

Click on the "View Details" link (if available) to see more detailed information including sketches.

Figure 4.6: Improvement Sketch



- Assessments and exemptions: The information includes historical certified values, assessment date, land value, improvement value, total market value, assessed value, exemption amount, and taxable value **(Figure 4.7)**.

Figure 4.7: Assessments and Exemptions

Assessments & Exemptions

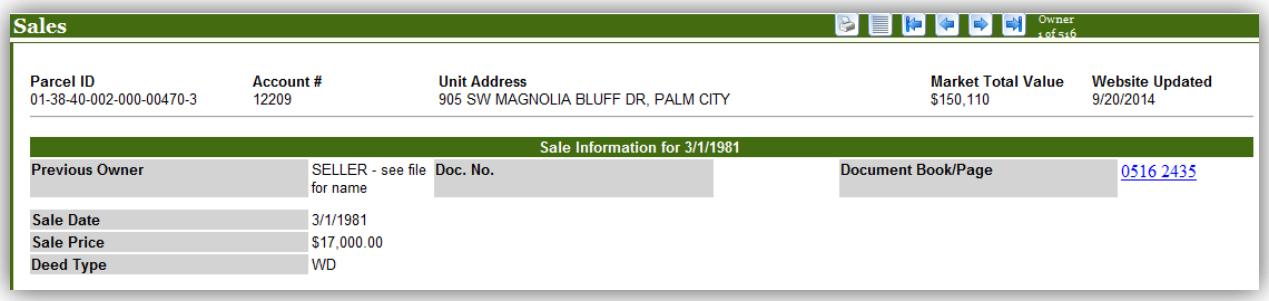
Parcel ID	Account #	Unit Address	Market Total Value	Website Updated
24-38-40-002-000-00060-0	103288	2719 SW GLENMOOR WAY, PALM CITY	$256,470	9/20/2014

Assessment History

Year	Assessment Date	Land Value	Improvement Value	Market Value	Assessed Value	Exemption Amount	Taxable Value	Description
2014	01-01-2014	$90,000	$166,470	$256,470	$256,470	$50,000	$206,470	-- Annual Roll
2013	01-01-2013	$82,000	$144,760	$226,760	$226,760	$0	$226,760	-- Annual Roll
2012	01-01-2012	$90,000	$156,880	$246,880	$246,880	$0	$246,880	-- Annual Roll
2011	01-01-2011	$100,000	$159,430	$259,430	$254,463	$0	$254,463	-- Annual Roll
2010	01-01-2010	$87,300	$144,030	$231,330	$231,330	$0	$231,330	-- Annual Roll
2009	01-01-2009	$104,000	$171,680	$275,680	$275,680	$0	$275,680	-- Annual Roll
2008	01-01-2008	$150,000	$195,120	$345,120	$345,120	$0	$345,120	-- Annual Roll
2007	01-01-2007	$130,000	$236,830	$366,830	$198,959	$25,000	$173,959	-- Annual Roll
2006	01-01-2006	$120,000	$230,720	$350,720	$194,105	$25,000	$169,105	-- Annual Roll
2005	01-01-2005	$98,600	$180,500	$279,100	$170,151	$25,000	$145,151	-- Annual Roll
2004	01-01-2004	$81,200	$189,830	$271,030	$182,962	$25,000	$157,962	-- Annual Roll
2003	01-01-2003	$58,000	$165,870	$223,870	$179,551	$25,000	$154,551	-- Annual Roll
2002	01-01-2002	$58,000	$139,877	$197,877	$175,343	$25,000	$150,343	-- Annual Roll

- Historical sales information: sale date, sale price, deed type, and book/page number which can be used to look up the actual document on the Martin County Clerk of the Circuit Court website **(Figure 4.8)**.

Figure 4.8: Historical Sales Information



Sales

Owner 1 of 516

Parcel ID	Account #	Unit Address	Market Total Value	Website Updated
01-38-40-002-000-00470-3	12209	905 SW MAGNOLIA BLUFF DR, PALM CITY	$150,110	9/20/2014

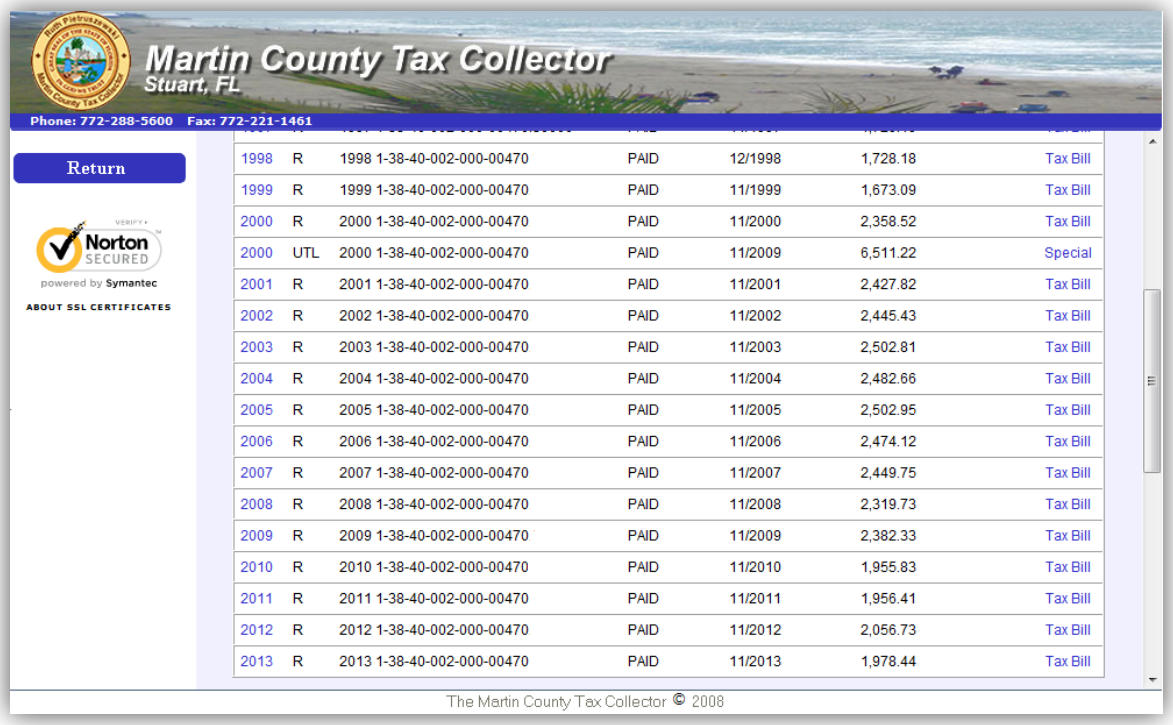
Sale Information for 3/1/1981

Previous Owner	SELLER - see file for name	Doc. No.		Document Book/Page	0516 2435

Sale Date	3/1/1981
Sale Price	$17,000.00
Deed Type	WD

- Tax information: link connects to the Martin County Tax Collector's website, where the owner's tax bill may be viewed **(Figure 4.9)**.

Figure 4.9: Tax Information



Martin County Tax Collector
Stuart, FL

Phone: 772-288-5600 Fax: 772-221-1461

Return

Norton SECURED powered by Symantec

ABOUT SSL CERTIFICATES

1998	R	1998 1-38-40-002-000-00470	PAID	12/1998	1,728.18	Tax Bill
1999	R	1999 1-38-40-002-000-00470	PAID	11/1999	1,673.09	Tax Bill
2000	R	2000 1-38-40-002-000-00470	PAID	11/2000	2,358.52	Tax Bill
2000	UTL	2000 1-38-40-002-000-00470	PAID	11/2009	6,511.22	Special
2001	R	2001 1-38-40-002-000-00470	PAID	11/2001	2,427.82	Tax Bill
2002	R	2002 1-38-40-002-000-00470	PAID	11/2002	2,445.43	Tax Bill
2003	R	2003 1-38-40-002-000-00470	PAID	11/2003	2,502.81	Tax Bill
2004	R	2004 1-38-40-002-000-00470	PAID	11/2004	2,482.66	Tax Bill
2005	R	2005 1-38-40-002-000-00470	PAID	11/2005	2,502.95	Tax Bill
2006	R	2006 1-38-40-002-000-00470	PAID	11/2006	2,474.12	Tax Bill
2007	R	2007 1-38-40-002-000-00470	PAID	11/2007	2,449.75	Tax Bill
2008	R	2008 1-38-40-002-000-00470	PAID	11/2008	2,319.73	Tax Bill
2009	R	2009 1-38-40-002-000-00470	PAID	11/2009	2,382.33	Tax Bill
2010	R	2010 1-38-40-002-000-00470	PAID	11/2010	1,955.83	Tax Bill
2011	R	2011 1-38-40-002-000-00470	PAID	11/2011	1,956.41	Tax Bill
2012	R	2012 1-38-40-002-000-00470	PAID	11/2012	2,056.73	Tax Bill
2013	R	2013 1-38-40-002-000-00470	PAID	11/2013	1,978.44	Tax Bill

The Martin County Tax Collector © 2008

- MC Navigator: link connects to Martin County's GIS interactive mapping software, allowing users to see their selected property on an aerial map and to search other surrounding properties on the same map **(Figure 4.10)**.

Figure 4.10: MC Navigator Mapping Software

- <u>Notice of Proposed Property Taxes **(Figure 4.11)**</u>: link connects to the parcel's annual property tax notice **(3 pg. Exhibit 13-4.1)**.

Figure 4.11: Notice of Proposed Property Taxes

NOTICE OF **PROPOSED** PROPERTY TAXES
MARTIN COUNTY TAXING AUTHORITIES
1111 SE FEDERAL HWY., SUITE 330
STUART, FL 34994
(772) 288-5608

DO NOT PAY
THIS IS NOT A BILL

Account #
Owners

2013 REAL PROPERTY
Parcel #
Situs
Legal Description

TAXING AUTHORITY TAX INFORMATION

TAXING AUTHORITY	PRIOR (2012) TAXABLE VALUE	YOUR FINAL TAX RATE AND TAXES LAST YEAR (2012)		CURRENT (2013) TAXABLE VALUE	YOUR TAX RATE AND TAXES THIS YEAR IF NO BUDGET CHANGE IS MADE		YOUR TAX RATE AND TAXES THIS YEAR IF PROPOSED BUDGET CHANGE IS MADE	
	COLUMN 1	COLUMN 2 RATE	COLUMN 3 TAXES	COLUMN 4	COLUMN 5 RATE	COLUMN 6 TAXES	COLUMN 7 RATE	COLUMN 8 TAXES
Martin County								
General Operations	198,880	8.6885	1,727.97	203,112	8.6913	1,765.31	8.9712	1,822.16
Voter Approved Debt	198,880	0.0373	7.42	203,112	0.0368	7.47	0.0368	7.47
Western District 2 MSTU	198,880	0.0000	0.00	203,112	0.0000	0.00	0.0000	0.00
School Board								
By: Local Board	223,880	2.2480	503.28	228,112	2.2337	509.53	2.2480	512.80
By: State Law	223,880	4.6560	1,042.39	228,112	4.6263	1,055.31	5.0300	1,147.40
Children Services Council	198,880	0.3693	73.45	203,112	0.3676	74.66	0.3693	75.01
South Florida Water Mgmt. Dist.								
Basin Tax	198,880	0.1919	38.17	203,112	0.1838	37.33	0.1838	37.33
District Tax	198,880	0.1757	34.94	203,112	0.1685	34.22	0.1685	34.22
Everglades Const.	198,880	0.0613	12.19	203,112	0.0587	11.92	0.0587	11.92
Florida Inland Navigation Dist.	198,880	0.0345	6.86	203,112	0.0332	6.74	0.0345	7.01
TOTAL AD VALOREM PROPERTY TAXES			3,446.67			3,502.49		3,655.32

PROPERTY APPRAISER VALUE INFORMATION

	MARKET VALUE	ASSESSED VALUE APPLIES TO SCHOOL MILLAGE	ASSESSED VALUE APPLIES TO NON-SCHOOL MILLAGE
PRIOR YEAR (2012)	248,880	248,880	248,880
CURRENT YEAR (2013)	279,580	253,112	253,112

APPLIED ASSESSMENT REDUCTIONS	APPLIES TO	PRIOR VALUE (2012)	CURRENT VALUE (2013)
SAVE OUR HOMES BENEFIT	ALL TAXES	0	26,468
NON-HOMESTEAD 10% CAP BENEFIT	NON-SCHOOL TAXES	0	0
AGRICULTURAL CLASSIFICATION	ALL TAXES	0	0
OTHER	ALL TAXES	0	0
EXEMPTIONS	**APPLIES TO**	**PRIOR VALUE (2012)**	**CURRENT VALUE (2013)**
FIRST HOMESTEAD	ALL TAXES	25,000	25,000
ADDITIONAL HOMESTEAD	NON-SCHOOL COUNTY TAXES	25,000	25,000
ADDITIONAL HOMESTEAD	NON-SCHOOL CITY TAXES	25,000	25,000
LIMITED INCOME SENIOR	COUNTY OPERATING TAXES	0	0
OTHER	ALL TAXES	0	0
OTHER	ALL TAXES	0	0

If you feel the market value of the property is inaccurate or does not reflect fair market value as of January 1, 2013, or if you are entitled to an exemption or classification that is not reflected, please contact the Martin County Property Appraiser's Office at:

1111 SE Federal Hwy., Suite 330
Stuart, FL 34994
Customer Service (772) 288-5608

If the Property Appraiser's Office is unable to resolve the matter as to the market value, classification, or an exemption, you may file a petition for adjustment with the Value Adjustment Board. Petition forms are available online at:
http://www.pa.martin.fl.us

Petitions must be filed on or before:
September 13, 2013

SEE REVERSE SIDE FOR NON AD VALOREM ASSESSMENTS AND EXPLANATIONS OF THE COLUMNS ABOVE.

- Sales Search: In addition to searching an individual property by the previous noted criteria, searches can also be done by using the sales information. By clicking on the word "Sales" under the "Searches" category, the link will connect the user to a page where a sales search may be initiated. A sale can be searched by parcel ID, sale price range, owner name, sale date range, year built range, number of bedrooms and bathrooms, physical address, square feet of a house, story height, FDOR use code, neighborhood code, taxing district, and legal description. Using any combination of the search criteria fields provides the user the opportunity to be very specific, consequently limiting the number of results. Or, if desired, limiting the combination of search criteria will produce a larger results pool.

5. Does the assessment office take advantage of automated mapping or GIS to facilitate public access to information?

If applicable, provide examples of map-based access to appraisal and assessment information that your office provides to the general public.

Answer: Yes. The Martin County PAO uses an internet-based GIS system called *MC Navigator* to facilitate public access to GIS parcel and ownership information. Once a parcel is queried and selected in *MC Navigator*, a direct link will be made to the parcel's "Summary Page" within the "Real Property Search" function of the PAO website **(Exhibit 13-5.1)**. Appraisal and assessment information can be viewed specific to the desired parcel.

Vice versa, if a parcel is viewed in the "Real Property Search" on the Property Appraiser's website, a direct link will provide access to view the parcel in *MC Navigator* **(Exhibit 13-5.2)**.

6. Does the assessment office have available for public distribution a non-technical description of the process for assessing property, appeal rights and procedures, exemptions and other forms of tax relief, and the process for calculating property tax bills?

A sample of an up-to-date publication covering these points should be provided, including copies of similar information available on your website.

Answer: Yes. In August, the PAO mails an informational supplement along with the Notice of Proposed Property Taxes **(Exhibit 13-2.4)**. This supplement includes information such as critical filing dates, available exemptions, assessment limitations as set by Florida Statutes, understanding your appraisal, how to appeal value your value if you do not agree with the appraisal, and taxing authority contact information and description of their services.

The website www.pa.martin.fl.us also provides valuable information for the taxpayer such as:

"Frequently Asked Questions"

- Appraisal Process **(Exhibit 13-6.1)**
- Explanation of Data Displayed **(Exhibit 13-6.2)**
- Notice of Proposed Property Taxes (TRIM) **(Exhibit 13-6.3)**
- Petition Filing Instructions **(Exhibit 13-6.4)**
- Ownership & Address Changes **(Exhibit 13-6.5)**
- Tangible Personal Property **(Exhibit 13-6.6)**
- Agricultural Classification **(Exhibit 13-6.7)**
- Understanding the Ups & Downs of Property Appraisals, Taxes **(Exhibit 13-6.8)**

"Help Topics"

- Terms & Definitions: explanation of common words used throughout the website **(Exhibit 13-6.9)**
- Taxing Authorities: list of taxing authorities, oversight responsibility and contact information **(Exhibit 13-6.10)**

Chapter Thirteen List of Exhibits

Exhibit 13-1.1	New Employee Checklist
Exhibit 13-1.2	Deputy Handbook
Exhibit 13-1.3	Participation Form
Exhibit 13-1.4	Free Standard Reports
Exhibit 13-1.5	Code of Ethics
Exhibit 13-1.6	Primary Areas Where we Receive Confidential Information
Exhibit 13-1.7	Confidentiality Agreement
Exhibit 13-1.8	F.S. 119.071
Exhibit 13-1.9	F.S. 493.6122
Exhibit 13-1.10	Confidential Record Request Affidavit
Exhibit 13-2.1	How to Conduct a Real Property Search
Exhibit 13-2.2	Media Advertising Schedule
Exhibit 13-2.3	Radio Script
Exhibit 13-2.4	Informational Supplement
Exhibit 13-2.5	Notice of Proposed Property Taxes
Exhibit 13-2.6	Informational Letter
Exhibit 13-2.7	Exemption Summary
Exhibit 13-2.8	Exterior Inspections Notification Letter
Exhibit 13-2.9	New Homeowner Exemption Letter
Exhibit 13-3.1	Schedule of Presentations
Exhibit 13-3.2	Fun Facts
Exhibit 13-4.1	F.S. Chapter 194
Exhibit 13-5.1	Summary Page
Exhibit 13-5.2	MC Navigator
Exhibit 13-6.1	Appraisal Process
Exhibit 13-6.2	Explanation of Data Displayed
Exhibit 13-6.3	Notice of Proposed Property Taxes (TRIM)
Exhibit 13-6.4	Petition Filing Instructions
Exhibit 13-6.5	Ownership & Address Changes
Exhibit 13-6.6	Tangible Personal Property
Exhibit 13-6.7	Agricultural Classification
Exhibit 13-6.8	Understanding the Ups & Downs of Property Appraisals, Taxes
Exhibit 13-6.9	Terms & Definitions
Exhibit 13-6.10	Taxing Authorities